

Widam Food Company Q.P.S.C.

Condensed Interim Financial Statements

As at and for the six months period ended 30 June 2023

Widam Food Company Q.P.S.C.

Condensed interim financial statements

As at and for the six months period ended 30 June 2023

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Independent auditors' report on review of condensed interim financial statements

**To the Shareholders of
Widam Food Company Q.P.S.C.**

Introduction

We have reviewed the accompanying condensed statement of financial position of Widam Food Company Q.P.S.C. (the "Company") as at 30 June 2023, the condensed statement of profit or loss and other comprehensive income, changes in equity and cash flows for the six month period then ended and notes to the condensed interim financial statements.

The Board of Directors of the Company is responsible for the preparation and presentation of these condensed interim financial statements in accordance with IAS 34 *Interim Financial Reporting* issued by IASB. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of review

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



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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements as at and for the six months ended 30 June 2023 are not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting* issued by IASB.

13 August 2023
Doha
State of Qatar

A handwritten signature in blue ink, appearing to read 'Yacoub Hobeika', with a large, stylized flourish underneath.

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


Widam Food Company Q.P.S.C.

**Condensed statement of financial position
As at 30 June 2023**

In Qatari Riyals

	Notes	30 June 2023 (Reviewed)	31 December 2022 (Audited)
ASSETS			
Non-current assets			
Property and equipment		42,419,474	29,252,802
Projects under progress	6	20,603,801	34,745,540
Equity investment – FVOCI	7	54,368,600	58,208,620
Right-of-use assets	8 (a)	<u>127,497,648</u>	<u>130,584,336</u>
		<u>244,889,523</u>	<u>252,791,298</u>
Current assets			
Inventories		55,609,372	90,704,154
Trade and other receivables	9	192,801,936	114,857,708
Cash and bank balances	10	<u>35,739,927</u>	<u>12,801,620</u>
		<u>284,151,235</u>	<u>218,363,482</u>
Total assets		<u>529,040,758</u>	<u>471,154,780</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	11	180,000,000	180,000,000
Legal reserve		88,972,992	88,972,992
Fair value reserve		15,968,400	19,808,420
Foreign currency translation reserve		(49,049,240)	(48,035,809)
Accumulated losses		<u>(82,309,079)</u>	<u>(46,630,186)</u>
Total equity		<u>153,583,073</u>	<u>194,115,417</u>
Non-current liabilities			
Provision for employees' end of service benefits		13,380,904	12,761,695
Lease liabilities	8 (b)	<u>126,694,153</u>	<u>128,774,518</u>
		<u>140,075,057</u>	<u>141,536,213</u>
Current liabilities			
Lease liabilities	8 (b)	8,968,841	8,460,500
Islamic financing credit facilities	12	108,564,880	36,607,424
Trade and other payables		117,830,254	90,435,226
Bank overdraft		<u>18,653</u>	<u>-</u>
		<u>235,382,628</u>	<u>135,503,150</u>
Total liabilities		<u>375,457,685</u>	<u>277,039,363</u>
Total equity and liabilities		<u>529,040,758</u>	<u>471,154,780</u>

These condensed interim financial statements were approved by the Board of Directors and signed on its behalf by the following on 13 August 2023:


Mohamed Badr Al Sada
Chairman


ALNoubay Salem Al-Marri
Chief Executive Officer

The notes on pages 7 to 16 are an integral part of these condensed interim financial statements.



Widam Food Company Q.P.S.C.

**Condensed statement of profit or loss and other comprehensive income
For the six months period ended 30 June 2023**

In Qatari Riyals

	Notes	For the six months period ended	
		30 June 2023 (Reviewed)	30 June 2022 (Reviewed)
Revenue	13	281,187,844	252,641,669
Cost of sales		<u>(292,666,176)</u>	<u>(246,847,241)</u>
Gross (loss) / profit		(11,478,332)	5,794,428
Other income		6,465,833	10,584,072
General and administrative expenses		<u>(24,494,585)</u>	<u>(26,297,926)</u>
Operating loss		(29,507,084)	(9,919,426)
Dividend income		-	2,015,060
Income from call accounts and bank deposits		125,819	565,473
Finance cost		(5,827,781)	(3,756,335)
Provision for expected credit loss against trade receivables		<u>(469,847)</u>	<u>(800,000)</u>
Loss for the period		(35,678,893)	(11,895,228)
Other comprehensive income:			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Foreign operation - Foreign currency translation differences		(1,013,431)	-
<i>Items that will not be reclassified to profit or loss:</i>			
Financial assets at FVOCI - net change in fair value		<u>(3,840,020)</u>	<u>9,619,060</u>
Total comprehensive income for the period		(40,532,344)	(2,276,168)
Earnings per share			
Basic and diluted earnings per share	14	<u>(0.20)</u>	<u>(0.07)</u>



The notes on pages 7 to 16 are an integral part of these condensed interim financial statement.

Widam Food Company Q.P.S.C.

**Condensed statement of changes in equity
For the six month period ended 30 June 2023**

In Qatari Riyals

	Share capital	Legal reserve (1)	Fair value reserve	Foreign currency translation reserve	Accumulated losses	Total
At 1 January 2022 (audited)	180,000,000	88,972,992	16,538,700	(23,837,481)	14,984,667	276,658,878
<i>Total comprehensive income:</i>						
Loss for the period	-	-	-	-	(11,895,228)	(11,895,228)
Other comprehensive income	-	-	9,619,060	-	-	9,619,060
Total comprehensive income for the period	-	-	9,619,060	-	(11,895,228)	(2,276,168)
At 30 June 2022 (reviewed)	<u>180,000,000</u>	<u>88,972,992</u>	<u>26,157,760</u>	<u>(23,837,481)</u>	<u>3,089,439</u>	<u>274,382,710</u>
At 1 January 2023 (audited)	180,000,000	88,972,992	19,808,420	(48,035,809)	(46,630,186)	194,115,417
<i>Total comprehensive income:</i>						
Loss for the period	-	-	-	-	(35,678,893)	(35,678,893)
Other comprehensive income	-	-	(3,840,020)	(1,013,431)	-	(4,853,451)
Total comprehensive income for the period	-	-	(3,840,020)	(1,013,431)	(35,678,893)	(40,532,344)
At 30 June 2023 (reviewed)	<u>180,000,000</u>	<u>88,972,992</u>	<u>15,968,400</u>	<u>(49,049,240)</u>	<u>(82,309,079)</u>	<u>153,583,073</u>

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

The notes on pages 7 to 16 are an integral part of these condensed interim financial statements.



Widam Food Company Q.P.S.C.

Condensed statement of cashflows For the six months period ended 30 June 2023

In Qatari Riyals

	For the six months period ended		
	Notes	30 June 2023 (Reviewed)	30 June 2022 (Reviewed)
Cash flows from operating activities			
Loss for the period		(35,678,893)	(11,895,228)
<i>Adjustments for:</i>			
Provision for expected credit loss against trade receivables		469,847	800,000
Depreciation of property and equipment		3,121,863	2,794,057
Depreciation of right-of-use of assets		6,275,357	5,497,979
Gain on lease termination	8 (a)	(17,221)	-
Concessions on lease liabilities	8 (b)	(4,099,998)	-
Finance cost on lease liabilities		3,773,497	3,756,335
Finance cost on Islamic financing credit facilities		2,054,284	70,030
Provision for employees' end of service benefits		898,417	864,144
Dividend income		-	(2,015,060)
Income from call accounts and bank deposits		(125,819)	(565,473)
		<u>(23,328,666)</u>	<u>(693,216)</u>
<i>Changes in:</i>			
- inventory		35,094,782	(30,729,460)
- trade and other receivables		(78,414,075)	(80,336,245)
- trade and other payables		27,395,028	8,342,861
		<u>(39,252,931)</u>	<u>(103,416,060)</u>
Cash used in operations		(39,252,931)	(103,416,060)
Employees' end of service benefits paid		(279,208)	(978,815)
Finance cost paid on Islamic financing credit facilities		(2,054,284)	(70,030)
		<u>(2,054,284)</u>	<u>(70,030)</u>
Net cash used in operating activities		<u>(41,586,423)</u>	<u>(104,464,905)</u>
Cash flows from investing activities			
Acquisition of property and equipment	5	(2,146,796)	(6,910,926)
Net movement in projects under progress		-	(9,896,547)
Dividend income		-	2,015,060
Income from call accounts and bank deposits		125,819	565,473
Net movement in bank deposits		-	140,000,000
		<u>-</u>	<u>140,000,000</u>
Net cash (used in) / from investing activities		<u>(2,020,977)</u>	<u>125,773,060</u>
Cash flows from financing activities			
Addition in Islamic financing credit facilities		194,899,092	4,638,062
Repayment of Islamic financing credit facilities		(122,941,636)	-
Payment of lease liabilities		(3,674,331)	(2,873,088)
Finance cost paid on lease liabilities		(742,640)	(3,756,335)
		<u>(742,640)</u>	<u>(3,756,335)</u>
Net cash from / (used in) financing activities		<u>67,540,485</u>	<u>(1,991,361)</u>
Net increase in cash and cash equivalents during the period		<u>23,933,085</u>	<u>19,316,794</u>
Cash and cash equivalents at the beginning of the period		5,036,200	27,660,671
Net translation differences		(1,013,431)	-
		<u>(1,013,431)</u>	<u>-</u>
Cash and cash equivalents at the end of the period		<u>27,955,854</u>	<u>46,977,465</u>

The notes on pages 7 to 16 are an integral part of these condensed interim financial statements

Widam Food Company Q.P.S.C.

Notes to the condensed interim financial statements As at and for the six months period ended 30 June 2023

1. REPORTING ENTITY

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

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

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

2. BASIS OF PREPARATION

These condensed interim financial statements have been prepared in accordance with the International Accounting Standard (IAS) 34 "Interim Financial Reporting", and should be read in conjunction with the Company's last annual financial statements as at and for the year ended 31 December 2022 ("last annual financial statements"). They do not include all the information required for a complete set of financial statements prepared in accordance with International Financial Reporting Standards (IFRS). However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

The condensed interim financial statements of the Company were authorised for issue by the Board of Directors on 13 August 2023.

3. USE OF JUDGEMENTS AND ESTIMATES

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

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

Measurement of fair values

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

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

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

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

Widam Food Company Q.P.S.C.

Notes to the condensed interim financial statements As at and for the six months period ended 30 June 2022

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in these interim financial statements are the same as those applied in the Company's financial statements as at and for the year ended 31 December 2022.

New standards or amendments for 2023 and forthcoming requirements

New standards or amendments for 2023

The below table lists the recent changes to the IFRS Accounting Standards that are effective for annual periods beginning on 1 January 2023.

Effective date	New standards or amendments
1 January 2023	<ul style="list-style-type: none">• <i>IFRS 17 Insurance Contracts, including amendments Initial Application of IFRS 17 and IFRS 9 – Comparative Information</i>• <i>Definition of Accounting Estimates – Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors</i>• <i>Disclosure Initiative: Accounting Policies – Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements</i>• <i>Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction – Amendments to IAS 12 Income Taxes</i>
23 May 2023	<ul style="list-style-type: none">• <i>Amendments to IAS 12 – International Tax Reform – Pillar Two Model Rules</i>

The adoption of above amendments had no significant impact on the Company's condensed interim financial information.

Forthcoming requirements

The below table lists the recent changes to the IFRS Accounting Standards that are required to be applied for an annual period beginning after 1 January 2023 and that are available for early adoption in annual reporting periods beginning on 1 January 2023.

Effective date	New standards or amendments
Effective for the year beginning 1 January 2024	<ul style="list-style-type: none">• <i>Classification of liabilities as current or non-current (Amendments to IAS 1)</i>• <i>Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)</i>• <i>Non-current Liabilities with Covenants (Amendments to IAS 1)</i>
Available for optional adoption / effective date deferred indefinitely	<ul style="list-style-type: none">• <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)</i>

Management does not expect that the adoption of the above new and amended standards will have a significant impact on the Company's condensed interim financial information.

5. PROPERTY AND EQUIPMENT

Acquisitions

During the six months ended 30 June 2023, the Company acquired assets with a cost of QR 2,146,796 (six-months ended 30 June 2022: QR 6,910,926), along with capitalization of assets worth QR 14,141,739 from the balances in projects under progress as at year-end 31 December 2022.

Disposals and write-offs

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

Notes to the condensed interim financial statements
As at and for the six months period ended 30 June 2023

In Qatari Riyals

6. PROJECTS UNDER PROGRESS

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

	30 June 2023 (Reviewed)	31 December 2022 (Audited)
Local projects		
Al Shahaniya slaughter house (1)	12,930,335	12,843,835
Al Wakra facilities (2)	-	14,732,248
Abu Nakhla camel slaughter house (3)	<u>1,622,000</u>	<u>1,537,000</u>
	14,552,335	29,113,083
Foreign projects		
Sudan farm project (4)	2,384,242	2,384,242
Slaughterhouse Omdurman – Sudan (5)	4,436,389	4,436,389
Australia farm project (4)	460,706	460,706
Sudan branch project (4)	245,934	245,934
Qatar meat factory (4)	147,965	147,965
Mobile app for sales	149,000	149,000
Oracle fusion (6)	<u>1,466,077</u>	<u>1,047,068</u>
	9,290,313	8,871,304
Impairment on foreign projects under progress	<u>(3,238,847)</u>	<u>(3,238,847)</u>
	6,051,466	5,632,457
	<u>20,603,801</u>	<u>34,745,540</u>

- (1) The Company has started construction of a new slaughter house in Al Shahniyah area of State of Qatar.
- (2) During the year 2020 the Company started building storage facilities for chilled meat in Al Wakra area in order to shift the old storage facilities from Abu Hamour area as per the instructions of Government of State of Qatar. The project was completed and capitalized as property and equipment in the current period.
- (3) In the prior period, the Company has started construction of a new camel slaughter house in Abu Nakhla area of State of Qatar.
- (4) The Company invested in a number of projects related to building new slaughterhouses in some foreign countries. The work on these projects has been discontinued in 2011 based on the decision of the Government of Qatar during the prior years.
- (5) In the previous period, the Company's branch in Sudan has started construction of additional barns to support the expanding operations of the Branch.
- (6) Oracle Fusion project started implementation in 2022 , and in the current period there has been an addition of about QR 419,009. The software is expected to go live by end of 2023 , and will then be capitalized as property and equipment.

Widam Food Company Q.P.S.C.

Notes to the condensed interim financial statements As at and for the six months period ended 30 June 2023

In Qatari Riyals

7. EQUITY INVESTMENT - FVOCI

	30 June 2023 (Reviewed)	31 December 2022 (Audited)
Quoted shares in Qatari public shareholding company (1)	<u>54,368,600</u>	<u>58,208,620</u>
	<u>54,368,600</u>	<u>58,208,620</u>

(1) The Company has invested in the Initial Public Offer (IPO) for the shares of a local company and purchased 38,020,000 shares of the Company with a nominal value of QR 1 per share.

8. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

a) Right-of-use assets

The right-of-use assets relate to office premises, properties used for slaughterhouses and shops for meat sale. The Company entered into these lease agreements in previous years as combined leases of land and building.

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

	30 June 2023 (Reviewed)	31 December 2022 (Audited)
Cost		
As at 1 January	167,907,967	163,544,223
Additions	4,172,013	6,287,679
Derecognition (i)	(983,344)	-
Modification	-	(1,923,935)
At 30 June / 31 December	<u>171,096,636</u>	<u>167,907,967</u>
Accumulated depreciation		
At 1 January	37,323,631	26,033,579
Depreciation	6,275,357	11,290,052
At 30 June / 31 December	<u>43,598,988</u>	<u>37,323,631</u>
Carrying amounts	<u>127,497,648</u>	<u>130,584,336</u>

(i) The derecognition pertains to the lease property held for accommodation purposes at Al Wakra which was terminated since 1 April 2023. The right-of-use assets worth QR 983,344 and lease liabilities worth QR 1,000,565 was derecognised from Books as at end of the current period, and a resulting gain of QR 17,221 was recorded in this period.

Widam Food Company Q.P.S.C.

Notes to the condensed interim financial statements As at and for the six months period ended 30 June 2023

In Qatari Riyals

8. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONTINUED)

b) Lease liabilities

The movements of finance lease liabilities were as follows:

	30 June 2023 (Reviewed)	31 December 2022 (Audited)
At 1 January	137,235,018	139,201,519
New leases	4,172,013	6,287,680
Payment	(4,416,971)	(13,851,289)
Finance costs	3,773,497	7,521,044
Derecognition (8.a (i))	(1,000,565)	-
Concession on lease liabilities	(4,099,998)	-
Modification	-	(1,923,936)
At 30 June / 31 December	<u>135,662,994</u>	<u>137,235,018</u>

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

	30 June 2023 (Reviewed)	31 December 2022 (Audited)
Non-current	126,694,153	128,774,518
Current	8,968,841	8,460,500
At 30 June / 31 December	<u>135,662,994</u>	<u>137,235,018</u>

9. TRADE AND OTHER RECEIVABLES

	30 June 2023 (Reviewed)	31 December 2022 (Audited)
Trade receivables	101,785,953	84,869,436
Less: allowance for expected credit loss (1)	<u>(10,317,152)</u>	<u>(9,847,305)</u>
Trade receivable, net	91,468,801	75,022,131
Compensation receivable from the Government of Qatar (2)	29,635,200	-
Advances made to suppliers	64,408,319	32,348,092
Receivable against project (3)	17,838,294	17,838,294
Staff receivables	5,038,766	4,997,226
Prepayments	847,950	818,042
Other receivables	1,646,308	1,915,625
	<u>210,883,638</u>	<u>132,939,410</u>
Less: Impairment loss (3)	(13,395,377)	(13,395,377)
Less: Allowance for staff receivable (4)	(4,606,756)	(4,606,756)
Less: Allowance for other receivables (5)	<u>(79,569)</u>	<u>(79,569)</u>
	<u>192,801,936</u>	<u>114,857,708</u>

Widam Food Company Q.P.S.C.

Notes to the condensed interim financial statements As at and for the six months period ended 30 June 2023

In Qatari Riyals

9. TRADE AND OTHER RECEIVABLES (CONTINUED)

(1) The movement of allowance for expected credit loss during the year is as follows:

	30 June 2023 (Reviewed)	31 December 2022 (Audited)
Opening balance	9,847,305	10,961,210
Provided during the period / year	<u>469,847</u>	<u>(1,113,905)</u>
Closing balance	<u>10,317,152</u>	<u>9,847,305</u>

(2) The Government of State of Qatar compensates the Company with fixed amount of QR 700 per sheep sold during the month of Ramadan and Eid-ul-Adha to Qatari locals only.

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

	30 June 2023 (Reviewed)	31 December 2022 (Audited)
As at 1 January	-	6,016,005
Net movement	<u>29,635,200</u>	<u>(6,016,005)</u>
As at 30 June / 31 December	<u>29,635,200</u>	<u>-</u>

(3) These receivables represent the cost related to the Umm – Al Ouina Project termination in prior years, due to the Company for legal cases. The company raised a legal case against the project's contractor claiming a compensation for the delay in completing the project. On 16 February 2010, the Court of Cassation issued a final judgement in favour of the Company to receive a compensation amounting to QR 15 million from the contractor. However, the compensation has not been received. Accordingly, the Company raised a case against the Ministry of Municipality and Environment claiming a compensation of QR 24 million for the total cost incurred on this project. The Court of Cassation issued a final judgement dated 17 October 2017 in favour of the Company to receive a compensation amounting to QR 18 million and to pay rent Commitment amounting to QR 6 million To the Ministry of Municipality. During the year ended 31 December 2018, the Company received a compensation amounting to QR 8.5 million from the total amount due from the Ministry of Municipality and Environment. During the period ended 30 June 2023 and year ended 31 December 2022, management has carried out a reassessment of the recoverability of the amount receivable and recorded provisions representing management's best estimate of the recoverability of this balance and the Company still following up an executive decision with the Ministry of Municipality to pay for the remaining amount of 4.4 million.

(4) An allowance amounting to QR 4,606,756 as at 30 June 2023 (31 December 2022: QR 4,606,756) was provided against the outstanding balance receivable due from the branch manager in Sudan. The Company has also won a court case enforcing the branch manager to pay back QR 2,303,378 to the Company. As at 30 June 2023, no amount is received from him.

(5) The Company has provided for impairment against the receivable from Government of State of Qatar related to the expenses incurred by the Company for holding sheep on behalf of the Ministry Of Commerce and Industry . As at 31 December 2022 the Company has received QR 2.64 million out of the gross amount of QR 2.72 million from the Ministry of Commerce and Industry . As at 30 June 2023, no further amount received..

The movement in the allowance for other receivable is as follows:

	30 June 2023 (Reviewed)	31 December 2022 (Audited)
Opening balance	79,569	2,725,642
Reversed during the period / year	<u>-</u>	<u>(2,646,073)</u>
Closing balance	<u>79,569</u>	<u>79,569</u>

Widam Food Company Q.P.S.C.

Notes to the condensed interim financial statements As at and for the six months period ended 30 June 2023

In Qatari Riyals

10. CASH AND CASH EQUIVALENTS

	30 June 2023 (Reviewed)	31 December 2022 (Audited)
Cash in hand	4,192,758	1,371,047
Cash at bank – current accounts	6,058,339	2,678,576
Cash at bank – call accounts (1)	17,723,410	986,577
Cash cover of letter of guarantee	<u>7,765,420</u>	<u>7,765,420</u>
Cash and bank balances presented in the condensed statement of financial position	<u>35,739,927</u>	<u>12,801,620</u>
Less: Cash cover of letter of guarantee	(7,765,420)	(7,765,420)
Less: Bank overdraft	<u>(18,653)</u>	-
Cash and cash equivalents as presented in the condensed statement of cash flows	<u>27,955,854</u>	<u>5,036,200</u>

(1) Call accounts earns average interest of 0.75% to 1% per annum (2022: 0.75% to 1% per annum).

11. SHARE CAPITAL

	30 June 2023 (Reviewed)	31 December 2022 (Audited)
<i>Authorised , issued and paid up share capital</i>		
180,000,000 ordinary shares with a par value of QR 1 per share	<u>180,000,000</u>	<u>180,000,000</u>

12. ISLAMIC FINANCING CREDIT FACILITIES

The details of the Islamic financing credit facilities are as follows:

	30 June 2023 (Reviewed)	31 December 2022 (Audited)
Letter of credit facilities (1)	14,409,340	36,607,424
Commodity Murabaha (2)	<u>94,155,540</u>	-
At 30 June / 31 December	<u>108,564,880</u>	<u>36,607,424</u>

(1) These represent import letter of credit facilities obtained by the Company to finance its purchase of inventory and are payable in the next 6 months.

(2) During the current period Company has obtained commodity murabaha of QR 112,446,161 to finance the purchasing of inventories. The payment term is 3 months grace period and repayment in 3 months equal instalments . Average interest rate for these loans are 6.25%.

The movements of Islamic financing credit facilities were as follows:

	30 June 2023 (Reviewed)	31 December 2022 (Audited)
At 1 January	36,607,424	-
Additional loans obtained	194,899,092	68,547,224
Paid during the period / year	<u>(122,941,636)</u>	<u>(31,939,800)</u>
	<u>108,564,880</u>	<u>36,607,424</u>

Widam Food Company Q.P.S.C.

Notes to the condensed interim financial statements As at and for the six months period ended 30 June 2023

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12. ISLAMIC FINANCING CREDIT FACILITIES (CONTINUED)

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

	30 June 2023 (Reviewed)	31 December 2022 (Audited)
Non-current	-	-
Current	108,564,880	36,607,424
At 30 June / 31 December	<u>108,564,880</u>	<u>36,607,424</u>

13. REVENUE

	30 June 2023 (Reviewed)	30 June 2022 (Reviewed)
Cash sales	87,125,039	68,329,554
Credit sales	194,062,805	184,312,115
	<u>281,187,844</u>	<u>252,641,669</u>

Timing of revenue recognition

	30 June 2023 (Reviewed)	30 June 2022 (Reviewed)
Revenue recognised at a point in time	281,187,844	252,641,669
Revenue from contracts with customers	<u>281,187,844</u>	<u>252,641,669</u>

The breakup of revenue by product type was follows:

	30 June 2023 (Reviewed)	30 June 2022 (Reviewed)
Chilled	68,372,172	103,973,404
Livestock	58,876,855	61,852,390
Frozen	97,927,638	32,741,380
Slaughtered (whole)	27,562,499	29,885,964
Produced	22,708,611	18,147,437
Slaughter and cutting services	4,428,400	3,769,789
Feeds	-	418,230
Miscellaneous	1,311,669	1,853,075
	<u>281,187,844</u>	<u>252,641,669</u>

The breakup of revenue by customer type was follows:

	30 June 2023 (Reviewed)	30 June 2022 (Reviewed)
Individual	87,555,967	68,329,554
Corporate	187,609,312	182,231,697
Government	6,022,565	2,080,418
	<u>281,187,844</u>	<u>252,641,669</u>

Widam Food Company Q.P.S.C.

Notes to the condensed interim financial statements As at and for the six months period ended 30 June 2023

In Qatari Riyals

13. REVENUE (CONTINUED)

The breakup of revenue by geography was follows:

	30 June 2023 (Reviewed)	30 June 2022 (Reviewed)
Qatar	281,187,844	252,251,846
Sudan	-	389,823
	<u>281,187,844</u>	<u>252,641,669</u>

14. BASIC AND DILUTED EARNINGS PER SHARE

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

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

	30 June 2023 (Reviewed)	30 June 2022 (Reviewed)
Loss for the period	(35,678,893)	(11,895,228)
Weighted average number of shares outstanding during the period	<u>180,000,000</u>	<u>180,000,000</u>
Basic and diluted earnings per share	<u>(0.20)</u>	<u>(0.07)</u>

15. SEGMENT REPORTING

a) Business segments

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

b) Geographical segments

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

16. CONTINGENT LIABILITIES

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

	30 June 2023 (Reviewed)	30 June 2022 (Reviewed)
Due within one year	<u>11,630,513</u>	<u>26,749,445</u>

17. FAIR VALUE MEASUREMENT

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

The table below showing the Company's financial and non-financial assets which are measured at fair value as at 30 June 2023 and 31 December 2022:

Assets measured at fair value	30 June 2023	Level 1	Level 2	Level 3
Equity investment – FVOCI	<u>54,368,600</u>	<u>54,368,600</u>	<u>-</u>	<u>-</u>
Assets measured at fair value	31 December 2022	Level 1	Level 2	Level 3
Equity investment – FVOCI	<u>58,208,620</u>	<u>58,208,620</u>	<u>-</u>	<u>-</u>

During the six-month period ended 30 June 2023, there were no transfers between Level 1 and Level 2 fair value measurements and no transfers into and out of Level 3 fair value measurements.

18. COMPARATIVE FIGURES

The comparative figures presented have been reclassified where necessary to preserve consistency with the current period figures. However, such reclassifications did not have any effect on the net profit or the total equity for the comparative period.