

EDITA FOOD INDUSTRIES S.A.E.

**LIMITED REVIEW REPORT AND
INTERIM SEPARATE FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED
30 JUNE 2015**

EDITA FOOD INDUSTRIES S.A.E.

**Interim separate financial statements
For the six months period ended 30 June 2015**

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Report on review of interim separate financial statements

To: The Board of Directors of Edita Food Industries Company (S.A.E.)

Introduction

We have reviewed the accompanying interim separate Balance sheet of Edita Food Industries Company (S.A.E.) (the company) as of 30 June 2015 and the related separate statements of income, comprehensive income, changes in equity and cash flows for the six months period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these interim separate financial statements in accordance with International Financial Reporting Standards. Our responsibility is to express a conclusion on these interim separate financial statements based on our limited review.

Scope of limited review

We conducted our limited review in accordance with Egyptian Standard on Review Engagements No. 2410, "Review of Interim Financial Statements Performed by the Independent Auditor of the Entity". A limited review of interim separate financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited review is substantially less in scope than an audit conducted in accordance with Egyptian 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 on these interim separate financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim separate financial statements are not prepared in all material respects, the financial position of the company as at 30 June 2015, and of its financial performance and its cash flows for the six months period then ended in accordance with International Financial Reporting Standards.



To: The Board of Directors of Edita Food Industries Company (S.A.E.) (Continued)
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Other significant matter

Without qualifying our conclusion, we draw attention to note (36) in the notes to the interim separate financial statements, the company has not issued audited financial statements in accordance with Egyptian Standards on Auditing or conducted a limited review in accordance with Egyptian Standard on review engagement No.2410 "Review Of Interim Financial Statements performed by an independent Auditor of the Entity" for the six months period ended 30 June 2014 and accordingly the comparative figures for each of the separate statements of income, comprehensive income, changes in equity and cash flows for the period from 1 January 2014 to 30 June 2014 are not audited or reviewed.

However, the comparative figures in the balance sheet represent the figures as of 31 December 2014 which were previously audited and issued an unqualified opinion dated 19 February 2015.

A handwritten signature in blue ink, appearing to read 'Ahmed Gamal El-Atrees', is written over a faint, illegible stamp.

Ahmed Gamal El-Atrees
R.A.A. 8784
E.F.S.A. 136
Mansour & Co. PricewaterhouseCoopers

13 August 2015
Cairo

EDITA FOOD INDUSTRIES SAE

Interim separate balance sheet - At 30 June 2015

(All amounts in Egyptian Pounds)

	Note	30 June 2015	31 December 2014
Assets			
Non-current assets			
Property, plant and equipment	5	964,125,646	849,701,616
Intangible Assets	6	162,597,332	68,618,658
Investments in subsidiaries	7	87,692,662	87,692,662
Total non-current assets		1,214,415,640	1,006,012,936
Current assets			
Inventories	8	121,021,177	96,358,297
Trade and other receivables	9	95,333,048	87,176,611
Treasury bills	10	85,398,253	86,093,095
Cash and cash equivalents (excluding bank overdrafts)	11	139,461,838	155,606,250
Total current assets		441,214,316	425,234,253
Total assets		1,655,629,956	1,431,247,189
Equity and liabilities			
Equity			
Share capital	12	72,536,290	72,536,290
Legal reserve	13	29,203,540	29,203,540
Retained earnings		747,301,488	655,844,850
Total equity		849,041,318	757,584,680
Liabilities			
Non-current liabilities			
Long-term loans	14	239,863,461	180,243,390
Long-term notes payable	15	9,449,762	8,884,102
Deferred income tax liabilities	16	74,706,720	61,780,522
Total non-current liabilities		324,019,943	250,908,014
Current liabilities			
Trade and other payables	17	194,465,971	179,215,216
Current income tax liabilities	18	20,377,428	69,739,367
Current portion of long-term liabilities	19	157,958,188	108,650,271
Bank overdraft	20	99,570,842	56,922,262
Provisions	21	10,196,266	8,227,379
Total current liabilities		482,568,695	422,754,495
Total liabilities		806,588,638	673,662,509
Total equity and liabilities		1,655,629,956	1,431,247,189

The accompanying notes on pages 8 - 42 form an integral part of these interim separate financial statements

The financial statements on pages 3 to 42 were authorised for issuance by the board of directors and were signed on its behalf


Mr Sherif Fathy
 Vice President - Finance


Eng Hani Berzi
 Chairman

Cairo, 12 August 2015
 Limited Review report attached w/

EDITA FOOD INDUSTRIES SAE

Interim separate statement of income - For the Period ended 30 June 2015

(All amounts in Egyptian Pounds)

	Note	Six months period ended on 30 June		three months period ended on 30 June	
		2015	Un reviewed 2014	2015	Un reviewed 2014
Revenue		879,630,507	769,500,413	428,577,648	381,443,241
Cost of sales		(616,385,516)	(544,929,046)	(302,735,104)	(266,364,779)
Gross profit		263,244,991	224,571,367	125,842,544	115,078,462
Distribution cost		(64,130,282)	(37,603,474)	(30,328,753)	(20,231,103)
Administrative expenses		(65,774,820)	(42,395,315)	(30,806,540)	(19,981,431)
Other income	22	2,728,289	9,978,851	1,490,182	7,991,642
Other gains / (losses) -net	23	3,298,212	(4,124,871)	(341,294)	(1,791,863)
Operating profit		139,366,390	150,426,558	65,856,139	81,065,707
Finance income	24	10,546,065	8,952,771	5,388,797	4,627,035
Finance cost	24	(11,791,437)	(11,343,431)	(8,262,047)	(5,404,352)
Dividends distribution from subsidiaries		-	44,497,646	-	-
Profit before income tax		138,121,018	192,533,544	62,982,889	80,288,390
Income tax expense	25	(46,664,380)	(48,166,982)	(19,196,060)	(28,099,929)
Net profit for the Period		91,456,638	144,366,562	43,786,829	52,188,461
Earnings per share (expressed in EGP per share):					
Basic earnings per share	26	0.252	0.398	0.121	0.144
Diluted earnings per share	26	0.252	0.398	0.121	0.144

The accompanying notes on pages 8 - 42 form an integral part of these interim separate financial statements

EDITA FOOD INDUSTRIES SAE

Interim separate statement of comprehensive income - For the Period ended 30 June 2015

(All amounts in Egyptian Pounds)

	30 June 2015	Un reviewed 30 June 2014
Profit for the period	91,456,638	144,366,562
Other comprehensive income for the Period, net of tax	-	-
Total comprehensive income for the Period	91,456,638	144,366,562

The accompanying notes on pages 8 - 42 form an integral part of these interim separate financial statements

EDITA FOOD INDUSTRIES SAE

Interim separate statement of changes in equity - For the Period ended 30 June 2015

(All amounts in Egyptian Pounds)

	Share capital	Legal reserve	Retained earnings	Total
Balance at 31 December 2013 and 1 January 2014	72,536,290	14,507,258	539,136,190	626,179,738
Profit for the Period	-	-	144,366,562	144,366,562
Other comprehensive income for the Period	-	-	-	-
Total comprehensive income for the Period	-	-	144,366,562	144,366,562
Dividends	-	-	(150,000,000)	(150,000,000)
Total contribution by and distribution to owner's of the Company recognized directly in equity	-	-	(150,000,000)	(150,000,000)
Balance at 30 June 2014 (Un reviewed)	72,536,290	14,507,258	533,502,752	620,546,300
Balance at 31 December 2014 and 1 January 2015	72,536,290	29,203,540	655,844,850	757,584,680
Profit for the Period	-	-	91,456,638	91,456,638
Total comprehensive income for the Period	-	-	91,456,638	91,456,638
Balance at 30 June 2015	72,536,290	29,203,540	747,301,488	849,041,318

The accompanying notes on pages 8 - 42 form an integral part of these interim separate financial statements

EDITA FOOD INDUSTRIES SAE

Interim separate statement of cash flows - For the period ended 30 June 2015

(All amounts in Egyptian Pounds)

	<u>Notes</u>	<u>30 June 2015</u>	<u>Un reviewed 30 June 2014</u>
Cash generated from operations	28	148,192,685	256,989,604
Interest paid		(11,225,777)	(10,479,431)
Income tax paid		(83,100,121)	(46,251,414)
Net cash inflows from operating activities		<u>53,866,787</u>	<u>200,258,759</u>
<u>Cash flows from investing activities</u>			
Purchase of property, plant and equipment	5	(140,524,366)	(32,170,934)
Purchase of Intangible assets		(94,292,984)	-
Proceeds from sale of property, plant and equipment		5,268,436	143,124
Interest received		10,546,065	8,952,771
Treasury bills		694,842	1,975,476
Net cash (outflows) investing activities		<u>(218,308,007)</u>	<u>(21,099,563)</u>
<u>Cash flows from financing activities</u>			
Sales tax on machinery		-	(25,296)
Dividends paid to Shareholders		-	(150,000,000)
Repayments of borrowings		(35,833,267)	(49,152,159)
Proceeds from borrowings		141,481,495	60,968,865
Net cash inflows / (outflows) financing activities		<u>105,648,228</u>	<u>(138,208,590)</u>
Net (decrease) / increase in cash and cash equivalents		(58,792,992)	40,950,606
Cash and cash equivalents at beginning of the Period		<u>98,683,988</u>	<u>91,616,347</u>
Cash and cash equivalents at end of the Period	11	<u><u>39,890,996</u></u>	<u><u>132,566,953</u></u>

The accompanying notes on pages 8 - 42 form an integral part of these interim separate financial statements

** Non cash transaction amounted to LE 49,900,889 excluding from Trade and other payable and from Dividends payments as well

EDITA FOOD INDUSTRIES S.A.E.

Notes to the interim separate financial statements For the six months period ended 30 June 2015

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

1. General information

Edita Food Industries S.A.E. was established in 9 July 1996, under the investment Law No. 230 of 1989 and the capital market Law No. 95 of 1992 and is registered in the commercial register under number 692 Cairo.

The Company is located in Sheikh Zayed city- Central Pivot, Giza.

The company provides manufacturing, producing and packing of all food products and producing and packing of juices, jams, readymade food, cakes, pastry, milk products, meat, vegetables, fruits, chocolate, vegetarian products and other food products with all necessary ingredients.

The main shareholders are BERCO Limited which owns 41.815% of the company's share capital and Exoder participation, "Exoder Limited", domiciled in Cyprus which owns 12.975% of the company's share capital and Africa Samba Cooperative which owns 15% and other shareholder owing 30.210% of company's share capital.

These separate financial statements have been approved by the Board of Directors on 12 August 2015

2. Summary of significant accounting policies

A. Basis of preparation

These Separate financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations

These separate financial statements have been prepared under the historical cost convention.

The preparation of the separate financial statements in conformity with International Financial Reporting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the separate financial statements are disclosed in Note 4.

B. Foreign currency translation

(1) Functional and presentation currency

Items included in the separate financial statements of each of the company's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency') (Egyptian Pounds). The separate financial statements are presented in Egyptian Pounds which is the company's functional and presentation currency.

EDITA FOOD INDUSTRIES S.A.E.

Notes to the interim separate financial statements For the six months period ended 30 June 2015

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

Foreign currency translation (continued)

(2) Transaction and balances

"Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within 'finance income or costs'. All other foreign exchange gains and losses are presented in the income statement within 'other (losses)/gains – net'.

C. Property, plant and equipment

All property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

Buildings	25 periods
Machinery and equipment	20 periods
Vehicles	5 periods
Tools & equipment	5 periods
Furniture & office equipment	4 – 5 periods

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within 'Other (losses)/gains – net' in the income statement.

D. Investments in subsidiaries

Subsidiaries are all entities (including structured) over which the Company has control. The Company controls an entity when the company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the company. They are deconsolidated from the date that control ceases.

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Notes to the interim separate financial statements For the six months period ended 30 June 2015

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

E. Impairment of non-financial assets

Assets that have an indefinite useful life or intangible assets not ready to use – are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

F. Financial assets

(i) Classification

The company classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(1) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Assets in this category are classified as current assets if expected to be settled within 12 months, otherwise they are classified as non-current.

(2) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Company's loans and receivables comprise 'trade and other receivables' and 'cash and cash equivalents' and 'treasury bills' in the balance sheet (Notes 10 and 11).

(ii) Recognition and measurement

Regular purchases and sales of financial assets are recognized on the trade-date – the date on which the company commits to purchase or sell the asset. Investments are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership. Financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortized cost using the effective interest method.

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Notes to the interim separate financial statements For the six months period ended 30 June 2015

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

Financial assets (continued)

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within 'other (losses)/gains – net' in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognized in the income statement as part of other income when the company's right to receive payments is established.

G. Intangible assets

Intangible assets (Trademarks) have infinite useful lives and are carried at cost less impairment losses. Historical cost includes all expenses associated with the acquisition of an intangible asset, whereas intangible assets (know how) have finite useful life and is carried at cost less accumulated amortization.

Amortization of intangible assets which have finite useful lives is calculated using the straight line method, know how is amortized over 25 years.

H. Impairment of financial assets

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the income statement. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the reversal of the previously recognized impairment loss is recognized in the consolidated income statement.

EDITA FOOD INDUSTRIES S.A.E.

Notes to the interim separate financial statements For the six months period ended 30 June 2015

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

I. Inventories

Inventory is stated at the lower of cost or net realisable value. Cost is determined using the moving average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity) but excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses. And the provision for obsolete inventory is created in accordance to the management's assessment.

J. Trade receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one period or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

K. Cash and cash equivalents

In the separate statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the separate balance sheet, bank overdrafts are shown within current liabilities.

L. Share capital

Ordinary shares are classified as equity. Mandatorily redeemable preference shares are classified as liabilities.

Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds

Where any company purchases the company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the company's equity holders until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, and is included in equity attributable to the company's equity holders

M. Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one period or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

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Notes to the interim separate financial statements For the six months period ended 30 June 2015

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

N. Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred.

Borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

O. Borrowings cost

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

P. Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the country which the company operates and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the separate financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the company and it is probable that the temporary difference will not reverse in the foreseeable future.

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Notes to the interim separate financial statements For the six months period ended 30 June 2015

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

Current and deferred income tax (continued)

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Q. Employee benefits

(1) Pension obligations

The company has defined contribution plans. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. The company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

(2) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. All other short-term employee benefit obligations are presented as payables.

(3) Dividends distribution

The employees have the right of 10% of the declared cash dividends as profit sharing. Such profit sharing should not exceed the total annual payroll. In accordance with the rules applied by the board of directors and approved by the general assembly.

(4) Termination benefits

Termination benefits are payable when employment is terminated by the company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The company recognises termination benefits at the earlier of the following dates: (a) when the company can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer and in accordance with labour law. Falling due more than 12 months after the end of the reporting period are discounted to present value.

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Notes to the interim separate financial statements For the six months period ended 30 June 2015

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

R. Provisions

Provisions are recognized when: the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

S. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied, stated net of discounts, returns and value added taxes. The company recognizes revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Company's activities, as described below. The Company bases its estimate of return on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(a) Sales of goods – wholesale

Sales of goods are recognized when a Company has delivered products to the wholesaler, the wholesaler has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products. Delivery does not occur until the products have been shipped to the specified location, the risks of obsolescence and loss have been transferred to the wholesaler, and either the wholesaler has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed or the company has objective evidence that all criteria for acceptance have been satisfied.

(b) Interest income

Interest income is recognized using the effective interest method. When a receivable is impaired, the company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired receivables is recognized using the original effective interest rate.

(c) Dividend income

Dividend income is recognized when the right to receive payment is established.

(d) Governmental subsidy on export sales

Export incentive provided by government is recognized as a percentage from value of export sales, when the government can confirm that the export sales meet all required criteria. The Company is eligible for incentive and is recognized in the income statement as other income, after meeting all required criteria.

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Notes to the interim separate financial statements For the six months period ended 30 June 2015

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

T. Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

U. Dividends

Dividend distribution to the company's shareholders is recognized as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholders.

V. Legal reserve

In accordance with the Companies Law No. 159 period 1981 and the company's Articles of Association, 5% of annual net profit is transferred to the legal reserve. Upon the recommendation of the Board of Directors, the company may stop such transfers when the legal reserve reaches 20% of the issued capital. The reserve is not eligible for distribution to shareholders.

W. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The board has appointed a strategic steering committee which assesses the financial performance and position of the group, and makes strategic decisions. The steering committee, which has been identified as being the chief operating decision maker, consists of the chief executive officer, the chief financial officer and the manager for corporate planning.

X. Earnings per share

(1) Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weight average number of ordinary shares in issue during the period excluding ordinary shares purchase by the Company and held as treasury shares.

(2) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The company does not have any categories of dilutive potential ordinary shares, hence the diluted earnings per share is the same as the basic earnings per share.

Y. Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current period, we did not conduct limited review in accordance with Egyptian Standard on Review Engagements No. 2410 for the separate statements of income, changes in equity and cash flows for the six months period ended as of 30 June 2014.

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Notes to the interim separate financial statements For the six months period ended 30 June 2015

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

3. Financial risk management

(1) Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk and cash flow and fair value interest rate risk), credit risk and liquidity risk. The Company's management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the company's financial performance. The company does not use derivative financial instruments to hedge certain risk exposures.

A. Market risk

i. Foreign exchange risk

The company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar and the Euro. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations.

	Assets	Liabilities	30 June 2015 Net	31 December 2014
Euros	25,896,358	(101,143,389)	(75,247,031)	(108,114,285)
US Dollars	13,453,812	(33,488,543)	(20,034,731)	(16,829,452)

At 30 June 2015, if the EGP had weakened / strengthened by 10% against the US dollar with all other variables held constant, post-tax profit for the period would have been LE 2,003,473 (31 December 2014: LE 1,682,945) higher/ lower, mainly as a result of foreign exchange gains/losses on translation of US dollar-denominated assets and liabilities.

At 30 June 2015, if the Egyptian Pounds had weakened / strengthened by 10% against the Euro with all other variables held constant, post tax profit for the period would have been LE 7,524,703 (2014: LE 10,811,429) higher / lower, mainly as a result of foreign exchange gains/losses on translation of Euro-denominated financial assets and liabilities.

ii. Price risk

The company has no significant investment in a quoted equity securities so it's not exposed to the fair value risk due to changes in the prices.

iii. Cash flow and fair value interest rate risk

The Company's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk which is partially offset by cash held at variable rates. Borrowings issued at fixed rates expose the Company to fair value interest rate risk.

At 30 June 2015, if interest rates on Egyptian pound -denominated borrowings had been 0.1% higher/lower with all other variables held constant, post-tax profit for the period would have been LE 506,842 (31 December 2014: LE 465,712) lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings.

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Notes to the interim separate financial statements For the six months period ended 30 June 2015

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

Financial risk management (continued)

Borrowing at balance sheet date with variable interest rate amounted to LE 387,835,659 (31 December 2014: LE 278,907,671).

Overdraft at the balance sheet date as of 30 June 2015 amounted to LE 99,570,842 (31 December 2014: LE 56,922,262).

Financial assets exposed to the changes in the interest rate amounted to LE 121,860,840 (31 December 2014: LE 152,460,840).

	<u>30 June 2015</u>	<u>31 December 2014</u>
Time deposit – LE	121,860,840	152,460,840
	<u>121,860,840</u>	<u>152,460,840</u>

B. Credit risk

Credit risk arises from cash and cash equivalents, and deposits with banks and financial institutions, treasury bills, as well as credit exposures to wholesalers and retail customers, including outstanding accounts and notes receivables.

For banks and financial institutions, the company is dealing with the banks which have a high independent rating and banks and financial institutions with a good reputation.

For the wholesalers, the Credit Controllers assess the credit quality of the wholesale customer, taking into account its financial position, and their market reputation, past experience and other factors. Sales of the company are for a major customer (Digma Trading – company's subsidiary), which represent 93% of total company sales.

For Treasury bills, the Company deals with governments which are considered with a high credit rating (Egypt B-).

The maximum exposure to credit risk is the amount of receivables and the intercompany receivable, Treasury Bills as well as the cash and cash equivalents.

C. Liquidity risk

Company finance monitors rolling forecasts of the company's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants) on any of its borrowing facilities. Such forecasting takes into consideration the company debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets.

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Notes to the interim separate financial statements For the six months period ended 30 June 2015

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

Financial risk management (continued)

At 30 June 2015	Less than 6 month	Between 6 month & 1 year	Between 1 & 2 years	More than 2 years
Borrowings	68,295,778	79,676,420	63,943,895	175,919,566
Trade and other payables	124,203,586	-	-	-
Bank overdraft	99,570,842	-	-	-
Notes payable	70,262,385	9,985,990	9,449,762	-
Total	362,332,591	89,662,410	73,393,657	175,919,566
At 31 December 2014				
Borrowings	44,583,267	54,081,014	90,333,667	89,909,723
Trade and other payables	139,883,790	-	-	-
Bank overdraft	56,922,262	-	-	-
Notes payable	39,331,426	9,985,990	8,884,102	-
Total	280,720,745	64,067,004	99,217,769	89,909,723

(2) Capital management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net loan represents all loans and borrowings, and long-term notes payables less cash and cash equivalents. Total capital is calculated as equity, plus net debts.

The gearing ratio at 30 June 2015 and 31 December 2014 were as follows:

Description	30 June 2015	31 December 2014
Total borrowings and long term notes payable	407,271,411	297,777,763
Bank Overdraft	99,570,842	56,922,262
Total borrowings and loans	506,842,253	354,700,025
Less: Cash and cash equivalents	(139,461,838)	(155,606,250)
Net debt	367,380,415	199,093,775
Total equity	849,041,318	757,584,680
Total capital	1,216,421,733	956,678,455
Gearing ratio	30.20 %	20.81 %

The increase in debt to equity is due to increase in borrowings and long term notes payable and bank overdraft.

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Notes to the interim separate financial statements For the six months period ended 30 June 2015

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

Financial risk management (continued)

(3) Fair value estimation

The fair value of financial assets or liabilities with maturities date less than one period is assumed to approximate their carrying value. The fair value of financial liabilities – for disclosure purposes – is estimates by discounting the future contractual cash flows at the current market interest rate that is available to the company for similar financial instruments.

4. Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(1) Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are addressed below:

Intangible assets impairment (Trade Mark)

The Company's management annually test the impairment of intangible assets (Trade Mark), assets that have an indefinite useful life based on the financial and operational performance in previous periods and the management expectation for the market developments in the future by preparing a business plan by using the growth rate and the discount rate prevailing

(2) Critical judgments in applying the company's accounting policies

In general the application of the company's accounting policies does not require from management the use of personal judgment (except relating to critical accounting estimate and judgments "Note 4-1" which might have a major impact on the value recognized at the separate financial statement.

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Notes to the interim separate financial statements – For the six months period ended 30 June 2015

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

5. Property, plant and equipment

	Land	Buildings	Machinery & equipment	Vehicles	Tools & equipment	Furniture & office equipment	Projects under construction	Total
At 1 January 2014								
Cost	62,226,931	263,075,784	411,344,424	29,883,324	31,511,087	26,911,252	14,788,551	839,741,353
Accumulated depreciation	-	(20,741,664)	(105,242,314)	(21,376,153)	(17,422,267)	(11,273,626)	-	(176,056,024)
Net book value	62,226,931	242,334,120	306,102,110	8,507,171	14,088,820	15,637,626	14,788,551	663,685,329
Period ended 31 December 2014								
Opening net book value	62,226,931	242,334,120	306,102,110	8,507,171	14,088,820	15,637,626	14,788,551	663,685,329
Additions	-	2,833,108	11,715,343	3,602,050	6,324,333	7,940,087	199,411,364	231,826,285
Depreciation charge	-	(10,658,124)	(20,836,315)	(3,041,104)	(4,884,751)	(6,253,304)	-	(45,673,598)
Disposal Depreciation	-	-	83,870	1,335,201	110,497	141,427	-	1,670,995
Disposals	-	-	(94,828)	(1,437,849)	(115,041)	(159,677)	-	(1,807,395)
Transfers from Projects under construction	-	15,601,505	1,862,698	-	-	-	(17,464,203)	-
Balance at 31 December 2014	62,226,931	250,110,609	298,832,878	8,965,469	15,523,858	17,306,159	196,735,712	849,701,616
At 31 December 2014								
Cost	62,226,931	281,510,397	424,827,637	32,047,525	37,720,379	34,691,662	196,735,712	1,069,760,243
Accumulated depreciation	-	(31,399,788)	(125,994,759)	(23,082,056)	(22,196,521)	(17,385,503)	-	(220,058,627)
Net book value	62,226,931	250,110,609	298,832,878	8,965,469	15,523,858	17,306,159	196,735,712	849,701,616
Period ended 30 June 2015								
Opening net book value	62,226,931	250,110,609	298,832,878	8,965,469	15,523,858	17,306,159	196,735,712	849,701,616
Additions	44,487,197	-	5,988,843	2,682,820	2,736,950	904,462	83,724,094	140,524,366
Depreciation charge	-	(5,630,208)	(12,271,913)	(1,477,940)	(3,166,544)	(3,119,257)	-	(25,665,862)
Disposal Depreciation	-	-	45,736	13,605,607	100,443	48,495	-	13,800,281
Disposals	-	-	(47,518)	(14,037,397)	(101,345)	(48,495)	-	(14,234,755)
Transfers from Projects under construction	-	-	146,890,999	-	11,206,128	-	(158,097,127)	-
Balance at 30 June	106,714,128	244,480,401	439,439,025	9,738,559	26,299,490	15,091,364	122,362,679	964,125,646
At 30 June 2015								
Cost	106,714,128	281,510,397	577,659,961	20,692,948	51,562,112	35,547,629	122,362,679	1,196,049,854
Accumulated depreciation	-	(37,029,996)	(138,220,936)	(10,954,389)	(25,262,622)	(20,456,265)	-	(231,924,208)
Net book value	106,714,128	244,480,401	439,439,025	9,738,559	26,299,490	15,091,364	122,362,679	964,125,646

* The additions in land is represented in new purchased plot for the sake of building new factory in 6th of October city, and it is being approved from the new urban communities authority.

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(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

Property, plant and equipment (continued)

Depreciation expense of LE 18,933,360 (31 December 2014: LE 32,181,496) has been charged to cost of sales, LE 281,224 (31 December 2014: LE 787,964) in distribution costs and LE 6,451,281 (31 December 2014: LE 12,704,138) in administrative expenses.

During the period, the Company has capitalized borrowings costs amounting to LE 6,047,986 (31 December 2014: LE 6,423,328) on qualifying assets. Borrowings costs were capitalized at the weight average rate of its general borrowings of 10%.

	<u>30 June 2015</u>	<u>31 December 2014</u>
Classification of the Qualified Assets		
Buildings	3,519,913	2,895,203
Machinery	2,528,073	3,528,125
Total	<u>6,047,986</u>	<u>6,423,328</u>

6. Intangible assets

A. Intangible assets which have infinite useful lives - Trademarks (HOHOS, Twinkies & Tiger Tail)

<u>Cost</u>	<u>Trade Mark (HOHOS, Twinkies & Tiger Tail)</u>	
	<u>30 June 2015</u>	<u>31 December 2014</u>
Opening Balance	68,618,658	68,618,658
Additions during the period / year	62,861,989	-
Balance as of	<u>131,480,647</u>	<u>68,618,658</u>

The intangible assets in the amount of ten million US Dollars equivalent to LE 68,618,658 paid versus buying all the rights to the trademarks (HOHOS, Twinkies & Tiger Tail) and what the consequences of this acquisition of the trademark in the countries of Egypt, Jordan, Libya and Palestine these rights do not have a definite time, and on the 16th of April 2015 the Company had signed a new contract for the expanding the scope of the rights to the trademarks (Hohos, Twinkies, and Tiger Tail) to include Algeria, Bahrain, , Iraq, , Kuwait, , Lebanon, Morocco, Oman, , Qatar, Kingdom of Saudi Arabia, Syria, Tunisia, United Arab Emirates and this trademarks have infinite useful lives, and the this is against USD 8 Million equivalent to EGP 62,861,989.

The impairment of intangible assets is reviewed periodically to ensure from the carrying value of the intangible assets, so there is no impairment in the value.

Assumptions used by the Company when testing the impairment of intangible assets as of 31 December 2014 as follows:

Average gross profit	30 %
Discount rate	19 %
Growth rate	3 %

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(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

Intangible assets (continued)

The Company test the impairment of intangible assets depending on financial, operational, marketing position in the prior periods, and its expectation for the market in the future by preparing a business plan using the growth rate and the discount rate prevailing . At the balance sheet date the carrying value of the intangible assets is not less than its recoverable amount.

B. intangible assets which have finite useful lives – Know how

	<u>Cost</u>	<u>Know How</u>
		<u>30 June 2015</u>
Additions during the period		31,430,995
Balance as of		<u>31,430,995</u>
	<u>Accumulated Amortization</u>	<u>30 June 2015</u>
Amortization expense during the period		314,310
Balance as of		<u>314,310</u>
Net book value for know how		<u>31,116,685</u>
Net book value for intangible assets		<u>162,597,332</u>

On the 16th of April 2015 the Company had signed a “License and Technical Assistance Agreement” with the owner of the know how with purpose to acquire the license, knowhow and technical assistance for some Hostess Brands products in the countries Egypt, Libya, Palestine, Jordan, Algeria, Bahrain, Iraq, Jordan, Lebanon, Kuwait, Morocco, Oman, Qatar, Kingdom of Saudi Arabia, Syria, Tunisia, and the United Arab Emirates, and this is against an amount of USD 4 Million equivalent to EGP 31,430,995.

7. Investments in subsidiaries

Cost of investments	<u>Country of Incorporation</u>	<u>% Interest held</u>	<u>Balance</u>
Digma for Trading Company	Egypt	99.80%	44,939,638
Edita Confectionary Industries	Egypt	77.71%	42,739,000
Edita Participation Ltd	Cyprus	100%	14,024
Balance			<u>87,692,662</u>

Movement	<u>30 June 2015</u>				<u>31 December 2014</u>
	<u>Digma for Trading Company</u>	<u>Edita Confectionary Industries</u>	<u>Edita Participation Ltd.</u>	<u>Total</u>	
Balance at 1 January	44,939,638	42,739,000	14,024	87,692,662	59,692,662
Impairment reversal	-	-	-	-	28,000,000
Balance at period end	<u>44,939,638</u>	<u>42,739,000</u>	<u>14,024</u>	<u>87,692,662</u>	<u>87,692,662</u>

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(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

Investments in subsidiaries (continued)

Impairment in Investment in subsidiaries:

The events and circumstances that led to the recognition of the impairment loss is that the company was making gross loss for more than one period but the company's performance changed in December 2014 and met the budgeted figures and started making gross profit and in accordance with the business plan that the management made, we concluded that there is no impairment needed.

The impairment of investment in subsidiaries is reviewed periodically to ensure that the carrying amount of the investment in subsidiaries is not lower than the recoverable amount, so there is no impairment in the value.

Assumptions used by the Company when testing the impairment of Investments in 31 December 2014 as follows:

Average Gross profit	8.5%
Discount rate	18%
Growth rate	3%

The Company test the impairment of investment in subsidiaries depending on financial, operational, marketing position in the prior periods, and its expectation for the market in the future by preparing a business plan by using the growth rate and the discount rate prevailing . At the balance sheet date the carrying value of the investment in subsidiaries was not less than its recoverable amount.

8. Inventories

	<u>30 June 2015</u>	<u>31 December 2014</u>
Raw materials	93,168,169	71,500,701
Spare parts	22,603,726	21,157,452
Work in process	1,530,323	1,104,693
Consumables	1,823,711	1,571,974
Finished goods	2,140,248	1,268,477
Total	121,266,177	96,603,297
Less: provision for slow moving and obsolete inventory	(245,000)	(245,000)
Net	121,021,177	96,358,297

The cost of inventory recognized as an expense and included in cost of sales amounts to LE 481,858,981 (31 December 2014: LE 910,201,649).

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Notes to the interim separate financial statements For the six months period ended 30 June 2015

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

9. Trade and other receivables

	<u>30 June 2015</u>	<u>31 December 2014</u>
Due from related parties (Note 29)	37,819,516	39,061,691
Advances to suppliers	37,456,580	32,513,305
Trade receivables	3,444,640	3,869,700
Other debit balances	9,378,481	8,721,818
Prepaid expenses	5,195,894	1,930,743
Deposits with others	1,670,614	644,509
Employee loans	111,525	181,994
Accrued revenues	21,347	51,051
Letters of credit	234,451	201,800
Total	<u>95,333,048</u>	<u>87,176,611</u>

10. Treasury bills

	<u>30 June 2015</u>	<u>31 December 2014</u>
Treasury bills par value	86,925,000	86,325,000
Net accrued interest income	(1,526,747)	(231,905)
Treasury bills balance	<u>85,398,253</u>	<u>86,093,095</u>

The Company purchased Egyptian treasury bills on 26th of May 2015 with par value amounted LE 35,000,000 with an annual interest of 9.25%. These treasury bills are due in 25th of August 2015. The total recognized interest income amounted to LE 303,423.

Also, the Company purchased Egyptian treasury bills on 9th of June 2015 with par value amounted LE 20,000,000 with an annual interest of 9%. These treasury bills are due in 8th of September 2015. The total recognized interest income amounted to LE 101,308.

Also, the Company purchased Egyptian treasury bills on 9th of June 2015 with par value amounted LE 31,925,000 with an annual interest of 11.83%. These treasury bills are due in 8th of September 2015. The total recognized interest income amounted to LE 211,073.

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Notes to the interim separate financial statements For the six months period ended 30 June 2015

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

11. Cash and cash equivalents (excluding bank overdrafts)

	<u>30 June 2015</u>	<u>31 December 2014</u>
Bank deposits	121,860,840	152,460,840
Cash at banks	6,130,790	2,236,899
Cash on hand	11,470,208	908,511
Cash and Cash equivalents (excluding bank overdrafts)	<u>139,461,838</u>	<u>155,606,250</u>

The average interest rate on local currency time deposits during the period ended June 2015 is 7% (2014: 8.5%),

Time deposits are having maturity period of less than 3 months from date of the deposit.

For the preparation of the cash flow statements, so cash and cash equivalents consists of:

	<u>30 June 2015</u>	<u>31 December 2014</u>
Cash on hand and at banks	139,461,838	155,606,250
Bank overdraft (Note 20)	(99,570,842)	(56,922,262)
Total	<u>39,890,996</u>	<u>98,683,988</u>

12. Share capital

Authorized capital LE 360,000,000 (1,800,000,000 share, par value LE 0.2 per share).

The issued and paid up capital amounted by LE 72,536,290 presented in 362,681,450 share (par value LE 0.2 per share) distributed as follow:

	<u>No. of shares</u>	<u>Shares value</u>	<u>Percentage of ownership</u>
BERCO Ltd.	151,654,150	30,330,830	41.815%
EXODER Ltd.	101,458,950	20,291,790	27.975%
Africa Samba Corporative	108,804,450	21,760,890	30.000%
Others	763,900	152,780	0.210%
	<u>362,681,450</u>	<u>72,536,290</u>	<u>100%</u>

Edita Food Industries' shares started trading on April 2, 2015 on the Egyptian Stock Exchange (EFID.CA) and in GDRs on the London Stock Exchange (EFIDq.L) with strong trading reflecting the Company's robust performance. The secondary offering was of 30% of Edita's share capital with the offer being 85% directed to institutional buyers (both local shares and GDRs) and 15% of the offering directed to local retail investors. The institutional portion was 13.4x oversubscribed and the retail portion was 4.5x oversubscribed. At the start of trading, of the total 108,804,435 shares being offered 65,125,189 were allocated to the GDR program.

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Notes to the interim separate financial statements For the six months period ended 30 June 2015

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

Share capital (continued)

The new shareholders shares (issued and paid up capital amounted to LE 72,536,290) after trading are shown as follows:

<u>Shareholders</u>	<u>No. of shares</u>	<u>Shares value</u>	<u>Percentage of ownership</u>
BERCO Ltd.	151,654,150	30,330,830	41.815%
EXODER Ltd.	47,056,732	9,411,346	12.975%
Africa Samba Corporative	54,402,233	10,880,447	15.000%
Others (Public stocks)	109,568,335	21,913,667	30.210%
	362,681,450	72,536,290	100%

13. Legal reserve

In accordance with company Law No. 159 of 1981 and the company's Articles of Association, 5% of annual net profit is transferred to the legal reserve. Upon the recommendation of the Board of Directors, the company may stop such transfers when the legal reserve reaches 50% of the issued capital. The reserve is not eligible for distribution to shareholders.

14. Borrowings

	<u>30 June 2015</u>			<u>31 December 2014</u>		
	<u>Short-term portion</u>	<u>Long-term portion</u>	<u>Total</u>	<u>Short-term portion</u>	<u>Long-term portion</u>	<u>Total</u>
First loan	26,067,708	-	26,067,708	26,690,885	12,500,000	39,190,885
Second loan	24,834,992	-	24,834,992	25,495,312	11,666,667	37,161,979
Third loan	23,642,365	-	23,642,365	23,834,870	11,667,000	35,501,870
Fourth loan	20,444,013	51,942,338	72,386,351	19,170,795	28,719,881	47,890,676
Fifth loan	41,487,513	94,303,188	135,790,701	3,472,419	115,689,842	119,162,261
Sixth loan	11,438,125	81,000,000	92,438,125			
Seventh loan	57,482	12,617,935	12,675,417			
	147,972,198	239,863,461	387,835,659	98,664,281	180,243,390	278,907,671

The loans due according to the following schedule:

	<u>30 June 2015</u>	<u>31 December 2014</u>
	Balance due within 1 period	135,166,933
Accrued interest	12,805,265	9,497,748
Total	147,972,198	98,664,281

EDITA FOOD INDUSTRIES S.A.E.

Notes to the interim separate financial statements For the six months period ended 30 June 2015

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

Borrowings (continued)

- **First loan**

This first loan is provided by one of the Egyptian banks in August 2011 based on a cross guarantee issued from Digma Trading Company with an amount of LE 100,000,000 and the total withdrawal amount is LE 100,000,000 in addition to accrued interest. The loan outstanding balance at 30 June 2015 after payment of due installments amounted to 25,000,000 in addition accrued interests.

Terms of payments:

Edita Food Industries S.A.E. (borrower) is obligated to pay LE 25,000,000 on 2 equal semi-installments annual amounting to LE 12,500,000 each. The first installment is due on 1 August 2015 and the last on 1 February 2016 in addition to accrued interest.

Interest:

The interest rate is 1% above mid corridor rate of central bank of Egypt.

Fair value:

Fair value is approximately equal to book value.

- **Second loan:**

This second loan is provided by one of the Egyptian banks in August 2012 based on a cross guarantee issued from Digma Trading Company with an amount of LE 70,000,000 and the total withdrawal amount is LE 70,000,000 in addition to the accrued interest. The loan outstanding balance at 30 June 2015 after payment of accrued instalments is LE 23,333,333 in addition to the accrued interest.

Terms of payments:

Edita Food Industries S.A.E. (borrower) is obligated to pay LE 23,333,333 on 2 equal semi-annual instalments; each instalment is amounted to LE 11,666,667. The first installment is due on 6 Dec 2015 and the last on 6 June 2016.

Interest:

The interest rate is 1.5% above mid corridor rate of central bank of Egypt.

Fair value:

Fair value is approximately equal to book value.

- **Third loan:**

This third loan is provided by one of the Egyptian banks in May 2013 based on a cross guarantee issued from Digma Trading Company with an amount of LE 70,000,000 and the total withdrawal amount is LE 70,000,000 in addition to the accrued interest. The loan outstanding balance at 30 June 2015 after payment of due instalments is LE 23,333,600 in addition to the accrued interest.

EDITA FOOD INDUSTRIES S.A.E.

Notes to the interim separate financial statements For the six months period ended 30 June 2015

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

Borrowings (continued)

Terms of payments:

Edita Food Industries S.A.E. (borrower) is obligated to Pay LE 23,333,600 on 2 semi-instalments. First instalment amounted to LE 11,666,600 and last instalment amounted to LE 11,667,000. The first instalment is due on 18 Nov 2015 and the last on 18 May 2016.

Interest:

The interest rate is 2 % above mid corridor rate of central bank of Egypt.

Fair value:

Fair value is approximately equal to book value.

- **Fourth loan:**

This fourth loan is provided by one of the Egyptian banks in January 2014 based on a cross guarantee issued from Digma Trading Company with an amount of LE 70,000,000 and the total withdrawal amount is LE 69,442,338 on 30 June 2015 in addition to accrued interest.

Terms of payments:

Edita Food Industries S.A.E. (borrower) is obligated to Pay LE 70,000,000 on 8 equal semi-annual instalments; each instalment is amounted to LE 8,750,000. The first installment is due on 22 July 2015 and the last on 22 January 2019.

Interest:

The interest rate is 2 % above mid corridor rate of central bank of Egypt.

Fair value:

Fair value is approximately equal to book value.

- **Fifth loan:**

This fifth loan is provided by one of the Egyptian banks on June 2014 based on a cross guarantee issued from Digma Trading Company amounted to LE 185,000,000 and the total withdrawal amount is LE 46,919,282 plus 5,523,565 Euro on 30 June 2015 in addition to accrued interest. The bank committed to translate the foreign currency to Egyptian pound as the company is not obligated to pay the loan back in foreign currency.

Terms of payments:

Edita Food Industries S.A.E. is obligated to Pay LE 185,000,000 on 10 equal semi-annual installments; each installment is amounted to LE 18,500,000. The first installment is due on 26 December 2015 and the last on 26 June 2020. Total loan value and accrued interest to be paid to the bank in local currency without any obligation on the Company to pay foreign currency.

Interest:

The interest rate is 1.25% above mid corridor rate of Central Bank of Egypt and 2.5% above the Euro Libor rate.

EDITA FOOD INDUSTRIES S.A.E.

Notes to the interim separate financial statements For the six months period ended 30 June 2015

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

Borrowings (continued)

Fair value:

Fair value is approximately equal to book value.

- **Sixth loan:**

This sixth loan is provided by one of the Egyptian banks on Apr 2015 based on a cross guarantee issued from Digma Trading Company amounted to LE 90,000,000 and the total withdrawal amount is LE 90,000,000 in addition to accrued interest.

Terms of payments:

Edita Food Industries S.A.E. is obligated to Pay LE 90,000,000 on 10 equal semi-annual installments; each installment is amounted to LE 9,000,000. The first installment is due on 9 Apr 2016 and the last on 9 Oct 2020.

Interest:

The interest rate is 1.25% above mid corridor rate of Central Bank of Egypt.

Fair value:

Fair value is approximately equal to book value.

- **Seventh loan:**

This seventh loan is provided by one of the Egyptian banks on June 2015 based on a cross guarantee issued from Digma Trading Company amounted to LE 170,000,000 and the total withdrawal amount is LE 12,617,935 in addition to accrued interest.

Terms of payments:

Edita Food Industries S.A.E. is obligated to Pay LE 170,000,000 on 11 equal semi-annual instalments; each instalment is amounted to LE 15,455,000, except for the last instalment amounted to LE 15,450,000. The first instalment is due on 19 Apr 2017 and the last on 18 Apr 2022.

Interest:

The interest rate is 1% above mid corridor rate of Central Bank of Egypt and 2.5% above the Euro Libor rate.

Fair value:

Fair value is approximately equal to book value.

EDITA FOOD INDUSTRIES S.A.E.

**Notes to the interim separate financial statements
For the six months period ended 30 June 2015**

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

15. Long-term notes payable

	30 June 2015		31 December 2014	
	Notes payable	Present value	Notes payable	Present value
Short-term notes payables				
Current portion of long-term notes payables (Note 19)	9,985,990	9,985,990	9,985,990	9,985,990
Total short-term liabilities	9,985,990	9,985,990	9,985,990	9,985,990
	30 June 2015		31 December 2014	
	Notes payable	Present value	Notes payable	Present value
Long-term notes payables:				
Notes payable due for more than one year and less than 5 years	10,546,825	9,449,762	10,546,825	8,884,102
Total long-term liabilities	10,546,825	9,449,762	10,546,825	8,884,102

The total accrued interest on the loan for the period ended June 2015 amounting to LE 565,660 (30 June 2014: LE 864,000) has been charged in the statement of income as a finance cost (Note 24).

16. Deferred income tax liabilities

	Fixed assets depreciation	Impairment of investment in subsidiaries	Net deferred tax liabilities	
			30 June 2015	31 December 2014
A. Deferred tax assets				
Balance at 1 January	-	-	-	7,000,000
Charged to income statement	-	-	-	(7,000,000)
Balance at	-	-	-	-
B. Deferred tax liabilities				
Balance at 1 January	(61,780,522)	-	(61,780,522)	(55,296,550)
Charged to income statement	(12,926,198)	-	(12,926,198)	(6,483,972)
Balance at	(74,706,720)	-	(74,706,720)	(61,780,522)
Net deferred tax liabilities	(74,706,720)	-	(74,706,720)	(61,780,522)

EDITA FOOD INDUSTRIES S.A.E.

Notes to the interim separate financial statements For the six months period ended 30 June 2015

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

17. Trade and other payables

	<u>30 June 2015</u>	<u>31 December 2014</u>
Trade payables	74,408,629	101,467,112
Notes payable	70,262,385	39,331,426
Accrued expenses	18,443,169	18,281,597
Taxes payable	13,513,486	6,802,149
Other credit balances	5,949,070	7,470,392
Advances from customers	4,516,883	4,715,426
Due to related parties	3,504,325	-
Dividends payable	2,672,753	1,072,192
Social insurance	1,195,271	74,922
Total	<u>194,465,971</u>	<u>179,215,216</u>

18. Current income tax liabilities

	<u>30 June 2015</u>	<u>31 December 2014</u>
Balance at 1 January	69,739,367	40,222,697
Income tax paid during the period / year	(69,123,012)	(40,315,557)
Withholding tax receivable	(1,827,109)	(2,467,524)
Income tax for the period / year (Note 25)	33,738,182	94,132,728
Corporate income tax – advances	(12,150,000)	(21,210,000)
Accrued interest – advances	-	(715,837)
Adjustments	-	92,860
Balance at end of the period / year	<u>20,377,428</u>	<u>69,739,367</u>

19. Current portion of long-term liabilities

	<u>30 June 2015</u>	<u>31 December 2014</u>
Short-term loan (Note 14)	147,972,198	98,664,281
Current portion of long-term notes payable (Note 15)	9,985,990	9,985,990
Total	<u>157,958,188</u>	<u>108,650,271</u>

EDITA FOOD INDUSTRIES S.A.E.

Notes to the interim separate financial statements For the six months period ended 30 June 2015

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

20. Bank overdraft

	<u>30 June 2015</u>	<u>31 December 2014</u>
Bank overdraft (Note 11)	99,570,842	56,922,262
Total	<u>99,570,842</u>	<u>56,922,262</u>

Bank overdrafts are represented in credit facilities granted to the company to open letters of credit and finance its working capital. Overdraft is secured against guarantees by Digma for trading company - subsidiary. The effective interest rate for bank overdraft was 11.25% as of 30 June 2015 (31 December 2014: 11.25%).

21. Provisions

	<u>30 June 2015</u>	<u>31 December 2014</u>
Balance at 1 January	8,227,379	7,680,491
Additions during the period / year (Note 23)	2,016,267	2,750,000
Utilized during the period / year	<u>(47,380)</u>	<u>(2,203,112)</u>
Balance at	<u>10,196,266</u>	<u>8,227,379</u>

Provisions relate to claims expected to be made by a third party in connection with the company's operations. The information usually required by Egyptian Accounting Standards is not disclosed because the management believes that to do so would seriously prejudice the outcome of the negotiation with that party. These provisions are reviewed by management every period and the amount provided is adjusted based on latest development, discussions and agreements with the third party.

22. Other income

	<u>30 June 2015</u>	<u>Un reviewed 30 June 2014</u>
Gain from sales of production waste	2,454,645	2,613,188
Others	273,644	617,396
Export Subsidies	<u>-</u>	<u>6,748,267</u>
Total	<u>2,728,289</u>	<u>9,978,851</u>

EDITA FOOD INDUSTRIES S.A.E.

Notes to the interim separate financial statements For the six months period ended 30 June 2015

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

23. Other gains / (losses) - net

	<u>30 June 2015</u>	<u>Un reviewed 30 June 2014</u>
Provisions (Note 21)	(2,016,267)	(2,750,000)
Provision for slow moving inventory	-	(57,259)
Total	(2,016,267)	(2,807,259)
Gain from sales of fixed assets	4,833,962	90,534
Foreign exchange gains / (losses)	480,517	(1,408,146)
Total	3,298,212	(4,124,871)

24. Finance income / (cost)

	<u>30 June 2015</u>	<u>Un reviewed 30 June 2014</u>
Finance income		
Interest income	10,546,065	8,952,771
	10,546,065	8,952,771
Finance cost		
Interest expense	(11,225,777)	(10,479,431)
Interest on land installments	(565,660)	(864,000)
	(11,791,437)	(11,343,431)

25. Income tax expense

The Company is subject to the corporate income tax according to tax law No. 91 of 2005 and as per tax law No. 51 of 2013 amendments.

	<u>30 June 2015</u>	<u>Un reviewed 30 June 2014</u>
Income tax for the period	(33,738,182)	(48,166,982)
Deferred tax expense for the period	(12,926,198)	-
Total	(46,664,380)	(48,166,982)

EDITA FOOD INDUSTRIES S.A.E.

Notes to the interim separate financial statements For the six months period ended 30 June 2015

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

26. Earnings per share

Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	<u>30 June 2015</u>	<u>Un reviewed 30 June 2014</u>
Profit attributed to owners of the company	91,456,638	144,366,562
Weighted average number of ordinary shares in issue		
Original shares	<u>362,681,450</u>	<u>362,681,450</u>
	362,681,450	362,681,450
Basic earnings per share	0.252	0.398

Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The company does not have any categories of dilutive potential ordinary shares, hence the diluted earnings per share is the same as the basic earnings per share.

27. Expenses by nature

	<u>30 June 2015</u>	<u>Un reviewed 30 June 2014</u>
Cost of sales	616,385,516	544,929,046
Distribution cost	64,130,282	37,603,474
Administrative expenses	<u>65,774,820</u>	<u>42,395,315</u>
	746,290,618	624,927,835
Profit share employee	15,454,601	12,520,706
Raw materials used	501,272,542	450,048,575
Salaries and wages	106,939,728	80,467,611
Advertising expense	43,620,868	23,503,429
Depreciation	25,665,862	22,433,682
Employees benefits	12,133,589	10,708,655
Fuel, oil, water and electricity	15,321,401	8,877,991
Vehicle expense	2,514,138	3,047,930
Transportation expense	9,552,090	8,483,467
Miscellaneous and other expense	11,815,342	5,907,966
Consumables	4,218,499	3,510,296
Maintenance	7,667,222	3,956,576
Royalty	1,263,169	1,332,141
Rent expense	11,816,434	6,125,442
Change in inventory	<u>(22,964,867)</u>	<u>(15,996,632)</u>
Total cost of sales, distribution costs, and administrative expenses	746,290,618	624,927,835

EDITA FOOD INDUSTRIES S.A.E.

Notes to the interim separate financial statements For the six months period ended 30 June 2015

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

28. Cash generated from operations

	30 June 2015	Un reviewed 30 June 2014
Net profit for the period before tax	138,121,018	192,533,544
Adjustments for:		
Provisions	2,016,267	2,807,259
Interest on lands' installment	565,660	864,000
Interest expenses	11,225,777	10,479,431
Interest income	(10,546,065)	(8,952,771)
Depreciation of property, plant and equipment	25,665,862	22,433,682
Amortization of Intangible assets	314,310	-
(Loss) / Gain on sale of property, plant and equipment	(4,833,962)	(90,534)
Operating profits before changes in working capital	162,528,867	220,074,611
Change in working capital		
Inventories	(24,662,880)	(20,460,582)
Accounts and notes receivables	425,060	1,683,541
Debtors and other debit balances	(9,823,672)	(27,449,638)
Due from related parties	1,242,175	3,591,559
Due to related parties	3,504,325	24,251,315
Trade payables and other credit balances	15,026,190	56,353,248
Provisions used	(47,380)	(1,054,450)
Cash generated from operations	148,192,685	256,989,604

In the statement of cash flows, proceeds from sale of property, plant and equipment comprise:

	30 June 2015	Un reviewed 30 June 2014
Net book amount	434,474	52,590
Profit of disposal of property, plant and equipment	4,833,962	90,534
Proceeds from disposal of property, plant and equipment	5,268,436	143,124

29. Related party transactions

The following transactions were carried out with related parties:

1. Digma for Trading Company S.A.E.

Digma for Trading is handling the distribution of all the company's products. The total sales to Digma for Trading during the period ended June 2015 amounted to LE 810,946,626 (30 June 2014: 716,593,862)

Digma for Trading is considered a related party as the company is the main shareholder in Digma for Trading.

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(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

Related party transactions (continued)

2. Chipita Participation Company

Chipita Participation collects 0.5% of the net Bake Rolls and Molto Crossiont monthly sales as royalty with a maximum limit of Euro 150,000 annually for the knowhow of Chipita International Company.

The royalty paid during the period ended June 2015 amounted to LE 362,500 (30 June 2014: LE 320,216) Chipita Participation is considered a related party as it owns Exoder Ltd. Company that in turn owns 12.975% of Edita Food Industries S.A.E. shares.

3. Edita Confectionary Industries

Edita Confectionary Industries produce all kinds of sweets, gelly and gum and the transactions balance during the period ended March 2015 amounted to LE 779,919

Edita Confectionary Industries is considered a related party as the Company is the main shareholder in Edita Confectionary Industries.

4. Key management compensation

During the period ended June 2015 the company paid an amount of LE 29,094,338 as salaries to the key management members (30 June 2014: LE: 13,874,929).

Due from related parties

	<u>30 June 2015</u>	<u>31 December 2014</u>
Edita Confectionary	37,554,343	36,783,425
Digma for Trading Company	-	2,035,143
Edita Participation Ltd.	265,173	243,123
Total	<u>37,819,516</u>	<u>39,061,691</u>

30. Contingent liabilities

a. Contingent liabilities for banks

- The Company had contingent liabilities in respect of letters of guarantee and letters of credit arising from ordinary course of business which resulted in no actual liabilities. The uncovered portion of the letter of guarantee and letters of credit granted to the Company arising from ordinary course of business amounted to LE 17,579,695 as at 30 June 2015 (2014: LE 24,422,901).

b. Tax position

- Due to the nature of the tax assessment process in Egypt, the final outcome of the assessment by the Tax Authority might not be realistically estimated. Therefore, additional liabilities are contingent upon the tax inspection and assessment of the Tax Authority. Below is a summary of the tax status of the company as at 30 June 2015.

1. Corporate tax

- The company is tax exempted for 10 years ending 31 December 2007 in accordance with Law No. 230 of 1989 and Law No. 59 of 1979 related to New Urban Communities. The exemption period was determined to start from the fiscal year beginning on 1 January 1998. The company submits its tax returns on its legal period.

EDITA FOOD INDUSTRIES S.A.E.

Notes to the interim separate financial statements For the six months period ended 30 June 2015

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

Contingent liabilities (continued)

- The tax inspection was performed for the period from the company's inception till 31 December 2009 and all due tax amounts paid.
- For the year 2010 tax inspections have been performed and differences have been sent to the internal committee to study.
- For the years 2011-2014 the Company is submitting the tax return according to law No. 91 of 2005 in its legal period.

2. Payroll tax

- The payroll tax inspection was performed till 31 December 2012 and company paid tax due.
- As for the years from 2013 and 2014 the tax inspection has not been performed yet till the balance sheet date.
- The Company is submitting the tax quarterly return on due time to the Tax Authority.

3. Sales tax

- The sales tax inspection was performed till 31 December 2012 and tax due was paid to the Tax Authority.
- For the years 2013 and 2014 the tax inspection has not been performed yet till the balance sheet date, monthly tax return were submitted on due time.

4. Stamp duty tax

- The stamp duty tax inspection was performed till year 2006 and Company paid tax due.
- Years from 2007 till 2014 tax inspection have not been performed yet till the balance sheet date.

31. Dividends per share

The dividends paid in 2015 and 2014 were Nil (Nil per share) and LE 150,000,000 (LE 0.41 per share) respectively.

32. Employee benefits expense

	30 June 2015	Un reviewed 30 June 2014
Wages and salaries	106,939,728	80,467,611
Social insurance	11,118,268	8,902,530
Total	118,057,996	89,370,141

EDITA FOOD INDUSTRIES S.A.E.

**Notes to the interim separate financial statements
For the six months period ended 30 June 2015**

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

33. Financial instrument by category

	30 June 2015	
	Loans & receivables	Total
Assets as per balance sheet		
Trade and other receivables (excluding prepayments) *	90,137,154	90,137,154
Cash and cash equivalents	139,461,838	139,461,838
Treasury bills	85,398,253	85,398,253
Total	314,997,245	314,997,245

	30 June 2015	
	Other financial liabilities at amortised costs	Total
Liabilities as per balance sheet		
Borrowings *	397,821,649	397,821,649
Trade and other payables (excluding non-financial liabilities)	191,793,218	191,793,218
Bank overdraft	99,570,842	99,570,842
Total	689,185,709	689,185,709

	31 December 2014	
	Loans & receivables	Total
Assets as per balance sheet		
Trade and other receivables (excluding prepayments)*	85,245,868	85,245,868
Cash and cash equivalents	155,606,250	155,606,250
Treasury bills	86,093,095	86,093,095
Total	326,945,213	326,945,213

	31 December 2014	
	Other financial liabilities at amortised costs	Total
Liabilities as per balance sheet		
Borrowings *	288,893,661	288,893,661
Trade and other payables (excluding non-financial liabilities)	179,140,294	179,140,294
Bank overdraft	56,922,262	56,922,262
Total	524,956,217	524,956,217

* At the Balance sheet date, the carrying value of all short-term financial assets and liabilities approximates the fair value and management made the assessment by using level II approaches by relying significantly on observable data. Long-term borrowings also approximates the fair value as the management uses a variable interest rate above the mid corridor rate.

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Notes to the interim separate financial statements For the six months period ended 30 June 2015

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

34. Credit quality of financial assets

Trade receivables

Counter parties without external credit rating:

	<u>30 June 015</u>	<u>31 December 2014</u>
Digma for Trading Company	-	2,035,143
Others	3,444,640	3,869,700
Total	<u>3,444,640</u>	<u>5,904,843</u>

Cash at bank and short-term bank deposits:

	<u>30 June 2015</u>	<u>31 December 2014</u>
AA	33,847,816	2,104,940
A	2,210,145	33,060,841
BBB	3,533,669	119,508,509
B	88,400,000	23,449
Total	<u>127,991,630</u>	<u>154,697,739</u>

EDITA FOOD INDUSTRIES S.A.E.

Notes to the interim separate financial statements For the six months period ended 30 June 2015

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

35. Segment reporting

(Amounts are in thousands)

	Cake		Croissant		Bake		Freska		Total	
	30 June 2015	Un reviewed 30 June 2014	30 June 2015	Un reviewed 30 June 2014	30 June 2015	Un reviewed 30 June 2014	30 June 2015	Un reviewed 30 June 2014	30 June 2015	Un reviewed 30 June 2014
Revenue	532,986	467,319	265,921	240,984	40,317	34,643	40,407	26,554	879,631	769,500
Gross Profit	162,329	141,904	80,373	72,183	6,742	4,038	13,801	6,446	263,245	224,571
Profit from operations	95,312	98,860	41,382	48,467	(1,350)	880	4,022	2,220	139,366	150,427
Debit Interest	(7,145)	(6,889)	(3,565)	(3,552)	(540)	(511)	(541)	(391)	(11,791)	(11,343)
Credit interest	6,390	5,437	3,188	2,804	484	403	484	309	10,546	8,953
Dividends distribution	-	27,023	-	13,935	-	2,003	-	1,536	-	44,497
Income Tax	(31,315)	(30,898)	(13,924)	(15,395)	-	(864)	(1,425)	(1,010)	(46,664)	(48,167)
Net profit	63,242	93,533	27,081	46,259	(1,406)	1,911	2,540	2,664	91,457	144,367

The segment information disclosed in the table above represents the segment information provided to the chief operating decision makers of the Company.

EDITA FOOD INDUSTRIES S.A.E.

Notes to the interim separate financial statements For the six months period ended 30 June 2015

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

36. Comparative figures

The company has not previously prepare interim financial statements as of 30 June 2014, and accordingly the comparative figures of separate statements of income, comprehensive income, changes in equity and cash flows for the period from January 1, 2014 till 30 June 2014 have not been audited in accordance with Egyptian Standard on Auditing or conducted a limited review in accordance with Egyptian standard on Review engagement No. 2410 "Review of Interim Financial Statements Performed by the Independent Auditor of the Entity". The comparative figures in balance sheet represents 31 December 2014 figures that have been audited and an unqualified audit report issued dated 19 February 2015.