

**AL MEERA CONSUMER GOODS COMPANY (Q.S.C.)
DOHA - QATAR**

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

30 September 2016

AL MEERA CONSUMER GOODS COMPANY (Q.S.C.)
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
For the nine months ended 30 September 2016

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AL MEERA CONSUMER GOODS COMPANY (Q.S.C.)
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 30 September 2016

		30 September 2016 (Unaudited) QR	31 December 2015 (Audited) QR
Assets			
Non-current assets			
Property and equipment	2	876,019,490	691,190,809
Goodwill		344,097,998	344,097,998
Other intangible assets	3	7,672,845	8,730,961
Available-for-sale investments		147,370,259	210,262,821
Investment in associates		98,497	98,497
Deferred tax asset		298,937	298,937
		1,375,558,026	1,254,680,023
Current assets			
Inventories	4	178,200,823	183,419,260
Accounts receivable and prepayments	5	73,986,040	51,084,395
Amounts due from related parties		7,689,488	5,660,379
Bank balances and cash	6	343,373,412	471,522,458
		603,249,763	711,686,492
TOTAL ASSETS		1,978,807,789	1,966,366,515
EQUITY AND LIABILITIES			
Equity			
Share capital		200,000,000	200,000,000
Legal reserve		901,289,603	901,289,603
Optional reserve		21,750,835	21,750,835
Fair value reserve		(16,104,266)	(11,943,444)
Retained earnings		227,589,817	273,927,930
Equity attributable to equity holders of the parent		1,334,525,989	1,385,024,924
Non-controlling interests		40,469,514	40,169,089
TOTAL EQUITY		1,374,995,503	1,425,194,013
Non-current liabilities			
Interest bearing loans and borrowings		79,057,404	84,963,255
Employees' end of service benefits		27,437,469	25,799,696
		106,494,873	110,762,951
Current liabilities			
Interest bearing loans and borrowings		9,656,978	3,564,833
Accounts payable and accruals	7	487,660,435	426,844,718
		497,317,413	430,409,551
TOTAL LIABILITIES		603,812,286	541,172,502
TOTAL EQUITY AND LIABILITIES		1,978,807,789	1,966,366,515

Dr. Saif Saeed Al Sowaidi
Vice Chairman

Guy Sauvage
Chief Executive Officer

The attached notes 1 to 8 form part of these interim condensed consolidated financial statements.

AL MEERA CONSUMER GOODS COMPANY (Q.S.C.)
INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the nine months ended 30 September 2016

	<i>Nine months ended 30 September</i>	
	2016	2015
	<i>(Unaudited)</i>	
<i>Notes</i>	QR	QR
Sales	1,934,185,083	1,804,992,474
Cost of sales	<u>(1,620,328,996)</u>	<u>(1,509,511,471)</u>
GROSS PROFIT	313,856,087	295,481,003
Shops rental income	53,324,002	35,635,265
Other income	15,441,830	18,476,999
General and administrative expenses	(206,539,004)	(186,022,527)
Finance cost	(2,151,376)	(2,150,675)
Depreciation and amortisation expenses	(35,711,775)	(24,848,955)
Share in net loss of Associate	<u>(1,073,990)</u>	<u>0</u>
PROFIT FOR THE PERIOD	137,145,774	136,571,110
Attributable to:		
Equity holders of the parent	136,845,349	136,966,963
Non-controlling interests	<u>300,425</u>	<u>(395,853)</u>
	137,145,774	136,571,110
Basic and diluted earnings per share attributable to equity holders of the parent	<u>6.84</u>	<u>6.85</u>

The attached notes 1 to 8 form part of these interim condensed consolidated financial statements.

AL MEERA CONSUMER GOODS COMPANY (Q.S.C.)**INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

For the nine months ended 30 September 2016

	<i>Nine months ended 30 September</i>	
	<i>2016</i>	<i>2015</i>
	<i>(Unaudited)</i>	
	<i>QR</i>	<i>QR</i>
PROFIT FOR THE PERIOD	137,145,774	136,571,110
<i>Other comprehensive income/(loss)</i>		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Net movement in cumulative changes in fair value	<u>(4,160,822)</u>	<u>(26,849,141)</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>132,984,952</u>	<u>109,721,969</u>
Attributable to:		
Equity holders of the parent	132,684,527	110,117,822
Non-controlling interest	300,425	(395,853)
	<u>132,984,952</u>	<u>109,721,969</u>

The attached notes 1 to 8 form part of these interim condensed consolidated financial statements.

AL MEERA CONSUMER GOODS COMPANY (Q.S.C.)
INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the nine months ended 30 September 2016

	<i>Equity attributable to equity holders of the parent</i>					<i>Non-controlling interests</i>	<i>Total Equity</i>	
	<i>Share capital</i>	<i>Legal reserve</i>	<i>Optional reserve</i>	<i>Fair value reserve</i>	<i>Retained earnings</i>			<i>Total</i>
	QR	QR	QR	QR	QR	QR	QR	
Balance at 1 January 2016 (Audited)	200,000,000	901,289,603	21,750,835	(11,943,444)	273,927,930	1,385,024,924	40,169,089	1,425,194,013
Profit for the period					136,845,349	136,845,349	300,425	137,145,774
Other comprehensive loss for the period				(4,160,822)		(4,160,822)	-	(4,160,822)
Appropriation for contribution to social fund	-	-	-	-	(3,183,462)	(3,183,462)	-	(3,183,462)
Dividends paid	-	-	-	-	(180,000,000)	(180,000,000)		(180,000,000)
Balance at 30 September 2016 (Unaudited)	200,000,000	901,289,603	21,750,835	(16,104,266)	227,589,817	1,334,525,989	40,469,514	1,374,995,503

	<i>Equity attributable to equity holders of the parent</i>					<i>Non-controlling interests</i>	<i>Total Equity</i>	
	<i>Share capital</i>	<i>Legal reserve</i>	<i>Optional reserve</i>	<i>Fair value reserve</i>	<i>Retained earnings</i>			<i>Total</i>
	QR	QR	QR	QR	QR	QR	QR	
Balance at 1 January 2015 (Audited)	200,000,000	901,289,603	21,750,835	(13,918,815)	295,654,041	1,404,775,664	39,920,960	1,444,696,624
Profit for the period					136,966,963	136,966,963	(395,853)	136,571,110
Other comprehensive loss for the period				(26,849,141)		(26,849,141)	-	(26,849,141)
Appropriation for contribution to social fund					(3,206,061)	(3,206,061)		(3,206,061)
Non-controlling interests arising from investments in subsidiaries							245,053	245,053
Dividends paid					(180,000,000)	(180,000,000)		(180,000,000)
Balance at 30 September 2015 (Unaudited)	200,000,000	901,289,603	21,750,835	(40,767,956)	249,414,943	1,331,687,425	39,770,160	1,371,457,585

The attached notes 1 to 8 form part of these interim condensed consolidated financial statements.

AL MEERA CONSUMER GOODS COMPANY (Q.S.C.)**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS****At 30 September 2016****1- GENERAL INFORMATION****1.1 Basis of preparation**

These interim condensed financial statements for the nine months ended 30 September 2016 have been prepared in accordance with International Financial Reporting Standard, IAS 34 "Interim Financial Reporting" ("IAS 34").

The financial statements have been presented in Qatar Riyals ("QR"), which is the functional and presentation currency of the Group.

The interim condensed financial statements do not contain all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements as at 31 December 2015. In addition, the results for the nine months ended 30 September 2016 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2016.

1.2 New and amended standards and interpretations adopted by the Group

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2015, except for the adoption of new standards and interpretations effective as of 1 January 2016.

The following amended accounting standards became effective in 2016 and have been adopted by the Group in preparation of these interim condensed financial statements as applicable. Whilst they did not have any material impact on these financial statements, they may require additional disclosures in the annual financial statements for the year ending 31 December 2016:

Title

IFRS 14 Regulatory Deferral Accounts

Amendments to IFRS 11 Joint Arrangements: Accounting for Acquisition of Interests

Amendments to IFRS 16 and IAS 38 Clarification of Acceptable Methods of Depreciation and Amortisation

Amendments to IFRS 16 and IAS 41 Agricultural: Bearer Plants

Amendments to IFRS 1 Disclosure Initiative

Amendments to IFRS 10, IFRS 12 and IAS 28 Investment Entities: Applying the Consolidation Exception Annual Improvements 2012 - 2014 Cycle

1.3 Standard issued but not yet effective

The Group has started the process to early adopt IFRS 9: Financial Instruments, for the year ending 31 December 2016, and accordingly is in the process of assessing the possible impact on the balances of financial instruments in its books of accounts. Since the Group will complete its early adoption of IFRS 9 by year ending 31 December 2016, the Group believes that the recognition of impairment losses on Available-for-sale investments amounting to QR 15,483,451 as at 30 September 2016 is not warranted, as the intention of the Group is to designate its Available-for-sale investments as Fair Value through Other Comprehensive Income.

2- PROPERTY AND EQUIPMENT

	September 30, 2016 (Unaudited) QR	December 31, 2015 (Audited) QR
Cost:		
Balance at the beginning of the period/ year	866,824,787	735,834,516
Additions	219,435,280	138,348,380
Disposals	(505,164)	(1,562,315)
Derecognition from disposal of a subsidiary	-	(5,795,794)
Balance at the end of the period/ year	1,085,754,903	866,824,787
Accumulated depreciation:		
Balance at the beginning of the period/ year	175,633,978	147,814,501
Charge for the period/ year	34,562,510	34,233,046
Relating to disposal	(461,075)	(1,459,820)
Relating to de-recognition due to disposal of a subsidiary	-	(4,953,749)
Balance at the end of the period/year	209,735,413	175,633,978
Net carrying amount at the end of the period/year		
At end of the period / year	876,019,490	691,190,809

AL MEERA CONSUMER GOODS COMPANY (Q.S.C.)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 September 2016

3- Other Intangible Assets

	September 30, 2016 (Unaudited) QR	December 31, 2015 (Audited) QR
Cost:		
Balance at the beginning of the period/ year	17,720,027	17,714,027
Additions	91,149	6,000
Balance at the end of the period/ year	<u>17,811,176</u>	<u>17,720,027</u>
Accumulated Amortization		
Balance at the beginning of the period/ year	8,989,066	7,473,245
Charge for the period/ year	1,149,265	1,515,821
Balance at the end of the period/ year	<u>10,138,331</u>	<u>8,989,066</u>
Net carrying amount at the end of the period/ year	<u><u>7,672,845</u></u>	<u>8,730,961</u>

4- INVENTORIES

	September 30, 2016 (Unaudited) QR	December 31, 2015 (Audited) QR
Finished goods	179,983,587	184,684,471
Consumables and spare parts	1,187,763	1,152,824
Less: Provision for slow moving inventories	<u>(2,970,527)</u>	<u>(2,418,035)</u>
	<u>178,200,823</u>	<u>183,419,260</u>

5- ACCOUNTS RECEIVABLE AND PREPAYMENTS

	September 30, 2016 (Unaudited) QR	December 31, 2015 (Audited) QR
Trade receivables	14,721,883	13,832,546
Credit card receivables	11,977,602	6,911,352
Advances to suppliers	21,399,028	12,017,420
Prepayments	11,452,951	5,847,107
Deposits	7,977,862	7,511,302
Staff receivables	3,556,438	3,817,246
Accrued interest income	1,242,601	1,353,033
Rent receivables	1,890,255	1,789,356
Other receivables	2,219,002	325,079
	<u>76,437,622</u>	<u>53,404,441</u>
Less: Allowance for impairment of receivables	<u>(2,451,582)</u>	<u>(2,320,046)</u>
	<u><u>73,986,040</u></u>	<u>51,084,395</u>

AL MEERA CONSUMER GOODS COMPANY (Q.S.C.)**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS****At 30 September 2016****6- CASH AND CASH EQUIVALENTS**

	September 30, 2016 (Unaudited) QR	December 31, 2015 (Audited) QR
Cash on hand	17,101,924	2,025,116
Cash at bank	326,271,488	469,497,342
Bank balances and Cash	343,373,412	471,522,458
Less: Time deposits maturing over 90 days	(205,216,000)	(133,000,000)
Cash and cash equivalents	138,157,412	338,522,458

7- ACCOUNTS PAYABLE AND ACCRUALS

	September 30, 2016 (Unaudited) QR	December 31, 2015 (Audited) QR
Trade payables	305,625,302	290,451,283
Dividends payables	90,799,458	70,573,020
Payable to contractors	27,618,530	18,496,861
Deferred rent income	768,626	1,736,389
Staff bonus	7,036,928	10,131,935
Provision for social and sports activities contribution	3,183,633	3,820,434
Provision for air tickets and leave pay	4,682,064	4,041,086
Provision for board remuneration	5,625,000	5,740,000
Provision on deficit in an associate	3,475,469	2,401,478
Accrued expenses	19,809,308	12,680,143
Other payables	19,036,117	6,772,089
	487,660,435	426,844,718

8. SEGMENT REPORTING

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments as follows:

- The retail segment, which comprises the buying and selling of consumer goods.
- The investment segment, which comprises equity and funds held as available for sale investments and fixed deposits.
- The leasing segment, which comprises letting of vacant premises and spaces in malls.

Management monitors the operating results for its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured the same as the operating profit or loss in the interim condensed consolidated financial statements.

AL MEERA CONSUMER GOODS COMPANY (Q.S.C.)
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
At 30 September 2016
8. SEGMENT REPORTING (CONTINUED)

	<i>Retail QR</i>	<i>Investment QR</i>	<i>Leasing QR</i>	<i>Total QR</i>
<i>Period ended 30 September 2016 (Unaudited):</i>				
Sales	1,934,185,083	-	-	1,934,185,083
Cost of sales	(1,620,328,996)	-	-	(1,620,328,996)
Gross profit	313,856,087	-	-	313,856,087
Shops rental income	-	-	53,324,002	53,324,002
Income from equity investment	-	10,168,827	-	10,168,827
Income from fixed deposits	4,397,566	1	-	4,397,567
Other income	381,597	493,839	-	875,436
Operating income	318,635,250	10,662,667	53,324,002	382,621,919
General and administrative expenses	(203,770,082)	(1,043,222)	(1,725,700)	(206,539,004)
Finance costs	(0)	(2,151,376)	-	(2,151,376)
Depreciation and amortization	(31,894,728)	(790,003)	(3,027,044)	(35,711,775)
Share in loss of associate	-	(1,073,990)	-	(1,073,990)
Profit for the period	82,970,440	5,604,076	48,571,258	137,145,774
	<i>Retail QR</i>	<i>Investment QR</i>	<i>Leasing QR</i>	<i>Total QR</i>
<i>Period ended 30 September 2015 (Unaudited):</i>				
Sales	1,804,992,474	-	-	1,804,992,474
Cost of sales	(1,509,511,471)	-	-	(1,509,511,471)
Gross profit	295,481,003	-	-	295,481,003
Shops rental income	-	-	35,635,265	35,635,265
Income from equity investment	-	13,239,525	-	13,239,525
Income from fixed deposits	-	4,871,808	-	4,871,808
Other income	365,666	-	-	365,666
Operating income	295,846,669	18,111,333	35,635,265	349,593,267
General and administrative expenses	(185,268,775)	(46,943)	(706,809)	(186,022,527)
Finance costs	(2,150,675)	-	-	(2,150,675)
Depreciation and amortization	(22,871,622)	-	(1,977,333)	(24,848,955)
Profit for the period	85,555,597	18,064,390	32,951,123	136,571,110

The following table presents segmental assets regarding the Group's business segments for the period ended 30 September 2016 and for the year ended 31 December 2015 respectively

Segment assets:	<i>Retail QR</i>	<i>Investment QR</i>	<i>Leasing QR</i>	<i>Total QR</i>
At 30 September 2016 (Unaudited)	1,516,529,107	341,753,963	120,524,719	1,978,807,789
At 31 December 2015 (Audited)	1,565,832,359	343,361,317	57,172,839	1,966,366,515