

AGTHIA GROUP PJSC

**Condensed consolidated interim financial information
For the period ended 30 September 2015**

Principal business address:

PO Box 37725
Abu Dhabi
United Arab Emirates

Report and condensed consolidated interim financial information for the period ended 30 September 2015

	Page
Director's report	
Independent auditors' report on review of condensed consolidated interim financial information	1
Condensed consolidated interim statement of profit or loss	2
Condensed consolidated interim statement of comprehensive income	3
Condensed consolidated interim statement of financial position	4
Condensed consolidated interim statement of changes in equity	5
Condensed consolidated interim statement of cash flows	6
Notes to the condensed consolidated interim financial information	7-16

Directors' Report:

Dear Shareholders,

The third quarter delivered another period of strong top and bottom line performance for Agthia, with our core businesses maintaining the solid growth momentum exhibited since the beginning of the year. Water & Beverages and Flour continued to drive the growth. Thanks to sustained higher sales and improved gross margins, net profit continues to outpace sales in line with our objectives for 2015, reflecting our ongoing commitment to deliver sustainable, profitable growth for our shareholders.

Group Highlights – Nine months to September 30th 2015

- Net sales reached AED 1.4 billion, 12 percent higher than the same period last year
- Net profit rose to AED 179 million, a 19 percent increase compared with last year
- 350 basis points improvement in gross profit margin
- AED 241 million positive cash flow for the period generated by operations; cash and bank balances stood at AED 636 million as of end of September
- Strong balance sheet which can support our growth plans

In October, we announced the acquisition of 100% equity of Al Bayan Water Company, a leading player in the 5-gallon bulk water segment in the UAE with a presence also in Oman.

Al Bayan, established in 1999, has a strong presence in the UAE and particularly in the Northern Emirates, where the majority of its assets are located, in addition to a manufacturing operation in Oman since 2002. Al Bayan's manufacturing and warehousing facilities in Dubai and Ajman, and Agthia's facilities, which are mainly in the Abu Dhabi emirate, provide many opportunities for synergy, ranging from lower production costs to optimized usage of distribution fleets, manufacturing and warehousing facilities.

With an established brand and sales and distribution infrastructure, coupled with Agthia's manufacturing expertise, sales and marketing knowledge, and its iconic brands, Al Bayan is an excellent strategic fit for Agthia. As such, we look forward to further consolidating our leading position in the UAE water market and unlocking the growth potential of the combined business.

Our Businesses' Performance

Agri Business

Agri Business net sales reached AED 833 million for the nine months ending September 30th 2015, a 6 percent increase compared with the same period last year mainly driven by aggressive distribution gains in Flour. Net profit rose 14 percent to AED 177 million, propelled by a 230 basis point gross profit margin improvement due to operational efficiencies and favorable commodity prices.

Grand Mills Flour sales grew by 9 percent (including wheat trading, 16 percent). Net profit jumped 19 percent, largely driven by the continued acquisition of new customers and successful offtake of Arabic bread flour as part of our plan to increase penetration in the Northern Emirates, as well as favorable commodity prices.

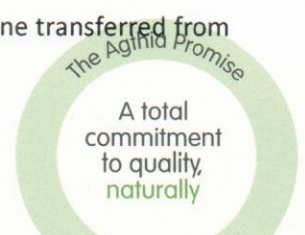
Agrivita Feed sales volumes remained steady versus the same period last year, due to a delay in the shipment of concentrated pellet tender orders that was expected in the first half of the year but instead only started in August. We continue to increase the number of Municipality outlets we are covering and to selectively introduce a second shift in response to local shopping habits to boost sales. Low commodity prices as well as a favorable product mix delivered a 7 percent growth in net profit compared to the same period last year.

Consumer Business

Consumer Business continued its ascent to record AED 544 million net sales for the period, an impressive 21 percent increase versus the same period last year. Net profit soared 52 percent to AED 61 million.

Water & Beverages: Net sales for the period reached AED 457 million, 24 percent ahead of same period last year. Al Ain water drove these gains as distribution expanded, particularly in the traditional trade as well as across the Northern Emirates. The implementation of a price increase of Al Ain water in the retail trade, lower PET usage, and higher output contributed to a notable 430 basis point increase in gross margins and drove net profit 30 percent higher to AED 80 million.

Our Alpin natural spring water volume in Turkey is beginning to gain momentum following setbacks from production issues encountered earlier this year, even as the ongoing devaluation of the Turkish Lira negatively affects our financial performance. We are placing additional focus on business development to take advantage of the increased manufacturing and warehousing capacity to regain lost ground, with the line transferred from



our factory in the UAE commencing commercial production in October. Meanwhile Alpin is constantly gaining market share within the Turkish Water segment in the UAE, as our shipments increased almost twofold during the period.

Capri Sun exhibited a robust 12 percent growth in sales compared with the same period a year earlier, sustaining the business turnaround following six consecutive quarters of decline. Improved merchandising, the launch of new flavors and the re-launch of the Multivitamin flavor with an improved formula, in addition to continuous brand marketing activities, played a pivotal role in this turnaround.

Food: Net sales reached AED 87 million. The Dairy segment recorded 13 percent sales growth, with a 24 percent gross profit margin (versus breakeven in 2014) following the execution of a new strategy and lower milk powder prices. The performance of our Frozen Veg and Tomato Paste businesses has also improved. The Food business is still making a loss, albeit lower than last year, due to start-up expenses of the Frozen Baked business.

Our efforts to secure a viable business base primarily in the UAE for the Frozen Baked business are continuing. We have made encouraging progress in new products development. Meanwhile, shipments to a leading airline of Monty's Bakehouse products will start in November.

In Egypt, our business continued to grow, recording an 8 percent increase in sales for the period. We are securing new customers for tomato paste and hot chili, and expect to maintain the momentum for the rest of the year.

SG&A expenses

Total SG&A expenses rose 20 percent year-on-year to AED 250 million. The increase is mainly attributable to higher distribution costs from larger volumes shipped, infrastructural strengthening costs to support growth, consultancy, and continued investment in brand building activities.

Cash flow

Cash generated from operating activities accumulated to AED 241 million during the period. Cash, cash equivalents and fixed deposits as at September 30th 2015 amounted to AED 636 million.

To ensure uninterrupted availability of funds, the Company maintains sufficient bank credit lines at very competitive pricing to cover any short-term working capital requirements.



Unallocated Corporate Items

Under segment reporting, an unallocated assets amount of AED 741 million primarily represents goodwill and cash and bank balances, as the Company's fund management is centralized at corporate level.

Capital commitments and Contingencies

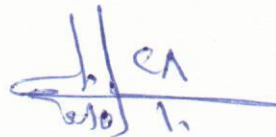
Capital commitments of AED 68 million mainly relate to our second high speed water bottling line, warehouse expansion, Turkey capacity expansion and other capital items.

Bank guarantees and letters of credit of AED 70 million have primarily been issued in favor of governmental authorities and the Company's vendors for the supply of materials and spare parts.

Future Outlook

Despite the volatility in the wider global economic and political landscape, we continue to maintain an overall positive outlook for performance in 2015, as we relentlessly pursue our strategy of driving sustainable profitable growth across all core categories while turning around our underperforming businesses.

Our business and financial fundamentals are strong, and we have a solid balance sheet to support our growth and expansion plans. I am confident that we have the right strategy and platforms in place for our respective businesses to sustain profitable growth and accelerate value creation for our shareholders.



Eng. Dhafer Ayed Al Ahabbi

Chairman

October 28, 2015



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Independent auditors' report on review of condensed consolidated interim financial information

The Shareholders
AGTHIA Group PJSC
Abu Dhabi, United Arab Emirates

Introduction

We have reviewed the accompanying 30 September 2015 condensed consolidated interim financial information of AGTHIA Group PJSC and its subsidiaries (collectively referred to as the "Group"), which comprises:

- the condensed consolidated interim statement of financial position as at 30 September 2015
- the condensed consolidated interim statement of profit or loss for the three-months and nine-month period ended 30 September 2015
- the condensed consolidated interim statement of comprehensive income for the three-months and nine-month period ended 30 September 2015
- the condensed consolidated interim statement of changes in equity for the nine-month period ended 30 September 2015
- the condensed consolidated interim statement of cash flows for the nine-month period ended 30 September 2015
- 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 30 September 2015 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

Munther Dajani
Registration No.: 268
Abu Dhabi, United Arab Emirates

28 October 2015

Agthia Group PJSC

Condensed consolidated interim statement of profit or loss (unaudited)

	Nine months ended 30 September 2015 AED'000	Nine months ended 30 September 2014 AED'000	Three months ended 30 September 2015 AED'000	Three months Ended 30 September 2014 AED'000
Revenue	1,376,072	1,232,257	465,158	409,635
Cost of sales	(945,920)	(889,319)	(328,817)	(304,002)
Gross profit	430,152	342,938	136,341	105,633
Selling and distribution expenses	(158,963)	(131,946)	(51,530)	(41,489)
General and administrative expenses	(87,800)	(74,202)	(30,647)	(24,069)
Research and development expenses	(3,378)	(2,581)	(1,148)	(882)
Other income, net	2,187	15,073	4,181	6,828
Operating profit	182,198	149,282	57,197	46,021
Finance income	11,056	7,512	5,065	2,509
Finance expense	(14,068)	(6,005)	(8,045)	(2,261)
Profit for the period before income tax	179,186	150,789	54,217	46,269
Income (tax)	(34)	-	(6)	(19)
Profit for the period attributable to equity holders of the Group	179,152	150,789	54,211	46,250
Basic and diluted earnings per share (AED)	0.299	0.251	0.090	0.077

The notes on pages 7 to 16 form an integral part of these condensed consolidated interim financial information.

The independent auditors' report on the review of the condensed consolidated interim financial information is set out on page 1.

Agthia Group PJSC

Condensed consolidated interim statement of comprehensive income (unaudited)

	Nine months ended 30 September 2015 AED'000	Nine months ended 30 September 2014 AED'000	Three months ended 30 September 2015 AED'000	Three months ended 30 September 2014 AED'000
Profit for the period attributable to equity holders of the Group	179,152	150,789	54,211	46,250
Foreign currency translation difference on foreign operations	(6,768)	(2,556)	(2,018)	(2,079)
Other comprehensive income	(6,768)	(2,556)	(2,018)	(2,079)
Total comprehensive income for the period attributable to equity holders of the Group	172,384	148,233	52,193	44,171

The notes on pages 7 to 16 form an integral part of these condensed consolidated interim financial information.
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Agthia Group PJSC

Condensed consolidated interim statement of financial position

		30 September 2015 (Unaudited) AED'000	31 December 2014 (Audited) AED'000
	<i>Note</i>		
Non-current assets			
Property, plant and equipment	6	871,415	841,749
Advances for property, plant and equipment	6	47,525	3,502
Goodwill	7	95,472	95,472
Intangible assets		8,011	10,548
Other assets		123	-
Total non-current assets		1,022,546	951,271
Current assets			
Inventories	8	277,532	393,193
Trade and other receivables	9	285,305	224,836
Government compensation receivable		80,118	99,586
Cash and bank balances	10	636,187	540,397
Total current assets		1,279,142	1,258,012
Current liabilities			
Bank borrowings	11	261,677	370,506
Trade and other payables		338,043	416,830
Due to a related party	13	64	1,373
Total current liabilities		599,784	788,709
Net current assets		679,358	469,303
Non current liabilities			
Provision for end of service benefits		43,960	36,167
Bank borrowings	11	165,303	-
Deferred tax liability		544	671
Other liabilities		-	4,023
Total non-current liabilities		209,807	40,861
Net assets		1,492,097	1,379,713
Equity			
Share capital		600,000	600,000
Legal reserve		98,292	98,292
Translation reserve		(21,720)	(14,952)
Retained earnings		815,525	696,373
Total equity		1,492,097	1,379,713

The condensed consolidated interim financial information were approved and authorised by the Board of Directors on 28 October 2015.

HE Eng Dhafer Ayed Al Ahababi
Chairman

Iqbal Hamzah
Chief Executive Officer

Fatih Yeldan
Acting CFO

The notes on pages 7 to 16 form an integral part of these condensed consolidated interim financial information.
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Agthia Group PJSC

Condensed consolidated interim statement of changes in equity (unaudited)

For the nine months ended 30 September

	Share Capital AED'000	Legal reserve AED'000	Translation reserve AED'000	Retained earnings AED'000	Total AED'000
Balance at 1 January 2014	600,000	78,959	(11,508)	582,381	1,249,832
<i>Total comprehensive income for the period</i>					
Profit for the period	-	-	-	150,789	150,789
Dividend declared	-	-	-	(60,000)	(60,000)
<i>Other comprehensive income</i>					
Foreign currency translation difference on foreign operations	-	-	(2,556)	-	(2,556)
Total comprehensive income	-	-	(2,556)	90,789	88,233
Balance at 30 September 2014	600,000	78,959	(14,064)	673,170	1,338,065
Balance at 1 January 2015	600,000	98,292	(14,952)	696,373	1,379,713
<i>Total comprehensive income for the period</i>					
Profit for the period	-	-	-	179,152	179,152
Dividend declared	-	-	-	(60,000)	(60,000)
<i>Other comprehensive income</i>					
Foreign currency translation difference on foreign operations	-	-	(6,768)	-	(6,768)
Total comprehensive income	-	-	(6,768)	119,152	112,384
Balance at 30 September 2015	600,000	98,292	(21,720)	815,525	1,492,097

The notes on pages 7 to 16 form an integral part of these condensed consolidated interim financial information.
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Agthia Group PJSC

Condensed consolidated interim statement of cash flows (unaudited)

For the nine months ended

	<i>Note</i>	30 September 2015 AED'000	30 September 2014 AED'000
Cash flows from operating activities			
Profit for the period after income tax		179,152	150,789
<i>Adjustments for:</i>			
Depreciation		59,884	45,832
Finance income		(11,056)	(7,512)
Finance expense		14,068	6,005
Gain on sale of property, plant and equipment	6	(557)	(230)
Movement in provision for slow moving inventory	8	(221)	(2,134)
Movement in allowance for impairment loss		249	693
Income tax		34	-
Provision for employees' end of service benefits		9,831	6,250
Operating cash flows before payment of employees' end of service benefits, changes in working capital		251,384	199,693
Change in inventories	8	115,882	(42,633)
Change in trade and other receivables- net	9	(61,556)	(36,645)
Change in government compensation receivable		19,468	22,346
Change in trade and other payables		(80,685)	144,797
Change in due to a related party	13	(1,309)	(1,350)
Payment of employees' end of service benefits		(2,038)	(2,823)
Change in deferred tax liabilities		(127)	(65)
Change in other liabilities		(77)	(209)
Change in other assets		(123)	-
Net cash generated from operating activities		240,819	283,111
Cash flows from investing activities			
Advances/ acquisition of property, plant and equipment	6	(140,574)	(163,586)
Proceeds from disposal of property, plant and equipment	6	647	419
Sale of available-for-sale financial assets		-	5,200
Funds (invested)/matured - fixed deposits		(67,612)	13,368
Finance income received		7,947	7,899
Net cash used in investing activities		(199,592)	(136,700)
Cash flows from financing activities			
Bank borrowings – net	11	56,474	(85,679)
Finance expenses paid		(13,064)	(6,052)
Dividend paid		(60,000)	(60,000)
Net cash used in from financing activities		(16,590)	(151,731)
Increase / (decrease) in cash and cash equivalents		24,637	(5,320)
Cash and cash equivalents at 1 January		38,985	53,209
Cash and cash equivalents as at 30 September		63,622	47,889

The notes on pages 7 to 16 form an integral part of these condensed consolidated interim financial information.

The independent auditors' report on the review of the condensed consolidated interim financial information is set out on page 1.

Agthia Group PJSC

Notes to the condensed consolidated interim financial information

1 Legal status and principal activities

Agthia Group PJSC (the “Company”) was incorporated as a Public Joint Stock Company pursuant to the Ministerial Resolution No. 324 for 2004. General Holding Corporation (SENAAT) owns 51% of the Company’s shares. The principal activities of the Company are to establish, invest, trade and operate companies and businesses that are involved in the food and beverage sector.

The condensed consolidated interim financial information of the Company as at and for the nine months period ended 30 September 2015 comprise the Company and its below mentioned subsidiaries (together referred to as the “Group”).

Subsidiary	Country of incorporation and operation	Share of equity (%)		Principal Activity
		2015	2014	
Grand Mills Company PJSC	UAE	100	100	Production and sale of flour and animal feed.
Al Ain Food and Beverages PJSC (AAFB-UAE)	UAE	100	100	Production and sale of bottled water, flavored water, juices, yoghurt, tomato paste, frozen vegetables and frozen baked products.
Agthia Group Egypt LLC (Agthia Egypt)	Egypt	100	100	Processing and sale of tomato paste, chilli paste, fruit concentrate and frozen vegetables.
Agthia Grup Icecek ve Dagitim Sanayi ve Ticaret Limited Sirketi (Agthia Turkey)	Turkey	100	100	Production, bottling, and sale of bottled water.

2 Statement of compliance

These condensed consolidated interim financial information have been prepared in accordance with International Financial Reporting Standards (IFRS) *IAS 34 Interim Financial Reporting*. They do not include all of the information required for full annual consolidated financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2014.

Agthia Group PJSC

Notes to the condensed consolidated interim financial information (continued)

3 Significant accounting policies

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

These condensed consolidation interim financial information are presented in United Arab Emirates Dirhams (“AED”), which is the functional currency, rounded to the nearest thousand.

Government compensation

Funds that compensate the Group for selling flour and animal feed at subsidised prices in the Emirate of Abu Dhabi are recognised in the condensed consolidated interim statement of profit or loss, as a deduction from the cost of sales, on a systematic basis in the same period in which the sales transaction is affected.

Cost of sales as stated in the condensed consolidated statement of profit or loss is after the deduction of the Abu Dhabi Government compensation amounting to AED 285.7 million (*30 September 2014: AED 288.6 million*). The purpose of the compensation was to partially reduce the impact of increased and volatile global grain prices on food retail prices for the consumers in the Emirate of Abu Dhabi.

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 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 judgment made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the consolidated financial statements as at and for the year ended 31 December 2014.

5 Financial risk management

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

6 Property, plant and equipment

Acquisitions and disposals

During the nine months period ended 30 September 2015, the Group invested in property, plant and equipment amounting to AED 140,574 thousand (*30 September 2014: AED 163,586 thousand*), of which acquisition of assets amounted to AED 96,551 thousand and advances paid amounted of AED 44,023 thousand (*30 September 2014: assets acquired AED 180,698 thousand and advance released amounting AED 17,112 thousand*).

Agthia Group PJSC

Notes to the condensed consolidated interim financial information (continued)

6 Property, plant and equipment (continued)

Acquisitions and disposals (continued)

Assets with a carrying amount of AED 90 thousand were disposed off during the nine months period ended 30 September 2015 (*30 September 2014: AED 189 thousand*), resulting in a gain of AED 557 thousand (*30 September 2013: gain of AED 230 thousand*) which is included in net other income.

Furthermore, the depreciation charge for property, plant and equipment during the nine months period ended 30 September 2015 amounted to AED 59,884 thousand (*30 September 2014; AED 45,832 thousand*).

7 Goodwill

For the purpose of impairment testing, goodwill is allocated to two operating segments within the Group where goodwill is monitored for internal management purposes. Impairment testing is conducted on an annual basis.

8 Inventories

During the nine months period ended 30 September 2015, the Group recorded a provision for slow, non moving, and obsolete inventory of AED 2,038 thousand (*30 September 2014: AED 1,073 thousand*). The charge is included in cost of sales.

Furthermore, the Group has written off/written back a provision for slow, non moving and obsolete inventory of AED 2,259 thousand (*30 September 2014: AED 3,207 thousand*).

9 Trade and other receivables

	30 September 2015 AED'000	31 December 2014 AED'000
Trade receivables- net	221,836	176,908
Prepayments	42,978	29,929
Other receivables	20,491	17,999
	<u>285,305</u>	<u>224,836</u>

Agthia Group PJSC

Notes to the condensed consolidated interim financial information (continued)

10 Cash and bank balances

Cash and cash equivalents in the condensed consolidated interim statement of cash flows:

	30 September 2015 AED'000	30 September 2014 AED'000	31 December 2014 AED'000
Cash in hand	1,230	1,136	547
Current and savings account	89,693	70,998	62,198
Cash and bank balances	90,923	72,134	62,745
Escrow account (for dividend distribution 2009 to 2014)	(27,301)	(24,245)	(23,760)
Cash and cash equivalents in the statement of cash flows	63,622	47,889	38,985
Cash and bank balances	90,923	72,134	62,745
Fixed deposits	545,264	478,356	477,652
	636,187	550,490	540,397

Fixed deposits above are for a period not more than one year (2014: up to one year) carrying interest rates varying from 1.50%-2.25% (2014: 1.80%-2.25%).

Escrow account represents amounts set aside for payment of dividend. An equivalent amount has been recorded as a liability in trade and other payables. This restricted cash balance has not been included in the cash and cash equivalents for the purpose of cash flow statements.

11 Bank borrowings

This note provides information about the contractual terms of the Group's interest bearing loans and borrowings, which are measured at amortised cost.

	30 September 2015 AED'000	31 December 2014 AED'000
Current liabilities		
Credit facility	248,194	300,578
Short term loan	13,483	69,928
	261,677	370,506
Non-current liabilities		
Term loan	165,303	-

Agthia Group PJSC

Notes to the condensed consolidated interim financial information (continued)

11 Bank borrowings (continued)

Terms and repayment schedule

Amounts in AED'000

	Currency	Interest Rate	Year of maturity	30 September 2015		31 December 2014	
				Face value/limit	Carrying amount	Face value/limit	Carrying amount
Short term Loan	USD/ AED/ EGP	LIBOR / EIBOR / mid corridor rate + margin*	2015	94,517	13,483	132,699	69,928
Credit Facility**	USD/ AED	LIBOR / EIBOR +margin*	2015	742,340	248,194	456,629	299,077
Credit Facility (Capex)**	USD/ AED	LIBOR/ EIBOR + margin*	2015	25,000	-	75,000	1,501
Term loan**	USD	LIBOR/+ margin*	2020	165,303	165,303	-	-
Total				1,027,160	426,980	664,328	370,506

* Margin on the above loans and facilities varies from 0.40% - 1.25%. (2014: 0.50% -1.25%). Average interest rate on loan and facilities in Turkey amounting to AED 11,097 thousand (2014: AED 18,287 thousand) is 2.00%. (2014: 3.00%)

**Credit facilities of face value AED 375,000 thousand and AED 25,000 thousand as well as a term loan of face value AED 165,303 thousand are secured by floating charges over the current assets, inventory and receivables of the Group.

Agthia Group PJSC

Notes to the condensed consolidated interim financial information (continued)

12 Segment reporting

Information about reportable segment for the nine months ended 30 September

The Group has two reportable segments, as described below. The reportable segments offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the Board of Directors review internal management reports on at least quarterly basis.

The following summary describes the operations in each of the Group's reportable segments:

- **Agri Business Division (ABD)**
 - Flour and Animal Feed, includes manufacturing and distribution of flour and animal feed.

- **Consumer Business Division (CBD)**
 - Bottled Water and Beverages includes manufacturing and distribution of drinking water, water based drinks and juices.
 - Business operation in Turkey is of a similar nature as “Bottled Water” hence it is also reported under CBD.

 - Food includes manufacturing and distribution of tomato and chilli paste, fruit concentrate, frozen vegetables, fresh dairy products and frozen baked products.
 - Business operation in Egypt is of a similar nature as “Food” hence it is also reported under CBD.

Information regarding the results of each reportable segment is included in next page. Performance is measured based on segment profit, as included in the internal management reports data reviewed by the Group's CEO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

Agthia Group PJSC

Notes to the condensed consolidated interim financial information (continued)

12 Segment reporting (continued)

Segment wise operating results of the Group, for the nine month period are as follows:

	Agri Business Division (ABD)		Consumer Business Division (CBD)						Total	
	<i>Flour and Animal Feed</i>		<i>Bottled Water and Beverages</i>		<i>Food</i>		CBD Total			
	30 September 2015	30 September 2014	30 September 2015	30 September 2014	30 September 2015	30 September 2014	30 September 2015	30 September 2014	30 September 2015	30 September 2014
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
External revenues	832,557	782,340	456,980	367,910	86,535	82,007	543,515	449,917	1,376,072	1,232,257
Inter segment revenue										
Gross profit	234,967	202,625	201,929	146,876	3,477	2,259	205,406	149,135	440,373	351,760
Reportable segment profit/(loss)	177,493	156,126	79,703	61,535	(19,007)	(21,556)	60,696	39,979	238,189	196,105

Agthia Group PJSC

Notes to the condensed consolidated interim financial information (continued)

12 Segment reporting (continued)

Reconciliations of reportable segments' profit or loss

Gross profit for the nine months period ended

	30 September 2015 AED'000	30 September 2014 AED'000
Total gross profit for reportable segments	440,373	351,760
<i>Unallocated amounts</i>		
Other operating expenses	(10,221)	(8,822)
Consolidated gross profit for the period	430,152	342,938

Profit for the nine months period ended

Total profit for reportable segments	238,189	196,105
<i>Unallocated amounts</i>		
Net finance income	3,669	4,072
Other operating expenses	(62,706)	(49,388)
Consolidated profit for the period	179,152	150,789

Reportable segment assets are as follows:

	30 September 2015 AED'000	31 December 2014 AED'000
Agri Business Division	586,623	702,903
Consumer Business Division	974,038	861,192
Total assets for reportable segment	1,560,661	1,564,095
Other unallocated amounts	741,027	645,188
Consolidated total assets	2,301,688	2,209,283

Agthia Group PJSC

Notes to the condensed consolidated interim financial information (continued)

13 Transactions with related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions, related parties comprise the major shareholder, key management personnel, Directors of the Board and their related companies. In the normal course of business, the Group had various transactions with its related parties. Transactions are entered into with the related parties on terms and conditions approved by either the Group's management, or its Board of Directors.

a) *Key management personnel compensation*

Key management personnel compensation for the nine months period was as follows:

	30 September 2015 AED'000	30 September 2014 AED'000
Short term employment benefits	11,741	13,099
Post-employment benefits	2,980	2,462
	14,721	15,561

b) *Due to / transactions with a related party*

	30 September 2015 AED'000	31 December 2014 AED'000
<i>General Holding Corporation (SENAAT)</i>		
Opening balance 1 January	1,373	1,650
Directors and committee members' fees charged	-	1,361
Other expenses	201	534
Payments	(1,510)	(2,172)
Closing balance	64	1,373

Agthia Group PJSC

Notes to the condensed consolidated interim financial information (continued)

14 Contingent liabilities and capital commitments

	30 September 2015 AED'000	31 December 2014 AED'000
Bank guarantees and letters of credit	70,147	63,200
Capital commitments	68,103	46,702

15 Dividends

Cash dividend of 10% of the issued and paid up capital amounting to AED 60 million (2014: 10% amounting to AED 60 million) was approved by the shareholders in the Annual General Meeting held on 26 April, 2015.

16 Subsequent event

During October 2015, the Group signed an agreement to purchase 100% shares of the water business of Al Bayan Group of Companies, a leading player in the 5 gallon bulk water segment in the UAE with presence also in Oman. The transaction is expected to close during October 2015, following regulatory approvals, and other closing conditions.