

Widam Food Company Q.P.S.C.

Condensed Interim Financial Statements

30 June 2020

Widam Food Company Q.P.S.C.

**Condensed interim financial statements
30 June 2020**

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Independent auditor's report on review of condensed interim financial statements

To the Shareholders of Widam Food Company Q.P.S.C.
Doha, State of Qatar

Introduction

We have reviewed the accompanying condensed statement of financial position of Widam Food Company Q.P.S.C. (the "Company") as at 30 June 2020, the condensed statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended, and notes to the condensed interim financial statements (the "condensed interim financial statements"). The Board of Directors is responsible for the preparation and presentation of these condensed interim financial statements in accordance with IAS 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements as at and for the six months ended 30 June 2020 are not prepared, in all material respects, in accordance with IAS 34 "Interim Financial Reporting".

23 July 2020
Doha
State of Qatar



Yacoub Hobeika

Yacoub Hobeika
Qatar Audit Registration Number 289
KPMG
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License No. 120153

Widam Food Company Q.P.S.C.

**Condensed statement of financial position
As at 30 June 2020**

In Qatari Riyals

	Notes	30 June 2020 (Reviewed)	31 December 2019 (Audited)
ASSETS			
Non-current assets			
Property and equipment	5	22,469,187	21,774,556
Projects under progress	6	4,903,584	4,727,578
Equity investment – FVOCI	7	47,448,960	38,020,000
Right-of-use assets	8 (a)	3,666,441	6,711,996
		<u>78,488,172</u>	<u>71,234,130</u>
Current assets			
Biological assets	9	767,549	834,818
Inventories		33,777,260	16,526,695
Trade and other receivables	10	255,177,634	230,274,885
Cash and bank balances	11	91,220,955	191,938,841
		<u>380,943,398</u>	<u>439,575,239</u>
Total assets		<u>459,431,570</u>	<u>510,809,369</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	12	180,000,000	180,000,000
Legal reserve		83,963,346	83,963,346
Fair value reserve		5,048,760	(4,380,200)
Foreign currency translation reserve		(23,539,536)	(22,716,668)
Retained earnings		105,151,942	109,600,971
Total equity		<u>350,624,512</u>	<u>346,467,449</u>
Non-current liabilities			
Provision for employees' end of service benefits		15,186,620	14,509,148
Lease liabilities	8 (b)	257,756	1,285,679
		<u>15,444,376</u>	<u>15,794,827</u>
Current liabilities			
Trade and other payables		89,774,445	142,694,786
Islamic financing credit facilities	13	30,266	271,560
Lease liabilities	8 (b)	3,557,971	5,580,747
		<u>93,362,682</u>	<u>148,547,093</u>
Total liabilities		<u>108,807,058</u>	<u>164,341,920</u>
Total equity and liabilities		<u>459,431,570</u>	<u>510,809,369</u>

These condensed interim financial statements were approved by the Board of Directors and signed on its behalf by the following on 23 July 2020:


Mohamed Badr Al Sada
Chairman


ALNoubay Salem Al-Marri
Chief Executive Officer

The notes on pages 7 to 17 are an integral part of these condensed interim financial statements.



Widam Food Company Q.P.S.C.

**Condensed statement of profit or loss
For the six month period ended 30 June 2020**

In Qatari Riyals

	Notes	For the six month period ended	
		30 June 2020 (Reviewed)	30 June 2019 (Reviewed)
Continuing operations:			
Revenue	14	319,219,995	304,349,874
Government compensation	10	246,741,886	283,755,681
Cost of sales		<u>(496,900,382)</u>	<u>(504,060,988)</u>
Gross profit		69,061,499	84,044,567
Other income		2,074,448	135,573
General and administrative expenses		<u>(25,859,645)</u>	<u>(26,706,446)</u>
Operating profit		45,276,302	57,473,694
Investment income		3,612,700	5,501,656
Foreign exchange gain		812,670	310,902
Finance cost on lease liabilities		<u>(150,701)</u>	<u>(197,881)</u>
Profit for the period from continuing operations		49,550,971	63,088,371
Discontinued operation:			
Loss from discontinued operation	15	-	<u>(13,845,506)</u>
Profit for the period		49,550,971	49,242,865
Earnings per share			
Basic and diluted earnings per share	16	<u>0.28</u>	<u>0.27</u>
Earnings per share - continuing operations			
Basic and diluted earnings per share	16	<u>0.28</u>	<u>0.35</u>

The notes on pages 7 to 17 are an integral part of these condensed interim financial statements.

Widam Food Company Q.P.S.C.

**Condensed statement of comprehensive income
For the six month period ended 30 June 2020**

In Qatari Riyals

	For the six month period ended	
	30 June 2020 (Reviewed)	30 June 2019 (Reviewed)
Profit for the period	49,550,971	49,242,865
Other comprehensive income:		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Foreign operation - Foreign currency translation differences	(822,868)	968,341
<i>Items that will not be reclassified to profit or loss:</i>		
Financial assets at FVOCI - net change in fair value	9,428,960	-
Total comprehensive income for the period	58,157,063	50,211,206

The notes on pages 7 to 17 are an integral part of these condensed interim financial statements.

Widam Food Company Q.P.S.C.

**Condensed statement of changes in equity
For the six month period ended 30 June 2020**

In Qatari Riyals

	Share capital	Legal reserve (1)	Fair value reserve	Foreign currency translation reserve	Retained earnings	Total
At 1 January 2019, as restated (Note 19)	180,000,000	76,124,241	-	(24,199,102)	122,008,798	353,933,937
<i>Total comprehensive income:</i>						
Profit for the period	-	-	-	-	49,242,865	49,242,865
Other comprehensive income	-	-	-	968,341	-	968,341
Total comprehensive income for the period	-	-	-	968,341	49,242,865	50,211,206
<i>Transactions with owners of the Company:</i>						
Dividends (Note 18)	-	-	-	-	(81,000,000)	(81,000,000)
At 30 June 2019 (reviewed)	180,000,000	76,124,241	-	(23,230,761)	90,251,663	323,145,143
At 1 January 2020 (audited)	180,000,000	83,963,346	(4,380,200)	(22,716,668)	109,600,971	346,467,449
<i>Total comprehensive income:</i>						
Profit for the period	-	-	-	-	49,550,971	49,550,971
Other comprehensive income	-	-	9,428,960	(822,868)	-	8,606,092
Total comprehensive income for the period	-	-	9,428,960	(822,868)	49,550,971	58,157,063
<i>Transactions with owners of the Company:</i>						
Dividends (Note 18)	-	-	-	-	(54,000,000)	(54,000,000)
At 30 June 2020 (reviewed)	180,000,000	83,963,346	5,048,760	(23,539,536)	105,151,942	350,624,512

(1) The legal reserve will be accounted for at the year end.

The notes on pages 7 to 17 are an integral part of these condensed interim financial statements.

Widam Food Company Q.P.S.C.

**Condensed statement of cash flows
For the six month period ended 30 June 2020**

In Qatari Riyals

	For the six month period ended	
	30 June 2020	30 June 2019
	Notes	(Reviewed)
		(Reviewed)
Cash flows from operating activities		
Profit for the period		49,550,971
<i>Adjustments for:</i>		
Loss from discontinued operations	15	-
Depreciation of property and equipment		13,845,506
Depreciation of right-of-use of assets		1,919,954
Finance cost on lease liabilities		2,313,552
Provision for employees' end of service benefits		150,701
Profit from bank deposits and call accounts		197,881
Dividend income		1,507,827
		1,572,288
		(2,814,280)
		(5,501,656)
		(798,420)
		-
		<u>52,632,622</u>
		<u>63,590,390</u>
<i>Changes in:</i>		
- inventory		(17,250,565)
- biological assets		11,897,170
- trade and other receivables		67,269
- trade and other payables		4,228,242
		(24,902,749)
		82,981,164
		(52,920,341)
		(29,348,406)
Cash generated from operations		(42,373,764)
Employees' end of service benefits paid		133,348,560
		(830,355)
		(570,398)
Net cash (used in) / from operating activities		(43,204,119)
		<u>132,778,162</u>
Cash flows from investing activities		
Acquisition of property and equipment	5	(2,684,899)
Movement in projects under progress		(6,414,888)
Profit from bank deposits and call accounts		(176,006)
Dividend income		5,485,948
Net movement in bank deposits		2,814,280
		5,501,656
		798,420
		-
		<u>160,000,000</u>
		<u>62,528,420</u>
Net cash from investing activities		160,751,795
		<u>67,101,136</u>
Cash flows from financing activities		
Dividends paid		(54,000,000)
Repayments of Islamic financing credit facilities		(81,000,000)
Payment of lease liabilities		(241,294)
Finance cost paid on lease liabilities		(241,396)
		(3,050,699)
		(2,313,552)
		(150,701)
		(197,881)
Net cash used in financing activities		(57,442,694)
		<u>(83,752,829)</u>
Net increase in cash and cash equivalents during the period		60,104,982
		116,126,469
Cash and cash equivalents at the beginning of the period		31,838,841
Net translation differences		15,461,228
		(822,868)
		968,341
Cash and cash equivalents at the end of the period		91,120,955
		<u>132,556,038</u>

The notes on pages 7 to 17 are an integral part of these condensed interim financial statements

Widam Food Company Q.P.S.C.

Notes to the condensed interim financial statements For the six month period ended 30 June 2020

1. REPORTING ENTITY

Widam Food Company Q.P.S.C. (the "Company") was incorporated in accordance with the Resolution No. 75 of 2003 issued by the Minister of Economy and Finance of the State of Qatar as a Qatari Public Shareholding Company, and was registered at the Ministry of Economy and Commerce of the State of Qatar with the Commercial Registration No. 26911 dated 16 December 2003. The Company is domiciled in the State of Qatar, where it also has its principal place of business. Its registered office is at Second floor, QFB Building, Suhaim bin Hamad street, Al Saad, Doha.

The Company's principal activities include the import and trade of livestock, meat and feeds. In addition the Company is engaged in the slaughter of sheep and cattle and supplying the local market with fresh meat and related products.

The accompanying condensed interim financial statements include the assets, liabilities and results of operations of the Company's branch in Sudan.

2. BASIS OF PREPARATION

These condensed interim financial statements have been prepared in accordance with the International Accounting Standard (IAS) 34 "Interim Financial Reporting", and should be read in conjunction with the Company's last annual financial statements as at and for the year ended 31 December 2019 ("last annual financial statements"). They do not include all the information required for a complete set of financial statements prepared in accordance with International Financial Reporting Standards (IFRS). However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

The condensed interim financial statements of the Company were authorised for issue by the Board of Directors on 23 July 2020.

3. USE OF JUDGEMENTS AND ESTIMATES

In preparing these condensed interim financial statements, management has made judgments and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the latest annual financial statements.

Measurement of fair values

When measuring the fair value of an asset or liability, the Company uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted market price (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- Level 3: inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in these interim financial statements are the same as those applied in the Company's financial statements as at and for the year ended 31 December 2019.

New and amended standards that became effective during the period

A number of new standards are effective from 1 January 2020 but they do not have a material effect on the Company's condensed interim financial statements.

- Amendments to References to Conceptual Framework in IFRS Standards.
- Definition of a Business (Amendments to IFRS 3).
- Definition of Material (Amendments to IAS 1 and IAS 8).
- Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7).

5. PROPERTY AND EQUIPMENT**Acquisitions**

During the six months ended 30 June 2020, the Company acquired assets with a cost of QR 2,684,899 (six-months ended 30 June 2019: QR 6,414,888).

Disposals and write-offs

There were no disposals and write-offs of property and equipment during the period.

6. PROJECTS UNDER PROGRESS

Projects under progress balances at the end of the six-month period / year were as follows:

	30 June 2020 (Reviewed)	31 December 2019 (Audited)
Local projects		
Al Shahaniya slaughter house (1)	<u>880,853</u>	<u>-</u>
Foreign projects		
Sudan farm project (2)	2,384,242	2,384,242
Sudan cattle fattening project	3,874,766	4,579,613
Australia farm project (2)	460,706	460,706
Sudan branch project (2)	245,934	245,934
Qatar meat factory (2)	<u>147,965</u>	<u>147,965</u>
	7,113,613	7,818,460
Impairment on foreign projects under progress	<u>(3,090,882)</u>	<u>(3,090,882)</u>
	4,022,731	4,727,578
	<u>4,903,584</u>	<u>4,727,578</u>

(1) The Company has started construction of a new slaughter house in Al Shahniyah area of State of Qatar in order to shift their old slaughter house from Abu Hamour area as per the instructions of Government of State of Qatar.

(2) The Company invested in a number of projects related to building new slaughterhouses in some foreign countries. The work on these projects has been discontinued in 2011 based on the decision of the Government of Qatar during the prior years.

Widam Food Company Q.P.S.C.

Notes to the condensed interim financial statements For the six month period ended 30 June 2020

In Qatari Riyals

7. EQUITY INVESTMENT - FVOCI

	30 June 2020 (Reviewed)	31 December 2019 (Audited)
Quoted shares in Qatari public shareholding company (1)	47,448,960	38,020,000
	47,448,960	38,020,000

(1) During the year ended 31 December 2019, the Company has invested in the Initial Public Offer (IPO) for the shares of a local company and purchased 38,020,000 shares of the Company with a nominal value of QR 1 per share. The Company has paid a transaction cost of QR 0.01 per share.

8. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

a) Right-of-use assets

The right-of-use assets relate to office premises, properties used for slaughterhouses and shops for meat sale situated in the State of Qatar.

The following amounts are included in the right-of-use assets in the statement of financial position and cost of sales and general and administrative expenses in the statement of profit or loss:

	30 June 2020 (Reviewed)	31 December 2019 (Audited)
Cost		
At 1 January	12,827,031	-
Adjustment on initial adoption of IFRS 16	-	9,491,565
Prepaid rent adjustment	-	91,349
Adjusted balance at 1 January	12,827,031	9,582,914
Additions	-	3,244,117
At 30 June / 31 December	12,827,031	12,827,031
Accumulated depreciation		
At 1 January	6,115,035	-
Depreciation	3,045,555	6,115,035
At 30 June / 31 December	9,160,590	6,115,035
Carrying amounts	3,666,441	6,711,996

b) Lease liabilities

The movements of finance lease liabilities were as follows:

	30 June 2020 (Reviewed)	31 December 2019 (Audited)
At 1 January	6,866,426	-
Adjustment on initial adoption of IFRS 16	-	9,491,565
Adjusted balance at 1 January	6,866,426	9,491,565
New leases	-	3,244,117
Payment	(3,050,699)	(5,869,256)
At 30 June / 31 December	3,815,727	6,866,426

Notes to the condensed interim financial statements
For the six month period ended 30 June 2020

In Qatari Riyals

8. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONTINUED)**b) Lease liabilities (continued)**

The finance lease liabilities are presented in the statement of financial position as follows:

	30 June 2020 (Reviewed)	31 December 2019 (Audited)
Current	3,557,971	5,580,747
Non-current	257,756	1,285,679
At 30 June / 31 December	<u>3,815,727</u>	<u>6,866,426</u>

9. BIOLOGICAL ASSETS

Biological assets are measured at cost on initial recognition and re-measured at the end of each reporting year at its fair value less cost to sell, with any change therein recognised in statement of profit or loss. Biological assets have been measured at their fair value as of reporting date.

The Company's livestock primarily comprises of sheep which is used in reproduction and ultimately to be slaughtered.

The Company's biological assets stock comprises both immature and mature livestock and crops.

Immature livestock comprises sheep that are intended to be raised to maturity. These sheep are held to be sold as meat, but have not started to produce meat nor in a condition to be sold as meat. The fair value of immature livestock is determined by reference to market prices, adjusted to reflect the age of the sheep.

Mature livestock includes sheep which are in the process of production of meat and reached the stage, where it can be used in meat production. The fair value of mature livestock is determined by reference to market prices, adjusted to reflect the age of the sheep.

The fair value hierarchy level of these assets are level 2 for sheep and level 3 for crops.

	30 June 2020 (Reviewed)	31 December 2019 (Audited)
At the beginning of the period / year	834,818	18,073,748
Purchases	767,549	330,754
Sale of crops	(834,818)	(1,444,748)
Loss from death of livestock	-	(1,140,000)
Fair value adjustment	-	(808,436)
Disposals (1)	-	(13,878,000)
Transferred to inventory	-	(298,500)
	<u>767,549</u>	<u>834,818</u>

(1) During the year ended 31 December 2019, the Company has disposed all its biological assets in the State of Qatar.

Widam Food Company Q.P.S.C.

Notes to the condensed interim financial statements For the six month period ended 30 June 2020

In Qatari Riyals

10. TRADE AND OTHER RECEIVABLES

	30 June 2020 (Reviewed)	31 December 2019 (Audited)
Trade receivables	38,430,761	24,488,267
Less: provision for expected credit loss	<u>(7,081,740)</u>	<u>(7,081,740)</u>
Trade receivable, net	31,349,021	17,406,527
Compensation receivable from the Government of Qatar (1)	166,614,617	185,259,877
Prepayments	1,227,047	731,032
Staff receivables	5,561,424	5,647,553
Advances made to suppliers	36,706,566	8,727,911
Receivable against projects (2)	17,838,295	17,838,295
Other receivables	<u>6,782,161</u>	<u>5,565,187</u>
	266,079,131	241,176,382
Less: Impairment loss (2)	(8,598,119)	(8,598,119)
Less: Allowance for staff receivable (3)	<u>(2,303,378)</u>	<u>(2,303,378)</u>
	255,177,634	230,274,885

(1) On 29 December 2015, the Company signed a contract with the Government of State of Qatar to supply the market with Australian livestock and meat, effective from 1 January 2016. The Government of State of Qatar agreed to compensate the Company for its direct and indirect operating cost with fixed amount per kilogram in addition to the difference between the cost and selling price. During 2018, Arminian, Local and Sudanese meat were included and compensated by Government of State of Qatar, according to the approval of Ministry of Finance. During the year 2019, Romanian meat was also included and compensated by Government of State of Qatar.

Movement on Government compensations receivable during the period / year was as follows:

	30 June 2020 (Reviewed)	31 December 2019 (Audited)
As at 1 January	185,259,877	240,307,864
Compensation claimed during the period / year	203,154,450	385,672,167
Compensation unclaimed during the period / year	43,587,436	94,404,609
Settled	<u>(265,387,146)</u>	<u>(535,124,763)</u>
	166,614,617	185,259,877

(2) These receivables represent the cost related to the Umm – Al Ouina Project termination in prior years, due to the Company for legal cases. The company raised a legal case against the project's contractor claiming a compensation for the delay in completing the project. On 16 February 2010, the Court of Cassation issued a final judgement in favour of the Company to receive a compensation amounting to QR 15 million from the contractor. However, as at 30 June 2020, the compensation has not been received. Furthermore, the Company raised a case against the Ministry of Municipality and Environment claiming a compensation of QR 24 million for the total cost incurred on this project. The Court of Cassation issued a final judgement dated 17 October 2017 in favour of the Company to receive a compensation amounting to QR 18 million and to pay rent Commitment amounting to QR 6 million. During the year ended 31 December 2018, the Company received a compensation amounting to QR 8.5 million from the total amount due from the Ministry of Municipality and Environment.

(3) An allowance amounting to QR 2,303,378 as at 30 June 2020 (2019: QR 2,303,378) was provided against the outstanding balance receivable due from the ex. branch manager in Sudan for which the Company has formed a provision of 50% of the total outstanding balance. The Company has won a court case enforcing the branch manager to pay back the due balance amounting to QR 2,303,378.

Widam Food Company Q.P.S.C.

**Notes to the condensed interim financial statements
For the six month period ended 30 June 2020**

In Qatari Riyals

11. CASH AND CASH EQUIVALENTS

	30 June 2019 (Reviewed)	31 December 2019 (Audited)
Cash in hand	2,044,114	2,505,511
Cash at bank – current accounts	1,152,204	2,216,580
Cash at bank – call accounts	87,924,637	27,116,750
Term Deposits (1)	-	160,000,000
Cash cover of letter of guarantee	100,000	100,000
Cash and bank balances presented in the condensed statement of financial position	91,220,955	191,938,841
Less: Cash cover of letter of guarantee	(100,000)	(100,000)
Less: Deposit with original maturity of more than three- months (1)	-	(160,000,000)
Cash and cash equivalents as presented in the condensed statement of cash flows	91,120,955	31,838,841

(1) Term deposits includes deposits from local banks with original maturity between 9 to 12 months and carry an average interest of 0.5% per annum (2019: 3.8% per annum).

12. SHARE CAPITAL

	30 June 2019 (Reviewed)	31 December 2019 (Audited)
<i>Authorised , issued and paid up share capital</i>		
180,000,000 ordinary shares with a par value of QR 1 per share	180,000,000	180,000,000

13. ISLAMIC FINANCING CREDIT FACILITIES

	30 June 2020 (Reviewed)	31 December 2019 (Audited)
Islamic facilities (1)	30,266	271,560

(1) The Company obtained credit facilities from local Islamic banks in the form of Murabaha.

The Islamic financing credit facilities are presented as current in the condensed interim statement of financial position.

The movement of Islamic credit facilities is as follows:

	30 June 2020 (Reviewed)	31 December 2019 (Audited)
At 1 January	271,560	754,250
Repayments during the period / year	(241,294)	(482,690)
At 30 June / 31 December	30,266	271,560

Widam Food Company Q.P.S.C.

**Notes to the condensed interim financial statements
For the six month period ended 30 June 2020**

In Qatari Riyals

14. REVENUE

	30 June 2020 (Reviewed)	30 June 2019 (Reviewed)
Cash sales	182,397,874	182,397,874
Credit sales	136,822,121	121,952,000
	<u>319,219,995</u>	<u>304,349,874</u>

Timing of revenue recognition	30 June 2020 (Reviewed)	30 June 2019 (Reviewed)
Revenue recognised at a point in time	319,219,995	304,349,874
Revenue from contracts with customers	<u>319,219,995</u>	<u>304,349,874</u>

The breakup of revenue by product type was follows:

	30 June 2020 (Reviewed)	30 June 2019 (Reviewed)
Chilled	167,903,173	148,671,550
Slaughtered (whole)	85,964,938	89,803,942
Livestock	32,504,425	36,248,217
Produced	16,034,497	18,356,462
Slaughter and cutting services	5,702,997	6,853,360
Feeds	276,315	1,757,424
Frozen	8,907,617	831,461
Miscellaneous	1,926,033	1,827,458
	<u>319,219,995</u>	<u>304,349,874</u>

The breakup of revenue by customer type was follows:

	30 June 2020 (Reviewed)	30 June 2019 (Reviewed)
Individual	191,106,707	183,132,286
Corporate	126,364,701	119,469,001
Government	1,748,587	1,748,587
	<u>319,219,995</u>	<u>304,349,874</u>

The breakup of revenue by geography was follows:

	30 June 2020 (Reviewed)	30 June 2019 (Reviewed)
Qatar	311,137,630	303,163,209
Sudan	8,082,365	1,186,665
	<u>319,219,995</u>	<u>304,349,874</u>

Notes to the condensed interim financial statements
For the six month period ended 30 June 2020

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15. DISCONTINUED OPERATIONS

During the period ended 30 June 2019, the Company had disposed off all of its biological assets at Al Rkiya project in Qatar.

Results of discontinued operation

	30 June 2020 (Reviewed)	30 June 2019 (Reviewed)
Revenue	-	8,326,800
Operating cost	-	(13,878,000)
Gross loss	-	(5,551,200)
General and administrative expenses	-	(5,841,806)
Mortality expense	-	(1,140,000)
Impairment	-	(1,312,500)
Loss from discontinued operations during the period	-	(13,845,506)

Basic and diluted earnings per share

	30 June 2020 (Reviewed)	30 June 2019 (Reviewed)
Basic and diluted earnings per share	-	(0.08)

Cash flows used in discontinued operations

	30 June 2020 (Reviewed)	30 June 2019 (Reviewed)
Cash flow used in operating activities	-	(13,845,506)

16. BASIC AND DILUTED EARNINGS PER SHARE

The basic earnings per share amounts are calculated by dividing the profit for the period by the weighted average number of ordinary shares outstanding during the period.

The basic and diluted earnings per share are the same as there were no dilutive effects on earnings.

	30 June 2020 (Reviewed)	30 June 2019 (Reviewed)
Profit for the period	49,550,971	49,242,865
Weighted average number of shares outstanding during the period	180,000,000	180,000,000
Basic and diluted earnings per share	0.28	0.27
	30 June 2020 (Reviewed)	30 June 2019 (Reviewed)
Profit for the period from continuing operations	49,550,971	63,088,372
Weighted average number of shares outstanding during the period	180,000,000	180,000,000
Basic and diluted earnings per share - continuing operations	0.28	0.35

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17. SEGMENT REPORTING**a) Business segments**

The Company has only one significant business which is supply of Australian meat, livestock in addition to the related products and activities. All other business segments are not significant.

b) Geographical segments

The Company operates in the State of Qatar and Republic of Sudan through its branch. The Company's operations in the Republic of Sudan are not significant.

18. DIVIDENDS DECLARED AND PAID

At the Annual General Meeting on 30 March 2020, a dividend in respect of the profit for the year ended 31 December 2019 of QR 0.30 per share amounting to a total dividend of QR 54,000,000 was approved. The dividends were paid during the six-month period ended 30 June 2020.

At the Annual General Meeting on 24 February 2019, a dividend in respect of the profit for the year ended 31 December 2018 of QR 0.45 per share amounting to a total dividend of QR 81,000,000 was approved. The dividends were paid during the six-month period ended 30 June 2019.

19. RESTATEMENT OF OPENING BALANCES

The opening balances reported in the condensed interim financial statements as of 30 June 2019 were restated in the annual financial statements as of and for the year ended 31 December 2019. Therefore, this note should be read in conjunction with the disclosure made in Note 28 to the annual financial statements.

20. CONTINGENT LIABILITIES

The Company has a liability in respect of letters of guarantees arising in the ordinary course of business, management anticipate that no material liabilities will arise.

	30 June 2020 (Reviewed)	30 June 2019 (Reviewed)
Due within one year	<u>2,530,537</u>	<u>2,447,537</u>

21. FAIR VALUE MEASUREMENT

The Company's financial assets (trade and other receivables, and cash at bank) and financial liabilities (Islamic credit facilities, lease liabilities, and trade and other payables) are measured at amortised cost and not at fair value. Management believes that the carrying values of these financial assets and financial liabilities as at the reporting date are a reasonable approximation of their fair values.

The table below showing the Company's financial and non-financial assets which are measured at fair value as at 30 June 2020 and 31 December 2019:

Assets measured at fair value	30 June 2020	Level 1	Level 2	Level 3
Biological assets	<u>767,549</u>	<u>-</u>	<u>-</u>	<u>767,549</u>
Equity investment – FVOCI	<u>47,448,960</u>	<u>47,448,960</u>	<u>-</u>	<u>-</u>

**Notes to the condensed interim financial statements
For the six month period ended 30 June 2020**

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21. FAIR VALUE MEASUREMENT (CONTINUED)

	31 December 2019	Level 1	Level 2	Level 3
Biological assets	<u>834,818</u>	<u>-</u>	<u>-</u>	<u>834,818</u>
Equity investment – FVOCI	<u>38,020,000</u>	<u>38,020,000</u>	<u>-</u>	<u>-</u>

The following table shows the valuation technique using the Level 3 fair value at 30 June 2020 and 31 December 2019 for the financial asset at FVOCI and biological assets in the statement of financial position, as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Biological assets		
Market comparison technique: The fair values are based on the market price of crops of similar type and market values.	Not Applicable	Not Applicable

During the six-month period ended 30 June 2020, there were no transfers between Level 1 and Level 2 fair value measurements and no transfers into and out of Level 3 fair value measurements.

22. COMPARATIVE FIGURES

The comparative figures presented have been reclassified where necessary to preserve consistency with the current period figures. However, such reclassifications did not have any effect on the net profit or the total equity for the comparative period except for the restatement of the annual financial statements as of and for the year ended 31 December 2019 (Note 19).

23. IMPACT OF COVID-19

The coronavirus (“COVID-19”) outbreak at the beginning of 2020 has brought about a deceleration of the economic activity in the State of Qatar. The spread of coronavirus globally has led the World Health Organization to classify it as a pandemic on 11 March 2020. The fiscal and monetary authorities, both domestic and international, have announced various support measures across the globe to counter possible adverse implications.

The Company will continue to closely monitor as the situation progresses and has activated its business continuity planning and other risk management practices to manage the potential business operations disruption and financial performance in 2020.

COVID-19 has brought about uncertainties in the global economic environment. In light of the rapidly escalating situation, the Company has considered whether any adjustments and changes in judgments, estimates, and risk management are required to be considered and reported in the financial statements. The Company’s business operations remain largely unaffected by the current situation. Below are the key assumptions about the future and other key sources of estimation that may have a significant risk of causing a material adjustment to the condensed interim financial statements:

Impairment of non-financial assets

The Company has considered any impairment indicators and any significant uncertainties impacting its property and equipment and right-of-use assets and concluded that there is no material impact of COVID-19.

23. IMPACT OF COVID-19 (CONTINUED)

Expected Credit Losses ("ECL") and impairment of financial assets at amortized costs:

The uncertainties caused by COVID-19, and the volatility in expected GDP growth have required the Company to update the inputs and assumptions used for the determination of expected credit losses ("ECLs") as at 30 June 2020. ECLs were estimated based on a range of forecast economic conditions as at that date and considering that the situation is fast evolving, the Company has considered the impact of higher volatility in the forward-looking macro-economic factors, when determining the severity and likelihood of economic scenarios for ECL determination.

Going concern

The Company has performed an assessment of whether it is a going concern in the light of current economic conditions and all available information about future risks and uncertainties. The projections have been prepared covering the Company's future performance, capital and liquidity. The impact of COVID-19 may continue to evolve, but at the present time the projections show that the Company has sufficient resources to continue in operational existence and its going concern position remains largely unaffected and unchanged from 31 December 2019. As a result, these interim condensed financial statements have been appropriately prepared on a going concern basis.

Further, the Company has assessed the impact of any operational disruptions, including any contractual challenges and changes in business or commercial relationships with customers and suppliers, to determine if there is any potential increase in contingent liabilities and commitments. Details of contingent liabilities are disclosed in Note 20.

The Company will continue to closely monitor the impact of COVID-19 as the situation progresses to manage the potential business disruption COVID-19 outbreak may have on its operations and financial performance in 2020.