

Foodco Holding – P.J.S.C.

Condensed consolidated interim
financial information

30 June 2016

Principal business address:

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

Foodco Holding – P.J.S.C.

Condensed consolidated interim financial information

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**Board of Directors' Report
For quarter ended June 30, 2016**

The Board of Directors of Foodco Holding PJSC are pleased to report the Consolidated Financial Statements for the Quarter ended June 30, 2016

The Groups' revenue for the quarter was AED 58.890 million (2015: 72.684 million) while the profit of the parent company was AED 1,426 million (2015: 9,989 million).

The following is the summary of the Financial statements:

	Quarter ended June			Half year ended June		
	2016	2015	Increase / (Decrease)	2016	2015	Increase / (Decrease)
	Amount in '000					
Profit and Loss summary						
Revenue	58,890	72,684	(13,795)	144,600	150,608	(6,008)
Gross Profit	14,104	25,974	(11,869)	59,458	68,625	(9,168)
Profit	1,426	9,989	(8,563)	35,508	42,324	(6,817)
Earning per share (AED)	0.01	0.10	(0.09)	0.36	0.42	(0.07)

	Jun 2016	Dec 2015	Increase / (Decrease)	
			Amount	%
Financial position summary				
Current Assets	250,780	258,648	(7,868)	-3.0%
Non Current Assets	595,213	608,968	(13,755)	-2.3%
Current Liabilities	361,345	386,189	(24,844)	-6.4%
Non Current Liabilities	17,579	24,117	(6,538)	-27.1%
Total Shareholders' Equity (Parent)	466,901	455,414	11,487	2.5%
Book Value of Share (AED)	4.67	4.55	0.11	2.5%

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

On behalf of the Board of Directors


Rashed Darwish Ahmed Saif AlKetbi
Vice Chairman
14th August, 2016





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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

Review report on the condensed financial information

We have reviewed the accompanying condensed consolidated interim financial information of Foodco Holding – P.J.S.C. (the "Company") and its subsidiaries (collectively referred to as the "Group") which comprise the condensed consolidated interim statement of financial position as at 30 June 2016, the condensed consolidated interim statement of profit or loss and other comprehensive income, changes in equity and cash flows for the six months then ended, and notes to the condensed consolidated interim financial information.

Management responsibility

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 condensed consolidated interim financial information for the six months period ended 30 June 2016 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

KPMG Lower Gulf Limited
Munther Dajani
Registration No. 268

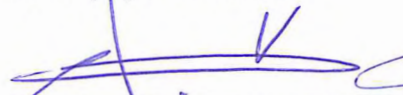
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Foodco Holding – P.J.S.C.

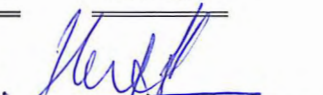
Condensed consolidated interim statement of financial position

As at

	Notes	30 June 2016 (unaudited)	31 December 2015
Assets			
Property, plant and equipment	5	11,984,936	10,535,149
Intangible assets	6	1,064,808	1,083,180
Investment properties under development	7	44,994,466	44,386,666
Investment properties	8	287,748,367	290,070,867
Investments held at fair value through other comprehensive income	9	249,420,453	262,892,564
Non-current assets		595,213,030	608,968,426
Inventories	10	18,588,563	18,957,319
Investments held at fair value through profit or loss	9	117,166,434	130,714,245
Trade and other receivables	11	113,842,146	102,077,318
Amounts due from related parties	16	453,063	379,799
Cash and bank balances	17	729,646	6,519,296
Current assets		250,779,852	258,647,977
Total assets		845,992,882	867,616,403
Equity			
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		(37,351,135)	(28,865,245)
Retained earnings		304,252,544	284,279,686
Equity attributable to owners of the Company		466,901,409	455,414,441
Non-controlling interest		167,077	1,895,923
Total equity		467,068,486	457,310,364
Liabilities			
Provision for employees' end of service benefits		3,814,888	3,701,063
Loans and borrowings (non-current portion)	12	13,764,397	20,415,982
Non-current liabilities		17,579,285	24,117,045
Trade and other payables	13	68,490,444	70,610,030
Loans and borrowings (current portion)	12	291,775,893	311,415,800
Amounts due to related parties	16	1,078,774	4,163,164
Current liabilities		361,345,111	386,188,994
Total liabilities		378,924,396	410,306,039
Total equity and liabilities		845,992,882	867,616,403


Rashed Darwish Ahmed Saif AlKetbi
Vice Chairman


Mohamed Ali Khamis Al Hossani
Director


Mohammed Tariq Sheikh
Chief Finance Officer

The notes set out on pages 9 to 24 form an integral part of this condensed consolidated interim financial information.
The independent auditors' report on review of this condensed consolidated interim financial information is set out on page 2.



Foodco Holding – P.J.S.C.

Condensed consolidated interim statement of profit or loss

for the period ended

		Six month period ended 30 June 2016 AED (unaudited)	Six month period ended 30 June 2015 AED (unaudited)	Three month period ended 30 June 2016 AED (unaudited)	Three month period ended 30 June 2015 AED (unaudited)
	Note				
Revenue from					
- trading	14	101,752,825	100,878,614	55,431,272	60,004,081
- investments	14	26,612,905	32,581,576	(4,695,799)	4,628,383
- investment properties	14	16,234,255	17,147,499	8,154,315	8,051,844
Cost of sales		(85,142,465)	(81,982,297)	(44,785,381)	(46,710,479)
Selling, general and administrative expenses		(18,813,155)	(20,032,077)	(9,908,702)	(12,339,865)
Finance costs		(7,116,198)	(6,983,039)	(3,650,411)	(3,890,767)
Other income		432,201	46,010	173,414	23,635
Profit for the period		33,960,368	41,656,286	718,708	9,766,832
Profit / (loss) attributable to:					
Equity owners of the parent		35,507,792	42,324,402	1,425,929	9,989,199
Non-controlling interest		(1,547,424)	(668,116)	(707,221)	(222,367)
		33,960,368	41,656,286	718,708	9,766,832
Basic and diluted earnings per share		0.36	0.42	0.01	0.10

The notes set out on pages 9 to 24 form an integral part of this condensed consolidated interim financial information.

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Foodco Holding – P.J.S.C.

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

	Six month period ended 30 June 2016 AED (unaudited)	Six month period ended 30 June 2015 AED (unaudited)	Three month period ended 30 June 2016 AED (unaudited)	Three month period ended 30 June 2015 AED (unaudited)
Profit for the period	33,960,368	41,656,286	718,708	9,766,832
Other comprehensive income / (expense):				
<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	(8,667,312)	(29,058,954)	(9,959,411)	(31,291,620)
(Loss) / gain on disposal of investments at fair value through other comprehensive income	(534,934)	1,157,790	(534,934)	1,444,911
Other comprehensive income for the period	(9,202,246)	(27,901,164)	(10,494,345)	(29,846,709)
Total comprehensive income / (loss) for the period	24,758,122	13,755,122	(9,775,637)	(20,079,877)
Total comprehensive income / (loss) attributable to:				
Equity owners of the parent	26,486,968	14,641,956	(8,925,189)	(19,638,792)
Non-controlling interest	(1,728,846)	(886,834)	(850,448)	(441,085)
	24,758,122	13,755,122	(9,775,637)	(20,079,877)

The notes set out on pages 9 to 24 form an integral part of this condensed consolidated interim financial information.

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Foodco Holding – P.J.S.C.

Condensed consolidated interim statement of changes in equity for the six months period ended 30 June

	Share Capital AED	Legal reserve AED	Regulatory reserve AED	Fair value reserve AED	Retained earnings AED	Equity attributable to equity owners of the Company AED	Non-controlling interest AED	Total AED
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 / (loss) for the period	-	-	-	-	42,324,402	42,324,402	(668,116)	41,656,286
Other comprehensive income / (loss)	-	-	-	(28,840,236)	1,157,790	(27,682,446)	(218,718)	(27,901,164)
Total comprehensive income / (loss) for the period	-	-	-	(28,840,236)	43,482,192	14,641,956	(886,834)	13,755,122
Dividends	-	-	-	-	(25,000,000)	(25,000,000)	-	(25,000,000)
At 30 June 2015	100,000,000	50,000,000	50,000,000	12,747,105	275,357,344	488,104,449	4,958,279	493,062,728
At 1 January 2016	100,000,000	50,000,000	50,000,000	(28,865,245)	284,279,686	455,414,441	1,895,923	457,310,364
Profit / (loss) for the period	-	-	-	-	35,507,792	35,507,792	(1,547,424)	33,960,368
Other comprehensive income / (loss)	-	-	-	(8,485,890)	(534,934)	(9,020,824)	(181,422)	(9,202,246)
Total comprehensive income / (loss) for the period	-	-	-	(8,485,890)	34,972,858	26,486,968	(1,728,846)	24,758,122
Dividends	-	-	-	-	(15,000,000)	(15,000,000)	-	(15,000,000)
At 30 June 2016	100,000,000	50,000,000	50,000,000	(37,351,135)	304,252,544	466,901,409	167,077	467,068,486

The notes set out on pages 9 to 24 form an integral part of this condensed consolidated interim financial information.

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Foodco Holding – P.J.S.C.

Condensed consolidated interim statement of cash flows for the six months period ended

	30 June 2016 AED (unaudited)	30 June 2015 AED (unaudited)
Cash flows from operating activities		
Profit for the period	33,960,368	41,656,286
<i>Adjustments for:</i>		
Depreciation of property, plant and equipment	1,238,232	993,128
Impairment on property, plant and equipment	471,098	-
Amortisation of intangible assets	18,372	18,373
Dividend income	(28,969,024)	(35,692,809)
Finance costs	7,116,198	6,983,039
Provision for employees' end of service benefits	246,877	558,287
Gain on sale of investments	(5,147,693)	(166,030)
Net changes in fair value of investments held at FVTPL	7,503,812	3,277,263
Impairment loss on trade receivables	240,002	2,192,369
Provision for inventory obsolescence - net	277,521	187,349
Gain on sale of property, plant and equipment	(342,704)	(20,760)
Provision for impairment on investment property	2,500,000	1,000,000
Acquisition of investments	(13,810,291)	(33,846,098)
Proceeds from sale of investments	29,271,848	26,005,081
Dividends received	26,129,595	35,692,809
Additions in investment properties	(177,500)	(5,434,050)
Additions in investment properties under development	(607,800)	(436,000)
	<u>59,918,911</u>	<u>42,968,237</u>
Changes in:		
- inventories	91,235	(7,748,624)
- trade and other receivables	(9,165,401)	(29,247,911)
- amounts due from related parties	(73,264)	89,400
- amounts due to related parties	(3,084,390)	(3,771,074)
- trade and other payables	(3,934,942)	18,704,232
End of service benefits paid	(133,052)	(105,213)
	<u>43,619,097</u>	<u>20,889,047</u>
Cash flows from investing activities:		
Acquisition of property, plant and equipment	(3,159,137)	(487,145)
Proceeds from disposal of property, plant and equipment	342,724	20,770
	<u>(2,816,413)</u>	<u>(466,375)</u>

Foodco Holding – P.J.S.C.

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

	30 June 2016 AED (unaudited)	30 June 2015 AED (unaudited)
Cash flows from financing activities		
Net (decrease) / increase in bank borrowings	(26,291,492)	12,414,583
Finance costs paid	(5,300,842)	(6,983,039)
Dividends paid	(15,000,000)	(25,000,000)
Net cash used in financing activities	(46,592,334)	(19,568,456)
Net (decrease) / increase in cash and cash equivalents	(5,789,650)	854,216
Cash and cash equivalents at 1 January	6,519,296	138,482
Cash and cash equivalents at 30 June	729,646	992,698

The notes set out on pages 9 to 24 form an integral part of this condensed consolidated interim financial information.

The independent auditors' report on review of this condensed consolidated interim financial information 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.

This condensed consolidated interim financial information include the financial position and the financial performance of the following subsidiaries:

Name of subsidiary	Percentage of ownership	Country of incorporation	Principal activity
Oasis National Foodstuff Company LLC	100%	UAE	Packing of foodstuff
Abu Dhabi National Foodstuff Co LLC	100%	UAE	Wholesale and distribution of foodstuff
Sense Gourmet Food Company PSC*	48.44%	UAE	Catering services and restaurant business
SPL Logistics LLC**	100%	UAE	Shipment, clearance and warehousing services

During 2015, Foodco Holding - P.J.S.C. had reacquired Catering operations from Sense Gourmet Food Company P.S.C. This had no impact on the condensed consolidated interim financial information of Foodco Holding - P.J.S.C.

*Although the Company does not hold more than half of the equity shares of Sense Gourmet Food Company P.J.S.C, the Company controls the entity as it is exposed to, and has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

**The Group has established a new Limited Liability Company on 19 May 2015 to diversify its operations by engaging in services related to marine, air and land shipment, custom clearance services and management and operation of stores and warehouses.

2 Statement of compliance

The condensed consolidated interim financial information has been prepared in accordance with IAS 34, “Interim Financial Reporting” and complies where appropriate, with relevant Articles of Association and the requirements of the UAE Federal Law No. 2 of 2015. 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 2015. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in Group’s financial position and performance since the last financial statements.

Foodco Holding – P.J.S.C.

Notes to the condensed consolidated interim financial information

3 Significant accounting policies

The accounting policies applied by the Group in this 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 2015.

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

New and revised IFRS	Effective date
Disclosure Initiative (Amendments to IAS 7)	1 January 2017
Recognition of Deferred Tax Assets for Unrealized Losses (Amendments to IAS 12)	1 January 2017
IFRS 15 <i>Revenue from Contracts with Customers</i>	1 January 2018
IFRS 9 <i>Financial Instruments</i>	1 January 2018
IFRS 16 <i>Leases</i>	1 January 2019
Sale or contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	To be determined

Management anticipates that these amendments will be applied in the consolidated financial statements for the initial period when they become effective. Management is assessing 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 expenses. Actual results may differ from these estimates.

In preparing this 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 2015.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has an overall responsibility for overseeing all significant fair value measurements and reports directly to the CFO.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, the valuation team assesses the evidence obtained from the third parties to support the conclusions that these valuations meet the requirements of IFRS, including the determination of the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group Audit Committee.

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 and fittings AED	Motor vehicles AED	Capital work in progress AED	Total AED
<i>Cost</i>					
1 January 2015	18,772,005	35,583,550	6,129,894	212,692	60,698,141
Additions	-	4,002,232	190,000	1,266,744	5,458,976
Disposals	-	-	(178,000)	-	(178,000)
31 December 2015	18,772,005	39,585,782	6,141,894	1,479,436	65,979,117
1 January 2016	18,772,005	39,585,782	6,141,894	1,479,436	65,979,117
Additions	-	1,024,653	2,102,484	32,000	3,159,137
Disposals	-	-	(131,000)	-	(131,000)
Transfers	-	192,244	-	(192,244)	-
30 June 2016 (unaudited)	18,772,005	40,802,679	8,113,378	1,319,192	69,007,254
<i>Accumulated depreciation and impairment losses</i>					
1 January 2015	17,042,323	30,299,385	5,863,143	-	53,204,851
Charge for the period	175,537	1,671,394	140,010	-	1,986,941
Disposals	-	-	(177,990)	-	(177,990)
Impairment loss	-	430,166	-	-	430,166
31 December 2015	17,217,860	32,400,945	5,825,163	-	55,443,968
1 January 2016	17,217,860	32,400,945	5,825,163	-	55,443,968
Charge for the period	82,586	1,013,177	142,469	-	1,238,232
Disposals	-	-	(130,980)	-	(130,980)
Impairment loss	-	471,098	-	-	471,098
30 June 2016 (unaudited)	17,300,446	33,885,220	5,836,652	-	57,022,318
<i>Carrying amount</i>					
31 December 2015	1,554,145	7,184,837	316,731	1,479,436	10,535,149
30 June 2016 (unaudited)	1,471,559	6,917,459	2,276,726	1,319,192	11,984,936

Included in 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 more years effective 1 January 2014.

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

Included in 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.

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 2015	249,637	1,583,187	1,832,824
At 31 December 2015	249,637	1,583,187	1,832,824
At 1 January 2016	249,637	1,583,187	1,832,824
At 30 June 2016 (unaudited)	249,637	1,583,187	1,832,824
<i>Accumulated amortisation and impairment losses</i>			
At 1 January 2015	-	463,262	463,262
Charge for the year	-	36,745	36,745
Impairment loss	249,637	-	249,637
At 31 December 2015	249,637	500,007	749,644
At 1 January 2016	249,637	500,007	749,644
Charge for the period	-	18,372	18,372
At 30 June 2016 (unaudited)	249,637	518,379	768,016
<i>Carrying amount</i>			
At 31 December 2015	-	1,083,180	1,083,180
At 30 June 2016 (unaudited)	-	1,064,808	1,064,808

7 Investment properties under development

	30 June 2016 AED (unaudited)	31 December 2015 AED
At 1 January	44,386,666	19,688,320
Cost incurred during the period / year	607,800	5,878,170
Gain on revaluation	-	6,000,000
Transfer of land from investment properties (<i>note 8</i>)	-	12,820,176
At the end of period / year	44,994,466	44,386,666

Foodco Holding – P.J.S.C.

Notes to the condensed consolidated interim financial information

7 Investment properties under development (continued)

During 2015, the Group requested an external valuation by Chesterton International LLC, an independent appraiser, who determined the fair value of the investment properties using valuation models that utilize sales comparison method based on market observable inputs and conforms to RICS Valuation – Professional Standards 2014. Based on this valuation, there was an increase in the fair value of these plots of land by AED 6,000 thousands. For details in respect of key assumptions used by the independent appraiser, refer to annual consolidated financial statements for the year ended 31 December 2015.

8 Investment properties

	30 June 2016 AED (unaudited)	31 December 2015 AED
Abu Dhabi land, commercial and residential building, UAE	75,857,500	75,680,000
Leasehold warehouses	108,390,867	108,390,867
Land in Abu Dhabi, UAE	7,000,000	7,000,000
Residential building in Abu Dhabi, UAE	109,000,000	109,000,000
Less: provision for impairment	(12,500,000)	(10,000,000)
	<u>287,748,367</u>	<u>290,070,867</u>

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

	30 June 2016 AED (unaudited)	31 December 2015 AED
As at 1 January	290,070,867	283,484,886
Additions	177,500	-
Disposals	-	(3,211,865)
Transfer of land to investment properties under development	-	(12,820,176)
(Loss) / gain on revaluation of investment properties	(2,500,000)	22,618,022
	<u>287,748,367</u>	<u>290,070,867</u>
As at 30 June 2016 / 31 December 2015	<u>287,748,367</u>	<u>290,070,867</u>

During 2015, the Group requested an external valuation by Chesterton International LLC, an independent appraiser, to perform an assessment of the fair value of the investment properties using valuation models that utilise either sales comparison method or income approach method that uses both market observable and unobservable inputs and conforms to RICS Valuation – Professional Standards 2014.

Foodco Holding – P.J.S.C.

Notes to the condensed consolidated interim financial information

8 Investment properties (continued)

Based on this valuation, an increase in the fair value of these plots of land (“Plots”) by AED 22,618 thousands was recognised. For details in respect of key assumptions used by the independent appraiser, refer to annual consolidated financial statements for the year ended 31 December 2015.

9 Financial assets

	30 June 2016 AED (unaudited)	31 December 2015 AED
Financial assets at fair value through other comprehensive income (FVTOCI)	249,420,453	262,892,564
Financial assets held at fair value through profit and loss (FVTPL)	117,166,434	130,714,245
	<u>366,586,887</u>	<u>393,606,809</u>

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

	30 June 2016 AED (unaudited)	31 December 2015 AED
Investment in quoted UAE equity securities	227,851,945	237,588,412
Investment in quoted non - UAE equity securities	7,572,111	12,035,070
Investment in unquoted non - UAE equity securities	11,099,766	9,175,258
Investment in unquoted UAE equity securities	2,896,631	4,093,824
	<u>249,420,453</u>	<u>262,892,564</u>

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

	30 June 2016 AED (unaudited)	31 December 2015 AED
Investment in quoted UAE equity securities	112,773,853	123,240,975
Investment in quoted non - UAE equity securities	4,392,581	7,473,270
	<u>117,166,434</u>	<u>130,714,245</u>

Foodco Holding – P.J.S.C.

Notes to the condensed consolidated interim financial information

9 Financial assets (continued)

The movement in investments is as follows:

	At fair value through profit or loss 30 June 2016 AED (unaudited)	At fair value through other comprehensive income 30 June 2016 AED (unaudited)	At fair value through profit or loss 31 December 2015 AED	At fair value through other comprehensive income 31 December 2015 AED
At 1 January	130,714,245	262,892,564	119,676,507	343,050,142
Purchase of investments	13,810,291	-	72,074,282	7,506,764
Disposal of investments	(19,854,290)	(4,804,799)	(28,830,592)	(16,647,230)
Decrease in fair value	(7,503,812)	(8,667,312)	(32,205,952)	(71,017,112)
At end of the period / year	<u>117,166,434</u>	<u>249,420,453</u>	<u>130,714,245</u>	<u>262,892,564</u>

10 Inventories

	30 June 2016 AED (unaudited)	31 December 2015 AED
Goods for resale	19,585,510	21,644,336
Goods in transit	3,216,602	1,249,011
	<u>22,802,112</u>	<u>22,893,347</u>
Less: allowance for slow moving inventories	(4,213,549)	(3,936,028)
	<u>18,588,563</u>	<u>18,957,319</u>

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

	30 June 2016 AED (unaudited)	31 December 2015 AED
At 1 January	3,936,028	2,965,548
Charge for the period / year	2,135,090	3,538,615
Reversal during the period / year	(1,857,569)	(2,568,135)
	<u>4,213,549</u>	<u>3,936,028</u>

Foodco Holding – P.J.S.C.

Notes to the condensed consolidated interim financial information

11 Trade and other receivables

	30 June 2016 AED (unaudited)	31 December 2015 AED
Trade receivables	109,451,287	99,646,621
Less: allowance for impairment of doubtful receivables	(8,624,965)	(8,384,963)
	<u>100,826,322</u>	<u>91,261,658</u>
Prepayments	3,701,200	3,741,657
Other receivables	11,196,895	8,956,274
Less: impairment loss on other receivables	(1,882,271)	(1,882,271)
	<u>113,842,146</u>	<u>102,077,318</u>

Trade receivables represent the amounts due from sales of goods. The average credit period on sale of goods or services is 90 days. No interest is charged on the trade receivables.

Out of the trade receivables balance at the end of the period, 66% is due from one customer (31 December 2015: 56% due from one customer).

Trade receivables that are less than one year past due are not considered impaired. As of 30 June 2016, trade receivables amounting to AED 8,727 thousands (31 December 2015: AED 21,323 thousands) were past due but not impaired. A balance from a particular customer is past due for more than one year but is not considered impaired, as this customer is a governmental body which has no history of default, and the Company continues to collect the amounts from the customer.

The average age of these receivables is 223 days (31 December 2015: 163 days). Ageing of past due but not impaired:

	30 June 2016 AED (unaudited)	31 December 2015 AED
61 – 90 days	8,829,697	8,460,789
91 – 180 days	17,160,033	18,444,158
181 – 365 days	11,093,347	14,654,971
More than 365 days	8,726,927	26,760,435
Total	<u>45,810,004</u>	<u>68,320,353</u>

Foodco Holding – P.J.S.C.

Notes to the condensed consolidated interim financial information

11 Trade and other receivables (continued)

Movement in the allowance for doubtful debts:

	30 June 2016 AED (unaudited)	31 December 2015 AED
At beginning of the period / year	8,384,963	5,620,260
Charge for the period / year	240,002	4,558,515
Reversal during the period / year	-	(1,793,812)
At the end of the period / year	<u>8,624,965</u>	<u>8,384,963</u>

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. Accordingly, the Board of Directors believe that no further credit provision is required in excess of the allowance for doubtful debts.

Movement in the allowance for doubtful other receivables:

	30 June 2016 AED (unaudited)	31 December 2015 AED
At 1 January	1,882,271	1,882,271
At end of the period / year	<u>1,882,271</u>	<u>1,882,271</u>

Foodco Holding – P.J.S.C.

Notes to the condensed consolidated interim financial information

12 Loans and borrowings

	Current		Non-current	
	30 June 2016 AED	31 December 2015 AED	30 June 2016 AED	31 December 2015 AED
Secured – at amortised cost				
Bank overdrafts	278,029,447	297,669,354	-	-
Term loan # 1 (i)	1,573,000	1,573,000	5,240,613	6,027,113
Term loan # 2 (ii)	6,173,446	6,173,446	2,523,784	5,388,869
Term loan # 3 (iii)	6,000,000	6,000,000	6,000,000	9,000,000
	<u>291,775,893</u>	<u>311,415,800</u>	<u>13,764,397</u>	<u>20,415,982</u>

The bank overdrafts are repayable on demand.

Bank loans

- (i) Term loan # 1 amounting to AED 25,000 thousands was obtained in June 1993 from the Department of Social Services and Commercial Buildings (DSSCB) of the Government of Abu Dhabi, and is secured by a charge over the commercial and residential building. The loan is repayable in annual instalments of AED 1,573 thousands each starting from January 1999 and ending on February 2021 through Abu Dhabi Commercial Properties (ADCP), which now manages the DSSCB's property loans.
- (ii) Term loan # 2 in the amount of AED 32,000 thousands was obtained in November 2011 from a local bank. The loan is repayable in quarterly instalments of AED 1,543 thousands each starting from 15 November 2011 and ending on 15 November 2017. It is secured by a first degree mortgage over the commercial and residential buildings.
- (iii) Term loan # 3 in the amount of AED 30,000 thousands was obtained in August 2013 from a local bank. The loan is repayable in quarterly instalments of AED 1,500 thousands each starting from 26 August 2013 and ending on 30 June 2018. It is secured by a first degree mortgage over the commercial and residential buildings.

The average interest rates during the year were as follows:

June 2016 and 2015

Bank overdrafts	1 month EIBOR + margin
Term loans	3 month EIBOR + margin
Term loans – DSSCB (through ADCP)	3% fixed rate per annum

Foodco Holding – P.J.S.C.

Notes to the condensed consolidated interim financial information

13 Trade and other payables

	30 June 2016 AED (unaudited)	31 December 2015 AED
Trade payables	21,694,549	28,192,841
Accruals	13,557,777	10,211,748
Other payables	33,238,118	32,205,441
	<u>68,490,444</u>	<u>70,610,030</u>

14 Revenue

	30 June 2016 AED (unaudited)	30 June 2015 AED
<i>Revenue from trading:</i>		
- Sales of goods	93,752,825	92,878,614
- Management fees	8,000,000	8,000,000
	<u>101,752,825</u>	<u>100,878,614</u>
<i>Revenue from investments:</i>		
- Dividend income	28,969,024	35,692,809
- Gain on sale of investments held at FVTPL	5,147,693	166,030
- Net changes in fair value of investments held at FVTPL (note 9)	(7,503,812)	(3,277,263)
	<u>26,612,905</u>	<u>32,581,576</u>
<i>Revenue from investment properties:</i>		
- Operating rental income (note 15)	18,734,255	18,147,499
- Fair value loss on investment properties	(2,500,000)	(1,000,000)
	<u>16,234,255</u>	<u>17,147,499</u>
	<u>144,599,985</u>	<u>150,607,689</u>

Foodco Holding – P.J.S.C.

Notes to the condensed consolidated interim financial information

15 Operating rental income - net

	30 June 2016 AED (unaudited)	30 June 2015 AED
Operating rental income (<i>note 14</i>)	18,734,255	18,147,499
Less: Operating rental expense	(5,620,041)	(4,916,472)
	<u>13,114,214</u>	<u>13,231,027</u>

Operating rental expense is classified as cost of sales in the statement of profit or loss.

16 Related parties

In the ordinary course of business the Group enters into transactions 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 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 related party transactions, outstanding balances and related income and expenses were as follows:

	30 June 2016 AED (unaudited)	31 December 2015 AED
Amounts due from related parties:		
Board of directors	304,463	286,864
Shareholders	148,600	92,935
	<u>453,063</u>	<u>379,799</u>
Amounts due to related parties:		
Shareholders	1,078,774	163,164
Board of directors' remuneration	-	4,000,000
	<u>1,078,774</u>	<u>4,163,164</u>

Significant transactions with related parties comprised:

	30 June 2016 AED (unaudited)	30 June 2015 AED (unaudited)
Sales	<u>34,570</u>	<u>220,349</u>
Purchases and other charges	<u>240,775</u>	<u>263,363</u>

Foodco Holding – P.J.S.C.

Notes to the condensed consolidated interim financial information

16 Related parties (continued)

Key management personnel compensation

The remuneration of Directors and other members of key management was as follows:

	30 June 2016 AED (unaudited)	30 June 2015 AED (unaudited)
Management compensation	1,387,842	1,232,947

	30 June 2016 AED (unaudited)	31 December 2015 AED
Cash and bank balances	729,646	6,519,296
Less: bank overdrafts (note 12)	(278,029,447)	(297,669,354)
	<u>(277,299,801)</u>	<u>(291,150,058)</u>

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 2015.

19 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 Finance Manager 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 in the import and distribution of foodstuffs and house hold items;
- (ii) SPL Logistics LLC which is engaged in the marine, air and land shipment services along with management and operation of store and warehouses;
- (iii) Sense Gourmet Food Company P.S.C. which is engaged in the provision of catering services and Figaro's Pizza Restaurant Business; and
- (iv) Oasis National Foodstuff Company LLC which is engaged in packing and repacking of food products.

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 (continued)

Information regarding these segments is presented below:

For the six months period ended 30 June 2016 (unaudited):

	Foodco Holding PJSC AED	5PL Logistics LLC AED	Sense Gourmet Foodstuff Company PJSC AED	Oasis National Foodstuff Company LLC AED	Elimination AED	Consolidated AED
Revenue – external	145,372,863	3,707,569	5,513,677	9,688	-	154,603,797
Revenue – internal	2,003,156	146,636	-	94,139	(2,243,931)	-
Profit / (loss) for the period	39,480,205	(2,526,124)	(3,001,210)	7,497	1,547,424	35,507,792

For the six month period ended 30 June 2015:

	Foodco Holding PJSC AED	5PL Logistics LLC AED	Sense Gourmet Foodstuff Company PJSC AED	Oasis National Foodstuff Company LLC AED	Elimination AED	Consolidated AED
Revenue – external	145,689,935	-	9,192,981	2,036	-	154,884,952
Revenue – internal	220,349	-	-	263,363	(483,712)	-
Profit / (loss) for the period	42,865,411	-	(1,295,803)	86,678	668,116	42,324,402

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 30 June 2016 (unaudited):

	Foodco Holding PJSC AED	5PL Logistics LLC AED	Sense Gourmet Foodstuff Company PJSC AED	Oasis National Foodstuff Company LLC AED	Elimination AED	Consolidated AED
Assets	857,772,195	5,141,979	15,530,755	1,912,487	(33,893,436)	846,463,980
Liabilities	386,596,435	10,288,883	9,792,798	323,296	(28,077,016)	378,924,396
Capital expenditure	2,375,727	213,841	532,369	37,200	-	3,159,137

As at 31 December 2015:

	Foodco Holding PJSC AED	5PL Logistics LLC AED	Sense Gourmet Foodstuff Company PJSC AED	Oasis National Foodstuff Company LLC AED	Eliminations AED	Consolidated AED
Assets	879,179,107	2,407,272	21,101,934	2,201,987	(37,273,897)	867,616,403
Liabilities	417,470,098	5,028,052	12,424,814	622,932	(25,239,857)	410,306,039
Capital expenditure	737,497	2,300,063	2,421,416	-	-	5,458,976

20 Commitments and contingent liabilities

	30 June 2016 AED (unaudited)	31 December 2015 AED
Letters of credit	3,014,344	-
Bank guarantees	44,986,393	45,180,831

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

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 approximate their carrying amounts in the condensed consolidated interim statement of financial position.

22 Dividends

A dividend of AED 15,000,000 representing 15% of the issued share capital, was declared on 29 February 2016 at the Board meeting and was approved on 24 March 2016 at the AGM.