

Foodco Holding PJSC

REVIEW REPORT AND INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 JUNE 2020 (UNAUDITED)

Board of Directors' Report For the Quarter ended June 30, 2020

The Board of Directors of Foodco Holding PJSC are pleased to report the interim condensed consolidated Financial Statements for the quarter ended June, 30 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 30 June 2020 which includes losses from investments was AED 36.638 million (2019: AED 140.778 million) while the loss attributable to equity holders of the Company was AED 36.767 million (2019: AED 40.302 million).

Analysis of the financial results of Q2 2020 is given here below:

The revenues shown below have been adjusted by AED 5.246 million 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			
		June 20	June 19	Increase / (Decrease)	
				Amount	%
Trading activities	-Revenue	36,924	185,262	(148,338)	-80%
	-(Loss) profit for the period	(4,551)	33,086	(37,637)	-114%
Real estate - operations without fair value valuations	-Revenue	17,469	17,976	(507)	-3%
	-Profit for the period	9,233	8,197	1,036	13%
Investments, valuations and others	-Revenue	(17,755)	(62,460)	44,705	-72%
	-Loss for the period	(41,557)	(81,168)	39,611	-49%
Loss attributable to equity holders of the Company	-Revenue	36,638	140,778	(104,140)	-74%
	-Loss for the period	(36,767)	(40,301)	3,534	-9%

The following are the summary of the financials

Profit and Loss summary

Revenue
Gross (loss) / Profit
Loss for the period attributable to equity holders of the Company
Loss per share (AED)

		AED '000			
		Half year Ended		Increase / (Decrease)	
		June 20	June 19	Amount	%
		36,638	140,778	(104,140)	-74.0%
	Revenue	(4,775)	2,759	(7,534)	-273.1%
	Gross (loss) / Profit	(36,767)	(40,302)	3,535	-8.8%
	Loss for the period attributable to equity holders of the Company	(0.31)	(0.34)	(0.03)	8.8%

Financial position summary

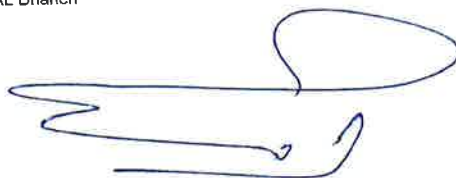
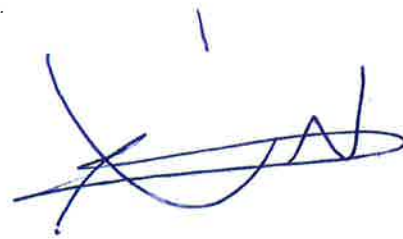
Current assets
Non current assets
Current liabilities
Non current liabilities
Equity attributable to equity holders of the Company
Book value of share (AED)

		AED '000			
		June 20	Dec 19	Increase / (Decrease)	
				Amount	%
		396,447	478,797	(82,350)	-17.2%
	Current assets	471,259	511,298	(40,039)	-7.8%
	Non current assets	489,530	521,823	(32,293)	-6.2%
	Current liabilities	124,812	141,880	(17,068)	-12.0%
	Non current liabilities	249,684	322,597	(72,913)	-22.6%
	Equity attributable to equity holders of the Company	2.08	2.89	(0.61)	-22.7%
	Book value of share (AED)				

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 AIMutawa AL Dhaheri
Chairman

**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 June 2020 and the related interim consolidated statement of profit or loss and interim consolidated statement of comprehensive income for the three-month and six-month periods then ended and the interim consolidated statement of changes in equity and interim consolidated statement of cash flows for the six-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 and six months ended 30 June 2020 (Unaudited)

	Note	<i>Three months ended</i>		<i>Six months ended</i>	
		<i>30 June</i>		<i>30 June</i>	
		<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
		<i>AED</i>	<i>AED</i>	<i>AED</i>	<i>AED</i>
Revenue	3	35,124,658	86,991,104	36,638,227	140,777,758
Cost of sales		(18,723,344)	(69,306,636)	(41,413,513)	(138,018,685)
GROSS PROFIT (LOSS)		16,401,314	17,684,468	(4,775,286)	2,759,073
General and administrative expenses		(9,095,226)	(8,320,918)	(13,912,019)	(14,237,464)
Selling and distribution expenses		(1,530,050)	(4,148,920)	(3,835,259)	(8,590,442)
Finance costs		(6,853,557)	(6,202,965)	(13,485,406)	(12,086,725)
Provision for expected credit losses on trade and other receivables		(925,196)	(7,258,340)	(925,196)	(7,742,762)
Other income		(78,170)	13,090	58,269	13,090
LOSS FOR THE PERIOD		(2,080,885)	(8,233,585)	(36,874,897)	(39,885,230)
(Loss) profit attributable to:					
Equity holders of the Company		(1,993,709)	(8,648,253)	(36,766,818)	(40,301,634)
Non-controlling interests		(87,176)	414,668	(108,079)	416,404
		(2,080,885)	(8,233,585)	(36,874,897)	(39,885,230)
Basic and diluted loss per share attributable to equity holders of the Company	13	(0.02)	(0.07)	(0.31)	(0.34)

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 six months ended 30 June 2020 (Unaudited)

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
	<i>AED</i>	<i>AED</i>	<i>AED</i>	<i>AED</i>
LOSS FOR THE PERIOD	(2,080,885)	(8,233,585)	(36,874,897)	(39,885,230)
Other comprehensive loss:				
<i>Items that will not be subsequently reclassified to the consolidated statement of profit or loss:</i>				
Net changes in the fair value of investments carried at fair value through other comprehensive income	<u>(12,403,583)</u>	<u>(32,292,171)</u>	<u>(36,153,405)</u>	<u>(116,485,541)</u>
Other comprehensive loss for the period	(12,403,583)	(32,292,171)	(36,153,405)	(116,485,541)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	(14,484,468)	(40,525,756)	(73,028,302)	(156,370,771)
Total comprehensive (loss) income attributable to:				
Equity holders of the Company	<u>(14,394,703)</u>	<u>(40,663,725)</u>	<u>(72,912,805)</u>	<u>(156,762,603)</u>
Non-controlling interest	<u>(89,765)</u>	<u>137,969</u>	<u>(115,497)</u>	<u>391,832</u>
	(14,484,468)	(40,525,756)	(73,028,302)	(156,370,771)

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 June 2020 (Unaudited)

	Note	30 June 2020 AED (Unaudited)	31 December 2019 AED (Audited)
ASSETS			
Non-current assets			
Property and equipment		46,144,757	6,156,582
Intangible assets		1,631,870	1,942,157
Right-of-use assets		17,493,239	23,059,114
Investment properties under development	4	23,531,636	22,525,635
Investment properties	5	266,160,868	306,160,868
Investments carried at fair value through other comprehensive income	6	110,347,540	145,504,463
Other assets		<u>5,949,510</u>	<u>5,949,510</u>
		<u>471,259,420</u>	<u>511,298,329</u>
Current assets			
Inventories	7	39,333,814	16,429,234
Investments carried at fair value through profit or loss	6	227,846,059	288,307,385
Trade and other receivables	8	64,477,991	168,632,944
Amounts due from related parties	12	1,264,473	1,312,328
Cash and bank balances	9	<u>63,524,758</u>	<u>4,115,031</u>
		<u>396,447,095</u>	<u>478,796,922</u>
TOTAL ASSETS		<u>867,706,515</u>	<u>990,095,251</u>
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		(166,878,104)	(130,732,117)
Retained earnings		<u>176,562,409</u>	<u>213,329,227</u>
Equity attributable to equity holders of the Company		<u>249,684,305</u>	<u>322,597,110</u>
Non-controlling interests		<u>3,680,164</u>	<u>3,795,661</u>
TOTAL EQUITY		<u>253,364,469</u>	<u>326,392,771</u>
LIABILITIES			
Non-current liabilities			
Provision for employees' end of service benefits		4,800,090	4,773,078
Lease liabilities		10,817,171	15,278,046
Retention payable	11	418,941	380,322
Loans and borrowings	10	<u>108,776,099</u>	<u>121,448,119</u>
		<u>124,812,301</u>	<u>141,879,565</u>
Current liabilities			
Loans and borrowings	10	422,410,790	415,284,874
Trade and other payables	11	53,391,780	97,253,896
Lease liabilities		9,111,493	7,990,044
Amounts due to related parties	12	<u>4,615,682</u>	<u>1,294,101</u>
		<u>489,529,745</u>	<u>521,822,915</u>
TOTAL LIABILITIES		<u>614,342,046</u>	<u>663,702,480</u>
TOTAL EQUITY AND LIABILITIES		<u>867,706,515</u>	<u>990,095,251</u>
Ahmed Ali Khalfan Al Dhaheri Chairman	Rashed Darwaish Ahmed Saif Al Ketbi Vice Chairman	Mohammad 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 30 June 2020 (Unaudited)

	Attributable to the equity holders of the Company							Total equity AED
	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	
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	-	-	-	-	(40,301,634)	(40,301,634)	416,404	(39,885,230)
Other comprehensive loss	-	-	-	(114,669,900)	(1,791,069)	(116,460,969)	(24,572)	(116,485,541)
Total comprehensive (loss) income for the period	-	-	-	(114,669,900)	(42,092,703)	(156,762,603)	391,832	(156,370,771)
Dividends (note 16)	-	-	-	-	(12,000,000)	(12,000,000)	-	(12,000,000)
At 30 June 2019 (unaudited)	120,000,000	60,000,000	60,000,000	(141,452,221)	291,617,269	390,165,048	3,856,595	394,021,643
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	-	-	-	-	(36,766,818)	(36,766,818)	(108,079)	(36,874,897)
Other comprehensive loss	-	-	-	(36,145,987)	-	(36,145,987)	(7,418)	(36,153,405)
Total comprehensive loss for the period	-	-	-	(36,145,987)	(36,766,818)	(72,912,805)	(115,497)	(73,028,302)
At 30 June 2020 (unaudited)	<u>120,000,000</u>	<u>60,000,000</u>	<u>60,000,000</u>	<u>(166,878,104)</u>	<u>176,562,409</u>	<u>249,684,305</u>	<u>3,680,164</u>	<u>253,364,469</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 June 2020

	Note	Six months period ended	
		30 June 2020 AED (Unaudited)	30 June 2019 AED (Unaudited)
OPERATING ACTIVITIES			
Loss for the period		(36,874,897)	(39,885,230)
Adjustments for:			
Depreciation		2,056,841	1,371,610
Depreciation on right-of-use assets		3,683,589	4,164,792
Amortization of intangible assets		310,287	-
Finance costs		13,485,406	12,086,725
Provision for employees' end of service benefits		275,354	611,932
Net changes in fair value of investments carried at fair value through profit or loss		5,246,471	84,466,266
Allowance for expected credit loss of trade and other receivables		925,196	7,742,762
Dividend income		(8,403,065)	(17,503,878)
Loss (gain) on sale of investments carried at fair value through profit and loss		21,628,180	(2,865,777)
Gain on disposal of property and equipment		(61)	-
Provision for slow moving inventories		<u>300,001</u>	<u>353,118</u>
		2,633,302	50,542,320
Working capital changes:			
Inventories		(23,204,581)	(11,605,603)
Trade and other receivables		103,316,437	(53,092,701)
Amounts due from related parties		47,855	(2,034,042)
Trade and other payables		(44,841,237)	33,461,324
Amounts due to related parties		<u>3,321,581</u>	<u>(23,245,898)</u>
Cash generated from (used in) operations		41,273,357	(5,974,600)
Purchase of investments		(53,005,221)	(50,284,804)
Proceeds from disposal of investments		85,595,414	28,355,147
Employees' end of service benefits paid		(248,342)	(105,091)
Additions to investment properties under development		<u>(1,006,001)</u>	<u>(13,177,926)</u>
Net cash flows from (used in) operating activities		<u>72,609,207</u>	<u>(41,187,274)</u>
INVESTING ACTIVITIES			
Purchase of property and equipment		(2,045,855)	(1,208,469)
Proceeds from disposal of property and equipment		900	-
Dividends received		<u>8,403,065</u>	<u>17,503,878</u>
Net cash flows from investing activities		<u>6,358,110</u>	<u>16,295,409</u>
FINANCING ACTIVITIES			
Proceeds from bank borrowings		105,036,613	174,228,335
Repayment of bank borrowings		(112,645,877)	(20,247,475)
Payment of lease liabilities		(1,912,500)	(3,980,452)
Dividend paid	16	-	(12,000,000)
Finance costs paid		<u>(12,098,986)</u>	<u>(9,729,981)</u>
Net cash flows (used in) from financing activities		<u>(21,620,750)</u>	<u>128,270,427</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS		57,346,567	103,378,562
Cash and cash equivalents at 1 January		<u>(202,818,164)</u>	<u>(326,590,108)</u>
CASH AND CASH EQUIVALENTS AT 30 JUNE	9	<u>(145,471,597)</u>	<u>(223,211,546)</u>
Non-cash transactions			
Transfer from investment properties to property and equipment		<u>40,000,000</u>	-

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 30 June 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 36,874,897 for the period ended 30 June 2020 and as of that date, its current liabilities exceeded its current assets by AED 93,082,650. 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 no material uncertainty exists and 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	
			30 June 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	98.75%	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.

** The shareholders of the Group resolved in its Annual General Meeting held on 26 April 2020 to transfer its entire ownership in 5PL Logistics Solution LLC to its subsidiary Foodco National Foodstuff PJSC, effective from 1 January 2020.

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 six-months ended 30 June 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; and
- Amendments to IFRS 16: *Covid-19- related rent concessions*.

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 except for COVID-19 mentioned below:

COVID-19

On 11 March 2020, the World Health Organization made an assessment that the outbreak of a coronavirus (COVID 19) can be characterized as a pandemic. In addition, oil prices significantly dropped in January to March 2020 due to a number of political and economic factors. As a result, businesses have subsequently seen reduced customer traffic and, where governments mandated, temporary suspension of travel and closure of recreation and public facilities.

Foodco Holding PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2020 (Unaudited)

2.4 SIGNIFICANT JUDGEMENTS AND ESTIMATES continued

COVID-19 continued

To alleviate the negative impact of the COVID-19 pandemic, the UAE Government, Central Bank and other independent jurisdictions and regulators have taken measures and issued directives to support businesses and the UAE economy at large, including extensions of deadlines, facilitating continued business through social-distancing and easing pressure on credit and liquidity in the UAE.

The situation, including the government and public response to the challenges, continue to progress and rapidly evolve. Therefore, the extent and duration of the impact of these conditions remain uncertain and depend on future developments that cannot be accurately predicted at this stage, and a reliable estimate of such an impact cannot be made at the date of approval of these financial statements. Notwithstanding, these developments could impact our future financial results, cash flows and financial position.

3 REVENUE

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</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>
Revenue from contracts with customers (a)	15,354,720	94,166,179	37,640,638	186,897,965
Income from investment properties (b)	8,907,135	9,474,358	17,469,175	17,976,404
Income (loss) from investments (c)	10,862,803	(16,649,433)	(18,471,586)	(64,096,611)
	<u>35,124,658</u>	<u>86,991,104</u>	<u>36,638,227</u>	<u>140,777,758</u>

a) Revenue from contracts with customers

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</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>
Sale of goods	14,993,151	88,935,008	36,923,607	177,261,967
Management fees	-	4,000,000	-	8,000,000
Freight forwarding and storage	361,569	<u>1,231,171</u>	717,031	<u>1,635,998</u>
	<u>15,354,720</u>	<u>94,166,179</u>	<u>37,640,638</u>	<u>186,897,965</u>

b) Income from investment properties

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</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>
Rental income	<u>8,907,135</u>	<u>9,474,358</u>	<u>17,469,175</u>	<u>17,976,404</u>

Foodco Holding PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2020 (Unaudited)

3 REVENUE continued

c) Income (loss) from investments

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</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	1,236,565	(140,032)	8,403,065	17,503,878
(Loss) gain on sale of investments	(8,438,041)	1,883,186	(21,628,180)	2,865,777
Net changes in fair value of investments carried at fair value through profit or loss	<u>18,064,279</u>	<u>(18,392,587)</u>	<u>(5,246,471)</u>	<u>(84,466,266)</u>
	<u>10,862,803</u>	<u>(16,649,433)</u>	<u>(18,471,586)</u>	<u>(64,096,611)</u>

4 INVESTMENT PROPERTIES UNDER DEVELOPMENT

	<i>30 June</i>	<i>31 December</i>
	<i>2020</i>	<i>2019</i>
	<i>AED</i>	<i>AED</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
At 1 January	22,525,635	118,870,314
Additions during the period / year	1,006,001	27,538,257
Transferred to investment properties (note 5)	-	(123,882,936)
	<u>23,531,636</u>	<u>22,525,635</u>

5 INVESTMENT PROPERTIES

	<i>30 June</i>	<i>31 December</i>
	<i>2020</i>	<i>2019</i>
	<i>AED</i>	<i>AED</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
Warehouses	61,560,867	108,441,802
Buildings – residential	80,613,224	80,613,224
Building - 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>266,160,868</u>	<u>306,160,868</u>

Foodco Holding PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2020 (Unaudited)

5 INVESTMENT PROPERTIES continued

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

	<i>30 June 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	(40,000,000)	-
Change in fair value of investment properties	<u>-</u>	<u>(47,812,094)</u>
	<u>266,160,868</u>	<u>306,160,868</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>30 June 2020 AED (Unaudited)</i>	<i>31 December 2019 AED (Audited)</i>
Investments carried at fair value through other comprehensive income	110,347,540	145,504,463
Investments carried at fair value through profit and loss	<u>227,846,059</u>	<u>288,307,385</u>
	<u>338,193,599</u>	<u>433,811,848</u>

Investments carried at fair value through other comprehensive income comprise:

	<i>30 June 2020 AED (Unaudited)</i>	<i>31 December 2019 AED (Audited)</i>
Quoted equity securities inside UAE	97,497,027	132,031,716
Quoted equity securities outside UAE	5,999,334	6,062,836
Unquoted equity securities inside UAE	6,285,838	6,513,953
Unquoted equity securities outside UAE	<u>565,341</u>	<u>895,958</u>
	<u>110,347,540</u>	<u>145,504,463</u>

Foodco Holding PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2020 (Unaudited)

6 INVESTMENTS continued

Investments carried at fair value through profit and loss comprise:

	30 June 2020 AED (Unaudited)	31 December 2019 AED (Audited)
Quoted equity securities inside UAE	224,446,150	278,272,224
Quoted equity securities outside UAE	1,733,231	1,652,324
Quoted commodities outside UAE	1,666,678	-
Investments in mutual funds*	<u>-</u>	<u>8,382,837</u>
	<u>227,846,059</u>	<u>288,307,385</u>

* Investment in mutual funds was 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 June 2020 AED (Unaudited)</i>	<i>At fair value through other comprehensive income 30 June 2020 AED (Unaudited)</i>	<i>At fair value through profit and loss 31 December 2019 AED (Audited)</i>	<i>At fair value through other comprehensive income 31 December 2019 AED (Audited)</i>
At 1 January	288,307,385	145,504,463	357,088,241	251,082,239
Purchase of investments	52,008,739	996,482	60,047,900	20,403,804
Disposal of investments	<u>(107,223,594)</u>	<u>-</u>	<u>(34,428,514)</u>	<u>(22,010,313)</u>
	233,092,530	146,500,945	382,707,627	249,475,730
Change in fair value	<u>(5,246,471)</u>	<u>(36,153,405)</u>	<u>(94,400,242)</u>	<u>(103,971,267)</u>
At end of the period / year	<u>227,846,059</u>	<u>110,347,540</u>	<u>288,307,385</u>	<u>145,504,463</u>

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.

Foodco Holding PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2020 (Unaudited)

6 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> <i>AED</i>	<i>Level 2</i> <i>AED</i>	<i>Level 3</i> <i>AED</i>	<i>Total</i> <i>AED</i>
30 June 2020 (Unaudited)				
<i>Investments carried at fair value through profit and loss</i>				
Quoted shares	226,179,381	-	-	226,179,381
Quoted commodities	1,666,678	-	-	1,666,678
Mutual funds	-	-	-	-
	<u>227,846,059</u>	-	-	<u>227,846,059</u>
<i>Investments carried at fair value through other comprehensive income</i>				
Quoted shares	103,496,361	-	-	103,496,361
Unquoted shares	-	-	6,851,179	6,851,179
	<u>103,496,361</u>	-	<u>6,851,179</u>	<u>110,347,540</u>
Total	<u>331,342,420</u>	<u>-</u>	<u>6,851,179</u>	<u>338,193,599</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>
31 December 2019 (Audited)				
<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>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>7,409,911</u>	<u>145,504,463</u>
Total	<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 30 June 2020 (Unaudited)

7 INVENTORIES

	<i>30 June 2020 AED (Unaudited)</i>	<i>31 December 2019 AED (Audited)</i>
Goods for resale	38,098,828	16,234,636
Consumables	<u>2,070,290</u>	<u>949,325</u>
	40,169,118	17,183,961
Less: allowance for slow moving inventories	<u>(835,304)</u>	<u>(754,727)</u>
	<u>39,333,814</u>	<u>16,429,234</u>

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

	<i>30 June 2020 AED (Unaudited)</i>	<i>31 December 2019 AED (Audited)</i>
At 1 January	754,727	4,047,181
Charge for the period / year	300,001	465,000
Reversal during the period / year	-	(2,665,289)
Written off during the period / year	<u>(219,424)</u>	<u>(1,092,165)</u>
	<u>835,304</u>	<u>754,727</u>

8 TRADE AND OTHER RECEIVABLES

	<i>30 June 2020 AED (Unaudited)</i>	<i>31 December 2019 AED (Audited)</i>
Trade receivables	58,606,618	182,523,858
Less: allowance for expected credit losses on trade receivables	<u>(22,253,289)</u>	<u>(25,545,890)</u>
	36,353,329	156,977,968
Due from brokers	13,033,670	203,774
Advances to suppliers	8,706,745	6,221,193
Receivables against sale of investment property	6,300,000	6,300,000
Other receivables	3,333,023	2,282,551
Prepayments	1,273,044	1,164,618
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>64,477,991</u>	<u>168,632,944</u>

Foodco Holding PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 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>30 June 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	920,536	8,178,701
Written off during the period / year	<u>(4,213,137)</u>	<u>(8,459,973)</u>
At the end of the period / year	<u>22,253,289</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>30 June 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>30 June 2020 AED (Unaudited)</i>	<i>31 December 2019 AED (Audited)</i>
Cash in hand	175,501	67,852
Cash at banks – current accounts	<u>63,349,257</u>	<u>4,047,179</u>
Cash and bank balances	63,524,758	4,115,031
Less: bank overdrafts	<u>(208,996,355)</u>	<u>(206,933,195)</u>
Cash and cash equivalents	<u>(145,471,597)</u>	<u>(202,818,164)</u>

Foodco Holding PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2020 (Unaudited)

10 LOANS AND BORROWINGS

	<i>30 June 2020 AED (Unaudited)</i>	<i>31 December 2019 AED (Audited)</i>
Bank borrowings	248,137,075	278,124,566
Trust receipts	74,053,459	51,675,232
Bank overdrafts	<u>208,996,355</u>	<u>206,933,195</u>
	<u>531,186,889</u>	<u>536,732,993</u>

Loans and borrowings are repayable as follows:

	<i>30 June 2020 AED (Unaudited)</i>	<i>31 December 2019 AED (Audited)</i>
Current portion	422,410,790	415,284,874
Non-current portion	<u>108,776,099</u>	<u>121,448,119</u>
	<u>531,186,889</u>	<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>30 June 2020 Carrying amount AED (Unaudited)</i>	<i>31 December 2019 Carrying amount AED (Audited)</i>
Term loan 1 – Secured	2019	25,000,000	-	85
Term loan 2 – Secured	2022	42,500,000	22,473,249	25,000,000
Term loan 3 – Secured	2022	50,000,000	13,750,000	21,406,250
Term loan 4 – Secured	2024	30,737,272	29,363,103	30,737,272
Term loan 5 – Secured	2023	21,000,000	16,500,000	19,500,000
Term loan 6 – Secured	2024	44,650,000	37,600,000	42,300,000
Term loan 7 - Secured	2027	27,537,000	22,990,749	23,851,280
Term loan 8 - Unsecured	2020	75,000,000	60,000,000	60,000,000
Term loan 9 - Secured	2024	10,000,000	9,000,000	10,000,000
Term loan 10 - Unsecured	2020	5,000,000	2,887,747	5,000,000
Term loan 11 - Unsecured	2020	55,019,516	33,029,660	40,329,679
Term loan 12 – Unsecured	2020	25,697,000	<u>542,567</u>	-
Total			<u>248,137,075</u>	<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.

10 LOANS AND BORROWINGS continued

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.

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.

Foodco Holding PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2020 (Unaudited)

10 LOANS AND BORROWINGS continued

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 July 2020.

11 TRADE AND OTHER PAYABLES

	<i>30 June 2020 AED (Unaudited)</i>	<i>31 December 2019 AED (Audited)</i>
Trade payables	20,016,596	63,872,549
Accruals	20,575,939	19,359,646
Advances from customers	5,729,645	6,808,464
Retention payable	5,145,564	5,107,267
Other payables	<u>2,342,977</u>	<u>2,486,292</u>
	<u>53,810,721</u>	<u>97,634,218</u>

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

	<i>30 June 2020 AED (Unaudited)</i>	<i>31 December 2019 AED (Audited)</i>
Non- current (retentions payable)	418,941	380,322
Current	<u>53,391,780</u>	<u>97,253,896</u>
	<u>53,810,721</u>	<u>97,634,218</u>

Foodco Holding PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2020 (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 Group's management.

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

	<i>30 June 2020 AED (Unaudited)</i>	<i>31 December 2019 AED (Audited)</i>
<i>Amounts due from related parties</i>		
Board of directors	151,342	70,085
Shareholders	<u>1,113,131</u>	<u>1,242,243</u>
	<u>1,264,473</u>	<u>1,312,328</u>
<i>Amounts due to related parties</i>		
Board of directors	4,074,552	710,435
Shareholders	<u>541,130</u>	<u>583,666</u>
	<u>4,615,682</u>	<u>1,294,101</u>

Significant transactions with related parties comprised:

	<i>Three months ended 30 June 2020</i>		<i>Six months ended 30 June 2020</i>	
	<i>2019 AED</i>	<i>2019 AED</i>	<i>2019 AED</i>	<i>2019 AED</i>
Sales	<u>139,177</u>	520,556	<u>381,773</u>	<u>669,269</u>
Purchases and other charges	<u>192,885</u>	2,241,227	<u>195,286</u>	10,918,482

Key management personnel compensation

	<i>Three months ended 30 June 2020</i>		<i>Six months ended 30 June 2020</i>	
	<i>2019 AED</i>	<i>2019 AED</i>	<i>2019 AED</i>	<i>2019 AED</i>
Management compensation	4,395,488	5,538,873	4,998,621	6,298,067
Employees' end of service benefits	<u>8,333</u>	33,378	<u>20,833</u>	<u>60,983</u>
Total	<u>4,403,821</u>	<u>5,572,251</u>	<u>5,019,454</u>	<u>6,359,050</u>

Foodco Holding PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2020 (Unaudited)

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 months period ended</i>		<i>Six months period ended</i>	
	<i>30 June</i>	<i>30 June</i>	<i>30 June</i>	<i>30 June</i>
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Loss for the period attributable to equity holders of the Company (AED)	<u>(1,993,709)</u>	<u>(8,648,253)</u>	<u>(36,766,818)</u>	<u>(40,301,634)</u>
Weighted average number of ordinary shares issued	<u>120,000,000</u>	<u>120,000,000</u>	<u>120,000,000</u>	<u>120,000,000</u>
Basic and diluted loss per share (AED)	<u>(0.02)</u>	<u>(0.07)</u>	<u>(0.31)</u>	<u>(0.34)</u>

14 CONTINGENCIES AND CAPITAL COMMITMENTS

Contingent liabilities

As at reporting date, following contingent liabilities were outstanding:

	<i>30 June</i>	<i>31 December</i>
	<i>2020</i>	<i>2019</i>
	<i>AED</i>	<i>AED</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
Bank guarantees	<u>45,174,685</u>	<u>48,082,163</u>
Letters of credit	<u>-</u>	<u>40,055</u>

Capital commitments

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

	<i>30 June</i>	<i>31 December</i>
	<i>2020</i>	<i>2019</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>-</u>	<u>1,031,666</u>
Others	<u>-</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
30 June 2020 (Unaudited)

15 SEGMENT INFORMATION continued

For the six-month period ended 30 June 2020 (unaudited):

	Investment in securities AED	Investment properties AED	Freight forwarding and storage AED	Trading AED	Others AED	Elimination AED	Consolidated AED
Income – external	<u>(18,471,586)</u>	<u>17,469,175</u>	<u>717,031</u>	<u>36,923,607</u>	<u>-</u>	<u>-</u>	<u>36,638,227</u>
Income – internal	<u>-</u>	<u>-</u>	<u>5,060,104</u>	<u>434,652</u>	<u>-</u>	<u>(5,494,756)</u>	<u>-</u>
(Loss) / profit for the period	<u>(38,296,438)</u>	<u>9,232,697</u>	<u>(1,608,630)</u>	<u>(4,551,490)</u>	<u>15,124</u>	<u>(1,666,160)</u>	<u>(36,874,897)</u>

For the six-month period ended 30 June 2019 (unaudited):

	Investment in securities AED	Investment properties AED	Freight forwarding and storage AED	Trading AED	Others AED	Elimination AED	Consolidated AED
Income – external	<u>(64,096,611)</u>	<u>17,976,404</u>	<u>1,635,998</u>	<u>185,261,967</u>	<u>-</u>	<u>-</u>	<u>140,777,758</u>
Income – internal	<u>-</u>	<u>3,035,583</u>	<u>1,515,068</u>	<u>-</u>	<u>-</u>	<u>(4,550,651)</u>	<u>-</u>
(Loss) / profit for the period	<u>(79,100,875)</u>	<u>8,197,185</u>	<u>(2,059,881)</u>	<u>33,086,321</u>	<u>-</u>	<u>(7,980)</u>	<u>(39,885,230)</u>

Foodco Holding PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 June 2020 (Unaudited)

15 SEGMENT INFORMATION continued

For the three months period ended 30 June 2020 (unaudited):

	Investment in securities AED	Investment properties AED	Freight forwarding and storage AED	Trading AED	Others AED	Elimination AED	Consolidated AED
Income – external	<u>10,862,803</u>	<u>8,907,135</u>	<u>361,569</u>	<u>14,993,151</u>	-	-	<u>35,124,658</u>
Income – internal	-	<u>(744,438)</u>	<u>3,273,736</u>	<u>200,742</u>	-	<u>(2,730,040)</u>	-
(Loss) / profit for the period	<u>(1,317,612)</u>	<u>3,784,628</u>	<u>(556,748)</u>	<u>(2,544,803)</u>	-	<u>(1,446,350)</u>	<u>(2,080,885)</u>

For the three months period ended 30 June 2019 (unaudited):

	Investment in securities AED	Investment properties AED	Freight forwarding and storage AED	Trading AED	Others AED	Elimination AED	Consolidated AED
Income – external	<u>(16,649,433)</u>	<u>9,474,358</u>	<u>1,231,171</u>	<u>90,900,830</u>	-	-	<u>84,956,926</u>
Income – internal	-	<u>2,291,145</u>	<u>749,146</u>	-	-	<u>(3,040,291)</u>	-
Profit / (loss) for the period	<u>(27,925,553)</u>	<u>6,281,257</u>	<u>(796,208)</u>	<u>14,214,899</u>	-	<u>(7,980)</u>	<u>(8,233,585)</u>

Foodco Holding PJSC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2020 (Unaudited)

15 SEGMENT INFORMATION continued

The segment assets and liabilities are as follows:

As at 30 June 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>Elimination AED</i>	<i>Consolidated AED</i>
Assets	<u>1,015,169,846</u>	<u>83,723,934</u>	<u>46,646,808</u>	<u>219,196,459</u>	<u>2,759,008</u>	<u>(499,789,540)</u>	<u>867,706,515</u>
Liabilities	<u>511,015,963</u>	<u>78,236,697</u>	<u>74,649,345</u>	<u>29,187,927</u>	<u>(15,100)</u>	<u>(78,732,786)</u>	<u>614,342,046</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>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 June 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 12,000,000 representing 10% of the issued share capital for the year ended 31 December 2018).

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>
<i>Period ended 30 June 2019</i>			
Revenue from contracts with customers	141,463,491	140,777,758	(685,733)
Cost of sales	(137,522,332)	(138,018,685)	(496,353)
Selling, general and administrative expenses	(31,752,754)	-	31,752,754
General and administrative expenses	-	(14,237,464)	(14,237,464)
Selling and distribution expenses	-	(8,590,442)	(8,590,442)
Provision for expected credit losses on trade and other receivables	-	(7,742,762)	(7,742,762)
<i>As at 31 December 2019</i>			
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.