AGTHIA GROUP PJSC

Condensed consolidated interim financial information
For the period ended 30 September 2012

Principal business address:

PO Box 37725
Abu Dhabi
United Arab Emirates
Agthia Group PJSC

Report and condensed consolidated interim financial information for the period ended 30 September 2012

Director's report

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<th>Page</th>
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</tbody>
</table>
Directors' Report

The Board of Directors of Agthia Group PJSC (the "Company") is pleased to present the Company's financial results for the nine months ended September 30, 2012.

Despite some challenges, the Company has achieved consistent performance as reflected by the overall strong sales and profit growth with core businesses maintaining their strong growth momentum. Furthermore, the Company maintains a very strong and healthy balance sheet.

The Company’s strategic focus for the period has been to maintain growth momentum and to consolidate newly introduced products, driving the core businesses, expanding geographically into key markets while addressing the challenge of higher input cost by pursuing cost saving initiatives.

As stated in the last report, priorities for the newly launched Yoplait fresh dairy products and Chiquita natural juices to build strong in-store presence and visibility by driving distribution and penetration across all the retail segments. Various marketing activities have been initiated to address the softer than expected consumer off take. As a result of these activities, Yoplait & Chiquita volumes are growing progressively; in addition, further market mix improvements and other initiatives are being implemented to accelerate this volume growth.

In Turkey, rebranding of the recently acquired spring water company is close to completion, while plans to expand regional distribution in Turkey and launch 'natural spring' drinking water in the UAE and wider GCC are underway.

We felt the impact on sales and profit in Egypt due to domestic and regional unrest, lower than expected raw tomato and chili harvest coupled with some operational and organizational issues. We are currently in the midst of restructuring and streamlining the operation and developing a plan aimed at turning around the business in short to mid-term.

The new initiative of frozen baked product launch is now planned for second half of 2013. Poultry feed production capacity expansion is on track for completion in Q4, 2012 and Flour Milling capacity increase is planned for Q4 2013.

Sales

For the nine-month period ended September 30, 2012, net sales grew 17 percent to AED 983 million versus last year mainly driven by solid 24 percent sales growth achieved by the Consumer Business Division and strong 13 percent growth delivered by the Agri Business Division.
Net Profit

Net profit of AED 92 million grew by 54 percent versus same period last year. Strong profit growth was largely driven by 4 percentage point improvement in gross profit margin resulting particularly from competitive procurement of grains, cost saving initiatives, production capacity increases of flour and feed mills displacing outsourcing and price increases.

Selling & General Administration Expenses (SG&A)

SG&A at AED 164.7 million represents an increase of 37.6% over the same period last year. The increase relates to investment in marketing activities, new businesses, higher distribution cost due to increase in sales volume, employee related cost and other inflationary increases. SG&A as percentage to sales at 16.8% increased by 2.6 percentage points compared with 2011. Without the new businesses, SG&A would have grown by 28 percent.

Cash Flow

Cash generated from operating activities at AED 156.2 million reflects significant improvement over last year due to higher profit and improved working capital performance.

Cash used by investing activities of AED 70.2 million mainly includes investment in the Turkish Water Company and dairy plant & machinery.

Cash & cash equivalents as at September 30, 2012 amounted to AED 505.2 million compared with fiscal 2011 of AED 147.2 million.

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

Unallocated Corporate Items

Under segment reporting, unallocated amount of AED 673 million represents goodwill and cash & bank balance as Company’s fund management is centralized at corporate level.

Capital Commitment and Contingencies

Capital commitment of AED 101 million relates to frozen baked project, mega distribution center, capacity expansion of animal feed Mill, delivery trucks and other capital items.

Bank Guarantees and letter of credits of AED 31.6 million have primarily been issued in favor of the Company’s vendors for the supply of materials and spare parts.
Agri Business Division (ABD)

Net sales for the Agri Business Division of AED 638 million for the nine-month period ended September 30, 2012 increased by 13 percent compared to same period last year mainly driven by volume growth.

Net profit of AED 99.8 million grew by 60 percent compared to same period last year contributed by 560 basis points improvement in gross profit margin. The margin improvement mainly resulted from cost savings initiatives, in house production of previously outsourced volume of flour & feed and competitive procurement of grains.

Consumer Business Division (CBD)

Net sales for the Consumer Business Division of AED 345 million for the nine-month period ended September 2012 increased 24 percent compared to same period last year.

Water & Beverages segment net sales of AED 297 million grew by 26 percent year on year; while the Food segment (dairy, tomato paste, frozen vegetable, Al Ain Fresh) net sales of AED 48 million grew by 13 percent year on year.

Division’s Net profit at AED 26.6 million grew slightly by 3 percent compared to same period last year. Looking at water & beverages alone, profit of this segment grew by 58 percent versus last year, but was partially offset by AED 21 million losses of food segment (mainly dairy and Egypt). Water & Beverage segment strong profit growth was driven by higher volume, 300 basis points gross profit improvement and full year impact of price increase.

Fiscal 2012 Outlook

We have had a great year so far. Although the commodity market volatility and regional unrest are certainly challenging, yet we are progressing on our long term strategy. We remain optimistic and expect another year of good business performance in 2012.

On behalf of the Board

[Signature]

HE Rashed Mubarak Al Hajeri
Chairman

October 31, 2012
Report on Review of Condensed Consolidated Interim Financial Information to the Shareholders of Agthia Group PJSC

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Agthia Group PJSC and its subsidiaries (the "Group") as of 30 September 2012 and the related condensed consolidated interim statement of income, statement of comprehensive income, statement of changes in equity and statement of cash flows for the nine month period then ended. Management is responsible for the preparation and presentation of these condensed consolidated interim financial information in accordance with International Accounting Standard 34 "Interim Financial Reporting." Our responsibility is to express a conclusion on these condensed interim financial information 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 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 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as issued by the IASB.

PricewaterhouseCoopers
Al October, 2012

[Signature]

Jacques E. Fakhoury
Registered Auditor Number 379
Abu Dhabi, United Arab Emirates
Agthia Group PJSC

Condensed consolidated interim statement of income (unaudited)

<table>
<thead>
<tr>
<th></th>
<th>Nine months ended 30 September 2012 AED’000</th>
<th>Nine months ended 30 September 2011 AED’000</th>
<th>Three months ended 30 September 2012 AED’000</th>
<th>Three months ended 30 September 2011 AED’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>982,916</td>
<td>841,289</td>
<td>341,094</td>
<td>282,686</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>(744,795)</td>
<td>(671,362)</td>
<td>(254,999)</td>
<td>(228,309)</td>
</tr>
<tr>
<td>Gross profit</td>
<td>238,121</td>
<td>169,927</td>
<td>86,095</td>
<td>54,377</td>
</tr>
<tr>
<td>Net other income (Note 7)</td>
<td>15,084</td>
<td>9,966</td>
<td>9,465</td>
<td>3,563</td>
</tr>
<tr>
<td>Selling and distribution expenses</td>
<td>(98,211)</td>
<td>(71,822)</td>
<td>(35,890)</td>
<td>(23,332)</td>
</tr>
<tr>
<td>General and administrative expenses</td>
<td>(64,164)</td>
<td>(46,223)</td>
<td>(24,388)</td>
<td>(14,057)</td>
</tr>
<tr>
<td>Research and development expenses</td>
<td>(2,356)</td>
<td>(1,690)</td>
<td>(678)</td>
<td>(341)</td>
</tr>
<tr>
<td>Operating profit</td>
<td>88,474</td>
<td>60,158</td>
<td>34,604</td>
<td>20,210</td>
</tr>
<tr>
<td>Finance income</td>
<td>10,792</td>
<td>4,868</td>
<td>4,311</td>
<td>1,197</td>
</tr>
<tr>
<td>Finance expense</td>
<td>(7,075)</td>
<td>(5,228)</td>
<td>(2,343)</td>
<td>(1,940)</td>
</tr>
<tr>
<td>Profit for the period</td>
<td>92,191</td>
<td>59,798</td>
<td>36,572</td>
<td>19,467</td>
</tr>
<tr>
<td>Profit for the period attributable to equity holders of the Group</td>
<td>92,191</td>
<td>59,798</td>
<td>36,572</td>
<td>19,467</td>
</tr>
<tr>
<td>Basic and diluted earnings per share (AED)</td>
<td>0.154</td>
<td>0.100</td>
<td>0.061</td>
<td>0.032</td>
</tr>
</tbody>
</table>

The notes on pages 7 to 17 form an integral part of these condensed consolidated interim financial information.
Agthia Group PJSC

Condensed consolidated interim statement of comprehensive income (unaudited)

<table>
<thead>
<tr>
<th></th>
<th>Nine months Ended 30 September 2012 AED'000</th>
<th>Nine months ended 30 September 2011 AED'000</th>
<th>Three months Ended 30 September 2012 AED'000</th>
<th>Three months ended 30 September 2011 AED'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit for the period attributable to equity holders of the group</td>
<td>92,191</td>
<td>59,798</td>
<td>36,572</td>
<td>19,467</td>
</tr>
<tr>
<td>Foreign currency translation difference on foreign operations</td>
<td>224</td>
<td>869</td>
<td>(146)</td>
<td>893</td>
</tr>
<tr>
<td>Board of directors’ remuneration and committee members fees</td>
<td>(950)</td>
<td>(1,025)</td>
<td>(350)</td>
<td>(375)</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td>(726)</td>
<td>(156)</td>
<td>(496)</td>
<td>518</td>
</tr>
<tr>
<td>Total comprehensive income for the period attributable to equity holders of the group</td>
<td>91,465</td>
<td>59,642</td>
<td>36,076</td>
<td>19,985</td>
</tr>
</tbody>
</table>

The notes on pages 7 to 17 form an integral part of these condensed consolidated interim financial information.
### Agthia Group PJSC

**Condensed consolidated interim statement of financial position**

<table>
<thead>
<tr>
<th>Note</th>
<th>Non-current assets</th>
<th>30 September 2012 (Unaudited) AED’000</th>
<th>31 December 2011 (Audited) AED’000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Property, plant and equipment</td>
<td>624,221</td>
<td>598,137</td>
</tr>
<tr>
<td>8</td>
<td>Advances for property, plant and equipment</td>
<td>1,379</td>
<td>2,164</td>
</tr>
<tr>
<td>9</td>
<td>Goodwill</td>
<td>105,117</td>
<td>92,986</td>
</tr>
<tr>
<td></td>
<td><strong>Total non-current assets</strong></td>
<td>730,717</td>
<td>693,287</td>
</tr>
<tr>
<td></td>
<td>Current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Inventories</td>
<td>309,385</td>
<td>253,893</td>
</tr>
<tr>
<td>11</td>
<td>Trade and other receivables</td>
<td>174,906</td>
<td>141,883</td>
</tr>
<tr>
<td>12</td>
<td>Government grant receivable</td>
<td>77,769</td>
<td>74,110</td>
</tr>
<tr>
<td>13</td>
<td>Available-for-sale financial assets</td>
<td>10,000</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Cash and bank balances</td>
<td>518,169</td>
<td>268,657</td>
</tr>
<tr>
<td></td>
<td><strong>Total current assets</strong></td>
<td>1,090,229</td>
<td>738,543</td>
</tr>
<tr>
<td></td>
<td>Current liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Bank overdraft</td>
<td>69</td>
<td>-</td>
</tr>
<tr>
<td>14</td>
<td>Bank loans <em>(current portion)</em></td>
<td>263,715</td>
<td>214,733</td>
</tr>
<tr>
<td>16</td>
<td>Trade and other payables</td>
<td>269,455</td>
<td>149,672</td>
</tr>
<tr>
<td></td>
<td>Amount due to a related party</td>
<td>162</td>
<td>1,839</td>
</tr>
<tr>
<td></td>
<td><strong>Total current liabilities</strong></td>
<td>533,401</td>
<td>366,244</td>
</tr>
<tr>
<td></td>
<td>Net current assets</td>
<td>556,828</td>
<td>372,299</td>
</tr>
<tr>
<td></td>
<td>Non current liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Provision for end of service benefits</td>
<td>24,510</td>
<td>20,521</td>
</tr>
<tr>
<td>14</td>
<td>Bank loans <em>(non-current portion)</em></td>
<td>165,250</td>
<td>8,500</td>
</tr>
<tr>
<td></td>
<td>Long term liabilities</td>
<td>853</td>
<td>1,098</td>
</tr>
<tr>
<td></td>
<td><strong>Total non-current liabilities</strong></td>
<td>190,613</td>
<td>30,119</td>
</tr>
<tr>
<td></td>
<td>Net assets</td>
<td>1,096,932</td>
<td>1,035,467</td>
</tr>
</tbody>
</table>

#### Equity

| Capital            | 600,000 | 600,000 |
| Legal reserve      | 50,477  | 50,477  |
| Retained earnings  | 450,040 | 388,799 |
| Translation reserve| (3,585) | (3,809) |

**Total equity**

| 1,096,932 | 1,035,467 |

The condensed consolidated interim financial information were approved and authorized by the Board of Directors on 31 December 2012.

Chairman  
Chief Executive Officer  
Chief Financial Officer

The notes on pages 7 to 17 form an integral part of these condensed consolidated interim financial information.
Agthia Group PJSC

Condensed consolidated interim statement of changes in equity (unaudited)

For the nine months ended 30 September

<table>
<thead>
<tr>
<th></th>
<th>Share capital AED'000</th>
<th>Legal reserve AED'000</th>
<th>Translation reserve AED'000</th>
<th>Retained earnings AED'000</th>
<th>Total AED'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1 January 2011</td>
<td>600,000</td>
<td>41,845</td>
<td>(30)</td>
<td>342,408</td>
<td>984,223</td>
</tr>
</tbody>
</table>

*Total comprehensive income for the period*

- Profit for the period
- Other comprehensive income
  - Foreign currency translation difference on foreign operations
  - Board of directors' remuneration and committee members fee
  - Transaction with shareholder
  - Dividend declared

Total comprehensive income:

- 869
- 28,773
- 29,642

Balance at 30 September 2011

<table>
<thead>
<tr>
<th></th>
<th>Share capital AED'000</th>
<th>Legal reserve AED'000</th>
<th>Translation reserve AED'000</th>
<th>Retained earnings AED'000</th>
<th>Total AED'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 30 September 2011</td>
<td>600,000</td>
<td>41,845</td>
<td>839</td>
<td>371,181</td>
<td>1,013,865</td>
</tr>
</tbody>
</table>

Balance at 1 January 2012

<table>
<thead>
<tr>
<th></th>
<th>Share capital AED'000</th>
<th>Legal reserve AED'000</th>
<th>Translation reserve AED'000</th>
<th>Retained earnings AED'000</th>
<th>Total AED'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1 January 2012</td>
<td>600,000</td>
<td>50,477</td>
<td>(3,809)</td>
<td>388,799</td>
<td>1,035,467</td>
</tr>
</tbody>
</table>

*Total comprehensive income for the period*

- Profit for the period
- Other comprehensive income
  - Foreign currency translation difference on foreign operations
  - Board of directors' remuneration and committee members fee
  - Transaction with shareholder
  - Dividend declared

Total comprehensive income:

- 224
- 61,241
- 61,465

Balance at 30 September 2012

<table>
<thead>
<tr>
<th></th>
<th>Share capital AED'000</th>
<th>Legal reserve AED'000</th>
<th>Translation reserve AED'000</th>
<th>Retained earnings AED'000</th>
<th>Total AED'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 30 September 2012</td>
<td>600,000</td>
<td>50,477</td>
<td>(3,585)</td>
<td>450,040</td>
<td>1,096,932</td>
</tr>
</tbody>
</table>

The notes on pages 7 to 17 form an integral part of these condensed consolidated interim financial information.
Agthia Group PJSC

Condensed consolidated interim statement of cash flows (unaudited)

For the nine months ended

<table>
<thead>
<tr>
<th>Note</th>
<th>30 September 2012 AED’000</th>
<th>30 September 2011 AED’000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit for the period</td>
<td>92,191</td>
<td>59,798</td>
</tr>
<tr>
<td><strong>Adjustments for:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>40,590</td>
<td>33,135</td>
</tr>
<tr>
<td>Finance income</td>
<td>(10,792)</td>
<td>(4,868)</td>
</tr>
<tr>
<td>Finance expense</td>
<td>7,075</td>
<td>5,228</td>
</tr>
<tr>
<td>Gain on disposal of property, plant and equipment</td>
<td>8</td>
<td>(57)</td>
</tr>
<tr>
<td>Provision for employees’ end of service benefits</td>
<td>5,323</td>
<td>4,134</td>
</tr>
<tr>
<td>Provisions on inventories and receivables</td>
<td>5,187</td>
<td>(3,453)</td>
</tr>
<tr>
<td><strong>Operating cash flows before payment of employees’ end of service benefits, changes in working capital</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in inventories</td>
<td>(61,500)</td>
<td>(89,608)</td>
</tr>
<tr>
<td>Change in trade and other receivables- net</td>
<td>(29,580)</td>
<td>(16,266)</td>
</tr>
<tr>
<td>Change in government grant receivable</td>
<td>(3,659)</td>
<td>(19,127)</td>
</tr>
<tr>
<td>Change in trade and other payables</td>
<td>114,655</td>
<td>(24,629)</td>
</tr>
<tr>
<td>Change in due to a related party</td>
<td>(1,677)</td>
<td>1,515</td>
</tr>
<tr>
<td>Payment of employees’ end of service benefits</td>
<td>(1,334)</td>
<td>(1,119)</td>
</tr>
<tr>
<td>Change in long term liabilities</td>
<td>(245)</td>
<td>80</td>
</tr>
<tr>
<td><strong>Net cash generated from/ (used in) operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>156,177</td>
<td>(55,240)</td>
</tr>
<tr>
<td><strong>Cash flows from investing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advances/ acquisition of property, plant and equipment</td>
<td>8</td>
<td>(55,980)</td>
</tr>
<tr>
<td>Proceeds from disposal of property, plant and equipment</td>
<td></td>
<td>903</td>
</tr>
<tr>
<td>Investment in subsidiary</td>
<td>9</td>
<td>(23,253)</td>
</tr>
<tr>
<td>Finance income received</td>
<td></td>
<td>8,170</td>
</tr>
<tr>
<td><strong>Net cash used in investing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(70,160)</td>
<td>(108,212)</td>
</tr>
<tr>
<td><strong>Cash flows from financing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank loans - net</td>
<td></td>
<td>205,732</td>
</tr>
<tr>
<td>Purchase of available-for-sale financial assets</td>
<td></td>
<td>(10,000)</td>
</tr>
<tr>
<td>Finance expense paid</td>
<td></td>
<td>(6,254)</td>
</tr>
<tr>
<td>Dividends paid</td>
<td>18</td>
<td>(30,000)</td>
</tr>
<tr>
<td><strong>Net cash flows from financing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>159,478</td>
<td>51,727</td>
</tr>
<tr>
<td><strong>Increase/ (decrease) in cash and cash equivalents</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>245,495</td>
<td>(111,725)</td>
</tr>
<tr>
<td>Cash and cash equivalents as at 1 January</td>
<td></td>
<td>259,726</td>
</tr>
<tr>
<td>Cash and cash equivalents as at 30 September</td>
<td>13</td>
<td>505,221</td>
</tr>
</tbody>
</table>

The notes on pages 7 to 17 form an integral part of these condensed consolidated interim financial information.

(6)
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 PJSC (“Holding”) 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 ended 30 September 2012 comprise the Company and its below mentioned subsidiaries (together referred to as the “Group”).

<table>
<thead>
<tr>
<th>Subsidiary</th>
<th>Country of Incorporation and operation</th>
<th>Share of equity (%)</th>
<th>Principal Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grand Mills Company PJSC</td>
<td>UAE</td>
<td>100</td>
<td>Production and sale of flour and animal feed</td>
</tr>
<tr>
<td>(formerly Grand Mills for Flour and Feed Company PJSC)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Al Ain Food and Beverages PJSC (AAFB-UAE)</td>
<td>UAE</td>
<td>100</td>
<td>Production, bottling and sale of bottled water, flavored water, juices, yogurt, tomato paste and frozen vegetables.</td>
</tr>
<tr>
<td>(formerly Al Ain Mineral Water Company PJSC)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Al Ain Vegetable Processing and Canning Factory</td>
<td>UAE</td>
<td>0</td>
<td>Processing and sale of tomato paste and frozen vegetables.</td>
</tr>
<tr>
<td>Al Ain Food and Beverages LLC (AAF&amp;B-Egypt)</td>
<td>Egypt</td>
<td>100</td>
<td>Processing and sale of tomato paste, chilli paste, fruit concentrate and frozen vegetables.</td>
</tr>
<tr>
<td>Agthia Grup Icecek ve Dagitim Sanayii ve Ticaret Limited Sirketi (Agthia Turkey) (formerly Pelit Su Turizm Petrol Gida Nakliye Pazarlama Ithalat Ihracat Ticaret Ve Sanayii Ltd, STI (Pelit Su)</td>
<td>Turkey</td>
<td>100</td>
<td>Production, bottling, sale of bottled water.</td>
</tr>
</tbody>
</table>

As of 1st July, 2011, the assets and liabilities of Al Ain Vegetable Processing and Canning Factory (AAV) were transferred to Al Ain Food and Beverages PJSC (AAFB-UAE) as per the approval of Board of Directors. The above restructuring has brought synergies in production process, supply chain and selling and distribution expenses.
Agthia Group PJSC

Notes to the condensed consolidated interim financial information (continued)

2 Statement of compliance

These condensed consolidated interim financial information have been prepared in accordance with International Financial Reporting Standard (IFRSs) IAS 34 Interim Financial Reporting. They do not include all of 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 2011.

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 2011.

These condensed consolidated 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 at subsidised prices in the Emirate of Abu Dhabi are recognised in the condensed consolidated interim statement of income, as a deduction from the cost of sales, on a systematic basis in the same period in which the sales transaction is affected.

Available for sale financial assets

Available for sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. Available-for-sale financial assets are generally classified as non-current assets unless expected to be realised within 12 months of the reporting date.

All purchases and sales of available-for-sale investments are recognised on the trade date, which is the date that the Group commits to purchase or sell the asset. Investments designated as available-for-sale are recorded at cost plus transaction costs.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the condensed consolidated interim statement of income.

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 2011.

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 2011.
Agthia Group PJSC

Notes to the condensed consolidated interim financial information (continued)

6 Government compensation

Cost of sales as stated in condensed consolidated statement of income is after the deduction of Abu Dhabi Government compensation amounting to AED 233 million (30 September 2011: AED 197 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 Abu Dhabi emirate.

7 Net other income

Net other income for the period includes an amount of AED 8,393 thousand received from the Holding company. This represents gain on the commodity derivative contracts signed by the Holding company with their counter party which expired before 30 September 2012. Other income also includes management fee of AED 4,553 thousand for managing stock of wheat for Abu Dhabi Government.

8 Property, plant and equipment

Acquisitions and disposals

During the nine months ended 30 September 2012, the Group acquired assets with a cost of AED 55,980 thousand (30 September 2011: AED 113,484 thousand)

Assets with a carrying amount of AED 846 thousand were disposed off during the nine months ended 30 September 2012 (30 September 2011: AED 253 thousand), resulting in a gain of AED 57 thousand (30 September 2011: gain of AED 60 thousand) which is included in net other income.

9 Business combination

For the purpose of impairment testing goodwill is allocated to two operating divisions within the group where goodwill is monitored for internal management purposes. During the nine months ended 30 September 2012 there was no impairment loss on goodwill (30 September 2011: Nil).

During the nine month ended 30 September 2012, goodwill amounting to AED 12,131 thousand was recorded upon acquisition of Agthia Turkey.

In December 2011, the company announced the acquisition of Agthia Grup Içecek ve Dagıtım Sanayi ve Ticaret Limited Sirketi (Agthia Turkey) the Turkey based natural spring water bottling plant with direct access to a natural spring water source. The company has taken over management control of the Turkish entity and has completed 100% equity acquisition in March 2012 for a value of AED 23,253 thousand. The Company plans to expand its regional distribution footprint in Turkey. This strategic venture will also facilitate the Company's entry into higher-margin premium 'natural spring' drinking water in the UAE and GCC. The acquisition resulted in the recognition of goodwill of AED 12,131 thousand and the assumption of the assets and liabilities of the acquiree. The fair value for the acquisition is determined based on purchase price allocation exercise carried out by the external consultants.
Agthia Group PJSC

Notes to the condensed consolidated interim financial information (continued)

9 Business combination (continued)

<table>
<thead>
<tr>
<th>Net assets acquired</th>
<th>Fair value AED'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Machinery and equipment</td>
<td>4,131</td>
</tr>
<tr>
<td>Building</td>
<td>2,161</td>
</tr>
<tr>
<td>Land</td>
<td>4,086</td>
</tr>
<tr>
<td>Spring water source</td>
<td>679</td>
</tr>
<tr>
<td>Others</td>
<td>180</td>
</tr>
<tr>
<td>Inventories</td>
<td>196</td>
</tr>
<tr>
<td>Other current assets</td>
<td>432</td>
</tr>
<tr>
<td>Deferred tax liabilities</td>
<td>(403)</td>
</tr>
<tr>
<td>Other current liabilities</td>
<td>(106)</td>
</tr>
<tr>
<td>Provision for taxation</td>
<td>(234)</td>
</tr>
</tbody>
</table>

Net identifiable assets acquired: 11,122

Share of net identifiable assets acquired (100%): 11,122

Goodwill: 12,131

Total consideration (satisfied by cash): 23,253

Net cash inflow arising on acquisition:
Cash and cash equivalents acquired: Nil

Agthia Turkey contributed AED 6,893 thousand of revenue and incurred a loss of AED 473 thousand for the period between the date of acquisition by the Group and the end of September 2012.

Fair value of spring water source above amounting to AED 679 thousand is provisional pending receipt of the final valuation.

Acquisition-related costs incurred amounted to AED 1,035 thousand and have been charged to cost of sales by AED 14 thousand and general and administrative expenses by AED 1,021 thousand in the condensed consolidated interim statement of income for the period ended 30 September 2012.

10 Inventories

During the nine months ended 30 September 2012, the Group recorded a provision for slow moving, non-moving and obsolete inventory of AED 7,466 (30 September 2011: AED Nil). The charge is included in cost of sales.

Furthermore, the Group has written back a previous provision for slow moving, non-moving and obsolete inventory of AED 1,458 thousand (30 September 2011: AED 2,743 thousand).
Notes to the condensed consolidated interim financial information (continued)

11 Trade and other receivables

<table>
<thead>
<tr>
<th></th>
<th>30 September 2012</th>
<th>31 December 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>AED’000</td>
<td>AED’000</td>
</tr>
<tr>
<td>Trade receivable- net</td>
<td>137,806</td>
<td>109,813</td>
</tr>
<tr>
<td>Prepayments</td>
<td>24,987</td>
<td>21,635</td>
</tr>
<tr>
<td>Other receivable</td>
<td>12,113</td>
<td>10,435</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>174,906</strong></td>
<td><strong>141,883</strong></td>
</tr>
</tbody>
</table>

12 Available-for-sale financial assets

During the nine months ended 30 September 2012, the Group purchased available for sale financial assets namely Sukuk which are expected to be realised within 12 months.

<table>
<thead>
<tr>
<th></th>
<th>30 September 2012</th>
<th>31 December 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>AED’000</td>
<td>AED’000</td>
</tr>
<tr>
<td>Investments in Sukuk certificates</td>
<td>10,000</td>
<td>-</td>
</tr>
</tbody>
</table>

The change in fair value of the above available-for-sale financial assets from the date of acquisition is insignificant.

13 Cash and bank balances

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

<table>
<thead>
<tr>
<th></th>
<th>30 September 2012</th>
<th>30 September 2011</th>
<th>31 December 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>AED’000</td>
<td>AED’000</td>
<td>AED’000</td>
</tr>
<tr>
<td>Cash in hand</td>
<td>975</td>
<td>1,481</td>
<td>680</td>
</tr>
<tr>
<td>Cash at banks:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current and savings account</td>
<td>99,743</td>
<td>26,350</td>
<td>47,934</td>
</tr>
<tr>
<td>Fixed deposits</td>
<td>417,451</td>
<td>130,000</td>
<td>220,043</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>518,169</strong></td>
<td><strong>157,831</strong></td>
<td><strong>268,657</strong></td>
</tr>
<tr>
<td>Bank overdraft</td>
<td>(69)</td>
<td>(1,466)</td>
<td>-</td>
</tr>
<tr>
<td>Escrow account (for dividend distribution 2009, 2010 &amp; 2011)</td>
<td>(12,879)</td>
<td>(9,124)</td>
<td>(8,931)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>505,221</strong></td>
<td><strong>147,241</strong></td>
<td><strong>259,726</strong></td>
</tr>
</tbody>
</table>

Fixed deposits above are for period not more than one year (2011: up to 3 months) carrying interest rates varying from 2.50%-6.25% (2011: 3.25%-4.00%).

Escrow represents amount set aside for payment of dividend. Equivalent amount has been recorded as liability in trade and other payables. This restricted cash balance has not been included in the cash and cash equivalents for the purpose of the statement of cash flows.
Agthia Group PJSC

Notes to the condensed consolidated interim financial information (continued)

14 Bank loans

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

Current liabilities

<table>
<thead>
<tr>
<th></th>
<th>30 September 2012</th>
<th>31 December 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>AED'000</td>
<td>AED'000</td>
</tr>
<tr>
<td>Short term loan</td>
<td>50,000</td>
<td>81,198</td>
</tr>
<tr>
<td>Working capital loan</td>
<td>185,661</td>
<td>128,491</td>
</tr>
<tr>
<td>Term loan</td>
<td>28,054</td>
<td>5,044</td>
</tr>
</tbody>
</table>

|                        | 263,715           | 214,733          |

Non-current liabilities

|                        | 165,250           | 8,500            |

Terms and repayment schedule

*Amounts in AED'000

<table>
<thead>
<tr>
<th>Currency</th>
<th>Interest rate</th>
<th>Year of maturity</th>
<th>30 September 2012</th>
<th>31 December 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Face value/ limit</td>
<td>Carrying amount</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Short term loan**</td>
<td>USD/ AED LIBOR / ADIBOR + margin*</td>
<td>2012</td>
<td>91,838</td>
<td>50,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>93,218</td>
</tr>
<tr>
<td>Credit facility</td>
<td>USD/ AED EGP LIBOR / EIBOR + margin/mid corridor rate</td>
<td>2012</td>
<td>416,371</td>
<td>185,661</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>309,701</td>
</tr>
<tr>
<td>Credit facility (Capex)</td>
<td>USD/ AED EGP LIBOR / EIBOR + margin*</td>
<td>2012</td>
<td>70,000</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>70,000</td>
</tr>
<tr>
<td>Term loan</td>
<td>USD/ EURO EURIBOR + margin*</td>
<td>2014/2015</td>
<td>208,797</td>
<td>193,304</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>27,339</td>
</tr>
</tbody>
</table>

Total

|                  | 787,006          | 428,965          |
|                  | 500,258          | 223,233          |

* Margin on the above loans and facilities varies from 1.00% - 1.50%. (2011: 1.10% - 1.45%).

**The loan is secured by a floating charge over the current assets of the Group on a pari passu basis with the other banks in terms of the securities.
Aghia Group PJSC

Notes to the condensed consolidated interim financial information (continued)

15 Segment reporting

Information about reportable segment for the nine months ended 30 September

Due to reorganization the Group has reclassified its reporting segment effective 1 July, 2011. 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 segment:

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

Information regarding the results of each reportable segment is included below. 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)

15 **Segment reporting** (continued)

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

<table>
<thead>
<tr>
<th></th>
<th>Agri Business Division (ABD)</th>
<th>Consumer Business Division (CBD)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Flour and Animal Feed</td>
<td>Bottled Water and Beverages</td>
</tr>
<tr>
<td></td>
<td>30 September 2012</td>
<td>30 September 2011</td>
</tr>
<tr>
<td></td>
<td>AED'000</td>
<td>AED'000</td>
</tr>
<tr>
<td>External revenues</td>
<td>637,863</td>
<td>563,207</td>
</tr>
<tr>
<td>Inter segment revenue</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Gross profit</td>
<td>131,220</td>
<td>84,260</td>
</tr>
<tr>
<td></td>
<td>118,143</td>
<td>86,841</td>
</tr>
<tr>
<td></td>
<td>(4,143)</td>
<td>2,440</td>
</tr>
<tr>
<td>Reportable segment profit/loss after tax</td>
<td>99,779</td>
<td>47,608</td>
</tr>
</tbody>
</table>

|                             | 30 September 2012            | 30 September 2011               |
|                             | AED'000                      | AED'000                        |
|                             | 297,100                      | 235,787                        |
|                             | 47,953                       | 42,295                         |
|                             | 345,053                      | 278,082                        |
|                             | 982,916                      | 841,289                        |
|                             | 114,000                      | 89,281                         |
|                             | 245,220                      | 173,541                        |
|                             | 126,374                      | 88,060                         |
Notes to the condensed consolidated interim financial information (continued)

15 Segment reporting (continued)

Gross profit for the nine months ended

<table>
<thead>
<tr>
<th></th>
<th>30 September 2012 AED'000</th>
<th>30 September 2011 AED'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total gross profit for reportable segments</td>
<td>245,220</td>
<td>173,541</td>
</tr>
<tr>
<td>Unallocated amounts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>(7,099)</td>
<td>(3,614)</td>
</tr>
<tr>
<td>Consolidated gross profit for the period</td>
<td>238,121</td>
<td>169,927</td>
</tr>
</tbody>
</table>

Profit for the nine months ended

<table>
<thead>
<tr>
<th></th>
<th>30 September 2012 AED'000</th>
<th>30 September 2011 AED'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total profit for reportable segments</td>
<td>126,374</td>
<td>88,060</td>
</tr>
<tr>
<td>Unallocated amounts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>(39,044)</td>
<td>(29,455)</td>
</tr>
<tr>
<td>Net finance income</td>
<td>4,861</td>
<td>1,193</td>
</tr>
<tr>
<td>Consolidated profit for the period</td>
<td>92,191</td>
<td>59,798</td>
</tr>
</tbody>
</table>

Reconciliations of reportable segments’ profit or loss

Reportable segment assets are as follows:

<table>
<thead>
<tr>
<th></th>
<th>30 September 2012 AED'000</th>
<th>31 December 2011 AED'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agri Business Division</td>
<td>607,423</td>
<td>566,899</td>
</tr>
<tr>
<td>Consumer Business Division</td>
<td>540,124</td>
<td>470,324</td>
</tr>
<tr>
<td>Total assets for reportable segment</td>
<td>1,147,547</td>
<td>1,037,223</td>
</tr>
<tr>
<td>Other unallocated amounts</td>
<td>673,399</td>
<td>394,607</td>
</tr>
<tr>
<td>Consolidated total assets</td>
<td>1,820,946</td>
<td>1,431,830</td>
</tr>
</tbody>
</table>
Agthia Group PJSC

Notes to the condensed consolidated interim financial information (continued)

16 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:

<table>
<thead>
<tr>
<th></th>
<th>30 September 2012</th>
<th>30 September 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>AED’000</td>
<td>AED’000</td>
</tr>
<tr>
<td>Short term employment benefits</td>
<td>14,054</td>
<td>9,386</td>
</tr>
<tr>
<td>Post-employment benefits</td>
<td>3,572</td>
<td>3,408</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>17,626</td>
<td>12,794</td>
</tr>
</tbody>
</table>

b) Due to/ from and transactions with a related party

<table>
<thead>
<tr>
<th></th>
<th>30 September 2012</th>
<th>31 December 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>AED’000</td>
<td>AED’000</td>
</tr>
<tr>
<td>General Holding Corporation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening balance 1 January</td>
<td>1,839</td>
<td>306</td>
</tr>
<tr>
<td>Directors’ fees charged</td>
<td>1,400</td>
<td>1,400</td>
</tr>
<tr>
<td>Purchase of foreign currency</td>
<td>218,220</td>
<td>-</td>
</tr>
<tr>
<td>Payment for foreign currency</td>
<td>(218,220)</td>
<td>-</td>
</tr>
<tr>
<td>Profit receivable on hedging</td>
<td>8,393</td>
<td>-</td>
</tr>
<tr>
<td>Profit received on hedging</td>
<td>(8,393)</td>
<td>-</td>
</tr>
<tr>
<td>Others / payments</td>
<td>(3,077)</td>
<td>133</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Closing balance</td>
<td>162</td>
<td>1,839</td>
</tr>
</tbody>
</table>

(16)
Agthia Group PJSC

Notes to the condensed consolidated interim financial information (continued)

17 Capital commitments and contingent liabilities

<table>
<thead>
<tr>
<th></th>
<th>30 September 2012 AED'000</th>
<th>31 December 2011 AED'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank guarantees and letters of credit</td>
<td>31,581</td>
<td>52,058</td>
</tr>
<tr>
<td>Capital commitments</td>
<td>101,071</td>
<td>94,055</td>
</tr>
</tbody>
</table>

18 Dividends

Cash dividend of 5% of the issued share capital, related to 2011 was approved by the shareholders in the Annual General Meeting held on 26 April 2012 (2011: 5% of the issued share capital).

19 Comparative figures

Certain comparative figures have been reclassified, wherever necessary, to conform to the presentation adopted in these condensed consolidated interim financial information.