

Foodco Holding PJSC

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

30 SEPTEMBER 2019 (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 30 September 2019 and the related interim consolidated statement of profit or loss and interim consolidated statement of comprehensive income for the three-month and nine-month periods then ended and the interim consolidated statement of changes in equity and interim consolidated statement of cash flows for the nine months 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.

Other matters

The consolidated financial statements of the Group for the year ended 31 December 2018 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on 27 March 2019.

The interim condensed consolidated financial statements of the Group for the period ended 30 September 2018 were reviewed by another auditor who expressed an unmodified conclusion on those interim condensed consolidated financial statements on 14 November 2018.



Signed by:
Mohammad Mobin Khan
Partner
Ernst & Young
Registration No 532

12 November 2019
Abu Dhabi

Foodco Holding PJSC

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the three and nine months ended 30 September 2019 (Unaudited)

	Note	<i>Three months ended</i> <i>30 September</i>		<i>Nine months ended</i> <i>30 September</i>	
		<i>2019</i> <i>AED</i>	<i>2018</i> <i>AED</i>	<i>2019</i> <i>AED</i>	<i>2018</i> <i>AED</i>
Income from trading activities		41,504,767	81,456,746	229,088,465	230,681,311
Income from investment properties		9,509,095	8,788,483	27,485,499	26,511,973
Income (loss) from investments	3	<u>2,363,118</u>	<u>(2,297,815)</u>	<u>(61,733,493)</u>	<u>26,914,843</u>
		53,376,980	87,947,414	194,840,471	284,108,127
Cost of sales		(29,638,895)	(68,631,904)	(167,161,227)	(185,914,689)
Selling, general and administrative expenses		(8,369,336)	(11,409,010)	(40,122,090)	(33,604,180)
Finance costs		(8,244,671)	(5,890,502)	(20,331,396)	(14,184,484)
Other income		<u>4,860</u>	<u>101,202</u>	<u>17,950</u>	<u>289,399</u>
PROFIT (LOSS) FOR THE PERIOD		<u><u>7,128,938</u></u>	<u><u>2,117,200</u></u>	<u><u>(32,756,292)</u></u>	<u><u>50,694,173</u></u>
Profit (loss) attributable to:					
Equity holders of the Company		7,054,800	2,122,591	(33,246,834)	50,686,474
Non-controlling interests		<u>74,138</u>	<u>(5,391)</u>	<u>490,542</u>	<u>7,699</u>
		<u><u>7,128,938</u></u>	<u><u>2,117,200</u></u>	<u><u>(32,756,292)</u></u>	<u><u>50,694,173</u></u>
Basic and diluted earnings (loss) per share					
attributable to equity holders of the Company	13	<u><u>0.06</u></u>	<u><u>0.02</u></u>	<u><u>(0.28)</u></u>	<u><u>0.42</u></u>

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 and nine months ended 30 September 2019 (Unaudited)

	<i>Three months ended</i> <i>30 September</i>		<i>Nine months ended</i> <i>30 September</i>	
	<i>2019</i> <i>AED</i>	<i>2018</i> <i>AED</i>	<i>2019</i> <i>AED</i>	<i>2018</i> <i>AED</i>
PROFIT (LOSS) FOR THE PERIOD	7,128,938	2,117,200	(32,756,292)	50,694,173
Other comprehensive income:				
<i>Items that will not be reclassified to profit or loss</i> <i>in subsequent periods:</i>				
Net changes in the fair value of investments held through other comprehensive income	<u>4,314,413</u>	<u>13,890,261</u>	<u>(112,171,128)</u>	<u>7,862,453</u>
Other comprehensive income (loss)	<u>4,314,413</u>	<u>13,890,261</u>	<u>(112,171,128)</u>	<u>7,862,453</u>
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	<u>11,443,351</u>	<u>16,007,461</u>	<u>(144,927,420)</u>	<u>58,556,626</u>
Total comprehensive income (loss) attributable to:				
Equity holders of the company	11,367,126	16,000,607	(145,395,477)	58,547,294
Non-controlling interests	<u>76,225</u>	<u>6,854</u>	<u>468,057</u>	<u>9,332</u>
	<u>11,443,351</u>	<u>16,007,461</u>	<u>(144,927,420)</u>	<u>58,556,626</u>

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 30 September 2019 (Unaudited)

	Notes	30 September 2019 AED (Unaudited)	31 December 2018 AED (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		9,109,040	9,929,167
Right-of-use assets	2.4	22,775,027	-
Investment properties under development	4	21,486,090	118,870,314
Investment properties	5	352,455,714	230,090,026
Investments held at fair value through other comprehensive income	7	154,044,475	251,082,239
Other assets		5,949,510	5,949,510
		<u>565,819,856</u>	<u>615,921,256</u>
Current assets			
Inventories	6	22,005,018	10,484,387
Investments held at fair value through profit and loss	7	301,965,864	357,088,241
Trade and other receivables	8	187,447,120	147,688,263
Amounts due from related parties	12	2,212,270	1,067,818
Cash and bank balances	9	5,560,709	4,937,552
		<u>519,190,981</u>	<u>521,266,261</u>
Assets held for sale		180,153	180,153
		<u>519,371,134</u>	<u>521,446,414</u>
		<u>1,085,190,990</u>	<u>1,137,367,670</u>
TOTAL ASSETS			
EQUITY AND LIABILITIES			
Equity			
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		(137,800,854)	(26,782,321)
Retained earnings		299,333,028	345,709,972
		<u>401,532,174</u>	<u>558,927,651</u>
Equity attributable to equity holders of the Company		401,532,174	558,927,651
Non-controlling interests		3,932,820	3,464,763
		<u>405,464,994</u>	<u>562,392,414</u>
TOTAL EQUITY			
LIABILITIES			
Non-current liabilities			
Employees' end of service benefits		5,112,098	4,737,141
Lease liabilities	2.4	15,204,485	-
Loans and borrowings	10	123,871,627	83,196,442
		<u>144,188,210</u>	<u>87,933,583</u>
Current liabilities			
Loans and borrowings	10	373,267,115	366,523,951
Trade and other payables	11	130,727,341	93,706,143
Lease liabilities	2.4	8,032,064	-
Amounts due to related parties	12	23,511,266	26,811,579
		<u>535,537,786</u>	<u>487,041,673</u>
		<u>679,725,996</u>	<u>574,975,256</u>
TOTAL LIABILITIES			
TOTAL EQUITY AND LIABILITIES			
		<u>1,085,190,990</u>	<u>1,137,367,670</u>

Ahmed Ali Khalfan Al Dhaheri
Chairman

Mohamed Ali Khamis Mohamed AlHosani
Director

Mohammad Hafiz
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 30 September 2019 (Unaudited)

	<i>Attributable to the equity holders of the Company</i>						<i>Non-controlling interests</i>	<i>Total equity</i>
	<i>Share capital</i>	<i>Legal reserve</i>	<i>Regulatory reserve</i>	<i>Fair value reserve</i>	<i>Retained earnings</i>	<i>Equity attributable to equity holders of the Company</i>		
	<i>AED</i>	<i>AED</i>	<i>AED</i>	<i>AED</i>	<i>AED</i>	<i>AED</i>	<i>AED</i>	<i>AED</i>
At 1 January 2018 (audited)	100,000,000	50,000,000	50,000,000	(41,272,876)	352,251,315	510,978,439	217,686	511,196,125
Profit for the period	-	-	-	-	50,686,474	50,686,474	7,699	50,694,173
Other comprehensive income (loss)	-	-	-	7,860,820	-	7,860,820	1,633	7,862,453
Total comprehensive income for the period	-	-	-	7,860,820	50,686,474	58,547,294	9,332	58,556,626
Issue of bonus shares (note 16)	20,000,000	-	-	-	(20,000,000)	-	-	-
Dividends (note 16)	-	-	-	-	(20,000,000)	(20,000,000)	-	(20,000,000)
Transfer to reserve	-	10,000,000	10,000,000	-	(20,000,000)	-	-	-
At 30 September 2018 (unaudited)	<u>120,000,000</u>	<u>60,000,000</u>	<u>60,000,000</u>	<u>(33,412,056)</u>	<u>342,937,789</u>	<u>549,525,733</u>	<u>227,018</u>	<u>549,752,751</u>
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	-	-	-	-	(33,246,834)	(33,246,834)	490,542	(32,756,292)
Other comprehensive loss	-	-	-	(111,018,533)	(1,130,110)	(112,148,643)	(22,485)	(112,171,128)
Total comprehensive (loss) income for the period	-	-	-	(111,018,533)	(34,376,944)	(145,395,477)	468,057	(144,927,420)
Dividends (note 16)	-	-	-	-	(12,000,000)	(12,000,000)	-	(12,000,000)
At 30 September 2019 (unaudited)	<u>120,000,000</u>	<u>60,000,000</u>	<u>60,000,000</u>	<u>(137,800,854)</u>	<u>299,333,028</u>	<u>401,532,174</u>	<u>3,932,820</u>	<u>405,464,994</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 30 September 2019

		<i>Nine months period ended</i>	
		<i>30 September</i>	<i>30 September</i>
		<i>2019</i>	<i>2018</i>
	<i>Notes</i>	<i>AED</i>	<i>AED</i>
		<i>(Unaudited)</i>	<i>(Unaudited)</i>
OPERATING ACTIVITIES			
(Loss) profit for the period		(32,756,292)	50,694,173
Adjustments for:			
Depreciation on property, plant and equipment		2,043,361	1,713,454
Depreciation on right of use assets		6,204,109	-
Dividend income		(17,503,878)	(32,360,751)
Finance costs		20,331,396	14,184,484
Provision for employees' end of service benefits		843,051	1,439,991
Net changes in fair value of investments held			
at fair value through profit or loss	3	82,685,213	5,124,780
Allowance for expected credit loss of trade and other receivables	8	7,603,363	5,335,374
(Gain) loss on sale of investments held at fair value			
through profit and loss	3	(3,447,842)	321,128
Impairment charges on assets held for sale		-	144,527
Gain on sale of asset held for sale		-	(36,790)
Provision for slow moving inventories	6	794,766	<u>1,610,000</u>
		66,797,247	48,170,370
Working capital changes:			
Inventories		(12,315,397)	(3,558,602)
Trade and other receivables		(47,726,617)	21,133,531
Amounts due from related parties		(1,144,452)	(114,145)
Trade and other payables		34,973,268	10,101,355
Amounts due to related parties		(3,300,313)	<u>(6,400,654)</u>
Net cash flows from operating activities		37,283,736	69,331,855
Employees' end of service benefits paid		(468,094)	<u>(411,383)</u>
Net cash flows from operating activities		<u>36,815,642</u>	<u>68,920,472</u>
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(1,223,234)	(442,784)
Purchase of investments		(71,327,396)	(126,509,706)
Proceeds from disposal of investments		32,079,038	37,624,778
Proceeds from assets held-for-sale		-	42,408
Dividends received		17,503,878	32,360,751
Additions to investment properties under development		(24,981,464)	<u>(28,334,149)</u>
Net cash flows used in investing activities		<u>(47,949,178)</u>	<u>(85,258,702)</u>
FINANCING ACTIVITIES			
Proceeds from bank borrowings		199,166,762	57,475,719
Repayment of bank borrowings		(31,317,987)	(19,698,197)
Principal paid on lease liability		(6,375,000)	-
Dividends paid		(12,000,000)	(20,000,000)
Finance costs paid		(17,286,656)	<u>(14,097,106)</u>
Net cash flows from financing activities		<u>132,187,119</u>	<u>3,680,416</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		121,053,583	(12,657,814)
Cash and cash equivalents at 1 January		(306,466,224)	(319,551,552)
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	9	<u>(185,412,641)</u>	<u>(332,209,366)</u>

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 September 2019 (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 Company 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 consolidated financial statements were authorised for issue in accordance with a resolution of the Board of Directors on 12 November 2019.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

2.1 Accounting convention

The interim condensed consolidated financial statements have been prepared under the historical cost convention except for investments held at fair value through profit or loss, investments held 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 Group and the functional currency of the Company.

2.2 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.

2.3 Basis of consolidation

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

<i>Name of subsidiary</i>	<i>Principal activity</i>	<i>Country of incorporation</i>	<i>Percentage of holding</i>	
			<i>30 September 2019</i>	<i>31 December 2018</i>
Oasis National Foodstuff Company LLC FOODCO National Foodstuff PSC (Formerly known as Sense Gourmet Food Company PSC) *	Packing of foodstuff	United Arab Emirates	100%	100%
SPL Logistics Solutions LLC	Catering services and restaurant business	United Arab Emirates	98.75%	98.75%
Abu Dhabi National Catering LLC	Shipment, clearance and warehousing services	United Arab Emirates	100%	100%
Abu Dhabi National Foodstuff Company **	Catering services and wholesale of foodstuff	United Arab Emirates	100%	100%

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 September 2019 (Unaudited)

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES continued

2.3 Basis of consolidation continued

* On 21 May 2018, the Shareholders of the subsidiary, FOODCO National Foodstuff PSC, resolved to increase the share capital by AED 271,477,871. This resulted in an increase in the shareholding of the Company in the subsidiary from 95.6% to 98.75%.

** On 31 December 2018, the Shareholders of the Company resolved to transfer its entire ownership in Abu Dhabi National Foodstuff Company to its subsidiary, FOODCO National Foodstuff PSC.

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.

2.4 New standards, interpretations and amendments adopted by the Group

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 2018. In addition, results for the nine months ended 30 September 2019 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2019.

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 2018, except for the adoption of the following new standards, interpretations and amendments effective as of 1 January 2019. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

- IFRS 16 Leases;
- IFRIC Interpretation 23 Uncertainty over Income Tax Treatments;
- Amendments to IFRS 9 Prepayment Features with Negative Compensation;
- Amendments to IAS 19 Plan Amendment, Curtailment or Settlement; and
- Amendments to IAS 28 Long-term Interests in Associates and Joint Ventures.

Annual improvements 2015-2017 cycle

- IFRS 3 Business Combinations;
- IFRS 11 Joint Arrangements;
- IAS 12 Income Taxes; and
- IAS 23 Borrowing Costs.

The Group applied, for the first time, IFRS 16 Leases. As required by IAS 34, the nature and effect of these changes are disclosed below. The other amendments and interpretations apply for the first time in 2019, but do not have an impact on the interim condensed consolidated financial statements of the Group.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 September 2019 (Unaudited)

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES continued

2.4 New standards, interpretations and amendments adopted by the Group continued

IFRS 16 Leases

IFRS 16 supersedes *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*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for most leases under a single on-balance sheet model. Lessor accounting under IFRS 16 is substantially unchanged from IAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in IAS 17. Therefore, IFRS 16 did not have an impact for leases where the Group is the lessor.

The Group adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 January 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Group elected to use the transition practical expedient and elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short-term leases'), and lease contracts for which the underlying asset is of low value of USD 5,000 or less when new ('low-value assets'). The effect of adoption IFRS 16 as at 1 January 2019 is as follows:

	<i>AED</i>
Assets	
Right-of-use assets	28,979,136
Prepayments	<u>(364,397)</u>
Total assets	<u>28,614,739</u>
Liabilities	
Lease liabilities	28,614,739
Total liabilities	<u>28,614,739</u>
Total adjustment on equity:	
Retained earnings	<u><u>-</u></u>

Nature of the effect of adoption of IFRS 16

Leases previously accounted for as operating leases

The Group has various lease contracts, where prior to the adoption of IFRS 16, the Group classified each of its leases (as lessee) at the inception date as an operating leases. The leased asset was not capitalised and the lease payments were recognised as rent expense in profit or loss on a straight-line basis over the lease term. Any prepaid rent and accrued rent were recognised under 'Trade and other receivables' and 'Trade and other payables' respectively. Upon adoption of IFRS 16, the Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The standard provides specific transition requirements and practical expedients, which has been applied by the Group.

The Group recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES continued**2.4 New standards, interpretations and amendments adopted by the Group** continued**Nature of the effect of adoption of IFRS 16** continued

The Group also applied the available practical expedients wherein it:

- Relied on its assessment of whether leases are onerous immediately before the date of initial application;
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application;
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application; and
- Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The lease liabilities as at 1 January 2019 can be reconciled to the operating lease commitments as of 31 December 2018 as follows:

Operating lease commitments as at 31 December 2018 (AED)	32,327,086
Incremental borrowing rate as at 1 January 2019	5.5%
Discounted operating lease commitments at 1 January 2019 (AED)	28,614,739
Adjustment of commitments relating to leases of low value assets (AED)	<u>-</u>
Lease liabilities as at 1 January 2019 (AED)	<u>28,614,739</u>

Summary of new accounting policies

Set out below are the new accounting policies of the Group upon adoption of IFRS 16, which have been applied from the date of initial application:

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 September 2019 (Unaudited)

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES continued

2.4 New standards, interpretations and amendments adopted by the Group continued

Summary of new accounting policies continued

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of property and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Significant judgement in determining the lease term of contracts with renewal options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

Amounts recognised in the consolidated statement of financial position and profit or loss

Set out below, are the carrying amounts of the Group's right-of-use assets and lease liabilities and the movements during the period:

	<i>Right-of-use assets AED</i>	<i>Lease liabilities AED</i>
As at 1 January 2019	28,979,136	28,614,739
Depreciation expense	(6,204,109)	-
Interest expenses	-	996,811
Payments	<u>-</u>	<u>(6,375,000)</u>
As at 30 September 2019	<u>22,775,027</u>	<u>23,236,550</u>

Lease liabilities is analysed in the interim consolidated statement of financial position as follows:

	<i>30 September 2019 AED (Unaudited)</i>
Current	8,032,064
Non-current	<u>15,204,485</u>
Total	<u>23,236,549</u>

2.5 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 2018 except for judgements relating to leases under International Financial Reporting Standards 16, *Leases* disclosed in note 2.4 to the interim condensed consolidated financial statements.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 September 2019 (Unaudited)

3 INCOME (LOSS) FROM INVESTMENTS

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September</i>		<i>30 September</i>	
	<i>2019</i>	<i>2018</i>	<i>2019</i>	<i>2018</i>
	<i>AED</i>	<i>AED</i>	<i>AED</i>	<i>AED</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Dividend income	-	663,631	17,503,878	32,360,751
Gain (loss) on sale of investments	582,065	(595,062)	3,447,842	(321,128)
Net changes in fair value of investments held at fair value through profit or loss (note 7)	1,781,053	(2,366,384)	(82,685,213)	<u>(5,124,780)</u>
	2,363,118	<u>(2,297,815)</u>	(61,733,493)	<u>26,914,843</u>

4 INVESTMENT PROPERTIES UNDER DEVELOPMENT

	<i>30 September</i>	<i>31 December</i>
	<i>2019</i>	<i>2018</i>
	<i>AED</i>	<i>AED</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
At 1 January	118,870,314	76,336,756
Cost incurred during the period / year	24,981,464	42,533,558
Capitalised during the period / year (note 5)	(122,365,688)	-
	21,486,090	<u>118,870,314</u>

5 INVESTMENT PROPERTIES

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

	<i>30 September</i>	<i>31 December</i>
	<i>2019</i>	<i>2018</i>
	<i>AED</i>	<i>AED</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
At 1 January	230,090,026	237,090,026
Add: transfer from investment properties under development (note 4)	122,365,688	-
Change in fair value of investment properties	<u>-</u>	<u>(7,000,000)</u>
	352,455,714	<u>230,090,026</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 September 2019 (Unaudited)

6 INVENTORIES

	<i>30 September 2019 AED (Unaudited)</i>	<i>31 December 2018 AED (Audited)</i>
Goods for resale	26,374,371	14,531,568
Less: allowance for slow moving inventories	<u>(4,369,353)</u>	<u>(4,047,181)</u>
	<u>22,005,018</u>	<u>10,484,387</u>

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

	<i>30 September 2019 AED (Unaudited)</i>	<i>31 December 2018 AED (Audited)</i>
At 1 January	4,047,181	5,785,089
Charge for the period / year	794,766	390,000
Written off during the period / year	<u>(472,594)</u>	<u>(2,127,908)</u>
	<u>4,369,353</u>	<u>4,047,181</u>

7 INVESTMENTS

	<i>30 September 2019 AED (Unaudited)</i>	<i>31 December 2018 AED (Audited)</i>
Investments held at fair value through other comprehensive income	154,044,475	251,082,239
Investments held at fair value through profit and loss	<u>301,965,864</u>	<u>357,088,241</u>
	<u>456,010,339</u>	<u>608,170,480</u>

Investments at fair value through other comprehensive income comprise:

	<i>30 September 2019 AED (Unaudited)</i>	<i>31 December 2018 AED (Audited)</i>
Quoted equity securities inside UAE	139,238,164	222,687,559
Quoted equity securities outside UAE	5,989,084	19,616,336
Unquoted equity securities inside UAE	6,513,953	6,508,181
Unquoted equity securities outside UAE	<u>2,303,274</u>	<u>2,270,163</u>
	<u>154,044,475</u>	<u>251,082,239</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 September 2019 (Unaudited)

7 INVESTMENTS continued

Investments held at fair value through profit and loss comprise:

	30 September 2019 AED (Unaudited)	31 December 2018 AED (Audited)
Quoted equity securities inside UAE	292,816,317	339,217,568
Investments in mutual funds	7,520,751	6,986,350
Quoted equity securities outside UAE	<u>1,628,796</u>	<u>10,884,323</u>
	<u>301,965,864</u>	<u>357,088,241</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 and loss 30 September 2019 AED (Unaudited)</i>	<i>At fair value through other comprehensive income 30 September 2019 AED (Unaudited)</i>	<i>At fair value through profit and loss 31 December 2018 AED (Audited)</i>	<i>At fair value through other comprehensive income 31 December 2018 AED (Audited)</i>
At 1 January	357,088,241	251,082,239	304,632,871	182,881,498
Purchase of Investments	51,430,064	19,897,332	95,942,097	54,670,589
Disposal of Investments	<u>(23,867,228)</u>	<u>(5,894,078)</u>	<u>(47,156,084)</u>	<u>(971,015)</u>
	384,651,077	265,085,493	353,418,884	236,581,072
Change in fair value	<u>(82,685,213)</u>	<u>(111,041,018)</u>	<u>3,669,357</u>	<u>14,501,167</u>
At end of the period / year	<u>301,965,864</u>	<u>154,044,475</u>	<u>357,088,241</u>	<u>251,082,239</u>

Fair value of financial assets and liabilities

All of the Group's investments are measured at amortised cost except for investment properties and investments in securities which are measured at fair value. All 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.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 September 2019 (Unaudited)

7 INVESTMENTS continued

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

	<i>Level 1</i> AED	<i>Level 2</i> AED	<i>Level 3</i> AED	<i>Total</i> AED
<i>30 September 2019 (Unaudited)</i>				
<i>Investments at fair value through profit and loss</i>				
Quoted shares	294,445,113	-	-	294,445,113
Mutual funds	-	-	<u>7,520,751</u>	<u>7,520,751</u>
	<u>294,445,113</u>	-	<u>7,520,751</u>	<u>301,965,864</u>
 <i>Investments at fair value through other comprehensive income</i>				
Quoted shares	145,227,248	-	-	145,227,248
Unquoted shares	-	-	<u>8,817,227</u>	<u>8,817,227</u>
	<u>145,227,248</u>	-	<u>8,817,227</u>	<u>154,044,475</u>
Total	<u>439,672,361</u>	<u>-</u>	<u>16,337,978</u>	<u>456,010,339</u>
 <i>31 December 2018 (Audited)</i>				
<i>Investments at fair value through profit and loss</i>				
Quoted shares	350,101,891	-	-	350,101,891
Mutual funds	-	<u>6,986,350</u>	-	<u>6,986,350</u>
	<u>350,101,891</u>	<u>6,986,350</u>	-	<u>357,088,241</u>
 <i>Investments at fair value through other comprehensive income</i>				
Quoted shares	242,303,895	-	-	242,303,895
Unquoted shares	-	-	<u>8,778,344</u>	<u>8,778,344</u>
	<u>242,303,895</u>	-	<u>8,778,344</u>	<u>251,082,239</u>
Total	<u>592,405,786</u>	<u>6,986,350</u>	<u>8,778,344</u>	<u>608,170,480</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 September 2019 (Unaudited)

8 TRADE AND OTHER RECEIVABLES

	<i>30 September 2019 AED (Unaudited)</i>	<i>31 December 2018 AED (Audited)</i>
Trade receivables	207,797,820	154,151,539
Less: allowance for expected credit loss on trade receivables	<u>(33,430,525)</u>	<u>(25,827,162)</u>
	174,367,295	128,324,377
Prepayments	1,364,720	2,227,282
Receivables against sale of investment property	5,300,000	6,089,713
Advances to suppliers	5,578,562	5,710,943
Other receivables	2,718,814	7,218,219
Less: allowance for expected credit loss on other receivables	<u>(1,882,271)</u>	<u>(1,882,271)</u>
	<u>187,447,120</u>	<u>147,688,263</u>

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

	<i>30 September 2019 AED (Unaudited)</i>	<i>31 December 2018 AED (Audited)</i>
At the beginning of the period / year	25,827,162	22,183,985
Charge for the period / year	7,603,363	17,506,875
Written off during the period / year	<u>-</u>	<u>(13,863,698)</u>
At the end of the period / year	<u>33,430,525</u>	<u>25,827,162</u>

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

	<i>30 September 2019 AED (Unaudited)</i>	<i>31 December 2018 AED (Audited)</i>
At the beginning of the period / year	1,882,271	2,601,781
Written off during the period / year	<u>-</u>	<u>(719,510)</u>
	<u>1,882,271</u>	<u>1,882,271</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 September 2019 (Unaudited)

9 CASH AND CASH EQUIVALENTS

	<i>30 September 2019 AED (Unaudited)</i>	<i>31 December 2018 AED (Audited)</i>
Cash in hand	109,885	559,464
Cash at banks – current accounts	<u>5,450,824</u>	<u>4,378,088</u>
Cash and bank balances	5,560,709	4,937,552
Less: bank overdrafts (note 10)	(190,973,350)	(311,403,776)
Cash and cash equivalents	<u>(185,412,641)</u>	<u>(306,466,224)</u>

10 LOANS AND BORROWINGS

	<i>30 September 2019 AED (Unaudited)</i>	<i>31 December 2018 AED (Audited)</i>
Bank borrowings	261,462,437	118,192,733
Trust receipts	44,702,955	20,123,884
Bank overdrafts	<u>190,973,350</u>	<u>311,403,776</u>
	<u>497,138,742</u>	<u>449,720,393</u>

The bank overdrafts are repayable on demand.

Bank overdrafts, trust receipts and secured bank borrowings are repayable as follows:

	<i>30 September 2019 AED (Unaudited)</i>	<i>31 December 2018 AED (Audited)</i>
Current portion	373,267,115	366,523,951
Non-current portion	<u>123,871,627</u>	<u>83,196,442</u>
	<u>497,138,742</u>	<u>449,720,393</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 September 2019 (Unaudited)

10 LOANS AND BORROWINGS continued

Terms and conditions of bank borrowings are as follows:

<i>Loan</i>	<i>Year of maturity</i>	<i>30 September 2019</i>		<i>31 December 2018</i>
		<i>Face value AED</i>	<i>Carrying amount AED (Unaudited)</i>	<i>Carrying amount AED (Audited)</i>
Term loan 1 – Secured	2019	25,000,000	-	1,683,989
Term loan 2 – Secured	2022	50,000,000	27,500,000	35,000,000
Term loan 3 – Unsecured	2019	8,000,000	-	1,999,802
Term loan 4 – Secured	2022	50,000,000	23,434,470	36,718,750
Term loan 5 – Secured	2024	30,737,272	27,532,778	17,290,192
Term loan 6 – Secured	2022	30,000,000	21,000,000	25,500,000
Term loan 7 - Secured	2024	47,000,000	44,650,000	-
Term loan 8 - Secured	2027	27,537,000	20,966,879	-
Term loan 9 - Unsecured	2019	75,000,000	75,000,000	-
Term loan 10 - Secured	2019	21,518,870	<u>21,378,310</u>	-
Total			<u>261,462,437</u>	<u>118,192,733</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 bears 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 till 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.

Term loan 3

The loan was converted from an existing overdraft to a long-term loan in September 2016 for AED 8,000 thousand from a local bank. The purpose of the loan is for settlement of trust receipts. The loan bears an interest rate at market interest rates plus an applicable margin.

Term loan 4

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 5

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.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 September 2019 (Unaudited)

10 LOANS AND BORROWINGS continued

Term loan 6

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 requirements. 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 7

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 8

The loan was obtained in May 2018 from a local bank. The loan is repayable in quarterly instalments starting from 2018 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 under construction. The loan bears an interest rate at market interest rates plus an applicable margin.

Term loan 9

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 10

The loan was taken from a local bank for AED 22,156 thousand. It is secured by a registered pledge over 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.

11 TRADE AND OTHER PAYABLES

	<i>30 September</i> 2019 AED (Unaudited)	<i>31 December</i> 2018 AED (Audited)
Trade payables	93,861,758	63,533,675
Accruals	14,932,550	12,609,959
Advances from customer	14,420,716	3,675,271
Other payables	<u>7,512,317</u>	<u>13,887,238</u>
	<u>130,727,341</u>	<u>93,706,143</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 September 2019 (Unaudited)

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 Company's management.

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

	30 September 2019 AED (Unaudited)	31 December 2018 AED (Audited)
<i>Amounts due from related parties</i>		
Board of directors	1,129,836	160,380
Shareholders	<u>1,082,434</u>	<u>907,438</u>
	<u>2,212,270</u>	<u>1,067,818</u>
<i>Amounts due to related parties</i>		
Board of directors	2,874,938	3,350,000
Shareholders	<u>20,636,328</u>	<u>23,461,579</u>
	<u>23,511,266</u>	<u>26,811,579</u>

Significant transactions with related parties comprised:

	Three months ended 30 September		Nine months ended 30 September	
	2019 AED	2018 AED	2019 AED	2018 AED
Sales	<u>136,616</u>	<u>123,282</u>	<u>805,885</u>	<u>1,112,924</u>
Purchases and other charges	<u>26,740</u>	<u>-</u>	<u>120,376</u>	<u>4,482</u>
Capital expenditure	<u>13,561,509</u>	<u>10,711,201</u>	<u>24,386,355</u>	<u>23,708,401</u>

Key management personnel compensation

The remuneration of members of key management during the period was as follows:

	Three months ended 30 September		Nine months ended 30 September	
	2019 AED	2018 AED	2019 AED	2018 AED
Management compensation	663,000	236,891	6,961,067	1,986,630
Employees' end of service benefits	<u>10,129</u>	<u>19,440</u>	<u>71,111</u>	<u>70,181</u>
Total	<u>673,129</u>	<u>256,331</u>	<u>7,032,178</u>	<u>2,056,811</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 September 2019 (Unaudited)

13 BASIC AND DILUTED EARNINGS (LOSS) PER SHARE

Basic earnings per share is calculated by dividing the profit (loss) for the period attributable to equity holder of the company by the weighted average number of shares outstanding during the period.

The following reflects the profit (loss) profit and share data used in the basic earnings per share computations:

	<i>Three months period ended</i>		<i>Nine months period ended</i>	
	<i>30 September</i>	<i>30 September</i>	<i>30 September</i>	<i>30 September</i>
	<i>2019</i>	<i>2018</i>	<i>2019</i>	<i>2018</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Unaudited)</i>	<i>(Audited)</i>
Profit (loss) for the period attributable to equity holders of the parent (AED)	<u>7,054,800</u>	<u>2,122,591</u>	<u>(33,246,834)</u>	<u>50,686,474</u>
Weighted average number of ordinary shares issued (AED)	<u>120,000,000</u>	<u>120,000,000</u>	<u>120,000,000</u>	<u>120,000,000</u>
Basic and diluted earnings (loss) per share (AED)	<u>0.06</u>	<u>0.02</u>	<u>(0.28)</u>	<u>0.42</u>

14 CONTINGENCIES AND CAPITAL COMMITMENTS

Contingent liabilities

As at reporting date, following contingent liabilities were outstanding:

	<i>30 September</i>	<i>31 December</i>
	<i>2019</i>	<i>2018</i>
	<i>AED</i>	<i>AED</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
Bank guarantees	<u>48,088,549</u>	<u>72,261,808</u>
Letters of credit	<u>1,226,363</u>	<u>-</u>

Capital commitments

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

	<i>30 September</i>	<i>31 December</i>
	<i>2019</i>	<i>2018</i>
	<i>AED</i>	<i>AED</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
Purchase of land	<u>5,434,050</u>	<u>5,434,050</u>
Construction of building	<u>1,978,877</u>	<u>2,439,077</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

30 September 2019 (Unaudited)

15 SEGMENT INFORMATION continued

For the nine months period ended 30 September 2019 (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>
Income – external	<u>(61,733,493)</u>	<u>27,485,499</u>	<u>1,742,609</u>	<u>227,345,856</u>	<u>-</u>	<u>-</u>	<u>194,840,471</u>
Income – internal	<u>-</u>	<u>4,553,374</u>	<u>3,145,956</u>	<u>13,848</u>	<u>-</u>	<u>(7,713,178)</u>	<u>-</u>
(Loss) profit for the period	<u>(87,963,819)</u>	<u>19,572,834</u>	<u>(2,887,345)</u>	<u>38,823,680</u>	<u>(301,642)</u>	<u>-</u>	<u>(32,756,292)</u>

For the nine month period ended 30 September 2018 (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>
Income – external	<u>26,914,843</u>	<u>26,511,973</u>	<u>1,633,130</u>	<u>229,048,181</u>	<u>-</u>	<u>-</u>	<u>284,108,127</u>
Income – internal	<u>-</u>	<u>2,983,313</u>	<u>1,555,223</u>	<u>6,742</u>	<u>-</u>	<u>(4,545,278)</u>	<u>-</u>
Profit (loss) for the period	<u>26,914,843</u>	<u>1,959,661</u>	<u>(3,274,958)</u>	<u>25,397,025</u>	<u>(302,398)</u>	<u>-</u>	<u>50,694,173</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2019 (Unaudited)

15 SEGMENT INFORMATION continued

For the three months period ended 30 September 2019 (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>
Income – external	<u>2,363,118</u>	<u>9,509,095</u>	<u>106,611</u>	<u>41,398,156</u>	<u>-</u>	<u>-</u>	<u>53,376,980</u>
Income – internal	<u>-</u>	<u>1,517,791</u>	<u>1,630,888</u>	<u>13,848</u>	<u>-</u>	<u>(3,162,527)</u>	<u>-</u>
(Loss) profit for the period	<u>(8,862,944)</u>	<u>11,375,649</u>	<u>(827,464)</u>	<u>5,737,359</u>	<u>(301,642)</u>	<u>7,980</u>	<u>7,128,938</u>

For the three months period ended 30 September 2018 (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>
Income – external	<u>(2,297,815)</u>	<u>8,788,483</u>	<u>815,160</u>	<u>80,641,586</u>	<u>-</u>	<u>-</u>	<u>87,947,414</u>
Income – internal	<u>-</u>	<u>994,438</u>	<u>704,238</u>	<u>2,984</u>	<u>-</u>	<u>(1,701,660)</u>	<u>-</u>
(Loss) profit for the period	<u>(2,297,815)</u>	<u>(1,424,180)</u>	<u>(1,035,432)</u>	<u>7,374,008</u>	<u>(499,381)</u>	<u>-</u>	<u>2,117,200</u>

Foodco Holding PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2019 (Unaudited)

15 SEGMENT INFORMATION continued

The segment assets and liabilities are as follows:

As at 30 September 2019 (unaudited):

	<i>Investment in securities AED</i>	<i>Investment properties AED</i>	<i>Trading AED</i>	<i>Freight forwarding and storage AED</i>	<i>Others AED</i>	<i>Eliminations AED</i>	<i>Consolidated AED</i>
Assets	<u>790,996,027</u>	<u>425,959,760</u>	<u>309,064,185</u>	<u>2,471,573</u>	<u>3,771,157</u>	<u>(447,071,712)</u>	<u>1,085,190,990</u>
Liabilities	<u>496,440,746</u>	<u>104,497,065</u>	<u>103,591,663</u>	<u>26,679,855</u>	<u>1,788,250</u>	<u>(53,271,583)</u>	<u>679,725,996</u>

As at 31 December 2018 (audited):

	<i>Investment in securities AED</i>	<i>Investment properties AED</i>	<i>Trading AED</i>	<i>Freight forwarding and storage AED</i>	<i>Others AED</i>	<i>Eliminations AED</i>	<i>Consolidated AED</i>
Assets	<u>464,902,758</u>	<u>435,543,338</u>	<u>2,398,813</u>	<u>237,046,422</u>	<u>8,109,406</u>	<u>(10,633,067)</u>	<u>1,137,367,670</u>
Liabilities	<u>252,790,700</u>	<u>232,176,643</u>	<u>23,576,023</u>	<u>72,090,557</u>	<u>1,639,446</u>	<u>(7,298,113)</u>	<u>574,975,256</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 September 2019 (Unaudited)

16 DIVIDENDS

At the Annual General Meeting held on 23 April 2019, shareholders' approved cash dividends of AED 12 million, representing 10% of the issued share capital. (2018: cash dividends of AED 20 million, representing 20% of the issued share capital and 20% bonus shares, representing 20% of the issued share capital).

17 COMPARATIVES

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

<i>30 September 2019</i>	<i>As previously reported AED</i>	<i>As reclassified AED</i>	<i>Difference AED</i>
Income from investment properties	28,067,206	26,511,973	(1,555,233)
Cost of sales	(187,469,922)	(185,914,689)	1,555,233

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