

Widam Food Company Q.P.S.C
Condensed Interim Financial Statements
30 June 2019

Widam Food Company Q.P.S.C.

**Condensed interim financial statements
30 June 2019**

Contents	Page(s)
Independent auditor's report on review of condensed interim financial statements	1-2
Condensed interim financial statements:	
Condensed statement of financial position	3
Condensed statement of profit or loss	4
Condensed statement of comprehensive income	5
Condensed statement of changes in equity	6
Condensed statement of cash flows	7
Notes to the condensed interim financial statements	8-18



KPMG
25 C Ring Road
PO Box 4473, Doha
State of Qatar
Telephone: +974 4457 6444
Fax: +974 4442 5626
Website: home.kpmg/qa

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

To the Board of Directors 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 2019, 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 2019 are not prepared, in all material respects, in accordance with IAS 34 "Interim Financial Reporting".



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

Other matter

The condensed interim financial statements as at and for the six-months period ended 30 June 2018 and the financial statements as at and for the year ended 31 December 2018 were reviewed and audited, by another auditor whose review report and audit report dated 17 July 2018 and 27 January 2019, expressed an unmodified review conclusion and unmodified audit opinion thereon, respectively.

15 July 2019
Doha
State of Qatar

A handwritten signature in blue ink, appearing to read 'Yacoub Hobeika', written over a horizontal line.

Yacoub Hobeika
Qatar Audit Registration Number 289
KPMG
Licensed by QFMA: External Auditor's
License No. 120153

Widam Food Company Q.P.S.C.

**Condensed statement of financial position
As at 30 June 2019**

In Qatari Riyals

	Notes	30 June 2019 (Reviewed)	31 December 2018 (Audited) (Restated)*	1 January 2018 (Audited) (Restated)*
ASSETS				
Non-current assets				
Property and equipment	5	23,093,798	18,598,864	17,551,610
Projects under progress	6	12,146,393	17,632,341	22,842,533
Equity investment – FVOCI	7	4,000,000	4,000,000	6,174,900
Right-of-use assets	4	11,222,173	-	-
		<u>50,462,364</u>	<u>40,231,205</u>	<u>46,569,043</u>
Current assets				
Inventories		6,411,781	18,308,951	8,955,445
Biological assets	8	-	18,073,748	1,286,210
Trade and other receivables	9	186,170,239	269,242,752	249,195,795
Cash and bank balances	10	350,127,618	295,561,228	297,703,997
		<u>542,709,638</u>	<u>601,186,679</u>	<u>557,141,447</u>
Total assets		<u>593,172,002</u>	<u>641,417,884</u>	<u>603,710,490</u>
EQUITY AND LIABILITIES				
Equity				
Share capital	11	180,000,000	180,000,000	180,000,000
Legal reserve		76,124,241	76,124,241	65,284,922
Fair value reserve		-	-	419,817
Foreign currency translation reserve		(29,111,653)	(30,079,994)	(24,213,855)
Retained earnings		96,132,555	127,889,690	109,014,773
Total equity		<u>323,145,143</u>	<u>353,933,937</u>	<u>330,505,657</u>
Non-current liabilities				
Islamic financing credit facility	12	30,266	271,662	754,248
Provision for employees' end of service benefits		14,369,798	13,367,908	11,604,259
Lease liabilities	4	3,662,127	-	-
		<u>18,062,191</u>	<u>13,639,570</u>	<u>12,358,507</u>
Current liabilities				
Islamic financing credit facility	12	482,588	482,588	482,588
Lease liabilities	4	7,468,697	-	-
Trade and other payables		244,013,383	273,361,789	260,363,738
		<u>251,964,668</u>	<u>273,844,377</u>	<u>260,846,326</u>
Total liabilities		<u>270,026,859</u>	<u>287,483,947</u>	<u>273,204,833</u>
Total equity and liabilities		<u>593,172,002</u>	<u>641,417,884</u>	<u>603,710,490</u>

*Refer Note 19.

These condensed interim financial statements were approved by the Board of Directors and signed on its behalf by the following on 15 July 2019:


Mohamed Badr Al Sada
Chairman


ALNoubay Salem Al-Marri
Chief Executive Officer

The notes on pages 8 to 18 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 2019**

In Qatari Riyals

	Notes	For the six month period ended	
		30 June 2019 (Reviewed)	30 June 2018 (Reviewed)
Continuing operations:			
Revenue	13	304,349,874	282,354,682
Government compensation	9	283,755,681	302,778,214
Cost of sales	14	<u>(504,119,907)</u>	<u>(502,890,300)</u>
Gross profit		83,985,648	82,242,596
Other income		497,696	2,289,035
General and administrative expenses		<u>(26,845,408)</u>	<u>(27,679,473)</u>
Operating profit		57,637,936	56,852,158
Profit received from bank deposit		5,139,533	3,892,737
Foreign exchange gain		<u>310,902</u>	<u>-</u>
Profit for the period from continuing operations		63,088,371	60,744,895
Discontinued operation:			
Loss from discontinued operation	15	<u>(13,845,506)</u>	<u>(130,849)</u>
Profit for the period		49,242,865	60,614,046
Earnings per share			
Basic and diluted earnings per share	17	<u>0.27</u>	<u>0.34</u>
Earnings per share - continuing operations			
Basic and diluted earnings per share	17	<u>0.35</u>	<u>0.34</u>

The notes on pages 8 to 18 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 2019**

In Qatari Riyals

	For the six month period ended	
	30 June 2019 (Reviewed)	30 June 2018 (Reviewed)
Profit for the period	49,242,865	60,614,046
Other comprehensive income:		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Foreign operation - Foreign currency translation differences	968,341	(2,394,207)
<i>Items that will not be reclassified to profit or loss:</i>		
Financial assets at FVOCI - net change in fair value	-	111,063
Total comprehensive income for the period	50,211,206	58,330,902

The notes on pages 8 to 18 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 2019**

In Qatari Riyals

	Share capital	Legal reserve (1)	Fair value reserve	Foreign currency translation reserve	Retained earnings	Total
At 1 January 2018, as previously reported (audited)	180,000,000	65,284,922	419,817	(24,213,855)	120,509,225	342,000,109
Impact of correction of error (Note 19)	-	-	-	-	(11,494,452)	(11,494,452)
At 1 January 2018, as restated (Note 19)	180,000,000	65,284,922	419,817	(24,213,855)	109,014,773	330,505,657
<i>Total comprehensive income:</i>						
Profit for the period	-	-	-	-	60,614,046	60,614,046
Other comprehensive income	-	-	111,063	(2,394,207)	-	(2,283,144)
Total comprehensive income for the period	-	-	111,063	(2,394,207)	60,614,046	58,330,902
<i>Other movement:</i>						
Disposal of financial assets at FVOCI	-	-	(530,880)	-	530,880	-
Transactions with owners of the Company:						
Dividends (Note 18)	-	-	-	-	(76,500,000)	(76,500,000)
At 30 June 2018 (reviewed)	180,000,000	65,284,922	-	(26,608,062)	93,659,699	312,336,559
At 1 January 2019 (audited)	180,000,000	76,124,241	-	(30,079,994)	139,384,142	365,428,389
Impact of correction of error (Note 19)	-	-	-	-	(11,494,452)	(11,494,452)
At 1 January 2019, as restated (Note 19)	180,000,000	76,124,241	-	(30,079,994)	127,889,690	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
Transactions with owners of the Company:						
Dividends (Note 18)	-	-	-	-	(81,000,000)	(81,000,000)
At 30 June 2019 (reviewed)	180,000,000	76,124,241	-	(29,111,653)	96,132,555	323,145,143

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

The notes on pages 8 to 18 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 2019**

In Qatari Riyals

	For the six month period ended	
Notes	30 June 2019 (Reviewed)	30 June 2018 (Reviewed) (Restated)*
Cash flows from operating activities		
Profit for the period	49,242,865	60,614,046
<i>Adjustments for:</i>		
Loss from discontinued operations	15 13,845,506	-
Depreciation of property and equipment	1,919,954	1,888,209
Depreciation of right-of-use of assets	4 2,313,552	-
Finance cost on lease liabilities	4 197,881	-
Provision for employees' end of service benefits	1,572,288	1,716,123
	<u>69,092,046</u>	<u>64,218,378</u>
<i>Changes in:</i>		
- inventory	11,897,170	(6,771,262)
- biological assets	4,228,242	(3,888,580)
- trade and other receivables	82,981,164	52,126,708
- trade and other payables	(29,348,406)	34,579,929
Cash generated from operations	138,850,216	140,265,173
Employees' end of service benefits paid	(570,398)	(154,562)
Net cash flows from operating activities	<u>138,279,818</u>	<u>140,110,611</u>
Cash flows from investing activities		
Acquisition of property and equipment	(6,414,888)	(1,399,793)
Movement in projects under progress	6 5,485,948	(3,742,625)
Proceeds from sales of financial assets at FVOCI	-	2,285,963
Net movement in bank deposits	62,528,420	(95,000,000)
Net cash from / (used in) investing activities	<u>61,599,480</u>	<u>(97,856,455)</u>
Cash flows from financing activities		
Dividends paid	(81,000,000)	(76,500,000)
Repayments of Islamic financing credit facility	(241,396)	(241,294)
Payment of lease liabilities	4 (2,313,552)	-
Finance cost paid on lease liabilities	4 (197,881)	-
Net cash used in financing activities	<u>(83,752,829)</u>	<u>(76,741,294)</u>
Net increase / (decrease) in cash and cash equivalents during the period	<u>116,126,469</u>	<u>(34,487,138)</u>
Cash and cash equivalents at the beginning of the period	15,461,228	47,603,997
Net translation differences	968,341	(2,394,207)
Cash and cash equivalents at the end of the period	<u>132,556,038</u>	<u>10,722,652</u>

*Refer Note 19.

The notes on pages 8 to 18 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 2019

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

The 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 2018 (the "latest 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 15 July 2019.

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, except for the new significant judgements related to lease accounting under IFRS 16 "Leases", which are described in Note 4.

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).

Widam Food Company Q.P.S.C.

Notes to the condensed interim financial statements For the six month period ended 30 June 2019

3. USE OF JUDGEMENTS AND ESTIMATES (CONTINUED)

Measurement of fair values (continued)

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. CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

The Company has initially adopted IFRS 16 "Leases" from 1 January 2019. A number of other new standards are effective from 1 January 2019 but they do not have a significant effect on the Company's condensed interim financial statements.

IFRS 16 "Leases"

IFRS 16 "Leases" (hereafter "IFRS 16") provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements for both lessees and lessors. IFRS 16 superseded IAS 17 "Leases", IFRIC 4 "Determining whether an Arrangement contains a Lease", SIC 15 "Operating Leases – Incentives", and SIC 27 "Evaluating the Substance of Transactions Involving the Legal Form of a Lease".

Under IAS 17, lessee accounting classified leases as operating or finance leases based on management's assessment of whether the lease transferred substantially all the risks and rewards of ownership. IFRS 16 introduced a single, on-balance sheet lease accounting model for lessees, which resulted in almost all leases being recognised on the balance sheet of a lessee as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

In contrast to lessee accounting, IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17; i.e. lessors continue to classify leases as finance or operating leases. The Company does not perform any activities as a lessor.

The Company leases office premises, properties used for slaughterhouses and shops for meat sale. Under IAS 17, all these were recognised as operating leases. The Company had no finance leases recognised under IAS 17.

The Company has applied the simplified transition approach of IFRS 16 by which comparative amounts are not restated. As a result, there were no adjustments to the Company's retained earnings on initial adoption of the new standard on 1 January 2019. The Company recognised right of use assets and lease liabilities in the condensed interim statement of financial position, measured at the present value of the future lease payments on adoption (adjusted for any prepaid or accrued lease expenses). When measuring lease liabilities, the Company discounted lease payments using its incremental borrowing rate at 1 January 2019. The weighted average rate applied in the Company's principal markets was based on benchmark yield rates.

Further the Company has used the following practical expedients on initial application:

- used the Company's previous assessment of which existing contracts are, or contain, lease;
- where the unexpired lease term on initial application date is less than 12 months or leases are of low value items (QAR 18,250 or less), then the Company has elected to use the short-term lease exemption; and
- excluded initial direct costs from the measurement of right-of-use asset at the date of initial application.

Widam Food Company Q.P.S.C.

**Condensed statement of cash flows
For the six month period ended 30 June 2019**

In Qatari Riyals

4. CHANGES IN SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

IFRS 16 “Leases” – (continued)

The following amounts are recognised under the new standard and included in the respective headings of the condensed statement of financial position and condensed statement of profit or loss:

	30 June 2019 (Reviewed)	1 January 2019 (Reviewed)
Right-of-use assets	11,222,173	13,535,725
Lease liability	11,130,824	13,535,725
Lease commitments for short-term leases and low-value assets	<u>4,003,784</u>	<u>10,985,333</u>
		6 month period ended 30 June 2019 (Reviewed)
Depreciation charge for right-of-use assets		2,313,552
Finance cost on lease liabilities		197,881
Expense relating to short-term leases and leases of low-value assets		<u>6,981,549</u>
Total cash outflow for leases (1)		<u>9,492,982</u>

(1) The Company separated the total amount of cash paid into a principal portion (presented within financing activities) and finance cost (presented within operating activities) in the condensed cash flow statement.

Widam Food Company Q.P.S.C.

Condensed statement of cash flows For the six month period ended 30 June 2019

In Qatari Riyals

5. PROPERTY AND EQUIPMENT

Acquisitions

During the six months ended 30 June 2019, the Company acquired assets with a cost of QR 6,414,888 (six-months ended 30 June 2018: QR 1,399,793). The additions mainly includes leasehold improvements works carried out at Al Rkiya area, transferred from projects under progress.

Disposals and write-offs

There were no disposals 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 2019 (Reviewed)	31 December 2018 (Audited)
Local projects (1)		
Umm – Al Ouina Project	17,838,295	17,838,295
Al Rkiya project (2)	-	5,952,640
	<u>17,838,295</u>	<u>23,790,935</u>
Impairment on local projects under progress	<u>(8,598,119)</u>	<u>(8,598,119)</u>
	9,240,176	15,192,816
Foreign projects		
Sudan farm project	2,384,242	2,384,242
Sudan cattle fattening project	2,758,252	2,291,560
Australia farm project	460,706	460,706
Sudan branch project	245,934	245,934
Qatar meat factory	<u>147,965</u>	<u>147,965</u>
	5,997,099	5,530,407
Impairment on foreign projects under progress	<u>(3,090,882)</u>	<u>(3,090,882)</u>
	2,906,217	2,439,525
	12,146,393	17,632,341

- (1) The Company invested in a number of projects related to building new slaughterhouses in the State of Qatar. The work on these projects has been discontinued in 2011 based on the decision of the Government of Qatar during the prior year. 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. However, as at 30 June 2019, 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. As at 30 June 2019, the Company received a compensation amounting to QR 8.5 million from the total amount due from the Ministry of Municipality and Environment.
- (2) During the six month period ended 30 June 2019, the amount related to the Al Rkiya project was transferred to buildings and leasehold improvements within property and equipment account, as the project was completed.

Widam Food Company Q.P.S.C.

Condensed statement of cash flows For the six month period ended 30 June 2019

In Qatari Riyals

7. EQUITY INVESTMENTS - FVOCI

	30 June 2019 (Reviewed)	31 December 2018 (Audited)
Unquoted shares (1)	<u>4,000,000</u>	<u>4,000,000</u>

(1) The above represents as investment in unquoted shares represents investment made in a privately held company in the State of Qatar, Al Seef for Tourism Projects Company.

8. BIOLOGICAL ASSETS

Biological assets are measured at cost on initial recognition and re-measured at the end of each reporting period / 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.

	30 June 2019 (Reviewed)	31 December 2018 (Audited)
At the beginning of the period / year	18,073,748	1,286,210
Purchases	489,562	18,353,482
Sale of livestock	(1,444,748)	(1,286,210)
Loss from death of livestock	(1,140,000)	(1,047,870)
Fair value adjustment	(1,312,500)	768,136
Disposals (1)	(13,878,000)	-
Transferred to inventory	(788,062)	-
	<u>-</u>	<u>18,073,748</u>

(1) During the six month period ended 30 June 2019, the Company has disposed all its biological assets in the State of Qatar, accordingly the biological assets for Qatar operations are shown separately as discontinued operations in the condensed statement of profit or loss (Note 15).

9. TRADE AND OTHER RECEIVABLES

	30 June 2019 (Reviewed)	31 December 2018 (Audited) (Restated)
Trade receivables	36,188,258	23,595,566
Less: provision for expected credit loss	(9,385,118)	(9,385,118)
Trade receivable, net	26,803,140	14,210,448
Compensation receivable from the Government of Qatar (1)	143,145,464	240,307,864
Prepayments	960,148	992,759
Staff receivables – net (2)	5,603,898	4,710,211
Advances made to suppliers	5,264,363	1,410,626
Other receivables	4,393,226	7,610,844
	<u>186,170,239</u>	<u>269,242,752</u>

Widam Food Company Q.P.S.C.

Condensed statement of cash flows For the six month period ended 30 June 2019

In Qatari Riyals

9. TRADE AND OTHER RECEIVABLES (CONTINUED)

- (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. During 2018, Arminian and Sudanese meat were included and compensated by Government of State of Qatar, according to the approval of Ministry of Finance.

The movement in the compensation receivables from the Government of the State of Qatar during the period / year was as follows:

	30 June 2019 (Reviewed)	31 December 2018 (Audited) (Restated)
As at 1 January	240,307,864	219,842,226
Compensation claimed during the period / year	156,589,999	427,920,559
Compensation unclaimed during the period / year	127,165,682	137,804,887
Received compensation	<u>(380,918,081)</u>	<u>(545,259,808)</u>
	<u>143,145,464</u>	<u>240,307,864</u>

- (2) An allowance for doubtful receivables amounting to QR 2,303,378 as at 30 June 2019 (2018: QR 2,303,378) was provided against the outstanding balance receivable due from the 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.

10. CASH AND CASH EQUIVALENTS

	30 June 2019 (Reviewed)	31 December 2018 (Audited)
Cash in hand	1,698,167	1,862,367
Cast at bank – current accounts	118,047,047	1,938,437
Cast at bank – call accounts	12,810,824	11,660,424
Cash at bank – Deposits	217,471,580	280,000,000
Cash cover of letter of guarantee	<u>100,000</u>	<u>100,000</u>
Cash and bank balances presented in the condensed statement of financial position	<u>350,127,618</u>	<u>295,561,228</u>
Less: Cash cover of letter of guarantee	(100,000)	(100,000)
Less: Deposit with original maturity of more than three- months	<u>(217,471,580)</u>	<u>(280,000,000)</u>
Cash and cash equivalents as presented in the condensed statement of cash flows	<u>132,556,038</u>	<u>15,461,228</u>

11. SHARE CAPITAL

	30 June 2019 (Reviewed)	31 December 2018 (Audited)
<i>Authorised , issued and paid up share capital</i>		
180,000,000 ordinary shares with a par value of QR 1 per share*	<u>180,000,000</u>	<u>180,000,000</u>

*Refer Note 17

Widam Food Company Q.P.S.C.

Condensed statement of cash flows For the six month period ended 30 June 2019

In Qatari Riyals

12. ISLAMIC CREDIT FACILITIES

	30 June 2019 (Reviewed)	31 December 2018 (Audited)
Islamic facilities (1)	<u>512,854</u>	<u>754,250</u>

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

The Islamic credit facilities are presented in the interim statement of financial position as follows:

	30 June 2019 (Reviewed)	31 December 2018 (Audited)
Current	482,588	482,588
Non-current	<u>30,266</u>	<u>271,662</u>
	<u>512,854</u>	<u>754,250</u>

The movement of Islamic credit facilities are as follows:

	30 June 2019 (Reviewed)	31 December 2018 (Audited)
At 1 January	754,250	1,236,836
Repayments during the period / year	<u>(241,396)</u>	<u>(482,586)</u>
At 30 June / 31 December	<u>512,854</u>	<u>754,250</u>

13. REVENUE

	30 June 2019 (Reviewed)	30 June 2018 (Reviewed)
Cash sales	182,397,874	198,456,878
Credit sales	<u>121,952,000</u>	<u>83,897,804</u>
	<u>304,349,874</u>	<u>282,354,682</u>

The breakup of revenue by product type was follows:

	30 June 2019 (Reviewed)	30 June 2018 (Reviewed)
Chilled	148,671,550	137,643,518
Slaughtered (whole)	89,803,942	79,162,987
Livestock	36,248,217	33,071,722
Produced	18,356,462	20,389,518
Slaughter and cutting services	6,853,360	7,496,960
Feeds	1,757,424	2,881,373
Frozen	831,461	43,190
Miscellaneous	<u>1,827,458</u>	<u>1,665,414</u>
	<u>304,349,874</u>	<u>282,354,682</u>

Widam Food Company Q.P.S.C.

Condensed statement of cash flows For the six month period ended 30 June 2019

In Qatari Riyals

13. REVENUE (CONTINUED)

The breakup of revenue by customer type was follows:

	30 June 2019 (Reviewed)	30 June 2018 (Reviewed)
Individual	183,132,286	198,456,877
Corporate	119,469,001	82,554,538
Government	1,748,587	1,343,267
	<u>304,349,874</u>	<u>282,354,682</u>

The breakup of revenue by geography was follows:

	30 June 2019 (Reviewed)	30 June 2018 (Reviewed)
Qatar	303,163,209	279,912,316
Sudan	1,186,665	2,442,366
	<u>304,349,874</u>	<u>282,354,682</u>

14. COST OF SALES

	30 June 2019 (Reviewed)	30 June 2018 (Reviewed)
Cost of goods sold	464,868,103	465,193,811
Cost of feeds consumed	11,232,228	10,512,487
Direct staff cost	6,629,443	6,847,715
Rent expense	5,882,898	5,711,795
Animal death	3,562,347	3,178,036
Depreciation of property and equipment	1,705,860	1,686,215
Depreciation of right-of-use assets	560,905	-
Finance cost on lease liabilities	58,919	-
Cleaning	273,311	1,473,333
Cost of livestock (Note 9)	1,444,748	1,286,210
Vehicle and related costs	841,437	1,048,840
Maintenance	343,116	1,019,413
Wrapping and packing	942,253	980,187
Utilities	682,436	708,151
Miscellaneous	5,091,903	3,244,107
	<u>504,119,907</u>	<u>502,890,300</u>

Widam Food Company Q.P.S.C.

Condensed statement of cash flows For the six month period ended 30 June 2019

In Qatari Riyals

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 2019 (Reviewed)	30 June 2018 (Reviewed)
Revenue	8,326,800	-
Operating cost	<u>(13,878,000)</u>	<u>-</u>
Gross loss	(5,551,200)	-
General and administrative expenses	(5,841,806)	-
Mortality expense	(1,140,000)	(130,849)
Impairment	<u>(1,312,500)</u>	<u>-</u>
Loss from discontinued operations during the period	<u>(13,845,506)</u>	<u>(130,849)</u>

Basic and diluted earnings per share

	30 June 2019 (Reviewed)	30 June 2018 (Reviewed)
Basic and diluted earnings per share	<u>(0.08)</u>	<u>(0.0)</u>

Cash flows used in discontinued operations

	30 June 2019 (Reviewed)	31 December 2018 (Audited)
Cash flow used in operating activities	<u>(13,845,506)</u>	<u>(130,849)</u>

Effect of disposal on the condensed interim financial position of the Company:

	30 June 2019 (Reviewed)	31 December 2018 (Audited)
Biological assets	<u>(16,629,000)</u>	<u>-</u>

16. SEGMENT REPORTING

a) Business segments

The Company has only one significant business which is supply of 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.

Widam Food Company Q.P.S.C.

Condensed statement of cash flows For the six month period ended 30 June 2019

In Qatari Riyals

17. 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 2019 (Reviewed)	30 June 2018 (Reviewed) (Restated)
Profit for the period	49,242,865	60,614,046
Weighted average number of shares outstanding during the period	<u>180,000,000</u>	<u>180,000,000</u>
Basic and diluted earnings per share	<u>0.27</u>	<u>0.34</u>
	30 June 2019 (Reviewed)	30 June 2018 (Reviewed)
Profit for the period from continuing operations	63,088,372	60,744,895
Weighted average number of shares outstanding during the period	<u>180,000,000</u>	<u>180,000,000</u>
Basic and diluted earnings per share - continuing operations	<u>0.35</u>	<u>0.34</u>

As per the instructions from the Qatar Financial Markets Authority, the Extraordinary General Assembly on 24 February 2019 approved a 10 for 1 share split i.e. 10 new shares with a par value of QAR 1 each were exchanged for 1 old share with a par value of QAR 10 each. This has led to an increase in the number of authorised and outstanding shares from 18,000,000 to 180,000,000. The listing of the new shares on Qatar Exchange was effective from 19 June 2019. Consequently, weighted average number of shares outstanding has been retrospectively adjusted.

18. DIVIDENDS DECLARED AND PAID

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.

At the Annual General Meeting on 19 February 2018, a dividend in respect of the profit for the year ended 31 December 2017 of QR 0.425 per share amounting to a total dividend of QR 76,500,000 was approved. The dividends were paid during the six-month period ended 30 June 2018.

19. CORRECTION OF ERROR

During the six month period ended 30 June 2019, the management of the Company came to know that the compensation receivable from the State of Qatar was over billed in the year 2015. The amount of compensation receivable from the State of Qatar was, consequently, overstated by QR 11,494,452. The error has been corrected by restating the affected financial statements line items in the previous periods.

Statement of financial position	<u>Restatement of opening balances</u>		
	As previously reported	Adjustment	As restated
Trade and other receivables	<u>280,737,204</u>	<u>(11,494,452)</u>	<u>269,242,752</u>
Retained earnings	<u>139,384,142</u>	<u>(11,494,452)</u>	<u>127,889,690</u>

Widam Food Company Q.P.S.C.

Notes to the condensed interim financial statements For the six month period ended 30 June 2019

20. 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 years except for the impact from the correction of prior years' error as disclosed in Note 19.