

**Foodco Holding – P.J.S.C.**

Condensed consolidated interim  
financial statements

**31 March 2015**

**Principal business address:**

P.O. Box 2378  
Behind Mina Centre  
Meena Road  
Abu Dhabi  
UAE

## **Foodco Holding – P.J.S.C.**

### Condensed consolidated interim financial statements

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## Board of Directors' Report For the Quarter ended March 31, 2015

The Board of Directors of Foodco Holding PJSC are pleased to report the financial statements for the Quarter ended March 31, 2015.

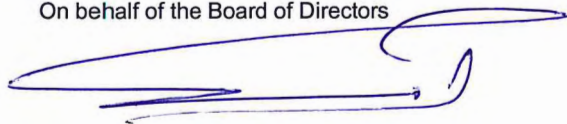
The Groups' revenue for the three months were AED 83.531 million (2014:59.465 million) while the profit of the parent company was AED 32.335 million (2014: 26.490 million).

The following is the summary of the Financial statements:

	March 2015	March 2014	Amount in AED '000	
			Increase / (Decrease) Amount	%
<b>Profit and Loss summary</b>				
Revenue	83,531	59,464	24,067	40.5%
Gross Profit	48,259	30,685	17,574	57.3%
Profit	32,335	26,490	5,845	22.1%
Earning per share (AED)	0.32	0.26	0.06	22.1%
<b>Statement of financial position summary</b>				
Current Assets	252,496	223,696	28,800	12.9%
Non Current Assets	640,736	655,086	(14,350)	-2.2%
Current Liabilities	321,826	338,133	(16,307)	-4.8%
Non Current Liabilities	33,045	36,341	(3,296)	-9.1%
Total Shareholders' Equity (Group)	532,962	498,462	34,500	6.9%
Book Value of Share (AED)	5.33	4.98	0.35	6.9%

We appreciate the efforts of all our stakeholders for their contribution in achieving these results.

On behalf of the Board of Directors



Ahmed bin Ali Khalfan Al Dhahery  
Chairman  
May 12, 2015





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## **Independent auditor's report on the review of condensed consolidated interim financial information**

To the Shareholders  
Foodco Holding – P.J.S.C.  
Abu Dhabi  
UAE

### *Introduction*

We have reviewed the accompanying 31 March 2015 condensed consolidated interim financial information of Foodco Holding P.J.S.C. (the "Company") and its subsidiaries (collectively referred to as the "Group") which comprises:

- the condensed consolidated interim statement of financial position as at 31 March 2015;
- the condensed consolidated interim statement of profit or loss for the three-month period ended 31 March 2015;
- the condensed consolidated interim statement of other comprehensive income for the three-month ended 31 March 2015;
- the condensed consolidated interim statement of changes in equity for the three-month period ended 31 March 2015;
- the condensed consolidated interim statement of cash flows for the three-month period ended 31 March 2015; and
- notes to the condensed consolidated interim financial information.

Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed consolidated interim financial information 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 31 March 2015 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

KPMG Lower Gulf Limited  
Tamer Ragheb  
Registration No. 797

12 May 2015

# Foodco Holding – P.J.S.C.

## Condensed consolidated statement of financial position

As at

	Notes	31 March 2015 (unaudited)	31 December 2014 (audited)
<b>Assets</b>			
Property, plant and equipment	5	7,072,122	7,493,290
Intangible assets	6	1,360,376	1,369,562
Investment properties under development	8	20,183,320	19,688,320
Investment properties	9	283,484,886	283,484,886
Investments held at fair value through other comprehensive income	10	328,635,579	343,050,142
<b>Non-current assets</b>		<b>640,736,283</b>	<b>655,086,200</b>
Inventories	11	11,821,260	12,182,992
Investments held at fair value through profit or loss	10	124,117,899	119,676,507
Trade and other receivables	12	113,571,000	91,010,573
Amounts due from related parties	17	1,372,925	687,314
Cash and bank balances		1,613,064	138,482
<b>Current assets</b>		<b>252,496,148</b>	<b>223,695,868</b>
<b>Total assets</b>		<b>893,232,431</b>	<b>878,782,068</b>
<b>Equity</b>			
Share capital		100,000,000	100,000,000
Legal reserve		50,000,000	50,000,000
Regulatory reserve		50,000,000	50,000,000
Fair value reserve		43,751,604	41,587,341
Translation reserve		-	-
Retained earnings		289,210,354	256,875,152
<b>Equity attributable to owners of the Company</b>		<b>532,961,958</b>	<b>498,462,493</b>
Non-controlling interests		5,399,364	5,845,113
<b>Total equity</b>		<b>538,361,322</b>	<b>504,307,606</b>
<b>Liabilities</b>			
Provision for employees' end of service benefits		3,403,170	3,047,828
Bank borrowings ( <i>non-current portion</i> )	13	29,641,545	33,293,600
<b>Non-current liabilities</b>		<b>33,044,715</b>	<b>36,341,428</b>
Trade and other payables	14	57,207,036	46,686,566
Bank borrowings ( <i>current portion</i> )	13	264,497,427	287,628,250
Amounts due to related parties	17	121,931	3,818,218
<b>Current liabilities</b>		<b>321,826,394</b>	<b>338,133,034</b>
<b>Total liabilities</b>		<b>354,871,109</b>	<b>374,474,462</b>
<b>Total equity and liabilities</b>		<b>893,232,431</b>	<b>878,782,068</b>

Ahmed Ali Khalfan Al Dhahry  
Chairman

Mohamed Ali Khamis Al Hossani  
Director

Mohammed Jariq Sheikh  
Chief Finance Officer

The notes set out on pages 9 to 25 form an integral part of these condensed consolidated interim financial statements. The independent auditors' report on review of these condensed consolidated interim financial statements is set out on page 2.



## Foodco Holding – P.J.S.C.

### Condensed consolidated interim statement of profit or loss for the period ended

	Notes	31 March 2015 AED (unaudited)	31 March 2014 AED (unaudited)
Revenue	7	83,531,165	59,464,829
Cost of sales		(35,271,817)	(28,779,399)
<b>Gross profit</b>		<b>48,259,348</b>	<b>30,685,430</b>
Net changes in fair value of investments held at FVTPL	10	(5,599,719)	3,040,991
Selling, general and administrative expenses		(7,692,214)	(5,935,294)
Finance costs		(3,092,271)	(2,299,562)
Other income		14,309	-
Share of profit of an equity associate investee	9	-	266,962
<b>Profit for the period</b>		<b>31,889,453</b>	<b>25,758,527</b>
<b>Profit / (loss) attributable to:</b>			
Equity owners of the parent		32,335,202	26,490,040
Non-controlling interests		(445,749)	(731,513)
		<b>31,889,453</b>	<b>25,758,527</b>
<b>Basic and diluted earnings per share</b>		<b>0.32</b>	<b>0.26</b>

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## Foodco Holding – P.J.S.C.

Condensed consolidated interim statement of other comprehensive income  
for the period ended

	<b>31 March 2015 AED (unaudited)</b>	31 March 2014 AED (unaudited)
<b>Profit for the period</b>	<b>31,889,453</b>	25,758,527
<b>Other comprehensive income / (expense):</b>		
<i>Items that will not be reclassified to profit or loss</i>		
Net changes in the fair value of investments held through other comprehensive income	2,232,666	51,329,599
Loss on disposal of investments at fair value through other comprehensive income	(68,403)	(1,186,466)
Release of gain on disposal of investments at fair value through other comprehensive income	-	1,450,315
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences arising on translation of foreign operations	-	(28,436)
Other comprehensive income for the period	<u>2,164,263</u>	<u>51,565,012</u>
<b>Total comprehensive income for the period</b>	<u><b>34,053,716</b></u>	<u>77,323,539</u>
<b>Total comprehensive income / (loss) attributable to:</b>		
Equity owners of the parent	34,499,465	77,453,196
Non-controlling interests	(445,749)	(129,657)
	<u><b>34,053,716</b></u>	<u>77,323,539</u>

The notes set out on pages 9 to 25 form an integral part of these condensed consolidated interim financial statements.

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## Foodco Holding – P.J.S.C.

### Condensed consolidated interim statement of changes in equity for the period ended

	Share Capital AED	Legal reserve AED	Regulatory reserve AED	Fair value reserve AED	Translation reserve AED	Retained earnings AED	Equity attributable to equity owners of the company AED	Non-controlling interests AED	Total AED
At 1 January 2014	100,000,000	50,000,000	50,000,000	(38,468,152)	28,436	247,057,865	408,618,149	7,515,991	416,134,140
Profit for the period	-	-	-	-	-	26,490,040	26,490,040	(731,513)	25,758,527
Other comprehensive income / (loss)	-	-	-	51,566,281	(28,436)	(574,689)	50,963,156	601,856	51,565,012
Total comprehensive income (loss) for the period	-	-	-	51,566,281	(28,436)	25,915,351	77,453,196	(129,657)	77,323,539
<b>At 31 March 2014</b>	<b>100,000,000</b>	<b>50,000,000</b>	<b>50,000,000</b>	<b>13,098,129</b>	<b>-</b>	<b>272,973,216</b>	<b>486,071,345</b>	<b>7,386,334</b>	<b>493,457,679</b>
At 1 January 2015	100,000,000	50,000,000	50,000,000	41,587,341	-	256,875,152	498,462,493	5,845,113	504,307,606
Profit for the period	-	-	-	-	-	32,335,202	32,335,202	(445,749)	31,889,453
Other comprehensive income / (loss)	-	-	-	2,164,263	-	-	2,164,263	-	2,164,263
Total comprehensive income (loss) for the period	-	-	-	2,164,263	-	32,335,202	34,499,465	(445,749)	34,053,716
<b>At 31 March 2015</b>	<b>100,000,000</b>	<b>50,000,000</b>	<b>50,000,000</b>	<b>43,751,604</b>	<b>-</b>	<b>289,210,354</b>	<b>532,961,958</b>	<b>5,399,364</b>	<b>538,361,322</b>

The independent auditors' report on review of these condensed consolidated interim financial statements is set out on page 2.



## Foodco Holding – P.J.S.C.

### Condensed consolidated interim statement of cash flows for the period ended

	31 March 2015 AED (unaudited)	31 March 2014 AED (unaudited)
<b>Cash flows from operating activities</b>		
Profit for the period	31,889,453	25,758,527
<i>Adjustments for:</i>		
Depreciation of property, plant and equipment	516,332	455,670
Amortisation of intangible assets	9,186	20,423
Dividend income	(33,532,152)	(2,107,048)
Finance cost	3,092,271	2,299,562
Provision for employees' end of service benefits	692,737	142,986
Share of profit from an equity accounted investee	-	(266,962)
Gain on sale of investments held at FVTPL	(12,695)	(12,286,485)
Net changes in fair value of investments held at FVTPL	5,599,719	(3,040,991)
Impairment loss on trade receivables	39,000	232,271
Provision for inventory obsolescence	67,349	220,000
Gain on sale of property, plant and equipment	(20,760)	492,925
	<u>8,340,440</u>	<u>11,920,878</u>
Changes in:		
Inventories	294,383	(1,242,154)
Trade and other receivables	(22,599,427)	(10,712,115)
Due from related parties	(685,611)	618,263
Due to related parties	(3,696,287)	(3,697,188)
Trade and other payables	10,025,470	12,506,527
End of service benefits paid	(337,395)	(29,434)
Acquisition of investments	(10,809,900)	(54,715,167)
Proceeds from sale of investments	17,360,310	83,120,316
Dividends received	33,532,152	2,107,048
	<u>31,424,135</u>	<u>39,876,974</u>
<b>Net cash from operating activities</b>		
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(95,174)	(62,180)
Proceeds from disposal of property, plant and equipment	20,770	52,712
Dividend received from an equity accounted investee	-	112,500
	<u>(74,404)</u>	<u>103,032</u>
<b>Net cash generated from investing activities</b>		

## Foodco Holding – P.J.S.C.

Condensed consolidated interim statement of cash flows (*continued*)  
*for the period ended*

	31 Mar 2015 AED (unaudited)	31 Mar 2014 AED (unaudited)
<b>Cash flows from financing activities</b>		
Net increase in bank borrowings	(26,782,878)	(38,318,652)
Finance costs paid	(3,092,271)	(2,299,561)
<b>Net cash used in financing activities</b>	<u>(29,875,149)</u>	<u>(40,618,213)</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>1,474,582</b>	<b>(638,207)</b>
Cash and cash equivalents at 1 January	<b>138,482</b>	1,346,937
Net movement in translation reserve	-	(28,436)
<b>Cash and cash equivalents at 31 March</b>	<u><b>1,613,064</b></u>	<u>680,294</u>

The notes set out on pages 9 to 25 form an integral part of these condensed consolidated interim financial statements.

The independent auditors' report on review of these condensed consolidated interim financial statements is set out on page 2.

## Foodco Holding – P.J.S.C.

### Notes to the condensed consolidated interim financial information

#### 1 Legal status and principal activities

Foodco Holding - P.J.S.C. (the “Company”) is a public shareholding company incorporated in Abu Dhabi, (United Arab Emirates) in accordance with the provisions of the U.A.E Federal Commercial Companies Law No. 8 of 1984 (as amended). During 2006, the Company changed its name to Foodco Holding - P.J.S.C. formerly known as Abu Dhabi National Foodstuff Company - P.J.S.C. and updated its Articles of Association accordingly.

The Company was established in 1979. It is regulated and listed on the Abu Dhabi Securities Exchange.

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 for the purpose of the good conduct of the business of the Company.

#### 2 Statement of compliance

The condensed consolidated interim financial information have been prepared in accordance with IAS 34, “*Interim Financial Reporting*”. It does not include all the information required for full annual consolidated financial information and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2014.

#### 3 Significant accounting policies

The accounting policies applied by the Group in these condensed consolidated interim financial information is the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2014.

##### *New and amended International Financial Reporting Standards (IFRS) in issue but not yet effective*

<b>New and revised IFRS</b>	<b>Effective date</b>
IFRS 14 Regulatory Deferral Accounts	1 January 2016
Annual improvements 2012-2014 Cycle - various standards	1 January 2016
Improvements to IFRS 11, IFRS 10, IFRS 12, IAS 16, IAS 38, IAS 27, IAS 28	1 January 2016
Disclosure initiative – Amendments to IAS 1	1 January 2016
IFRS 15 Revenue from Contracts with Customers	1 January 2017

Management anticipates that these amendments will be applied in the consolidated financial statement for the initial period when they become effective. Management has not yet had the opportunity to consider the potential impact of the application of these amendments.

#### 4 Estimates

The preparation of condensed consolidated interim financial information requires management to make judgments, estimates and assumptions 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.

In preparing these condensed consolidated interim financial information, the significant judgments made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended 31 December 2014.

## Foodco Holding – P.J.S.C.

Notes to the condensed consolidated interim financial information

### 5 Property, plant and equipment

	Warehouse and office buildings AED	Equipment, furniture & fittings AED	Motor vehicles AED	Capital work in progress AED	Total AED
<b>Cost</b>					
1 January 2014	18,772,005	34,968,204	6,107,794	212,692	60,060,695
Additions	-	1,957,318	79,500	-	2,036,818
Disposals	-	(1,341,972)	(57,400)	-	(1,399,372)
<b>31 December 2014</b>	<b>18,772,005</b>	<b>35,583,550</b>	<b>6,129,894</b>	<b>212,692</b>	<b>60,698,141</b>
1 January 2015	18,772,005	35,583,550	6,129,894	212,692	60,698,141
Additions	-	95,174	-	-	95,174
Disposals	-	-	(55,000)	-	(55,000)
<b>31 March 2015 (unaudited)</b>	<b>18,772,005</b>	<b>35,678,724</b>	<b>6,074,894</b>	<b>212,692</b>	<b>60,738,315</b>
<b>Accumulated depreciation</b>					
1 January 2014	16,875,621	29,321,444	5,768,602	-	51,965,667
Charge for the year	166,702	1,751,848	151,911	-	2,070,461
Disposals	-	(773,907)	(57,370)	-	(831,277)
<b>31 December 2014</b>	<b>17,042,323</b>	<b>30,299,385</b>	<b>5,863,143</b>	<b>-</b>	<b>53,204,851</b>
1 January 2015	17,042,323	30,299,385	5,863,143	-	53,204,851
Charge for the period	43,682	436,667	35,983	-	516,332
Disposals	-	-	(54,990)	-	(54,990)
<b>31 March 2015 (unaudited)</b>	<b>17,086,005</b>	<b>30,736,052</b>	<b>5,844,136</b>	<b>-</b>	<b>53,666,193</b>
<b>Carrying amount</b>					
<b>31 March 2015 (unaudited)</b>	<b>1,686,000</b>	<b>4,942,672</b>	<b>230,758</b>	<b>212,692</b>	<b>7,072,122</b>
31 December 2014	1,729,682	5,284,165	266,751	212,692	7,493,290

Included under warehouse and office buildings are warehouses constructed on a leased land in Mina Zayed port in Abu Dhabi. The Group and the Seaport Authority, representing the Government of Abu Dhabi, signed a lease agreement covering the land for a period of 15 years with effect from 1 January 1998. The lease agreement may be renewed based on terms to be determined by the Seaport Authority. The contract has been extended for 5 years more effective 1 January 2014.

Included in warehouse and office buildings, is a warehouse in Dubai constructed in year 2000 on a plot of land leased from Dubai Municipality for a renewable period of 5 years with effect from 1 February 1999. Since the year 2004, the lease agreement is being renewed on a yearly basis.

Included under equipment, furniture and fittings, is the office complex which was completed in August 2001 on the aforesaid leased land in Mina Zayed Port in Abu Dhabi. The construction was financed by a loan obtained from Abu Dhabi Commercial Properties, formerly known as the Department of Social Services and Commercial Buildings of the Government of Abu Dhabi.

## Foodco Holding – P.J.S.C.

Notes to the condensed consolidated interim financial information

### 6 Intangible assets

	Goodwill AED	Franchise cost AED	Total AED
<i>Cost</i>			
At 1 January 2014	249,637	1,675,050	1,924,687
<b>At 31 December 2014</b>	<b>249,637</b>	<b>1,583,187</b>	<b>1,832,824</b>
At 1 January 2015	249,637	1,583,187	1,832,824
<b>At 31 March 2015 (unaudited)</b>	<b>249,637</b>	<b>1,583,187</b>	<b>1,832,824</b>
<i>Accumulated amortisation</i>			
At 1 January 2014	-	507,144	507,144
Charge for the year	-	47,981	47,981
Disposal	-	(91,863)	(91,863)
<b>At 31 December 2014</b>	<b>-</b>	<b>463,262</b>	<b>463,262</b>
At 1 January 2015	-	463,262	463,262
Charge for the period	-	9,186	9,186
<b>At 31 March 2015 (unaudited)</b>	<b>-</b>	<b>472,448</b>	<b>472,448</b>
<i>Carrying amount</i>			
<b>At 31 March 2015 (unaudited)</b>	<b>249,637</b>	<b>1,110,739</b>	<b>1,360,376</b>
At 31 December 2014	249,637	1,119,925	1,369,562

### 7 Revenue

	31 March 2015 AED (unaudited)	31 March 2014 AED (unaudited)
Sales of goods	36,882,598	31,490,692
Management fees	4,000,000	4,225,339
Operating rental income (note 15)	9,095,655	9,355,265
Investment income (note 16)	33,552,912	14,393,533
	<b>83,531,165</b>	<b>59,464,829</b>

## Foodco Holding – P.J.S.C.

Notes to the condensed consolidated interim financial information

### 8 Investment properties under development

	31 March 2015 AED (unaudited)	31 December 2014 AED (audited)
At 1 January	19,688,320	43,002,576
Cost incurred during the period	495,000	464,320
Transfer of land from investment properties (note 9)	-	19,000,000
Transfer to investment properties (note 9)	-	(42,778,576)
<b>At end of period / year</b>	<b>20,183,320</b>	<b>19,688,320</b>

The Group is unable to reliably measure the fair value of investment properties under development until development is complete due to infrequent comparable market transactions and the absence of alternative estimates of fair value. Accordingly such property is measured at cost until the earlier of the date at which construction is completed and the date at which fair value can reliably be measured.

### 9 Investment properties

Investment properties:

	31 March 2015 AED (unaudited)	31 December 2014 AED (audited)
Abu Dhabi land, commercial and residential building, UAE	66,160,000	66,160,000
Leasehold warehouses	100,207,767	100,207,767
Land in Abu Dhabi, UAE	19,820,176	19,820,176
Residential building in Abu Dhabi, UAE	97,296,943	97,296,943
	<b>283,484,886</b>	<b>283,484,886</b>

*Fair value of investment properties:*

Opening balance	283,484,886	251,217,810
Additions	-	25,688,500
Disposal	-	(12,200,000)
Transfer from properties under development	-	42,778,576
Transfer of land to properties under development	-	(24,000,000)
<b>Closing balance</b>	<b>283,484,886</b>	<b>283,484,886</b>

The Group did not carry a new valuation during the year 2015 as management believe that the prices have not changed significantly from 2014.

The warehouse was constructed on leased land in Mina Zayed port in Abu Dhabi, along with a new office complex. The construction of the warehouse which cost AED 59,631,560 was partially financed by Abu Dhabi Co-operative Society for an amount of AED 39,924,560. The balance of AED 19,707,000 was financed by a loan obtained from the Department of Social Services and Commercial Buildings (DSSCB) of the Government of Abu Dhabi. The construction work was completed on 1 August 2001. The warehouse is depreciated over an expected economical useful life of 25 years as estimated by the Board of Directors.

## Foodco Holding – P.J.S.C.

### Notes to the condensed consolidated interim financial information

#### 9 Investment properties (continued)

The construction, part financed by Abu Dhabi Co-operative Society, was governed by a Construction and Lease Agreement entered into between the Group (as lessor) and Abu Dhabi Co-operative Society (as lessee). When construction work was completed on 1 August 2001, the legal title of the property was given to the Group. In return for financing the construction, the lessee took the property on lease from the lessor for a period of 11 years from 1 January 2002 at a reduced rent of AED 6 million per annum over the least period. On recognising the asset on its books of accounts at the date of completion of construction of the warehouse, the Group recorded the part financed by the lessee under related party, non-current liabilities, in the consolidated statement of financial position. The amount is being released to profit or loss over the lease period of 11 years. The rent contract with major shareholder was renewed for the year 2015 with a rent amount of AED 12 million per annum.

Some of the investment properties are registered in the name of the Group's Directors. These investments have been assigned to the Group.

#### 10 Financial assets

	31 March 2015 AED (unaudited)	31 December 2014 AED (audited)
Financial assets at fair value through other comprehensive income (FVTOCI)	328,635,579	343,050,142
Financial assets held at fair value through profit and loss (FVTPL)	124,117,899	119,676,507
	<u>452,753,478</u>	<u>462,726,649</u>

The financial assets at fair value through other comprehensive income comprise:

	31 March 2015 AED (unaudited)	31 December 2014 AED (audited)
Investment in quoted UAE equity securities	301,868,243	296,687,993
Investment in quoted non-UAE equity securities	12,831,423	12,789,320
Investment in unquoted non-UAE equity securities	9,869,080	12,821,920
Investment in unquoted UAE equity securities	4,066,833	20,750,909
	<u>328,635,579</u>	<u>343,050,142</u>

The financial assets held at fair value through profit and loss comprise:

	31 March 2015 AED (unaudited)	31 December 2014 AED (audited)
Investment in quoted UAE equity securities	115,127,443	110,521,379
Investment in quoted non-UAE equity securities	8,990,456	9,155,128
	<u>124,117,899</u>	<u>119,676,507</u>

## Foodco Holding – P.J.S.C.

### Notes to the condensed consolidated interim financial information

#### 10 Financial assets (continued)

The movement in investments is as follows:

	At Fair value through profit or loss 2015 AED (unaudited)	At Fair value through other comprehensive income 2015 AED (unaudited)	At Fair value through profit or loss 2014 AED (audited)	At Fair value through other comprehensive income 2014 AED (audited)
At 1 January	119,676,507	343,050,142	53,888,240	257,855,439
Purchase of investments	10,809,900	-	209,943,347	47,072,107
Disposal of investments	(768,789)	(16,740,002)	(134,244,432)	(21,174,174)
(Decrease) / increase in fair value	(5,599,719)	2,325,439	(9,910,648)	59,296,770
<b>At end of the period / year</b>	<b><u>124,117,899</u></b>	<b><u>328,635,579</u></b>	<b><u>119,676,507</u></b>	<b><u>343,050,142</u></b>

#### 11 Inventories

	31 March 2015 AED (unaudited)	31 December 2014 AED (audited)
Goods for resale	12,069,582	13,533,362
Goods in transit	2,784,575	1,615,178
	<u>14,854,157</u>	<u>15,148,540</u>
Less: Allowance for slow moving inventories	(3,032,897)	(2,965,548)
	<b><u>11,821,260</u></b>	<b><u>12,182,992</u></b>

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

	31 March 2015 AED (unaudited)	31 December 2014 AED (audited)
At 1 January	2,965,548	2,494,927
Charge for the period / year	923,314	3,373,257
Reversal during the period / year	(855,965)	(2,902,636)
	<b><u>3,032,897</u></b>	<b><u>2,965,548</u></b>



## Foodco Holding – P.J.S.C.

### Notes to the condensed consolidated interim financial information

#### 12 Trade and other receivables

	<b>31 March 2015 AED (unaudited)</b>	31 December 2014 AED (audited)
Trade receivables	74,402,177	87,891,657
Less: provision for impairment	<u>(5,489,260)</u>	<u>(5,620,260)</u>
	<b>68,912,917</b>	<b>82,271,397</b>
Prepayments	6,309,308	3,726,148
Other receivables	40,231,046	6,895,299
Less: impairment loss on other receivables	<u>(1,882,271)</u>	<u>(1,882,271)</u>
	<b><u>113,571,000</u></b>	<b><u>91,010,573</u></b>

Movement in the allowance for doubtful debts:

	<b>31 March 2015 AED (unaudited)</b>	31 December 2014 AED (audited)
At beginning of the period / year	5,620,260	11,693,018
Net provided during the period / year	<u>(131,000)</u>	<u>(6,072,758)</u>
At the end of the period / year	<b><u>5,489,260</u></b>	<b><u>5,620,260</u></b>

Movement in the impairment loss on other receivables:

	<b>31 March 2015 AED (unaudited)</b>	31 December 2014 AED (audited)
Balance as at 1 January	1,882,271	1,650,000
Provision recognised during the period / year	<u>-</u>	<u>232,271</u>
<b>Balance at the end of period / year</b>	<b><u>1,882,271</u></b>	<b><u>1,882,271</u></b>

## Foodco Holding – P.J.S.C.

Notes to the condensed consolidated interim financial information

### 13 Bank borrowings

	31 March 2015 AED	Current 31 December 2014 AED	31 March 2015 AED	Non-current 31 December 2014 AED
<b>Secured – at amortised cost</b>				
Bank overdrafts	249,626,370	272,275,444	-	-
Term loan # 1 (i)	1,573,000	1,573,000	6,573,809	7,360,310
Term loan # 2 (ii)	1,124,611	1,606,360	-	-
Term loan # 3 (iii)	6,173,446	6,173,446	9,567,736	10,933,290
Term loan # 4 (iv)	6,000,000	6,000,000	13,500,000	15,000,000
	<u>264,497,427</u>	<u>287,628,250</u>	<u>29,641,545</u>	<u>33,293,600</u>

The bank overdrafts are repayable on demand.

#### **Bank loans**

- (i) Term loan # 1 was obtained in June 1993 in the amount of AED 25 million from the Department of Social Services and Commercial Buildings (DSSCB) of the Government of Abu Dhabi. The loan was obtained to finance the operations of the Group, and is secured by a charge over the commercial and residential building. The loan is repayable in annual instalments of AED 1,573,000 each through Abu Dhabi Commercial Properties (ADCP), which now manages the DSSCB's property loans.
- (ii) Term loan # 2 in the amount of AED 9,635,000 was converted from overdraft as of November 2010 from a local bank. The loan is repayable in monthly instalments of AED 160,583 each.
- (iii) Term loan # 3 in the amount of AED 32,000,000 obtained in November 2011 from a local bank. The loan is repayable in quarterly instalments of AED 1,543,361 each. It is secured by a first degree mortgage over the commercial and residential buildings.
- (iv) Term loan # 4 in the amount of AED 30,000,000 obtained in August 2013 from a local bank. The loan is repayable in quarterly instalments of AED 1,500,000 each. It is secured by a first degree mortgage over the commercial and residential buildings.

The average interest rates during the year were approximately as follows:

#### **March 2015 and 2014**

Bank overdrafts	1 month EIBOR + [1.5% – 3%]
Term loans	3 month EIBOR + [1.5% – 3%]
Term loans – DSSCB (through ADCP)	3% fixed rate

## Foodco Holding – P.J.S.C.

### Notes to the condensed consolidated interim financial information

#### 14 Trade and other payables

	31 March 2015 AED (unaudited)	31 December 2014 AED (audited)
Trade payables	17,014,797	16,589,197
Accruals	8,406,066	6,306,725
Other payables	31,786,173	23,790,644
	<u>57,207,036</u>	<u>46,686,566</u>

#### 15 Operating rental income - net

	31 March 2015 AED (unaudited)	31 March 2014 AED (audited)
Operating rental income	9,095,655	9,355,265
Less: Operating rental expense	(2,358,487)	(2,183,424)
	<u>6,737,168</u>	<u>7,171,841</u>

#### 16 Investment income

	31 March 2015 AED (unaudited)	31 March 2014 AED (audited)
Dividend income	33,532,152	2,107,048
Gain on sale of investments held at FVTPL	20,760	12,286,485
	<u>33,552,912</u>	<u>14,393,533</u>

## Foodco Holding – P.J.S.C.

### Notes to the condensed consolidated interim financial information

#### 17 Related parties

In the ordinary course of business the Group enters into transactions at agreed terms and conditions which are carried out on commercially agreed terms, with other business enterprises or individuals that fall within the definition of a related party contained in International Accounting Standard 24. The Company has a related party relationship with the Group entities, its executive officers and business entities over which they can exercise significant influence or which can exercise significant influence over the Group.

#### Transactions and balances with related parties

The volume of related party transactions, outstanding balances and related expenses and income for the period / year are as follows:

	<b>31 March 2015 AED (unaudited)</b>	<b>31 December 2014 AED (audited)</b>
<b>Amounts due from related parties:</b>		
Entities under significant influence	26,780	17,950
Shareholders	-	535,242
Board of directors	<b>1,346,145</b>	134,122
	<u><b>1,372,925</b></u>	<u>687,314</u>
<b>Amounts due to related parties:</b>		
Entities under significant influence	121,931	44,843
Shareholders	-	25,696
Board of directors' remuneration	-	3,747,679
	<u><b>121,931</b></u>	<u>3,818,218</u>

Significant transactions with related parties during the period comprise:

	<b>31 March 2015 AED (unaudited)</b>	<b>31 December 2014 AED (audited)</b>
Sales	<u><b>106,501</b></u>	<u>678,522</u>
Purchases and other charges	<u><b>112,882</b></u>	<u>9,430</u>
	<b>31 Mar 2015 AED (unaudited)</b>	<b>31 Mar 2014 AED (unaudited)</b>
Rental income from a major shareholder	<u>-</u>	<u>3,827,971</u>

## Foodco Holding – P.J.S.C.

### Notes to the condensed consolidated interim financial information

#### 17 Related parties (continued)

##### *Key management personnel compensation*

The remuneration of Directors and other members of key management during the period / year were as follows:

	<b>31 March 2015 AED (unaudited)</b>	31 December 2014 AED (audited)
Directors' remuneration	-	3,747,679
Management compensation	<b>548,308</b>	520,868

#### 18 Financial risk management

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at the end for the year ended 31 December 2014.

#### 19 Segment information

The Group has adopted IFRS 8 Operating Segments with effect from 1 January 2009. 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 Decision Maker 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) Foodco Holdings P.J.S.C. which is engaged the import and distribution of foodstuffs and house hold items, also engaged in investments and leasing of investment properties;
- (ii) Foodco Bahrain W.L.L which is engaged in the import, export and sale of food products (winded up as of 31 December 2013); and
- (iii) Sense Gourmet Food Company P.J.S.C. which is engaged in the provision of catering services and Figaro's Pizza Restaurant Business; and
- (iv) Oasis National Foodstuff Company L.L.C. which is engaged in packing and repacking of food products.

These segments are the basis on which the Group reports its primary segment information. Transactions between segments are conducted at rates determined by management taking into consideration the cost of funds.

## Foodco Holding – P.J.S.C.

### Notes to the condensed consolidated interim financial information

#### 19 Segment information

Information regarding these segments is presented below:

For the three month period ended 31 March 2015 (unaudited):

	Foodco Holdings P.J.S.C. Leasing and investment AED		Trading activities AED	Sense Gourmet Food Company P.J.S.C. AED	Oasis National Foodstuff Company L.L.C. AED	Elimination AED	Consolidated AED
Revenue – external	<u>42,428,343</u>	<u>36,460,144</u>		<u>4,531,117</u>	<u>111,561</u>	<u>-</u>	<u>83,531,165</u>
Revenue – Internal	<u>-</u>	<u>-</u>		<u>107,341</u>	<u>112,882</u>	<u>(220,223)</u>	<u>-</u>
Profit/ (loss) for the period	<u>30,912,368</u>	<u>1,808,756</u>		<u>(864,525)</u>	<u>32,854</u>	<u>445,749</u>	<u>32,335,202</u>

For the three month period ended 31 March 2014 (unaudited):

	Foodco Holdings P.J.S.C. Leasing and investment AED		Trading activities AED	Sense Gourmet Food Company P.J.S.C. AED	Oasis National Foodstuff Company L.L.C. AED	Elimination AED	Consolidated AED
Revenues – external	<u>23,635,902</u>	<u>31,764,592</u>		<u>3,968,290</u>	<u>96,045</u>	<u>-</u>	<u>59,464,829</u>
Revenue – Internal	<u>-</u>	<u>-</u>		<u>21,396</u>	<u>91,500</u>	<u>(112,896)</u>	<u>-</u>
Profit/ (loss) for the period	<u>21,429,502</u>	<u>5,457,563</u>		<u>3,581,240</u>	<u>23,259</u>	<u>(4,001,524)</u>	<u>26,490,040</u>

## Foodco Holding – P.J.S.C.

Notes to the condensed consolidated interim financial information

### 19 Segment information (continued)

The segment assets and liabilities are as follows:

As at 31 March 2015 (unaudited):

	Foodco Holdings P.J.S.C. AED	Sense Gourmet Food Company P.J.S.C. AED	Oasis National Foodstuff Company L.L.C. AED	Elimination AED	Consolidated AED
Assets	<u>896,492,144</u>	<u>22,511,064</u>	<u>1,983,969</u>	<u>(27,754,746)</u>	<u>893,232,431</u>
Liabilities	<u>363,144,264</u>	<u>7,039,061</u>	<u>-</u>	<u>(15,312,216)</u>	<u>354,871,109</u>

As at 31 December 2014 (audited):

	Foodco Holdings P.J.S.C. AED	Sense Gourmet Food Company P.J.S.C. AED	Oasis National Foodstuff Company L.L.C. AED	Elimination AED	Consolidated AED
Assets	<u>883,817,002</u>	<u>22,480,453</u>	<u>1,951,116</u>	<u>(29,466,503)</u>	<u>878,782,068</u>
Liabilities	<u>383,168,309</u>	<u>6,113,926</u>	<u>-</u>	<u>(14,807,773)</u>	<u>374,474,462</u>

### 20 Commitments and contingent liabilities

	31 March 2015 AED (unaudited)	31 December 2014 AED (audited)
Letters of credit	<u>1,915,000</u>	<u>300,928</u>
Bank guarantees	<u>46,252,559</u>	<u>45,960,153</u>

Letters of credit and bank guarantees were issued in the normal course of business.

Furthermore, the Board of Directors has approved an initial capital expenditure budget for the year 2015 in the total amount of AED 5,822,277 (2014: AED 2,658,821).

## Foodco Holding – P.J.S.C.

### Notes to the condensed consolidated interim financial information

#### 21 Financial instruments

The fair values of financial assets and financial liabilities, together with the carrying amounts in the condensed consolidated statement of financial position, are as follows.

For the period ended 31 March 2015 (unaudited)

	2015	
	Carrying value AED	Fair value AED
<b>Financial assets</b>		
Bank balances	1,463,691	1,463,691
Trade and other receivables	107,261,692	107,261,692
Investments at fair value through profit and loss	124,117,899	124,117,899
Investments at fair value through other comprehensive income	328,635,579	328,635,579
Amounts due from related parties	1,372,925	1,372,925
	<u>562,851,786</u>	<u>562,851,786</u>
<b>Financial liabilities</b>		
Trade and other payable	57,207,036	57,207,036
Bank borrowings	294,138,972	294,138,972
Amounts due to related parties	121,931	121,931
	<u>351,467,939</u>	<u>351,467,939</u>
	2014	
	Carrying value AED	Fair value AED
<b>Financial assets</b>		
Bank balances	43,230	43,230
Trade and other receivables	87,284,425	87,284,425
Investments at fair value through profit and loss	119,676,507	119,676,507
Investments at fair value through other comprehensive income	343,050,142	343,050,142
Amounts due from related parties	687,314	687,314
	<u>550,741,618</u>	<u>550,741,618</u>
<b>Financial liabilities</b>		
Trade and other payable	46,686,566	46,686,566
Bank borrowings	320,921,850	320,921,850
Amounts due to related parties	3,818,218	3,818,218
	<u>371,426,634</u>	<u>371,426,634</u>



## Foodco Holding – P.J.S.C.

### Notes to the condensed consolidated interim financial information

#### 21 Financial instruments (continued)

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

#### 31 March 2015

	Level 1 AED	Level 2 AED	Level 3 AED	Total AED
<i>Investments at FVTPL</i>				
Quoted shares	115,127,443	-	-	115,127,443
Unquoted shares	-	8,990,456	-	8,990,456
<i>Investments at FVTOCI</i>				
Quoted shares	314,699,666	-	-	314,699,666
Unquoted shares	-	13,935,913	-	13,935,913
Total	<u>429,827,109</u>	<u>22,926,369</u>	<u>-</u>	<u>452,753,478</u>

#### 31 December 2014

	Level 1 AED	Level 2 AED	Level 3 AED	Total AED
<i>Investments at FVTPL</i>				
Quoted shares	110,521,379	-	-	110,521,379
Unquoted shares	-	9,155,128	-	9,155,128
<i>Investments at FVTOCI</i>				
Quoted shares	309,477,313	-	-	309,477,313
Unquoted shares	-	33,572,829	-	33,572,829
Total	<u>419,998,692</u>	<u>42,727,957</u>	<u>-</u>	<u>462,726,649</u>

## Foodco Holding – P.J.S.C.

### Notes to the condensed consolidated interim financial information

#### 22 Group entities

The following table summarises the information relating to the Group's subsidiary that has material non-controlling interests (NCI), before any intra-group eliminations.

##### Sense Gourmet Food Company P.J.S.C

NCI percentage	48.44%
	<u>AED</u>
	<u>2015</u>
Investment Properties	700,000
Investments held at fair value through other comprehensive income	3,974,850
Trade and other receivable	3,059,646
Property, plant and equipment	3,996,885
Trade and other payable	2,776,044
<b>Net assets</b>	<b>10,264,207</b>
Carrying amount of NCI	5,292,533
Revenue	3,968,290
Loss for the period	(3,581,240)
Total comprehensive loss	(2,414,016)
Loss allocated to NCI	(1,244,739)
Net cash flows used in operating activities	(14,309,319)
Net cash flows generated from investing activities	13,356,549
Net cash flows used in financing activities	(86,876)
<b>Net decrease in cash and cash equivalent</b>	<b>(1,039,646)</b>

#### 23 Seasonality of results

No income of a seasonable nature was recorded in the condensed consolidated interim statement of comprehensive income for the three months period ended 31 March 2015 and 31 March 2014.

#### 24 Dividends

A dividend of AED 25,000,000 has been approved and declared on 6 April 2015 during the AGM, representing 25% of the issued share capital

#### 25 Date of authorisation for issue

The condensed consolidated interim financial statements was approved by the Group's Board of Directors and authorised for issue on 12 MAY 2015

## Foodco Holding – P.J.S.C.

Notes to the condensed consolidated interim financial information

### 26 Comparative information

On 26 April 2015 the Group has revised its articles of association to include trading in investments and leasing of investment properties as its principle activities. Accordingly certain comparative figures have been reclassified, wherever necessary, to conform to the presentation adopted in these condensed consolidated interim financial statements, as shown below:

		As previously reported	As reclassified	Net Effect
		-----2014-----		
	<i>Note</i>	AED	AED	AED
Revenue	7	<u>40,882,598</u>	<u>83,531,165</u>	<u>(42,648,567)</u>
Operating rental income	15	<u>9,095,655</u>	<u>-</u>	<u>9,095,655</u>
Investment income	16	<u>33,552,912</u>	<u>-</u>	<u>33,552,912</u>