

# **Foodco Holding PJSC**

**DIRECTORS' REPORT, REVIEW REPORT AND  
INTERIM CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS**

**31 MARCH 2020 (UNAUDITED)**

# **Foodco Holding PJSC**

**DIRECTORS' REPORT**

**31 MARCH 2020 (UNAUDITED)**

## Board of Directors' Report For the quarter ended March 31, 2020

The Board of Directors of Foodco Holding PJSC are pleased to report the interim condensed consolidated Financial Statements for the quarter ended March, 31 2020.

### Principal activities

The Company operating in diversifying business lines, the Company and its subsidiaries (collectively referred to as the "Group") is primarily engaged in the import and distribution of foodstuff and household items in the United Arab Emirates, along with investing in securities, mutual funds and direct investments as well as development and management of real estate and logistic solutions.

The Groups' revenue for the quarter ended 31 March 2020 which includes losses from investments was AED 1,514 million (2019: AED 53,787 million) while the loss attributable to equity holders of the Company was AED 34,773 million (2019: AED 31,653 million).

### Analysis of the financial results of Q1 2020 is given here below:

The revenues shown below have been adjusted by AED 23,311 for the net changes in fair value of investments held at fair value through profit and loss. The following are the results of trading activities, real estate, and other operations:

		AED '000			
		Mar 20	Mar 19	Increase / (Decrease)	
				Amount	%
Trading activities	-Revenue	21,930	92,327	(70,397)	-76%
	-(Loss) / profit for the period	(2,007)	18,871	(20,878)	-111%
Real estate - operations without fair value valuations	-Revenue	8,562	8,502	60	1%
	-Profit for the period	5,448	1,916	3,532	184%
Investments, valuations and others	-Revenue	(28,978)	(47,042)	18,064	-38%
	-Loss for the period	(38,214)	(52,440)	14,226	-27%
Loss attributable to equity holders of the Company	-Revenue	1,514	53,787	(52,273)	-97%
	-Loss for the period	(34,773)	(31,653)	(3,120)	10%

The following are the summary of the financials

### Profit and Loss summary

		AED '000			
		Quarter Ended		Increase / (Decrease)	
		Mar 20	Mar 19	Amount	%
Revenue		1,514	53,787	(52,273)	-97.2%
Gross loss		(21,177)	(14,925)	6,252	-41.9%
Loss for the period attributable to equity holders of the Company		(34,773)	(31,653)	3,120	-9.9%
Loss per share (AED)		(0.29)	(0.26)	0.03	-11.5%

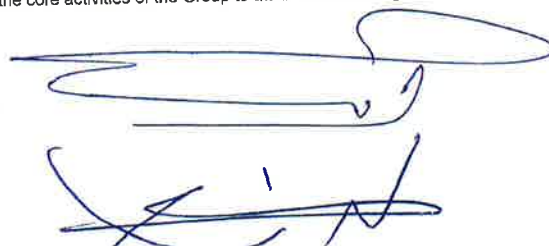
### Financial position summary

		AED '000			
		Mar 2020	Dec 19	Increase / (Decrease)	
				Amount	%
Current assets		368,281	478,797	(110,516)	-23.1%
Non current assets		484,682	511,298	(26,616)	-5.2%
Current liabilities		455,778	521,823	(66,045)	-12.7%
Non current liabilities		129,336	141,880	(12,544)	-8.8%
Equity attributable to equity holders of the Company		264,079	322,597	(58,518)	-18.1%
Book value of share (AED)		2.20	2.69	(0.49)	-18.2%

We confirm our commitment to enhance the core activities of the Group to attain sustainable growth.

On behalf of the Board of Directors

Ahmed Ali Khalfan AlMutawa AL Dhaheer  
Chairman



P.H

# **Foodco Holding PJSC**

## **REVIEW REPORT AND INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**31 MARCH 2020 (UNAUDITED)**

**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
TO THE BOARD OF DIRECTORS OF FOODCO HOLDING PJSC**

*Introduction*


We have reviewed the accompanying interim consolidated statement of financial position of Foodco Holding PJSC (“the Company”) and its subsidiaries (together “the Group”) as at 31 March 2020 and the related interim consolidated statement of profit or loss, interim consolidated statement of comprehensive income, interim consolidated statement of changes in equity and interim consolidated statement of cash flows for the three-month period then ended and explanatory notes. Management is responsible for the preparation and fair presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 *Interim Financial Reporting*. (“IAS 34”). Our responsibility is to express a conclusion on these interim condensed consolidated 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 information 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 interim condensed consolidated financial statements of the Group are not prepared, in all material respects, in accordance with IAS 34.



Signed by:  
Raed Ahmad  
Partner  
Ernst & Young  
Registration No 811

13 August 2020  
Abu Dhabi

# Foodco Holding PJSC

## INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the three months ended 31 March 2020 (Unaudited)

	Notes	<i>Three months ended 31 March</i>	
		<i>2020</i>	<i>2019</i>
		<i>AED</i>	<i>AED</i>
Revenue	3	<b>1,513,569</b>	53,786,654
Cost of sales		<b>(22,690,169)</b>	(68,712,049)
<b>GROSS LOSS</b>		<b>(21,176,600)</b>	(14,925,395)
General and administrative expenses		<b>(4,816,793)</b>	(5,916,546)
Selling and distribution expenses		<b>(2,305,209)</b>	(4,441,522)
Finance costs		<b>(6,631,849)</b>	(5,883,760)
Provision for expected credit losses on trade and other receivables		-	(484,422)
Other income		<b>136,439</b>	-
<b>LOSS FOR THE PERIOD</b>		<b>(34,794,012)</b>	(31,651,645)
<b>Loss attributable to:</b>			
Equity holders of the company		<b>(34,773,109)</b>	(31,653,381)
Non-controlling interests		<b>(20,903)</b>	1,736
		<b>(34,794,012)</b>	(31,651,645)
<b>Basic and diluted loss per share</b>			
<b>attributable to equity holders of the Company</b>	13	<b>(0.29)</b>	(0.26)

The attached notes 1 to 17 form part of these interim condensed consolidated financial statements.

# Foodco Holding PJSC

## INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months ended 31 March 2020 (Unaudited)

	<i>Three months ended 31 March</i>	
	<i>2020</i>	<i>2019</i>
	<i>AED</i>	<i>AED</i>
<b>LOSS FOR THE PERIOD</b>	<b>(34,794,012)</b>	<b>(31,651,645)</b>
<b>Other comprehensive loss</b>		
<i>Items that will not be subsequently reclassified to the consolidated statement of profit or loss:</i>		
Net changes in fair value of investments carried at fair value through other comprehensive income	<u>(23,749,822)</u>	<u>(84,193,370)</u>
<b>Other comprehensive loss for the period</b>	<b>(23,749,822)</b>	<b>(84,193,370)</b>
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>	<b>(58,543,834)</b>	<b>(115,845,015)</b>
<b>Total comprehensive loss attributable to:</b>		
Equity holders of the company	(58,518,102)	(116,098,878)
Non-controlling interests	<u>(25,732)</u>	<u>253,863</u>
	<b>(58,543,834)</b>	<b>(115,845,015)</b>

The attached notes 1 to 17 form part of these interim condensed consolidated financial statements.

# Foodco Holding PJSC

## INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2020 (Unaudited)

	Note	31 March 2020 AED (Unaudited)	31 December 2019 AED (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment		45,429,841	6,156,582
Intangible assets		1,788,283	1,942,157
Right-of-use assets		19,317,165	23,059,114
Investment properties under development	4	23,291,845	22,525,635
Investment properties	5	266,160,868	306,160,868
Investments carried at fair value through other comprehensive income	6	122,744,252	145,504,463
Other assets		<u>5,949,510</u>	<u>5,949,510</u>
		<b>484,681,764</b>	<b>511,298,329</b>
<b>Current assets</b>			
Inventories	7	7,623,211	16,429,234
Investments carried at fair value through profit or loss	6	250,405,619	288,307,385
Trade and other receivables	8	59,128,008	168,632,944
Amounts due from related parties	12	1,248,461	1,312,328
Cash and bank balances	9	<u>49,875,780</u>	<u>4,115,031</u>
		<b>368,281,079</b>	<b>478,796,922</b>
<b>TOTAL ASSETS</b>		<b><u>852,962,843</u></b>	<b><u>990,095,251</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		120,000,000	120,000,000
Legal reserve		60,000,000	60,000,000
Regulatory reserve		60,000,000	60,000,000
Fair value reserve		(154,477,110)	(130,732,117)
Retained earnings		<u>178,556,118</u>	<u>213,329,227</u>
<b>Equity attributable to equity holders of the Company</b>		<b>264,079,008</b>	<b>322,597,110</b>
Non-controlling interests		<u>3,769,929</u>	<u>3,795,661</u>
<b>TOTAL EQUITY</b>		<b><u>267,848,937</u></b>	<b><u>326,392,771</u></b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Provision for employees' end of service benefits		4,706,102	4,773,078
Lease liabilities		12,273,605	15,278,046
Retention payable	11	418,941	380,322
Loans and borrowings	10	<u>111,937,496</u>	<u>121,448,119</u>
		<b>129,336,144</b>	<b>141,879,565</b>
<b>Current liabilities</b>			
Loans and borrowings	10	392,504,279	415,284,874
Trade and other payables	11	55,324,254	97,253,896
Lease liabilities		7,412,810	7,990,044
Amounts due to related parties	12	<u>536,419</u>	<u>1,294,101</u>
		<b>455,777,762</b>	<b>521,822,915</b>
<b>TOTAL LIABILITIES</b>		<b><u>585,113,906</u></b>	<b><u>663,702,480</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>852,962,843</u></b>	<b><u>990,095,251</u></b>

  
Ahmed Ali Khalfan Al Dhaheri  
Chairman

  
Rashed Darwish Ahmed Saif AlKetbi  
Vice Chairman

  
Mohamed Hafez  
Chief Financial Officer

The attached notes 1 to 17 form part of these interim condensed consolidated financial statements.



## Foodco Holding PJSC

### INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 31 March 2020 (Unaudited)

	<i>Attributable to the equity holders of the Company</i>							
	Share capital AED	Legal reserve AED	Regulatory reserve AED	Fair value reserve AED	Retained earnings AED	Equity attributable to equity holders of the Company AED	Non-controlling interests AED	Total equity AED
At 1 January 2019 (audited)	120,000,000	60,000,000	60,000,000	(26,782,321)	345,709,972	558,927,651	3,464,763	562,392,414
(Loss) profit for the period	-	-	-	-	(31,653,381)	(31,653,381)	1,736	(31,651,645)
Other comprehensive (loss) profit	-	-	-	(82,769,529)	(1,675,968)	(84,445,497)	252,127	(84,193,370)
Total comprehensive (loss) income for the period	-	-	-	(82,769,529)	(33,329,349)	(116,098,878)	253,863	(115,845,015)
At 31 March 2019 (unaudited)	<u>120,000,000</u>	<u>60,000,000</u>	<u>60,000,000</u>	<u>(109,551,850)</u>	<u>312,380,623</u>	<u>442,828,773</u>	<u>3,718,626</u>	<u>446,547,399</u>
At 1 January 2020 (audited)	120,000,000	60,000,000	60,000,000	(130,732,117)	213,329,227	322,597,110	3,795,661	326,392,771
Loss for the period	-	-	-	-	(34,773,109)	(34,773,109)	(20,903)	(34,794,012)
Other comprehensive loss	-	-	-	(23,744,993)	-	(23,744,993)	(4,829)	(23,749,822)
Total comprehensive loss for the period	-	-	-	(23,744,993)	(34,773,109)	(58,518,102)	(25,732)	(58,543,834)
At 31 March 2020 (unaudited)	<u>120,000,000</u>	<u>60,000,000</u>	<u>60,000,000</u>	<u>(154,477,110)</u>	<u>178,556,118</u>	<u>264,079,008</u>	<u>3,769,929</u>	<u>267,848,937</u>

The attached notes 1 to 17 form part of these interim condensed consolidated financial statements.

# Foodco Holding PJSC

## INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 31 March 2020

	<i>Three month period ended</i>	
	<i>31 March 2020 AED (Unaudited)</i>	<i>31 March 2019 AED (Unaudited)</i>
	<i>Note</i>	
<b>OPERATING ACTIVITIES</b>		
Loss for the period		(34,794,012) (31,651,645)
Adjustments for:		
Depreciation		983,766 519,960
Depreciation on right-of-use assets		1,845,480 -
Amortization of intangible assets		153,874 -
Finance costs		6,631,849 5,883,760
Provision for employees' end of service benefits		137,270 154,414
Net changes in fair value of investments carried at fair value through profit or loss		23,310,750 66,073,679
Dividend income		(7,166,500) (17,643,910)
Allowance for expected credit loss of trade and other receivables		4,660 5,664,726
Loss (gain) on sale of investments carried at fair value through profit or loss		13,190,139 (982,591)
Provision for slow moving inventories		468,274 689,767
		<u>4,765,550</u> 28,708,160
Working capital changes:		
Inventories		8,337,749 (5,795,220)
Trade and other receivables		115,923,120 (58,981,630)
Amounts due from related parties		63,867 738,779
Trade and other payables		(42,069,666) 20,581,110
Amounts due to related parties		(757,682) 851,696
Cash generated from (used in) operations		86,262,938 (13,897,105)
Purchase of investments		(33,814,247) (11,024,450)
Proceeds from disposal of investments		34,225,513 8,623,544
Employees' end of service benefits paid		(204,246) -
Additions to investment properties under development		(766,210) (9,746,245)
Dividends received		967,863 -
Net cash flows from (used in) operating activities		<u>86,671,611</u> (26,044,256)
<b>INVESTING ACTIVITY</b>		
Purchase of property and equipment		(257,025) (2,306,522)
Net cash flows used in investing activity		<u>(257,025)</u> (2,306,522)
<b>FINANCING ACTIVITIES</b>		
Proceeds from bank borrowings		19,428,462 27,803,214
Repayment of bank borrowings		(49,022,629) (6,350,358)
Payment of lease liabilities		(1,912,500) -
Finance costs paid		(6,450,119) (5,828,116)
Net cash flows (used in) from financing activities		<u>(37,956,786)</u> 15,624,740
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>48,457,800 (12,726,038)</b>
Cash and cash equivalents at 1 January		<u>(202,818,164)</u> (326,590,108)
<b>CASH AND CASH EQUIVALENTS AT 31 MARCH</b>		<b>(154,360,364) (339,316,146)</b>

The attached notes 1 to 17 form part of these interim condensed consolidated financial statements.

# Foodco Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2020 (Unaudited)

### 1 CORPORATE INFORMATION

Foodco Holding P.J.S.C. (the “Company”) is a public shareholding company incorporated in Abu Dhabi, United Arab Emirates. The Company was established in 1979. It is regulated and listed on the Abu Dhabi Securities Exchange. The registered address of the Company is at P O Box 2378, Port Zayed, Mina, Abu Dhabi, UAE

The principal activity of the Company and its subsidiaries (collectively referred to as the “Group”) is primarily engaged in the import and distribution of foodstuff and household items in the United Arab Emirates, along with investing, development and management of real estate and commercial enterprises. The objectives of the Company include investment in or establishment of companies in the same line of business and investment in or establishment of factories in the processing or canning of foodstuff as well as engagement in all operations and investments in and outside the United Arab Emirates.

The interim condensed consolidated financial statements were authorised for issue in accordance with a resolution of the Board of Directors on 13 August 2020.

### 2.1 FUNDAMENTAL ACCOUNTING CONCEPTS

The Group incurred a loss of AED 34,794,012 for the period ended 31 March 2020 and as of that date, its current liabilities exceeded its current assets by AED 87,496,683. These factors indicate the existence of a material uncertainty that may cast a significant doubt about the Group’s ability to continue as a going concern.

Management has prepared interim condensed consolidated financial statements under the going concern assumption on account that it considers the deficit to be temporary and that it will generate sufficient cash flows from its business which will allow it to meet its liabilities as they fall due.

### 2.2 BASIS OF PREPARATION

#### Accounting convention

The interim condensed consolidated financial statements have been prepared under the historical cost convention except for investments carried at fair value through profit or loss, investments carried at fair value through other comprehensive income and investment properties which have been measured at fair value.

The interim condensed consolidated financial statements have been presented in United Arab Emirates Dirhams (AED), which is the presentation currency of the Company and the functional currency of the Group.

#### Statement of compliance

The interim condensed consolidated financial statements are prepared in accordance with International Accounting Standard (IAS) 34 “Interim Financial Reporting” and also comply with the applicable requirements of laws in the UAE.

The interim condensed consolidated financial statements comprise the financial statements of the Company and those of its following subsidiaries:

Name of subsidiary/ sub-subsidiary	Principal activity	Country of incorporation	Percentage of holding	
			31 March 2020	31 December 2019
National Oasis Foodstuff	Packing of foodstuff	United Arab Emirates	100%	100%
FOODCO National Foodstuff P.J.S.C	Catering services and restaurant business	United Arab Emirates	98.75%	98.75%
5PL Logistics Solutions LLC	Shipment, clearance and warehousing services	United Arab Emirates	100%	100%
Abu Dhabi National Catering LLC	Catering services and wholesale of foodstuff	United Arab Emirates	100%	100%
Abu Dhabi National Foodstuff Co – Sole Proprietorship L.L.C. *	Catering services and wholesale of foodstuff	United Arab Emirates	98.75%	98.75%

\* Abu Dhabi National Foodstuff Co – Sole Proprietorship L.L.C. is a subsidiary company of Foodco National Foodstuff P.J.S.C.

## 2.2 BASIS OF PREPARATION continued

### **Basis of consolidation**

These interim condensed consolidated financial statements include the operations of the subsidiaries over which the Group has control. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting period as the Group, using consistent accounting policies. All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated in full.

Non-controlling interest represent the portion of the net income or loss and net assets of the subsidiaries not held by the Group and are presented separately in the interim consolidated statement of comprehensive and within equity in the interim consolidated statement of financial position, separately shareholders' equity of the Group.

## 2.3 SIGNIFICANT ACCOUNTING POLICIES

The interim condensed consolidated financial statements do not contain all information and disclosures required for full consolidated financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2019. In addition, results for the three-month period ended 31 March 2020 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2020.

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2019, except for the adoption of the following new standards, interpretations and amendments effective as of 1 January 2020. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

### **New standards, interpretations and amendments adopted by the Group**

The Group has applied, for the first time, several new standards and amendments in 2020, as stated below:

- Amendments to IFRS 3: *Definition of a Business*;
- Amendments to IFRS 7, IFRS 9 and IAS 39: *financial instruments regarding interest rate benchmark reform*;
- Amendments to IAS 1 and IAS 8: *Definition of Material*;
- The Conceptual Framework for Financial Reporting;

The adoption of these standards, interpretations and amendments have no material impact on the interim condensed consolidated financial statements of the Group.

## 2.4 SIGNIFICANT JUDGEMENTS AND ESTIMATES

In preparing these interim condensed consolidated financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2019.

# Foodco Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2020 (Unaudited)

### 3 REVENUE

	<i>31 March 2020 AED (Unaudited)</i>	<i>31 March 2019 AED (Unaudited)</i>
Revenue from contracts with customers (a)	<b>22,285,918</b>	92,731,786
Income from investment properties (b)	<b>8,562,040</b>	8,502,046
Loss from investments (c)	<b>(29,334,389)</b>	<b>(47,447,178)</b>
	<b><u>1,513,569</u></b>	<b><u>53,786,654</u></b>
 <b>a) Revenue from contracts with customers</b>		
	<i>31 March 2020 AED (Unaudited)</i>	<i>31 March 2019 AED (Unaudited)</i>
Sale of goods	<b>21,930,456</b>	88,326,959
Management fees	-	4,000,000
Freight forwarding and storage	<b><u>355,462</u></b>	<b><u>404,827</u></b>
	<b><u>22,285,918</u></b>	<b><u>92,731,786</u></b>
 <b>b) Income from investment properties</b>		
	<i>31 March 2020 AED (Unaudited)</i>	<i>31 March 2019 AED (Unaudited)</i>
Rental income	<b><u>8,562,040</u></b>	<b><u>8,502,046</u></b>
 <b>c) Loss from investments</b>		
	<i>31 March 2020 AED (Unaudited)</i>	<i>31 March 2019 AED (Unaudited)</i>
Dividend income	<b>7,166,500</b>	17,643,910
(Loss) gain on sale of investments	<b>(13,190,139)</b>	982,591
Net changes in fair value of investments held at fair value through profit or loss	<b><u>(23,310,750)</u></b>	<b><u>(66,073,679)</u></b>
	<b><u>(29,334,389)</u></b>	<b><u>(47,447,178)</u></b>

# Foodco Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2020 (Unaudited)

### 4 INVESTMENT PROPERTIES UNDER DEVELOPMENT

	<i>31 March 2020 AED (Unaudited)</i>	<i>31 December 2019 AED (Audited)</i>
At 1 January	22,525,635	118,870,314
Additions during the period / year	766,210	27,538,257
Transferred to investment properties (note 5)	<u>-</u>	<u>(123,882,936)</u>
	<u><b>23,291,845</b></u>	<u><b>22,525,635</b></u>

### 5 INVESTMENT PROPERTIES

	<i>31 March 2020 AED (Unaudited)</i>	<i>31 December 2019 AED (Audited)</i>
Warehouses	61,560,867	108,441,802
Buildings – residential	80,613,224	80,613,224
Buildings – commercial and residential	199,917,936	199,917,936
Less: provision for fair value losses on investment properties	<u>(75,931,159)</u>	<u>(82,812,094)</u>
	<u><b>266,160,868</b></u>	<u><b>306,160,868</b></u>

The movements in the investment properties during the period / year were as follows:

	<i>31 March 2020 AED (Unaudited)</i>	<i>31 December 2019 AED (Audited)</i>
At 1 January	306,160,868	230,090,026
Transferred from investment properties under development (note 4)	-	123,882,936
Transferred to property and equipment	<u>(40,000,000)</u>	<u>-</u>
Change in fair value of investment properties	<u>-</u>	<u>(47,812,094)</u>
	<u><b>266,160,868</b></u>	<u><b>306,160,868</b></u>

The Group's management resolved to transfer property amounting to AED 40,000,000 (2019: nil) to property and equipment due to the evidenced change of use as is depreciated over 25 years.

### 6 INVESTMENTS

	<i>31 March 2020 AED (Unaudited)</i>	<i>31 December 2019 AED (Audited)</i>
Investments carried at fair value through other comprehensive income	122,744,252	145,504,463
Investments carried at fair value through profit or loss	<u><b>250,405,619</b></u>	<u><b>288,307,385</b></u>
	<u><b>373,149,871</b></u>	<u><b>433,811,848</b></u>

# Foodco Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2020 (Unaudited)

### 6 INVESTMENTS continued

Investments carried at fair value through other comprehensive income comprise:

	<i>31 March 2020 AED (Unaudited)</i>	<i>31 December 2019 AED (Audited)</i>
Quoted equity securities inside UAE	<b>109,514,706</b>	132,031,716
Quoted equity securities outside UAE	<b>6,147,436</b>	6,062,836
Unquoted equity securities outside UAE	<b>568,158</b>	895,958
Unquoted equity securities inside UAE	<b><u>6,513,952</u></b>	<u>6,513,953</u>
	<b><u>122,744,252</u></b>	<u>145,504,463</u>

Investments carried held at fair value through profit and loss comprise:

	<i>31 March 2020 AED (Unaudited)</i>	<i>31 December 2019 AED (Audited)</i>
Quoted equity securities inside UAE	<b>238,357,430</b>	278,272,224
Quoted equity securities outside UAE	<b>2,599,518</b>	1,652,324
Quoted commodities outside UAE	<b>1,065,834</b>	-
Investments in mutual funds	<b><u>8,382,837</u></b>	<u>8,382,837</u>
	<b><u>250,405,619</u></b>	<u>288,307,385</u>

Investment in mutual funds have been held by a related party beneficially on behalf of the Group.

The movement in investments were as follows:

	<i>At fair value through profit or loss 31 March 2020 AED (Unaudited)</i>	<i>At fair value through other comprehensive income 31 March 2020 AED (Unaudited)</i>	<i>At fair value through profit or loss 31 December 2019 AED (Audited)</i>	<i>At fair value through other comprehensive income 31 December 2019 AED (Audited)</i>
At 1 January	<b>288,307,385</b>	<b>145,504,463</b>	357,088,241	251,082,239
Purchase of Investments	<b>32,824,636</b>	<b>989,611</b>	60,047,900	20,403,804
Disposal of Investments	<b><u>(47,415,652)</u></b>	<b><u>-</u></b>	<u>(34,428,514)</u>	<u>(22,010,313)</u>
	<b>273,716,369</b>	<b>146,494,074</b>	382,707,627	249,475,730
Change in fair value	<b><u>(23,310,750)</u></b>	<b><u>(23,749,822)</u></b>	<u>(94,400,242)</u>	<u>(103,971,267)</u>
At end of the period / year	<b><u>250,405,619</u></b>	<b><u>122,744,252</u></b>	<u>288,307,385</u>	<u>145,504,463</u>

# Foodco Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2020 (Unaudited)

### 6 INVESTMENTS continued

#### *Fair value of financial assets and liabilities*

All of the Group's investments are measured at amortised cost except for investment properties and investment in securities which are measured at fair value. All the financial liabilities are carried at amortised cost. The fair values of financial assets and liabilities carried at amortised cost approximate their carrying values as stated in the interim consolidated statement of financial position.

The Group uses the following hierarchy for determining the fair value of financial assets and liabilities by valuation technique:

- Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3: inputs are unobservable for the asset or liability.

The following table shows the fair values of investment in securities including their levels in the fair value hierarchy.

	<i>Level 1</i> <i>AED</i>	<i>Level 2</i> <i>AED</i>	<i>Level 3</i> <i>AED</i>	<i>Total</i> <i>AED</i>
<b>31 March 2020 (unaudited)</b>				
<i>Investments carried at fair value through profit and loss</i>				
Quoted shares	240,956,948	-	-	240,956,948
Quoted commodities	1,065,834	-	-	1,065,834
Mutual funds	-	8,382,837	-	8,382,837
	<u>242,022,782</u>	<u>8,382,837</u>	<u>-</u>	<u>250,405,619</u>
<i>Investments carried at fair value through other comprehensive income</i>				
Quoted shares	115,662,142	-	-	115,662,142
Unquoted shares	-	-	7,082,110	7,082,110
	<u>115,662,142</u>	<u>-</u>	<u>7,082,110</u>	<u>122,744,252</u>
<b>Total</b>	<u>357,684,924</u>	<u>8,382,837</u>	<u>7,082,110</u>	<u>373,149,871</u>
	<i>Level 1</i> <i>AED</i>	<i>Level 2</i> <i>AED</i>	<i>Level 3</i> <i>AED</i>	<i>Total</i> <i>AED</i>
<b>31 December 2019 (audited)</b>				
<i>Investments carried at fair value through profit or loss</i>				
Quoted shares	279,924,548	-	-	279,924,548
Mutual funds	-	8,382,837	-	8,382,837
	<u>279,924,548</u>	<u>8,382,837</u>	<u>-</u>	<u>288,307,385</u>
<i>Investments carried at fair value through other comprehensive income</i>				
Quoted shares	138,094,552	-	-	138,094,552
Unquoted shares	-	-	7,409,911	7,409,911
	<u>138,094,552</u>	<u>-</u>	<u>7,409,911</u>	<u>145,504,463</u>
<b>Total</b>	<u>418,019,100</u>	<u>8,382,837</u>	<u>7,409,911</u>	<u>433,811,848</u>

There have been no transfers between levels during the period.



# Foodco Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2020 (Unaudited)

### 7 INVENTORIES

	<i>31 March 2020 AED (Unaudited)</i>	<i>31 December 2019 AED (Audited)</i>
Goods for resale	7,274,028	16,234,636
Consumables	<u>1,492,420</u>	<u>949,325</u>
	<b>8,766,448</b>	<b>17,183,961</b>
Less: allowance for slow moving inventories	<u>(1,143,237)</u>	<u>(754,727)</u>
	<u><b>7,623,211</b></u>	<u><b>16,429,234</b></u>

The movement in the allowance for slow moving inventories was as follows:

	<i>31 March 2020 AED (Unaudited)</i>	<i>31 December 2019 AED (Audited)</i>
At 1 January	754,727	4,047,181
Charge for the period / year	468,274	465,000
Reversal during the period / year	-	(2,665,289)
Written off during the period / year	<u>(79,764)</u>	<u>(1,092,165)</u>
	<u><b>1,143,237</b></u>	<u><b>754,727</b></u>

### 8 TRADE AND OTHER RECEIVABLES

	<i>31 March 2020 AED (Unaudited)</i>	<i>31 December 2019 AED (Audited)</i>
Trade receivables	61,338,635	182,523,858
Less: allowance for expected credit loss on trade receivables	<u>(25,545,890)</u>	<u>(25,545,890)</u>
	<b>35,792,745</b>	<b>156,977,968</b>
Prepayments	1,731,431	1,164,618
Receivables against sale of investment property	6,300,000	6,300,000
Dividend receivable	6,198,637	-
Advances to suppliers	7,088,643	6,221,193
Due from brokers	4,024,685	203,774
Other receivables	2,513,687	2,282,551
Less: allowance for expected credit losses on other receivables, advance to suppliers and receivable against sale of investment property*	<u>(4,521,820)</u>	<u>(4,517,160)</u>
	<u><b>59,128,008</b></u>	<u><b>168,632,944</b></u>

# Foodco Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2020 (Unaudited)

### 8 TRADE AND OTHER RECEIVABLES continued

The movement in the expected credit loss on the trade receivables during the period / year was as follows:

	<i>31 March 2020 AED (Unaudited)</i>	<i>31 December 2019 AED (Audited)</i>
At the beginning of the period / year	25,545,890	25,827,162
Charge for the period / year	-	8,178,701
Written off during the period / year	<u>-</u>	<u>(8,459,973)</u>
At the end of the period / year	<u>25,545,890</u>	<u>25,545,890</u>

Movement in the allowance for expected credit loss on other receivable during the period / year was as follows:

	<i>31 March 2020 AED (Unaudited)</i>	<i>31 December 2019 AED (Audited)</i>
At the beginning of the period / year	4,517,160	1,882,271
Charge for the period / year	<u>4,660</u>	<u>2,634,889</u>
At the end of the period / year	<u>4,521,820</u>	<u>4,517,160</u>

\* Allowance for expected credit losses on other receivables, advances to suppliers and receivable against sale of investment properties includes provision against receivables against sale of investment property amounting to AED 1,500,000 (2019: AED 1,500,000).

### 9 CASH AND CASH EQUIVALENTS

	<i>31 March 2020 AED (Unaudited)</i>	<i>31 December 2019 AED (Audited)</i>
Cash in hand	63,846	67,852
Cash at banks – current accounts	<u>49,811,934</u>	<u>4,047,179</u>
Cash and bank balances	49,875,780	4,115,031
Less: bank overdrafts	<u>(204,236,144)</u>	<u>(206,933,195)</u>
Cash and cash equivalents	<u>(154,360,364)</u>	<u>(202,818,164)</u>

# Foodco Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2020 (Unaudited)

### 10 LOANS AND BORROWINGS

	<i>31 March 2020 AED (Unaudited)</i>	<i>31 December 2019 AED (Audited)</i>
Bank borrowings	<b>249,918,905</b>	278,124,566
Trust receipts	<b>50,286,726</b>	51,675,232
Bank overdrafts	<b><u>204,236,144</u></b>	<u>206,933,195</u>
	<b><u>504,441,775</u></b>	<u>536,732,993</u>

Loans and borrowings are repayable as follows:

	<i>31 March 2020 AED (Unaudited)</i>	<i>31 December 2019 AED (Audited)</i>
Current portion	<b>392,504,279</b>	415,284,874
Non-current portion	<b><u>111,937,496</u></b>	<u>121,448,119</u>
	<b><u>504,441,775</u></b>	<u>536,732,993</u>

Terms and conditions of bank borrowings are as follows:

<i>Loan</i>	<i>Year of maturity</i>	<i>Facility value AED</i>	<i>31 March 2020 Carrying amount AED</i>	<i>31 December 2019 Carrying amount AED</i>
Term loan 1 – Secured	2019	25,000,000	-	85
Term loan 2 – Secured	2022	42,500,000	<b>22,500,000</b>	25,000,000
Term loan 3 – Secured	2022	50,000,000	<b>15,781,250</b>	21,406,250
Term loan 4 – Secured	2024	30,737,272	<b>29,370,037</b>	30,737,272
Term loan 5 – Secured	2023	21,000,000	<b>18,000,000</b>	19,500,000
Term loan 6 – Secured	2024	44,650,000	<b>39,950,000</b>	42,300,000
Term loan 7 - Secured	2027	27,537,000	<b>22,990,749</b>	23,851,280
Term loan 8 – Unsecured	2020	75,000,000	<b>45,000,000</b>	60,000,000
Term loan 9 - Secured	2024	10,000,000	<b>9,500,000</b>	10,000,000
Term loan 10 – Unsecured	2020	5,000,000	<b>4,017,929</b>	5,000,000
Term loan 11 – Unsecured	2020	91,699,193	<b>40,329,762</b>	40,329,679
Term loan 12 – Unsecured	2020	25,697,000	<b><u>2,479,178</u></b>	<u>-</u>
Total			<b><u>249,918,905</u></b>	<u>278,124,566</u>

#### *Term loan 1*

In 1993, the Group obtained a loan of AED 25,000 thousand from the Department of Social Services and Commercial Buildings (DSSCB). The loan is repayable in annual instalments of AED 1,573,000 each through a local bank until 2019. The loan is secured by a registered mortgage over the residential and commercial buildings. The loan has been fully paid as at 30 September 2019. The loan bore an interest rate at market interest rates plus an applicable margin.

#### *Term loan 2*

The loan was obtained in June 2017 from a local bank. The loan is repayable in annual instalments in accordance with a repayment schedule starting from 2017 until 2022. The loan is secured by a first-degree mortgage over the commercial and residential building C-169. The loan bears an interest rate at market interest rates plus an applicable margin.

### 10 LOANS AND BORROWINGS continued

#### *Term loan 3*

The loan was obtained in May 2016 from a local bank for AED 50,000 thousand. The loan is repayable with semi-annual rollover / instalments starting from 2018 until 2022. It is secured by a registered pledge over 50 million shares. The purpose of the loan is to support the Group's working capital requirements. The loan bears an interest rate at market interest rates plus an applicable margin.

#### *Term loan 4*

The loan was obtained in April 2017 from a local bank for AED 30,737 thousand. The loan is repayable in 20 quarterly instalments starting from 2020 until 2024. The purpose of the loan is to finance development and construction of residential cum commercial tower in Khalifa City A, Abu Dhabi. The loan is secured by a registered pledge over the land and building under construction. The loan bears an interest rate at market interest rates plus an applicable margin.

#### *Term loan 5*

The loan was obtained in February 2018 from a local bank. The loan is repayable in quarterly instalments starting from 2018 until 2022. The purpose of the loan is to support the Group's working capital requirement. It is secured by a registered pledge over shares with 200% security coverage at all time. The loan bears an interest rate at market interest rates plus an applicable margin.

#### *Term loan 6*

The loan is a revolving loan obtained in April 2019 from a local bank. The loan is repayable in quarterly instalments starting from 2018 until 2024. The purpose of the loan is to support the Group's working capital requirements. It is secured by registered mortgages against commercial and residential buildings. The loan bears an interest rate at market interest rates plus an applicable margin.

#### *Term loan 7*

The loan was obtained in December 2019 from a local bank. The loan is repayable in quarterly instalments starting from 2019 until 2027. The purpose of the loan is to support the development and construction of building C10 in Khalifa City - Abu Dhabi. It is secured by a registered pledge over land and buildings. The loan bears an interest rate at market interest rates plus an applicable margin.

#### *Term loan 8*

The loan is a revolving loan obtained in June 2014 from a local bank for AED 75,000 thousand. The purpose of the loan is to support the Group's working capital requirements. The loan bears an interest rate at market interest rates plus an applicable margin.

#### *Term loan 9*

The loan was obtained in December 2019 from a local bank. The loan is repayable in quarterly instalments starting from 2020 until 2024. The purpose of the loan is to support the Group's working capital requirements. The loan is secured by a registered pledge over shares with 200% security coverage at all time. The loan bears an interest rate at market interest rates plus an applicable margin.

#### *Term loan 10*

The loan was obtained from a local bank for AED 5,000 thousand. The purpose of the loan is to support the Group's working capital requirements. The loan bears an interest rate at market interest rates plus an applicable margin.

#### *Term loan 11*

The loan is a revolving loan obtained in November 2019 from an international bank for USD 25,000 thousand with a maturity of six months. The purpose of the loan is to support the Group's working capital requirements. The loan bears an interest rate at market interest rates plus an applicable margin.

#### *Term loan 12*

The loan is a revolving loan obtained in October 2019 from an international bank for USD 7,000 thousand. The purpose of the loan is to support the Group's investment requirements. The loan bears an interest rate at market rate plus 1% margin. The maturity of the loan is April 2020.

# Foodco Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2020 (Unaudited)

### 11 TRADE AND OTHER PAYABLES

	<i>31 March 2020 AED (Unaudited)</i>	<i>31 December 2019 AED (Audited)</i>
Trade payables	19,564,419	63,872,549
Accruals	20,071,241	19,359,646
Advances from customers	8,469,668	6,808,464
Retention payable	5,145,564	5,107,267
Other payables	<u>2,492,303</u>	<u>2,486,292</u>
	<u><b>55,743,195</b></u>	<u><b>97,634,218</b></u>

Classified into the interim consolidated statement of financial position as follows:

	<i>31 March 2020 AED (Unaudited)</i>	<i>31 December 2019 AED (Audited)</i>
Non- current (retentions payable)	418,941	380,322
Current	<u><b>55,324,254</b></u>	<u><b>97,253,896</b></u>
	<u><b>55,743,195</b></u>	<u><b>97,634,218</b></u>

### 12 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties comprise the Shareholders, directors and key management of the Company and entities in which they have the ability to control and exercise significant influence in financial and operating decisions. Pricing policies and terms of these transactions are approved by the Group's management.

The related party transactions, outstanding balances and related income and expenses were as follows:

	<i>31 March 2020 AED (Unaudited)</i>	<i>31 December 2019 AED (Audited)</i>
<i>Amounts due from related parties</i>		
Board of directors	107,945	70,085
Shareholders	<u><b>1,140,516</b></u>	<u><b>1,242,243</b></u>
	<u><b>1,248,461</b></u>	<u><b>1,312,328</b></u>
<i>Amounts due to related parties</i>		
Board of directors	86,419	710,435
Shareholders	<u><b>450,000</b></u>	<u><b>583,666</b></u>
	<u><b>536,419</b></u>	<u><b>1,294,101</b></u>

# Foodco Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2020 (Unaudited)

### 12 RELATED PARTY TRANSACTIONS AND BALANCES continued

Significant transactions with related parties comprised:

	<i>Three month period ended</i>	
	<i>31 March 2020 AED (Unaudited)</i>	<i>31 March 2019 AED (Unaudited)</i>
Sales	<u>242,596</u>	<u>148,713</u>
Purchases and other charges	<u>2,401</u>	<u>8,677,255</u>

### Key management personnel compensation

	<i>Three month period ended</i>	
	<i>31 March 2020 AED (Unaudited)</i>	<i>31 March 2019 AED (Unaudited)</i>
Management compensation	404,226	390,935
Employees' end of service benefits	12,500	12,500
Short term benefits	<u>198,907</u>	<u>382,963</u>
Total	<u>615,633</u>	<u>786,398</u>

### 13 BASIC AND DILUTED LOSS PER SHARE

Basic and diluted loss per share is calculated by dividing the loss for the period attributable to equity holders of the Company by the weighted average number of shares outstanding during the period.

The following reflects the loss and share data used in the basic and diluted loss per share computations:

	<i>Three month period ended</i>	
	<i>31 March 2020 (Unaudited)</i>	<i>31 March 2019 (Audited)</i>
Loss for the period attributable to equity holders of the Company (AED)	<u>(34,773,109)</u>	<u>(31,653,381)</u>
Weighted average number of ordinary shares issued (AED)	<u>120,000,000</u>	<u>120,000,000</u>
Basic and diluted loss per share (AED)	<u>(0.29)</u>	<u>(0.26)</u>

# Foodco Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2020 (Unaudited)

### 14 CONTINGENCIES AND CAPITAL COMMITMENTS

#### *Contingent liabilities*

As at reporting date, following contingent liabilities were outstanding:

	<i>31 March 2020 AED (Unaudited)</i>	<i>31 December 2019 AED (Audited)</i>
Bank guarantees	<u>45,198,663</u>	<u>48,082,163</u>
Letters of credit	<u>903,804</u>	<u>40,055</u>

#### **Capital commitments**

As at reporting date, the capital commitments relate to the following:

	<i>31 March 2020 AED (Unaudited)</i>	<i>31 December 2019 AED (Audited)</i>
Purchase of land	<u>5,434,050</u>	<u>5,434,050</u>
Construction of building	<u>222,728</u>	<u>1,031,666</u>
Others	<u>377,100</u>	<u>659,925</u>

### 15 SEGMENT INFORMATION

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Operating Officer in order to allocate resources to the segment and to assess its performance.

For operating purposes, the Group is organised into four major business segments:

- i). Investing in securities ("Investment in securities");
- ii). Investing in properties ("Investment properties");
- iii). Marine, air and land shipment services along with management and operation of store and warehouses ("Freight forwarding and storage"); and
- iv). Wholesale and distribution of food products ("Trading").

Transactions between segments are conducted at rates determined by management taking into consideration the cost of funds.

Foodco Holding PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
31 March 2020 (Unaudited)

15 SEGMENT INFORMATION continued

For the three month period ended 31 March 2020 (unaudited):

	Investment in securities AED	Investment properties AED	Freight forwarding and storage AED	Trading AED	Others AED	Eliminations AED	Consolidated AED
Income – external	(29,334,389)	8,562,040	355,462	21,930,456	-	-	1,513,569
Income – internal	-	744,438	1,786,368	233,910	-	(2,764,716)	-
(Loss) profit for the period	(36,978,826)	5,448,069	(1,051,882)	(2,006,687)	15,124	(219,810)	(34,794,012)

For the three month period ended 31 March 2019 (unaudited):

	Investment in securities AED	Investment properties AED	Freight forwarding and storage AED	Trading AED	Others AED	Eliminations AED	Consolidated AED
Income – external	(47,447,178)	8,502,046	404,827	92,326,959	-	-	53,786,654
Income – internal	-	744,438	762,402	3,520	-	(1,510,360)	-
(Loss) profit for the period	(47,447,178)	1,915,928	(1,263,673)	18,871,422	(3,728,144)	-	(31,651,645)



# Foodco Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2020 (Unaudited)

### 15 SEGMENT INFORMATION continued

The segment assets and liabilities are as follows:

*As at 31 March 2020 (unaudited):*

	<i>Investment in securities AED</i>	<i>Investment properties AED</i>	<i>Freight forwarding and storage AED</i>	<i>Trading AED</i>	<i>Others AED</i>	<i>Eliminations AED</i>	<i>Consolidated AED</i>
Assets	<u>840,411,190</u>	<u>44,960,323</u>	<u>3,707,299</u>	<u>360,875,760</u>	<u>2,759,008</u>	<u>(399,750,737)</u>	<u>852,962,843</u>
Liabilities	<u>485,726,185</u>	<u>80,645,403</u>	<u>31,273,011</u>	<u>20,246,568</u>	<u>(15,100)</u>	<u>(32,762,161)</u>	<u>585,113,906</u>

*As at 31 December 2019 (audited):*

	<i>Investment in securities AED</i>	<i>Investment properties AED</i>	<i>Freight forwarding and storage AED</i>	<i>Trading AED</i>	<i>Others AED</i>	<i>Eliminations AED</i>	<i>Consolidated AED</i>
Assets	<u>394,933,848</u>	<u>369,632,315</u>	<u>4,299,017</u>	<u>250,799,545</u>	<u>2,929,493</u>	<u>(32,498,967)</u>	<u>990,095,251</u>
Liabilities	<u>516,304,555</u>	<u>90,106,952</u>	<u>30,443,768</u>	<u>55,836,637</u>	<u>(15,100)</u>	<u>(28,974,332)</u>	<u>663,702,480</u>

# Foodco Holding PJSC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2020 (Unaudited)

### 16 DIVIDENDS

At the Annual General Meeting held on 26 April 2020, shareholders approved cash dividends for the year ended 31 December 2019 of AED nil (2019: cash dividends of AED 12,000 thousand, representing 10% of the issued share capital).

### 17 COMPARITIVE INFORMATION

The Group has made the following reclassifications in respect of the comparatives to conform to the current period presentation:

	<i>As previously reported AED</i>	<i>As reclassified AED</i>	<i>Difference AED</i>
<b><i>Period ended 31 March 2019</i></b>			
Revenue from contracts with customers	95,451,697	92,731,786	(2,719,911)
Cost of sales	(68,590,019)	(68,712,049)	(122,030)
Selling, general and administrative expenses	(13,684,431)	-	13,684,431
General and administrative expenses	-	(5,916,546)	(5,916,546)
Selling and distribution expenses	-	(4,441,522)	(4,441,522)
Provision for expected credit losses on trade and other receivables	-	(484,422)	(484,422)
<b><i>As at 31 December 2019</i></b>			
Amounts due from related parties	601,893	1,312,328	710,435
Amounts due to related parties	583,666	1,294,101	(710,435)

These reclassifications have no impact on previously reported equity or profit of the Group.