

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2014

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2014

| | September 30, 2014 (Unaudited) QR '000 | December 31, 2013 (Audited) QR '000 |
|---|--|---|
| ASSETS | | |
| Current assets | | |
| Bank balances and cash | 128,654 | 156,750 |
| Accounts receivable and prepayments | 917,100 | 810,508 |
| Amounts due from related parties | 16,392 | 27,855 |
| Inventories | 2,455,891 | 2,501,899 |
| | <u>3,518,037</u> | <u>3,497,012</u> |
| Assets classified as held for sale | - | 52,436 |
| Total current assets | <u>3,518,037</u> | <u>3,549,448</u> |
| Non-current assets | | |
| Accounts receivable and prepayments | - | 13,121 |
| Amounts due from related parties | 24,326 | 76,448 |
| Available for sale investments | 42,947 | 42,957 |
| Investment in joint venture companies | 17,545 | 17,111 |
| Investment in associate companies | 1,193,890 | 1,250,270 |
| Goodwill and other intangible assets | 1,202,208 | 1,215,500 |
| Property, plant and equipment | 387,761 | 360,372 |
| Investment properties | 117,477 | 125,716 |
| Total non-current assets | <u>2,986,154</u> | <u>3,101,495</u> |
| TOTAL ASSETS | <u>6,504,191</u> | <u>6,650,943</u> |
| LIABILITIES AND EQUITY | | |
| Liabilities | | |
| Current liabilities | | |
| Bank overdrafts | 373,644 | 293,917 |
| Interest bearing loans and borrowings | 1,738,390 | 1,186,698 |
| Amounts due to related parties | 5,305 | 4,976 |
| Accounts payable and accruals | 1,429,396 | 1,923,951 |
| | <u>3,546,735</u> | <u>3,409,542</u> |
| Liabilities classified as held for sale | - | 21,072 |
| Total current liabilities | <u>3,546,735</u> | <u>3,430,614</u> |
| Non-current liabilities | | |
| Interest bearing loans and borrowings | 819,855 | 649,437 |
| Employees' end of service benefits | 96,114 | 86,354 |
| Accounts payable and accruals | 18,796 | 33,138 |
| Total non-current liabilities | <u>934,765</u> | <u>768,929</u> |
| Total liabilities | <u>4,481,500</u> | <u>4,199,543</u> |
| Equity | | |
| Share capital | 456,192 | 456,192 |
| Legal reserve | 1,083,456 | 1,083,456 |
| Revaluation reserve | 4,630 | 4,630 |
| Foreign currency translation reserve | (7,701) | (5,383) |
| Proposed dividend | - | 250,906 |
| Retained earnings | 1,069,542 | 691,714 |
| Acquisition reserve | (588,058) | (283,820) |
| Equity attributable to shareholders of the Company | <u>2,018,061</u> | <u>2,197,695</u> |
| Non-controlling interests | 4,630 | 253,705 |
| Total equity | <u>2,022,691</u> | <u>2,451,400</u> |
| TOTAL LIABILITIES AND EQUITY | <u>6,504,191</u> | <u>6,650,943</u> |

These interim condensed consolidated financial statements were approved by the Board of Directors and authorised for issue on October 15, 2014

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2014

| | September 30, 2014 (Unaudited) QR '000 | September 30, 2013 (Unaudited) QR '000 |
|---|--|--|
| Revenue | 4,147,698 | 4,104,369 |
| Direct costs | <u>(3,332,689)</u> | <u>(3,305,965)</u> |
| Gross Profit | 815,009 | 798,404 |
| Other income | 317,125 | 173,934 |
| Share of profit from associates and joint venture companies | 15,195 | 84,929 |
| General and administrative expenses | <u>(329,589)</u> | <u>(282,567)</u> |
| Selling and distribution expenses | <u>(286,134)</u> | <u>(259,511)</u> |
| Profit before interest, depreciation and amortisation | 531,606 | 515,189 |
| Finance costs | <u>(65,015)</u> | <u>(78,730)</u> |
| Depreciation and amortisation | <u>(65,512)</u> | <u>(56,320)</u> |
| Profit for the period before directors' remuneration | 401,079 | 380,139 |
| Board of directors' remuneration | <u>(23,200)</u> | <u>(16,200)</u> |
| Net profit for the period | 377,879 | 363,939 |
| Attributable to: | | |
| Shareholders of the Company | 377,828 | 290,234 |
| Non-controlling interests | <u>51</u> | <u>73,705</u> |
| | <u>377,879</u> | <u>363,939</u> |
| Earnings per share: | | |
| Basic and diluted earnings per share attributable to shareholders of the Company (QR) | <u>8.28</u> | <u>6.36</u> |

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2014

| | September 30, 2014 (Unaudited) QR '000 | September 30, 2013 (Unaudited) QR '000 |
|---|--|--|
| Net profit for the Period | 377,879 | 363,939 |
| Other comprehensive income/(loss) | | |
| Foreign currency translation adjustment | <u>(2,320)</u> | <u>(3,049)</u> |
| Other comprehensive income/(loss) for the period | (2,320) | (3,049) |
| Total comprehensive income for the Period | 375,559 | 360,890 |
| Attributable to: | | |
| Shareholders of the Company | 375,510 | 287,668 |
| Non-controlling interests | <u>49</u> | <u>73,222</u> |
| | <u>375,559</u> | <u>360,890</u> |

GROUP CHIEF EXECUTIVE OFFICER AND DIRECTOR'S REPORT

The Company is pleased to report a 30% growth in net profit for the period ended September 30, 2014.

Net profit was QR 377.8 million on a group turnover of QR 4.1 billion compared to QR 290.2 million for the same period in the previous year.

Earnings per share for the period increased to QR 8.28 from QR 6.36 in the corresponding period 2013.

Return on equity increased to 24.9% from 22% as compared to year ended December 31, 2013.

Alekh Grewal

Group Chief Executive Officer & Director