

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

**INTERIM CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR'S REVIEW REPORT  
FOR THE SIX MONTH PERIOD ENDED  
JUNE 30, 2015**

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

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT  
AUDITOR'S REVIEW REPORT**

For the six month period ended June 30, 2015

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QR. 32203

## INDEPENDENT AUDITOR'S REVIEW REPORT

**The Board of Directors**  
**AL MEERA CONSUMER GOODS COMPANY (Q.S.C.)**  
**Doha - Qatar**

### Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Al Meera Consumer Goods Company (Q.S.C.) (the "Company") and its subsidiaries (together referred to as the "Group") as at June 30, 2015, and the related interim condensed consolidated statements of profit or loss, profit or loss and other comprehensive income, changes in equity and cash flows for the six month period then ended and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard No. 34 – "Interim Financial Reporting". Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

### Scope of review

We conducted our review in accordance with 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. Consequently, it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with International Accounting Standard No. 34 – "Interim Financial Reporting".

**Doha - Qatar**  
**August 9, 2015**

**For Deloitte & Touche**  
**Qatar Branch**



**Midhat Salha**  
**Partner**  
**License No. 257**

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at June 30, 2015

	Notes	June 30, 2015 (Reviewed) QR	December 31, 2014 (Audited) QR
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	4	647,371,947	588,020,015
Intangible assets	5	9,490,328	10,240,782
Goodwill	6	344,097,998	344,097,998
Available-for-sale investments	7	208,710,262	210,304,302
Investment in an associate		98,497	98,497
Deferred tax assets		421,429	421,429
<b>Total non-current assets</b>		<b>1,210,190,461</b>	<b>1,153,183,023</b>
<b>Current assets</b>			
Inventories	8	177,494,464	171,829,639
Accounts receivable and other debit balances	9	51,623,267	41,925,435
Due from a related party		6,869	6,869
Cash and bank balances	10	502,858,437	623,972,031
<b>Total current assets</b>		<b>731,983,037</b>	<b>837,733,974</b>
<b>Total assets</b>		<b>1,942,173,498</b>	<b>1,990,916,997</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	13	200,000,000	200,000,000
Statutory reserve	14	901,289,603	901,289,603
Optional reserve		21,750,835	21,750,835
Fair value reserve		(20,871,029)	(13,918,815)
Retained earnings		214,225,923	295,654,041
<b>Equity attributable to owners of the Company</b>		<b>1,316,395,332</b>	<b>1,404,775,664</b>
Non-controlling interests		40,023,199	39,920,960
<b>Total equity</b>		<b>1,356,418,531</b>	<b>1,444,696,624</b>
<b>Non-current liabilities</b>			
Loan and borrowings		88,402,986	88,279,923
Employees' end of service benefits		24,992,396	23,384,170
<b>Total non-current liabilities</b>		<b>113,395,382</b>	<b>111,664,093</b>
<b>Current liability</b>			
Accounts payable and accruals	11	472,359,585	434,556,280
<b>Total current liability</b>		<b>472,359,585</b>	<b>434,556,280</b>
<b>Total liabilities</b>		<b>585,754,967</b>	<b>546,220,373</b>
<b>Total equity and liabilities</b>		<b>1,942,173,498</b>	<b>1,990,916,997</b>

Dr. Saif Saeed Al Sowaidi  
Vice Chairman

Mr. Hassan Abdulla Al Asmakh  
Board Member

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six month period ended June 30, 2015

	Note	Six month period ended	
		June 30,	June 30,
		2015	2014
		(Reviewed)	(Reviewed)
		QR	QR
Sales		1,223,499,206	1,084,166,596
Cost of sales		(1,023,506,148)	(922,482,414)
<b>Gross profit</b>		<b>199,993,058</b>	<b>161,684,182</b>
Other income		15,791,717	61,873,499
Shops rental income		23,260,471	20,872,799
General and administrative expenses		(121,277,422)	(120,162,600)
Finance costs		(1,421,374)	(365,802)
Depreciation and amortisation expenses		(15,367,429)	(11,202,981)
<b>Net profit for the period</b>		<b>100,979,021</b>	<b>112,699,097</b>
<b>Attributable to:</b>			
Owners of the Company		100,876,782	112,795,877
Non-controlling interests		102,239	(96,780)
		<b>100,979,021</b>	<b>112,699,097</b>
<b>Basic and diluted earnings per share</b>			
Basic EPS	3	<b>5.04</b>	<b>5.64</b>
<b>Number of shares outstanding</b>		<b>20,000,000</b>	<b>20,000,000</b>

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

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME**

For the six month period ended June 30, 2015

	<b>Six month period ended</b>	
	<b>June 30, 2015 (Reviewed) QR</b>	<b>June 30, 2014 (Reviewed) QR</b>
<b>Net profit for the period</b>	<b>100,979,021</b>	<b>112,699,097</b>
<b>Other comprehensive loss</b>		
Net movement in the fair value of available for sale investment	<u>(6,952,214)</u>	<u>(16,142,771)</u>
<b>Total comprehensive income for the period</b>	<b><u>94,026,807</u></b>	<b><u>96,556,326</u></b>
<b>Total comprehensive income attributable to:</b>		
Owners of the Company	<b>93,924,568</b>	<b>96,653,106</b>
Non-controlling interests	<b><u>102,239</u></b>	<b><u>(96,780)</u></b>
	<b><u>94,026,807</u></b>	<b><u>96,556,326</u></b>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE INTERIM CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS

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

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the six month period ended June 30, 2015

	Capital	Statutory	Optional	Fair value	Retained	Equity	Non-	Total
	QR	reserve	reserve	reserves	earnings	attributable to	controlling	QR
		QR	QR	QR	QR	owners of the	interest	QR
						Company		
						QR	QR	QR
<b>Balance at December 31, 2013 (Audited)</b>	200,000,000	901,289,603	21,750,835	6,609,740	234,535,493	1,364,185,671	39,785,118	1,403,970,789
Total comprehensive income for the period	--	--	--	(16,142,771)	112,795,877	96,653,106	(96,780)	96,556,326
Appropriation for contribution to social fund (Note 16)	--	--	--	--	(2,621,177)	(2,621,177)	--	(2,621,177)
Movement in non-controlling interest	--	--	--	--	--	--	54	54
Dividends declared (Note 15)	--	--	--	--	(160,000,000)	(160,000,000)	--	(160,000,000)
<b>Balance at June 30, 2014 (Reviewed)</b>	<b>200,000,000</b>	<b>901,289,603</b>	<b>21,750,835</b>	<b>(9,533,031)</b>	<b>184,710,193</b>	<b>1,298,217,600</b>	<b>39,688,392</b>	<b>1,337,905,992</b>
<b>Balance at December 31, 2014 (Audited)</b>	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
Total comprehensive income for the period	--	--	--	(6,952,214)	100,876,782	93,924,568	102,239	94,026,807
Appropriation for contribution to social fund (Note 16)	--	--	--	--	(2,304,900)	(2,304,900)	--	(2,304,900)
Dividends declared (Note 15)	--	--	--	--	(180,000,000)	(180,000,000)	--	(180,000,000)
<b>Balance at June 30, 2015 (Reviewed)</b>	<b>200,000,000</b>	<b>901,289,603</b>	<b>21,750,835</b>	<b>(20,871,029)</b>	<b>214,225,923</b>	<b>1,316,395,332</b>	<b>40,023,199</b>	<b>1,356,418,531</b>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

For the six month period ended June 30, 2015

	<u>Six month period ended</u>	
	<u>June 30, 2015 (Reviewed) QR</u>	<u>June 30, 2014 (Reviewed) QR</u>
<b>OPERATING ACTIVITIES</b>		
Net profit for the period	100,979,021	112,699,097
Adjustments for:		
Depreciation and amortisation	15,440,401	11,267,237
Provision for employees' end of service benefits	2,278,473	4,780,402
Provision for impairment of unquoted shares	79,696	180,000
Provision/(recovery) for slow moving inventories	115,860	(259,323)
Provision for bad debts, net	228,823	91,801
Finance cost	1,421,374	365,802
Dividend income from available-for-sale investments	(9,198,871)	(7,948,796)
Gain on sale of available-for-sale investments	(1,665,401)	(47,688,127)
Gain on disposal of property and equipment	--	(244,314)
Interest income	(3,123,548)	(4,967,947)
<b>Cash from operations before changes in working capital</b>	<b>106,555,828</b>	<b>68,275,832</b>
<b>Working capital changes:</b>		
Accounts receivable and other debit balances	(12,975,124)	(31,411,939)
Inventories	(5,780,685)	332,066
Accounts payable and accruals	22,598,995	19,083,102
Cash from operations	110,399,014	56,279,061
Payment of contribution to social fund	(5,465,891)	(4,769,615)
End of service benefits paid	(670,247)	(3,756,178)
<b>Net cash generated by operating activities</b>	<b>104,262,876</b>	<b>47,753,268</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of available-for-sale investments	(138,063,094)	(284,724,303)
Purchase of property and equipment	(74,039,872)	(84,335,638)
Purchase of intangible assets	(6,000)	--
Proceeds from sale of property and equipment	3,993	279,398
Change in investment in time deposits	229,905,364	211,242,763
Dividend received on available-for-sale investments	9,198,871	7,948,796
Interest income received	6,172,017	3,373,515
Proceeds from sale of available-for-sale investments	134,290,625	277,746,277
<b>Net cash generated by investing activities</b>	<b>167,461,904</b>	<b>131,530,808</b>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



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

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

For the six month period ended June 30, 2015

	Note	Six month period ended	
		June 30,	June 30,
		2015 (Reviewed) QR	2014 (Reviewed) QR
<b>FINANCING ACTIVITIES</b>			
Dividends paid		(161,634,699)	(145,419,520)
Finance cost paid		(1,298,311)	(365,802)
Movement in non-controlling interest		--	54
<b>Net cash used in financing activities</b>		<b>(162,933,010)</b>	<b>(145,785,268)</b>
<b>Net increase in cash and cash equivalents</b>		<b>108,791,770</b>	<b>33,498,808</b>
Cash and cash equivalents at the beginning of the period		195,656,031	208,530,102
<b>Cash and cash equivalents at the end of the period</b>	10	<b>304,447,801</b>	<b>242,028,910</b>

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

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six month period ended June 30, 2015

### 1. INCORPORATION AND ACTIVITIES

On July 13, 2004, the Law No. (24) for 2004 was issued in order to transfer the former Consumers Cooperative Societies to Qatari Shareholding Company with a capital of QR 100,000,000, Al-Meera Consumer Goods Company (the "Company"), which is governed by the Qatar Commercial Companies Law No. 5 of 2002. The Company was registered under Article 68 of Commercial Companies Law with commercial registration number 29969 on March 2, 2005. The Company's registered office address is at P.O. Box 3371 Doha, State of Qatar.

On October 8, 2012, the shareholders approved the increase in share capital to 20,000,000 shares with nominal value of QR. 10 per share. The 10,000,000 shares were issued at QR. 95 per share and subscription was closed on February 10, 2013.

The Company and its subsidiaries (together the "Group") are mainly involved in wholesale and retail trading of various types of consumer goods commodities; owning and managing consumer outlets; and trading in foodstuff and consumer goods.

The Company is listed on the Qatar Exchange. The Government of the State of Qatar owns 26% of the Company's shares.

The Company is the ultimate parent of the following companies:

Entity Name	Country of incorporation	Relationship	Ultimate ownership interest	
			2015	2014
Al Meera Holding Company L.L.C.	Qatar	Subsidiary	100%	100%
Al Meera Supermarkets Company S.P.C.	Qatar	Subsidiary	100%	100%
Al Meera Development Company L.L.C.	Qatar	Subsidiary	100%	100%
Qatar Markets Company W.L.L.	Qatar	Subsidiary	100%	100%
Al Oumara Bakeries Company W.L.L.	Qatar	Subsidiary	100%	100%
Alge Retail Corporation S.A.R.L.	Switzerland	Subsidiary	51%	51%
Al Meera Oman S.A.O.C.	Oman	Subsidiary	70%	70%
Al Meera Markets S.A.O.C.	Oman	Subsidiary	70%	70%
Al Meera Bookstore S.P.C.	Qatar	Subsidiary	100%	100%
Aramex Logistics Services L.L.C.	Qatar	Associate	51%	51%

**Al Meera Holding Company L.L.C. ("Al Meera Holding")** is a limited liability company, incorporated in the State of Qatar. The Company is a holding company for holding the Group's investments and managing its subsidiaries, owning patents, trademarks and real estate needed to carry out its activities.

**Al Meera Supermarkets Company S.P.C ("Al Meera Supermarkets")** is a single person company incorporated in the State of Qatar. The company is engaged in the establishment and management of business enterprise and investing therein, owning shares, moveable and immovable properties necessary to carry out its activities.

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

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six month period ended June 30, 2015

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#### 1. INCORPORATION AND ACTIVITIES (CONTINUED)

**Al Meera Development Company L.L.C. ("Al Meera Development")** is a limited liability company, incorporated in the State of Qatar. The company is engaged in establishment and management of business enterprise and investing therein, owning patents, trade-works and real estate needed to carry out its activities.

**Qatar Markets Company W.L.L. ("Qatar Markets")** is a limited liability company, incorporated in the State of Qatar. The company is engaged in the sale of food stuff, household items and garments.

**Al Oumara Bakeries Company W.L.L. ("Al Oumara Bakeries")** is a limited liability company, incorporated in the State of Qatar. The company is engaged in manufacture and sale of bakery products.

**Alge Retail Corporation SARL ("Alge Corporation")** is a limited liability company incorporated in Switzerland. The company is engaged in development of retail business in Tunisia, Libya, Egypt and Jordan. As at the reporting date, this company has not commenced its operations.

**Al Meera Oman S.A.O.C. ("Al Meera Oman")** is a limited liability company incorporated in Sultanate of Oman. The company is engaged in the construction and management of shopping centers and related facilities. As at the reporting date, this company has not commenced its operations.

**Al Meera Markets S.A.O.C. ("Al Meera Market")** is a limited liability company incorporated in Sultanate of Oman. The company is engaged in the establishment and operation of shopping centers, supermarkets, and hypermarkets.

**Al Meera Bookstore S.P.C. ("Al Meera Bookstore")** is a single person company incorporated in the state of Qatar. The company is engaged in the sale of stationery, computer accessories, books and toys.

**Aramex Logistics Services L.L.C.** is a limited liability company incorporated in State of Qatar. The Company is engaged in the warehousing and delivery truck services. As at the reporting date, this company has not commenced its operations.

These interim condensed consolidated financial statements of the Group for the six month period ended June 30, 2015 were authorised for issue on August 9, 2015.

#### 2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

The interim condensed consolidated financial statements for the six month period ended June 30, 2015 have been prepared in accordance with IAS 34 Interim Financial Reporting under the historical cost convention except for certain financial instruments which have been stated at fair value.

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

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six month period ended June 30, 2015

### 2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at December 31, 2014. In addition, results for the six month period ended June 30, 2015 are not necessarily indicative of the results that may be expected for the financial year ending December 31, 2015.

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2014 except for the adoption of revised standards effective as at January 1, 2015. However, they do not materially impact the interim condensed consolidated financial statements of the Group.

#### (i) Revised Standards

Effective for annual periods beginning on or after January 1, 2015.

- IAS 19 (Amended) *Defined Benefit Plans: Employee Contributions*
- Annual Improvements 2010 *IFRS 2: definition of 'vesting condition'.*  
- 2012 Cycle *IFRS 3: accounting for contingent consideration.*  
*IFRS 8: aggregation of segments, reconciliation of segment assets.*  
*IAS 16: proportionate restatement of accumulated depreciation on revaluation.*  
*IAS 24: management entities*  
*IAS 38: proportionate restatement of accumulated depreciation on revaluation*
- Annual Improvements 2011 *IFRS 3: scope exception for joint ventures.*  
- 2013 Cycle *IFRS 13: scope of the portfolio exception in paragraph 52.*  
*IAS 40: interrelationship between IFRS 3 and IAS 40.*

### 3. BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the profit attributable to the equity holders for the period by the number of shares outstanding during the period as follows:

	<u>Six month period ended</u>	
	<u>June 30,</u> <b>2015</b> <u>(Reviewed)</u> QR	<u>June 30,</u> 2014 <u>(Reviewed)</u> QR
Profit for the period attributable to the owners of the Company	<u>100,876,782</u>	<u>112,795,877</u>
Number of shares outstanding during the period	<u>20,000,000</u>	<u>20,000,000</u>
Basic and diluted earnings per share	<u>5.04</u>	<u>5.64</u>

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six month period ended June 30, 2015

4. PROPERTY AND EQUIPMENT

	June 30, 2015 <u>(Reviewed)</u> QR	December 31, 2014 <u>(Audited)</u> QR
<b>Cost:</b>		
At beginning of the period/year	735,834,516	410,389,583
Additions	74,039,872	327,162,060
Disposals	<u>(27,055)</u>	<u>(1,717,127)</u>
At end of the period/year	<u>809,847,333</u>	<u>735,834,516</u>
<b>Accumulated depreciation:</b>		
At beginning of the period/year	147,814,501	126,064,640
Charge for the period/year	14,683,947	23,285,351
Disposal	<u>(23,062)</u>	<u>(1,535,490)</u>
At end of the period/year	<u>162,475,386</u>	<u>147,814,501</u>
<b>Net book value:</b>		
At end of the period/year	<u>647,371,947</u>	<u>588,020,015</u>

The depreciation charge has been allocated in the interim condensed consolidated statement of profit or loss as follows:

	<u>Six month period ended</u>	
	June 30, 2015 <u>(Reviewed)</u> QR	June 30, 2014 <u>(Reviewed)</u> QR
Cost of sales	72,972	64,256
Depreciation – as a separate line item in other expenses	<u>14,610,975</u>	<u>10,446,694</u>
	<u>14,683,947</u>	<u>10,510,950</u>

AL MEERA CONSUMER GOODS COMPANY Q.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six month period ended June 30, 2015

5. INTANGIBLE ASSETS

	June 30, 2015 (Reviewed) QR	December 31, 2014 (Audited) QR
<b>Cost:</b>		
At beginning of the period/year	17,714,027	17,762,653
Additions	6,000	--
Disposals	--	(48,626)
At end of the period/year	<u>17,720,027</u>	<u>17,714,027</u>
<b>Accumulated amortization:</b>		
At beginning of the period/year	7,473,245	5,958,255
Charge for the period/year	756,454	1,514,990
At end of the period/year	<u>8,229,699</u>	<u>7,473,245</u>
<b>Net book value:</b>		
At end of the period/year	<u>9,490,328</u>	<u>10,240,782</u>

6. GOODWILL

The carrying amount of goodwill has been allocated to the following cash generating units:

	June 30, 2015 (Reviewed) QR	December 31, 2014 (Audited) QR
Qatar Markets Company W.L.L.	227,028,986	227,028,986
Al Meera Market (Al Safer Oman) – five supermarkets	<u>117,069,012</u>	<u>117,069,012</u>
	<u>344,097,998</u>	<u>344,097,998</u>

The management perform goodwill impairment assessment annually and when there is indication that the carrying value may be impaired. Management believes that any reasonably possible change in the key assumptions used for impairment assessment performed on December 31, 2014 will not cause the carrying value of the goodwill to materially exceed its recoverable amount, accordingly, no impairment loss was recognized in period 2015 and 2014.

7. AVAILABLE-FOR-SALE INVESTMENTS

	June 30, 2015 (Reviewed) QR	December 31, 2014 (Audited) QR
Quoted equity investments	195,010,144	196,160,238
Unquoted equity investments	<u>13,700,118</u>	<u>14,144,064</u>
	<u>208,710,262</u>	<u>210,304,302</u>

AL MEERA CONSUMER GOODS COMPANY Q.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six month period ended June 30, 2015

8. INVENTORIES

	June 30, 2015 (Reviewed) QR	December 31, 2014 (Audited) QR
Finished goods	178,531,141	172,966,300
Inventories consumable and spare parts	754,496	538,652
	<u>179,285,637</u>	<u>173,504,952</u>
Less: Allowance for slow moving inventories	(1,791,173)	(1,675,313)
	<u>177,494,464</u>	<u>171,829,639</u>

9. ACCOUNTS RECEIVABLE AND OTHER DEBIT BALANCES

	June 30, 2015 (Reviewed) QR	December 31, 2014 (Audited) QR
Trade receivables	12,842,962	12,094,867
Credit card receivables	7,191,395	5,490,036
Advances to suppliers	12,779,473	12,126,966
Prepayments	11,517,526	4,137,858
Refundable deposits	3,945,059	2,814,348
Staff receivables	3,406,785	2,420,459
Accrued interest income	1,088,042	4,136,511
Rent receivables	153,817	192,487
Other receivables	921,317	506,189
	<u>53,846,376</u>	<u>43,919,721</u>
Less: Allowance for impairment of receivables	(2,223,109)	(1,994,286)
	<u>51,623,267</u>	<u>41,925,435</u>

10. CASH AND CASH EQUIVALENTS

	June 30, 2015 (Reviewed) QR	December 31, 2014 (Audited) QR
Cash at bank	500,769,810	621,766,791
Cash on hand	2,088,627	2,205,240
<b>Cash and bank balances</b>	<u>502,858,437</u>	<u>623,972,031</u>
Less: Time deposits maturing over 90 days	(198,410,636)	(428,316,000)
<b>Cash and cash equivalents</b>	<u>304,447,801</u>	<u>195,656,031</u>

**AL MEERA CONSUMER GOODS COMPANY Q.S.C.****NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the six month period ended June 30, 2015

**11. ACCOUNTS PAYABLE AND ACCRUALS**

	<b>June 30, 2015 (Reviewed) QR</b>	<b>December 31, 2014 (Audited) QR</b>
Trade payables	328,255,930	293,771,624
Dividends payable	76,192,929	57,827,628
Payable to contractors	33,497,965	40,834,403
Deferred rent income	2,693,919	1,705,867
Staff bonus	4,892,986	10,170,361
Provision for social and sports activities contribution	2,304,900	5,465,891
Provision for air tickets and leave pay	4,786,511	4,156,538
Provision for board remuneration	4,165,425	7,500,000
Accrued expenses	12,964,114	10,917,282
Other payables and provisions	2,604,906	2,206,686
	<u>472,359,585</u>	<u>434,556,280</u>

**12. RELATED PARTY TRANSACTIONS****a) Transaction with government**

The Government of Qatar holds 26% of the Company's capital. In the normal course of business, the Group supplies its commodities to various Government and semi-Government agencies in the State of Qatar. The Group also avails of various services from these parties in the State of Qatar.

**b) Compensation of key management personnel**

	<b>Six month period ended</b>	
	<b>June 30, 2015 (Reviewed) QR</b>	<b>June 30, 2014 (Reviewed) QR</b>
Key management remuneration	1,745,853	1,683,014
Board of directors' remuneration	40,715	79,250
	<u>1,786,568</u>	<u>1,762,264</u>

**13. SHARE CAPITAL**

At June 30, 2015, the authorised share capital comprised 20 million ordinary shares (2014: 20 million). These instruments have a par value of QR. 10. All issued shares are fully paid.



**14. STATUTORY RESERVE**

As required by Qatar Commercial Companies' Law No. 5 of 2002, 10% of the profit for the year is required to be transferred to a legal reserve, until such reserve equals 50% of the issued share capital. The Group has resolved to cease such annual transfers as the legal reserve has reached the minimum required level. The reserve is not generally available for distribution except in the circumstances stipulated in the above law.

In accordance with Article 22 of the Company's Article of Association, the Company transferred the share capital premium from the rights issued amounting to QR 847.77 million to the legal reserve on December 31, 2013.

**15. DIVIDENDS**

On March 1, 2015, the Board of Directors proposed cash dividend of QR. 9 per share amounting to QR 180 million for the shareholders (2014: QR. 8 per share amounting to QR 160 million). This has been approved in the Annual General Assembly held subsequent to that date.

**16. CONTRIBUTION TO SOCIAL FUND**

In accordance with Law No. 13 of 2008, the Group has made an appropriation of profit of QR. 2.3 million during the six month period ended June 30, 2015 (2014: QR. 2.6 million) equivalent to 2.5% of the adjusted net profit of the Group for the period for the support of sports, cultural, social and charitable activities.

**17. 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 comprise letting of vacant premises and spaces in malls.

Management monitors the operating results of 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

For the six month period ended June 30, 2015

## 17. SEGMENT REPORTING (CONTINUED)

	<u>Retail</u>	<u>Investment</u>	<u>Leasing</u>	<u>Total</u>
	QR	QR	QR	QR
<b>Period ended June 30, 2015 (Reviewed)</b>				
Sales	1,223,499,206	--	--	1,223,499,206
Cost of sales	<u>(1,023,506,148)</u>	--	--	<u>(1,023,506,148)</u>
<b>Gross profit</b>	199,993,058	--	--	199,993,058
Shops rental income	--	--	23,260,471	23,260,471
Dividend income	--	9,198,871	--	9,198,871
Gain on available for sale investments, net	--	1,665,401	--	1,665,401
Interest income	--	3,123,548	--	3,123,548
Other operating income	<u>1,803,897</u>	--	--	<u>1,803,897</u>
<b>Operating income</b>	201,796,955	13,987,820	23,260,471	239,045,246
General and administrative expenses	<u>(119,761,715)</u>	<u>(38,975)</u>	<u>(1,476,732)</u>	<u>(121,277,422)</u>
Finance costs	<u>(1,421,374)</u>	--	--	<u>(1,421,374)</u>
Depreciation and amortisation	<u>(14,260,078)</u>	--	<u>(1,107,351)</u>	<u>(15,367,429)</u>
<b>Profit for the period</b>	<u>66,353,788</u>	<u>13,948,845</u>	<u>20,676,388</u>	<u>100,979,021</u>

AL MEERA CONSUMER GOODS COMPANY Q.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six month period ended June 30, 2015

17. SEGMENT REPORTING (CONTINUED)

	Retail	Investment	Leasing	Total
	QR	QR	QR	QR
Period ended June 30, 2014 (Reviewed)				
Sales	1,084,166,596	--	--	1,084,166,596
Cost of sales	(922,482,414)	--	--	(922,482,414)
Gross profit	161,684,182	--	--	161,684,182
Shops rental income	--	--	20,872,799	20,872,799
Dividend income	--	7,948,796	--	7,948,796
Gain on available for sale investments, net	--	47,688,127	--	47,688,127
Interest income	--	4,967,947	--	4,967,947
Other operating income	1,268,629	--	--	1,268,629
Operating income	162,952,811	60,604,870	20,872,799	244,430,480
General and administrative expenses	(118,170,393)	(11,492)	(1,980,715)	(120,162,600)
Finance costs	(365,802)	--	--	(365,802)
Depreciation and amortisation	(10,444,269)	--	(758,712)	(11,202,981)
Profit for the period	<u>33,972,347</u>	<u>60,593,378</u>	<u>18,133,372</u>	<u>112,699,097</u>

The following table presents segmental assets regarding the Group's business segments for the period ended June 30, 2015 and for the year ended December 31, 2014, respectively:

	Retail	Investment	Leasing	Total
	QR	QR	QR	QR
Segment assets				
At June 30, 2015 (Reviewed)	<u>1,250,519,112</u>	<u>564,163,979</u>	<u>127,490,407</u>	<u>1,942,173,498</u>
At December 31, 2014 (Audited)	<u>1,296,634,785</u>	<u>638,718,798</u>	<u>55,563,414</u>	<u>1,990,916,997</u>

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six month period ended June 30, 2015

17. SEGMENT REPORTING (CONTINUED)

Geographically, the Group operates in the State of Qatar and the Sultanate of Oman. Following is a summary of key balances related to each geography:

	Qatar		Oman		Total	
	June 30, 2015 (Reviewed) QR	December 31, 2014 (Audited) QR	June 30, 2015 (Reviewed) QR	December 31, 2014 (Audited) QR	June 30, 2015 (Reviewed) QR	December 31, 2014 (Audited) QR
Total assets	1,752,892,889	1,804,854,292	189,280,609	186,062,705	1,942,173,498	1,990,916,997
Total liabilities	560,954,716	514,527,863	24,800,251	31,692,510	585,754,967	546,220,373
	Qatar		Oman		Total	
	June 30, 2015 (Reviewed) QR	June 30, 2014 (Reviewed) QR	June 30, 2015 (Reviewed) QR	June 30, 2014 (Reviewed) QR	June 30, 2015 (Reviewed) QR	June 30, 2014 (Reviewed) QR
Total revenue	1,146,519,996	1,006,854,354	76,979,210	77,312,242	1,223,499,206	1,084,166,596
Net income/(loss)	100,628,360	113,021,432	350,661	(322,335)	100,979,021	112,699,097

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six month period ended June 30, 2015

**18. CAPITAL COMMITMENTS**

The Group's capital commitments contracted but not provided for in the interim condensed consolidated financial statement as at June 30, 2015 amounted to QR. 78.6 million (2014: QR. 98 million)

**19. FAIR VALUES OF FINANCIAL INSTRUMENTS**

Financial instruments comprise financial assets and financial liabilities.

Financial assets consist of cash and bank balances, available-for-sale investments, due from a related party and trade and other receivables. Financial liabilities consist of loans and borrowings, accounts payable and other payables.

The fair values of the financial assets and liabilities, with the exception of certain unquoted available-for-sale investments carried at cost, are not materially different from their carrying values.

**Fair value hierarchy**

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

As at reporting date, the Group held the following financial instruments measured at fair value:

	<b>June 30, 2015 (Reviewed) QR</b>	<b>Level 1 QR</b>	<b>Level 2 QR</b>	<b>Level 3 QR</b>
Available-for-sale investments				
- Quoted shares	<u>195,010,144</u>	<u>195,010,144</u>	--	--
	<b>December 31, 2014 (Audited) QR</b>	<b>Level 1 QR</b>	<b>Level 2 QR</b>	<b>Level 3 QR</b>
Available-for-sale investments				
- Quoted shares	<u>196,160,238</u>	<u>196,160,238</u>	--	--

For the six month period ended June 30, 2015

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**19. FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)**

**Fair value hierarchy (continued)**

Available-for-sale investments amounting to QR 13,700,118 (2014: QR. 14,144,064) are carried at cost since the fair value cannot be reliably determined by the management.

During the period ending June 30, 2015, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

**20. PLAN TO PARTIALLY SELL THE SHARES OF A SUBSIDIARY**

The Company plans to sell 49% ownership of Al Oumara Bakeries Company W.L.L. (Al Oumara), a wholly owned subsidiary, to a third party in order to bring expertise in bakery production and activities. The potential transaction will not result in a loss of control of the Group over Al Oumara. This plan was approved by the Board of Directors on May 18, 2015.

As at June 30, 2015, the sales transaction is under negotiations.