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To: Jordan Securities Commission
Amman Stock Exchange

السادة هيئة الأوراق المالية
السادة بورصة عمان

Subject: Quarterly Report as of 30/09/2017

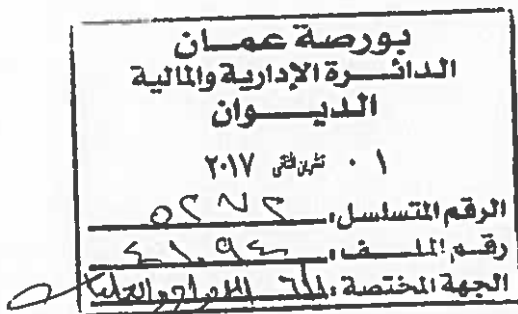
الموضوع : التقرير ربع السنوي كما هي في 2017/09/30

Attached the Quarterly Report of Nutridar
As of 30/09/2017 in (English Language).

مرفق طيه نسخة من البيانات المالية ربع السنوية لشركة دار
الغذاء كما هي بتاريخ 2017/09/30 في (اللغة الإنجليزية) .

Kindly accept our high appreciation and respect

وتفضلوا بقبول فائق الاحترام...



المدير العام
م. حيدر الزبيدي



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Revision No. 6

NUTRI DAR COMPANY

PUBLIC SHAREHOLDING COMPANY

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

30 SEPTEMBER 2017



Building a better
working world

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**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
TO THE BOARD OF DIRECTORS OF NUTRI DAR COMPANY
AMMAN - JORDAN**

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Nutri Dar Company - Public Shareholding Company (the "Company") and its subsidiary (the "Group"), comprising of the interim consolidated statement of financial position as at 30 September 2017 and the related interim consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the nine-month period then ended and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 "IAS 34". Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the independent Auditor of the Entity". A review of Interim financial information consists of making inquiries, primarily of persons responsible for the financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Amman – Jordan
31 October 2017

NUTRI DAR COMPANY - PUBLIC SHAREHOLDING COMPANY
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2017

	<u>Notes</u>	<u>30 September 2017</u>	<u>31 December 2016</u>
		<u>JD</u>	<u>JD</u>
		<u>(Unaudited)</u>	<u>(Audited)</u>
<u>ASSETS</u>			
Non-current Assets –			
Property, plant and equipment	3	2,773,226	2,936,235
Deferred tax assets	6	112,516	112,516
		<u>2,885,742</u>	<u>3,048,751</u>
Current Assets -			
Inventories		3,140,345	2,283,353
Accounts receivable		2,757,694	2,682,771
Due from related parties	7	2,825,919	2,825,919
Other current assets		490,878	392,243
Checks under collection		1,386,708	1,446,325
Cash on hand and at banks		251,522	1,324,082
		<u>10,853,066</u>	<u>10,954,693</u>
Total Assets		<u>13,738,808</u>	<u>14,003,444</u>
<u>EQUITY AND LIABILITIES</u>			
Equity -			
Paid-in capital	5	11,615,912	11,615,912
Statutory reserve		552,700	552,700
Voluntary reserve		1,002	1,002
Accumulated losses		(3,687,905)	(3,751,929)
		<u>8,481,709</u>	<u>8,417,685</u>
Non-controlling Interests		<u>6,989</u>	<u>6,989</u>
Total Equity		<u>8,488,698</u>	<u>8,424,674</u>
Liabilities -			
Current liabilities -			
Current portion of long-term loans	9	215,477	1,304,860
Short term loans		2,694,760	1,812,975
Due to banks		284,569	-
Accounts payable		1,579,243	1,991,585
Other current liabilities		372,940	209,500
Other provisions		69,436	256,445
Due to related parties	7	33,685	3,405
Total Liabilities		<u>5,250,110</u>	<u>5,578,770</u>
Total Equity and Liabilities		<u>13,738,808</u>	<u>14,003,444</u>

The attached notes 1 to 10 form part of these interim condensed consolidated financial statements

NUTRI DAR COMPANY - PUBLIC SHAREHOLDING COMPANY
INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2017 (UNAUDITED)

	Notes	For the nine months ended 30 September		For the three months ended 30 September	
		2017	2016	2017	2016
		JD	JD	JD	JD
Sales		6,799,682	8,599,468	3,554,098	3,497,674
Cost of sales		(4,764,651)	(6,101,749)	(2,508,574)	(2,387,502)
Gross profit		2,035,031	2,497,719	1,045,524	1,110,172
Selling and distribution expenses		(1,451,209)	(1,199,269)	(504,487)	(445,973)
Administrative expenses		(622,307)	(567,947)	(206,958)	(186,527)
Research and development expenses		(58,461)	(104,781)	(21,057)	(32,765)
Foreign currency gains		367,338	42,246	183,966	60,438
Finance costs		(80,757)	(181,503)	(26,317)	(47,335)
Provision for doubtful debts	7	(146,689)	-	(146,689)	-
Other income		21,078	15,973	3,022	3,824
Profit before tax		64,024	502,438	327,004	461,834
Income tax	6	-	(25,089)	-	(25,089)
Profit for the period		64,024	477,349	327,004	436,745
Attributable to:					
Equity holders of the Company		64,024	477,349	327,004	436,745
Non-controlling interests		-	-	-	-
		64,024	477,349	327,004	436,745
		<u>Fils/JD</u>	<u>Fils/JD</u>	<u>Fils/JD</u>	<u>Fils/JD</u>
Basic and diluted earnings per share attributable to equity holders of the Company		<u>0/006</u>	<u>0/054</u>	<u>0/028</u>	<u>0/049</u>

The attached notes 1 to 10 form part of these interim condensed consolidated financial statements

NUTRI DAR COMPANY - PUBLIC SHAREHOLDING COMPANY
INTERIM CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2017 (UNAUDITED)

	For the nine months ended 30 September		For the three months ended 30 September	
	2017	2016	2017	2016
	JD	JD	JD	JD
Profit for the period	64,024	477,349	327,004	436,745
Add: Other comprehensive income items	-	-	-	-
Total comprehensive income for the period	64,024	477,349	327,004	436,745
Attributable to:				
Equity holders of the Company	64,024	477,349	327,004	436,745
Non-controlling interests	-	-	-	-
	64,024	477,349	327,004	436,745

The attached notes 1 to 10 form part of these interim condensed consolidated financial statements

NUTRI DAR COMPANY - PUBLIC SHAREHOLDING COMPANY
INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2017 (UNAUDITED)

	Attributable to Equity Holders of the Company						Non-controlling Interests	Total Equity
	Paid-in Capital	Statutory Reserve	Voluntary Reserve	Accumulated Losses	Total			
	JD	JD	JD	JD	JD			
Balance at 1 January 2017	11,615,912	552,700	1,002	(3,751,929)	8,417,685	6,989	8,424,674	
Total comprehensive income for the period	-	-	-	64,024	64,024	-	64,024	
Balance at 30 September 2017	11,615,912	552,700	1,002	(3,687,905)	8,481,709	6,989	8,488,698	
Balance at 1 January 2016	8,920,636	463,477	1,002	(4,466,264)	4,918,851	6,989	4,925,840	
Total comprehensive income for the period	-	-	-	477,349	477,349	-	477,349	
Balance at 30 September 2016	8,920,636	463,477	1,002	(3,988,915)	5,396,200	6,989	5,403,189	

The attached notes 1 to 10 form part of these interim condensed consolidated financial statements

NUTRI DAR COMPANY - PUBLIC SHAREHOLDING COMPANY
INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2017 (UNAUDITED)

	<u>Notes</u>	For the nine months ended	
		30 September	
		2017	2016
		JD	JD
<u>OPERATING ACTIVITIES</u>			
Profit before tax		64,024	502,438
Adjustments for:			
Depreciation		250,245	413,420
Finance costs		80,757	176,400
Loss from sale of property, plant and equipment		-	444
Provision for doubtful debts	7	146,689	-
Other provision		35,000	-
Working capital changes:			
Inventories		(856,992)	(40,705)
Accounts receivable		(74,923)	(704,607)
Other current assets		(98,635)	99,895
Checks under collection		59,617	(314,428)
Accounts payable		(412,342)	78,219
Other current liabilities		163,440	(34,622)
Due from related parties		(146,689)	-
Due to related parties		30,280	-
Other provisions paid		(222,009)	(89,084)
Net cash flows (used in) from operating activities		(981,538)	87,370
<u>INVESTING ACTIVITIES</u>			
Purchase of property, plant and equipment	3	(87,236)	(153,527)
Proceeds from sale of property, plant and equipment		-	4,145
Net cash flows used in investing activities		(87,236)	(149,382)
<u>FINANCING ACTIVITIES</u>			
Repayment of long term loans		(1,089,383)	(1,157,271)
Short term loans		881,785	856,300
Interest paid		(80,757)	(176,400)
Net cash flows used in financing activities		(288,355)	(477,371)
Net decrease in cash and cash equivalents		(1,357,129)	(539,383)
Cash and cash equivalents, beginning of the period		1,324,082	327,323
Cash and cash equivalents, end of the period	4	(33,047)	(212,060)

The attached notes 1 to 10 form part of these interim condensed consolidated financial statements

NUTRI DAR COMPANY - PUBLIC SHAREHOLDING COMPANY
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 SEPTEMBER 2017 (UNAUDITED)

(1) GENERAL

Nutri Dar Company (the "Company") was established as a public shareholding company on 29 September 1994. The Company's paid in capital as of 30 September 2017 is JD 11,615,912 divided into 11,615,912 shares at par value of JD 1 per share.

The Company's main activities are producing and marketing full range of infant and baby milk formula, infant cereals, infant teas, kids' multivitamin and Omega 3 gummies, quick cooking oat flakes and skimmed milk powder.

The main objectives of the Subsidiary is marketing and distributing children's food and milk in Europeans' markets.

The interim condensed consolidated financial statements were approved by the Board of Directors on 29 October 2017.

(2.1) BASIS OF PREPARATION

The interim condensed consolidated financial statements for the nine months ended in 30 September 2017 are prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting".

The interim condensed consolidated financial statements do not contain all information and disclosures required for the consolidated financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the annual financial statements as of 31 December 2016. In addition, the result of the six months period ended 30 September 2017 are not necessarily indicative of the result that may be expected for the financial year ending 31 December 2017.

NUTRI DAR COMPANY - PUBLIC SHAREHOLDING COMPANY
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 SEPTEMBER 2017 (UNAUDITED)

(2.2) CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2016, except for the adoption of new standards effective as of 1 January 2017.

Amendments to IAS 7 Statement of Cash Flows: Disclosure Initiative

Limited amendments which require entities to provide disclosures about changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses). However, the adoption of these amendments have no impact on the Company's interim condensed consolidated financial statements.

Amendments to IAS 12 Income Taxes: Recognition of Deferred Tax Assets for Un-recognized Losses

Limited amendments to clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference and some other limited amendments. The adoption of these amendments have no impact on the Company's interim condensed consolidated financial statements.

(2.3) BASIS OF CONSOLIDATION

The interim condensed consolidated financial statements comprise the financial statements of Nutri Dar Company (the "Company") and the following subsidiaries (together are referred to as "Group") as of 30 September 2017:

Name of subsidiary	Ownership percentage		Country	Main activity	Capital
	2017	2016			
Nutri Dar Russia*	70%	70%	Russia	Selling and distributing Nutri Dar kids milk products	JD 23,296

- * Nutri Dar Russia was established in 2010 and has no operations up to the date of the interim condensed consolidated financial statements.

Control is achieved when the Group is exposed, or has rights, to variable return from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the ability to direct the relevant activities of the investee)
- Exposure or rights to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect returns.

When the Group owns less than the majority of the voting rights or similar in the investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential rights

The Group is re-assessing whether or not it controls an investee and if facts or circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, Income and expenses of a subsidiary are consolidated from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring this accounting policies into the line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Groups are eliminated in full on consolidation.

NUTRI DAR COMPANY - PUBLIC SHAREHOLDING COMPANY
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 SEPTEMBER 2017 (UNAUDITED)

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary;
- Derecognizes the carrying amount of any non-controlling interest;
- Derecognizes the cumulative translation differences;
- Recognizes the fair value of the consideration received;
- Recognizes the fair value of any investment retained;
- Recognizes any surplus or deficit in profit or loss;
- Reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss.

(3) PROPERTY, PLANT AND EQUIPMENT

Additions to property, plant and equipment amounted to JD 87,236 for the nine months ended 30 September 2017 (2016: JD 153,527).

(4) CASH ON HANDS AND AT BANKS

For the purpose of the interim consolidated statement of cash flows, cash and cash equivalents comprise the following:

	30 September 2017 JD	30 September 2016 JD
Cash on hand and at banks	251,522	87,634
Less: Due to banks *	(284,569)	(299,694)
	<u>(33,047)</u>	<u>(212,060)</u>

* Due to banks represent the utilized amount of the overdraft facility with a ceiling of EURO 200,000 (JD 160,000) and USD 250,000 (JD 177,000) at an annual interest rate of 4.25%.

NUTRI DAR COMPANY - PUBLIC SHAREHOLDING COMPANY
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 SEPTEMBER 2017 (UNAUDITED)

(5) PAID IN CAPITAL

The Company's authorized share capital is 12,000,000 shares at a par value of JD 1 per share. The Company's subscribed and paid-in capital as of 30 September 2017 is JD 11,615,912 divided into 11,615,912 shares at a par value of JD 1 per share.

(6) INCOME TAX

No income tax provision was calculated for the nine months ended 30 September 2017 due to the excess of taxable expenses over taxable income in accordance with the Income Tax Law No. (34) of 2014.

The Company obtained a final clearance from Income Tax Department up to 2014.

(7) RELATED PARTY TRANSACTIONS

Related parties represent major shareholders, directors and key management personnel of the Group, and entities controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management.

Balances of related parties included in the interim condensed consolidated financial statements are as follow:

	30 September 2017	31 December 2016
	JD	JD
	(Unaudited)	(Audited)
Due from related parties		
Dar Al Dawa – Algeria	5,525,853	5,379,164
Less: allowance for doubtful accounts	(2,699,934)	(2,553,245)
	<u>2,825,919</u>	<u>2,825,919</u>

NUTRI DAR COMPANY - PUBLIC SHAREHOLDING COMPANY
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 SEPTEMBER 2017 (UNAUDITED)

	30 September 2017	31 December 2016
	JD	JD
	(Unaudited)	(Audited)

Due to related parties

Dar Al Dawa - Jordan	33,685	3,405
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Bank facilities from related parties – Invest Bank

Loans	215,477	1,304,860
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* The movement on the provision for doubtful debts is as follows:

	30 September 2017	31 December 2016
	JD	JD
	(Unaudited)	(Audited)
Balance at the beginning of the period/ year	2,553,245	2,553,245
Provision for the period/ year	146,689	-
Balance at the ending of the period/ year	2,699,934	2,553,245

Transactions with related parties included in the interim consolidated statement of profit or loss are as follows:

	For the nine months ended 30 September	
	2017	2016
	JD	JD
Services – Dar Al Dawa (Jordan)	30,280	31,108

Compensation of key management personnel of the Group is as follows:

	For the nine months ended 30 September	
	2017	2016
	JD	JD
Salaries and other benefits	131,058	121,484

NUTRI DAR COMPANY - PUBLIC SHAREHOLDING COMPANY
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 SEPTEMBER 2017 (UNAUDITED)

(8) CONTINGENCIES

Letters of credit and letters of guarantee -

As of the interim condensed consolidated financial statements date, the Group has the following contingent liabilities:

	30 September 2017	31 December 2016
	JD	JD
	(Unaudited)	(Audited)
Letters of credit	3,520	3,520

(9) LOANS

	Loan currency	30 September 2017 (Unaudited)		31 December 2016
		Loans installments		(Audited)
		Short term	Total	JD
		JD	JD	
Invest Bank	USD	215,477	215,477	861,705
Invest Bank	USD	-	-	443,155
		215,477	215,477	1,304,860

INVEST BANK

On 7 April 2013, the Company merged all of its banking facilities into a USD term loan amounting to USD 5,116,980 (JD 3,627,939) bearing an annual interest rate of 5.5% which was decreased in August 2016 to become 3%.

Accordingly, the Company paid an amount of USD 255,850 and the remaining balance is repayable over 16 quarterly installments of USD 303,821 excluding interest. The first installment was due on 31 March 2014, until the full repayment of the loan.

NUTRI DAR COMPANY - PUBLIC SHAREHOLDING COMPANY
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 SEPTEMBER 2017 (UNAUDITED)

The factory land is mortgaged into favor of Invest Bank.

- **** On 11 August 2014 the Company obtained a loan of USD 3,000,000 (JD 2,130,000) from Invest Bank with an interest rate of 5% per annum. The loan is repayable over 24 equal instalments each of USD 125,000 (JD 88,750) not including the interest. The first instalment was due on 30 June 2015. The last installment was paid on 30 May 2017.

(10) STATUTORY RESERVE

The Group did not transfer any amounts to statutory reserve in accordance with the Jordanian Companies Law as these financial statements are interim condensed consolidated financial statements.