Let's Grow Together

Total Produce plc
Annual Report and Accounts 2016

Total Produce is at the forefront of the global fresh produce industry. Operating primarily across Europe, North America and South America, Total Produce is involved in the growing, sourcing, importing, packaging, marketing and distribution of an extensive selection of fresh fruits, vegetables and flowers – ranging from the familiar to the truly exotic.

Global Presence

2016 has seen Total Produce's global infrastructure extend even further. Our physical presence across Europe, North America and South America differentiates Total Produce, positioning our operations at the very heart of the markets in which we trade and in the world's primary production centres.

More information on pages 2-3

Strategy and Business Model

The Group's vision is to continue to develop our position as one of the world's leading fresh produce companies. The Group's ambition is to deliver long term shareholder value by leveraging our collective skills at a local level and by continued acquisition and partnerships.

More information on pages 6-7

Financial Highlights of 2016

Revenue[1]
€3,762m
+8.9% on prior year

Adjusted EBITDA[1]
€94.8m
+14.5% on prior year

Adjusted EBITA[1]
€73.7m
+15.0% on prior year

[1] Key performance indicators are defined on page 10.

Inside this report

Our Supply Chain

Distributing over 350 million cartons of fresh produce annually, the Group's size and reach across the supply chain brings together the collective resources of a global multi-national with the market knowledge of local management; generating synergies, creating efficiencies and adding value.

More information on pages 8-9

Growth in Numbers

The Group has grown organically and through acquisition in the last number of years. In the five year period ended 2016, the Group has recorded a compounded growth rate of 8.2% in revenue and 10.6% in adjusted earnings per share.

More information on pages 10-11

Adjusted EPS[1]

12.07 cent

+14.1% on prior year

Shareholders' Equity

€226.3m

-5.2% on prior year

Dividend per Share (Total)

3.039 cent

+10.0% on prior year

Forward-looking statements

Any forward-looking statements made in the annual report have been made in good faith based on the information available as of the date of the report and are not guarantees of future performance. Actual results or developments may differ materially from the expectations expressed or implied in this report, and the Company undertakes no obligation to update any such statements whether as a result of new information, future events or otherwise. Outlined on pages 13 to 15 of this report are important factors that could cause these developments or the Company's actual results to differ materially from those expressed or implied in these forward-looking statements.

Global Presence

Total Produce is one of the world’s largest and most accomplished fresh produce providers. Operating out of 26 countries, while serving many more, we are the European market leader and an increasingly prominent force in the North American marketplace.

Our physical presence across the world differentiates Total Produce, positioning our operations at the very heart of the markets in which we trade and in the world's primary production centres.

Serving the wholesale, foodservice and retail sectors, Total Produce is a complete fresh produce solution provider – offering a comprehensive menu of services to our customers ranging from simple service provision to complete category management.

NORTH AMERICA

Number of facilities

21

Countries

26

Operating Facilities

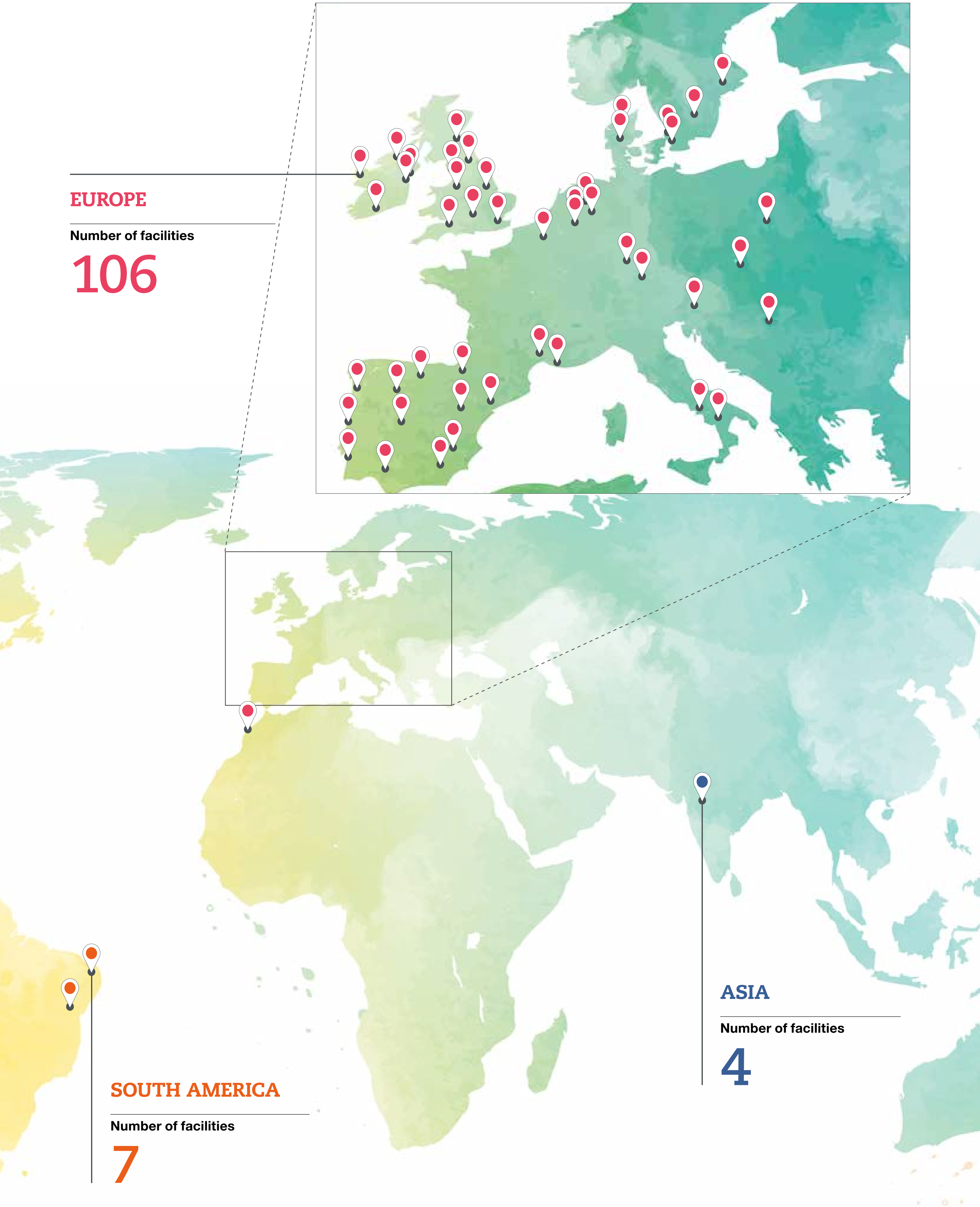
138

Cartons Sold Annually

350m+

Total Revenue

€3.76bn


EUROPE
Number of facilities
106
ASIA
Number of facilities
4
SOUTH AMERICA
Number of facilities
7

Ten years of sustained growth and expansion

The Group is ambitious to continue its growth and deliver long term shareholder value through organic growth, innovation, operational efficiencies and continued acquisitions and partnerships. A key part of the Group's growth strategy is growth by acquisition.

In line with this strategy the Group made a number of fresh produce acquisitions in 2016 in Europe and in North and South America with a total expenditure in excess of €60m, including €17m of contingent consideration.

On 1 February 2016, the Group acquired 65% of Progressive Produce, a company based in Los Angeles, California. Progressive Produce is a grower, packer and distributor of conventional and organic produce to the retail, wholesale and foodservice sectors in the US and Canada. Founded in 1967, it is today one of California's premier produce companies with revenues in excess of US$200m. This represented the Group's fourth acquisition in the North American fresh produce industry.

In addition to this the Group made a number of other investments in the year. In April 2016, the Group acquired a 100% interest in Planet Produce Limited, a company headquartered in the UK specialising in the import of exotic fruit and vegetables. Also in April 2016, the Group acquired a 60% interest in Organic Trade Company Holland BV, a company headquartered in the Netherlands and specialising in organic fruit and vegetables.

In April 2016, the Group incorporated Vezet Convenience Nordic a company jointly owned 50/50 with G Kramer & Zonen, trading as Vezet. Over a period of three to five years, Vezet Convenience Nordic will invest in a state-of-the-art facility to be used for the production of fresh cut and pre-packed meal salads for supply to the Nordic market.

Adjusted earnings per share

12.07 cent

+14.1%

At the end of December 2016, the Group acquired a 50% shareholding in the El Parque Group, a fresh produce company headquartered in Chile and specialising in avocados, citrus and grapes.

Post year-end, on 1 March 2017, the Group has agreed to invest €28m to increase its shareholding in the North American based Oppenheimer Group ('Oppy') from 35% to 65% and Oppy has entered into strategic agreements in North America with the New Zealand based T&G Global. The Group continues to actively pursue further investment opportunities in both new and existing markets.

On 27 January 2016, the Group completed the €20m share buyback programme that commenced on 9 October 2015, with a total of 14,017,270 ordinary shares being repurchased and cancelled at a total cost of €20.4m including expenses. The share buyback program is earnings accretive. The Group will continue to exercise this authority should the appropriate opportunity arise and will seek to renew this authority at the forthcoming AGM in May 2017.

The Board is recommending an increase of 10.0% in the final dividend to 2.2297 cent per share. This together with the interim dividend of 0.8096 cent per share brings the total 2016 dividend to 3.0393 cent per share, an increase of 10.0% on 2015. This represents a distribution of 25.2% of adjusted earnings per share.

Trading conditions to date in 2017 have been satisfactory and we are targeting 2017 adjusted earnings in the range of 12.0 to 13.0 cent per share. The Group is in a very strong financial position with capacity to pursue further acquisitions in Europe, North America and further afield.

The Group's growth and success reflects the calibre and commitment of all its people. On behalf of the Board, I would like to thank them for their valued contribution to the ongoing success of Total Produce.

C P McCann
Chairman
1 March 2017

"In 2016, Total Produce has shown continued strong growth and development in the business. Total revenue has increased by 8.9% to €3.76 billion with a 14.1% increase in adjusted earnings per share to 12.07 cent."

Our Vision and Strategy

OUR VISION:

To continue to develop our position as one of the world's leading fresh produce companies

OUR STRATEGY:
Deliver long term shareholder value by

- Leveraging our collective skills at a local level
- Continued acquisition and partnerships
- Ensuring operational excellence
- Building on our core competencies

Local at Heart

In Total Produce, we believe in local. Across our worldwide operations, it is local management who shape our service and drive our business on the ground. They bring local experience and expertise, relationships with local growers, an understanding of local market dynamics and consumers and that all-important personal touch to our operations.

People
Experience, Expertise, Relationships

Growers
Supporting, Advising, Consolidating

Infrastructure
Facilities, Logistics, Customisation

Category Management
Local Markets, Local Trading, Local Consumers

Global by Nature

We believe that in bringing together the unique attributes and strengths of diverse local fresh produce providers from across the globe our growers, our customers and the consumer can best be served. As an international group, Total Produce delivers collective financial strength, commercial resources, synergies, efficiencies, shared core competencies and a global reach.

Scale
Collective Procurement, Synergies, Efficiencies

Resources
Financial Strength, Security, Investment Capacity

Reach
New Markets, New Growers, New Products

Added Value
Marketing, New Product Development, Shared Core Competencies

Delivering the
Best of Both Worlds

Our Supply Chain and Product Portfolio

OUR SUPPLY CHAIN

Total Produce differs from many of its peers by virtue of its local and global infrastructure and specifically the distribution capacity and the on the ground presence in key growing regions around the world. Total Produce's influence extends from seed to store and farm to fork, extracting costs from the supply chain and adding value to our produce and the service we provide.

Distributing over 350 million cartons of fresh fruits and vegetables annually, the Group's size and reach across the supply chain brings together the collective resources of a global multi-national with the market knowledge of local management; generating synergies, creating efficiencies and adding value. In customising our supply chain, we strive to translate our competitive advantages: our people, suppliers, infrastructure and our relationships – into value for our customers; delivering a superior service to them, and to the consumer produce which exceeds expectations.

REVENUE BY PRODUCTS

Growing, sourcing, importing, packaging, marketing and distributing over 200 lines of fresh produce, Total Produce's range extends from the more familiar to the truly exotic.

Citrus
7%

Banana
11%

Apples and Pears
9%

Vegetable and Potato
18%

Salad
11%

* Expressed as a percentage of Group revenue.

Tomato	Stone and Soft Fruit	Grape	Exotics	Pineapple	Other
8%	22%	5%	3%	1%	5%

Growth in Numbers

The Group has grown both organically and through acquisition in the last number of years. In the five year period ending 2016, the Group has recorded a compounded growth rate of 8.2% in revenue and 10.6% in adjusted earnings per share.

	2016 €	2015 €	2014 €	2013 €	2012 €	2011 €
Total Revenue[1] (including share of joint ventures and associates)	**3,762m**	3,454m	3,129m	3,175m	2,811m	2,527m
Group Revenue	**3,105m**	2,875m	2,667m	2,638m	2,432m	2,284m
Adjusted EBITDA[1]	**94.8m**	82.8m	73.0m	74.1m	69.5m	59.7m
Adjusted EBITA[1]	**73.7m**	64.1m	56.7m	58.7m	53.7m	45.0m
Adjusted profit before tax[1]	**67.7m**	58.0m	51.2m	52.9m	47.0m	39.8m
Profit before tax	**50.6m**	46.8m	44.3m	48.2m	36.4m	34.4m
Adjusted fully diluted earnings per share (cent)[1]	**12.07**	10.58	9.45	9.04	8.08	7.28

1. Key Performance Indicators Defined

Total Revenue includes the Group's share of the revenue of its joint ventures and associates.

Adjusted EBITDA is earnings before interest, tax, depreciation, acquisition related intangible asset amortisation charges and costs, fair value movements on contingent consideration and exceptional items. It also excludes the Group's share of these items within joint ventures and associates.

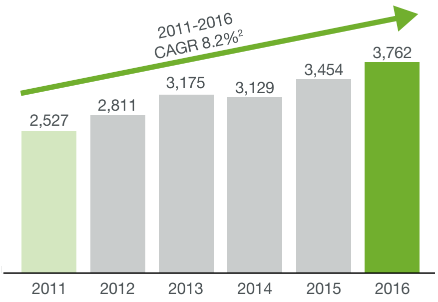
Adjusted EBITA is earnings before interest, tax, acquisition related intangible asset amortisation charges and costs, fair value movements on contingent consideration and exceptional items. It also excludes the Group's share of these items within joint ventures and associates.

Adjusted profit before tax excludes acquisition related intangible asset amortisation charges and costs, fair value movements on contingent consideration and exceptional items. It also excludes the Group's share of these items within joint ventures and associates.

Adjusted fully diluted earnings per share excludes acquisition related intangible asset amortisation charges and costs, fair value movements on contingent consideration, exceptional items and related tax on such items. It also excludes the Group's share of these items within joint ventures and associates.

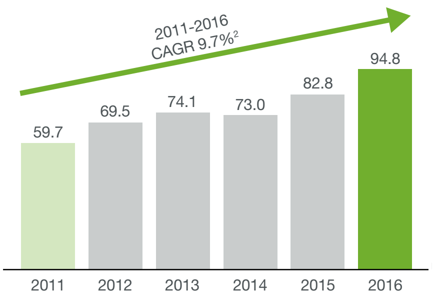
Revenue (€'m)

€3,762m



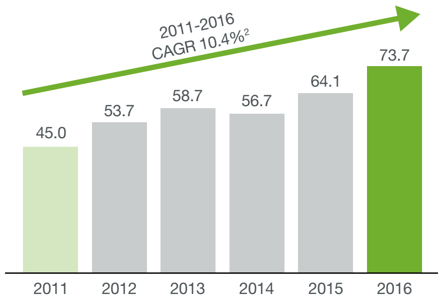
Adjusted EBITDA (€'m)

€94.8m



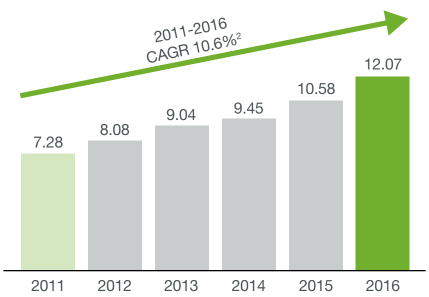
Adjusted EBITA (€'m)

€73.7m



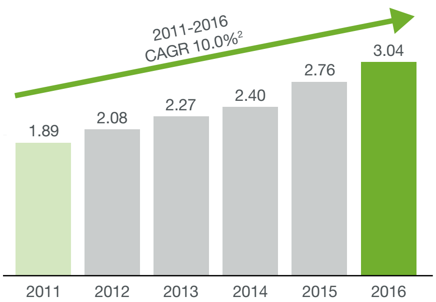
Adjusted EPS (€ cent)

12.07 cent



Total Dividend (€ cent)

3.04 cent



[2] Compounded annual growth rate

Risks and Risk Management

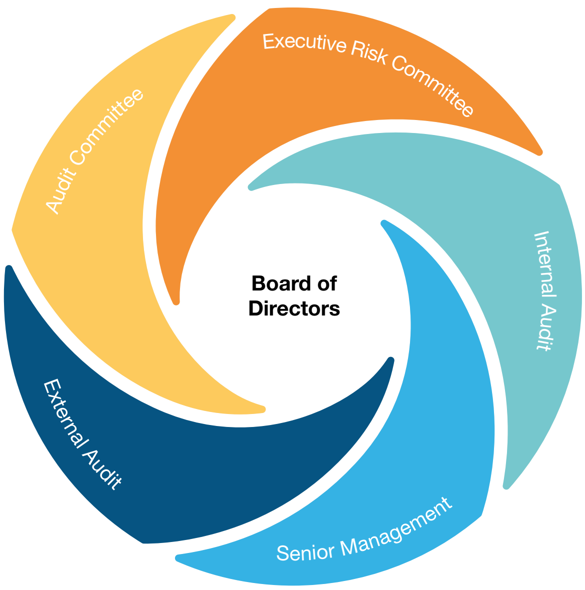
Internal Controls and the Management of Risk
The Board is ultimately responsible for the overall system of internal controls applied in the Company and its subsidiaries and for reviewing the effectiveness of these controls. Some of this responsibility has been delegated to the Audit Committee.

The Group's control system is designed to actively manage rather than eliminate the risks of failure to achieve its business objectives. The internal controls system is designed to provide reasonable but not absolute assurance against material misstatement or loss.

The Group's multinational operations expose it to different financial risks that include foreign exchange risk, credit risk, liquidity risk, interest rate risk, and equity price risk. The Group has a risk management programme in place which seeks to limit the impact of these risks on the performance of the Group and it is the policy to manage these risks in a non-speculative manner. Details of the policies and control procedures used to manage the financial risks involved, including hedging strategies, are set out in Note 32 of the accompanying financial statements.

Total Produce plc has established a strong reporting and internal audit function and its effectiveness is reviewed by the Audit Committee.

Risk management within Total Produce plc is co-ordinated by an Executive Risk Committee ('ERC' or the 'Committee') which directs the implementation of the process consistently throughout the Group. Responsibility for the identification and evaluation of financial, operational and compliance risks is delegated to senior management, which reports back to the Committee. The Committee meets during the year, as required, to review the relevant findings, and to make recommendations. The Committee reports its findings to the Audit Committee, which in turn reports to the Board.



The members of the Committee include the Chief Executive (Chairman), the Finance Director, an Executive Director, the Company Secretary, the Head of Internal Audit and a representative of senior management.

The reporting structure, internal audit and risk management functions complement each other and, together with divisional management, provide the Board with distinct sources of reasonable assurance as to the effectiveness of the system of internal controls that underlies the Group's control environment. The Board conducts its own risk identification and assessment so that it is sufficiently aware of the principal threats to which the Group may be exposed. The Board's review includes financial, operational and compliance controls and risk management systems.

The Board, through the ERC and the Audit Committee, has reviewed the process for identifying and evaluating the significant risks affecting the business and the policies and procedures by which these risks are managed effectively. The Board has embedded these structures and procedures throughout the Group and considers these to be a robust and efficient mechanism for creating a culture of risk awareness at every level of management.

The Directors regard the process of risk management as a positive medium for change, adding value in the interests of shareholders by utilising sound and considered judgment, while simultaneously making the organisation alert to best management practices.

Principal Risks and Uncertainties

Under Irish company law, the Group and Company are required to give a description of the principal risks and uncertainties which they face. These principal risks, and the actions taken to mitigate against them are set out below. This is not intended to be an exhaustive analysis of all risks currently facing the Group and does not list the risks in any order of priority.

Risk and Risk Description	Key Control and Mitigation Activities
Economic and Political Risk Global economic conditions and the stability of the markets in which we operate could impact on the Group's performance.	• The Group's management monitor global developments and the organisation structure enables prompt response, where appropriate, to changing market conditions. • The Group is geographically well diversified with operations in 26 countries across five continents. • The Group sources produce from numerous regions and suppliers worldwide to ensure continuous supply.
Corporate Communications The Group as a publicly-listed company undertakes regular communications with its stakeholders. These communications may contain forward looking-statements which by their nature involve uncertainty and actual results or developments may differ materially from the expectations expressed or implied in these communications. Failure to deliver on performance indications communicated to stakeholders could result in a reduction in share price, reduced earnings and reputational damage.	• Structures are in place at operational and divisional levels to ensure accurate and timely reporting. • The operational and financial performance of the Group is reported to the Board on a monthly basis. • Stock Exchange Announcements including preliminary and interim results announcements are reviewed by the Audit Committee and Board prior to release. • The Group places a high priority on communications with stakeholders and devotes considerable time and resources each year to stakeholder engagement. • The Group has an active investor relations programme and meets regularly with investors and analysts and in particular at the time of the announcements of preliminary and interim results.
Key Supplier Relationships The Group sources its products from a significant number of suppliers. The loss of any of these could have an adverse impact on the Group. Additionally the Group at times may enter into seasonal purchase agreements committing it to purchase fixed quantities of produce at fixed prices. The Group is exposed to the risk of losses arising from any inability to sell on these committed quantities and/or achieve the committed price.	• Key supplier relationships are actively managed by local and senior management. Any changes are communicated to executive management to ensure timely reaction to mitigate risks. • The Group sources produce from numerous regions and suppliers worldwide to ensure continuity of supply. • Internal procedures are in place for the approval and monitoring of any seasonal arrangements.
Acquisition Activity Growth through acquisition is a key element of the Group's strategy to create shareholder value. A failure to identify, execute or properly integrate acquisitions could impact on profit targets, the strategic development of the Group and consequently shareholder value.	• The Group has traditionally grown through acquisition and has a long proven track record in identifying and integrating acquisitions. • Executive, senior and local management together with a dedicated inhouse corporate finance team engage in a continuous and active review of acquisitions. • All potential acquisitions are subject to an assessment of the strategic fit within the Group and ability to generate a return on capital employed in excess of the cost of capital of the Group. • The Group conducts extensive due diligence using both internal and external resources prior to completing any acquisitions. • Board approval of the business case for all significant acquisitions is in place. • The Group has significant credit facilities available to fund acquisitions. • Senior management are responsible for the oversight and successful integration of new investments.

Risks and Risk Management (continued)

Risk and Risk Description	Key Control and Mitigation Activities
Food Safety Profitability in the fresh produce sector is dependent on high quality of supplies and consistency of delivery. It is possible that serious quality issues, and in particular, contamination of product, whether deliberate or accidental, could have a negative impact on revenue.	• Management undertake ongoing reviews to ensure policies and procedures around this area continue to be effective and that adequate resources are in place. • The Group has very close and well established relationships with its growers and only buys product when comfortable with the growers reputation and commitment to food safety. • The Group sources produce from numerous regions to ensure continuous supply.
Regulation and Compliance The Group operates in a number of jurisdictions and is therefore exposed to a wide range of legal and regulatory frameworks.	• There is regular monitoring and review of changes in law and regulation in relevant areas. • Management have access to the appropriate professional advisors in the relevant areas of compliance. • There is ongoing training arranged to ensure compliance.
Key Customer Relationships and Credit Risk The Group's customer base consists primarily of retailers and wholesalers. The increasing concentration of customers can increase credit risk. Changes in the trading relationships with major customers, or of their procurement policies, could positively or adversely affect the operations and profitability of the Group. In addition, the Group faces strong competition in its various markets and, if it fails to compete effectively, its business, results and financial condition could be adversely affected.	• Customer relationships are developed at both local and at senior management level to reduce risk and ensure that value is maintained for both Total Produce and the customer. • There is a focus on improving choice, price and service to our customers on an ongoing basis. • Credit risk is managed by credit management structures and reviews. The utilisation of credit limits is regularly monitored and a significant element of the credit risk is covered by credit insurance.
Foreign Currency As a large multinational Group with extensive operations worldwide the Group is exposed to translational and transactional currency fluctuations. The principal currency risk to which the Group is exposed to is adverse currency movements on translation of the results and balance sheets of foreign currency denominated operations into Euro, the Group's reporting currency. Adverse changes in exchange rates will have an impact on the Group's reported results and shareholders' equity. The annual impact of such movements is reported in the Consolidated Statement of Comprehensive Income. Foreign currency risk also arises from foreign currency transactions within each individual entity.	• The Group finances its initial overseas investments by matching foreign currency borrowings which naturally hedge the translation movement on foreign currency investments. • Repayments and interest on borrowings is therefore denominated in currencies that match the cash flows generated by the underlying businesses. • Group operations manage their individual transactional foreign exchange risk against their functional currency and such currency risks are managed by utilising forward contracts to cover committed exposures.
Access to Credit and Interest Rates The Group is exposed to fluctuations in credit markets which could impact the availability and cost of financing and consequently the Group's ability to grow through acquisition.	• The Group has facilities with a number of recognised international banks and funding providers with varied maturity profiles. • The Group ensures that sufficient funds and resources are available to meet expected liabilities and to finance the growth of the business through a combination of cash and cash equivalents, operating cash flows and undrawn committed facilities. • The Group has in place approved facilities giving access to appropriate long term borrowings as and when required.
Employee Retirement Obligations The Group's defined benefit pension funds are exposed to the volatility of market conditions. The value of pension assets are exposed to worldwide conditions in equity and bond markets. The underlying calculation of pension liabilities are subject to changes in discount rates, inflation rates and longevity of scheme members.	• The Group pays the appropriate contributions into the funds and works with the independent trustees and advisors to establish de-risking policies and balanced investment strategies. • For the schemes in place the Group has closed defined benefit schemes to new entrants and made modifications to accruing benefits, in order to manage and mitigate the volatility and build-up of liabilities.

Risk and Risk Description	Key Control and Mitigation Activities
Retention of Key Personnel and Talent Management The Group is dependent on the continuing commitment of its Directors and senior management team. The loss of key personnel without adequate replacement could have an adverse effect on the Group's business.	• Throughout the Group there is a focus on succession planning and it is formally assessed and reviewed by the Board. • Recruitment policies, management incentives and training and development programmes have all been established to encourage the retention of key personnel.
IT Systems and Cyber Security The Group relies on information technology and systems to support our business. The failure to ensure that our core operational systems are available to service the business requirements could impact the day-to-day operations of the Group. In addition the exploitation of vulnerabilities in IT systems either accidental or malicious, including those resulting from cyber-security attacks, could adversely impact the Group's business.	• The Group has robust Information Security and Computer User policies regarding the protection of business and personal information and governing the use IT assets. • The Group seek to manage this risk, in conjunction with our external partners, through a range of measures which include monitoring of threats, testing for vulnerabilities, provision of resilience and reviewing cybersecurity standards. • Independent, external and internal, reviews of our core operational systems are performed on an on-going basis. • There is a Group policy on backups in place and these backups are regularly tested.
Goodwill Impairment Sustained under performance in any of the Group's cash generating units may result in a material write down of goodwill. While such a write down would be a non-cash charge it could have a substantial impact on the Group's income statement and shareholders' equity.	• During the monthly reporting process indicators of goodwill impairment are monitored. Where necessary there is communication with senior management in order to ensure that potential impairment issues are highlighted and where practical corrective action is taken. • The Group tests goodwill annually for impairment on 31 October, or more frequently if there are indications that goodwill might be impaired. • The results of the goodwill impairment assessment are reported to the Audit Committee and the Board. • Further information on how the risk posed by goodwill impairment is managed is outlined in Note 12 of the attached Consolidated Financial Statements.

Going Concern and the Viability Statement

Going Concern and the Viability Statement

The following statements detail the Director's assessment of the Group's viability and ability to continue as a going concern.

Going Concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report. The Group's financial position, its cashflows, liquidity position and borrowing facilities are described in the Financial Review on pages 32 to 39. In addition, Note 32 to the financial statements outlines the Group's financial risk management objectives, details of its financial instruments and hedging activities and its exposure to credit risk, currency risk and liquidity risk. The Group has considerable financial resources and a diversified geographic presence with a large base of customers and suppliers. Having assessed the relevant business risks, the Directors believe the Company is well placed to manage its business risks successfully.

The Directors are satisfied that the Company, and the Group as a whole has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they have adopted the going concern basis in preparing the financial statements.

Viability Statement

The Directors have assessed the Groups viability over a three year period. Whilst the Directors have no reason to believe the Group will not be viable over a longer period, this has been deemed appropriate due to the current financial and operating cycles of the Group. In making this assessment of viability, the Board carried out an assessment of the principal risks and uncertainties facing the Group. The Group's current position, prospects and strategy were all considered as part of this review.

Based on the results of the analysis the Board has a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the three year assessment period.

Investing

Investing

In Total Produce, we are deeply committed to ongoing investment in our business. Often this commitment is obvious and tangible; investments in integrating new international partners, facilities, machinery and I.T. solutions across our global operations.

Other times, these investments are less visible, but equally important; investing in our people, in innovation, in new product development and in our processes. Irrespective of the form investment may take, the objective always remains the same; to differentiate our service and the produce that we sell.

Extending Our Reach

By its very nature, the fresh produce industry is international. Local at heart, global by nature, the combination of Total Produce's capacity to reach across the globe to secure the finest fresh produce and our extensive localised infrastructures in the marketplace, differentiates us. The Total Produce supply chain and our own organisation is ever-evolving and we are committed to ongoing investment in world class fresh produce operations to extend our reach, broaden our distribution capacities, add value and generate ever-greater synergies and efficiencies.

Broadening Our Core Competencies

Ongoing investment across the Total Produce Group invariably brings with it diversity. It brings experienced new people with new skills, ideas, core competencies and perspectives. It brings with it new assets, tangible and intangible, which inevitably changes the way we do business and the portfolio of services and produce we can offer our customers worldwide. In an ever-changing marketplace, Total Produce is ever-changing too; investing, adapting and improving to ensure we stay ahead of our customer's expectations.

More information on pages 18 and 19

Case study: North America

Progressive Produce joins the Total Produce Group

February 2016 saw Los Angeles based Progressive Produce join the Total Produce Group. With the 65% investment stake in the U.S. based fruit and vegetable marketer, Total Produce extended its North American footprint, following on from previous investments in Oppy and Gambles in Canada and Eco Farms in the United States.

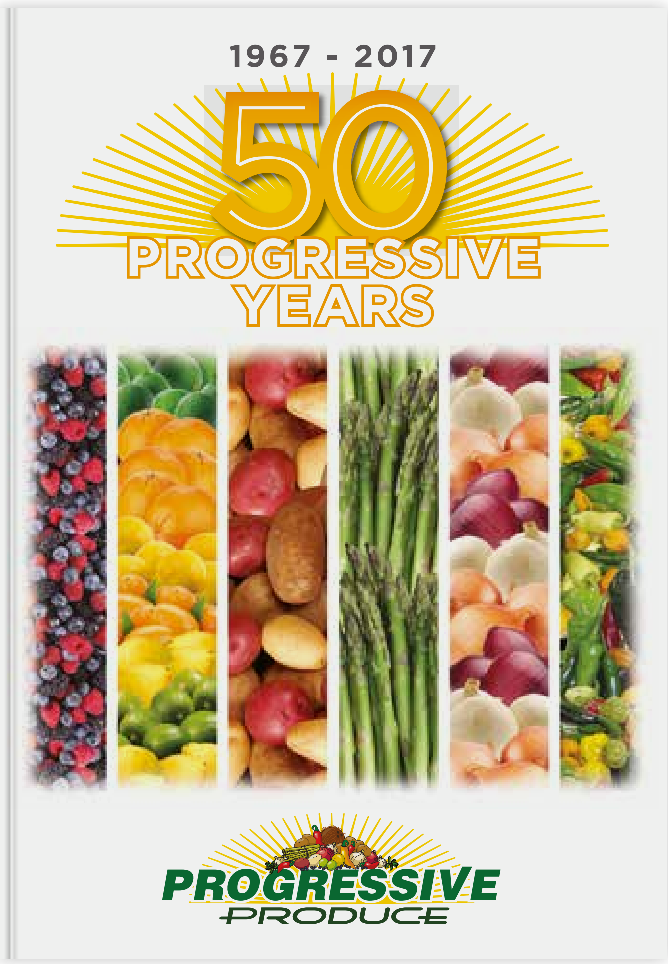
Sales in excess of

US$200m

Established in 1967, Progressive Produce is today one of California's premier produce companies with sales in excess of US$200 million and 214 employees. Progressive Produce offers a wide range of fresh, domestic, local and imported produce and specialises in the year round supply of potatoes, onions, asparagus, organics and other fresh fruits and vegetables, much of which is grown on leased farms across North and South America.

Progressive Produce differentiates itself by virtue of its expertise in food safety, traceability, marketing and package development with the company offering a number of well respected brands including Pacific Gold, Nature's Bounty Organic, Ole Pacifica and America's Asparagus. The business serves its customers from four strategically located distribution facilities in California and Washington.

For more information on Progressive Produce, visit: www.progressiveproduce.com



Case study: Ireland

Total Produce invest in Irish Nursery

2016 saw Total Produce Ireland invest in a new state-of-the-art, automated horticultural nursery in Wyestown, North Co. Dublin. Operated by Uniplumo, Total Produce's partner in bedding and pot plant production, this new facility represents an exciting new departure for Uniplumo as it seeks to build on its existing position as Ireland's leading pot plant and added value producer.

This new, modern site includes a 24,000 square metres fully automated growing and trading nursery facility along with 44 acres of adjoining farmland to service future expansion and output capabilities.

The glasshouse structure currently occupies 6 acres of the 50 acre site and the facility in Wyestown will process over seven million plants annually for the wholesale, multiple, and garden centre retail markets. The primary products will include bedding plants, poinsettia, and seasonal event specific plant based gift arrangements.

Key features of the Wyestown facility include:
1. Skilled experienced core staff across the production and sales support function
2. High speed internet to service timely sales and administration interactions with clients across industry
3. Full planting automation across all growing disciplines
4. New ebb and flow roller benches throughout the production unit
5. New computer controlled greenhouse climate control system
6. Roof water harvesting, storage and associated irrigation recycling technology

The development of Wyestown represents phase one of ambitious plans to bring additional Irish produce production, most notably a further 6 acres of Irish pot plants and bedding plants and an additional 6 acres of specialist Irish tomatoes to the facility. The development of Wyestown illustrates Total Produce's determination to put in place best practice across production and its ongoing commitment to local growers in each of the markets in which we operate.

For more information on Uniplumo, visit: www.uniplumo.ie

(Left) Tom Summerville, General Manager, Uniplumo Limited and (Right) Rory Byrne, CEO, Total Produce plc.

Innovating

Innovating

In Total Produce we are committed to extracting costs and adding value to the fresh produce supply chain. Embracing innovation across our processes and products is essential in this regard and throughout our operations we work to incorporate innovations into the production, distribution and marketing of our products and services.

Innovation At Production

Total Produce promotes innovation across both our own production and on the farms of the growers that supply us. We work with our partners in production to adopt proven innovations and trial new initiatives on their farms and their nurseries. The objective is to set ourselves and our growers apart, whether it is by developing new products, adopting new packaging, generating additional synergies or efficiencies or developing new processes which can yield environmental or ecological dividends.

Innovation In The Marketplace

Adding value to what we do, whether by differentiating our services to our customer base or setting apart our produce in the eyes of the consumer, is a central component to Total Produce's commercial offering. In the markets throughout the world in which we operate, we aspire to do things differently. We invest in new product development, branding, innovative packaging and creative category management to differentiate our produce and its presentation on the retail shelf.

More information on pages 22 and 23

Case study: Ireland

Grá – Innovating in the promotion of local produce.

Across the globe, fresh produce consumers consistently exhibit a strong preference for locally grown fruits and vegetables.

Whether based on perceptions of superior quality and freshness, the environmental dividends associated with buying local or a desire to support local growers, European and North American consumers actively seek out premium local produce on the retail shelf. Unfortunately, by its very nature, local production is very often fragmented, limiting the capacity of local growers to effectively market their produce.

In Ireland, Total Produce is working in collaboration with over thirty local Irish growers to address this issue. Grá, the Irish word for 'love' or 'to have a yearning for' has been adopted as a brand for application to a wide range of Irish products distributed to wholesale, retail and foodservice customers. The growers role in this initiative is to continue doing what they do best; producing the cream of the Irish crop.

In Total Produce we act as facilitator, consolidator, marketer, category manager and distributor. The ambition in developing the Grá brand is to brand, package and promote Irish produce to the highest international standards, to provide a platform for the country's best growers to showcase their superior produce and empower the consumer by making premium Irish produce instantly recognisable on the retail shelf.

"In Total Produce we act as facilitator, consolidator, marketer, category manager and distributor."

Case study: United Kingdom

Total Produce UK; Retractable rafter house innovation & LED technology enables a strawberry re-think.

Combining technological advances in horticultural production with a re-evaluation of established working practices is facilitating the growing of June-bearing short day strawberries as a triannual cropping system.

Sequential June-bearing short day planting is not an unknown practice for UK strawberry growers, but getting two plantings a year to successfully bear fruit can be a challenge with the British climate.

The Total Worldfresh research team, located at the Berry Research and Development Site in Langley Kent, have begun trials utilising the combined technologies of a Cravo retractable rafter house and supplementary light-emitting diodes ('LED') lighting to investigate the possibility of extending the harvest period. The flexibility of movement and control of the retractable rafter house maximises internal climate conditions, while allowing any available external radiant heat to be utilised when conditions are favourable.

In winter, temperatures within the rafter house can be 6°C higher than outside temperatures. This flexibility, in combination with supplementary LED lighting to extend day length early and late in the year, could be the key to production extensions in a non-glasshouse system.

The LED's are controlled by sensors that detect natural light. The retractable roof maximises use of natural light, and the LED's provide the light shortfall when conditions dictate. These LED's enable plants to be given the amount of light needed for photosynthetic activity all year round rather than just in the summer months. Different strength and recipes of lighting are being trialled using combinations of red, blue and far red spectrum LEDs.

The aim is to demonstrate to growers that there is good economic reason to grow high quality June-bearing varieties in this intensive but sustainable production system.

Responsible

Responsible

Corporate Social Responsibility and the pursuit of sustainable production and commercial practises lies at the heart of the Total Produce business model. Ours is a diverse, international business and our activities cross continents and social divides.

We are committed to pursuing best practice throughout our organisation and to at all times conducting our business in a responsible, inclusive and constructive manner.

The Fresh Produce Industry

That our primary function is the marketing of products, the health promoting properties of which have been firmly and definitively established, is something about which everyone in the fresh produce sector can be justifiably proud. Few industries can contend with such certainty that their core business makes so positive a contribution to public diet and general well being. That at the same time the environmental impact associated with the production of fresh fruit and vegetables is estimated to be significantly below that of comparable foodstuffs is truly remarkable. While there is always more that can be done, the fresh produce industry is an industry of worth.

Total Produce

In Total Produce, we recognise that our place within our industry brings with it unique responsibilities; responsibilities which extend across our operations and around the world. In Total Produce, we are mindful of the economic, environmental and social implications of our activities and are committed to adhering to best practice in all that we do. We believe that the benefits of fresh produce marketing can be collective and that a balanced supply chain can deliver equitable dividends to all of our stakeholders.

More information on pages 26-29

Fresh Produce
An industry of health, wellbeing and sustainability

In Total Produce, we are privileged to operate in an industry that is synonymous with health and wellbeing – marketing produce, the production of which, research suggests, results in substantially less environmental impact than many comparable foodstuffs.

* Source: "Double Pyramid 2016 – A More Sustainable Future Depends On Us." www.barillacfn.com

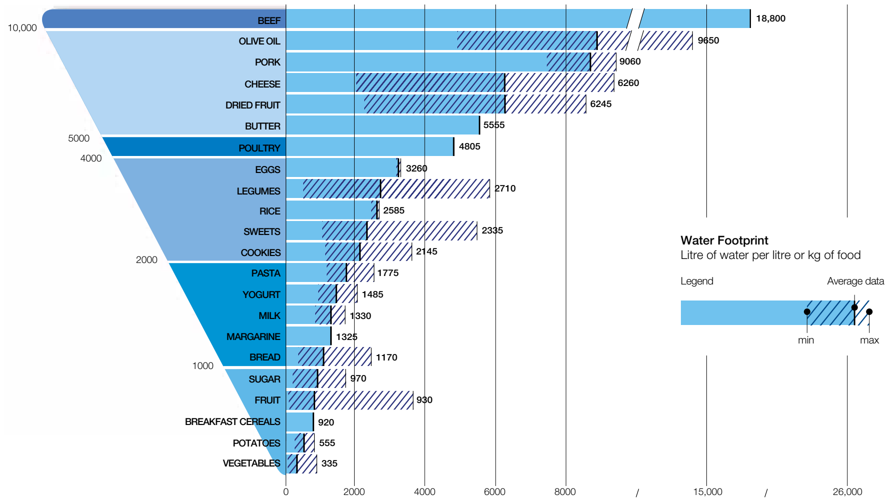
THE DOUBLE PYRAMID

Food pyramid*

Environmental pyramid*

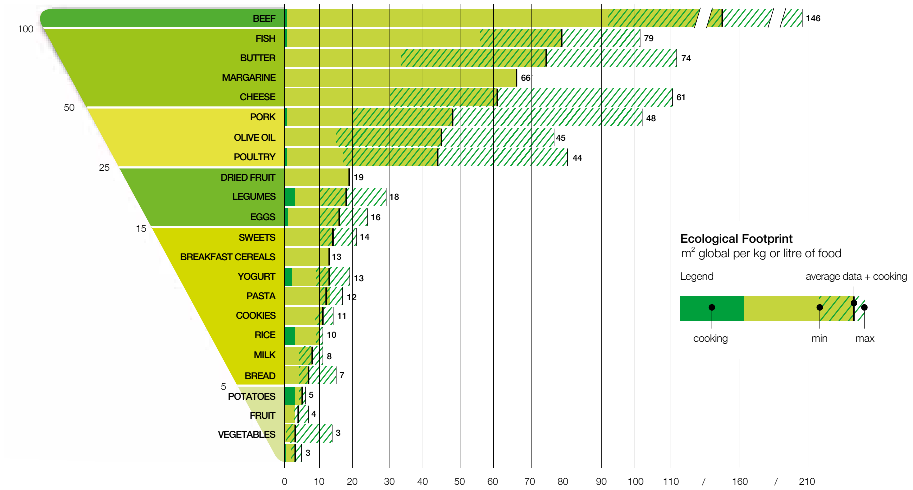
WATER FOOTPRINT*

Vegetables and potatoes respectively are associated with the lowest and second lowest consumption of water throughout the product's lifecycle. Fruit ranks fourth from bottom. All three categories consume considerably less water than comparable staple foodstuffs.



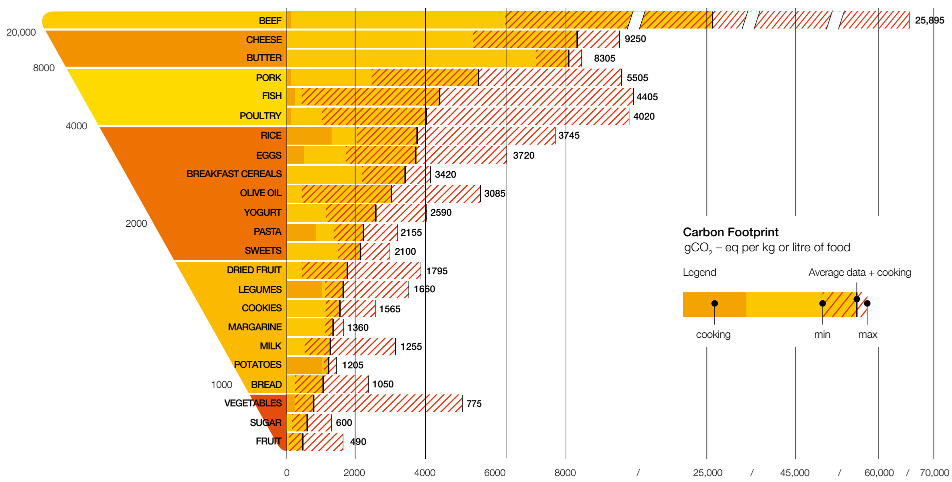
ECOLOGICAL FOOTPRINT*

Vegetables and fruit respectively are associated with the lowest and second lowest ecological impact of all major foodstuffs. Again, the impact associated with the production of fresh produce is marginal compared with the likes of beef, fish and dairy products.



CARBON FOOTPRINT*

Fruits and vegetables rank amongst the three least impactful foodstuffs based on the greenhouse gas emissions produced across their entire lifecycle. In fact, fresh produce is associated with only a fraction of the emissions of other foodstuffs.



Case study: Ireland

Total Produce signs up to Origin Green

Initiative seeks to reduce energy consumption and waste production and promote responsible production and procurement.

In 2016, Total Produce signed up to the Government sponsored Origin Green programme in Ireland. An initiative orchestrated by Bord Bia, the Irish Food Board, Origin Green is Ireland's national sustainability accreditation. It is a programme through which leading Irish food producers and distributors are recognised for adhering to best international practices in Sustainability and Corporate Social Responsibility. To become accredited, companies are required to produce approved and independently verified sustainability plans, benchmarking current performance and targeting on-going improvements. The plan requires clear objectives across three key areas: raw material sourcing, manufacturing processes and social sustainability.

The completion of Total Produce's 2017 Origin Green plan will entail collating, documenting and presenting a variety of sustainability projects and initiatives. Across each of the three key areas, Total Produce has committed to setting out ambitious, but achievable targets, for completion in accordance with an agreed timeline. Total Produce's plan will be independently verified by a third party and will be updated and monitored on an annual basis thereafter.

For more information on Origin Green, visit: www.origingreen.ie

> "The plan requires clear objectives across three key areas: raw material sourcing, manufacturing processes and social sustainability."

TOTAL PRODUCE – BEST PRACTICE ACROSS OUR OPERATIONS

Total Produce is satisfied that we have the appropriate risk management procedures in place to ensure that we comply with the highest standards in relation to food safety regulations. In addition, Total Produce, through its subsidiaries, has established Codes of Best Practice with which it requires direct suppliers to comply.

These are designed to reduce any potential negative impact of agricultural production on the environment and to ensure safe working conditions and fair treatment for workers in compliance with internationally accepted labour standards.

Total Produce is a member of GLOBALG.A.P, established by major food retailers and suppliers across Europe to address consumer concerns about food safety, environmental protection and worker welfare and to promote safe and sustainable agriculture. GLOBALG.A.P has adopted an extensive range of guidelines on these matters, resulting in the GLOBALG.A.P Agricultural Practice (GLOBALG.A.P) accreditation. This standard establishes the minimum requirements to be met by growers of fruit and vegetables that supply global retailers.

The Total Produce Group is also a member of SEDEX (The Social and Ethical Data Exchange) a body dedicated to the auditing of global producers to ensure ethical trading practices are adhered to.

In Total Produce, we recognise that our responsibilities concerning Corporate Social Responsibility are ongoing. We are committed to being pro-active and constructive in addressing all Corporate Social Responsibility matters and to actively participate in industry forums on social, ethical, environmental and health & safety issues.

Continued Growth

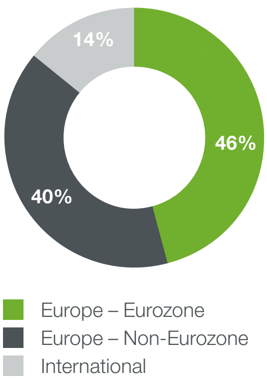
"Total Produce has delivered a very strong performance in 2016 with the benefit of acquisitions completed and a circa 4% like-for-like growth in revenue."

Total revenue increased 8.9% to €3.76 billion (2015: €3.45 billion) with adjusted EBITA up 15.0% to €73.7m (2015: €64.1m). The results benefited from the contribution of acquisitions completed in the past twelve months and good trading conditions in many key locations. This was offset in part by the €1.9m negative impact on adjusted EBITA from the translation of the results of foreign currency denominated operations to Euro, including the weaker Sterling, and unsatisfactory trading conditions in the non-fresh produce businesses. On a like-for-like basis, excluding acquisitions, divestments and currency translation, revenue was circa 4% higher arising from both marginal volume growth and higher average prices.

Operating profit before acquisition related intangible asset amortisation and exceptional items increased 17.0% to €65.2m (2015: €55.8m). Operating profit after these items increased 6.8% to €56.2m (2015: €52.6m).

The table below details a segmental breakdown of the Group's revenue and adjusted EBITA for the year ended 31 December 2016. Each of the operating segments is primarily involved in the procurement, marketing and distribution of hundreds of lines of fresh produce. Each segment also includes businesses involved

2016 Third Party Revenue by Division



in the marketing and distribution of healthfoods and consumer products. Segment performance is evaluated based on revenue and adjusted EBITA.

EUROPE – EUROZONE
This segment includes the Group's businesses in France, Ireland, Italy, the Netherlands and Spain. Revenue increased by 6.1% to €1,753m (2015: €1,653m) with a 17.1% increase in adjusted EBITA to €26.0m (2015: €22.2m). There was a positive contribution from acquisitions completed in the past twelve months. Overall trading conditions were favourable with growth in certain regions offsetting more challenging conditions in the Netherlands. Excluding the effect of acquisitions, revenue on a like-for-like basis was up 3% on prior year with both volume and average price growth.

EUROPE – NON-EUROZONE
This segment includes the Group's businesses in the Czech Republic, Poland, Scandinavia and the UK. Revenue decreased by 1.0% to €1,522m (2015: €1,538m) with adjusted EBITA marginally increasing by 0.4% to €38.8m (2015: €38.6m). The reported performance was impacted by the translation of the results of foreign currency denominated operations into Euro including to the weakening of Sterling by 12% in the year. Trading was also weaker in a sports nutrition business due to a more competitive environment.

On a like-for-like basis excluding acquisitions, divestments and currency translation, revenue was circa 3% ahead of prior year with average price increases offsetting a marginal volume decline. In the second half of the year, post the outcome of the EU referendum in the UK and as a consequence of the weakening of Sterling, volumes declined marginally in the UK but this was offset by higher average prices. Overall while the decision of the UK to leave the European Union has created some macro-economic uncertainties, it is not expected to have a material impact on the Group going forward.

INTERNATIONAL
This division includes the Group's businesses in North America and India. Revenue increased to €544m (2015: €321m) with adjusted EBITA increasing to €9.0m (2015: €3.4m). The results benefitted from the incremental contribution from the Progressive Produce acquisition in February 2016 and a strong trading performance in the existing businesses. This was offset in part by a loss of €0.9m on the disposal of a US sports nutrition business in April 2016.

ACQUISITIONS AND DEVELOPMENTS
A key part of the Group's strategy is growth by acquisition. In line with this strategy the Group made a number of acquisitions and investments in 2016 with committed investments in excess of €60m including deferred and contingent consideration payable of €17m on the achievement of future profit targets. The acquisitions and investments are strategically important to the Group. On 1 February 2016, the Group completed its fourth investment in a fresh produce company in North America with a 65% investment in Progressive Produce LLC ('Progressive Produce'), headquartered in Los Angeles, California. The Group also made a number of other investments in the UK, the Netherlands, Scandinavia and Chile as described in the Chairman's Statement on pages 4 and 5. Post year-end on 1 March 2017, we are pleased to announce the agreement to acquire a further 30% of the Oppenheimer Group ("Oppy") taking our interest to 65% and the enhancement of strategic agreements between Oppy and the New Zealand based T&G Global.

The Group continues to actively pursue further investment opportunities in both new and existing markets. The Group is cash generative with a strong balance sheet and has significant available credit facilities to support continued growth.

R P Byrne
Chief Executive
1 March 2017

	Year ended 31 December 2016			Year ended 31 December 2015		
	Segmental revenue €'000	**Third party revenue €'000**	**Adjusted EBITA €'000**	Segmental revenue €'000	Third party revenue €'000	Adjusted EBITA €'000
Fresh Produce						
Europe – Eurozone	**1,753,328**	**1,731,675**	**25,953**	1,653,035	1,636,479	22,170
Europe – Non-Eurozone	**1,521,936**	**1,487,091**	**38,769**	1,537,842	1,496,478	38,603
International	**543,713**	**543,639**	**9,020**	320,808	320,808	3,362
Inter-segment revenue	**(56,572)**	**–**	**–**	(57,920)	–	–
Third party revenue and adjusted EBITA	**3,762,405**	**3,762,405**	**73,742**	3,453,765	3,453,765	64,135

Strong earnings per share and cash generation

"The Group generated strong earnings per share growth and positive cash flows in 2016 and is well positioned to finance future growth."

Summary of Results
Total Revenue, adjusted EBITA and adjusted fully diluted EPS grew by 8.9%, 15.0% and 14.1% respectively in 2016. The Group continues to generate strong cash flows with free cash flow of €30.4m generated in 2016.

Summary of Income Statement

The following is a summary of the Group Income Statement and the Group's Key Performance Indicators.

	2016 €'000	2015 €'000
Revenue including share of joint ventures and associates	**3,762,405**	3,453,765
Adjusted EBITDA[1]	**94,822**	82,822
Depreciation charge[2]	**(21,080)**	(18,687)
Adjusted EBITA[1]	**73,742**	64,135
Acquisition related intangible asset amortisation charges (includes the Group's share within joint ventures and associates)	**(10,232)**	(7,617)
Fair value movements on contingent consideration	**(73)**	(1,384)
Acquisition related costs within subsidiaries	**(922)**	(672)
Share of joint ventures and associates net financial expense	**(481)**	(330)
Share of joint ventures and associates income tax	**(4,473)**	(3,562)
Operating profit before exceptional items	**57,561**	50,570
Exceptional items	**(1,409)**	2,028
Operating profit after exceptional items	**56,152**	52,598
Net financial expense	**(5,524)**	(5,815)
Profit before tax	**50,628**	46,783
Income tax expense	**(11,324)**	(9,281)
Profit after tax	**39,304**	37,502
Attributable to:		
Equity holders of the parent	**28,536**	30,027
Non-controlling interests	**10,768**	7,475
	39,304	37,502

	2016 cent	2015 cent
Adjusted fully diluted earnings per share[1]	**12.07**	10.58
Basic earnings per share	**8.91**	9.07
Fully diluted earnings per share	**8.80**	8.97

1 Key performance indicators are defined on page 10.

2 Depreciation charge includes the depreciation charge of the Group's property, plant and equipment, the Group's share of the depreciation charge of joint ventures and associates and amortisation charges of computer software which are classified as intangible assets in accordance with IFRS.

Key Performance Indicators

	2016
Revenue growth	**8.9%**
Adjusted fully diluted EPS growth	**14.1%**
Adjusted EBITDA growth	**14.5%**
Adjusted EBITA growth	**15.0%**
Adjusted EBITA margin	**2.0%**
Interest cover (adjusted EBITA: net financial expense)	**13.3 times**
Net debt/adjusted EBITDA	**0.5 times**
Operating cash flow	**€44.2m**
Free cash flow	**€30.4m**

Financial Review (continued)

Revenue, Adjusted EBITA and Operating Profit

An analysis of the factors influencing the changes in revenue, adjusted EBITA and operating profit is provided in the Operating Review on pages 30 to 31.

Translation of Foreign Currencies

The reporting currency of the Group is the Euro. Results and cash flows of foreign currency denominated operations have been translated into Euro at the date of transaction or at the average exchange rate for the year. The related balance sheets have been translated at the rates of exchange ruling at the balance sheet date. Adjustments arising on the translation of the results of the foreign currency denominated operations at the average rates, and on the restatement of the opening net assets at closing rates, are accounted for within a separate translation reserve within equity, net of differences on related foreign currency borrowings to the extent they are effective. All other translation differences are recorded in the income statement. The principal rates used in the translation of the results and balance sheets into Euro were as follows:

	Average rate			Closing rate		
	2016	**2015**	**% change**	**2016**	2015	% change
Brazilian Real	**3.6919**	–	–	**3.4305**	4.3198	20.6%
Canadian Dollar	**1.4674**	1.4184	(3.5%)	**1.4141**	1.5129	6.5%
Czech Koruna	**27.0353**	27.2862	0.9%	**27.0210**	27.0217	0.0%
Danish Kroner	**7.4427**	7.4584	0.2%	**7.4344**	7.4623	0.4%
Indian Rupee	**74.2703**	71.1987	(4.3%)	**71.4680**	72.2024	1.0%
Polish Zloty	**4.3621**	4.1769	(4.4%)	**4.4051**	4.2628	(3.3%)
Pound Sterling	**0.8102**	0.7223	(12.2%)	**0.8526**	0.7368	(15.7%)
Swedish Krona	**9.4650**	9.3489	(1.2%)	**9.5773**	9.1858	(4.3%)
US Dollar	**1.1081**	1.1106	0.2%	**1.0520**	1.0907	3.5%

In 2016 there were movements in some of the major currencies in the Group against the Euro, the Group's reporting currency. In particular the average Pound Sterling, Canadian Dollar and Swedish Krona weakened by 12.2%, 3.5% and 1.2% respectively. These various movements in currency led to a negative impact on retranslation of 2016 revenues and earnings of the foreign currency denominated operations into Euro.

At 31 December 2016, the closing exchange rates for Pound Sterling and Swedish Krona rates had weakened by 15.7% and 4.3% respectively against the Euro. This was partly offset by the strengthening of the Canadian Dollar and US Dollar by 6.5% and 3.5% respectively when compared to the exchange rates that prevailed at 31 December 2015. The various movements in closing exchange rates led to a net loss on the retranslation of the opening net assets to the closing rate. This translation adjustment was recorded in a separate translation reserve within equity.

Net Financial Expense

Net financial expense in the year decreased to €5.5m (2015: €5.8m) with lower cost of funding offsetting higher average net debt. The Group's share of the net interest expense of joint ventures and associates in the year was €0.5m (2015: €0.3m). Net interest cover for the year was 13.3 times based on adjusted EBITA.

Amortisation of Acquisition Related Intangible Assets

Acquisition related intangible asset amortisation within subsidiaries increased to €7.7m (2015: €5.2m) due to additional charges relating to recent acquisitions. The share of intangible asset amortisation within joint ventures and associates was €2.6m (2015: €2.4m).

Exceptional Items

Exceptional items in the year amounted to a net charge of €1.4m compared to a net gain of €2.0m in 2015. The current year charge primarily relates to a non-cash goodwill impairment charge of €5.2m relating to a sports nutrition business offset by €3.8m in profit relating to property and leasehold disposals and related insurance income. The €2.0m gain in 2015 related to profits on sale of property and leaseholds. Please refer to Note 6 in the accompanying financial statements for further information in respect of these items.

Profit Before Tax and Adjusted Profit Before Tax

Statutory profit before tax increased to €50.6m (2015: €46.8m) with higher trading profits offset in part by exceptional costs in 2016 when compared to exceptional credits in the 2015. Excluding exceptional items, acquisition related amortisation charges and costs, and fair value movements on contingent consideration, adjusted profit before tax increased by 16.8% to €67.7m (2015: €58.0m).

	2016 €'000	2015 €'000
Profit before tax per the income statement	**50,628**	46,783
Adjustments		
Exceptional items (Note 6)	**1,409**	(2,028)
Share of joint ventures and associates income tax	**4,473**	3,562
Acquisition related intangible asset amortisation within subsidiaries	**7,675**	5,183
Share of joint ventures and associates acquisition related intangible assets amortisation	**2,557**	2,434
Fair value movements on contingent consideration	**73**	1,384
Acquisition related costs within subsidiaries	**922**	672
Adjusted profit before tax	**67,737**	57,990

Taxation

The total tax charge for the year as presented in the table below amounted to €15.8m (2015: €12.8m), including the Group's share of the tax charge of its joint ventures and associates of €4.5m (2015: €3.6m), which was netted in profit before tax in accordance with IFRS.

As set out in the table below, excluding deferred tax credits related to the amortisation of intangible assets and the tax effect of exceptional items, the underlying tax charge for the year was €16.7m (2015: €14.2m), equivalent to an underlying rate of 24.7% (2015: 24.4%) when applied to the Group's adjusted profit before tax.

	2016 €'000	2015 €'000
Income tax expense	**11,324**	9,281
Group share of the tax charge of joint ventures and associates netted in profit before tax	**4,473**	3,562
Total tax charge	**15,797**	12,843
Adjustments		
Deferred tax credit on amortisation of intangible assets – subsidiaries	**971**	1,080
Share of joint ventures and associates deferred tax credit on amortisation of intangible assets	**636**	593
Net deferred tax on fair value movements on investment properties – subsidiaries	**182**	(135)
Tax impact of other exceptional items	**(868)**	(216)
Tax charge on the underlying activities	**16,718**	14,165

Non-Controlling Interests Share of Profit After Tax

The non-controlling interests' share of after tax profits in the year was €10.8m (2015: €7.5m). Included in the charge was the non-controlling interests' share of exceptional items, amortisation charges and acquisition related costs of €1.1m (2015: €0.9m). Excluding these non-trading items, the non-controlling interests' share of after tax profits increased by €3.5m. The increase was primarily due to non-controlling interests' share of the after tax profits of recent acquisitions completed in the past twelve months.

Earnings per Share

Adjusted fully diluted earnings per share increased by 14.1% to 12.07 cent per share (2015: 10.58 cent) in the year assisted by the incremental contribution from acquisitions and the positive impact of the share buyback program completed in January 2016. Management believes that adjusted fully diluted earnings per share, which excludes exceptional items, acquisition related intangible asset amortisation charges and costs, fair value movements on contingent consideration and related tax on these items, provides a fairer reflection of the underlying trading performance of the Group.

Basic earnings per share and diluted earnings per share after these non-trading items amounted to 8.91 cent per share (2015: 9.07 cent) and 8.80 cent per share (2015: 8.97 cent) respectively.

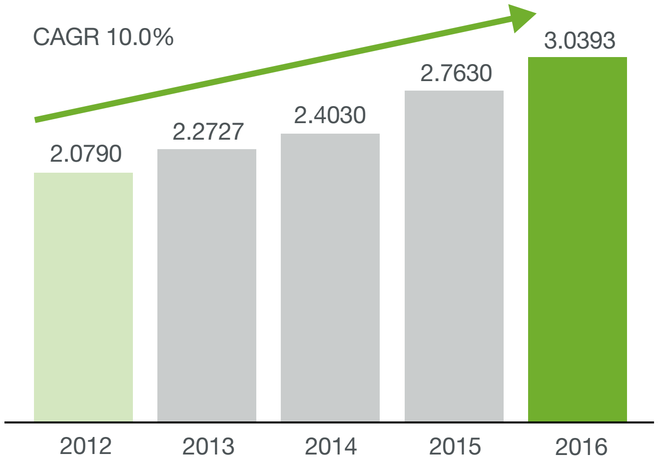
Note 9 of the accompanying financial statements provides details on the calculation of the respective earnings per share amounts.

Financial Review (continued)

Dividend

The Board is proposing a 10.0% increase in the final dividend to 2.2297 (2015: 2.027) cent per share subject to the approval of shareholders at the forthcoming AGM. If approved, this dividend will be paid on 26 May 2017 to shareholders on the register at 5 May 2017 subject to dividend withholding tax. If approved, the total dividend for 2016 will amount to 3.0393 (2015: 2.763) cent per share and represents an increase of 10.0% on 2015. The total dividend represents a pay-out of 25.2% of the adjusted earnings per share.

Dividend per Share



Summary Balance Sheet

	2016 €'m	2015 €'m
Tangible fixed assets	**153.8**	151.7
Goodwill and intangible assets	**220.5**	190.5
Investments (mainly joint ventures and associates)	**93.5**	76.9
Working capital and other	**(5.4)**	(21.8)
Contingent and deferred consideration	**(46.9)**	(36.2)
Put option liability	**(21.2)**	–
Employee benefit liabilities (net of deferred tax)	**(31.8)**	(14.5)
Taxation (excluding deferred tax on employee benefit liabilities)	**(15.2)**	(14.7)
Net debt	**(48.4)**	(18.1)
Net assets	**298.9**	313.8
Shareholders' equity	**226.3**	238.8
Non-controlling interests	**72.6**	75.0
Shareholders' equity and non-controlling interests	**298.9**	313.8

Net assets have decreased by 4.7% in the year to €298.9m (2015: €313.8m) and shareholders' equity decreased by 5.2% to €226.3m (2015: €238.8m).

Shareholders' Equity

Shareholders' equity decreased by €12.5m to €226.3m at 31 December 2016. Profit after tax of €28.5m attributable to equity shareholders was offset by remeasurement losses of €19.7m (net of deferred tax) on post-employment defined benefit schemes, foreign currency loss of €8.3m on the retranslation of the net assets of foreign currency denominated operations, the payment of dividends of €9.1m to equity shareholders of the Company and the share buy-back of €6.0m.

	2016 €'m	2015 €'m
Total shareholders' equity at the beginning of the year	**238.8**	217.1
Profit for the year attributable to equity shareholders	**28.5**	30.0
Other comprehensive income attributable to equity shareholders		
Remeasurement (losses)/gains on post employment defined benefit schemes (net of deferred tax)	**(19.7)**	8.5
Net revaluation gains on property, plant and equipment (net of deferred tax)	**1.9**	0.3
Net (losses)/gains on the translation of net assets of foreign currency denominated operations	**(8.3)**	4.6
Other	**(0.8)**	(0.7)
Total other comprehensive income directly attributable to equity shareholders	**(26.9)**	12.7
Total comprehensive income for the year, net of tax	**1.6**	42.7
Buy-back of own shares	**(6.0)**	(14.4)
New shares issued	**1.8**	1.0
Share-based payment expense	**0.4**	0.4
Dividends paid to equity shareholders	**(9.1)**	(8.3)
Acquisition of non-controlling interests recognised directly in equity	**(0.7)**	0.3
Other	**(0.5)**	–
Total transactions with equity holders of the parent	**(14.1)**	(21.0)
Total shareholders' equity at the end of the year	**226.3**	238.8

As set out above, the €26.9m losses (2015: €12.7m gains) recognised directly in reserves through the statement of other comprehensive income includes remeasurement losses on post-employment benefit pension schemes, revaluation gains on own use property, plant and equipment and currency losses on the translation of the net assets of foreign currency denominated operations.

The share of remeasurement losses on post-employment defined benefit pension schemes, net of deferred tax, attributable to equity shareholders recognised directly in reserves through the statement of other comprehensive incomes in the year was €19.7m (2015: gain of €8.5m). As part of the Group's annual revaluation of its own use land and buildings, the share of property revaluation gains, net of tax attributable to equity shareholders for the year was €1.9m (2015: gain of €0.3m). Refer to Note 10 of the accompanying financial statements for further information on revaluation of land and buildings.

As referred to earlier, there was a loss on the retranslation of the net assets of foreign currency denominated subsidiaries to Euro (the Group's reporting currency) at 31 December 2016 resulting in a net foreign currency loss of €8.3m (2015: gain of €4.6m) attributable to equity shareholders. This net movement was inclusive of translation gains on foreign currency borrowings designated as net investment hedges of foreign currency denominated operations. This annual translation adjustment can be positive or negative depending on the movement between the opening and the closing exchange rates.

As noted earlier, the Group spent €6.0m in 2016 (2015: €14.4m) in a share buy-back programme. During the year the Group paid €9.1m (2015: €8.3m) in dividends to equity shareholders consisting of the 2015 final dividend payment and the 2016 interim dividend. In 2016, the Group received €1.8m (2015: €1.0m) from the issue of shares on the exercise of employee share options. As described in Note 19 of the accompanying financial statements, the difference of €0.7m (2015: €0.3m) between the fair value of the consideration paid and the book value of non-controlling interests acquired was recognised directly as a reduction (2015: increase) in equity.

Financial Review (continued)

Post-Employment Defined Benefit Pension Schemes

	2016 €'m	2015 €'m
Net liability at the beginning of the year	**(17.2)**	(27.5)
Net interest expense and current service cost recognised in the income statement	**(3.2)**	(4.7)
Employer contributions to the schemes	**5.0**	5.4
Remeasurement (losses)/gains recognised in other comprehensive income	**(23.8)**	9.9
Foreign exchange movement	**1.4**	(0.3)
Net pension liability at the end of the year	**(37.8)**	(17.2)
Net related deferred tax asset	**6.0**	2.7
Net pension liability at the end of the year after deferred tax	**(31.8)**	(14.5)

The table above summarises the movements in the net liability of the Group's various defined benefit pension schemes in Ireland, the UK and Continental Europe in accordance with IAS 19 *Employee Benefits (2011)*.

The Group's balance sheet at 31 December 2016 reflects the net pension liabilities of €37.8m (2015: €17.2m) in respect of schemes in deficit, resulting in a net deficit of €31.8m (2015: €14.5m) after deferred tax. Pension scheme assets increased by 5.5% to €189.0m (2015: €179.1m) while pension scheme obligations increased by 15.5% to €226.8m (2015: €196.3m).

The current and past service costs and the net finance expense on the net scheme liabilities are charged to the income statement. Remeasurement gains and losses are recognised in other comprehensive income.

In determining the valuation of pension obligations, consultation with independent actuaries is required. The estimation of employee benefit obligations requires the determination of appropriate assumptions such as discount rates, inflation rates and mortality rates as explained in more detail in Note 29 of the accompanying financial statements.

The increase in the net liability in the year was primarily due to the significant decrease in discount rates which results in an increase in the net present value of the obligations of these pension schemes. The discount rate in Ireland and the Eurozone decreased to 1.9% (2015: 2.6%) and in the UK decreased to 2.75%/2.80% (2015: 4.1%). This was offset in part by a 13.3% return on pension scheme assets in the year.

Funds Flow

Net debt at 31 December 2016 was €48.4m compared to €18.1m at 31 December 2015. The Group generated €53.7m (2015: €45.9m) in operating cash flows in 2016 before working capital movements. There were €9.5m working capital outflows in the year compared to a €14.9m inflow in 2015. The prior year working capital movement included the benefit of an incremental €9.2m in non-recourse trade receivables financing year-on-year whereas the current year incremental benefit was €2.5m. Cash outflows on routine capital expenditure, net of disposals, were €15.3m (2015: €18.1m). Dividends received from joint ventures and associates in the year increased to €8.3m (2015: €8.1m) which is a function of the Group's increased investments in the past number of years while dividends paid to non-controlling interests increased to €6.8m (2015: €2.4m) due to both higher profits in companies with non-controlling shareholdings and the timing of dividend payments.

The cash inflows of €3.0m (2015: €3.1m) from exceptional items relate to proceeds from sale of property and leasehold interests and related compensation. Cash outflows on acquisitions amounted to €44.2m (2015: €11.3m) with contingent and deferred consideration payments relating to prior period acquisitions of €4.8m (2015: €12.7m) in the year. The Group received cash of €6.4m (2015: €Nil) on the disposal of trading assets of a US sports nutrition business. Payments for non-routine property additions amounted to €7.8m (2015: €4.2m). The Group distributed €9.1m (2015: €8.3m) in dividends to equity shareholders in the year and also made payments of €6.0m (2015: €14.4m) acquiring its own shares. There was an exchange rate gain of €0.4m (2015: €2.1m loss) on the translation of foreign currency debt into Euro at 31 December 2016 with the movement due to the weaker Sterling and Swedish Krona rates partly offset by stronger US Dollar and Canadian Dollar exchange rates at year-end compared to those prevailing at 31 December 2015.

	2016 €'million	2015 €'million
Adjusted EBITDA	**94.8**	82.8
Deduct adjusted EBITDA of joint ventures and associates	**(22.1)**	(18.6)
Net financial expense and tax paid	**(17.3)**	(16.8)
Other	**(1.7)**	(1.5)
Operating cash flows before working capital movements	**53.7**	45.9
Working capital movements	**(9.5)**	14.9
Operating cash flows	**44.2**	60.8
Routine capital expenditure net of routine disposal proceeds	**(15.3)**	(18.1)
Dividends received from joint ventures and associates	**8.3**	8.1
Dividends paid to non-controlling interests	**(6.8)**	(2.4)
Free cash flow	**30.4**	48.4
Cash flows from exceptional items	**3.0**	3.1
Acquisition payments, net[1]	**(44.2)**	(11.3)
Net cash/(debt) assumed on acquisition of subsidiaries	**0.8**	(0.7)
Contingent and deferred consideration payments	**(4.8)**	(12.7)
Disposal of trading assets	**6.4**	–
Non-routine capital expenditure/property additions	**(7.8)**	(4.2)
Dividends paid to equity shareholders	**(9.1)**	(8.3)
Buy-back of own shares	**(6.0)**	(14.4)
Other	**0.6**	0.9
Total net debt movement in year	**(30.7)**	0.8
Net debt at beginning of year	**(18.1)**	(16.8)
Foreign currency translation	**0.4**	(2.1)
Net debt at end of year	**(48.4)**	(18.1)

[1] Includes payments in year on subsidiaries, non-controlling interests, joint ventures and associates and is net of contributions from non-controlling interests and proceeds on disposal of a joint venture and shares of non-controlling interests.

Net Debt and Group Financing

As outlined above, net debt during the year increased from €18.1m to €48.4m. At 31 December 2016, the Group had available cash balances including bank deposits of €129.8m and interest-bearing borrowings (including overdrafts) of €178.2m. Net debt to adjusted EBITDA was 0.5 times and interest was covered 13.3 times by adjusted EBITA, both comfortably within existing bank covenants.

Average net debt for 2016 was €95.9m (2015: €66.6m). In addition, the Group has non-recourse trade receivables financing at 31 December 2016 of €43.0m (2015: €40.5m).

The Group has adequate facilities to finance future expansion.

Summary

The Group in 2016 has continued its track record of generating strong earnings and cash flows. The Group has a strong balance sheet with significant financing facilities to fund future expansion.

F J Davis
Finance Director
1 March 2017

Board of Directors and Secretary

Carl McCann (63)

Chairman, BBS, MA, FCA

Carl McCann was appointed as Chairman of Total Produce on 30 December 2006. Prior to this, Carl previously held the role of Chairman of Fyffes plc. He joined Fyffes in 1980 where he held a number of senior positions including that of Vice Chairman before he was appointed Chairman in 2003. He is also Chairman of Balmoral International Land Holdings plc and is a Director of a number of other companies.

Rory Byrne (56)

Chief Executive, B Comm, FCA

Rory Byrne was appointed as Chief Executive of Total Produce on 30 December 2006. Prior to this, Rory was the Managing Director of the Fyffes General Produce division from 2002 and was appointed to the position of Executive Director in 2006. Rory has extensive experience in the fresh produce industry, having joined Fyffes in 1988 and has held a number of senior positions within Fyffes including Finance Director of the Group's UK business and Managing Director of its Spanish operations.

Frank Davis (57)

Finance Director, LLB, MA, FCCA, BL, FCIArb

Frank Davis was appointed to the position of Finance Director and to the Board of Total Produce on 1 August 2009 having previously held the roles of Company Secretary/CFO from 30 December 2006. Prior to this, Frank was the Finance Director of the General Produce division of Fyffes plc from 2002 to 2006. Frank joined Fyffes in 1983 having previously worked in practice and in industry and has held a number of senior accounting and financial positions in Fyffes, including that of Finance Director of the Irish and UK produce operations. An accountant by profession, he is also a qualified barrister-at-law (Honourable Society of King's Inns) and a Fellow of the Chartered Institute of Arbitrators.

Frank Gernon (63)

Director, FCCA

Frank Gernon ceased his full time role as Director, Financial Strategy and Development in July 2013 but continues in a part-time Financial Advisory role and remains an Executive Director of the Board. Frank has been employed by the Group for over 40 years and was appointed Finance Director of Total Produce on 30 December 2006 and Director, Financial Strategy and Development on 1 August 2009. Prior to this, Frank was the Finance Director of Fyffes plc from 1998 to 2006. Frank joined Fyffes in 1973 and held various senior accounting and financial positions, including Company Secretary and Chief Financial Officer before his appointment as Group Finance Director and to the Board of Directors of Fyffes in 1998.

Rose Hynes (59)

Non-Executive, BCL, AITI

Rose Hynes was appointed to the Board on 28 November 2006. Since her appointment she has been a member of the Audit and Nomination Committees, Chairman of the Group Compensation Committee and the nominated Senior Independent Non-Executive Director. Rose, a lawyer, is Chairman of Origin Enterprises plc and Chairman of Shannon Group plc. She is also Director of a number of other companies. Rose previously held senior executive positions with GPA Group plc.

Jerome Kennedy (68)

Non-Executive, FCA

Jerome Kennedy was appointed to the Board on 28 November 2006 and since his appointment has been Chairman of the Audit Committee and a member of the Compensation and Nomination Committees. He is also a board member of Independent News & Media plc and Green REIT plc and is a Non-Executive Director of a number of other private companies. Previously, Jerome was managing partner of KPMG Ireland and a board member of KPMG Europe from 1995 to 2004.

Seamus Taaffe (66)

Non-Executive, B Comm, FCA

Seamus Taaffe was appointed to the Board on 12 October 2012 and on 25 October 2012 was appointed to the Audit Committee. Previously, Seamus was a senior partner in KPMG where he was responsible for the audit of and advising a wide range of listed and mid-market companies. Seamus is also a Non-Executive Director of a number of private Irish companies and organisations.

Kevin Toland (51)

Non-Executive, FCMA

Kevin Toland was appointed to the Board as a Non-Executive Director on 1 July 2015. Kevin is currently the CEO of daa plc which is responsible for the operation of Dublin and Cork airports and Aer Rianta International and daa International, the international airport group. Kevin is also an IBEC board member. Kevin has previously held senior executive positions with a number of multinational companies.

Marie Reid (44)

Company Secretary, B Comm, MAcc, FCA

Marie Reid was appointed to the position of Company Secretary on 1 August 2009 having previously held the role of Assistant Company Secretary. Prior to the formation of Total Produce, Marie joined Fyffes in 2004 and during this time held a number of senior financial positions. Previously Marie worked with Élan Corporation and KPMG.


Carl McCann


Rory Byrne


Frank Davis


Frank Gernon


Rose Hynes


Jerome Kennedy


Seamus Taaffe


Kevin Toland


Marie Reid

Directors' Report

The Directors present their report to the shareholders, together with the audited financial statements of the Group and Company, for the year ended 31 December 2016.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

Total Produce plc is one of the largest fresh produce distributors in the World with operations in 26 countries. A detailed business review is included in the Operating Review on pages 30 to 31 and in the Financial Review on pages 32 to 39, including an analysis of the key performance indicators used to measure performance. These are defined as revenue, margin, volume, average price and adjusted EBITA. Pages 12 to 15 of this report details the key business and financial risks faced by the Group.

PROFIT

Details of the profit for the year are set out in the income statement for the year ended 31 December 2016 on page 61.

DIVIDEND

An interim dividend of 0.8096 cent (2015: 0.736 cent) per share was paid on 14 October 2016. The Directors have proposed, subject to shareholder approval at the Annual General Meeting ('AGM'), the payment of a final dividend for 2016 of 2.2297 cent (2015: 2.027 cent) per share. If approved, the dividend will be paid on 26 May 2017 to shareholders on the register at 5 May 2017, subject to dividend withholding tax. The total dividend of 3.0393 cent per share for 2016 represents an increase of 10% on the total 2015 dividend of 2.763 cent per share.

FUTURE DEVELOPMENTS

A review of future developments of the business is included in the Chairman's Statement on pages 4 to 5.

DIRECTORS AND COMPANY SECRETARY

The names of the persons who were directors during the year are set out below. There were no changes to Directors and Company Secretary during the year.

Executive:

C P McCann
R P Byrne
F J Davis
J F Gernon

Non-Executive:

R B Hynes
J J Kennedy
S J Taaffe
K E Toland

Company Secretary

M T Reid

In accordance with the Articles of Association of the Company C P McCann, J F Gernon and J J Kennedy retire from the Board by rotation and, being eligible, offer themselves for re-election at the 2017 AGM.

DIRECTORS INTERESTS

Details of the Directors share interests and interests in share options of the Company and Group companies are set out in the Compensation Committee Report on pages 52 to 56.

SUBSTANTIAL HOLDINGS

The issued share capital of Total Produce plc at 31 December 2016 consisted of 343,014,762 ordinary shares (including 22,000,000 treasury shares). Each share has a nominal value of 1 cent. All shares, other than treasury shares, have equal voting and dividend rights. The Directors have been notified of the following significant interests in the issued ordinary share capital of the Company at 1 March 2017:

	Number of ordinary shares	%
Balkan Investment Company and related parties (*including Arnsberg Investment Company*)	37,238,334	11.27%
Franklin Templeton Institutional LLC	31,195,200	9.74%
GMT Capital Corp	29,935,682	9.03%
FMR LLC	16,750,000	5.06%
BNP Paribas Investment Partners SA	15,676,466	4.89%
State Street Global Advisors Ireland Limited	13,963,702	4.23%
Oddo Meriten Asset Management SA	10,150,000	3.19%
Invesco Limited	9,775,753	3.05%

Except as disclosed above, the Group has not received any notification from any person confirming that such person is interested, directly or indirectly, in 3% or more of the issued share capital (excluding treasury shares) of the Company, nor is it aware of any person who directly or indirectly, jointly or severally, exercises or could exercise control over the Group.

DIRECTORS' INTERESTS IN CONTRACTS

None of the Directors had a beneficial interest in any material contract to which the Company or any of its subsidiaries was a party during the year. One of the Directors had an indirect interest in the Group's investment in a joint venture and this is noted in Note 31 of the accompanying financial statements.

ACQUISITION OF COMPANY'S OWN SHARES

On 27 January 2016, the Group completed the €20,000,000 share buyback program that commenced on 9 October 2015 with a total of 14,017,270 ordinary shares being purchased and cancelled. Within this program during January 2016, the Group acquired 4,073,872 (2015: 9,943,398) of its own ordinary shares at an aggregate cost of €5,899,000 (2015: €14,101,000) plus costs of €74,000 (2015: €287,000). The total cost of €5,973,000 (2015: €14,388,000) was reflected as a reduction in retained earnings. The repurchased ordinary shares were cancelled with the nominal value of the cancelled shares, €41,000 (2015: €99,000) being credited to undenominated capital reserve.

TREASURY SHARES

At 31 December 2016, the total number of treasury shares amounted to 22,000,000 ordinary 1 cent shares at a cost of €8,580,000 (2015: 22,000,000 1 cent shares at a cost of €8,580,000). These shares represent 6.41% (2015: 6.38%) of the ordinary shares in issue at 31 December 2016. In respect of these treasury shares all rights (including voting and dividend rights) are suspended until those shares are reissued and therefore are not included in the earnings per share calculations.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board has overall responsibility for the Groups system of risk management and internal control. Details of the structures in place are set out on pages 12 to 15. These have been designed to manage rather than eliminate risk of failure to achieve business objectives and reasonable but not absolute assurance against material misstatement or loss.

Under Irish company law, the Group and Company are required to give a description of the principal risks and uncertainties which they face. These principal risks are set out within the Risk and Risk Management section on pages 12 to 15.

ACCOUNTING RECORDS

The Directors believe that they have complied with the requirements of Sections 281-285 of the Companies Act, 2014, with regard to adequate accounting records by employing accounting personnel with appropriate expertise and by providing adequate resources to the finance function. The accounting records of the Company are maintained at 29 North Anne Street, Dublin 7, Ireland.

RELEVANT AUDIT INFORMATION

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

AUDIT COMMITTEE

The Group has established an Audit Committee. The responsibilities of the Audit Committee are outlined on page 50.

Directors' Report (continued)

DIRECTORS COMPLIANCE STATEMENT

The Directors, in accordance with Section 225(2) of the Companies Act 2014, acknowledge that they are responsible for securing the Company's compliance with certain obligations specified in that section arising from the Companies Act 2014 and Tax laws ('relevant obligations'). The Directors confirm that:

- a compliance policy statement has been drawn up setting out the Company's policies with regard to such compliance;
- appropriate arrangements and structures that, in their opinion, are designed to secure material compliance with the Company's relevant obligations, have been put in place; and
- a review has been conducted, during the financial year, of the arrangements and structures that have been put in place to secure the Company's compliance with its relevant obligations.

POLITICAL DONATIONS

During the current and prior year, the Group and Company did not make any donations disclosable in accordance with the Electoral Act, 1997.

POST BALANCE SHEET EVENTS

Post year end, on 1 March 2017 the Group has agreed to invest €28m to increase its shareholding in the North American based Oppenheimer Group ('Oppy') from 35% to 65%, and Oppy has entered into strategic agreements in North America with the New Zealand based T&G Global. There have been no other material events subsequent to 31 December 2016 which would require disclosure or adjustment in the financial statements.

AUDITOR

The auditor, KPMG, Chartered Accountants, will continue in office in accordance with Section 383(2) of the Companies Act, 2014.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

Information on the Group's principal subsidiaries, joint ventures and associates is included in Note 37 of the accompanying financial statements.

ANNUAL GENERAL MEETING

The attention of shareholders is drawn to the notice of the AGM which will be held at 10.30am on Thursday 25 May 2017 in the Cusack Suite, Croke Park, Jones Road, Dublin 3 and is set out on pages 145 to 149.

In addition to the ordinary business to be transacted at the AGM, there are various items of special business which are described further below.

Special Business at AGM

Resolution No. 5 – Authority to Allot Relevant Securities

In Resolution 5, shareholders are being asked to renew the Directors' authority to allot shares. If adopted, this authority will authorise the Directors to allot shares in the capital of the Company up to a maximum nominal amount of €2,143,065 representing the Investment Association guideline limit of approximately two-thirds of the Company's issued ordinary share capital (excluding treasury shares) as at 24 March 2017 (the latest practicable date prior to publication of this Notice). Of this amount, €1,071,533 (representing approximately one-third of the Company's issued ordinary share capital excluding treasury shares) can only be allotted pursuant to a rights issue. The Directors have no present intention of exercising this authority. However, the Directors consider it appropriate to maintain the flexibility that this authority provides. If adopted, the authority under this Resolution will expire at next year's AGM or 15 months after the forthcoming AGM, whichever is the earlier.

At the 2016 AGM, shareholders granted the Directors authority to allot shares for cash, otherwise than in accordance with statutory pre-emption rights, up to a maximum amount representing approximately 10 per cent of the nominal value of the issued share capital of the Company. In Resolutions 6 and 7 at this year's AGM, the Directors are seeking a similar disapplication authority, although, in line with best practice which has emerged during the year, the Directors are splitting the 10 per cent disapplication authority into two separate special resolutions:

Resolution No. 6 – Authority to Disapply Statutory Pre-Emption Rights

In Resolution 6, shareholders are being asked to renew the Directors' authority to allot shares for cash, otherwise than in accordance with statutory pre-emption rights, by way of rights issue or open offer, or otherwise up to an aggregate nominal value of €160,730 on the basis that this limit shall apply to all allotments for cash and any treasury shares that may be reissued for cash. This limit is equivalent to approximately 5 per cent of the nominal value of the issued share capital of the Company (excluding treasury shares). If adopted, the power under this Resolution will expire at next year's AGM or 15 months after the forthcoming AGM, whichever is the earlier.

Resolution No. 7 – Additional Authority to Disapply Statutory Pre-emption Rights to fund an acquisition or other capital investment
In Resolution 7, shareholders are being asked to renew the Directors' authority to allot shares for cash, otherwise than in accordance with statutory pre-emption rights, up to a further aggregate nominal value of €160,730 on the basis that this limit shall apply to all allotments for cash and any treasury shares that may be reissued for cash. This limit is equivalent to approximately 5 per cent of the nominal value of the issued share capital of the Company (excluding treasury shares). This authority may only be used where the proceeds of any such allotment are to be used for the purposes of financing (or re-financing, if the authority is to be used in within six months after the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-emption Rights published by the Pre-Emption Group. If adopted, the power under this Resolution will expire at next year's AGM or 15 months after the forthcoming AGM, whichever is the earlier.

In accordance with the Pre-emption Group Statement of Principles, the Board confirms in relation to Resolutions 6 and 7 that it does not intend to issue shares for cash representing more than 7.5% of the Company's issued ordinary share capital in any rolling three-year period to those who are not existing shareholders, save in connection with an acquisition or specified capital investment, without prior consultation with shareholders.

Resolution No. 8 – Authority to Make Market Purchases of the Company's Own Shares
At the 2016 AGM, shareholders gave the Company and/or any of its subsidiaries authority to make market purchases of up to 10 per cent of the Company's own shares. Under Resolution No. 8 shareholders are being asked to renew this authority.

The Directors monitor the Company's share price and may from time to time exercise this power to purchase the Company's own shares on a securities market, at price levels which they consider to be in the best interests of the shareholders generally, after taking account of the Company's overall financial position. The minimum price which may be paid for any purchase of the Company's own shares on a securities market will be the nominal value of the shares and the maximum price which may be paid will be the greater of (i) 105 per cent of the average market price of such shares for the previous five days and (ii) the higher of the price quoted for the last independent trade and the highest current independent bid or offer for such shares. The power under this Resolution will expire at next year's AGM or 15 months after the forthcoming AGM, whichever is the earlier.

Resolution No. 9 – Authority to Re-issue Treasury Shares
Shareholders are being asked to sanction the price range at which any treasury share (that is a share of the Company redeemed or purchased and held by the Company rather than being cancelled) may be re-issued other than on the Stock Exchange. The maximum and minimum prices at which such a share may be re-issued are 120 per cent and 95 per cent, respectively of the appropriate price of a share calculated over the five business days immediately preceding the date of such re-issue as detailed further in the notice of the AGM. If adopted, the authority under this Resolution will expire at next year's AGM or 15 months after the forthcoming AGM, whichever is the earlier.

FURTHER ACTION
A Form of Proxy for use at the AGM is enclosed. You are requested to complete, sign and return the Form of Proxy as soon as possible whether or not you propose to attend the meeting in person. To be valid, the Form of Proxy should be returned by hand or by post to the registrar of the Company, Computershare Services (Ireland) Limited, P.O. Box 954, Sandyford Industrial Estate, Dublin 18, Ireland or by facsimile transmission to the facsimile number printed on the Form of Proxy, to arrive not less than 48 hours before the time appointed for the holding of the meeting. You may appoint more than one proxy provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him/her. The completion and return of a form of proxy will not preclude you from attending and voting at the meeting should you so wish. Alternatively, you may appoint a proxy or proxies electronically by logging on to the website of the registrars, Computershare Services (Ireland) Limited: at www.eproxyappointment.com Shareholders will be asked to enter their Shareholder Reference Number and PIN Number, in addition to the meeting Control Number, as printed on your Form of Proxy and agree to certain conditions.

RECOMMENDATION
The Directors believe that the resolutions to be proposed at the AGM are in the best interests of the Company and its shareholders. Accordingly, the Directors unanimously recommend shareholders to vote in favour of the resolutions as they intend to do in respect of all the ordinary shares which can be voted by them.

On behalf of the Board

C P McCann
Chairman
1 March 2017

F J Davis
Finance Director
1 March 2017

Corporate Governance Report

CORPORATE GOVERNANCE STATEMENT

The Board of Total Produce plc is firmly committed to business integrity, high ethical values and professionalism in all of its activities and operations. The Board recognises the importance of maintaining the highest standards of corporate governance and that it is accountable to its shareholders in this regard. Companies whose shares are traded on the AIM and ESM markets are not subject to mandatory compliance with corporate governance codes. However the Company provides the following voluntary disclosures and has undertaken to design appropriate corporate governance arrangements having regard to the Company's size and the markets on which its shares are traded. This Corporate Governance Report, together with the Audit and Compensation Committees' reports on pages 50 to 56, describe the corporate governance arrangements in place.

THE BOARD OF DIRECTORS

Total Produce plc is led by a strong and effective Board of Directors. The Directors of the Company comprise the following individuals:

Executive:

C P McCann	*Executive Chairman*
R P Byrne	*Chief Executive*
F J Davis	*Finance Director*
J F Gernon	*Director*

Non-Executive:

R B Hynes	*Senior Independent Non-Executive Director, Chairman of the Compensation Committee*
J J Kennedy	*Chairman of the Audit Committee*
S J Taaffe	
K E Toland	

Total Produce considers that the size and structure of its Board is appropriate for the AIM and ESM markets on which it's shares are traded and as a smaller listed company, allowing for an efficient decision making process. All of the Directors have fiduciary responsibilities to shareholders. In addition, the Executive Directors are responsible for the operation of the business while the Non-Executive Directors bring independent objective judgment to bear on Board decisions by constructively challenging management and helping to develop and execute the Group's strategic objectives.

Each of the Executive Directors has extensive knowledge of the fresh produce industry, in addition to wide-ranging business skills and commercial acumen. This is complemented by the broad industry expertise and background of the Non-Executive Directors. The Board as a whole is therefore well placed to address any major challenges for Total Produce should they arise. All of the Directors bring an objective judgment to bear on issues of strategy, performance, resources (including key appointments) and standards of conduct.

Effective governance is fostered by the separation of the roles of the Executive Chairman and the Chief Executive, as this division of responsibilities at the head of the Group ensures a balance of power and authority. The Executive Chairman has overall responsibility for Group strategy and to see that the Group achieves a satisfactory return on investment for shareholders. He oversees the operation and effectiveness of the Board and ensures appropriate interaction between it, executive management and the Company's shareholders. The Chief Executive is responsible for developing and delivering the Group's strategy, and ensuring, along with the Finance Director, that the Directors receive accurate, timely and clear information, and is accountable for the overall performance and day-to-day management.

Board members are selected (refer to Nomination Committee terms of reference overleaf) because of their relevant experience, and appropriate training is available to them whenever necessary. Arrangements exist for new Directors to receive a full, formal and tailored induction into the Group's activities and into the operation and procedures of the Board on their appointment.

INDEPENDENCE OF NON-EXECUTIVE DIRECTORS

The Board has determined all of the Non-Executive Directors to be independent. In arriving at its conclusion, the Board considered many factors including, inter alia, whether any of the Non-Executive Directors:
- has been an employee of the Group within the last five years;
- has, or had within the last three years, a material business relationship with the Group;
- receives remuneration from the Group other than a director's fee;
- has close family ties with any of the Group's direct advisers, Directors or senior employees;
- holds cross-directorships or has significant links with other Directors through involvement in other companies or bodies;
- represents a significant shareholder; or
- has served on the board for more than nine years from the date of their first election.

R B Hynes and J J Kennedy were first elected to the Board in May 2007. The Board has assessed and concluded that notwithstanding their tenure on the Board, and having regard to their knowledge and experience, that they each are independent of management and that they discharge their duties in an independent manner.

Each of the Non-Executive Directors brings considerable business experience and independent challenge to the Board's deliberations and an unfettered perspective to their advisory and monitoring roles.

The Board considers that the four independent Non-Executive Directors are sufficient to maintain the balance between Executive Directors and Non-Executive Directors on the Board.

The terms and conditions relating to the appointment of the Non-Executive Directors are available for inspection at Charles McCann Building, Rampart Road, Dundalk, Co. Louth, during normal office hours.

SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR

R B Hynes is the Senior Independent Non-Executive Director.

OPERATION OF THE BOARD

The Board met regularly throughout the financial year with seven scheduled Board meetings, in addition to which meetings are called as and when warranted by matters arising. Attendance at scheduled Board and Committee meetings during the year was as follows:

	Board	Audit Committee	Compensation Committee	Nomination Committee
Number of scheduled meetings	**7**	**4**	**5**	**2**
C P McCann	7	–	1*	2
R P Byrne	7	–	–	2
F J Davis	7	4*	–	–
J F Gernon	7	3*	3*	–
R B Hynes	7	4	5	2
J J Kennedy	7	4	5	2
S J Taaffe	7	4	–	–
K E Toland	7	–	–	–

* In attendance only.

Additional Board or Committee meetings were held to issue formal approvals, or deal with other matters of a routine or administrative nature.

The Chairman held meetings with the Non-Executive Directors without the Executives present. There is interaction, as necessary, between senior executive management and Board members.

The Board has identified and formally adopted a schedule of key matters that are reserved for its decision, including the annual budgets, half-yearly and preliminary results announcements, the Annual Report, interim and final dividends, the appointment or removal of Directors and the Company Secretary, circulars to shareholders, Group treasury policies and capital expenditures and acquisitions in excess of €20 million. Certain other matters are delegated to Board Committees, the details of which are set out overleaf.

There is an agreed Board procedure enabling Directors to take independent professional advice, in the furtherance of their duties, at the Company's expense. Each Board member has access to the impartial advice and services of the Company Secretary, who is responsible to the Board for ensuring that appropriate procedures are followed. The appointment and removal of the Company Secretary is a matter for the Board as a whole. The Company has put in place a Directors' and Officers' liability insurance policy.

The Memorandum and Articles of Association of the Company require that one-third of the Board must, by rotation, seek re-election at the AGM each year.

EVALUATION OF PERFORMANCE OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

On an annual basis, the Board evaluates its own performance and that of its Committees and of each individual Director. The Board considers that the objectivity brought to bear by the Non-Executive Directors combined with the experience of the Executive Directors is key to ensuring that the evaluation is robust.

In assessing the performance of the Board in 2016, the Directors considered such matters as the appropriateness of its composition, its effectiveness in developing Group strategy, its contribution to managing the Group's business and operational risks, its response to developing issues and its communications with the Group's stakeholders.

In assessing the performance of the committees of the Board, the Directors considered the appropriateness of their composition and terms of reference, their effectiveness in fulfilling their roles and their interaction with the Board.

The assessment of the performance of individual Directors included consideration of their contribution to the effective functioning of the Board, the appropriateness of their knowledge, skill and experience levels and their commitment to their roles. In addition, the Non-Executive Directors meet without the Chairman annually to appraise the effectiveness of the Chairman.

The Chairman summarised the outcome of these evaluation processes and reported them to the Board. The Board concluded that the composition of the Board, the Directors and its Committees was appropriate and they were effective in the performance of their duties.

Corporate Governance Report (continued)

BOARD COMMITTEES

There are three principal Board committees, the Audit, the Compensation and the Nomination Committees.

Audit Committee

Full details of the composition, terms of reference and activities of the Audit Committee are set out in the Audit Committee Report on pages 50 to 51.

Compensation Committee

Details of the composition and terms of reference of the Compensation Committee, which has responsibility for the remuneration of the Executive Directors and monitoring the remuneration of senior management, are set out in the Compensation Committee Report on pages 52 to 56.

Nomination Committee

The members of the Nomination Committee (the 'Committee') are C P McCann (Chairman), R P Byrne, R B Hynes and J J Kennedy. A majority of the Committee's members cannot be considered independent. However, considering the size of the Board, a 50:50 split is considered appropriate by the Board. The terms of reference of the Committee, which are available on request from the Company Secretary, are to evaluate the balance of skills, knowledge and experience of the Board, to consider the need for any new or additional appointments, where necessary to prepare a list of potential candidates and forward the names of potential candidates to the Board for its consideration and, if appropriate, approval.

The Committee regularly assesses the Board composition, the Board members and the various Board roles. The Committee and the Board have concluded that no further appointments are required at this time. The Committee has further examined the Group succession plans and concluded that they are appropriate.

The Committee and the Board understand the importance of ensuring diversity including gender and the key role a diversified Board plays in ensuring effectiveness. The Board takes diversity into consideration whilst ensuring that the best people are nominated to all appointments, and suitable candidates are selected on the basis of relevant experience, backgrounds, skills and knowledge and insight, having due regard to the benefits of Board diversity.

INTERNAL CONTROLS AND THE MANAGEMENT OF RISK

The Board has overall responsibility for the Group's system of risk management and internal control. These are designed to manage rather than eliminate the risk of failure to achieve business objectives. Details in relation to the structures in place are set out in the Risk and Risk Management report on pages 12 to 15.

COMMUNICATION WITH SHAREHOLDERS AND THE AGM

Communication with shareholders is given a high priority by Total Produce plc. The Group recognises the importance of maintaining regular dialogue and meetings with shareholders to ensure the Group's strategy and performance is understood.

The Group communicates with its shareholders by way of the AGM and the Annual Report and financial statements. The Group publishes its preliminary and interim results presentations on its website (www.totalproduce.com). Stock Exchange announcements in respect of trading updates and corporate activity are similarly published on the website.

In addition, the Group communicates with its institutional shareholders through investor meetings and analysts' briefings throughout the year but particularly at the time of announcement of the preliminary and interim results.

The Executive Directors and Non-Executive Directors are kept informed on investor issues and the outcome of meetings with shareholders through reports and regular updates.

The Chairman is available to discuss strategy and governance with major shareholders. The Chairman and the Senior Independent Non-Executive Director are available to address concerns with shareholders which cannot be addressed through normal channels.

A business presentation is provided at the Company's AGM followed by a question and answer forum which offers shareholders the opportunity to question the Board. The AGM is valued by the Board as an occasion where individual shareholders' views and suggestions can be noted and considered by the Directors.

Details of proxy voting are announced in respect of each resolution considered at the AGM or at any EGM. The Company will arrange for the Notice of the 2017 AGM and related papers to be sent to shareholders at least 20 clear working days in advance of the meeting.

ACCOUNTABILITY AND AUDIT

The contents of the Annual Report including the Operating Review, the Financial Review, the Directors' Report and financial statements (in addition to official Company press releases, Stock Exchange announcements, Preliminary Results Announcements, and Interim Results Announcements) have been reviewed by the Board in order to ensure a balanced and clear presentation so that the Group's position and results may be properly appreciated by shareholders.

The Board considers that the Annual Report and accounts taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy. The Board delegates the review and assessment of the contents of the Annual Report and accounts to the Audit Committee.

A summary of Directors' responsibilities in respect of the financial statements is given on page 58. The system of internal controls and risk management established to safeguard the Company's assets is set out in pages 12 to 15. The Audit Committee, whose composition and functions are described on page 50, has considered, in conjunction with the external auditor, the accounting policies adopted in the financial statements and has evaluated the internal controls that have been established within the Group and concluded that they are appropriate.

ENVIRONMENTAL MANAGEMENT, CORPORATE RESPONSIBILITY AND ETHICAL TRADING INITIATIVES

The European Commission has published recommendations governing the recognition, measurement and disclosure of environmental issues in the annual reports of companies. Although the provisions of the recommendations are not binding on the Group in the conduct of its business, the Group recognises its social responsibility and endorses the growing trend towards environmental accountability.

The Group actively promotes best business practices and standards that seek to enhance the health, education and conditions of workers and their families and to universally encourage the use of sustainable farming methods by its suppliers. Further information on this can be found in our Corporate Social Responsibility Report on pages 24 to 29.

GOING CONCERN

The Directors are satisfied that the Company, and the Group as a whole, has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they have adopted the going concern basis in preparing the financial statements. Further information can be found in the viability statement on page 15.

Audit Committee Report

MEMBERSHIP

The members of the Audit Committee (the 'Committee'), all of whom are independent Non-Executive Directors, are J J Kennedy (Chairman), R B Hynes and S J Taaffe. Biographical details for these directors are set out on pages 40 to 41.

The Board is satisfied that the members of the Committee have recent and relevant experience and a mix of skills and expertise in commercial, financial and audit matters arising from the positions they hold or have held in other organisations.

ROLES & RESPONSIBILITIES

The Committee's responsibilities are set out in the terms of reference of the Audit Committee, which are available on request from the Company Secretary, and are designed to provide appropriate assurance on governance arrangements, with regard to the Company's size and the markets on which it is traded. They are summarised as follows:

1. to approve the terms of engagement and remuneration of the external auditor and to recommend to the Board, when appropriate, any change in the external auditor;
2. to agree, in advance, with the external auditor the nature and scope of their audit as set out in their audit plan;
3. to annually assess and monitor the independence, objectivity and effectiveness of the external auditor. As part of this process, the Committee reviews the implementation of its policy in relation to the provision of non-audit services by the external auditor, taking into account relevant ethical guidance;
4. to agree with the Board (and to subsequently monitor) a policy on the employment by the Group of former employees of the external auditor;
5. to review the Group's interim results and preliminary results announcements, financial information and full year consolidated financial statements and to report to the Board on the outcome of these reviews. As part of this process, the Committee considers:
   - the appropriateness of the Group's accounting policies, including any changes in these policies;
   - any significant judgmental matters;
   - any significant adjusted and unadjusted audit differences;
   - the continuing appropriateness of the going concern assumption;
   - the contents of the Operating and Financial Reviews as set out in the Annual Report;
   - compliance with relevant financial reporting standards, and related legislative requirements; and
   - compliance with legal and Stock Exchange requirements
6. to review any issues raised by the external auditor during the conduct of their audit. As part of this review, the Committee considers any report from the external auditor on their findings in relation to the Group's financial systems and controls, together with any management responses. In addition, the Committee reviews the representation letters required by the external auditor as part of the audit, prior to their endorsement by the Board. The Committee also meets the external auditor independently of management at least annually;
7. to review the Group's statement on internal control systems and the risk management framework, prior to endorsement by the Board;
8. to review and to report to the Board on the effectiveness of the Group's internal controls including co-ordination between the internal and external auditors and the adequacy of the internal audit function;
9. to approve, in consultation with the Chairman of the Board, the appointment and removal of the Head of Internal Audit;
10. to consider any major findings from internal investigations and the Company's response;
11. to review the Group's arrangements for employees to raise concerns, in confidence, about possible impropriety in financial reporting or other matters and to ensure there is provision for a proportionate investigation and follow-up of such matters; and
12. to review, at least annually, the Committee's own performance and terms of reference and to recommend any changes it considers necessary to the Board for approval.

MEETINGS

The Committee met four times during 2016, attendance at which is set out on page 47. The Finance Director, Executive Director and Head of Internal Audit attend all meetings of the Committee. Representatives from the external auditors would usually attend three meetings. The Company Secretary acts as secretary to the Committee and the minutes of the Committee meetings are made available to the Board. During the year, four meetings took place in advance of scheduled Board meetings at which the Chairman of the Committee provided a report to the Board on the activity of the Committee and the matters of particular relevance to the Board in the conduct of its work. The Committee meets a number of times each year with the external auditor and the Head of Internal Audit without any members of senior management being present.

ACTIVITIES

Financial Reporting and Significant Financial Judgments

The Primary role of the Committee in relation to financial reporting is to review with both senior management and the external auditor the appropriateness and integrity of the half-year and annual financial statements, the interim and preliminary results announcements and the Annual Report.

In fulfilling these responsibilities, the Committee concentrated on, amongst other matters:

- the appropriateness of the Group's accounting policies and practices;
- the clarity of the disclosures and compliance with financial reporting standards and relevant financial and governance reporting guidance;
- material areas in which significant judgments had been applied or where discussions had taken place with the external auditor; and
- whether the Annual Report and Financial Statements, taken as a whole, are fair, balanced, understandable and provide the information necessary for shareholders to assess the Group's performance, business model and strategy.

The Committee considered various reports from and discussions with management and KPMG, (the Group's external auditor), in support of the half-year and full-year financial statements and results announcements.

Internal Control and Risk Management
The Board has delegated responsibility for the ongoing monitoring of the effectiveness of the risk management and internal control to the Committee. The Committee reviewed the Group's overall approach to risk management and control, and its processes, outcomes and disclosures. In fulfilling its oversight responsibilities, the Committee met with senior members of management and the Head of Internal Audit to discuss the overall system of internal controls applied in the Group. As set out on page 12 of the Risk and Risk Management Report, risk management within the Group is co-ordinated by the Executive Risk Committee ('ERC'). The Chief Executive, as chairman of the ERC, met with the Committee to provide an update on the work completed during the year including the review of relevant findings and the consideration of operational and corporate risks. Following this meeting, the Chairman provided an update to the Board at the November Board meeting.

Internal Audit
The Head of Internal Audit attended all four meetings of the Committee during the year and presented the quarterly reports of audits performed during that period and management responses to audits completed in previous periods. The Committee reviewed the Internal Audit plan for the year and agreed its resource requirements with the Head of Internal Audit. The Committee met with the Head of Internal Audit during the year without management being present. The Committee carried out an evaluation of the performance of the internal audit function and was satisfied with the effectiveness of the function.

INDEPENDENCE OF EXTERNAL AUDITOR
It is the Committee's responsibility to monitor the performance, objectivity and independence of the external auditor, currently KPMG. During the year the Committee met with KPMG to agree the audit plan and scope for 2016. The Committee also agreed the terms of the engagement letter and approved, on behalf of the Board, the fees payable for the audit.

As part of the approval of the appointment of the external auditor, the Committee sought confirmation from the external auditor that it is, in its professional judgment, independent of Total Produce plc. The Committee monitors the nature, extent and scope of non-audit services provided by the external auditor on an annual basis. In this regard, the engagement of the external auditor to provide any non-audit services, where the expected costs exceed a pre-approved limit, requires the approval of the Audit Committee.

Four key principles underpin the provision of non-audit services by the external auditor, namely that the auditor shall not:
- audit its own firm's work;
- make management decisions for the Group;
- have a mutuality of financial interest with the Group; or
- be put in the role of advocate for the Group.

The amounts paid to the external auditor during the financial year for audit and non-audit services are disclosed on page 83.

The Committee also reviewed the Group's practices in respect of the hiring of former employees of the external auditor in order to assess whether such appointments might affect, or appear to affect, the external auditor's independence and where appropriate approve such appointments.

KPMG has been the Group's external auditor firm since the formation of the Group in December 2006 (following the demerger from Fyffes plc). The external auditor is required to rotate the audit partner responsible for the Group every five years. The current audit partner has been in place for two years. During the year, the Committee carried out its annual assessment of the effectiveness of the external audit process and considered the tenure, quality and fees of the auditor.

The Committee concluded that it continued to be satisfied with the performance of KPMG who remain effective, objective and independent and that a tender for audit work is not necessary at this time. On this basis, the Committee recommended to the Board that KPMG be re-appointed as the Group's external auditor for a further year. The Board accepted the Committee's recommendation and a resolution proposing the re-appointment of KPMG as external auditor will be put to shareholders at the forthcoming AGM in May 2017.

EVALUATION OF THE AUDIT COMMITTEE
The Board evaluated the performance of the Committee and the Committee carried out a self-assessment of its performance, and each concluded that the Committee was performing effectively.

Compensation Committee Report

COMPOSITION AND TERMS OF REFERENCE OF COMPENSATION COMMITTEE

The members of the Compensation Committee ('the Committee'), both of whom are independent Non-Executive Directors, are R B Hynes (Chairman) and J J Kennedy. Both members bring significant expertise to their roles on the Committee due to their broad commercial and professional experience over many years as Directors of other publicly listed companies. These Directors have no financial interest and no potential conflicts of interest, other than as shareholders, in the matters to be decided, arising from cross-directorships and no day-to-day involvement in the running of the business.

The terms of reference, which are available on request from the Company Secretary, of the Committee are as follows:

- to establish the Company's policy on Executive Directors' remuneration;
- to establish the terms of service agreements, remuneration packages and employment conditions of Executive Directors;
- review the ongoing appropriateness and relevance of the remuneration policy;
- the objective of such policy shall be to ensure that members of the executive management of the Company are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company;
- within the terms of the agreed policy and in consultation with the Executive Chairman to determine the total individual remuneration package of each Executive Director including bonuses, incentive payments and share options or other share awards;
- where appropriate to recommend to shareholders the establishment of long term incentive schemes, to set appropriate performance targets for such schemes, to define the basis of participation in such schemes and to determine the grant of awards under such schemes;
- to approve the granting of share options to Executive Directors and employees and to determine whether the conditions as set out in Clause 7 of the December 2006 share option scheme have been achieved;
- to ensure that contractual terms on termination and any payments made are fair to the individual and the Company; that failure is not rewarded and that the duty to mitigate loss is fully recognised;
- in determining such packages and arrangements, give due regard to any relevant legal requirements, the recommendations in the UK Code and the Listing Rules of the AIM/ESM and associated guidance;
- to monitor the level and structure of remuneration for senior management as determined by the Board; and
- to review and note annually the remuneration trends across the Company or Group.

The Executive Chairman of Total Produce plc is consulted about the remuneration of other Executive Directors and the Committee is authorised to obtain access to professional advice, if deemed appropriate. The Committee can recommend changes to the remuneration structure for senior management.

The remuneration of the Non-Executive Directors is approved by the Board.

REMUNERATION POLICY

Total Produce is an international group of companies with activities in 26 countries. The Group's policy on Executive Directors' remuneration is designed to ensure that employment and remuneration conditions for senior executives reward, retain and motivate them to perform in the best interests of shareholders.

Executive Directors are paid fees in respect of their director roles and responsibilities on the Boards of Total Produce plc and other group companies ('director fees'). These fees are commensurate with fees paid to Non-Executive Directors. In addition, Executive Directors receive further remuneration as described in the paragraph below.

The recurring elements of the remuneration package for Executive Directors are basic pensionable salary, director fees, benefits, annual bonuses, short term incentive plan and contributions to pension. It is the policy of the Company that the net amount of awards to Executive Directors under the short term incentive plan after deduction for relevant taxes payable, are receivable in Total Produce shares, which together with the grant of options to Executive Directors encourages identification with shareholders' interests.

EXECUTIVE DIRECTORS' BASIC SALARY AND BENEFITS

Basic salaries of Executive Directors are reviewed annually by the Committee with regard to personal performance, Group performance and competitive market practice.

ANNUAL BONUS AWARDS

The Group provides annual bonus awards, excluding the short term incentive plan, to Executive Directors. The level of these bonus awards in any one year will depend on an assessment of individual performance and the overall performance of the Group. The bonus awards, save in exceptional circumstances, are limited to 150% of the aggregate of a Director's fee for Board memberships and basic salary. The bonus awards are subject to the approval of the Committee.

SHORT TERM INCENTIVE PLAN

The Committee approved a short term incentive plan (the 'Total Produce plc short term incentive plan') for Executive Directors effective for the year ending 31 December 2016 based on achievement of separately agreed performance measures for the Group for the year ending 31 December 2016.

Performance Measure	Minimum Award	Maximum Award
Growth in adjusted earnings per share over previous year	5% of the aggregate of director fees and basic salary for EPS growth of 5%	33% of the aggregate of director fees and basic salary for EPS growth of 15%
Growth in average share price for the year over the average share price for the previous year	5% of the aggregate of director fees and basic salary for growth in average share price of 5%	33% of the aggregate of director fees and basic salary for growth in average share price of 15%
Total shareholder return ('TSR') benchmarked against a comparator group of 16 other companies	10% of the aggregate of director fees and basic salary for achievement of median TSR	34% of the aggregate of director fees and basic salary for achievement of 75th percentile TSR

The Committee awarded €1,190,000 in payments for the year ended 31 December 2016 (2015: €1,047,000), of which €908,000 (2015: €801,000) is payable in shares which are to be purchased and held by an employee benefit trust for the benefit of the individual participants and cannot normally be disposed of for a period of at least five years from the date of purchase. The balance of €282,000 (2015: €246,000) shall be payable in cash to settle relevant taxes. On 4 March 2016, 500,597 ordinary shares of 1 cent each were purchased by the Total Produce plc Employee Benefit Trust at market value on behalf of the Executive Directors in respect of the 2015 award of €801,000.

A short term incentive plan is in place for the year ending 31 December 2017.

An Executive participating in the short term incentive plan is not eligible for a grant of an award under the employee share option scheme during the term of the plan. The Non-Executive Directors are not eligible to participate in this scheme.

PENSIONS

The Committee has approved an arrangement under which the Executive Directors have agreed to cap their pension entitlements in line with the provisions of the Finance Acts 2006 and 2011 and receive a supplementary, taxable, non-pensionable cash allowance or a contribution to a defined contribution scheme in lieu of the prospective pension entitlements foregone.

In 2006, the Chairman, C P McCann, agreed to cap his pension in line with the provisions of the Finance Act, 2006 and receive a supplementary, taxable, non-pensionable cash allowance in lieu of the prospective pension entitlements foregone. No amounts were paid in either 2015 or 2016.

In 2011, new arrangements were entered into with the other Executive Directors whereby they have agreed to cap their pension entitlements on a similar basis. The actual cash allowances or contributions to a defined contribution scheme in lieu of the prospective pension entitlements foregone for 2016 are detailed in Note 2 on page 54.

In the case of all Directors whose pension entitlements have been capped, pensions are calculated to provide for two-thirds of the aggregate of director fees and basic pensionable salary to the date of opt out with benefits in respect of dependants continuing to accrue. The supplementary cash allowances have been reduced to allow for increases in dependants' benefits that accrued during the year.

EMPLOYEE SHARE OPTION SCHEME

It is the Group's policy to grant share options as an incentive to enhance performance and to encourage employee share ownership in the Company. The current employee share option scheme was approved in December 2006. The percentage of share capital which can be issued under the scheme and individual limits comply with institutional guidelines.

At 31 December 2016, options had been granted but not yet exercised or lapsed over 10,089,700 (2015: 8,444,700) ordinary shares at prices ranging from €0.60 to €1.55 or 2.94% (2015: 2.45%) of the issued ordinary share capital. These included 1,840,000 (2015: 1,840,000) options granted to Executive Directors, further details of which are included in the Directors' share interests disclosed on page 56. No new options were granted to Executive Directors in 2016.

EMPLOYEE PROFIT SHARING SCHEME

The Company has an employee profit sharing scheme under which the trustees of this scheme purchase shares in the market on behalf of employees of the Group. In December 2016, 26,312 ordinary 1 cent shares were purchased by the trust at market value on behalf of the Executive Directors under this scheme in respect of 2016.

Non-Executive Directors do not participate in this scheme. The shares appropriated to the Executive Directors are included in the Directors' share interests disclosed on page 55.

SERVICE CONTRACTS

No service contracts exist between the Company and any of the Group's subsidiaries and any Executive or Non-Executive Director.

DIRECTORS' INTERESTS IN CONTRACTS

None of the Directors had a beneficial interest in any material contract to which the Company or any of the Group's subsidiaries was a party during the current financial year.

Compensation Committee Report (continued)

DIRECTORS' REMUNERATION

The Directors' remuneration for the year was as follows:

	Executive Directors		Non-Executive Directors		Total	
	2016 €'000	2015 €'000	**2016 €'000**	2015 €'000	**2016 €'000**	2015 €'000
Basic salaries and director fees	**1,432**	1,365	**275**	243	**1,707**	1,608
Annual bonus awards	**799**	715	**–**	–	**799**	715
Other benefits	**38**	38	**–**	–	**38**	38
Pension contributions/related payments	**265**	246	**–**	–	**265**	246
Remuneration	**2,534**	2,364	**275**	243	**2,809**	2,607
Short term incentive plan					**1,190**	1,047
Total					**3,999**	3,654
Number of Directors (average)	**4**	4	**4**	4	**8**	8

Under the short term incentive plan a €1,190,000 (2015: €1,047,000) award was made to Executive Directors. Of this award, €908,000 (2015: €801,000) is to be applied in the purchase of shares in Total Produce plc which will be held by a Trustee for the benefit of the individual Directors and cannot normally be disposed of for a period of at least five years from date of purchase. The balance of €282,000 (2015: €246,000) shall be payable in cash to settle relevant taxes. See pages 52 and 53 for further details.

In accordance with IFRS 2 *Share-based Payments*, an expense of €Nil (2015: €Nil) has been recognised in the income statement in respect of share options granted in the past to Executive Directors.

	Salary and director fees €'000	**Annual bonus awards €'000**	**Other benefit[3] €'000**	**Pension contributions or related payment €'000**	**Total 2016 €'000**	Total 2015 €'000
Executives						
C P McCann[1, 2]	**512**	**205**	**19**	**–**	**736**	725
R P Byrne[2]	**473**	**400**	**–**	**165**	**1,038**	913
F J Davis[2]	**317**	**170**	**19**	**100**	**606**	574
J F Gernon[2]	**130**	**24**	**–**	**–**	**154**	152
	1,432	**799**	**38**	**265**	**2,534**	2,364
Non-Executives						
R B Hynes					**77**	74
J J Kennedy					**75**	74
S J Taaffe					**69**	68
K E Toland[4]					**54**	27
					275	243
Remuneration					**2,809**	2,607
Short term incentive plan					**1,190**	1,047
Total					**3,999**	3,654

1 C P McCann is also the Chairman of Balmoral International Land Holdings plc ('Balmoral'). In accordance with the terms of the Business Transfer Agreement between Total Produce plc and Balmoral, Total Produce plc recharged an agreed portion of his employment costs (excluding bonus) to Balmoral to reflect the allocation of his time between these two roles. All amounts reflected above represent the portion of his remuneration attributable to Total Produce plc, and is net of agreed recharges to Balmoral.

2 No benefits accrued under the Group's defined benefit pension scheme during 2015 or 2016 and no pension contributions were made on behalf of the Executive Directors to the scheme as their benefits under this scheme are now limited for reasons explained on page 53. As a result, the Compensation Committee approved cash payments or contributions to a defined contribution pension of €165,000, and €100,000 (2015: €154,000 and €92,000) respectively to R P Byrne and F J Davis to compensate each of the Directors for the value of their defined benefit pension entitlements foregone, net of employer's social insurance contributions. No payments were made to C P McCann or J F Gernon.

3 Other benefits above for Executive Directors relate entirely to motor expenses.

4 The remuneration paid to K E Toland for 2015 was in respect of the period from his appointment as Non-Executive Director on 1 July 2015.

SHORT TERM INCENTIVE PLAN

As explained on page 53, the Committee awarded €1,190,000 in payments to Executive Directors for the year ended 31 December 2016, of which €908,000 is payable in shares which are to be purchased and held by the trustees of the Total Produce plc short term incentive plan for the benefit of the individual participants and cannot normally be disposed of for a period of at least five years from the date of purchase. The balance of €282,000 shall be payable in cash to settle relevant taxes. The awards to individual Executive Directors were as follows: C P McCann (€468,000), R P Byrne (€432,000) and F J Davis (€290,000).

The Committee awarded €1,047,000 in payments to Executive Directors for the year ended 31 December 2015, of which €801,000 were paid in shares on 4 March 2016. On this date the trustees of the Total Produce plc short term incentive plan purchased a total number of 500,597 ordinary shares of Total Produce plc. The ordinary shares are held by the Trust on behalf of the Directors, and cannot normally be disposed of for a period of at least five years from the date of purchase. The details of shares allotted to individual Directors are as follows: C P McCann (267,057 shares), R P Byrne (125,599 shares) and F J Davis (107,941 shares).

PENSION ENTITLEMENTS OF EXECUTIVE DIRECTORS

The pension benefits attributable to the Executive Directors during the year, and the total accrued pensions at the end of the year where applicable, were as follows:

Executive Directors	**Increase in accrued pension during 2016[(a)] €'000**	**Transfer value of increase during 2016[(b)] €'000**	**Total accrued pension at 31 Dec 2016[(c)] €'000**	Increase in accrued pension during 2015[(a)] €'000	Transfer value of increase during 2015[(b)] €'000	Total accrued pension at 31 Dec 2015[(c)] €'000
R P Byrne	**–**	**11**	**143**	–	10	143
F J Davis	**–**	**7**	**116**	–	6	116
	–	**18**	**259**	–	16	259

(a) The increase in accrued pension during the year excludes inflation. No net increase accrued in the year to any Director as the inflationary increase each Director would have received reduced the value of the pension benefits by more than the increase in value of dependants' pension benefits accrued.
(b) The transfer value of the increase in accrued pension has been calculated based on actuarial advice. These transfer values do not represent sums paid or due, but are the amounts that the pension scheme would transfer to another pension scheme in relation to the benefits accrued in the year, in the event of a member of the scheme leaving service.
(c) This represents the pension which would be paid annually, on normal retirement date, based on service to the end of this accounting period.

DIRECTORS SHARE INTERESTS

The interests of the Directors in the issued share capital of Total Produce plc at 31 December 2016 together with their interests at 31 December 2015 are shown below:

	Number of Ordinary shares at 31 December 2016	Number of Ordinary shares at 31 December 2015
Directors		
C P McCann*	**3,963,638**	3,689,911
R P Byrne	**2,215,107**	2,083,206
J F Gernon	**1,257,771**	1,351,101
F J Davis	**1,562,897**	1,448,286
R B Hynes	**50,000**	50,000
J J Kennedy	**50,000**	50,000
S J Taaffe	**50,000**	50,000
K E Toland	**50,000**	–

* With effect from January 2017, C P McCann's beneficial interest is now 3,963,253 as a consequence of his minor child, with a beneficial interest in 385 shares, reaching 18 years of age.

All of the above interests were beneficially owned.

Interests of Company Secretary

The total interest, including the share options held by the Secretary of the Company in office at 31 December 2016 amount to an interest of less than 1% of the issued voting share capital of Total Produce plc. The Company is therefore availing of the exemption under Section 260 of the Companies Act 2014 not to disclose the said interest.

Compensation Committee Report (continued)

DIRECTORS' INTERESTS IN SHARE OPTIONS

Information on Directors' share options to subscribe for ordinary shares of the Company at year end is set out below.

	Options held at 31/12/15	Granted	Exercised	**Options held at 31/12/16**	Exercise price	Earliest date from which exercisable (if vested)	Expiry date
Executive Directors							
C P McCann	275,000	–	–	**275,000[1]**	0.65	20/09/2010	19/09/2017
	300,000	–	–	**300,000[1]**	0.60	05/03/2011	04/03/2018
R P Byrne*	275,000	–	–	**275,000[1]**	0.65	20/09/2010	19/09/2017
	300,000	–	–	**300,000[1]**	0.60	05/03/2011	04/03/2018
J F Gernon	200,000	–	–	**200,000[1]**	0.65	20/09/2010	19/09/2017
	190,000	–	–	**190,000[1]**	0.60	05/03/2011	04/03/2018
F J Davis	160,000	–	–	**160,000[1]**	0.65	20/09/2010	19/09/2017
	140,000	–	–	**140,000[1]**	0.60	05/03/2011	04/03/2018

[1] These options were vested as at 31 December 2013. Please see note 29 for further details.

* By virtue of Chapter 5 of Part 5 of the Companies Act, 2014, R P Byrne is deemed to have a non-beneficial interest in options granted over 125,000 shares with an exercise price of €0.669 per share and over 125,000 shares with an exercise price of €1.55 per share.

The market price of the Company's shares at 31 December 2016 was €1.965 and the range during 2016 was €1.25 to €1.97. There have been no movements in the share interests and interest in share options of the Directors between the year-end and 1 March 2017. Options granted are only exercisable when the adjusted earnings per share figure, in respect of the third or any subsequent accounting period after the end of the base year (i.e. accounting period preceding the date of the grant), is greater than the adjusted earnings per share figure for the base year by a percentage which is not less than (on a year-on-year basis) the annual percentage increase in the consumer price index plus 5% compounded during that period.

Financial Statements

Statement of Directors' Responsibilities in Respect of the Annual Report and Financial Statements

The Directors are responsible for preparing the Annual Report and the Group and Company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and Company financial statements for each financial year. Under that law and in accordance with AIM/ESM Rules, the Directors are required to prepare the Group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU and applicable law and have elected to prepare the Company financial statements in accordance with IFRSs as adopted by the EU and as applied in accordance with the provisions of the Companies Act 2014.

Under company law the directors must not approve the Group and Company financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Group and Company and of the Group's profit or loss for that year.

In preparing each of the Group and Company financial statements, the Directors are required to:
- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with International Financial Reporting Standards as adopted by the EU; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and which enable them to ensure that the financial statements of the Group are prepared in accordance with applicable IFRSs, as adopted by the EU and comply with the provisions of the Companies Act 2014. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law, the directors are also responsible for preparing a Directors' Report that complies with the Companies Act 2014. The Directors have also elected to prepare a report on corporate governance. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board

C P McCann
Chairman

F J Davis
Finance Director

Independent Auditor's Report to the Members of Total Produce plc

We have audited the Group and Company financial statements ('financial statements') of Total Produce plc for the year ended 31 December 2016 which comprise the Group Income Statement, the Group Statement of Comprehensive Income, the Group and Company Statements of Changes in Equity, the Group and Company Balance Sheets, the Group and Company Statements of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is Irish law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and, as regards the Company financial statements, as applied in accordance with the provisions of the Companies Act, 2014. Our audit was conducted in accordance with International Standards on Auditing (ISAs) (UK & Ireland).

OPINIONS AND CONCLUSIONS ARISING FROM OUR AUDIT

1 OUR OPINION ON THE FINANCIAL STATEMENTS IS UNMODIFIED

In our opinion:

- the Group financial statements give a true and fair view of the assets, liabilities and financial position of the Group as at 31 December 2016 and of its profit for the year then ended;
- the Company balance sheet gives a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2016;
- the Group financial statements have been properly prepared in accordance with IFRS as adopted by the European Union;
- the Company financial statements have been properly prepared in accordance with IFRS as adopted by the European Union as applied in accordance with the provisions of the Companies Act 2014; and
- the Group financial statements and Company financial statements have been properly prepared in accordance with the requirements of the Companies Acts 2014.

2 OUR CONCLUSIONS ON OTHER MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY THE COMPANIES ACT 2014 ARE SET OUT BELOW

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

In our opinion the information given in the directors' report is consistent with the financial statements and the description in the Corporate Governance Statement of the main features of the internal control and risk management systems in relation to the process for preparing the Group financial statements is consistent with the Group financial statements.

3 WE HAVE NOTHING TO REPORT IN RESPECT OF MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

ISAs (UK & Ireland) require that we report to you if, based on the knowledge we acquired during our audit, we have identified information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

In addition, the Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made.

Basis of our report, responsibilities and restrictions on use

As explained more fully in the Statement of Directors' Responsibilities set out on page 58, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and ISAs (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

An audit undertaken in accordance with ISAs (UK & Ireland) involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group and Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Independent Auditor's Report to the Members of Total Produce plc (continued)

Whilst an audit conducted in accordance with ISAs (UK & Ireland) is designed to provide reasonable assurance of identifying material misstatements or omissions it is not guaranteed to do so. Rather the auditor plans the audit to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements does not exceed materiality for the financial statements as a whole. This testing requires us to conduct significant audit work on a broad range of assets, liabilities, income and expense as well as devoting significant time of the most experienced members of the audit team, in particular the engagement partner responsible for the audit, to subjective areas of the accounting and reporting.

Our report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Conall O'Halloran
for and on behalf of KPMG
Chartered Accountants, Statutory Audit Firm
1 Stokes Place
St. Stephen's Green
Dublin 2
Ireland

1 March 2017

Group Income Statement
for the year ended 31 December 2016

	Notes	Before exceptional items 2016 €'000	Exceptional items (Note 6) 2016 €'000	Total 2016 €'000	Before exceptional items 2015 €'000	Exceptional items (Note 6) 2015 €'000	Total 2015 €'000
Revenue, including Group share of joint ventures and associates	1	**3,762,405**	**–**	**3,762,405**	3,453,765	–	3,453,765
Group revenue		**3,105,475**	**–**	**3,105,475**	2,875,388	–	2,875,388
Cost of sales		**(2,672,585)**	**–**	**(2,672,585)**	(2,479,072)	–	(2,479,072)
Gross profit		**432,890**	**–**	**432,890**	396,316	–	396,316
Operating expenses (net)	2	**(379,924)**	**(1,409)**	**(381,333)**	(350,662)	2,028	(348,634)
Share of profit of joint ventures	3	**7,258**	**–**	**7,258**	7,706	–	7,706
Share of profit of associates	3	**5,012**	**–**	**5,012**	2,393	–	2,393
Operating profit before acquisition related intangible asset amortisation		**65,236**	**(1,409)**	**63,827**	55,753	2,028	57,781
Acquisition related intangible asset amortisation	12	**(7,675)**	**–**	**(7,675)**	(5,183)	–	(5,183)
Operating profit after acquisition related intangible asset amortisation		**57,561**	**(1,409)**	**56,152**	50,570	2,028	52,598
Financial income	4	**1,309**	**–**	**1,309**	1,017	–	1,017
Financial expense	4	**(6,833)**	**–**	**(6,833)**	(6,832)	–	(6,832)
Profit before tax		**52,037**	**(1,409)**	**50,628**	44,755	2,028	46,783
Income tax expense	7	**(10,638)**	**(686)**	**(11,324)**	(8,930)	(351)	(9,281)
Profit for the year		**41,399**	**(2,095)**	**39,304**	35,825	1,677	37,502
Attributable to:							
Equity holders of the parent				**28,536**			30,027
Non-controlling interests				**10,768**			7,475
				39,304			37,502
Earnings per ordinary share:							
Basic	9			**8.91 cent**			9.07 cent
Fully diluted	9			**8.80 cent**			8.97 cent

On behalf of the Board

C P McCann
Chairman

F J Davis
Finance Director

Group Statement of Comprehensive Income
for the year ended 31 December 2016

	Notes	2016 €'000	2015 €'000
Profit for the year		**39,304**	37,502
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation effects:			
– foreign currency net investments – subsidiaries		**(12,189)**	8,471
– foreign currency net investments – joint ventures and associates	13	**629**	704
– foreign currency borrowings designated as net investment hedges		**3,496**	(4,015)
Effective portion of changes in fair value of cash flow hedges	4	**1,880**	(386)
Fair value of cash flow hedges transferred to the income statement and recognised in cost of sales	4	**(1,923)**	395
Deferred tax on items taken directly to other comprehensive income	27	**11**	(1)
		(8,096)	5,168
Items that will not be reclassified to profit or loss:			
Remeasurement (losses)/gains on post-employment defined benefit schemes	29	**(23,769)**	9,870
Revaluation gains on property, plant and equipment	10	**1,421**	2,261
Revaluation losses on property, plant and equipment	10	**(292)**	(2,233)
Deferred tax on items taken directly to other comprehensive income	27	**4,679**	(782)
Share of joint ventures and associates remeasurement losses on post-employment defined benefit schemes	13	**(824)**	(563)
Share of joint ventures and associates deferred tax on items taken directly to other comprehensive income	13	**4**	(1)
		(18,781)	8,552
Other comprehensive income for the year, net of tax		**(26,877)**	13,720
Total comprehensive income for the year, net of tax		**12,427**	51,222
Attributable to:			
Equity holders of the parent		**1,643**	42,764
Non-controlling interests	19	**10,784**	8,458
		12,427	51,222

Group Balance Sheet
as at 31 December 2016

	Notes	2016 €'000	2015 €'000
Assets			
Non-current			
Property, plant and equipment	10	**145,184**	141,994
Investment property	11	**8,585**	9,698
Goodwill and intangible assets	12	**220,490**	190,518
Investments in joint ventures and associates	13	**92,910**	76,115
Other financial assets	14	**649**	732
Other receivables	16	**7,761**	5,781
Deferred tax assets	27	**15,458**	9,071
Total non-current assets		**491,037**	433,909
Current			
Inventories	15	**61,195**	63,429
Biological assets		**194**	–
Trade and other receivables	16	**317,530**	279,223
Corporation tax receivables		**1,472**	3,875
Derivative financial instruments	32	**187**	196
Bank deposits	17	**2,500**	2,500
Cash and cash equivalents	17	**127,280**	129,738
Total current assets		**510,358**	478,961
Total assets		**1,001,395**	912,870
Equity			
Share capital	18	**3,429**	3,446
Share premium	18	**148,204**	254,512
Other reserves	18	**(113,707)**	(106,727)
Retained earnings		**188,396**	87,589
Total equity attributable to equity holders of the parent		**226,322**	238,820
Non-controlling interests	19	**72,600**	74,959
Total equity		**298,922**	313,779
Liabilities			
Non-current			
Interest-bearing loans and borrowings	20	**130,162**	131,885
Deferred government grants	23	**481**	1,800
Other payables	22	**2,021**	1,411
Contingent consideration	24	**36,746**	28,363
Put option liability	25	**21,215**	–
Corporation tax payable		**5,836**	6,319
Deferred tax liabilities	27	**17,915**	17,397
Employee benefits	29	**37,777**	17,174
Total non-current liabilities		**252,153**	204,349
Current			
Interest-bearing loans and borrowings	20	**47,984**	18,408
Trade and other payables	22	**389,708**	369,457
Contingent consideration	24	**9,629**	5,149
Derivative financial instruments	32	**569**	407
Corporation tax payable		**2,430**	1,321
Total current liabilities		**450,320**	394,742
Total liabilities		**702,473**	599,091
Total liabilities and equity		**1,001,395**	912,870

On behalf of the Board

C P McCann
Chairman

F J Davis
Finance Director

Group Statement of Changes in Equity
for the year ended 31 December 2016

	Attributable to equity holders of the parent											
	Share capital €'000	Share premium €'000	Undenominated capital €'000	De-merger reserve €'000	Own shares reserve €'000	Currency translation reserve €'000	Revaluation reserve €'000	Other equity reserves (Note 18) €'000	Retained earnings €'000	Total €'000	Non-controlling interests €'000	Total equity €'000
As at 1 January 2016	3,446	254,512	99	(122,521)	(8,580)	70	22,178	2,027	87,589	238,820	74,959	313,779
Comprehensive income												
Profit for the year	–	–	–	–	–	–	–	–	28,536	28,536	10,768	39,304
Other comprehensive income												
Items that may be reclassified subsequently to profit or loss:												
Foreign currency translation effects, net	–	–	–	–	–	(7,745)	–	(514)	–	(8,259)	195	(8,064)
Effective portion of cash flow hedges, net	–	–	–	–	–	–	–	(19)	–	(19)	(24)	(43)
Deferred tax on items taken directly to other comprehensive income	–	–	–	–	–	–	–	4	–	4	7	11
Items that will not be reclassified subsequently to profit or loss:												
Revaluation gains/(losses) on property, plant and equipment, net	–	–	–	–	–	–	1,138	–	–	1,138	(9)	1,129
Remeasurement losses on post-employment defined benefit schemes	–	–	–	–	–	–	–	–	(23,584)	(23,584)	(185)	(23,769)
Deferred tax on items taken directly to other comprehensive income	–	–	–	–	–	–	772	–	3,875	4,647	32	4,679
Share of joint ventures and associates remeasurement losses on post-employment defined benefit schemes	–	–	–	–	–	–	–	–	(824)	(824)	–	(824)
Share of joint ventures and associates deferred tax on items taken directly to other comprehensive income	–	–	–	–	–	–	–	–	4	4	–	4
Total other comprehensive income	–	–	–	–	–	(7,745)	1,910	(529)	(20,529)	(26,893)	16	(26,877)
Total comprehensive income	–	–	–	–	–	(7,745)	1,910	(529)	8,007	1,643	10,784	12,427
Transactions with equity holders of the parent												
New shares issued (Note 18)	24	1,763	–	–	–	–	–	(651)	651	1,787	–	1,787
Own shares acquired and cancelled (Note 18)	(41)	–	41	–	–	–	–	–	(5,973)	(5,973)	–	(5,973)
Capital reduction (Note 18)	–	(108,071)	–	–	–	–	–	–	107,963	(108)	–	(108)
Non-controlling interest arising on acquisition of subsidiary (Note 19)	–	–	–	–	–	–	–	–	–	–	15,215	15,215
Recognition of put option liability on acquisition (Note 25)	–	–	–	–	–	–	–	(17,155)	–	(17,155)		(17,155)
Put option granted to non-controlling interests (Note 25)	–	–	–	–	–	–	–	(3,367)	–	(3,367)	–	(3,367)
Fair value movements on put option liability (Note 25)	–	–	–	–	–	–	–	(179)	–	(179)	–	(179)
Acquisition of non-controlling interests (Note 19)	–	–	–	–	–	–	–	–	(692)	(692)	(3,796)	(4,488)
Disposal of shareholding to non-controlling interest (Note 19)	–	–	–	–	–	–	–	–	–	–	3,993	3,993
Contribution by non-controlling interest (Note 19)	–	–	–	–	–	–	–	–	–	–	5	5
Share of buyback within associate company (Note 13)	–	–	–	–	–	–	–	–	(73)	(73)	–	(73)
Subsidiary becoming a joint venture (Note 28)	–	–	–	–	–	–	–	–	–	–	(1,503)	(1,503)
Dividends paid (Notes 8 and 19)	–	–	–	–	–	–	–	–	(9,076)	(9,076)	(6,798)	(15,874)
Share-based payment transactions (Note 29)	–	–	–	–	–	–	–	436	–	436	–	436
Total transactions with equity holders of the parent	(17)	(106,308)	41	–	–	–	–	(20,916)	92,800	(34,400)	7,116	(27,284)
As at 31 December 2016	3,429	148,204	140	(122,521)	(8,580)	(7,675)	24,088	(19,418)	188,396	206,063	92,859	298,922
Transfer of NCI subject to put option for presentation purposes	–	–	–	–	–	–	–	20,259	–	20,259	(20,259)	–
As at 31 December 2016	3,429	148,204	140	(122,521)	(8,580)	(7,675)	24,088	841	188,396	226,322	72,600	298,922

	Attributable to equity holders of the parent											
	Share capital €'000	Share premium €'000	Undenominated capital €'000	De-merger reserve €'000	Own shares reserve €'000	Currency translation reserve €'000	Revaluation reserve €'000	Other equity reserves (Note 18) €'000	Retained earnings €'000	Total €'000	Non-controlling interests €'000	Total equity €'000
As at 1 January 2015	3,533	253,565	–	(122,521)	(8,580)	(4,483)	21,882	2,024	71,628	217,048	68,341	285,389
Comprehensive income												
Profit for the year	–	–	–	–	–	–	–	–	30,027	30,027	7,475	37,502
Other comprehensive income												
Items that may be reclassified subsequently to profit or loss:												
Foreign currency translation effects, net	–	–	–	–	–	4,553	–	–	–	4,553	607	5,160
Effective portion of cash flow hedges, net	–	–	–	–	–	–	–	(11)	–	(11)	20	9
Deferred tax on items taken directly to other comprehensive income	–	–	–	–	–	–	–	6	–	6	(7)	(1)
Items that will not be reclassified subsequently to profit or loss:												
Revaluation gains/(losses) on property, plant and equipment, net	–	–	–	–	–	–	105	–	–	105	(77)	28
Remeasurement gains on post-employment defined benefit schemes	–	–	–	–	–	–	–	–	9,638	9,638	232	9,870
Deferred tax on items taken directly to other comprehensive income	–	–	–		–	–	191	–	(1,181)	(990)	208	(782)
Share of joint ventures and associates remeasurement losses on post-employment defined benefit schemes	–	–	–	–	–	–	–	–	(563)	(563)	–	(563)
Share of joint ventures and associates deferred tax on items taken directly to other comprehensive income	–	–	–	–	–	–	–	–	(1)	(1)	–	(1)
Total other comprehensive income	–	–	–	–	–	4,553	296	(5)	7,893	12,737	983	13,720
Total comprehensive income	–	–	–	–	–	4,553	296	(5)	37,920	42,764	8,458	51,222
Transactions with equity holders of the parent												
New shares issued (Note 18)	12	947	–	–	–	–	–	(373)	373	959	–	959
Own shares acquired and cancelled (Note 18)	(99)	–	99	–	–	–	–	–	(14,388)	(14,388)	–	(14,388)
Non-controlling interests arising on acquisition (Note 19)	–	–	–	–	–	–	–	–	–	–	4,132	4,132
Acquisition of non-controlling interests (Note 19)	–	–	–	–	–	–	–	–	351	351	(4,265)	(3,914)
Disposal of shareholding to non-controlling interests (Note 19)	–	–	–	–	–	–	–	–	–	–	599	599
Contribution by non-controlling interests (Note 19)	–	–	–	–	–	–	–	–	–	–	36	36
Dividends paid (Notes 8 and 19)	–	–	–	–	–	–	–	–	(8,295)	(8,295)	(2,342)	(10,637)
Share-based payment transactions (Note 29)	–	–	–	–	–	–	–	381	–	381	–	381
Total transactions with equity holders of the parent	(87)	947	99	–	–	–	–	8	(21,959)	(20,992)	(1,840)	(22,832)
As at 31 December 2015	3,446	254,512	99	(122,521)	(8,580)	70	22,178	2,027	87,589	238,820	74,959	313,779

Group Statement of Cash Flows
for the year ended 31 December 2016

	Notes	2016 €'000	2015 €'000
Net cash flows from operating activities before working capital movements	33	**53,697**	45,856
Movements in working capital	33	**(9,549)**	14,955
Net cash flows from operating activities		**44,148**	60,811
Investing activities			
Acquisition of subsidiaries	28	**(32,887)**	(4,312)
Cash assumed on acquisition of subsidiaries, net	28	**1,940**	2,235
Acquisition of, and investment in joint ventures and associates	13	**(8,620)**	(7,338)
Payments of contingent consideration	24	**(1,976)**	(11,964)
Payments of deferred consideration		**(2,778)**	(692)
Proceeds from disposal of joint ventures and associates	13	**–**	670
Proceeds from disposal of trading assets	28	**6,419**	–
Cash derecognised on subsidiary becoming a joint venture	28	**(491)**	–
Disposal of shares in subsidiary to non-controlling interests	19	**273**	599
Acquisition of property, plant and equipment		**(24,378)**	(16,506)
Acquisition of investment property	11	**–**	(4,176)
Expenditure on computer software	12	**(1,344)**	(2,448)
Development expenditure capitalised	12	**(253)**	(251)
Proceeds from disposal of property, plant and equipment		**2,651**	852
Proceeds from exceptional items	6	**3,030**	3,092
Dividends received from joint ventures and associates	13	**8,339**	8,070
Government grants received	23	**–**	449
Net cash flows from investing activities		**(50,075)**	(31,720)
Financing activities			
Drawdown of borrowings		**68,144**	95,673
Repayment of borrowings		**(40,671)**	(86,488)
Increase in bank deposits		**–**	(500)
Proceeds from the issue of share capital	18	**1,787**	959
Buyback of own shares		**(5,973)**	(14,388)
Costs of capital reduction	18	**(108)**	–
Capital element of finance lease repayments		**(2,175)**	(1,898)
Acquisition of non-controlling interests	19	**(3,044)**	(1,000)
Capital contribution by non-controlling interests	19	**5**	36
Dividends paid to non-controlling interests	19	**(6,798)**	(2,342)
Dividends paid to equity holders of the parent	8	**(9,076)**	(8,295)
Net cash flows from financing activities		**2,091**	(18,243)
Net (decrease)/increase in cash, cash equivalents and bank overdrafts		**(3,836)**	10,848
Net foreign exchange difference		**(2,282)**	1,967
Cash, cash equivalents and bank overdrafts at 1 January		**123,205**	110,390
Cash, cash equivalents and bank overdrafts at 31 December	17	**117,087**	123,205

Group Reconciliation of Net Debt
for the year ended 31 December 2016

	Notes	2016 €'000	2015 €'000
Net (decrease)/increase in cash, cash equivalents and bank overdrafts		**(3,836)**	10,848
Drawdown of borrowings		**(68,144)**	(95,673)
Repayment of borrowings		**40,671**	86,488
Increase in bank deposits		**–**	500
Interest-bearing loans and borrowings arising on acquisition	28	**(474)**	(2,901)
Capital element of finance lease repayments		**2,175**	1,898
Other movements on finance leases		**(419)**	(242)
Finance leases arising on acquisition	28	**(673)**	–
Foreign exchange movement		**389**	(2,125)
Movement in net debt		**(30,311)**	(1,207)
Net debt at 1 January		**(18,055)**	(16,848)
Net debt at 31 December	21	**(48,366)**	(18,055)

Significant Accounting Policies
for the year ended 31 December 2016

REPORTING ENTITY
Total Produce plc (the 'Company') is a company tax resident and incorporated in Ireland. The consolidated financial statements as at, and for the year ended, 31 December 2016 comprise the Company and its subsidiaries (together referred to as the 'Group') and the Group's interests in associates and joint ventures.

The individual and Group financial statements of the Company were authorised for issue by the Directors on 1 March 2017.

The accounting policies for the year ended 31 December 2016 are set out below.

STATEMENT OF COMPLIANCE
As permitted by European Union (EU) law and in accordance with AIM/ESM rules, the consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRSs') and their interpretations issued by the International Accounting Standards Board ('IASB') as adopted by the EU.

The individual financial statements of the Company ('Company financial statements') have been prepared in accordance with IFRSs as adopted by the EU and as applied in accordance with the Companies Act 2014 which permits a company that publishes its Company and Group financial statements together to take advantage of the exemption in Section 304(2) of the Companies Act, 2014, from presenting to its members its Company income statement, statement of comprehensive income and related notes that form part of the approved Company financial statements.

The IFRSs adopted by the EU and applied by the Company and Group in the preparation of these financial statements are those that were effective for the accounting period ending 31 December 2016.

BASIS OF PREPARATION
The consolidated financial statements, which are presented in Euro, the Company's functional currency, rounded to the nearest thousand (unless otherwise stated), have been prepared under the historical cost convention, except for the following material items:
- derivative financial instruments are measured at fair value;
- financial instruments at fair value through profit or loss are measured at fair value;
- biological assets are measured at fair value less estimated point of sale costs;
- land and buildings and investment properties are measured at fair value;
- contingent consideration is measured at fair value; and
- put option obligations are measured at fair value.

The methods used to measure fair values are discussed further within the relevant notes.

The preparation of financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The key estimates and assumptions used in applying the Group's accounting policies and in measuring its assets and liabilities are set out in Note 34.

CHANGES IN ACCOUNTING POLICY AND DISCLOSURES
The accounting policies adopted are consistent with those of the previous year except for the following new and amended IFRS and IFRIC interpretations adopted by the Group and Company in these financial statements.

- Amendments to IFRS 11 *Joint Arrangements* – Accounting for acquisition of interests in joint arrangements
- Amendments to IAS 16 *Property, Plant and Equipment* and IAS 38: *Intangible Assets* – Clarification of acceptable methods of depreciation and amortisation
- Amendments to IAS 16 *Property, Plant and Equipment* and IAS 41 *Agriculture* – Bearer Plants
- Amendments to IAS 27 *Separate Financial Statements* – Equity Method in Separate Financial Statements
- Amendments to IAS 1 *Presentation of Financial Statements* – Disclosure Initiative
- Annual Improvements to IFRSs 2012-2014 Cycle

The above new standards have not had a material impact on the results and financial position of the Group for the year ended 31 December 2016.

ACCOUNTING FOR SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

Group financial statements

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it 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. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases. The amounts included in these financial statements in respect of the subsidiaries are taken from their latest financial statements prepared up to their respective year ends, together with management accounts for the intervening periods to the year end, where relevant. All significant subsidiaries have coterminous financial year ends. Where appropriate, the accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

Intra-group balances and any unrealised gains and losses or income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements, except to the extent they provide evidence of impairment.

Profit or loss and each component of other comprehensive income are attributed to the equity shareholders of the Company, and to the non-controlling interests, even if this results in the non-controlling interests having a negative balance.

Joint ventures and associates

Joint ventures are those entities over which the Group exercises control jointly, under a contractual agreement, with one or more parties. Associates are those entities in which the Group has significant influence, but not control of the financial and operating policies. Investments in joint ventures and associates are accounted for by using the equity method of accounting. Under the equity method of accounting, the Group's share of the post-acquisition profits or losses of its joint ventures and associates are recognised in the Group income statement. The income statement reflects in profit before tax the Group's share of profit after tax of its joint ventures and associates in accordance with IAS 28 *Investments in Associates and Joint Ventures (2011)*.

The Group's interest in the net assets of joint ventures and associates are included as investments in joint ventures and associates in the Group's balance sheet at an amount representing the Group's share of the fair value of the identifiable net assets at acquisition plus the Group's share of post-acquisition retained income and expenses and goodwill arising on the Group's investment. The amounts included in these financial statements in respect of the post-acquisition income and expenses of joint ventures and associates are taken from the latest financial statements prepared up to the respective financial year ends together with management accounts for the intervening periods to the period end, where appropriate. All material joint ventures and associates have either coterminous financial year ends, or accounting year ends within three months of that of the Group. In the case of the latter, appropriate adjustments are made for the effects of significant transactions or events that occur between that date and the date of the Group's financial statements. Where appropriate, the accounting policies of joint ventures and associates have been changed to ensure consistency with the policies adopted by the Group.

Unrealised gains and income and expenses arising from transactions with associates and joint ventures are eliminated to the extent of the Group's interest in the equity. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that they do not provide evidence of impairment.

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, including any long term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Company financial statements

Investments in subsidiaries, joint ventures and associates are carried at cost less impairment. Dividend income is recognised when the right to receive payment is established.

Significant Accounting Policies (continued)
for the year ended 31 December 2016

BUSINESS COMBINATIONS
Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. The Group controls an entity when it 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. In assessing control, the Group takes into account potential voting rights that are substantive rights.

Acquisitions on or after 1 January 2010
For acquisitions on or after 1 January 2010, the Group measures goodwill at the acquisition date as the fair value of the consideration transferred plus the recognised amount of any non-controlling interests in the acquiree plus if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree less the fair value of the identifiable assets and acquired liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised in the income statement.

The consideration transferred does not include amounts relating to the settlement of pre-existing relationships, which are generally recognised in profit or loss. Costs associated with the acquisition, except those relating to the issue of debt or equity securities, are expensed as incurred.

Contingent consideration is measured at fair value at the date of acquisition. Where the contingent consideration is classified as equity it is not subsequently remeasured and the settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of contingent consideration are recognised in the income statement.

When share-based payment awards are required to be exchanged for awards held by the acquiree's employees and relate to past services, then all or a portion of the amount of the acquirer's replacement awards are included in measuring the consideration transferred in the business combination. The determination is based on the market-based value of the replacement awards compared with the market-based value of the acquiree's awards and the extent to which the replacement awards relate to past and/or future service.

Transaction costs associated with business combinations are expensed to the income statement.

Acquisitions before 1 January 2010
For acquisitions prior to 1 January 2010, goodwill represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess was negative, a bargain purchase gain was recognised in the income statement. Subsequent to acquisition any fair value adjustments to contingent consideration are adjusted against goodwill.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurred in connection with the business combinations were capitalised as part of the cost of acquisition.

NON-CONTROLLING INTERESTS
Under IFRS 3 *Business Combinations* an entity has a choice on a combination by combination basis to measure any non-controlling interest ('NCI') in the acquiree at either the proportionate share of the acquiree's identifiable assets or fair value. Within the business combinations note, the Group states which method has been used within current year acquisitions.

FAIR VALUE MEASUREMENT OF PRE-EXISTING INTERESTS IN ACQUIREE
In accordance with IFRS 3 *Business Combinations* the cost of an acquiree acquired in stages is measured using the 'fair value as deemed cost' method. The cost of an acquiree acquired in stages is measured as the sum of the fair value of the previously held interest plus the fair value of any additional consideration transferred at the date the additional investment is made. Any resulting gain or loss on fair valuing the original investment is taken to the income statement and any other comprehensive income recognised in prior periods in relation to the previously held shareholding is reclassified to the income statement.

PUT OPTIONS OVER NON-CONTROLLING INTEREST SHARES

If a put option is held by a non-controlling interest ('NCI') in a subsidiary undertaking, whereby the holder of the put option can require the Group to acquire the NCI's shareholding in the subsidiary at a future date, the Group carefully examines the nature of such a put option. The Group assesses whether or not the NCI continues to have a present ownership interest in the shares subject to the put option. Present ownership interest can be evidenced by NCI continuing to have a right to the receipt of dividends, or benefitting from increases in net assets while holding a voting entitlement to the shares subject to the put option. If it is deemed that the put option holders continue to have a present ownership interest, the Group applies the partial recognition of NCI method as follows:

(a) the Group continues to recognise the amount that would have been recognised for the non-controlling interest, including an update to reflect its share of profit and losses, dividends and other changes;
(b) the Group recognises a financial liability in accordance with IAS 32 being the estimate of the fair value of the consideration to acquire the NCI shares that are subject to the put option and records this in a separate reserve in equity;
(c) changes in the fair value of the financial liability are reflected as a movement in the put liability reserve; and
(d) for presentation purposes in the balance sheet, the Group transfers the non-controlling interest subject to the put option as an offset to the put option reserve in equity.

If the NCI put option is exercised, the same treatment is applied up to the date of exercise. The amount recognised as the financial liability at that date is extinguished by the payment of the exercise price. If the put option expires unexercised, the position is unwound so that the non-controlling interest is recognised as the amount it would have been as if the put option had never been granted and the financial liability is derecognised with a corresponding credit to equity.

If the NCI does not have present ownership rights from the put option, then the transaction is accounted for as if the Group had acquired the NCI at the date of entering into the put option.

FORWARD COMMITMENTS OVER NON-CONTROLLING INTEREST SHARES

If a forward commitment is in place to acquire the shares held by a NCI in a subsidiary undertaking, whereby the Group has an irrevocable agreement to acquire the NCI's shareholding in the subsidiary at a future date, the Group carefully examines the nature of such a commitment. The Group assesses whether or not the NCI continues to have a present ownership interest in the shares subject to commitment. Present ownership interest can be evidenced by NCI continuing to have a right to the receipt of dividends, or benefitting from increases in net assets while holding a voting entitlement to the shares subject to the forward commitment. If it is deemed that the non-controlling shareholders continue to have a present ownership interest, the Group applies the partial recognition of NCI method as outlined above in the accounting policy for put options over non-controlling interest shares.

CALL OPTIONS OVER NON-CONTROLLING INTEREST SHARES

If the Group has a call option over the shares held by a NCI in a subsidiary undertaking, where the Group can require the NCI to sell its shareholding in the subsidiary at a future date, the option is classified as a derivative and is recognised as a financial instrument on inception with fair value movements recognised in the income statement.

PUT AND CALL OPTIONS OVER SHAREHOLDINGS OF JOINT VENTURE AND ASSOCIATE INTERESTS

If there are put and call options over the remaining shares in a joint venture and associate undertakings, the option is classified as a derivative instrument on inception with fair value movements recognised in the income statement.

GOODWILL

Goodwill represents amounts arising on the acquisition of subsidiaries, joint ventures and associates as a result of the fair value of consideration transferred exceeding net identifiable assets and liabilities acquired. Goodwill is allocated to cash-generating units and is not amortised but is tested annually for impairment at a consistent time each financial year. Goodwill is stated at the amount originally recognised less any accumulated impairment losses. In respect of joint ventures and associates, the carrying amount of goodwill is included in the carrying amount of the investment.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Significant Accounting Policies (continued)
for the year ended 31 December 2016

INTANGIBLE ASSETS
Research and development
Expenditure on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding is recognised in the income statement as an expense as incurred.

Development activities involve a plan or design for the production of new and substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use. Capitalised expenditure is measured at cost less accumulated amortisation. Capitalised development expenditure is amortised to the income statement after commercial production has begun on a straight line basis over its expected useful life of between five and seven years.

Customer relationships, supplier relationships and brands
Intangible assets acquired as part of a business combination are valued at their fair value at the date of acquisition. These include customer relationships, supplier relationships and brands. Intangible assets are amortised to the income statement on a straight line basis over the period of their expected useful lives as follows:
- Customer relationships: 3-15 years;
- Supplier relationships: 3-15 years;
- Brands: 10-15 years.

Software costs
Costs incurred on the acquisition of computer software and software licences are capitalised. Other costs directly associated with developing and maintaining computer software programmes are capitalised once the recognition criteria set out in IAS 38 *Intangible Assets* are met. Computer software is amortised over periods of between three to five years using the straight line method.

PROPERTY, PLANT AND EQUIPMENT
Land and buildings are measured at fair value with changes in fair value reflected within the statement of comprehensive income, except impairment losses, which are recognised in the income statement unless they reverse a previous revaluation gain. The fair value is the price that would be returned if the asset were sold in an orderly transaction between market participants based on the asset's highest and best use. Such valuations are determined taking into consideration values of comparable transactions for similar properties in the same locations as those of the Group where they are available or on the use of valuation techniques including the use of market yield on comparable properties. Information on the basis on which such valuations were undertaken in the year is set out in Note 10.

Where appropriate, registered independent appraisers, having relevant recognised professional qualifications and recent experience in the locations and categories, prepare the valuations every three to five years, with valuations updated annually in the interim by Directors, having due regard to advice of professionally qualified consultants. Where there is an absence of or reduced level of transactions of a similar nature, the valuations of such properties are determined by Directors with reference to local knowledge, valuation techniques and judgment in consultation with property advisers.

Bearer plants are living plants used in the supply or production of agricultural produce for more than one period that are not likely to be sold as agricultural produce. Bearer plants are measured at cost less accumulated depreciation and impairment losses.

Plant and equipment is stated at cost less accumulated depreciation and impairment losses. Expenditure incurred to replace a component of property, plant and equipment that is accounted for separately is capitalised. Other subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the item of property, plant and equipment. All other expenditure, including repairs and maintenance costs, is recognised in the income statement as an expense as incurred.

Depreciation is calculated to write off the carrying amount of property, plant and equipment, other than freehold land, on a straight line basis, by reference to the following estimated useful lives:
- Freehold buildings: 30-50 years;
- Leasehold improvements: over the lesser of 40 years or the unexpired portion of the lease;
- Plant and equipment: 5-15 years;
- IT equipment: 3-5 years;
- Motor vehicles: 5 years;
- Bearer plants: 1-30 years.

The residual value of assets, if not insignificant, and the useful life of assets are reassessed annually. Gains and losses on disposals of property, plant and equipment are recognised on the completion of sale. Gains and losses on disposals are determined by comparing the proceeds received with the carrying amount and are included in operating profit.

INVESTMENT PROPERTY

Investment property, principally comprising land, office buildings and warehouses, is property (including separate, self-contained parts of such buildings) which is held for rental income or capital appreciation and is not occupied by the Group. Investment property is stated at fair value. The fair value is the price that would be returned if the asset were sold in an orderly transaction between market participants based on the asset's highest and best use. Such valuations are determined by benchmarking against comparable transactions for similar properties in the same locations as those of the Group or on the use of valuation techniques including the use of market yield on comparable properties. Information on the basis on which such valuations were undertaken in the year is set out in Note 11. All gains or losses arising from a change in fair value are recognised in the income statement. When property is transferred to investment property following a change in its use, any differences arising at the date of transfer between the carrying amount of the property prior to transfer and its fair value is recognised in other comprehensive income if it is a gain. Upon disposal of the property, the gain is transferred to retained earnings. Any loss arising in this manner, unless it represents the reversal of a previously recognised gain, is recognised in the income statement.

BIOLOGICAL ASSETS

Certain of the Group's subsidiaries, joint ventures and associates, involved in the production of fresh produce, hold biological assets, which include agricultural produce due for harvest on plantations. Biological assets are measured at fair value less estimated costs to point of sale, with any resultant gain or loss recognised in the income statement. Point of sale costs include all costs that would be necessary to sell the assets, excluding costs necessary to bring the assets to market.

FOREIGN CURRENCY INCLUDING NET INVESTMENT HEDGES

Transactions in foreign currencies are translated into the functional currency of the entity at the foreign exchange rate ruling at the date of the transaction. Non-monetary assets carried at historic cost are not subsequently retranslated. Non-monetary assets carried at fair value are subsequently remeasured at the exchange rate at the date of valuation.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into the functional currency at the foreign exchange rate ruling at that date. Foreign exchange movements arising on such translation are recognised in the income statement.

The assets and liabilities of foreign currency denominated operations, including goodwill and fair value adjustments arising on consolidation, are translated to Euro at the foreign exchange rates ruling at the reporting date. The income and expenses of foreign currency denominated operations are translated to Euro at the average exchange rate for the year. Foreign exchange movements arising on translation of the net investment in a foreign operation, including those arising on long term intra-Group loans deemed to be quasi equity in nature, are recognised directly in other comprehensive income, in the currency translation reserve. The portion of exchange gains or losses on foreign currency borrowings used to provide a hedge against a net investment in a foreign operation that is designated as a hedge of those investments is recognised directly in other comprehensive income to the extent that they are determined to be effective. The ineffective portion is recognised in the income statement.

Any movements that have arisen since 1 January 2004, the date of transition to IFRS, are recognised in the currency translation reserve and are reclassified through the income statement on disposal of the related business. Translation differences that arose before the date of transition to IFRS in respect of all non-Euro denominated operations are not presented separately.

IMPAIRMENT OF NON-FINANCIAL ASSETS

The carrying amounts of the Group's assets other than inventories (which are carried at the lower of cost and net realisable value), certain financial assets (which are carried at fair value) and deferred tax assets (which are recognised based on recoverability), are tested for impairment when an event or transaction indicates that an impairment may have occurred, except for goodwill and indefinite lived intangibles which are tested annually for impairment. If any such indication exists, an impairment test is carried out and the asset is written down to its recoverable amount as appropriate.

The recoverable amount of an asset is the greater of its fair value less cost to sell and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Goodwill and intangible assets with an indefinite useful life are tested for impairment at 31 October each year. Impairment losses are recognised in the income statement. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

An impairment loss, other than in the case of goodwill, is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Significant Accounting Policies (continued)
for the year ended 31 December 2016

INVENTORIES
Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The cost of inventories is based on the first-in, first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

CASH AND CASH EQUIVALENTS
Cash and cash equivalents comprise cash balances and call deposits, including bank deposits of less than three months maturity on acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the cash flow statement.

EMPLOYEE BENEFITS
Short term employee benefits
Short term employee benefits are recognised as an expense as the related employee service is received.

Retirement benefit obligations – Group financial statements
Obligations for contributions to defined contribution pension schemes are recognised as an expense in the income statement as services from employees are received. Under such schemes, the Group has no obligation to make further contributions to these schemes beyond the contracted amount. Prepaid contributions are recognised as an asset to the extent that the employee service has not yet been received.

The defined benefit pension asset or liability in the Group balance sheet comprises the total for each plan of the present value of the defined benefit obligation less the fair value of plan assets (measured at fair value) out of which the obligations are to be settled directly.

The liabilities and costs associated with the Group's defined benefit pension schemes are assessed on the basis of the projected unit credit method by professionally qualified actuaries and are arrived at using actuarial assumptions based on market expectations at the balance sheet date.

The discount rates employed in determining the present value of the schemes' liabilities are determined by reference to market yields at the balance sheet date on high-quality corporate bonds of a currency and term consistent with the currency and term of the associated post-employment benefit obligations. The expected increase in the present value of scheme liabilities arising from employee service in the current or prior periods is recognised in arriving at the operating profit or loss together with the interest return on the schemes' assets and the increase during the period in the present value of the schemes' liabilities arising from the passage of time. Differences between the actual return on plan assets less the interest return on plan assets, together with the effect of changes in the current or prior assumptions underlying the liabilities, are recognised in other comprehensive income.

When the benefits of a defined benefit scheme are changed, the related income or expense is recognised in the income statement as a past service cost. Settlements and curtailments trigger recognition of the consequent change in obligations and related assets in the income statement.

Retirement benefit obligations – Company financial statements
The Company is not the sponsoring employer for any of the Group's defined benefit pension schemes. There is no stated policy within the Group in relation to the obligations of Group companies to contribute to scheme deficits. Group companies make contributions to the schemes as requested by the sponsoring employers.

Employee share-based payment transactions
The Group grants equity settled share-based payments to employees. The fair value of these payments is determined at the date of grant and is expensed to the income statement on a straight-line basis over the vesting period. The fair value is determined using a binomial model, as measured at the date of grant, excluding the impact of any non-market conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest.

At each balance sheet date, the Group revises its estimates of the number of options or awards that are expected to vest, recognising any adjustment in the income statement, with a corresponding adjustment to equity.

TAXATION
Taxation on the profit or loss for the financial year comprises current and deferred tax. Taxation is recognised in the income statement except to the extent that it relates to items recognised directly in other comprehensive income, in which case the related tax is recognised in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the financial year, using tax rates and laws that have been enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is provided using the balance sheet liability method on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. If the temporary difference arises from the initial recognition of an asset or liability, in a transaction other than a business combination, that at the time of the transaction does not affect accounting or taxable profit or loss, it is not recognised. Deferred tax is provided on temporary differences arising on investments in subsidiaries, joint ventures and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future or where no taxation is expected to arise on any ultimate remittance. The amount of deferred tax provided is based on the expected manner of the realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

ASSETS HELD UNDER LEASES

Finance leases

Leases of property, plant and equipment, where the Group retains substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased item and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant interest charge on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in interest-bearing loans and borrowings, allocated between current and non-current as appropriate. The interest element of the finance cost is charged to the income statement over the lease period. Assets held under finance leases are depreciated over the shorter of their expected useful lives or the lease term, taking into account the time period over which benefits from the leased assets are expected to accrue to the Group.

Operating leases

Leases where 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 incentives received from the lessor, are charged to the income statement on a straight-line basis over the period of the lease. Income earned from operating leases is credited to the income statement when earned.

GOVERNMENT GRANTS

Government grants for the acquisition of assets are recognised at their fair value when there is reasonable assurance that the grant will be received and any conditions attaching to them have been fulfilled. The grant is held on the balance sheet as a deferred credit and released to the income statement over the periods appropriate to match the related depreciation charges, or other expenses of the asset, as they are incurred.

PROVISIONS

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and the outflow can be measured reliably. If the effect is material, provisions are measured by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

SHARE CAPITAL

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

Where the Company or a Group company purchases the Company's equity share capital and holds the shares as treasury shares, the consideration paid, including directly attributable incremental costs (net of taxes) is recognised as a deduction from equity and is presented in the own shares reserve until the shares are sold, reissued or cancelled.

Where the Company or a Group company purchases the Company's equity share capital and cancels the shares, the nominal value of the shares cancelled is credited to undenominated capital. The total consideration paid, including directly attributable incremental costs (net of taxes) is recognised as a reduction in retained earnings.

Significant Accounting Policies (continued)
for the year ended 31 December 2016

FINANCIAL INSTRUMENTS
Trade and other receivables
Trade and other receivables are initially measured at fair value and are thereafter measured at amortised cost using the effective interest method less any provision for impairment. A provision for impairment of trade and other receivables is recognised when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables.

Trade and other payables
Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Short term bank deposits
Short term bank deposits of greater than three months maturity on acquisition that do not meet the definition of cash and cash equivalents are classified as financial assets within current assets and stated at fair value in the balance sheet.

Equity investments
Equity investments held by the Group and Company are classified as available-for-sale financial assets and are stated at fair value, with any resultant gain or loss being recognised directly in other comprehensive income (in the available-for-sale reserve), except for impairment losses and, in the case of monetary items such as debt securities, foreign exchange gains and losses. When a devaluation of these assets is significant or prolonged, it is removed from the available-for-sale reserve and shown as an impairment loss in the income statement. When these investments are derecognised, the cumulative gain or loss previously recognised directly in other comprehensive income is recognised in the income statement. Where these investments are interest-bearing, interest calculated using the effective interest method is recognised in the income statement. To the extent such investments represent strategic investments, the Group classifies income and expense arising as other operating income and expense.

Derivative financial instruments
Foreign currency derivatives are entered into only when they match an existing foreign currency asset or liability or where they are used to hedge a forecasted transaction. Derivative financial instruments are measured at fair value at each reporting date and the movement in fair value is recognised in the income statement unless they are designated as cash flow hedges under IAS 39 *Financial Instruments: Recognition and Measurement*. Where such instruments are classified as cash flow hedges, and subject to the satisfaction of certain criteria relating to the documentation of the risk, objectives and strategy for the hedging transaction and the ongoing measurement of its effectiveness, they are accounted for in accordance with hedge accounting rules. In such cases, any gain or loss arising on the effective portion of the derivative instrument is recognised in the other comprehensive income hedging reserve, as a separate component of equity. Gains or losses on any ineffective portion of the derivative are recognised in the income statement. When the hedged transaction matures, the related gains or losses in the hedging reserve are transferred to the income statement.

When the hedged item is a non-financial asset, the amount accumulated in equity is retained in other comprehensive income and reclassified to profit or loss in the same period or periods during which the non-financial item affects the profit or loss. In other cases, the amount accumulated in other comprehensive income is reclassified to profit or loss in the same period that the hedged item affects profit or loss. If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, or the designation is revoked, then hedge accounting is discontinued prospectively. If the forecast transaction is no longer expected to occur, then the balance in other comprehensive income is reclassified to profit or loss.

Interest-bearing borrowings
Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest basis.

REVENUE
Revenue comprises the fair value of the sale of goods, excluding value added tax, delivered to or collected by third party customers during the accounting period and after eliminating sales within the Group. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods are transferred to the buyer.

FINANCE INCOME AND FINANCE EXPENSE
Finance income comprises interest income on funds invested and other receivables like grower loans. It also includes dividends received from available-for-sale financial assets. Interest income is recognised as it accrues using the effective interest method. Dividends are recognised when received or entitlement to dividend is declared.

Finance expense comprises interest expense on borrowings, unwinding of the discount on provisions, borrowing extinguishment costs and arrangement fees. Borrowing costs incurred in the construction of major assets which take a substantial period of time to complete are capitalised in the financial period in which they are incurred. All other finance costs are recognised in the income statement using the effective interest method.

SEGMENTAL REPORTING

Operating segments, defined as components of the Group that engage in business activities from which they may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker ('CODM'). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Directors of the Board.

EXCEPTIONAL ITEMS

The Group has adopted an accounting policy which seeks to highlight significant items within the Group's results. The Group believes that this presentation provides a more helpful analysis as it highlights one-off items and non-trading items. Such items may include significant restructuring costs, profit or loss on disposal or termination of operations, litigation costs and settlements, profit or loss on disposal of investments, significant impairment of assets, significant fair value movements on remeasurement of contingent consideration, together with significant fair value movements recognised in respect of investment properties. Judgment is used by the Group in assessing the particular items which by virtue of their scale and nature, should be disclosed in the income statement and related notes as exceptional items.

DIVIDEND DISTRIBUTION

Dividends on ordinary shares are recognised as a liability in the Group's financial statements in the period in which they are declared by the Company. In the case of interim dividends, these are considered to be declared when they are paid. In the case of final dividends, these are declared when approved by the shareholders at the AGM.

NEW STANDARDS AND INTERPRETATIONS NOT APPLIED

The following amendments to existing standards have been published and are mandatory for the Group's accounting periods beginning on or after 1 January 2017 or later periods, but have not been early adopted:

Standard/Interpretation	Effective date – for accounting periods beginning on or after
IFRS 14 *Regulatory Deferral Accounts*[1]	Not yet endorsed by the EU
Amendments to IAS 7 *Statement of Cash Flows* – disclosure initiative	Not yet endorsed by the EU
Amendments to IAS 12 *Income Taxes* – recognition of deferred tax assets for unrealised losses (January 2016)	Not yet endorsed by the EU
IFRS 15 *Revenue from contracts with customers* (May 2014) including Amendments to IFRS 15: Effective date of IFRS 15 (September 2015)[1]	1 January 2018
Clarifications to IFRS 15 *Revenue from contracts with customers* (April 2016)	Not yet endorsed by the EU
IFRS 9 *Financial Instruments* (July 2014)[2]	1 January 2018
Amendments to IFRS 2 *Share-based Payment* – classification and measurement of share-based payment transactions (June 2016)	Not yet endorsed by the EU
Amendments to IFRS 4 *Insurance Contracts* – applying IFRS 9 *Financial Instruments* with IFRS 4 *Insurance Contracts*[1]	Not yet endorsed by the EU
IFRS 16 *Leases*[2]	Not yet endorsed by the EU
Amendments to IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures* – Sale or contribution of assets between an investor and its associate or joint venture (September 2014)[1]	Endorsement postponed, awaiting IASB developments

1 These standards are not expected to have a material impact on the Group Financial Statements.
2 The Group is still assessing the impact that these standards may have on the Group Financial Statements.

Notes to the Group Financial Statements
for the year ended 31 December 2016

1. REVENUE AND SEGMENTAL ANALYSIS

Revenue

	2016 €'000	2015 €'000
Group Revenue	**3,105,475**	2,875,388
Plus:		
Share of revenue of joint ventures	**397,659**	355,620
Share of revenue of associates	**259,271**	222,757
Total share of revenue of joint ventures and associates	**656,930**	578,377
Total Revenue	**3,762,405**	3,453,765

Segmental Analysis

IFRS 8 *Operating Segments* ('IFRS 8') sets out the requirements for disclosure of financial and descriptive information about the operating segments, products and the geographical areas in which the Group operates, as well as information on major customers.

In accordance with IFRS 8, the Group's reportable operating segments, based on how performance is assessed and resources are allocated, are as follows:

- *Europe – Eurozone:* This reportable segment is an aggregation of thirteen operating segments principally in France, Ireland, Italy, the Netherlands and Spain primarily involved in the procurement, marketing and distribution of fresh produce and some healthfoods and consumer goods products. These operating segments have been aggregated because they have similar economic characteristics.
- *Europe – Non-Eurozone:* This operating segment is an aggregation of six operating segments in Scandinavia, the United Kingdom, Poland and the Czech Republic primarily involved in the procurement, marketing and distribution of fresh produce and some healthfoods and consumer goods products. These operating segments have been aggregated because they have similar economic characteristics.
- *International:* This segment is an aggregation of five operating segments in North and South America and India primarily involved in the procurement, marketing and distribution of fresh produce. The North American sports nutrition business ceased trading in April 2016.

Segmental performance is evaluated based on revenue and adjusted EBITA. Management believe that adjusted EBITA, while not a defined term under IFRS, provides a fair reflection of the underlying trading performance of the Group. Adjusted EBITA represents earnings before interest, tax, acquisition related intangible assets amortisation charges and costs, fair value movements on contingent consideration and exceptional items. It also excludes the Group's share of these items within joint ventures and associates. Adjusted EBITA is therefore measured differently from operating profit in the Group financial statements as explained and reconciled in detail in the analysis that follows.

Finance costs, finance income and income taxes are managed on a centralised basis. These items are not allocated between operating segments for the purposes of the information presented to the Chief Operating Decision-Maker ('CODM') and are accordingly omitted from the detailed segmental analysis that follows.

	2016			2015		
	Segmental Revenue €'000	Third Party Revenue €'000	Adjusted EBITA €'000	Segmental Revenue €'000	Third Party Revenue €'000	Adjusted EBITA €'000
Europe – Eurozone	**1,753,328**	**1,731,675**	**25,953**	1,653,035	1,636,479	22,170
Europe – Non-Eurozone	**1,521,936**	**1,487,091**	**38,769**	1,537,842	1,496,478	38,603
International	**543,713**	**543,639**	**9,020**	320,808	320,808	3,362
Inter-segment revenue	**(56,572)**	**–**	**–**	(57,920)	–	–
Third party revenue and adjusted EBITA	**3,762,405**	**3,762,405**	**73,742**	3,453,765	3,453,765	64,135

All inter-segment revenue transactions are at arm's length.

Reconciliation of segmental profit to operating profit

Below is a reconciliation of adjusted EBITA per the Group's management reports to operating profit and profit before tax as presented in the Group income statement.

	Note	2016 €'000	2015 €'000
Adjusted EBITA per management reporting		**73,742**	64,135
Acquisition related intangible asset amortisation in subsidiaries	(i)	**(7,675)**	(5,183)
Share of joint ventures and associates acquisition related intangible asset amortisation	(i)	**(2,557)**	(2,434)
Fair value movements on contingent consideration	(ii)	**(73)**	(1,384)
Acquisition related costs within subsidiaries	(iii)	**(922)**	(672)
Share of joint ventures and associates net financial expense	(iv)	**(481)**	(330)
Share of joint ventures and associates income tax	(iv)	**(4,473)**	(3,562)
Operating profit before exceptional items		**57,561**	50,570
Exceptional items (Note 6)	(v)	**(1,409)**	2,028
Operating profit per the Group income statement		**56,152**	52,598
Net financial expense	(vi)	**(5,524)**	(5,815)
Profit before tax		**50,628**	46,783

(i) Acquisition related intangible asset amortisation charges are not allocated to operating segments in the Group's management reports.
(ii) Fair value movements on contingent consideration are not allocated to operating segments in the Group's management reports.
(iii) Acquisition related costs are transaction costs directly related to acquisitions of subsidiaries completed and are not allocated to operating segments in the Group's management reports.
(iv) Under IFRS, included within profit before tax is the Group's share of joint ventures' and associates' profit after acquisition related intangible asset amortisation charges, tax and interest. In the Group's management reports these items are excluded from the adjusted EBITA calculation.
(v) Exceptional items (Note 6) are not allocated to operating segments in the Group's management reports.
(vi) Financial income and expense is primarily managed at Group level, and is therefore not allocated to operating segments in the Group's management reports.

Business segment assets and liabilities

	Segment assets 2016 €'000	Investment in joint ventures and associates 2016 €'000	Total assets 2016 €'000	Total liabilities 2016 €'000
Europe – Eurozone	**321,324**	**35,917**	**357,241**	**179,894**
Europe – Non-Eurozone	**350,740**	**15,342**	**366,082**	**190,994**
International	**80,477**	**41,651**	**122,128**	**21,891**
Total	**752,541**	**92,910**	**845,451**	**392,779**
Unallocated assets and liabilities**			**155,944**	**309,694**
Total assets/liabilities			**1,001,395**	**702,473**

	Segment assets 2015* €'000	Investment in joint ventures and associates 2015 €'000	Total assets 2015* €'000	Total liabilities 2015* €'000
Europe – Eurozone	300,741	32,401	333,142	179,576
Europe – Non-Eurozone	367,207	11,554	378,761	189,621
International	13,193	32,160	45,353	3,878
Total	681,141	76,115	757,256	373,075
Unallocated assets and liabilities**			155,614	226,016
Total assets/liabilities			912,870	599,091

* Comparative balances have been reclassified to ensure conformity with current year presentation.
** Unallocated assets consist of investment property, other financial assets, cash and cash equivalents, bank deposits, deferred tax assets, employee benefit assets and corporation tax receivable. Unallocated liabilities consist of interest-bearing loans and borrowings, contingent consideration, put option liability, corporation tax payable, deferred tax liabilities and employee benefit liabilities.

Notes to the Group Financial Statements (continued)
for the year ended 31 December 2016

1. REVENUE AND SEGMENTAL ANALYSIS (continued)
Other segmental disclosures

	Share of joint ventures and associates adjusted EBITA(i) 2016 €'000	Acquisition of property, plant and equipment 2016 €'000	Depreciation of property, plant and equipment(ii) 2016 €'000	Amortisation of intangible assets(iii) 2016 €'000
Europe – Eurozone	**5,978**	**14,307**	**8,469**	**3,607**
Europe – Non-Eurozone	**5,008**	**10,181**	**9,313**	**3,545**
International	**8,795**	**739**	**1,942**	**3,080**
Total	**19,781**	**25,227**	**19,724**	**10,232**

	Share of joint ventures and associates adjusted EBITA(i) 2015 €'000	Acquisition of property, plant and equipment 2015 €'000	Depreciation of property, plant and equipment(ii) 2015 €'000	Amortisation of intangible assets(iii) 2015 €'000
Europe – Eurozone	6,032	8,901	7,860	2,728
Europe – Non-Eurozone	4,435	8,167	9,018	3,171
International	5,958	21	821	1,718
Total	16,425	17,089	17,699	7,617

(i) Share of joint ventures and associates EBITA is after deduction of non-controlling interest's share of profit.
(ii) Includes joint ventures and associates share of depreciation of property, plant and equipment.
(iii) Includes joint ventures and associates share of acquisition related intangible asset amortisation.

Country of domicile and geographic disclosures
The Group headquarters is domiciled in the Republic of Ireland.

The breakdown of external customer revenue by geographical region is Republic of Ireland €401,045,000 (2015: €395,680,000), UK €594,561,000 (2015: €615,350,000), Rest of Europe €2,187,776,000 (2015: €2,121,927,000) and Rest of World €579,023,000 (2015: €320,808,000).

Non-current assets, excluding employee benefit assets and deferred tax assets, are held in Republic of Ireland €29,856,000 (2015: €21,582,000), UK €73,254,000 (2015: €87,603,000), Rest of Europe €250,133,000 (2015: €251,442,000) and Rest of World €122,336,000 (2015: €64,211,000).

No one individual customer accounts for more than 10% of total revenue.

2. OPERATING EXPENSES, NET

	Before exceptional items 2016 €'000	Exceptional items (Note 6) 2016 €'000	Total 2016 €'000	Before exceptional items* 2015 €'000	Exceptional items (Note 6) 2015 €'000	Total* 2015 €'000
Distribution expenses	**(326,261)**	**–**	**(326,261)**	(301,964)	–	(301,964)
Administrative expenses	**(55,565)**	**–**	**(55,565)**	(49,914)	–	(49,914)
Other operating expenses	**(2,438)**	**(5,183)**	**(7,621)**	(3,806)	–	(3,806)
Other operating income	**4,340**	**3,774**	**8,114**	5,022	2,028	7,050
Total	**(379,924)**	**(1,409)**	**(381,333)**	(350,662)	2,028	(348,634)

* 2015 numbers have been re-presented to conform to current year presentation. In 2016 acquisition related intangible asset amortisation has been separately disclosed as a charge in the Group Income Statement on page 61.

Other operating expenses and income comprise the following (charges)/credits:

Other operating expenses

	2016 €'000	2015 €'000
Foreign exchange losses	**(1,315)**	(985)
Loss on disposal of property, plant and equipment	**(97)**	(22)
Acquisition related costs in subsidiaries[(a)]	**(922)**	(672)
Impairment of plant and equipment	**–**	(743)
Loss on derivative financial instruments at fair value through the income statement	**(31)**	–
Fair value movements on contingent consideration (Note 24)	**(73)**	(1,384)
	(2,438)	(3,806)
Exceptional items in other operating expenses (Note 6)		
Impairment of goodwill	**(5,183)**	–
Total	**(7,621)**	(3,806)

(a) Acquisition related costs include transaction costs directly related to the acquisitions of subsidiaries. These costs include legal fees and other professional service fees.

Other operating income

	2016 €'000	2015 €'000
Rental income	**1,949**	2,097
Amortisation of government grants (Note 23)	**602**	332
Grant income credited directly to income statement	**29**	43
Gain on disposal of property, plant and equipment	**513**	537
Foreign exchange gains	**1,009**	1,247
Gain on derivative financial instruments at fair value through the income statement	**–**	23
Insurance claims	**238**	743
	4,340	5,022
Exceptional items in other operating income (Note 6)		
Gains relating to property, plant and equipment and leasehold interests	**3,774**	2,028
Total	**8,114**	7,050

Notes to the Group Financial Statements (continued)
for the year ended 31 December 2016

3. SHARE OF PROFIT OF JOINT VENTURES AND ASSOCIATES

The Group's share of the profit after tax of joint ventures and associates is equity accounted and is presented as a single line item in the Group income statement.

	Joint ventures 2016 €'000	Associates 2016 €'000	Total 2016 €'000	Joint ventures 2015 €'000	Associates 2015 €'000	Total 2015 €'000
Group's share of:						
Revenue	**397,659**	**259,271**	**656,930**	355,620	222,757	578,377
Operating profit	**10,088**	**7,891**	**17,979**	10,603	3,930	14,533
Financial income/(expense) – net	**(490)**	**9**	**(481)**	(525)	195	(330)
Profit before tax	**9,598**	**7,900**	**17,498**	10,078	4,125	14,203
Income tax expense	**(2,032)**	**(2,441)**	**(4,473)**	(2,144)	(1,418)	(3,562)
Profit after tax	**7,566**	**5,459**	**13,025**	7,934	2,707	10,641
Non-controlling interests	**(308)**	**(447)**	**(755)**	(228)	(314)	(542)
Attributable to equity shareholders	**7,258**	**5,012**	**12,270**	7,706	2,393	10,099

Profit after tax above includes the following (charges)/credits:

	Joint ventures 2016 €'000	Associates 2016 €'000	Total 2016 €'000	Joint ventures 2015 €'000	Associates 2015 €'000	Total 2015 €'000
Group's share of:						
Depreciation of property, plant and equipment	**(1,810)**	**(491)**	**(2,301)**	(1,668)	(504)	(2,172)
Amortisation of acquisition related intangible assets	**(1,545)**	**(1,012)**	**(2,557)**	(1,427)	(1,007)	(2,434)
Deferred tax credit on amortisation of acquisition related intangible assets	**382**	**254**	**636**	340	253	593

4. FINANCIAL INCOME AND FINANCIAL EXPENSE

	2016 €'000	2015 €'000
Recognised in the income statement:		
Interest income	**1,309**	1,017
Financial income	**1,309**	1,017
Interest expense on financial liabilities measured at amortised cost	**(5,460)**	(5,105)
Cash inflow from interest rate swap	**5**	6
Interest expense on finance leases	**(140)**	(155)
Other interest expense	**(1,238)**	(1,578)
Financial expense	**(6,833)**	(6,832)
Net financial expense recognised in the income statement	**(5,524)**	(5,815)
Analysed as follows:		
Amounts relating to items not at fair value through income statement	**(5,524)**	(5,815)
Net financial expense recognised in the income statement	**(5,524)**	(5,815)
Recognised in other comprehensive income:		
Foreign currency translation effects:		
– foreign currency net investments – subsidiaries	**(12,189)**	8,471
– foreign currency net investments – joint ventures and associates	**629**	704
– foreign currency borrowings designated as net investment hedges	**3,496**	(4,015)
Effective portion of changes in fair value of cash flow hedges	**1,880**	(386)
Fair value of cash flow hedges transferred to the income statement and recognised in cost of sales	**(1,923)**	395
Net financial (expense)/income recognised in other comprehensive income	**(8,107)**	5,169

5. GROUP OPERATING PROFIT

Group operating profit has been arrived at after charging the following amounts:

	2016 €'000	2015 €'000
Depreciation of property, plant and equipment within subsidiaries:		
– owned assets	**15,832**	13,917
– held under finance lease	**1,591**	1,610
Share of joint venture and associates depreciation charges	**2,301**	2,172
Amortisation of intangible assets within subsidiaries		
– acquisition related intangible assets	**7,675**	5,183
– development costs	**407**	249
– computer software	**1,356**	988
Share of joint venture and associates intangible asset amortisation	**2,557**	2,434
Impairment losses:		
– property, plant and equipment	**–**	743
– goodwill and intangible assets	**5,183**	–
Operating lease rentals:		
– land and buildings	**10,411**	9,746
– plant and equipment	**2,359**	1,654
– motor vehicles	**2,829**	2,643

Auditors' remuneration

	2016 €'000	2015 €'000
Audit services[1]	**429**	409
Other assurance services[2]	**58**	79
Tax advisory services	**102**	110
Other non-audit services	**217**	105
	806	703

1 Includes €10,000 (2015: €8,000) relating to Group share of joint venture and associate fees.
2 Includes €2,000 (2015: €1,000) relating to Group share of joint venture and associate fees.

Fees paid to other KPMG firms outside of Ireland are as follows:

	2016 €'000	2015 €'000
Audit services[3]	**1,230**	1,055
Other assurance services[4]	**147**	130
Tax advisory services	**143**	80
Other non-audit services	**257**	168
	1,777	1,433

3 Includes €46,000 (2015: €51,000) relating to Group share of joint venture and associate fees.
4 Includes €5,000 (2015: €6,000) relating to Group share of joint venture and associate fees.

Notes to the Group Financial Statements (continued)
for the year ended 31 December 2016

6. EXCEPTIONAL ITEMS
In accordance with the Group accounting policy, the following items have been presented as exceptional items for the year ended 31 December 2016:

	2016 €'000	2015 €'000
Gains relating to property, plant and equipment and leasehold interests (a)	**3,774**	2,028
Impairment of goodwill (b)	**(5,183)**	–
Exceptional items within operating profit	**(1,409)**	2,028
Net tax charge on exceptional items (c)	**(686)**	(351)
Total	**(2,095)**	1,677
Attributable to:		
Equity shareholders of the parent	**(2,812)**	1,349
Non-controlling interests	**717**	328
	(2,095)	1,677

(a) Gains relating to property, plant and equipment and leasehold interests
During 2016 the Group received compensation for the exit of a leasehold interest. The compensation of €1,889,000 net of associated costs was recognised within other operating income. Also during 2016 the Group received compensation for costs arising from a fire in a facility in Europe which caused damage to buildings, plant and machinery, motor vehicles and small amounts of inventory. The facility has been repaired and was fully operational from mid-2016 onwards. The insurance income, net of associated costs and impairment, recognised in 2016 was €1,885,000 and was disclosed as an exceptional item within other operating income.

During 2015, the Group realised a net profit of €2,028,000 after associated costs on the disposal of property, plant and equipment and leasehold interests in Europe.

(b) Impairment of goodwill
In 2016 the Group recognised an impairment charge of €5,183,000 in relation to a sports nutrition business in the UK. Refer to Note 12 for further details.

(c) Tax charge on exceptional items
The net tax charge on exceptional items in 2016 was €868,000. Offsetting this was a deferred tax credit of €182,000 on reassessment of deferred tax on prior year investment property fair value movements. The net tax charge on exceptional items in 2015 was €216,000. In addition to this a deferred tax charge of €135,000 was recognised on fair value movements on investment property in prior years.

Effect of exceptional items on cash flow statement
The net effect of the items above on cash flows in 2016 was a cash inflow of €3,030,000 (2015: Cash inflow of €3,092,000).

7. INCOME TAX EXPENSE

Recognised in the income statement:

	2016 €'000	2015 €'000
Current tax expense		
Ireland		
Tax on profit for the year	**530**	108
Adjustments in respect of prior years	**(295)**	(494)
	235	(386)
Overseas		
Tax on profit for the year	**14,112**	9,197
Adjustments in respect of prior years	**21**	(45)
	14,133	9,152
Total current tax	**14,368**	8,766
Deferred tax expense		
Origination and reversal of temporary differences	**(3,383)**	423
Reduction in rates	**–**	74
Adjustments in respect of prior years	**339**	18
Total deferred tax (credit)/charge	**(3,044)**	515
Income tax expense	**11,324**	9,281

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 17% (effective 1 April 2020) were substantively enacted on 6 September 2016. This will reduce the Group's future current tax charge in respect of its UK operations. Deferred tax balances must be recognised at the future tax rate applicable when the balance is expected to unwind.

A reduction in the Spanish tax rate from 28% to 25% (effective from 1 January 2016) was substantively enacted on 28 November 2014. Deferred tax balances must be recognised at the future tax rate applicable when the balance is expected to unwind. Spanish deferred tax balances have been calculated based on the rate of 25% substantively enacted at the reporting date.

There were no other material changes in corporation tax rules in other jurisdictions in 2016 or 2015.

Reconciliation of effective tax rate

	%	2016 €'000	%	2015 €'000
Profit before tax		**50,628**		46,783
Taxation based on Irish corporation tax rate	**12.50**	**6,329**	12.50	5,848
Effects of:				
Expenses not deductible for tax purposes	**2.92**	**1,475**	2.35	1,100
Tax effect of fair value adjustments	**(0.50)**	**(253)**	0.73	341
Tax effect on profits of joint ventures and associates	**(3.03)**	**(1,535)**	(2.70)	(1,262)
Differences in tax rates	**9.82**	**4,974**	8.25	3,859
Unrecognised deferred tax asset	**0.71**	**360**	0.48	224
Previously unrecognised deferred tax asset	**(0.13)**	**(68)**	(0.74)	(344)
Other items	**(0.05)**	**(24)**	0.05	22
Adjustments in respect of prior years	**0.13**	**66**	(1.08)	(507)
Total income tax expense in the income statement	**22.37**	**11,324**	19.84	9,281

Notes to the Group Financial Statements (continued)
for the year ended 31 December 2016

7. INCOME TAX EXPENSE (continued)
Deferred tax recognised directly in other comprehensive income

	2016 €'000	2015 €'000
Deferred tax on revaluation of property, plant and equipment, net	(781)	(428)
Deferred tax on remeasurement gains and losses on post-employment defined benefit schemes, net	(3,898)	1,210
Deferred tax on effective portion of cash flow hedges, net	(11)	1
Total deferred tax (credit)/charge recognised in other comprehensive income	**(4,690)**	783

8. DIVIDENDS PAID AND PROPOSED

	2016 €'000	2015 €'000
Declared and paid during the year		
Equity dividends on ordinary shares:		
Final dividend for the year ended 31 December 2015: 2.027 cent (2014: 1.763 cent)	6,482	5,850
Interim dividend for the year ended 31 December 2016: 0.8096 cent (2015: 0.736 cent)	2,594	2,445
Total: 2.8366 cents per share (2015: 2.499 cents)	**9,076**	8,295
Proposed for approval at AGM (not recognised as a liability as at 31 December)		
Equity dividends on ordinary shares:		
Final dividend for the year ended 31 December 2016: 2.2297 cent (2015: 2.027 cent)	7,158	6,460

It is proposed that a final dividend of 2.2297 cents per ordinary share be paid to ordinary shareholders. These proposed dividends have not been provided for in the Company or Group balance sheet in accordance with IAS 10 *Events After the Reporting Period*. The final dividend is subject to approval by the Group's shareholders at the Annual General Meeting.

The proposed final dividend for the year will be paid on 26 May 2017 to shareholders on the register at 5 May 2017, subject to dividend withholding tax.

9. EARNINGS PER SHARE
Basic earnings per share

Basic earnings per share is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year, excluding shares purchased by the Company and held as treasury shares. In November 2010 the Group purchased 22,000,000 of its own shares which are held as treasury shares. In respect of the shares that are held by the Group (treasury shares), all rights (including voting and dividend rights) are suspended until those shares are reissued and therefore they are not included in earnings per share calculations. Details relating to the purchase of the Group's own shares are outlined in Note 18.

	2016 €'000	2015 €'000
Profit for the financial year attributable to equity holders of the parent	28,536	30,027

	'000	'000
Shares in issue at beginning of year	344,609	353,312
New shares issued (weighted average)	1,417	655
Share repurchased by Company (weighted average)	(3,891)	(962)
Effect of treasury shares held	(22,000)	(22,000)
Weighted average number of shares at end of year	320,135	331,005
Basic earnings per share – cent	**8.91**	9.07

Diluted earnings per share

Diluted earnings per share is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding after adjustment for the effects of all ordinary shares and options with a dilutive effect.

	2016 €'000	2015 €'000
Profit for the financial year attributable to equity holders of the parent	**28,536**	30,027
	'000	'000
Weighted average number of shares at end of year	**320,135**	331,005
Effect of share options with a dilutive effect	**4,005**	3,850
Weighted average number of shares at end of year (diluted)	**324,140**	334,855
Diluted earnings per share – cent	**8.80**	8.97

The average market value of the Company's share for the purpose of calculating the dilutive effect of share options was based on quoted market prices for the year during which the options were outstanding.

Adjusted fully diluted earnings per share

Management believe that adjusted fully diluted earnings per share as set out below provides a fair reflection of the underlying trading performance of the Group after eliminating the effect of acquisition related intangible asset amortisation charges and costs, fair value movements on contingent consideration, property revaluations and exceptional items and the related tax on these items.

Adjusted fully diluted earnings per share is calculated by dividing the adjusted profit per share attributable to ordinary equity holders of the parent (as calculated below) by the weighted average number of ordinary shares outstanding after adjustment for the effects of all ordinary shares and options with a dilutive effect.

	2016 €'000	2015 €'000
Profit for the financial year attributable to equity holders of the parent	**28,536**	30,027
Adjustments		
Acquisition related intangible asset amortisation within subsidiaries (Note 12)	**7,675**	5,183
Share of joint ventures and associates acquisition related intangible assets amortisation (Note 3)	**2,557**	2,434
Exceptional items – net of tax (Note 6)	**2,095**	(1,677)
Acquisition related costs within subsidiaries (Note 2)	**922**	672
Fair value movements on contingent consideration (Note 2)	**73**	1,384
Tax effect of amortisation charge of goodwill and intangible assets	**(1,607)**	(1,673)
Non-controlling interests share of the items above	**(1,128)**	(910)
Adjusted earnings attributable to equity holders of the parent	**39,123**	35,440

	'000	'000
Weighted average number of shares at end of year (diluted)	**324,140**	334,855
Adjusted fully diluted earnings per share – cent	**12.07**	10.58

Notes to the Group Financial Statements (continued)
for the year ended 31 December 2016

10. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings €'000	Plant and equipment €'000	Motor vehicles €'000	Bearer plants €'000	Total €'000
Cost or valuation					
Balance at 1 January 2015	117,815	104,173	18,986	–	240,974
Additions	3,629	9,250	4,210	–	17,089
Arising from business combinations (Note 28)	614	224	344	–	1,182
Disposals	(2,707)	(3,686)	(3,768)	–	(10,161)
Revaluation gains	1,166	–	–	–	1,166
Revaluation losses	(2,233)	–	–	–	(2,233)
Reclassifications	(146)	174	(28)	–	–
Transfer from investment property (Note 11)	2,011	–	–	–	2,011
Foreign exchange movement	2,423	1,440	596	–	4,459
Balance at 31 December 2015	**122,572**	**111,575**	**20,340**	**–**	**254,487**
Additions	**8,595**	**10,837**	**5,795**	**–**	**25,227**
Arising from business combinations (Note 28)	**23**	**3,349**	**58**	**877**	**4,307**
Arising from business disposals (Note 28)	**–**	**(156)**	**–**	**–**	**(156)**
Subsidiary becoming a joint venture (Note 28)	**(5,202)**	**(996)**	**(37)**	**–**	**(6,235)**
Disposals	**(2,146)**	**(6,379)**	**(4,770)**	**–**	**(13,295)**
Revaluation gains	**152**	**–**	**–**	**–**	**152**
Revaluation losses	**(292)**	**–**	**–**	**–**	**(292)**
Foreign exchange movement	**(3,914)**	**(2,306)**	**(1,071)**	**140**	**(7,151)**
Balance at 31 December 2016	**119,788**	**115,924**	**20,315**	**1,017**	**257,044**
Depreciation and impairment losses					
Balance at 1 January 2015	22,466	71,389	9,181	–	103,036
Depreciation charge	2,912	8,790	3,825	–	15,527
Disposals	(850)	(3,596)	(3,283)	–	(7,729)
Revaluation gains	(1,095)	–	–	–	(1,095)
Reclassifications	(67)	86	(19)	–	–
Impairment losses	–	743	–	–	743
Foreign exchange movement	582	1,103	326	–	2,011
Balance at 31 December 2015	**23,948**	**78,515**	**10,030**	**–**	**112,493**
Depreciation charge	**3,120**	**10,080**	**3,838**	**385**	**17,423**
Disposals	**(735)**	**(5,918)**	**(4,039)**	**–**	**(10,692)**
Arising from business disposals (Note 28)	**–**	**(55)**	**–**	**–**	**(55)**
Subsidiary becoming a joint venture (Note 28)	**(1,874)**	**(721)**	**–**	**–**	**(2,595)**
Revaluation gains	**(1,269)**	**–**	**–**	**–**	**(1,269)**
Foreign exchange movement	**(1,191)**	**(1,778)**	**(487)**	**11**	**(3,445)**
Balance at 31 December 2016	**21,999**	**80,123**	**9,342**	**396**	**111,860**
Carrying amount					
At 31 December 2015	98,624	33,060	10,310	–	141,994
At 31 December 2016	**97,789**	**35,801**	**10,973**	**621**	**145,184**

Land and buildings are stated at fair value while plant and equipment, motor vehicles and bearer plants are stated at depreciated historic cost.

There is €531,000 included in the carrying amount of property, plant and equipment at 31 December 2016 that relate to assets under construction (2015: €Nil).

Measurement of fair value of land and buildings

(i) Fair value hierarchy

Fair value is defined as the price that would be received if the asset were sold in an orderly transaction between market participants based on the asset's highest and best use. Valuations are reviewed each year by the Directors in order to ensure that the fair value of a revalued asset is not materially at variance from its carrying amount. Where appropriate, registered independent appraisers having relevant recognised professional qualifications and recent experience in the locations and category of properties being valued prepare the valuations every three to five years, with valuations updated annually in the interim by the Directors, having due regard to the advice of professionally qualified consultants, where it is deemed appropriate.

At 31 December 2016, the Group undertook an exercise to revalue its properties. Properties occupied by the Group included in land and buildings comprise industrial and office buildings and related land in a number of locations, the largest of which are in Scandinavia, the Czech Republic, Spain, the Netherlands, Ireland and the UK. In excess of eighty five per cent of the value of land and buildings was determined by registered independent appraisers within the past four years. The basis for such valuations is described in further detail below. The valuations of a number of properties were determined by the Directors with reference to local knowledge, valuation techniques and judgment after consultation with property advisers. The Directors are satisfied with the basis upon which these valuations have been prepared.

The following is a breakdown of the fair value of land and buildings by geographic location and the various measurement techniques utilised:

	Comparable Market Transactions for Land & Buildings 2016 €'000	Comparable Market Transactions For Land 2016 €'000	Comparable Rental Yield 2016 €'000	Discounted Cash Flows 2016 €'000	Depreciated Historic Cost[1] 2016 €'000	Total 2016 €'000
Europe – Eurozone	**26,476**	**–**	**10,038**	**–**	**7,879**	**44,393**
Europe – Non-Eurozone						
– Scandinavia	**–**	**2,018**	**–**	**21,060**	**–**	**23,078**
– Eastern Europe	**15,517**	**–**	**–**	**–**	**78**	**15,595**
– UK	**7,440**	**–**	**7,194**	**–**	**–**	**14,634**
International	**–**	**–**	**–**	**–**	**89**	**89**
	49,433	**2,018**	**17,232**	**21,060**	**8,046**	**97,789**
	2015 €'000	2015 €'000	2015 €'000	2015 €'000	2015 €'000	2015 €'000
Europe – Eurozone	27,150	–	10,102	–	4,394	41,646
Europe – Non-Eurozone						
– Scandinavia	–	2,010	–	22,086	–	24,096
– Eastern Europe	15,643	–	–	–	136	15,779
– UK	8,016	–	8,477	–	–	16,493
International	–	–	–	–	610	610
	50,809	2,010	18,579	22,086	5,140	98,624

[1] Assets valued at depreciated historic cost primarily include leasehold improvements.

All fair values above have been designated as level 3 in the fair value hierarchy.

(ii) Level 3 fair value for land and buildings
The following table shows a reconciliation from the opening balance to the closing balance for level 3 fair values:

	2016 €'000	2015 €'000
Balance at beginning of year	**98,624**	95,349
Arising from business combinations	**23**	614
Reclassification to/from plant and equipment	**–**	(79)
Additions in year	**8,595**	3,629
Transfer from investment property	**–**	2,011
Subsidiary becoming a joint venture	**(3,328)**	–
Depreciation charge in year	**(3,120)**	(2,912)
Disposals in year	**(1,411)**	(1,857)
Foreign exchange movement	**(2,723)**	1,841
Income/(expense) included in other comprehensive income		
– Fair value gains	**1,421**	2,261
– Fair value losses	**(292)**	(2,233)
Balance at end of year	**97,789**	98,624

Fair value gains in 2016 amounting to €1,421,000 (2015: €2,261,000) and fair value losses in the same period of €292,000 (2015: €2,233,000) were recognised in the statement of other comprehensive income. Net deferred tax credits of €781,000 (2015: credit of €428,000) on revaluation of land and buildings were also recognised in the statement of other comprehensive income for the year as a result of both revaluation movements and changes in underlying tax rates. The non-controlling interests' share of net revaluation movements, net of deferred taxes, was a credit of €14,000 (2015: credit of €160,000).

The depreciated historic cost of land and buildings which were revalued amounted to €74,003,000 (2015: €76,133,000).

Notes to the Group Financial Statements (continued)
for the year ended 31 December 2016

10. PROPERTY, PLANT AND EQUIPMENT (continued)

Valuation technique and significant unobservable inputs

The following table shows the valuation techniques used in measuring the fair value of land and buildings as well as the significant unobservable inputs used.

Valuation Technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Comparable market transactions (for land and buildings)– price per square metre: This method of valuation is used for land and buildings held for own use. The value is based on comparable market transactions.	*Europe – Eurozone* Comparable market prices • 2016: €281 to €785 per square metre (weighted average of €562 per square metre) • 2015: €236 to €785 per square metre (weighted average of €550 per square metre) *Europe – Non-Eurozone* *Eastern Europe* Comparable market prices • 2016: €236 to €274 per square metre (weighted average of €243 per square metre) • 2015: €236 to €285 per square metre (weighted average of €245 per square metre) *UK* Comparable market prices • 2016: £103 to £437 per square metre (weighted average of £330 per square metre) • 2015: £105 to £442 per square metre (weighted average of £345 per square metre)	The estimated fair value would increase/(decrease) if: • Comparable market prices were higher/(lower)
Comparable market transactions (for land) – price per hectare: This method of valuation is used for land held for own use. The value is based on comparable market transactions.	*Europe – Non-Eurozone* *Scandinavia* Comparable market prices • 2016: €503,000 per hectare (weighted average of €503,000 per hectare) • 2015: €503,000 per hectare (weighted average of €503,000 per hectare)	The estimated fair value would increase/(decrease) if: • Comparable market prices were higher/(lower)
Comparable market transactions – rental yield model: This method is used for land and buildings held for own use. The valuation model takes into account annual rent per square metre and a capitalisation yield.	*Europe – Eurozone* Annual rent • 2016: Annual rent of €54 – €73 per square metre (weighted average of €66 per square metre) • 2015: Annual rent of €54 – €73 per square metre (weighted average of €66 per square metre) Capitalisation yield • 2016: 8.50% – 9.50% (weighted average of 9.21%) • 2015: 8.50% – 9.50% (weighted average of 9.20%) *Europe – Non-Eurozone* *UK* Annual Rent • 2016: £60 – £61 per square metre (weighted average of £60 per square metre) • 2015: £60 – £61 per square metre (weighted average of £60 per square metre) Capitalisation yield • 2016: 8.00% – 8.40% (weighted average of 8.15%) • 2015: 8.00% – 8.40% (weighted average of 8.16%)	The estimated fair value would increase/(decrease) if: • Expected annual rents were higher/(lower) • Capitalisation yields were lower/(higher)

Valuation Technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Discounted cash flows: This valuation model considers the present value of net cash flows to be generated from the property taking into account current rents, expected market rents and lease incentive costs. The expected net cash flows are discounted using a risk adjusted market discount rate.	*Europe – Non-Eurozone* *Scandinavia* Net annual rent • 2016: €54 – €69 per square metre (weighted average of €67 per square metre) • 2015: €53 – €69 per square metre (weighted average of €67 per square metre) Growth in annual rent • 2016: 1.50% – 2.00% (weighed average of 1.94%) • 2015: 1.50% – 2.00% (weighed average of 1.94%) Capitalisation yield • 2016: 7.00% – 8.00% (weighted average of 7.12%) • 2015: 7.00% – 9.00% (weighted average of 7.24%) Risk adjusted discount rates • 2016: 8.50% – 9.10% (weighted average 9.03%) • 2015: 8.50% – 9.10% (weighted average 9.03%)	The estimated fair value would increase/(decrease) if: • Expected market rental growth were higher/(lower) • Capitalisation yields were lower/(higher) • Risk-adjusted discount rates were lower/(higher)

Leased property, plant and equipment

The Group leases property, plant and equipment under a number of finance lease agreements. At 31 December 2016, the carrying amount of leased assets included in property, plant and equipment was €3,287,000 (2015: €4,333,000).

	Land and buildings €'000	Plant and equipment €'000	Motor vehicles €'000	Total €'000
At 31 December 2015	–	2,571	1,762	4,333
At 31 December 2016	**–**	**1,474**	**1,813**	**3,287**

At 31 December 2016, property, plant and equipment with a carrying value of €4,575,000 (2015: €3,283,000) is charged as security in respect of bank loans and finance leases.

Impairment of plant and equipment in 2015

In 2015 a fire occurred in one of the Group's fresh produce facilities in Continental Europe. Due to the damage caused by the fire, the Group wrote down the carrying value of the plant and equipment in this facility to its estimated fair value resulting in an impairment charge of €743,000 being booked to the income statement for the year ended 31 December 2015.

11. INVESTMENT PROPERTY

	2016 €'000	2015 €'000
Balance at beginning of year	**9,698**	7,414
Additions	**–**	4,176
Reclassified to Property, Plant & Equipment (Note 10)	**–**	(2,011)
Foreign exchange movement	**(1,113)**	119
Balance at end of year	**8,585**	9,698

Investment property, comprising land and buildings, is held for capital appreciation and/or rental income and is not occupied by the Group. This also includes parts of properties owned by the Group which are sublet to third parties. The Group's investment properties at 31 December 2016 are located in the UK, Ireland, and the Netherlands.

Notes to the Group Financial Statements (continued)
for the year ended 31 December 2016

11. INVESTMENT PROPERTY (continued)

Measurement of fair value

(i) Fair value hierarchy

The carrying amount of investment property within the Group's subsidiaries is the fair value of the property as determined by the Directors. In preparing the property valuations, the Directors consulted with registered independent appraisers having an appropriate recognised professional qualification and with recent experience in the location and category being valued. In general, valuations have been undertaken having regard to comparable market transactions between informed market participants at the 'highest and best use'. All of the investment property at 31 December 2016 was valued in accordance with consultation with external experts.

The fair value measurement for investment property of €8,585,000 (2015: €9,698,000) has been categorised as a Level 3 fair value based on the input to the valuation technique used (see Note 34).

(ii) Level 3 fair value

The table above reflects the reconciliation from opening balance to closing balance for Level 3 fair values.

No fair value movements were identified in 2016 (2015: €Nil) in relation to investment property and a deferred tax credit of €182,000 (2015: charge of €135,000) was recognised due to changes in corporation tax rates and changes in assumptions on the recoverability of capital losses on prior year movements. These deferred tax movements are classified as exceptional items in accordance with the Group accounting policy (Note 6).

Valuation technique and significant unobservable inputs

The following table shows the valuation techniques used in measuring the fair value of investment property, as well as the significant unobservable inputs used. The comparable market transaction method is used for land held for sale or capital appreciation. The discounted cash flow approach is used for buildings that are sublet to third parties.

Analysis of carrying value by valuation technique

	2016 €'000	2015 €'000
Comparable market transactions	**7,485**	8,598
Discounted cashflow	**1,100**	1,100
	8,585	9,698

Valuation Technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Comparable market transactions: This method of valuation is used for land held for sale or capital appreciation. The value is based on comparable market transactions after discussion with independent registered property appraisers.	*Europe – Eurozone* Comparable market price • 2016: €588,000 per hectare (weighted average €588,000 per hectare) • 2015: €588,000 per hectare (weighted average €588,000 per hectare) *Europe – Non-Eurozone* *UK* Comparable market price • 2016: £2,227,000 per hectare (weighted average £2,227,000 per hectare) • 2015: £2,227,000 per hectare (weighted average £2,227,000 per hectare)	The estimated fair value would increase/(decrease) if: • Comparable market prices were higher/(lower)
Discounted cash flows: This valuation model considers the present value of net cash flows to be generated from the property taking into account current rents, expected market rents and lease incentive costs. The expected net cash flows are discounted using a risk adjusted market discount rate.	*Europe – Eurozone* Rental income per annum • 2016: €45 – €100 per square metre (weighted average of €76 per square metre) • 2015: €45 – €100 per square metre (weighted average of €76 per square metre) Rental growth rate per annum • 2016: 1.8% (weighted average 1.8%) • 2015: 1.8% (weighted average 1.8%) Risk adjusted discount rates • 2016: 7.6% to 8.0% (weighted average 7.8%) • 2015: 7.6% to 8.0% (weighted average 7.8%)	The estimated fair value would increase/(decrease) if: • Expected market rental growth were higher/(lower) • Risk-adjusted discount rates were lower/(higher)

12. GOODWILL AND INTANGIBLE ASSETS

	Customer relationships €'000	Other intangible assets €'000	Research & development €'000	Computer software €'000	Goodwill €'000	Total €'000
Cost						
Balance at 1 January 2015	62,342	18,986	3,982	3,200	138,364	226,874
Arising from business combinations (Note 28)	13,733	3,491	–	–	9,522	26,746
Fair value movements on contingent consideration (Note 24)	–	–	–	–	192	192
Additions	–	–	–	2,448	–	2,448
Capitalisation of development expenditure	–	–	251	–	–	251
Foreign exchange movement	1,830	902	207	60	3,656	6,655
Balance at 31 December 2015	**77,905**	**23,379**	**4,440**	**5,708**	**151,734**	**263,166**
Arising from business combinations (Note 28)	**14,066**	**9,008**	**–**	**206**	**30,066**	**53,346**
Fair value movements on contingent consideration (Note 24)	**–**	**–**	**–**	**–**	**(62)**	**(62)**
Additions	**–**	**–**	**–**	**1,344**	**–**	**1,344**
Capitalisation of development expenditure	**–**	**–**	**253**	**–**	**–**	**253**
Disposals (Note 28)	**(822)**	**(3,461)**	**–**	**(37)**	**(3,148)**	**(7,468)**
Retirements	**–**	**–**	**(2,779)**	**–**	**–**	**(2,779)**
Foreign exchange movement	**(2,362)**	**(708)**	**(477)**	**(175)**	**(4,050)**	**(7,772)**
Balance at 31 December 2016	**88,787**	**28,218**	**1,437**	**7,046**	**174,540**	**300,028**
Accumulated amortisation and impairments						
Balance at 1 January 2015	49,992	8,007	2,965	862	2,497	64,323
Amortisation of acquisition related intangible assets	3,458	1,725	–	–	–	5,183
Development & software amortisation	–	–	249	988	–	1,237
Foreign exchange movement	1,459	244	153	15	34	1,905
Balance at 31 December 2015	**54,909**	**9,976**	**3,367**	**1,865**	**2,531**	**72,648**
Amortisation of acquisition related intangible assets	**5,327**	**2,348**	**–**	**–**	**–**	**7,675**
Development & software amortisation	**–**	**–**	**407**	**1,356**	**–**	**1,763**
Impairment	**–**	**–**	**–**	**–**	**5,183**	**5,183**
Disposals (Note 28)	**(133)**	**(298)**	**–**	**(8)**	**–**	**(439)**
Retirements	**–**	**–**	**(2,779)**	**–**	**–**	**(2,779)**
Foreign exchange movement	**(3,179)**	**(818)**	**(338)**	**(88)**	**(90)**	**(4,513)**
Balance at 31 December 2016	**56,924**	**11,208**	**657**	**3,125**	**7,624**	**79,538**
Carrying amount						
Balance at 31 December 2015	22,996	13,403	1,073	3,843	149,203	190,518
Balance at 31 December 2016	**31,863**	**17,010**	**780**	**3,921**	**166,916**	**220,490**

Other intangible assets
Other intangible assets include brands of €9,229,000 (2015: €4,946,000), supplier relationships of €7,570,000 (2015: €8,457,000) and other €211,000 (2015: €Nil).

Disposals
During the year the Group disposed of trading assets, intellectual property and other intangible assets of a sports nutrition business in the International division. Further details are set out in note 28.

Amortisation and impairment charges
Intangible assets are amortised to the income statement over their estimated useful lives as follows:
- Customer relationships: 3 to 15 years;
- Brands: 10 to 15 years;
- Supplier relationships: 3 to 15 years;
- Capitalised development costs: 5 to 7 years;
- Software: 3 to 5 years.

Amortisation charges for acquisition related intangible assets (customer relationships, brands and supplier relationships) are separately disclosed in the Group income statement. Amortisation charges for capitalised development costs and software are allocated to distribution expenses. Impairment losses are allocated to other operating expenses.

12. GOODWILL AND INTANGIBLE ASSETS (continued)

Goodwill and intangible assets arising on acquisition

Goodwill and intangible assets arising in connection with acquisitions are set out in Note 28.

Fair value movements on contingent consideration and therefore goodwill in respect of acquisitions completed prior to 1 January 2010 are set out in Note 24.

Impairment testing and goodwill

The Group tests goodwill annually for impairment on 31 October, or more frequently if there are indications that goodwill might be impaired. For the purposes of impairment testing, goodwill is allocated to divisions which represent the lowest level within the Group at which goodwill is monitored, which is not higher than the operating segments identified before aggregations. A reportable operating level summary of the goodwill is presented below.

	2016 Number CGUs	2015 Number CGUs	**2016 €'000**	2015 €'000
Europe – Eurozone	**9**	9	**42,389**	41,822
Europe – Non-Eurozone	**7**	7	**95,386**	104,179
International	**1**	2	**29,141**	3,202
	17	18	**166,916**	149,203

The recoverable amount of each cash-generating unit ('CGU') has been determined based on a value-in-use calculation using cash flows derived from the approved 2017 budget with cash flows thereafter calculated using a terminal value methodology assuming 2% per annum inflation. No other growth is assumed. The pre-tax discount rates applied to cash flow projections of the CGUs range from 11.1% to 13.2% (2015: 12.4% to 13.2%).

Projected cash flows are most sensitive to assumptions regarding future profitability, replacement capital expenditure requirements and working capital investment. The values applied to these key assumptions are derived from a combination of external and internal factors, based on past experience together with management's future expectations about business performance.

Discount rates reflect the current market assessment of the risk specific to each CGU. The discount rates were estimated by adjusting the Group's weighted average cost of capital to reflect the market assessment of risks specific to each CGU for which the cash flow projections have not been adjusted.

The Group's earnings are significantly dependent on the selling prices and margins obtained for products sold. These, in turn, are largely determined by market supply and demand. Fresh produce supplies in individual markets are affected by the geography of production, growing conditions (including climate), seasonality and perishability. Market demand is a function of population size, per capita consumption, the availability and quality of individual products, competing products, climatic, economic and other general conditions in the marketplace. Excess produce leading to reduced selling prices (particularly for products purchased under contract) could have a material adverse effect on the Group's business, results of operations and financial condition.

Applying the techniques above, an impairment charge of €5,183,000 (2015: €Nil) relating to goodwill was recognised in the income statement in 2016 within other operating expenses (Note 2) and disclosed as an exceptional item (Note 6). The impairment charge arose in a sports nutrition business as a result of a reduction in forecasted profitability due to a more competitive trading environment and a change in route to market.

Sensitivity analysis

The value-in-use calculations are sensitive to changes in the assumptions, particularly relating to assumptions of cash flows generated by the individual CGUs and discount rates applied to these cash flows. Sensitivity analysis was performed based on changes to each of these factors.

Within a CGU in the Group's Europe – Eurozone division, if the cashflow projections had been 10% lower, then an impairment loss of €2,152,000 would have been recognised. Similarly if the pre-tax discount rate had been 10% higher, an impairment loss of €2,287,000 would have been recognised.

With the exception of the aforementioned CGU, a 10% reduction in the cashflow projections would not have given rise to an impairment loss. Similarly if the pre-tax discount rates applied to the cash flows had been 10% higher, no further impairment loss would have arisen.

13. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

	Joint Ventures €'000	Associates €'000	Total €'000
Balance at 1 January 2015	41,001	21,916	62,917
Share of profit after tax (Note 3)	7,706	2,393	10,099
Share of other comprehensive income, net	(88)	(476)	(564)
Investment in joint ventures and associates – cash (a)	7,308	30	7,338
Investment in joint ventures –contingent consideration (a) (Note 24)	4,802	–	4,802
Joint venture becoming a subsidiary (b) (Note 28)	(426)	–	(426)
Disposal of joint ventures (c)	(685)	–	(685)
Dividends received	(5,494)	(2,576)	(8,070)
Foreign exchange movement	(321)	1,025	704
Balance at 31 December 2015	**53,803**	**22,312**	**76,115**
Share of profit after tax (Note 3)	**7,258**	**5,012**	**12,270**
Share of equity buyback	**–**	**(73)**	**(73)**
Share of other comprehensive income, net	**–**	**(820)**	**(820)**
Investment in joint ventures and associates – cash (a)	**8,222**	**398**	**8,620**
Investment in joint ventures – contingent consideration (a) (Note 24)	**2,815**	**–**	**2,815**
Investment in joint ventures – deferred consideration (a)	**513**	**–**	**513**
Joint venture becoming a subsidiary (b) (Note 28)	**(324)**	**–**	**(324)**
Subsidiary becoming a joint venture (d) (Note 28)	**1,504**	**–**	**1,504**
Dividends received	**(4,983)**	**(3,356)**	**(8,339)**
Foreign exchange movement	**315**	**314**	**629**
Balance at 31 December 2016	**69,123**	**23,787**	**92,910**

Details of the Group's principal joint ventures and associates are set out in Note 37.

(a) Investment in joint ventures and associates*

Investments in 2016

During 2016 the Group invested €11,948,000 (€8,620,000 in cash, €513,000 in deferred consideration and €2,815,000 estimated contingent consideration payable on achievement of certain profit targets). The fair value of the contingent consideration recognised at the date of acquisition of €2,815,000 was calculated using the expected present value technique. The principal acquisitions in the year were as follows:

- the acquisition in April 2016 of a 60% interest in Organic Trade Company Holland BV, a company headquartered in the Netherlands and specialising in organic fruit and vegetables. Following assessment of the voting rights of each shareholder, it was deemed that joint control exists and the 60% interest is treated as a joint venture.
- the incorporation in April 2016 of Vezet Convenience Nordic AB ('VCN') owned 50/50 with G Kramer & Zonen, a Dutch based company. Over a period of three to five years, VCN will invest in a state-of-the-art facility to be used for the production of fresh cut and pre-packed meal salads for supply to the Nordic market.
- the acquisition in December 2016 of a 50% shareholding in the El Parque Group, a fresh produce company headquartered in Chile and specialising in avocados, citrus and grapes.

* For the aforementioned acquisitions, the purchase method of accounting has been applied. The initial assignment of fair values to net assets has been performed on a provisional basis in respect of these acquisitions given the timing of the completion of these transactions and will be finalised within twelve months from the acquisition date as permitted by IFRS 3 *Business Combinations*.

Investments in 2015

In 2015 the Group invested €12,140,000 (€7,338,000 in cash and €4,802,000 estimated contingent consideration payable on achievement of certain profit targets). The fair value of the contingent consideration recognised at the date of acquisition of €4,802,000 was calculated using the expected present value technique. The principal acquisition in the year was the acquisition in February 2015 of a 50% shareholding in the Gambles Group, a fresh produce company headquartered in Toronto, Canada.

(b) Joint venture becoming a subsidiary

In 2016, the Group acquired a further 25% of a joint venture interest in Scandinavia taking the Group's interest to a 75% controlling interest and from date of acquisition the investee was treated as a subsidiary. The carrying value of the original 50% shareholding at date of acquisition of €324,000 was deemed to be the fair value. In 2015, the Group acquired the remaining 50% shareholding in a joint venture investment in the Eurozone and the carrying value of the original 50% shareholding at date of acquisition of €426,000 was deemed to be the fair value.

Notes to the Group Financial Statements (continued)
for the year ended 31 December 2016

13. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (continued)

(c) Disposal of a joint venture

In June 2015 the Group disposed of its shareholding in a joint venture in Scandinavia with a carrying value of €685,000 for proceeds of €670,000, net of associated disposal costs.

(d) Subsidiary becoming a joint venture

In 2016, as a result of a change in the nature of a shareholder relationship it was determined that the Group no longer held a controlling influence in an investee and that the Group jointly controlled the investee. Therefore this investment was reclassified as a joint venture (see Note 28).

The following additional disclosures are set out in respect of the Group's share of joint ventures and associates:

	Joint Ventures 2016 €'000	**Associates 2016 €'000**	**Total 2016 €'000**	Joint Ventures 2015 €'000	Associates 2015 €'000	Total 2015 €'000
Non-current assets	**41,669**	**14,270**	**55,939**	30,488	11,753	42,241
Cash and cash equivalents	**22,611**	**4,235**	**26,846**	16,737	4,292	21,029
Other current assets	**62,678**	**37,161**	**99,839**	51,972	29,741	81,713
Non-current liabilities	**(7,225)**	**(2,670)**	**(9,895)**	(5,848)	(3,020)	(8,868)
Employee benefit liabilities	**–**	**(3,126)**	**(3,126)**	–	(1,973)	(1,973)
Current liabilities	**(51,981)**	**(31,764)**	**(83,745)**	(37,735)	(25,435)	(63,170)
Interest-loans and borrowings	**(16,302)**	**(7,112)**	**(23,414)**	(14,438)	(7,322)	(21,760)
Non-controlling interests	**(679)**	**(743)**	**(1,422)**	(368)	(526)	(894)
Share of net assets	**50,771**	**10,251**	**61,022**	40,808	7,510	48,318
Goodwill	**18,352**	**13,536**	**31,888**	12,995	14,802	27,797
Balance at 31 December	**69,123**	**23,787**	**92,910**	53,803	22,312	76,115

Material Joint Ventures

The Group has three joint ventures which are material to the Group and which are equity accounted.

The Group owns 50% of Frankort & Koning Beheer Venlo BV, a Dutch fresh produce company. The registered address of Frankort & Koning Beheer Venlo BV is Venrayseweg 126, 5928 RH Venlo, the Netherlands.

The Group owns 50% of Frutas IRU S.A., a Spanish fresh produce company. The registered address of Frutas IRU S.A. is Puestos 326-330, Mercabilbao, 48970 Basauri – Bilbao, Spain.

The Group owns 50% of 2451487 Ontario Inc. and 2451490 Ontario Inc. (collectively the 'Gambles Group'), a Canadian fresh produce group. The registered address of the Gambles Group is 302 Dwight Avenue, Toronto, ON, M8V 2W7, Canada.

The following is the summarised financial information for Frankort & Koning Beheer Venlo BV, Frutas IRU S.A. and the Gambles Group ('Investees') based on their consolidated financial statements prepared in accordance with IFRS, modified for fair value adjustments on acquisition and differences in the Group's accounting policies.

	Frankort & Koning		Frutas IRU*		Gambles Group	
	2016 €'000	2015 €'000	**2016 €'000**	2015 €'000	**2016 €'000**	2015 €'000
Revenue	**236,268**	243,193	**71,856**	65,857	**150,818**	127,893
Profit after tax (Note a)	**2,162**	3,475	**1,520**	1,435	**2,044**	2,151
Other comprehensive income	**–**	–	**–**	–	**–**	(189)
Total comprehensive income	**2,162**	3,475	**1,520**	1,435	**2,044**	1,962
Attributable to non-controlling interests	**385**	310	**–**	–	**122**	175
Attributable to the investees' shareholders	**1,777**	3,165	**1,520**	1,435	**1,922**	1,787
Note (a) Profit after tax includes:						
Depreciation and amortisation	**(1,494)**	(1,392)	**(268)**	(285)	**(1,876)**	(1,872)
Interest (expense)/income	**(390)**	(367)	**11**	46	**(77)**	(90)
Income tax expense	**(150)**	(1,167)	**(693)**	(530)	**(799)**	(978)
Current assets (Note b)	**37,811**	36,588	**19,070**	18,087	**15,602**	13,696
Non-current assets	**11,269**	10,478	**914**	954	**20,966**	20,784
Current liabilities (Note c)	**(27,154)**	(26,729)	**(7,418)**	(5,995)	**(15,096)**	(9,187)
Non-current liabilities (Note d)	**(1,760)**	(2,167)	**(24)**	(25)	**(5,524)**	(9,268)
Net assets	**20,166**	18,170	**12,542**	13,021	**15,948**	16,025
Attributable to non-controlling interests	**474**	254	**–**	–	**167**	151
Attributable to the investees' shareholders	**19,692**	17,916	**12,542**	13,021	**15,781**	15,874
Group's interest in net assets of investees	**9,846**	8,958	**6,271**	6,511	**7,890**	7,937
Goodwill	**5,080**	5,080	**–**	–	**4,281**	4,001
Carrying amount of interest in investees at end of year	**14,926**	14,038	**6,271**	6,511	**12,171**	11,938
Note (b) Includes cash and cash equivalents	**1,388**	2,995	**9,812**	9,726	**5,677**	4,883
Note (c) Includes current financial liabilities (excluding trade, other payables and provisions)	**(12,769)**	(13,573)	**–**	–	**(533)**	(154)
Note (d) Includes non-current financial liabilities (excluding trade, other payables and provisions)	**(694)**	(89)	**–**	–	**(4,504)**	(2,029)

	Frankort & Koning		Frutas IRU*		Gambles Group	
	2016 €'000	2015 €'000	**2016 €'000**	2015 €'000	**2016 €'000**	2015 €'000
Carrying amount of interest in investee at beginning of year	**14,038**	13,206	**6,511**	6,793	**11,938**	–
Group's investment in investee during the year including contingent consideration	**–**	–	**–**	–	**–**	11,695
Total comprehensive income attributable to the Group	**888**	1,582	**760**	718	**961**	894
Dividends received during the year	**–**	(750)	**(1,000)**	(1,000)	**(1,561)**	–
Foreign exchange movement	**–**	–	**–**	–	**833**	(651)
Carrying amount of interest in investee at end of year	**14,926**	14,038	**6,271**	6,511	**12,171**	11,938

* The results of Frutas IRU S.A. have been equity accounted within the EurobananCanarias S.A. subgroup.

Notes to the Group Financial Statements (continued)
for the year ended 31 December 2016

13. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (continued)

Immaterial joint ventures

The following is summarised financial information for the Group's interest in immaterial joint ventures based on the amounts reported in the Group's consolidated financial statements:

Carrying value	2016 €'000	2015 €'000
Europe – Eurozone	**13,534**	10,596
Europe – Non-Eurozone	**11,984**	8,304
International	**10,237**	2,416
Carrying amount of interests in immaterial joint ventures	**35,755**	21,316

Group's share of profit after tax	2016 €'000	2015 €'000
Europe – Eurozone	**2,172**	1,672
Europe – Non-Eurozone	**2,728**	2,859
International	**(250)**	(113)
Group's share of profit after tax in immaterial joint ventures	**4,650**	4,418

Material Associates

The Group has one associate which is material to the Group and which is equity accounted. The Group owns 35% of Grandview Ventures Limited ('Investee'), a Canadian fresh produce company. The registered address of Grandview Ventures Limited is 2800 Park Place, 666 Burrard Street, Vancouver, BC V6C 2Z7.

The following is the summarised financial information for Grandview Ventures Limited based on their consolidated financial statements prepared in accordance with IFRS, modified for fair value adjustments on acquisition and differences in the Group's accounting policies:

	2016 €'000	2015 €'000
Revenue	**678,690**	514,276
Profit after tax	**11,537**	6,405
Other comprehensive income	**(4,278)**	2,115
Total comprehensive income	**7,259**	8,520
Attributable to non-controlling interests	**1,258**	1,054
Attributable to the investee's shareholders	**6,001**	7,466
Current assets	**96,537**	80,727
Non-current assets	**24,053**	25,833
Current liabilities	**(91,816)**	(78,553)
Non-current liabilities	**(16,544)**	(16,183)
Net assets	**12,230**	11,824
Attributable to non-controlling interests	**2,123**	1,504
Attributable to the investee's shareholders	**10,107**	10,320
Group's interest in net assets of investee	**3,537**	3,612
Goodwill	**13,536**	12,813
Carrying amount of interest in investee at end of year	**17,073**	16,425
Carrying amount of interest in investee at beginning of year	**16,425**	16,475
Total comprehensive income attributable to the Group[1,2]	**2,262**	2,760
Dividends received during the year	**(2,699)**	(2,546)
Foreign exchange movement	**1,085**	(264)
Carrying amount of interest in investee at end of year	**17,073**	16,425

1 Includes movements in currency translation reserve of a €672,000 credit (2015: a charge of €1,162,000), which are included within foreign currency translation effects in the Group Statement of Comprehensive Income.

2 Calculated in accordance with the provisions of the shareholder's agreement between the Group and the Investee.

Immaterial associates

The following is summarised financial information for the Group's interest in immaterial associates based on the amounts reported in the Group's consolidated financial statements:

Carrying value	2016 €'000	2015 €'000
Europe – Eurozone	**1,186**	1,256
Europe – Non-Eurozone	**3,358**	3,250
International	**2,170**	1,381
Carrying amount of interests in immaterial associates	**6,714**	5,887

Group's share of profit after tax	2016 €'000	2015 €'000
Europe – Eurozone	**138**	1
Europe – Non-Eurozone	**800**	287
International	**341**	31
Group's share of profit after tax in immaterial associates	**1,279**	319

Group's share of other comprehensive income	2016 €'000	2015 €'000
Europe – Eurozone	**(73)**	–
Group's share of other comprehensive income in immaterial associates	**(73)**	–

14. OTHER FINANCIAL ASSETS

	2016 €'000	2015 €'000
Balance at beginning of year	**732**	698
Foreign exchange movement	**(83)**	34
Balance at end of year	**649**	732
Available-for-sale financial assets measured at cost less provision for impairment[(a)]	**649**	732
Balance at end of year	**649**	732

The investments included above predominantly represent investments in unlisted equity securities. While these investments are classified as available-for-sale financial assets in accordance with IFRS, it is not currently the intention of management to sell these assets.

(a) Certain of the Group's available-for-sale financial assets are comprised of investments that do not have a quoted market price in an active market, and the Directors believe that fair value is not materially different to book value. Such investments are measured at cost, less provision for impairment where required. The carrying value of such investments amounts to €649,000 (2015: €732,000).

15. INVENTORIES

	2016 €'000	2015 €'000
Goods for resale	**51,795**	58,033
Consumables	**9,400**	5,396
Total of lower of cost or net realisable value	**61,195**	63,429

Notes to the Group Financial Statements (continued)
for the year ended 31 December 2016

16. TRADE AND OTHER RECEIVABLES

	2016 €'000	2015 €'000
Non-current		
Non-trade receivables due from joint ventures and associates	**4,406**	3,702
Other receivables	**3,355**	2,079
	7,761	5,781
Current		
Trade receivables due from third parties	**266,400**	237,047
Trade receivables due from joint ventures and associates	**5,617**	5,689
Irish value added tax	**779**	773
Other tax	**5,478**	6,124
Other receivables	**24,414**	17,204
Prepayments	**12,012**	9,425
Non-trade receivables due from joint ventures and associates	**2,830**	2,961
	317,530	279,223
Total	**325,291**	285,004

Details of impairment provisions netted against the carrying value of trade and other receivables above are set out in Note 32.

See Note 32 for an analysis of credit risk on trade and other receivables to understand how the Group manages and measures credit quality of trade and other receivables.

17. BANK DEPOSITS AND CASH AND CASH EQUIVALENTS

Bank deposits

The original maturity of these deposits falls outside the three month timeframe for classification as cash and cash equivalents under IAS 7 *Statements of Cash Flows*, and accordingly, the related balances have been separately reported in the consolidated balance sheet and have been categorised as 'amortised cost' in accordance with IAS 39 *Financial Instruments: Recognition and Measurement*.

	2016 €'000	2015 €'000
Bank deposits	**2,500**	2,500

Cash and cash equivalents

Cash and cash equivalents comprise cash balances held for the purposes of meeting short-term cash commitments and call deposits which are readily convertible to a known amount of cash within a short time frame of between one day and three months on acquisition.

	2016 €'000	2015 €'000
Bank balances	**111,261**	110,895
Call deposits (demand balances)	**16,019**	18,843
Cash and cash equivalents per balance sheet	**127,280**	129,738
Bank overdrafts (Note 20)	**(10,193)**	(6,533)
Cash, cash equivalents and bank overdrafts per cash flow statement	**117,087**	123,205

18. CAPITAL AND RESERVES

Share capital

At 31 December 2016, the authorised share capital was €10,000,000 (2015: €10,000,000) divided into 1,000,000,000 ordinary shares of 1 cent each. The issued share capital at that date was 343,014,762 ordinary shares (2015: 344,608,634).

On 27 January 2016, the Group completed the €20,000,000 share buyback programme that commenced on 9 October 2015 with a total of 14,017,270 ordinary shares being purchased and cancelled. Within this programme during January 2016, the Group acquired 4,073,872 (2015: 9,943,398) of its own ordinary shares at an aggregate cost of €5,899,000 (2015: €14,101,000) plus costs of €74,000 (2015: €287,000). The total cost of €5,973,000 (2015: €14,388,000) was reflected as a reduction in retained earnings. The repurchased ordinary shares were cancelled, with the nominal value of the cancelled shares of €41,000 (2015: €99,000) being credited to undenominated capital reserve.

During the year, the Group received consideration of €1,787,000 (2015: €959,000) from the issue of 2,480,000 (2015: 1,240,300) shares that were issued to satisfy the exercise of 2,480,000 (2015: 1,240,300) share options.

At 31 December 2016, the Company held 22,000,000 treasury shares in the Company (2015: 22,000,000). All rights (including voting and dividend rights) in respect of these treasury shares are suspended until these shares are reissued.

	Ordinary shares 2016 '000	**Ordinary shares 2016 €'000**	Ordinary shares 2015 '000	Ordinary shares 2015 €'000
Allotted, called-up and fully paid				
In issue at beginning of year	**344,609**	**3,446**	353,312	3,533
Shares repurchased by company	**(4,074)**	**(41)**	(9,943)	(99)
Shares issued on exercise of share options	**2,480**	**24**	1,240	12
In issue at end of year	**343,015**	**3,429**	344,609	3,446

Share premium

	2016 €'000	2015 €'000
At beginning of year	**254,512**	253,565
Cash received on exercise of share options in excess of cost price of shares	**1,763**	947
Capital reduction	**(108,071)**	–
At end of year	**148,204**	254,512

On 25 May 2016 and pursuant to Section 84 of the Companies Act 2014, the shareholders of the Company approved the passing of a special resolution authorising the Directors of the Company to apply to the High Court of Ireland for approval under Section 85 of the Companies Act 2014 to proceed with a Capital Reduction in the amount of €108,071,000. On 8 July 2016, the High Court confirmed the approval of this resolution and following the registration of this Court order with the Companies Registration Office on 11 July 2016, the Company reduced its Share Premium by the sum of €108,071,000 and transferred this sum to retained earnings, net of associated professional fees of €108,000.

Attributable Profit of the Company

The profit attributable to equity holders of the parent recorded within the financial statements of the Company for the year ended 31 December 2016 was €14,090,000 (2015: €14,836,000). As permitted by Section 304 of the Companies Act 2014, the statement of comprehensive income of the Company has not been separately presented in these financial statements.

Other reserves

	2016 €'000	2015 €'000
Undenominated capital (a)	**140**	99
Currency translation reserve (b)	**(7,675)**	70
Revaluation reserve (c)	**24,088**	22,178
De-merger reserve (d)	**(122,521)**	(122,521)
Own shares reserve (e)	**(8,580)**	(8,580)
Other equity reserves (f)	**841**	2,027
Total	**(113,707)**	(106,727)

(a) Undenominated capital

This reserve arises on the cancellation of ordinary shares purchased under the share buy-back programme. The nominal value of the 4,073,872 (2015: 9,943,398) ordinary shares cancelled during the year amounting to €40,739 (2015: €99,434) was credited to undenominated capital.

(b) Currency translation reserve

The translation reserve comprises all foreign exchange differences from 1 January 2004, arising from the translation of the net assets of the Group's non-Euro denominated operations, including the translation of the profits and losses of such operations from the average exchange rate for the year to the exchange rate at the reporting date, as well as from the translation of borrowings designated as a hedge of those net assets.

(c) Revaluation reserve

The revaluation reserve relates to revaluation surpluses arising on revaluations of property occupied by the Group. This reserve is not distributable to shareholders under Irish company law.

Notes to the Group Financial Statements (continued)
for the year ended 31 December 2016

18. CAPITAL AND RESERVES (continued)
Other reserves (continued)
(d) De-merger reserve
The operations of the Company were de-merged from Fyffes plc on 30 December 2006 and acquired on that date by the Company. The operations had always constituted a separate business segment within Fyffes plc and, consequently, in the Group financial statements of Total Produce plc after the de-merger, the financial position was presented to shareholders on the basis of the carrying value of the assets previously reported to them. In accordance with Section 76(2) of the Companies Act 2014, the ordinary shares issued by the Company were recorded at their fair value on the date of issue. The difference between the fair value of the consideration received by the Company and the carrying values at which the net assets were previously reported has been recognised in the Group financial statements as a de-merger reserve.

(e) Own shares reserve
The reserve for the Company's own shares comprises the cost of the Company's shares held by the Company. At 31 December 2016, the Company held 22,000,000 (31 December 2015: 22,000,000) of the Company's shares as treasury shares.

(f) Other equity reserves
Other equity reserves comprise the share option reserve, cash flow hedge reserve and put option reserve.

	Share option reserve (i) €'000	Cash flow hedge reserve (ii) €'000	Put option reserve (iii) €'000	Other equity reserves Total €'000
Balance at 1 January 2015	1,979	45	–	2,024
Comprehensive income				
Profit for the year	–	–	–	–
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss:				
Effective portion of cash flow hedges, net	–	(11)	–	(11)
Deferred tax on items taken directly to other comprehensive income	–	6	–	6
Total included in other comprehensive income	–	(5)	–	(5)
Total included in comprehensive income	–	(5)	–	(5)
Transactions with equity holders of the parent				
New shares issued	(373)	–	–	(373)
Share-based payment transactions (Note 29)	381	–	–	381
Total transactions with equity holders of the parent	8	–	–	8
Balance at 31 December 2015	**1,987**	**40**	**–**	**2,027**
Comprehensive income				
Profit for the year	**–**	**–**	**–**	**–**
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss:				
Currency translation	**–**	**–**	**(514)**	**(514)**
Effective portion of cash flow hedges, net	**–**	**(19)**	**–**	**(19)**
Deferred tax on items taken directly to other comprehensive income	**–**	**4**	**–**	**4**
Total included in other comprehensive income	**–**	**(15)**	**(514)**	**(529)**
Total included in comprehensive income	**–**	**(15)**	**(514)**	**(529)**
Transactions with equity holders of the parent				
New shares issued	**(651)**	**–**	**–**	**(651)**
Recognition of put option liability on acquisition (Note 25)	**–**	**–**	**(17,155)**	**(17,155)**
Put option granted to non-controlling interests (Note 19)			**(3,367)**	**(3,367)**
Fair value movements on put option liability (Note 25)	**–**	**–**	**(179)**	**(179)**
Share-based payment transactions (Note 29)	**436**	**–**	**–**	**436**
Total transactions with equity holders of the parent	**(215)**	**–**	**(20,701)**	**(20,916)**
Balance at 31 December 2016	**1,772**	**25**	**(21,215)**	**(19,418)**
Transfer of NCI subject to put options for presentation purposes (Note 19)	**–**	**–**	**20,259**	**20,259**
Balance at 31 December 2016	**1,772**	**25**	**(956)**	**841**

(i) Share option reserve
The share option reserve comprises the amounts expensed in the income statement in connection with share-based payment transactions. When options vest or lapse, the fair value of the share options is reclassified to retained earnings.

(ii) Cash flow hedge reserve
The cash flow hedge reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

(iii) Put option reserve
The Group has a number of contractual put options and forward commitments in place in relation to non-controlling interest ('NCI') shares in subsidiaries whereby the NCI shareholder can require the Group to acquire or the Group has agreed to acquire ('forward commitment') the shares in these subsidiaries at various future dates. The value of the put option or forward commitment liability recognised and subsequent fair value movements are recognised in the put option reserve. For presentation purposes in the balance sheet, the NCI subject to the put or forward commitment is transferred to the put option reserve in equity.

Capital management
The Board regularly reviews and monitors the Group's capital structure with a view to maintaining a strong capital base in order to sustain market confidence in the business. This involves considering dividends paid to shareholders, the amount of liquid assets on the balance sheet and return on capital (based on shareholders' equity, the composition of which is set out on page 64. The Group operates a share option scheme and an employee profit sharing scheme which allows employees to use part of their profit sharing awards to acquire shares in the Company.

The Group has the authority to purchase its own shares. This authority permits the Group to buy up to 10 per cent of the issued share capital at a price which may not exceed 105 per cent of the average price over the previous five trading days. On 27 January 2016, the Group completed the €20,000,000 share buyback programme that commenced on the 9 October 2015 with a total of 14,017,270 ordinary repurchased at a total cost of €20,361,000 including associated costs. The repurchased ordinary shares were cancelled. The share buy-back programme is earnings accretive.

In November 2010 the Group exercised this authority and completed a share buy-back of 22,000,000 shares at a cost of €8,580,000 plus costs of €107,000. These shares are held as treasury shares unless reissued or cancelled. The Group continues to consider exercising its authority should the opportunity arise and the Group will seek to renew this authority at the forthcoming AGM on 25 May 2017.

19. NON-CONTROLLING INTERESTS

	2016 €'000	2015 €'000
Balance at beginning of year	**74,959**	68,341
Share of profit after tax	**10,768**	7,475
Share of items recognised in other comprehensive income	**(179)**	376
Share of foreign exchange movement	**195**	607
Share of comprehensive income	**10,784**	8,458
Non-controlling interests arising on acquisition (Note 28)	**15,215**	4,132
Acquisition of non-controlling interests (a)	**(3,796)**	(4,265)
Disposal of shareholding to non-controlling interests (b)	**3,993**	599
Subsidiary becoming a joint venture (c) (Note 28)	**(1,503)**	–
Contribution by non-controlling interests	**5**	36
Dividends paid to non-controlling interests	**(6,798)**	(2,342)
Balance at end of year	**92,859**	74,959
Transfer of NCI subject to put options to the put option reserve for presentation purposes (Note 18)	**(20,259)**	–
Balance at end of year	**72,600**	74,959

(a) Acquisition of non-controlling interests
During 2016, the Group acquired additional shares in subsidiaries in Continental Europe for consideration of €4,488,000 including €1,444,000 contingent on future profit targets being achieved. These changes in the Group's ownership interest in existing subsidiaries were accounted for as equity transactions. The difference of €692,000 between the fair value of the consideration of €4,488,000 and the book value of the non-controlling interest acquired of €3,796,000 was accounted for directly in retained earnings as a charge.

During 2015, the Group acquired additional shares in subsidiaries for consideration of €3,914,000 including €1,914,000 contingent on future profit targets being achieved and €1,000,000 in deferred consideration to be paid at a later date. These changes in the Group's ownership interest in existing subsidiaries were accounted for as equity transactions. The difference of €351,000 between the fair value of the consideration of €3,914,000 and the book value of the non-controlling interest acquired of €4,265,000 was accounted for directly in retained earnings as a credit.

Notes to the Group Financial Statements (continued)
for the year ended 31 December 2016

19. NON-CONTROLLING INTERESTS (continued)

(b) Disposal of shareholding to non-controlling interests

During the year, the Group disposed of a portion of its shareholding in a subsidiary company in Continental Europe to a non-controlling interest for a total value of €3,993,000. The Group received cash consideration of €273,000, with a deferred payment due of €700,000 and the extinguishment of a contingent consideration liability of €3,020,000 due to the non-controlling shareholder (Note 24). No gain or loss resulted on this disposal.

The Group and the non-controlling interest have signed a shareholders' agreement under the terms of which Total Produce will acquire the 27.5% non-controlling interest in the subsidiary in early 2020 ('forward commitment'). The price paid for such shares is to be determined by an agreed formula based on profitability of the subsidiary. Up to the point of exercise of this commitment, the non-controlling shareholder continues to have a right to dividends and voting rights on the shareholdings that are subject to this forward commitment. As outlined in the Group accounting policies on page 71, where the non-controlling shareholder retains a present ownership interest in shares subject to a forward commitment, the Group applies the partial recognition of non-controlling interest method for put options and forward commitments. The non-controlling interest is therefore recognised in the traditional manner but is transferred against the put liability reserve for presentation purposes in the balance sheet.

The estimated fair value at the date of this transaction on exercise of the forward commitments was €3,367,000. This liability has been recognised in a put option reserve attributable to the equity holders of the parent. The valuation method applied for the purposes of this fair value assessment was the option price formula in the shareholders agreement, with the inputs based on the 2017 budget and an application of a steady growth rate, discounted to net present value. In accordance with the Group accounting policy for put options and forward commitments (partial recognition of NCI method), and for presentation purposes in the balance sheet, the carrying value of NCI at each period end has been transferred to the put option reserve.

In 2015, the Group disposed of a shareholding to a non-controlling interest for €599,000. No gain or loss resulted from this disposal.

(c) Subsidiary becoming a joint venture

During the year as a result of a change in the nature of a shareholder relationship it was determined that the Group no longer held a controlling influence in an investee and that Group jointly controlled the investee. See Note 28 for further details.

Additional disclosures

The Group has one subsidiary with a non-controlling interest which is material to the Group, EurobananCanarias S.A. The Group owns 50% of the EurobananCanarias S.A. subgroup. The registered address of EurobananCanarias S.A. is Avda. de Anaga No 11, 38001 Santa Cruz de Tenerife, Spain.

The following is the summarised financial information for the EurobananCanarias S.A. subgroup based on their consolidated financial statements prepared in accordance with IFRS, modified for fair value adjustments on acquisition and differences in the Group's accounting policies. The information is before inter-company eliminations with other companies in the Group.

	2016 €'000	2015 €'000
Total Revenue (including share of joint ventures)	**361,348**	349,648
Group Revenue	**339,482**	330,251
Profit after tax	**7,728**	6,999
Other comprehensive income	**286**	516
Total comprehensive income	**8,014**	7,515
Profit after tax attributable to non-controlling interests	**4,709**	4,237
Total comprehensive income attributable to non-controlling interests	**4,766**	4,560
Current assets	**74,759**	71,519
Non-current assets	**33,062**	33,298
Current liabilities	**(43,421)**	(41,474)
Non-current liabilities	**(2,917)**	(2,021)
Net assets	**61,483**	61,322
Net assets attributable to non-controlling interests	**36,124**	36,896
Net (decrease)/increase in cash and cash equivalents	**(158)**	936
Dividends paid to non-controlling interests during the year	**2,594**	86

20. INTEREST-BEARING LOANS AND BORROWINGS

	2016 €'000	2015 €'000
Non-current		
Bank borrowings	**128,729**	129,555
Finance lease liabilities	**1,433**	2,330
	130,162	131,885
Current		
Bank overdrafts	**10,193**	6,533
Bank borrowings	**36,276**	10,073
Finance lease liabilities	**1,515**	1,802
	47,984	18,408
Total	**178,146**	150,293

Borrowings are repayable as follows:

	2016 €'000	2015 €'000
Bank borrowings and overdrafts		
Within one year	**46,469**	16,606
After one year but within two years	**8,366**	31,791
After two years but within five years	**118,604**	93,692
After five years	**1,759**	4,072
	175,198	146,161
Finance lease liabilities		
Within one year	**1,515**	1,802
After one but within five years	**1,433**	2,330
	2,948	4,132
Total	**178,146**	150,293

Further details in relation to the Group's borrowings are set out in Note 32.

Total future minimum lease payments on finance leases amount to €3,261,000 (2015: €4,399,000). Total interest-bearing loans and borrowings include borrowings of €3,603,000 (2015: €3,320,000) secured on property, plant and equipment.

Notes to the Group Financial Statements (continued)
for the year ended 31 December 2016

21. ANALYSIS OF NET DEBT
Net debt is a non-IFRS measure which comprises bank deposits, cash and cash equivalents and current and non-current borrowings. The calculation of net debt at 31 December 2016 and 31 December 2015 is as follows:

	2016 €'000	2015 €'000
Current assets		
Bank deposits	**2,500**	2,500
Bank balances	**111,261**	110,895
Call deposits (demand balances)	**16,019**	18,843
Current liabilities		
Bank overdrafts	**(10,193)**	(6,533)
Current bank borrowings	**(36,276)**	(10,073)
Current finance leases	**(1,515)**	(1,802)
Non-current liabilities		
Non-current bank borrowings	**(128,729)**	(129,555)
Non-current finance leases	**(1,433)**	(2,330)
Net debt at end of year	**(48,366)**	(18,055)

Average net debt for the year ended 31 December 2016 was €95,945,000 (2015: €66,623,000). The Group also manages credit risk through the use of a number of sales of receivables arrangements. Under the terms of these agreements the Group has transferred substantially all of the credit risk of the trade receivables which are subject to these agreements. Accordingly €43,024,000 (2015: €40,501,000) has been derecognised at year-end.

22. TRADE AND OTHER PAYABLES

	2016 €'000	2015 €'000
Non-current		
Other payables	**2,021**	1,411
Current		
Trade payables	**298,199**	282,219
Trade payables due to joint ventures and associates	**4,584**	3,842
Non-trade payables due to joint ventures and associates	**18**	59
Accruals	**52,864**	44,122
Deferred consideration	**513**	2,664
Other payables	**17,714**	20,416
Irish payroll tax and social welfare	**2,456**	2,450
Irish value added tax	**1,830**	2,163
Other tax	**11,530**	11,522
	389,708	369,457
Total	**391,729**	370,868

For information on the Group's contractual maturity analysis of all liabilities, including trade and other payables, please refer to Note 32.

23. DEFERRED GOVERNMENT GRANTS

	2016 €'000	2015 €'000
Balance at beginning of year	**1,800**	1,683
Amortised to income statement (Note 2)	**(602)**	(332)
Subsidiary becoming a joint venture (Note 28)	**(717)**	–
Grants received	**–**	449
Balance at end of year	**481**	1,800

Government grants have primarily been received for the purchase of certain items of property, plant and equipment.

24. CONTINGENT CONSIDERATION

Total contingent consideration amounts to €46,375,000 (2015: €33,512,000) and represents provision for the net present value of the amounts expected to be payable in respect of acquisitions which are subject to earn-out arrangements.

	2016 €'000	2015 €'000
Balance at beginning of year	**33,512**	22,859
Paid during year	**(1,976)**	(11,964)
Fair value movements charged to income statement[1] (Note 2)	**73**	1,384
Fair value movements – adjustment to goodwill – subsidiaries[1] (Note 12)	**(62)**	192
Arising on acquisitions of subsidiaries (Note 28)	**11,598**	14,396
Arising on acquisition of non-controlling interests (Note 19)	**1,444**	1,914
Extinguishment of liability arising on disposal of shareholding to non-controlling interests (Note 19)	**(3,020)**	–
Arising on acquisitions of joint ventures (Note 13)	**2,815**	4,802
Foreign exchange movements	**1,991**	(71)
Balance at end of year	**46,375**	33,512
Non-current	**36,746**	28,363
Current	**9,629**	5,149
Balance at end of year	**46,375**	33,512

1 The impact of fair value movements in respect of previous acquisitions of subsidiaries, joint ventures and associates completed prior to 1 January 2010 amounted to a decrease in the estimate of €62,000 (2015: increase of €192,000). Under IFRS 3 *Business Combinations* the impact of these revisions are adjusted against goodwill. The impact of fair value movements of contingent consideration in respect of previous acquisitions of subsidiaries, joint ventures and associates made post 1 January 2010 amounts to an increase in the amount payable of €73,000 (2015: increase of €1,384,000). The impact of these revisions is recognised in the Group income statement within other operating income and expenses (Note 2).

See Note 32 for contractual cashflows and fair value disclosures on the measurement of contingent consideration at 31 December 2016.

25. PUT OPTION LIABILITY

The Group has a number of contractual put options and forward commitments in place in relation to non-controlling interest ('NCI') shares in subsidiaries whereby the NCI shareholder can require the Group, or the Group has agreed to acquire ('forward commitment') the shares in these subsidiaries at various future dates. The value of the put option or forward commitment liability recognised represents management's best estimate of the fair value of the amounts which may be payable discounted to net present value. This liability has been recognised in a put option reserve attributable to the equity holders of the parent (Note 18).

As outlined in the Group accounting policies on page 71, where the non-controlling shareholder retains a present ownership interest in shares subject to a put option or a forward commitment, the Group applies the partial recognition of non-controlling interest method for put options and forward commitments.

The non-controlling interest is therefore recognised in the traditional manner but is transferred against the put liability reserve for presentation purposes in the balance sheet.

	2016 €'000	2015 €'000
Balance at beginning of year	**–**	–
Arising on acquisitions of subsidiaries (Note 28)	**17,155**	–
Arising on forward commitment to acquire non-controlling interest shares (Note 19)	**3,367**	–
Fair value movements on put option recognised directly within equity	**179**	–
Foreign exchange movements	**514**	–
Balance at end of year	**21,215**	–
Non-current	**21,215**	–
Current	**–**	–
Balance at end of year	**21,215**	–

See Note 32 for contractual cash flows and fair value disclosures on the measurement of put option liabilities over non-controlling interest shares.

Notes to the Group Financial Statements (continued)
for the year ended 31 December 2016

26. OPERATING LEASES

Leases as lessee

Non-cancellable operating lease rentals are payable as set out below. These amounts represent the minimum future lease payments, in aggregate, that the Group is required to make under existing lease agreements.

	2016 €'000	2015 €'000
Less than one year	**11,578**	9,972
Between one and five years	**13,838**	13,642
More than five years	**2,078**	2,373
Total	**27,494**	25,987

The Group leases certain items of property, plant and equipment under operating leases. The leases typically run for an initial lease period with the potential to renew the lease at market rates after the initial period. During the financial year €15,599,000 (2015: €14,043,000) was recognised as an expense in the income statement in respect of operating leases.

Leases as lessor

The Group leases property under both cancellable and non-cancellable operating leases. Non-cancellable operating lease rental receivables are set out below. These amounts represent the minimum future lease receipts, in aggregate, that the Group will receive under existing lease agreements.

	2016 €'000	2015 €'000
Less than one year	**1,027**	953
Between one and five years	**1,265**	1,406
Total	**2,292**	2,359

In 2016, €1,949,000 (2015: €2,097,000) was recognised as rental income in the income statement.

27. DEFERRED TAX ASSETS AND LIABILITIES

Recognised deferred tax assets and liabilities are attributable as follows:

	Assets 2016 €'000	Liabilities 2016 €'000	Net 2016 €'000	Assets 2015 €'000	Liabilities 2015 €'000	Net 2015 €'000
Property, plant and equipment	**1,242**	**(6,825)**	**(5,583)**	1,192	(7,286)	(6,094)
Goodwill and Intangible assets	**–**	**(10,198)**	**(10,198)**	–	(8,628)	(8,628)
Investment property	**–**	**(127)**	**(127)**	–	(348)	(348)
Derivative financial instruments	**111**	**(1)**	**110**	35	(10)	25
Employee benefits	**5,956**	**–**	**5,956**	2,643	–	2,643
Trade and other payables	**5,040**	**(1,328)**	**3,712**	2,301	(942)	1,359
Other items	**186**	**(364)**	**(178)**	144	(209)	(65)
Tax value of losses carried forward	**3,851**	**–**	**3,851**	2,782	–	2,782
Deferred tax assets/(liabilities)	**16,386**	**(18,843)**	**(2,457)**	9,097	(17,423)	(8,326)
Set-off of deferred tax	**(928)**	**928**	**–**	(26)	26	–
Net deferred tax assets/(liabilities)	**15,458**	**(17,915)**	**(2,457)**	9,071	(17,397)	(8,326)

Deferred tax assets have not been recognised in respect of the following:

	2016 €'000	2015 €'000
Tax losses	**6,779**	7,193

No deferred tax asset is recognised in relation to certain income tax losses incurred by the Group on the grounds that there is insufficient evidence that the assets will be recoverable. In the event that sufficient profits are generated in the relevant jurisdictions in the future, these assets may be recovered. The estimated unrecognised deferred tax asset is €1,249,000 (2015: €1,411,000).

No deferred tax asset is recognised in relation to certain capital losses incurred by the Group on the grounds that there is insufficient evidence that the assets will be recoverable. The estimated unrecognised deferred tax asset is €5,530,000 (2015: €5,782,000).

No deferred tax is recognised on the unremitted earnings of overseas subsidiaries, branches, associates and joint ventures where the Group does not anticipate additional tax on any ultimate remittance.

	Balance at 1 January 2016 €'000	Recognised in income statement 2016 €'000	Recognised in other comprehensive income 2016 €'000	Foreign exchange adjustment 2016 €'000	Arising on acquisition 2016 €'000	Arising on disposal* 2016 €'000	Reclassification 2016 €'000	Balance at 31 December 2016 €'000
Property, plant and equipment	(6,094)	(487)	781	64	(70)	223	–	(5,583)
Goodwill and Intangible assets	(8,628)	971	–	(567)	(2,456)	482	–	(10,198)
Investment property	(348)	182	–	39	–	–	–	(127)
Derivative financial instruments	25	74	11	–	–	–	–	110
Employee benefits	2,643	(319)	3,898	(266)	–	–	–	5,956
Trade and other payables	1,359	1,638	–	133	582	–	–	3,712
Other items	(65)	(86)	–	(25)	(2)	–	–	(178)
Tax value of losses carried forward	2,782	1,071	–	(2)	–	–	–	3,851
Net deferred tax assets/(liabilities)	**(8,326)**	**3,044**	**4,690**	**(624)**	**(1,946)**	**705**	**–**	**(2,457)**

* Includes deferred tax liability arising on disposal of subsidiaries (€482,000) and subsidiaries becoming joint ventures (€223,000).

	Balance at 1 January 2015 €'000	Recognised in income statement 2015 €'000	Recognised in other comprehensive income 2015 €'000	Foreign exchange adjustment 2015 €'000	Arising on acquisition 2015 €'000	Arising on disposal 2015 €'000	Reclassification 2015 €'000	Balance at 31 December 2015 €'000
Property, plant and equipment	(6,337)	(211)	428	26	–	–	–	(6,094)
Intangible assets	(4,431)	1,080	–	(157)	(5,120)	–	–	(8,628)
Investment property	(199)	(133)	–	(18)	–	–	2	(348)
Derivative financial instruments	(60)	86	(1)	–	–	–	–	25
Employee benefits	3,933	(130)	(1,210)	50	–	–	–	2,643
Trade and other payables	1,561	(429)	–	8	221	–	(2)	1,359
Other items	(104)	37	–	2	–	–	–	(65)
Tax value of losses carried forward	3,588	(815)	–	9	–	–	–	2,782
Net deferred tax assets/(liabilities)	(2,049)	(515)	(783)	(80)	(4,899)	–	–	(8,326)

28. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES

Summary of investments in 2016

A key part of the Group's strategy is growth by acquisition. In line with this strategy the Group made a number of acquisitions in the Fresh Produce sector in Europe and North America in 2016 with a total committed expenditure of up to €44,760,000 including €11,598,000 of contingent consideration payable dependent on the achievement of profit targets and €275,000 of deferred consideration.

On 1 February 2016, the Group made a 65% investment in Progressive Produce LLC ('Progressive Produce'), headquartered in Los Angeles, California. Progressive Produce is a grower, packer and distributor of conventional and organic produce to the retail, wholesale and foodservice sectors in the US. An initial payment was made on closing with further consideration due in 2019 contingent on achievement of future profit targets. In addition to this, long term put and call options are in place for the remaining 35% shareholding, both exercisable from early 2022.

In addition to this, the Group made a number of other investments in subsidiaries in the Non-Eurozone division with initial payments up front with further consideration payable in later years contingent on achievement of future profit targets. Included in this was the acquisition in April 2016 by Provenance Partners Limited of a 100% interest in Planet Produce Limited, a company headquartered in the UK, specialising in the import of exotic fruit and vegetables.

Summary of investments in 2015

Primarily in the final quarter of 2015, the Group completed a number of new acquisitions and bolt-ons principally in the UK and Brazil. The total committed investment is up to €20,383,000 including €14,396,000 contingent consideration payable dependent on the achievement of profit targets and €1,675,000 of deferred consideration.

For all acquisitions, the purchase method of accounting has been applied. The initial assignment of fair values to net assets has been performed on a provisional basis in respect of these acquisitions given the timing of completion of these transactions and will be finalised within twelve months of the acquisition date, as permitted by IFRS 3 *Business Combinations*. As outlined on page 111, during 2016 the Group made an amendment to the provisional fair values assigned to an acquisition completed in December 2015.

Notes to the Group Financial Statements (continued)
for the year ended 31 December 2016

28. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES (continued)

Summary of fair values of assets and liabilities acquired

The table below provides details on the total fair value of acquisitions of subsidiaries in 2016. The acquisition of Progressive Produce was deemed to be a substantial transaction and separate disclosure of the fair value of the identifiable assets and liabilities has therefore been made. None of the remaining business combinations completed during the period were considered sufficiently material to warrant separate disclosure of the fair values attributable to those combinations.

	2016 Progressive Produce €'000	2016 Other acquisitions €'000	2016 Total €'000	2015 Total €'000
Consideration paid and payable				
Cash consideration	27,985	4,902	32,887	4,312
Contingent consideration (Note 24)	10,525	1,073	11,598	14,396
Deferred consideration	–	275	275	1,675
Total fair value of consideration	38,510	6,250	44,760	20,383
Identifiable assets acquired and liabilities assumed				
Property, plant and equipment (Note 10)	2,392	1,915	4,307	1,182
Intangible assets – Customer relationships (Note 12)	12,455	1,611	14,066	13,733
Intangible assets – Supplier relationships, brand and other (Note 12)	9,130	84	9,214	3,491
Biological assets	308	–	308	–
Inventories	4,122	385	4,507	2,270
Trade and other receivables	21,213	2,049	23,262	6,654
Cash, cash equivalents and bank overdrafts	(312)	2,252	1,940	2,235
Interest-bearing borrowings	(474)	–	(474)	(2,901)
Finance leases	(124)	(549)	(673)	–
Corporation tax	–	(349)	(349)	259
Trade and other payables	(21,127)	(2,802)	(23,929)	(6,605)
Deferred tax asset (Note 27)	–	–	–	221
Deferred tax liability (Note 27)	(1,822)	(124)	(1,946)	(5,120)
Fair value of net identifiable assets and liabilities acquired	25,761	4,472	30,233	15,419
Non-controlling interests arising on acquisition				
Non-controlling interests measured at fair value	15,552	–	15,552	–
Non-controlling interests measured at share of net assets	–	(337)	(337)	4,132
Total value of non-controlling interests arising on acquisition (Note 19)	15,552	(337)	15,215	4,132
Goodwill calculation				
Fair value of consideration	38,510	6,250	44,760	20,383
Fair value of pre-existing interest in acquiree (Note 13)	–	324	324	426
Fair value of net identifiable assets and liabilities acquired	(25,761)	(4,472)	(30,233)	(15,419)
Non-controlling interest arising on acquisition (Note 19)	15,552	(337)	15,215	4,132
Goodwill arising (Note 12)	28,301	1,765	30,066	9,522

Cash flows relating to acquisition of subsidiaries

	2016 €'000	2015 €'000
Cash consideration for acquisition of subsidiary undertakings	(32,887)	(4,312)
Cash, cash equivalents and bank overdrafts acquired	1,940	2,235
Cash outflow per statement of cash flows	(30,947)	(2,077)

Cash consideration paid

The cash spend on acquisitions in 2016 was €32,887,000 (2015: €4,312,000). Net of cash, cash equivalents and bank overdrafts acquired the net cash outflow was €30,947,000 (2015: €2,077,000).

Contingent consideration

The Group has agreed to pay selling shareholders additional consideration of €12,651,000 (2015: €16,126,000) in the periods up to 2019 which is payable on achievement of certain profit criteria. The fair value of this contingent consideration at the date of acquisition of €11,598,000 (2015: €14,396,000) was calculated by using the expected present value technique.

Deferred consideration
Deferred consideration arising on acquisitions completed in 2016 was €275,000 (2015: €1,675,000).

Fair value of identifiable assets and liabilities assumed
The acquisition method of accounting has been used to consolidate businesses acquired. Other than liabilities for contingent consideration, no contingent liabilities have been recognised on the business combinations in either year. Should any fair values need to be adjusted they will be reflected in the acquisition accounting within one year of the acquisition date in line with the provisions of IFRS 3 *Business Combinations*.

During 2016 the Group made an amendment to the fair values and contingent consideration assigned to an acquisition completed in late December 2015. Given the proximity of the transaction to year-end, the accounting treatment for the acquisition at 31 December 2015 was provisional, and on completion of the fair value exercise in 2016 the Group identified adjustments that were required as outlined below. The adjustments were not of a material nature and therefore have been recognised as movements within 2016 acquisitions in the 2016 financial statements.

	2016 €'000
Decrease in intangible assets	**(2,011)**
Increase in property, plant and equipment	**513**
Decrease in trade and other receivables	**(513)**
Decrease in deferred tax liability	**684**
Decrease in contingent consideration	**1,932**
Decrease in goodwill	**(1,136)**
Effect of net assets	**(531)**
Decrease in non-controlling interests	**531**
Effect on shareholders' equity	**–**

Put option liability
Within certain current year acquisitions, non-controlling shareholders have an option to put their shareholding to Total Produce. Up to the point of exercise of these put options, the non-controlling shareholder continues to have a right to dividends and voting rights on the shareholdings that are subject to the put option. As outlined in the Group's accounting policies on page 71 of these financial statements, where the holder of the put retains a present ownership interest in the shares, the Group applies the partial recognition of non-controlling interest method for put options. The non-controlling interest is therefore recognised in the traditional manner but is transferred against the put liability reserve for presentation purposes in the balance sheet.

The estimated fair value at date of acquisition for the consideration on exercise of these put options was €17,155,000. This put option liability has been recognised in a put option reserve attributable to the equity holders of the parent. The valuation method applied for the purposes of this fair value assessment was the option price formula in the share purchase agreements with the inputs based on the budget for 2017 and an application of a steady growth rate, discounted to a net present value with the assumption that the put option would be exercised at the earliest possible date. In accordance with the Group accounting policy for put options (partial recognition of NCI method), and for presentation purposes in the balance sheet, the carrying value of NCI at period end has been transferred to the put option reserve.

Goodwill arising
The principal factor contributing to the recognition of goodwill of €30,066,000 (2015: €9,522,000) is the value and skills of the assembled workforce in the acquired entities along with anticipated costs savings and synergies arising from integration into the Group's existing business.

Acquisition related costs
The Group incurred acquisition related costs of €922,000 (2015: €672,000) on legal and professional fees and due diligence in respect of the completed acquisitions. These costs have been included within other operating expenses (Note 2).

Effect of acquisitions on Income Statement in the year
The acquisitions of subsidiaries in 2016 contributed €260,433,000 to total revenue in the period and €6,013,000 to Group operating profit. These numbers exclude the contributions from any joint venture and associate investments completed in the year.

If the acquisition date for these business combinations was 1 January 2016, the estimated total revenue for the year ended 31 December 2016 would have been €3,784,407,000 and estimated operating profit after exceptional items would have been €56,721,000. These numbers exclude the contributions from any joint ventures and associates completed in the year.

Notes to the Group Financial Statements (continued)
for the year ended 31 December 2016

28. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES (continued)

Disposal of trading assets

In April 2016, the Group disposed of the trading assets of a sports nutrition business in the US. Details of the proceeds received and assets and liabilities disposed of are outlined below.

	2016 Total €'000
Consideration received	
Cash consideration	**6,419**
Deferred payments	**1,327**
Total fair value of consideration	**7,746**
Identifiable assets and liabilities disposed	
Property, plant and equipment (Note 10)	**101**
Intangible assets (Note 12)	**3,881**
Inventories	**2,951**
Trade and other receivables	**171**
Trade and other liabilities	**(1,081)**
Deferred tax liabilities (Note 27)	**(482)**
	5,541
Goodwill related to business disposed	**3,148**
Book value of net identifiable assets and liabilities disposed of	**8,689**
Loss on disposal of trading assets of a business (recognised within operating expenses)	**(943)**

Subsidiary becoming a joint venture

In 2016, as a result of changes in the nature of a shareholder relationship it was determined that the Group no longer held a controlling influence in an investee and that the Group jointly controlled this investee. The following is a summary of the assets and liabilities derecognised:

	2016 Total €'000
Identifiable assets and liabilities derecognised	
Property, plant and equipment (Note 10)	**3,640**
Inventories	**267**
Trade and other receivables	**643**
Cash and cash equivalents	**491**
Deferred government grants (Note 23)	**(717)**
Trade and other liabilities	**(1,081)**
Corporation tax liabilities	**(13)**
Deferred tax liabilities (Note 27)	**(223)**
Net assets derecognised	**3,007**
Non-controlling interest (Note 19)	**(1,503)**
Net assets derecognised	**1,504**
Investment in joint venture	**1,504**

29. EMPLOYEE BENEFITS

Remuneration

	2016 €'000	2015 €'000
Wages and salaries	**188,084**	173,892
Social security contributions	**30,132**	26,813
Pension costs – defined contribution schemes	**5,241**	4,615
Pension costs – defined benefit schemes	**3,237**	4,693
Termination benefits	**1,847**	1,415
Equity settled share-based compensation expense	**436**	381
Short term incentive payment plan	**1,190**	1,047
Recognised in the income statement	**230,167**	212,856
Remeasurement losses/(gains) on post-employment defined benefit schemes recognised in other comprehensive income	**23,769**	(9,870)
Recognised in the statement of other comprehensive income	**23,769**	(9,870)

Employee numbers – Group (Average)

	2016 Number	2015 Number
Production	**990**	562
Sales and distribution	**3,456**	3,264
Administration	**589**	540
	5,035	4,366

Post-employment defined benefit plan disclosures

The Group operates a number of defined benefit and defined contribution pension schemes. The schemes are set up under trusts and the assets of the schemes are therefore held separately from those of the Group.

The pension charge in the income statement for the year in respect of the Group's defined benefit schemes was €3,237,000 (2015: €4,693,000). The charge in the income statement in respect of the Group's defined contribution schemes was €5,241,000 (2015: €4,615,000).

The Group operates five funded defined benefit pension schemes. Two of these schemes are based in Ireland, two are based in the United Kingdom and one is based in the Netherlands. The pension benefits payable on retirement in the UK and Ireland are determined based on years of service and the levels of salary. The scheme in the Netherlands provides pension benefits based on career average salary.

The schemes in Ireland are closed to new entrants and salaries for defined benefit purposes have been capped for some time with any salary increases above the cap pensionable on a defined contribution basis. Both of the UK schemes are also closed to new entrants and are now closed to new accruals. The scheme in the Netherlands is also closed to new entrants.

The accompanying disclosures relate to all of the Group's defined benefit retirement schemes in Ireland, the UK and the Netherlands. The previous full actuarial valuations of these schemes, for the purposes of these disclosures, were updated to 31 December 2016. Full actuarial valuations were carried out on both of the Irish schemes at 1 January 2016 and on the two UK schemes at 31 December 2015 and 5 April 2015. The last full actuarial valuation of the scheme in the Netherlands was at 31 December 2014.

All calculations were carried out by independent actuaries using the projected unit method. The actuarial reports are not available for public inspection; however, the results of the valuations are advised to members of the schemes. The scheme assets do not include any shareholdings in the Company.

Notes to the Group Financial Statements (continued)
for the year ended 31 December 2016

29. EMPLOYEE BENEFITS (continued)
Post-employment defined benefit plan disclosures (continued)
Assumptions
The financial assumptions that have the most significant impact on the results of the actuarial valuations are those relating to the rate of increase in salaries and pensions, discount rate used to convert future pension liabilities to current values and assumptions on inflation. The assumptions used are set out below.

Scheme liabilities
The principal long-term financial assumptions used by the Group's actuaries in the computation of the defined benefit liabilities arising on the pension schemes at 31 December 2016 and 31 December 2015 are as follows:

	Ireland		UK		Netherlands	
	2016	2015	**2016**	2015	**2016**	2015
Rate of increase in salaries	**0.00% – 2.00%**	0.00% – 2.00%	**2.50%**	3.00%	**0.00% – 2.00%**	0.00% – 2.00%
Rate of increase in pensions	**0.75% – 1.50%**	0.75% – 1.50%	**2.50% – 3.20%**	2.50% – 3.00%	**0.00%**	0.00%
Inflation rate	**1.50%**	1.50%	**3.20%**	3.00%	**1.50%**	1.50%
Discount rate	**1.90%**	2.60%	**2.75% – 2.80%**	4.10%	**1.90%**	2.60%

Future life expectancy assumptions
The Group uses certain mortality rate assumptions when determining the net present value of scheme liabilities under IAS 19 *Employee Benefits (2011)*. These assumptions conform to best practice and based on these assumptions the assumed life expectancies were as follows:

Life expectancy of current pensioner aged 65:

	Ireland		UK		Netherlands	
	2016	2015	**2016**	2015	**2016**	2015
Male	**22.2**	22.2	**20.9**	20.9	**22.2**	22.2
Female	**23.4**	23.4	**24.3**	24.3	**23.4**	23.4

Life expectancy of 45 year old active employee at expected retirement age of 65:

	Ireland		UK		Netherlands	
	2016	2015	**2016**	2015	**2016**	2015
Male	**24.5**	24.5	**22.7**	22.7	**24.5**	24.5
Female	**25.4**	25.4	**26.2**	26.2	**25.4**	25.4

Analysis of net liability

	Ireland 2016 €'000	UK 2016 €'000	Netherlands 2016 €'000	Total 2016 €'000
Equities	**33,447**	**34,513**	**–**	**67,960**
Bonds	**31,031**	**33,704**	**–**	**64,735**
Property	**15,270**	**1,300**	**–**	**16,570**
Growth portfolio – other	**11,285**	**13,482**	**11,156**	**35,923**
Cash and cash equivalents	**3,428**	**392**	**–**	**3,820**
Fair value of scheme assets	**94,461**	**83,391**	**11,156**	**189,008**
Present value of scheme obligations	**(114,425)**	**(99,939)**	**(12,421)**	**(226,785)**
Net employee benefit liabilities	**(19,964)**	**(16,548)**	**(1,265)**	**(37,777)**
Analysed as follows:				
Employee benefit assets	**–**	**–**	**–**	**–**
Employee benefit liability	**(19,964)**	**(16,548)**	**(1,265)**	**(37,777)**
Net employee benefit liabilities	**(19,964)**	**(16,548)**	**(1,265)**	**(37,777)**

	Ireland 2015 €'000	UK 2015 €'000	Netherlands 2015 €'000	Total 2015 €'000
Equities	31,966	30,771	–	62,737
Bonds	30,300	37,832	–	68,132
Property	14,636	3,872	–	18,508
Growth portfolio – other	11,665	6,589	8,658	26,912
Cash and cash equivalents	2,521	248	78	2,847
Fair value of scheme assets	91,088	79,312	8,736	179,136
Present value of scheme obligations	(101,500)	(85,124)	(9,686)	(196,310)
Net employee benefit liabilities	(10,412)	(5,812)	(950)	(17,174)
Analysed as follows:				
Employee benefit assets	–	–	–	–
Employee benefit liability	(10,412)	(5,812)	(950)	(17,174)
Net employee benefit liabilities	(10,412)	(5,812)	(950)	(17,174)

Movements in the fair value of scheme assets in the balance sheet

	Ireland €'000	UK €'000	Netherlands €'000	Total €'000
Fair value of assets at 1 January 2015	85,712	75,321	9,101	170,134
Interest income on scheme assets	1,888	3,064	213	5,165
Remeasurement gain/(loss) on scheme assets	3,003	(2,521)	(1,144)	(662)
Administration expenses paid from scheme	–	–	(70)	(70)
Employer contributions	2,756	2,014	641	5,411
Employee contributions	237	363	57	657
Benefit payments	(2,508)	(2,936)	(62)	(5,506)
Foreign exchange movements	–	4,007	–	4,007
Fair value of assets at 31 December 2015	**91,088**	**79,312**	**8,736**	**179,136**
Interest income on scheme assets	**2,372**	**2,940**	**242**	**5,554**
Remeasurement gain on scheme assets	**2,925**	**13,524**	**1,786**	**18,235**
Administration expenses paid from scheme	**–**	**–**	**(51)**	**(51)**
Employer contributions	**2,769**	**1,793**	**448**	**5,010**
Employee contributions	**211**	**247**	**61**	**519**
Benefit payments	**(4,904)**	**(2,876)**	**(66)**	**(7,846)**
Foreign exchange movements	**–**	**(11,549)**	**–**	**(11,549)**
Fair value of assets at 31 December 2016	**94,461**	**83,391**	**11,156**	**189,008**

Notes to the Group Financial Statements (continued)
for the year ended 31 December 2016

29. EMPLOYEE BENEFITS (continued)
Post-employment defined benefit plan disclosures (continued)
Movements in the present value of scheme obligations in the balance sheet

	Ireland €'000	UK €'000	Netherlands €'000	Total €'000
Present value of obligations at 1 January 2015	(107,314)	(80,223)	(10,111)	(197,648)
Current service cost	(2,309)	(1,077)	(604)	(3,990)
Interest expense on scheme obligations	(2,345)	(3,219)	(234)	(5,798)
Employee contributions	(237)	(363)	(57)	(657)
Benefit payments	2,508	2,936	62	5,506
Remeasurements:				
– effect of changes in demographic assumptions	–	251	(125)	126
– effect of changes in financial assumptions	7,988	472	1,017	9,477
– effect of experience adjustments	209	354	366	929
Foreign exchange movements	–	(4,255)	–	(4,255)
Present value of obligations at 31 December 2015	**(101,500)**	**(85,124)**	**(9,686)**	**(196,310)**
Current service cost	**(2,054)**	**(805)**	**(509)**	**(3,368)**
Past service (cost)/credit	**(7)**	**–**	**501**	**494**
Interest expense on scheme obligations	**(2,619)**	**(3,114)**	**(264)**	**(5,997)**
Employee contributions	**(211)**	**(247)**	**(61)**	**(519)**
Benefit payments	**4,904**	**2,876**	**66**	**7,846**
Remeasurements:				
– effect of changes in financial assumptions	**(14,582)**	**(26,467)**	**(2,085)**	**(43,134)**
– effect of experience adjustments	**1,513**	**–**	**(383)**	**1,130**
Curtailments and settlements	**131**	**–**	**–**	**131**
Foreign exchange movements	**–**	**12,942**	**–**	**12,942**
Present value of obligations at 31 December 2016	**(114,425)**	**(99,939)**	**(12,421)**	**(226,785)**

Movements in the net liability recognised in the balance sheet

	Ireland €'000	UK €'000	Netherlands €'000	Total €'000
Net liabilities in schemes at 1 January 2015	(21,602)	(4,902)	(1,010)	(27,514)
Employer contributions	2,756	2,014	641	5,411
Income recognised in the income statement	(2,766)	(1,232)	(695)	(4,693)
Remeasurement gains/(losses) recognised in other comprehensive income	11,200	(1,444)	114	9,870
Foreign exchange movement	–	(248)	–	(248)
Net liabilities in schemes at 31 December 2015	**(10,412)**	**(5,812)**	**(950)**	**(17,174)**
Employer contributions	**2,769**	**1,793**	**448**	**5,010**
Income recognised in the income statement	**(2,177)**	**(979)**	**(81)**	**(3,237)**
Remeasurement losses recognised in other comprehensive income	**(10,144)**	**(12,943)**	**(682)**	**(23,769)**
Foreign exchange movement	**–**	**1,393**	**–**	**1,393**
Net liabilities in schemes at 31 December 2016	**(19,964)**	**(16,548)**	**(1,265)**	**(37,777)**

Defined benefit pension (expense)/credit recognised in the income statement

	Ireland 2016 €'000	UK 2016 €'000	Netherlands 2016 €'000	Total 2016 €'000
Current service cost	**(2,054)**	**(805)**	**(509)**	**(3,368)**
Past service cost	**(7)**	**–**	**501**	**494**
Interest on scheme obligations	**(2,619)**	**(3,114)**	**(264)**	**(5,997)**
Interest on scheme assets	**2,372**	**2,940**	**242**	**5,554**
Administration expenses paid from plan	**–**	**–**	**(51)**	**(51)**
Curtailment and settlements	**131**	**–**	**–**	**131**
Defined benefit pension expense recognised in the income statement	**(2,177)**	**(979)**	**(81)**	**(3,237)**

	Ireland 2015 €'000	UK 2015 €'000	Netherlands 2015 €'000	Total 2015 €'000
Current service cost	(2,309)	(1,077)	(604)	(3,990)
Interest on scheme obligations	(2,345)	(3,219)	(234)	(5,798)
Interest on scheme assets	1,888	3,064	213	5,165
Administration expenses paid from plan	–	–	(70)	(70)
Defined benefit pension expense recognised in the income statement	(2,766)	(1,232)	(695)	(4,693)

Defined benefit pension credit/(expense) recognised in other comprehensive income

	Ireland 2016 €'000	UK 2016 €'000	Netherlands 2016 €'000	Total 2016 €'000
Remeasurement gain on scheme assets	**2,925**	**13,524**	**1,786**	**18,235**
Remeasurement (loss)/gain on scheme liabilities:				
– effect of changes in financial assumptions	**(14,582)**	**(26,467)**	**(2,085)**	**(43,134)**
– effect of experience adjustments	**1,513**	**–**	**(383)**	**1,130**
Defined benefit pension expense recognised in other comprehensive income	**(10,144)**	**(12,943)**	**(682)**	**(23,769)**

	Ireland 2015 €'000	UK 2015 €'000	Netherlands 2015 €'000	Total 2015 €'000
Remeasurement gain/(loss) on scheme assets	3,003	(2,521)	(1,144)	(662)
Remeasurement gain/(loss) on scheme liabilities:				
– effect of changes in demographic assumptions	–	251	(125)	126
– effect of changes in financial assumptions	7,988	472	1,017	9,477
– effect of experience adjustments	209	354	366	929
Defined benefit pension credit/(expense) recognised in other comprehensive income	11,200	(1,444)	114	9,870

Actual return on scheme assets

	Ireland 2016 €'000	UK 2016 €'000	Netherlands 2016 €'000	Total 2016 €'000
Total return on assets	**5,297**	**16,464**	**2,028**	**23,789**

	2015 €'000	2015 €'000	2015 €'000	2015 €'000
Total return on assets	4,891	543	(931)	4,503

The cumulative remeasurement loss before deferred tax recognised in the statement of other comprehensive income is €76,232,000 (2015: €52,463,000).

The expected normal level of employer contributions for the year ended 31 December 2017 is €4,061,000.

The weighted average duration of the defined benefit obligation was 21.7 years at 31 December 2016 (31 December 2015: 21.0 years).

Notes to the Group Financial Statements (continued)
for the year ended 31 December 2016

29. EMPLOYEE BENEFITS (continued)
Post-employment defined benefit plan disclosures (continued)

Sensitivity of pension liability to judgmental assumptions

Actuarial assumptions have a significant impact on the reported net pension obligation. Analysed below is the impact of certain movements in key assumptions at 31 December 2016.

	Ireland €'000	UK €'000	Netherlands €'000	Total €'000
Discount rates				
– 0.25% increase in discount rate (reduces obligation)	5,423	5,722	759	11,904
– 0.25% decrease in discount rate (increases obligation)	(5,820)	(6,176)	(823)	(12,819)
Inflation rate				
– 0.50% increase in inflation rate (increases obligation)	(4,951)	(9,573)	(25)	(14,549)
– 0.50% decrease in inflation rate (reduces obligation)	4,787	8,990	29	13,806
Pensionable salary increase				
– additional 1.00% increase in pensionable salary (increases obligation)	(2,262)	(6,844)	(346)	(9,452)
– decrease of 1.00% in pensionable salary (reduces obligation)	2,884	5,985	317	9,186
Pension increase				
– additional 1.00% increase in pension (increases obligation)	(14,957)	(9,697)	–	(24,654)
– decrease of 1.00% in pension (reduces obligation)	9,559	11,194	–	20,753
Life expectancy				
– additional 1 year life expectancy (increases obligation)	(3,677)	(3,055)	(352)	(7,084)
– decrease of 1 year in life expectancy (reduces obligation)	3,674	2,647	355	6,676

Although the analysis above does not take full account of the distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Share-based payment

Income statement charge

	2016 €'000	2015 €'000
Employee share option charge	**436**	381

The Group established a share option scheme in December 2006 which entitles certain employees to purchase shares in Total Produce plc. In accordance with the terms of the scheme, the options granted are exercisable at the market price prevailing at the date of the grant of the option.

The share options granted only vest when the adjusted earnings per share figure, in respect of the third or any subsequent accounting period after the end of the basis year (i.e. accounting period preceding the date of the grant), is greater than the adjusted earnings per share figure for the basis year by a percentage which is not less than (on a year-on-year basis) the annual percentage increase in the consumer price index plus 5% compounded during that period. The share options vest subject to the achievement of the performance condition above. The contractual life of the options is ten years.

Details of options granted under these schemes are as follows:

Date of Grant	Date of expiry	Number of options	Weighted grant price €	Average fair value €
9 May 2007	9 May 2017	3,975,000	0.815	0.3236
20 September 2007	20 September 2017	1,110,000	0.65	0.2604
5 March 2008	5 March 2018	2,400,000	0.60	0.2039
26 March 2013	26 March 2023	4,050,000	0.669	0.2040
10 March 2016	10 March 2026	4,175,000	1.55	0.4140

As explained above, the date at which employees may exercise their options is based on a non-market-related performance condition.

The fair value of services received in return for share options granted is measured by reference to the fair value of the share options at the date of grant. The estimate of the fair value of options granted during the year was measured based on a binomial lattice model. The contractual life of the options, which is ten years, is used as an input in this model. Expectations of early exercise are incorporated into the binominal lattice model and are reflected in the assumptions.

The assumptions used in the binominal model for calculating the fair value of share options granted in 2013 and 2016 were as follows:

Assumptions used	Options granted in 2016	Options granted in 2013
Weighted average exercise price	1.55	0.669
Expected volatility	34%	40%
Option life	9.76 years	9.65 years
Expected dividend yield	2.50%	3.25%
Risk-free interest rate	0.306%	1.43%

The expected volatility and option life are expressed as weighted averages used in modelling in the binominal lattice model. The expected volatility is based on the historic volatility of the share price and the historical volatility of similar quoted companies.

Share options are subject to vesting conditions which comprise a service condition and a non-market-related performance condition, which is the achievement of growth in adjusted earnings per share as set out earlier.

A summary of the activity during the year under the Group's share option schemes together with the weighted average exercise price of the share options is as follows:

	2016 Number of options	**2016 Weighted average exercise price €**	2015 Number of options	2015 Weighted average exercise price €
Outstanding options at beginning of year	**8,444,700**	**0.6887**	9,685,000	0.6996
Options granted during year	**4,175,000**	**1.55**	–	–
Exercised during the year[1]	**(2,480,000)**	**(0.7475)**	(1,240,300)	(0.7733)
Forfeited during year	**(50,000)**	**(0.669)**	–	–
Options outstanding at end of year	**10,089,700**	**1.0308**	8,444,700	0.6887

1 The weighted average share price at the date of exercise of these options was €1.60 (2015: €1.21).

Analysis of the closing balance – outstanding at end of year:

Date of grant	Date of expiry	**2016 Number of options**	**2016 Exercise price €**	2015 Number of options	2015 Exercise price €
9 May 2007	9 May 2017	**570,000**	**0.815**	1,950,000	0.815
20 September 2007	20 September 2017	**1,010,000**	**0.65**	1,010,000	0.65
5 March 2008	5 March 2018	**1,334,700**	**0.60**	1,434,700	0.60
26 March 2013	26 March 2023	**3,000,000**	**0.669**	4,050,000	0.669
10 March 2016	10 March 2026	**4,175,000**	**1.55**	–	–
		10,089,700		8,444,700	

The options outstanding at 31 December 2016 have an exercise price in the range of €0.60 to €1.55 (2015: €0.60 to €0.815) and have a weighted average contractual life of 5.9 years (2015: 4.4 years).

Analysis of the closing balance – exercisable at the end of the year:

Date of grant	Date of expiry	**2016 Number of options**	**2016 Exercise price €**	2015 Number of options	2015 Exercise price €
9 May 2007	9 May 2017	**570,000**	**0.815**	1,950,000	0.815
20 September 2007	20 September 2017	**1,010,000**	**0.65**	1,010,000	0.65
5 March 2008	5 March 2018	**1,334,700**	**0.60**	1,434,700	0.60
26 March 2013	26 March 2023	**3,000,000**	**0.669**	–	–
		5,914,700		4,394,700	

The market price of the Company's shares at 31 December 2016 was €1.965 and the range during 2016 was €1.25 to €1.97.

Notes to the Group Financial Statements (continued)
for the year ended 31 December 2016

30. CAPITAL COMMITMENTS AND CONTINGENCIES

Capital commitments

The Directors have authorised capital expenditure of €41,130,000 (2015: €20,979,000) at the balance sheet date. Capital expenditure contracted for at 31 December 2016 amounted to €4,261,000 (2015: €1,474,000).

Subsidiaries

In order to avail of the exemption under Section 357 of the Companies Act 2014, the Company has guaranteed the liabilities of certain of its subsidiaries registered in Ireland. As a result, the following subsidiaries have been exempted from the provisions of Sections 347 and 348 of the Companies Act 2014:

Bolanpass Limited
Iverk Produce Limited
Total Produce C Holdings Limited
Total Produce International Limited
Total Produce International Holdings Limited
Total Produce Ireland Limited
Total Produce Management Services Limited
Uniplumo (Ireland) Limited
Waddell Limited

Guarantees

Company

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies or joint ventures and associates within the Group, the Company considers these to be insurance arrangements and accounts for them as such. The Company treats the guarantee contract as a contingent liability until such time as it becomes probable that the Company will be required to make a payment under the guarantee. The following are details of contracts made by the Company at 31 December 2016 to guarantee the indebtedness of other companies or joint ventures and associates within the Group:

(i) The Company has guaranteed bank borrowings of subsidiaries in the amount of €164,132,000 (2015: €131,786,000).
(ii) The Company has guaranteed bank borrowings of €4,274,000 (2015: €1,385,000) within joint venture and associate companies.
(iii) The Company has provided counter-indemnities of €7,000,000 (2015: €Nil) in respect of guarantees given by non-controlling interests in a subsidiary.

Group

In addition to the Company guarantees above, certain Group subsidiaries have given guarantees totalling €7,577,000 (2015: €7,345,000) in respect of other trading obligations arising in the ordinary course of business.

Contingencies

From time to time, the Group is involved in claims and legal actions, which arise in the normal course of business. Based on information currently available to the Group, and legal advice, the Directors believe such litigation will not, individually or in aggregate, have a material adverse effect on the financial statements and that the Group is adequately positioned to deal with the outcome of any such litigation.

31. RELATED PARTIES

Identity of related parties

Under IAS 24 *Related Party Disclosures*, the Group has a related party relationship with its joint ventures and associates. Transactions with the Group's joint ventures and associates are set out below.

IAS 24 also requires the disclosure of compensation paid to the Group's key management personnel. This comprises its Executive Directors, Non-Executive Directors, Company Secretary and other senior management within the Group.

Remuneration of key management personnel

	2016 €'000	2015 €'000
Short term benefits (salary, bonus, incentives)	**7,676**	6,987
Post-employment benefits	**687**	671
Share-based payment expense	**101**	106
Remuneration	**8,464**	7,764
Short term incentive plan (a)	**1,190**	1,047
Total	**9,654**	8,811

(a) The Compensation Committee made an award of €1,190,000 (2015: €1,047,000) to the Executive Directors under the short term incentive plan. See pages 53 and 55 for details.

Related party transactions with joint ventures and associates

The Group trades in the normal course of its business, in some situations under supply contracts, with its joint ventures and associates. A summary of transactions with these related parties during the year is as follows:

	2016 Revenue €'000	2016 Purchases €'000	2015 Revenue €'000	2015 Purchases €'000
Joint ventures	**79,167**	**53,537**	74,995	54,128
Associates	**1,306**	**12,014**	1,210	11,632
	80,473	**65,551**	76,205	65,760

The amounts due from and to joint ventures and associates at the year-end are disclosed, in aggregate, in Notes 16 and 22 respectively. The Group's significant joint ventures and associates are set out on page 136.

Related party transactions with shareholders in Group companies

The Group, in its ordinary course of business, trades and enters into agreements to purchase and sell goods and services with a number of non-controlling shareholders of Group companies. During the year the Group entered into the following transactions with non-controlling shareholders in Group companies.

	2016 €'000	2015 €'000
Purchases of goods	**125,138**	119,249
Sales of goods	**2,108**	2,767
Receipt of services	**1,588**	2,210
Rental and warehouse agreements	**1,912**	2,114
Interest income	**27**	44

All transactions between Group and non-controlling shareholders of Group companies are at arm's length.

The amounts due to and from non-controlling shareholders of Group companies at year end are as follows:

	2016 €'000	2015 €'000
Amounts within trade receivables – current	**460**	470
Amounts within other receivables – current	**656**	13
Amounts within trade payables – current	**11,815**	13,926
Amounts within other payables – current	**9**	5,229

Related party transactions with companies with a common director

Balmoral International Land Holdings plc ('Balmoral') and the Group have one Director (Mr. C P McCann) in common and therefore they are considered a related party for the purposes of IAS 24 *Related Party Disclosures.* During the year, the Group recognised the following income and expenses from transactions with Balmoral.

	2016 €'000	2015 €'000
Expenses (mainly rental expenses)	**1,354**	1,614
Income	**224**	222

Income relates to expenses recharged by the Group to Balmoral and relate to costs incurred by the Group on behalf of Balmoral, including recharges in respect of administration expenses and a portion of the employment costs of the Chairman.

The amount owed from Balmoral at the year-end was €64,000 (2015: €63,000) and the amount owed to Balmoral was €Nil (2015: €108,000).

The Group has an investment in a 50:50 joint venture company with Balmoral. Total Produce's investment in this joint venture company in 2016 was €17,000 (2015: €148,000). The Group's share of operating losses of this joint venture in 2016 was €17,000 (2015: €148,000).The carrying value of the investment in this joint venture at 31 December 2016 was €Nil (2015: €Nil).

Notes to the Group Financial Statements (continued)
for the year ended 31 December 2016

32. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy:

	Cash flow hedges 2016 €'000	Fair value through equity 2016 €'000	Fair value through profit or loss 2016 €'000	Loans and receivables 2016 €'000	Available-for-sale 2016 €'000	Liabilities at amortised cost 2016 €'000	Total carrying amount 2016 €'000	Fair value 2016 €'000
Other financial assets[1] (Note 14)	–	–	–	–	649	–	649	649
Trade and other receivables – current[1]* (Note 16)	–	–	–	305,518	–	–	305,518	n/a
Trade and other receivables – non-current[1]* (Note 16)	–	–	–	7,761	–	–	7,761	7,761
Bank deposits[1] (Note 17)	–	–	–	2,500	–	–	2,500	n/a
Derivative financial assets (Note 32)	186	–	1	–	–	–	187	187
Cash and cash equivalents[1] (Note 17)	–	–	–	127,280	–	–	127,280	n/a
	186	–	1	443,059	649	–	443,895	
Trade and other payables – current[1] (Note 22)	–	–	–	–	–	(389,708)	(389,708)	n/a
Trade and other payables – non-current[1] (Note 22)	–	–	–	–	–	(2,021)	(2,021)	(2,021)
Bank overdrafts[1] (Note 20)	–	–	–	–	–	(10,193)	(10,193)	n/a
Bank borrowings[1] (Note 20)	–	–	–	–	–	(165,005)	(165,005)	(165,336)
Finance lease liabilities[1] (Note 20)	–	–	–	–	–	(2,948)	(2,948)	(3,232)
Derivative financial liabilities (Note 32)	(454)	–	(115)	–	–	–	(569)	(569)
Contingent consideration (Note 24)	–	–	(46,375)	–	–	–	(46,375)	(46,375)
Put option liability (Note 25)	–	(21,215)	–	–	–	–	(21,215)	(21,215)
	(454)	(21,215)	(46,490)	–	–	(569,875)	(638,034)	

	Cash flow hedges 2015 €'000	Fair value through profit or loss 2015 €'000	Loans and receivables 2015 €'000	Available-for-sale 2015 €'000	Liabilities at amortised cost 2015 €'000	Total carrying amount 2015 €'000	Fair value 2015 €'000
Other financial assets[1] (Note 14)	–	–	–	732	–	732	732
Trade and other receivables – current[1]* (Note 16)	–	–	269,798	–	–	269,798	n/a
Trade and other receivables – non-current[1]* (Note 16)	–	–	5,781	–	–	5,781	5,781
Bank deposits[1] (Note 17)	–	–	2,500	–	–	2,500	n/a
Derivative financial assets (Note 32)	196	–	–	–	–	196	196
Cash and cash equivalents[1] (Note 17)	–	–	129,738	–	–	129,738	n/a
	196	–	407,817	732	–	408,745	
Trade and other payables – current[1] (Note 22)	–	–	–	–	(369,457)	(369,457)	n/a
Trade and other payables – non-current[1] (Note 22)	–	–	–	–	(1,411)	(1,411)	(1,411)
Bank overdrafts[1] (Note 20)	–	–	–	–	(6,533)	(6,533)	n/a
Bank borrowings[1] (Note 20)	–	–	–	–	(139,628)	(139,628)	(139,749)
Finance lease liabilities[1] (Note 20)	–	–	–	–	(4,132)	(4,132)	(4,327)
Derivative financial liabilities (Note 32)	(89)	(318)	–	–	–	(407)	(407)
Contingent consideration (Note 24)	–	(33,512)	–	–	–	(33,512)	(33,512)
	(89)	(33,830)	–	–	(521,161)	(555,080)	

1 The Group has availed of the exemption under IFRS 7 *Financial Instruments*: *Disclosure* for additional disclosures where fair value closely approximates carrying value.

* For the purposes of this analysis prepayments have not been included within other receivables. Carrying value of other financial assets, trade receivables and other receivables are stated net of impairment provision where appropriate and consequently fair value is considered to approximate to carrying value.

Measurement of fair values

Set out below are the major methods and assumptions used in estimating the fair values of the financial assets and liabilities disclosed in the preceding table.

Other financial assets

Certain of the Group's available-for-sale financial assets are comprised of investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured. Such investments are measured at cost, less provision for impairment where appropriate and applicable.

Bank deposits

The original maturity of these deposits falls outside the three month timeframe for classification as cash and cash equivalents. The carrying amount is deemed to reflect fair value.

Cash and cash equivalents, including short-term bank deposits

For short term bank deposits and cash and cash equivalents, all of which have a remaining maturity of less than three months, the carrying amount is deemed to reflect fair value.

Trade and other receivables/trade and other payables

For receivables and payables with a remaining life of less than six months or demand balances, the carrying value less impairment provision, where appropriate, is deemed to reflect fair value.

Derivative instruments (forward currency contracts and interest rate swaps)

Forward currency contracts are valued using quoted forward exchange rates at the balance sheet date. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows.

Interest-bearing loans and borrowings

For floating rate interest-bearing loans and borrowings with a contractual repricing date of less than six months, the nominal amount is deemed to reflect fair value. For loans with repricing dates of greater than six months, the fair value is calculated based on the present value of the expected future principal and interest cash flows discounted at interest rates effective at the balance sheet date and adjusted for movements in credit spreads.

Finance lease liabilities

Fair value is based on the present value of future cash flows discounted at market rates.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes to the Group Financial Statements (continued)
for the year ended 31 December 2016

32. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)
Fair value hierarchy (continued)

At 31 December 2016 and 31 December 2015, the Group recognised and measured the following financial instruments at fair value:

	2016 Total €'000	2016 Level 1 €'000	2016 Level 2 €'000	2016 Level 3 €'000
Assets measured at fair value				
At fair value through profit or loss				
Foreign exchange contracts	1	–	1	–
Options to acquires additional shares in subsidiaries, joint ventures and associates	–	–	–	–
Designated as hedging instruments				
Foreign exchange contracts	186	–	186	–
Liabilities measured at fair value				
At fair value through profit or loss				
Foreign exchange contracts	(24)	–	(24)	–
Interest rate swap	(91)	–	(91)	–
Contingent consideration	(46,375)	–	–	(46,375)
At fair value through equity				
Put option liability	(21,215)	–	–	(21,215)
Designated as hedging instruments				
Foreign exchange contracts	(444)	–	(444)	–
Interest rate swap	(10)	–	(10)	–

	2015 Total €'000	2015 Level 1 €'000	2015 Level 2 €'000	2015 Level 3 €'000
Assets measured at fair value				
At fair value through profit or loss				
Foreign exchange contracts	–	–	–	–
Options to acquires additional shares in subsidiaries, joint ventures and associates	–	–	–	–
Designated as hedging instruments				
Foreign exchange contracts	196	–	196	–
Liabilities measured at fair value				
At fair value through profit or loss				
Foreign exchange contracts	(198)	–	(198)	–
Interest rate swap	(120)	–	(120)	–
Contingent consideration	(33,512)	–	–	(33,512)
Designated as hedging instruments				
Foreign exchange contracts	(75)	–	(75)	–
Interest rate swap	(14)	–	(14)	–

Level 2 and 3 fair values

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Contingent consideration	*Discounted cash flows:* This valuation model considers the present value of expected payment, discounted using a risk-adjusted discount rate. The expected payment is determined by forecasting the acquiree's EBITA over the applicable period.	• Forecast compound annual growth in EBITA in range of 3% to 17% (weighted average 11.5%) (2015: 0% to 12% (weighted average 2.2%)) • Risk adjusted discount rates of 3% to 4.5% (2015: 4% to 5%)	The estimated fair value would increase/(decrease) if: • EBITA growth was higher/(lower) • Risk adjusted discount rate was (lower)/higher
Put option liability	*Discounted cash flows:* This valuation model considers the present value of expected payment, discounted using a risk-adjusted discount rate. The expected payment is determined in accordance with the put option price formula, budgets for future years and the application of a steady growth rate.	• Forecast compound annual growth in EBITA in range of 9% to 11% (weighted average 9.8%) • Risk adjusted discount rates of 3.0% to 3.2%	The estimated fair value would increase/(decrease) if: • EBITA growth was higher/(lower) • Risk adjusted discount rate was (lower)/higher
Forward exchange contracts and interest rate swaps	*Market comparison techniques:* The fair values are based on broker quotes.	Not applicable	Not applicable

Additional disclosures for Level 3 fair value measurements

Contingent consideration

	2016 €'000	2015 €'000
Balance at beginning of year	**33,512**	22,859
Paid during year	**(1,976)**	(11,964)
Fair value movements – adjustment to goodwill – subsidiaries (Note 12)	**(62)**	192
Arising on acquisitions of subsidiaries (Note 28)	**11,598**	14,396
Arising on acquisition of non-controlling interests (Note 19)	**1,444**	1,914
Arising on acquisitions of joint ventures (Note 13)	**2,815**	4,802
Extinguishment of liability on disposal of shareholding to non-controlling interests (Note 19)	**(3,020)**	–
Foreign exchange movements	**1,991**	(71)
Included in the income statement		
– Fair value movements charged to income statement (Note 2)	**73**	1,384
Balance at end of year	**46,375**	33,512

The fair value of contingent consideration represents provision for the net present value of amounts expected to be payable in respect of acquisitions which are subject to earn-out arrangements (Note 24).

Put option liability

	2016 €'000	2015 €'000
Balance at beginning of year	**–**	–
Arising on acquisitions of subsidiaries (Note 28)	**17,155**	–
Arising on forward commitment to acquire non-controlling interest shares (Note 19)	**3,367**	–
Fair value movements on put option recognised directly within equity	**179**	–
Foreign exchange movements	**514**	–
Balance at end of year	**21,215**	–

Within certain Group companies, non-controlling shareholders have a put option to put their shareholding to Total Produce. The fair value of the put option liability represents the provision for the net present value of amounts expected to be payable on exercise of the put option (Note 25).

Notes to the Group Financial Statements (continued)
for the year ended 31 December 2016

32. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

Risk exposures

The Group's multinational operations expose it to various financial risks that include credit risk, liquidity risk, currency risk and interest rate risk. The Group has a risk management programme in place which seeks to limit the impact of these risks on the financial performance of the Group and it is the policy to manage these risks in a non-speculative manner.

The Group has exposure to the following risks from its use of financial instruments:
- credit risk
- liquidity risk
- currency risk
- interest rate risk
- equity price risk

This note presents information about the Group's exposure to each of the above risks and the Group's objectives, policies and processes for measuring and managing the risk. Further quantitative disclosures are included throughout this note.

The Board of Directors has the overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has established the Executive Risk Committee ('ERC'), which is responsible for developing and monitoring the Group's risk management policies. The members of the ERC include the Chief Executive, the Group Finance Director, a Group Executive Director, the Head of Internal Audit, the Company Secretary and a representative from senior management. Risk evaluation and recommendations for strategic change are reviewed by the ERC who report their findings to the Audit Committee for its consideration. The Audit Committee, in turn, report these findings to the Board enabling corrective initiatives to be undertaken where appropriate.

The Group has established a strong internal audit function under the direction of the Audit Committee. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee. For further details please refer to the Risk Report on pages 12 to 15.

The Board, through its Audit Committee and the ERC, has reviewed the process for identifying and evaluating the significant risks affecting the business and the policies and procedures by which these risks will be managed effectively. The Board has embedded these structures and procedures throughout the Group and considers these to be a robust and efficient mechanism for creating a culture of risk awareness at every level of management.

Credit Risk

Credit risk arises from credit to customers and joint ventures and associates arising on outstanding receivables and outstanding transactions as well as cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Group has detailed procedures for monitoring and managing the credit risk related to its trade receivables based on experience, customers' track record and historic default rates. Individual risk limits are generally set by customer, and risk is accepted above such limits only in defined circumstances. The utilisation of credit limits is regularly monitored and a significant element of the credit risk is covered by credit insurance. The impairment provision is used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible, at which point the amount is considered irrecoverable and is written off directly against the trade receivable.

The Group also makes advances to key suppliers, generally to secure produce in key categories. Advances made are generally interest-bearing and recovered through deduction from payments made in respect of produce delivered by the counterparty.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments. The main components of this allowance are a specific loss component that relates to individually significant exposures and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified.

Cash and bank deposits

The Group's exposure to credit risk relating to cash and short term deposits is managed by investing funds with a number of different individual banks or institutions at any one time. Limits applied to individual counterparty banks are reviewed regularly along with their individual credit ratings.

Other financial assets

The Group has investments in companies with a strategic interest to the Group and limits its exposure by ensuring that such investments are of a non-speculative nature.

Loans to joint ventures and associates

The Group has advanced loans to certain joint ventures and associates. The Group limits its exposure through active participation in the execution of joint control and significant influence, through regular reviews of the business plans and results of its joint ventures and associates and by ensuring such funds are used in a non-speculative manner by its joint ventures and associates. Funding to joint ventures and associates is generally undertaken only where it is matched by comparable contributions from the joint venture partner or other investors.

The carrying amount of financial assets, net of impairment provisions represents the Group's maximum credit exposure. The maximum exposure to credit risk at year end was as follows:

	Carrying amount 2016 €'000	Carrying amount 2015 €'000
Other financial assets (Note 14)	**649**	732
Bank deposits (Note 17)	**2,500**	2,500
Cash and cash equivalents (Note 17)	**127,280**	129,738
Trade and other receivables* (Note 16)	**313,279**	275,579
Derivative financial instruments (Note 32)	**187**	196
Total	**443,895**	408,745

* For the purposes of this analysis prepayments have not been included within trade and other receivables.

Trade receivables

The Group has detailed procedures for monitoring and managing the credit risk related to its trade receivables. Trade receivables are monitored by geographic region and by largest customers. The maximum exposure to credit risk for trade receivables at the reporting date by reporting segments was as follows:

	Carrying amount 2016 €'000	Carrying amount 2015 €'000
Europe – Eurozone	**128,627**	112,795
Europe – Non-Eurozone	**125,014**	125,867
International	**18,376**	4,074
Total	**272,017**	242,736

The Group also manages credit risk through the use of a number of sales of receivables arrangements. Under the terms of these agreements the Group has transferred substantially all of the credit risk of the trade receivables which are subject to these agreements. Accordingly €43,024,000 (2015: €40,501,000) has been derecognised at year-end.

The following table details the ageing of gross trade receivables including equivalent amounts due from joint ventures and associates, and the related impairment provisions in respect of specific amounts expected to be irrecoverable:

	Gross 2016 €'000	**Impairment 2016 €'000**	**Net 2016 €'000**	Gross 2015 €'000	Impairment 2015 €'000	Net 2015 €'000
Not past due	**230,629**	**(2,741)**	**227,888**	207,816	(2,873)	204,943
Past due 0 – 30 days	**37,455**	**(496)**	**36,959**	30,558	(675)	29,883
Past due 31 – 90 days	**7,345**	**(555)**	**6,790**	7,102	(772)	6,330
Past due 91 – 180 days	**1,033**	**(653)**	**380**	1,972	(875)	1,097
Past due more than 180 days	**1,961**	**(1,961)**	**–**	2,543	(2,060)	483
Total	**278,423**	**(6,406)**	**272,017**	249,991	(7,255)	242,736

Notes to the Group Financial Statements (continued)
for the year ended 31 December 2016

32. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)
Credit Risk (continued)

Other receivables

The following table details the ageing of other receivables (non-current and current) including loans and advances to suppliers, and the related impairment provisions in respect of specific amounts expected to be irrecoverable:

	Gross 2016 €'000	Impairment 2016 €'000	Net 2016 €'000	Gross 2015 €'000	Impairment 2015 €'000	Net 2015 €'000
Not past due	**34,654**	**(628)**	**34,026**	26,712	(532)	26,180
Past due 0 – 30 days	**569**	**(569)**	**–**	829	(829)	–
Past due 31 – 90 days	**339**	**(339)**	**–**	217	(217)	–
Past due 91 – 180 days	**410**	**(410)**	**–**	100	(100)	–
Past due more than 180 days	**745**	**(745)**	**–**	1,011	(1,011)	–
Total	**36,717**	**(2,691)**	**34,026**	28,869	(2,689)	26,180

Non-trade receivables due from joint ventures and associates

At year-end, the Group has non-trade receivable balances due from its joint ventures and associates of €7,236,000 (2015: €6,663,000).

Analysis of movement in impairment provisions

Trade receivables – impairment provision

	2016 €'000	2015 €'000
Balance at beginning of year	**(7,255)**	(7,134)
Arising on acquisition	**(250)**	(105)
Arising on disposal	**722**	–
Utilised on write-off	**1,582**	1,694
Charge to income statement	**(1,488)**	(1,564)
Foreign exchange movement	**283**	(146)
Balance at end of year	**(6,406)**	(7,255)

Other receivables – impairment provision

	2016 €'000	2015 €'000
Balance at beginning of year	**(2,689)**	(2,246)
Arising on acquisition	**(226)**	–
Utilised on write-off	**715**	–
Charge to income statement	**(563)**	(427)
Foreign exchange movement	**72**	(16)
Balance at end of year	**(2,691)**	(2,689)

Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure as far as possible that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risking damage to the Group's reputation.

The Group operates a prudent approach to liquidity management using a combination of long and short term debt and cash and cash equivalents to meet its liabilities when due. This is in addition to the Group's high level of operating cash flow generation.

It is the policy of the Group to have adequate facilities available at all times to cover unanticipated financing requirements. The Group has approval of committed and uncommitted term borrowings of up to €458 million (2015: €394 million) in addition to approved overdrafts and working capital facilities of €115 million (2015: €124 million). The Directors believe that, as a result, the Group is well placed to refinance or repay all borrowings due for repayment as they fall due.

The following are the contractual maturities of the financial liabilities, including estimated interest payments:

	Carrying amount 2016 €'000	Contractual cash flows 2016 €'000	6 months or less 2016 €'000	6-12 months 2016 €'000	1-2 years 2016 €'000	2-5 years 2016 €'000	More than 5 years 2016 €'000
Non-derivative financial liabilities							
Bank borrowings	**(165,005)**	**(173,660)**	**(35,735)**	**(3,642)**	**(8,402)**	**(124,056)**	**(1,825)**
Bank overdraft	**(10,193)**	**(10,193)**	**(10,193)**	**–**	**–**	**–**	**–**
Finance lease liabilities	**(2,948)**	**(3,261)**	**(940)**	**(891)**	**(840)**	**(590)**	**–**
Trade and other payables	**(391,729)**	**(391,729)**	**(388,954)**	**(754)**	**(184)**	**(600)**	**(1,237)**
Contingent consideration	**(46,375)**	**(49,489)**	**(9,419)**	**(320)**	**(10,457)**	**(28,739)**	**(554)**
Put option liability	**(21,215)**	**(26,797)**	**–**	**–**	**–**	**(3,792)**	**(23,005)**
Derivative financial instruments							
Forward exchange contracts:							
– inflows	**–**	**27,841**	**26,488**	**1,353**	**–**	**–**	**–**
– outflows	**(468)**	**(28,309)**	**(26,938)**	**(1,371)**	**–**	**–**	**–**
Interest rate swaps	**(101)**	**(101)**	**(101)**	**–**	**–**	**–**	
	(638,034)	**(655,698)**	**(445,792)**	**(5,625)**	**(19,883)**	**(157,777)**	**(26,621)**

	Carrying amount 2015 €'000	Contractual cash flows 2015 €'000	6 months or less 2015 €'000	6-12 months 2015 €'000	1-2 years 2015 €'000	2-5 years 2015 €'000	More than 5 years 2015 €'000
Non-derivative financial liabilities							
Bank borrowings	(139,628)	(150,219)	(4,489)	(9,351)	(34,202)	(97,876)	(4,301)
Bank overdraft	(6,533)	(6,533)	(6,533)	–	–	–	–
Finance lease liabilities	(4,132)	(4,399)	(981)	(970)	(1,716)	(732)	–
Trade and other payables	(370,868)	(370,868)	(368,955)	(500)	(210)	(58)	(1,145)
Contingent consideration	(33,512)	(36,757)	(4,818)	(397)	(7,246)	(22,518)	(1,778)
Derivative financial instruments							
Forward exchange contracts:							
– inflows	–	37,493	34,334	3,159	–	–	–
– outflows	(273)	(37,766)	(34,695)	(3,071)	–	–	–
Interest rate swaps	(134)	(134)	(134)	–	–	–	–
	(555,080)	(569,183)	(386,271)	(11,130)	(43,374)	(121,184)	(7,224)

Market Risk

Market risk is the risk that changes in market prices and indices such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of the Group's risk management strategy is to manage and control market risk exposures within acceptable parameters, while optimising the return earned by the Group. The Group has three types of market risk being currency risk, interest rate risk and other market price risk, which are dealt with as follows:

Currency Risk

Structural currency risk

While many of the Group's operations are carried out in Eurozone economies, it also has significant operations in the UK, Sweden, Denmark, the Czech Republic, Canada and the USA. As a result, the Group is exposed to structural currency fluctuations including, in particular, Sterling, Swedish Krona and US Dollar. The Group generally finances initial overseas investments through foreign currency borrowings which naturally hedge the foreign currency investment. Interest on borrowings is therefore denominated in currencies that match the cash flows generated by the underlying operations of the Group which provides an economic hedge. Post initial acquisition, these businesses generally fund their operations locally. To the extent that the net assets of foreign operations increase, the Group is exposed on the additional net assets. Such movements are dealt with in other comprehensive income.

Notes to the Group Financial Statements (continued)
for the year ended 31 December 2016

32. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

Currency Risk (continued)

Structural currency risk (continued)

The following table analyses the currency of Group's bank borrowings:

	2016 €'000	2015 €'000
Euro	**42,893**	47,040
Swedish Krona	**26,581**	27,714
Sterling	**26,739**	30,003
US Dollar	**48,513**	18,266
Canadian Dollar	**7,618**	7,120
Czech Koruna	**8,475**	8,474
Other	**4,186**	1,011
	165,005	139,628
Disclosed as follows;		
Bank borrowings – current	**36,276**	10,073
Bank borrowings – non current	**128,729**	129,555
	165,005	139,628

Transactional currency risk

Foreign exchange risk also arises from foreign currency transactions, assets and liabilities. Management requires all Group operations to manage their foreign exchange risk against their functional currency. The Group's companies in the UK, Sweden, Denmark and the Czech Republic purchase a significant volume of fruit in Euro and such currency risks are monitored on a daily basis and managed by utilising spot and forward foreign currency contracts where appropriate. The vast majority of transactions entered into by the Group's entities in the Eurozone are denominated in their functional Euro currency.

Sensitivity analysis

A 5% strengthening or weakening in the Euro against Sterling, the US Dollar, Swedish Krona or Czech Koruna, based on outstanding financial assets and liabilities at 31 December 2016 and 31 December 2015, would have increased/(decreased) other comprehensive income and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant:

	5% strengthening		5% weakening	
	Income statement €'000	Other comprehensive income €'000	Income statement €'000	Other comprehensive income €'000
31 December 2016				
Sterling	**(337)**	**1,229**	**373**	**(1,358)**
Swedish Krona	**(602)**	**1,266**	**794**	**(1,399)**
Czech Koruna	**(114)**	**404**	**88**	**(446)**
US Dollar	**1**	**2,179**	**(1)**	**(2,408)**
31 December 2015				
Sterling	(176)	1,422	195	(1,572)
Swedish Krona	267	1,319	(175)	(1,458)
Czech Koruna	(264)	403	291	(446)
US Dollar	(359)	523	398	(578)

The effect on equity of a movement between the Euro and the currencies listed above would be offset by a translation of the net assets of the subsidiaries against which the foreign currency borrowings are designated as hedge. The above calculations do not include the variability in Group profitability which arises on the translation of foreign currency subsidiaries' income statements and balance sheets to Euro, the Group's presentation currency.

Interest Rate Risk

The Group holds both interest-bearing assets and interest-bearing liabilities. In general, the approach employed by the Group to manage its interest exposure is to maintain an appropriate balance between fixed and floating interest rates on its cash, short term bank deposits and interest-bearing borrowings. At 31 December 2016, 36.5% (2015: 44.0%) of the Group's term bank borrowings were on long term fixed rates. In limited instances, the Group uses floating-to-fixed interest rate swaps which have the economic effect of converting borrowings from floating to fixed rates. At year-end, the interest rate profile of interest-bearing financial instruments was:

	Carrying amount 2016 €'000	Carrying amount 2015 €'000
Fixed rate instruments		
Bank borrowings	**(60,269)**	(61,490)
Finance lease liabilities	**(715)**	(3,668)
	(60,984)	(65,158)
Variable rate instruments		
Bank deposits	**2,500**	2,500
Cash and cash equivalents	**127,280**	129,738
Bank overdrafts	**(10,193)**	(6,533)
Bank borrowings	**(104,736)**	(78,138)
Finance lease liabilities	**(2,233)**	(464)
	12,618	47,103
Net debt	**(48,366)**	(18,055)

Cash flow sensitivity analysis for variable rate instruments

At 31 December 2016, the average interest rate being earned on the Group's cash and cash equivalents was 0.08 % (2015: 0.15%). At 31 December 2016, the average interest rate being paid on the Group's borrowings was 2.47% (2015: 2.77%). An increase or decrease of 50 basis points in interest rates at the reporting date would have had the following effect on the income statement and other comprehensive income. This analysis assumes that all other variables, in particular foreign currency rates, remained constant.

	50 basis point increase		50 basis point decrease	
	Income statement €'000	Other comprehensive income €'000	Income statement €'000	Other comprehensive income €'000
31 December 2016				
Variable rate instruments	**62**	**–**	**(62)**	**–**
31 December 2015				
Variable rate instruments	236	–	(236)	–

Equity Price Risk

Equity price risk arises from the available-for-sale financial assets which are held for strategic reasons. It is the policy of the Group not to invest in speculative equity securities.

Notes to the Group Financial Statements (continued)
for the year ended 31 December 2016

32. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

Accounting for Derivatives and Hedging Activities

Derivative financial instruments are measured at fair value at inception and at each reporting date, with the movement recognised in the income statement unless they are designated as cash flow hedges under IAS 39 *Financial Instruments: Recognition and Measurement*. Where instruments are classified as cash flow hedges, they are accounted for under hedge accounting rules with gains or losses arising on the effective portion of the derivative instrument recognised in the cash flow hedge reserve, as a separate component of equity. Gains or losses on any ineffective portion of the derivative are recognised in the income statement. When the hedged transaction matures, the related gains or losses in the cash flow hedge reserve are transferred to the income statement. The fair value of derivatives at the balance sheet date is set out in the following table.

	Assets 2016 €'000	**Liabilities 2016 €'000**	Assets 2015 €'000	Liabilities 2015 €'000
Forward currency contracts	**187**	**468**	196	(273)
Interest rate swaps	**–**	**101**	–	(134)

Derivatives at the end of year are classified as follows:

	2016 €'000	2015 €'000
Cash flow hedges – assets	**186**	196
Cash flow hedges – liabilities	**(454)**	(89)
Fair value through income statement – assets	**1**	–
Fair value through income statement – liabilities	**(115)**	(318)
	(382)	(211)

The movement in cash flow hedges during the year was as follows:

	2016 €'000	2015 €'000
Effective portion of changes in fair value of cash flow hedges	**1,880**	(386)
Fair value of cash flow hedges transferred to income statement	**(1,923)**	395
	(43)	9

The Group uses foreign currency borrowings to hedge the net investment in foreign entities. The carrying value of borrowings which are designated as net investment hedges at the year-end amounts to €116,004,000 (2015: €91,146,000). The gains or losses on the effective portions of such borrowings are recognised in other comprehensive income. Ineffective portions of the gains and losses on such borrowings are recognised in the income statement although no ineffectiveness has been recognised in the current or prior period. Gains and losses accumulated in other comprehensive income are included in the income statement on the disposal of a foreign entity.

33. CASH GENERATED FROM OPERATIONS

	Notes	2016 €'000	2015 €'000
Operating activities			
Profit for the year		**39,304**	37,502
Non-cash adjustments to reconcile profit to net cash flows:			
Income tax expense	7	**11,324**	9,281
Income tax paid		**(11,531)**	(10,747)
Depreciation of property, plant and equipment	10	**17,423**	15,527
Impairment of property, plant and equipment	2	**–**	743
Insurance income receivable	2	**–**	(743)
Exceptional items	6	**1,409**	(2,028)
Fair value movements on contingent consideration	24	**73**	1,384
Amortisation of intangible assets – acquisition related	12	**7,675**	5,183
Amortisation of intangible assets – development costs capitalised	12	**407**	249
Amortisation of intangible assets – computer software	12	**1,356**	988
Amortisation of government grants	23	**(602)**	(332)
Defined benefit pension scheme expense	29	**3,237**	4,693
Contributions to defined benefit pension schemes	29	**(5,010)**	(5,411)
Share-based payment expense	29	**436**	381
Net gain on disposal of property, plant and equipment		**(416)**	(516)
Financial income	4	**(1,309)**	(1,017)
Financial expense	4	**6,833**	6,832
Financial income received		**1,349**	1,149
Financial expense paid		**(7,093)**	(7,155)
Loss/(gain) on non-hedging derivative financial instruments	2	**31**	(23)
Loss on disposal of trading assets	28	**943**	–
Loss on disposal of joint venture		**–**	15
Fair value movements on biological assets		**128**	–
Share of profit of joint ventures	13	**(7,258)**	(7,706)
Share of profit of associates	13	**(5,012)**	(2,393)
Net cash flows from operating activities before working capital movements		**53,697**	45,856
Movements in working capital:			
Movements in inventories		**1,695**	(10,798)
Movements in receivables		**(24,537)**	14,598
Movements in payables		**13,293**	11,155
Total movements in working capital		**(9,549)**	14,955
Net cash flows from operating activities		**44,148**	60,811

34. ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of consolidated financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. Management discussed with the Audit Committee the development, selection and disclosure of the Group's critical accounting policies and estimates and the application of these policies and estimates.

Particular areas which are subject to accounting estimates and judgments in these financial statements are as follows:

- Note 29 – measurement of defined benefit pension obligations require the use of actuaries and determination of appropriate assumptions such as discount rates and mortality rates.
- Note 12 – impairment testing of goodwill requires assumptions in calculating underlying recoverable amounts including cash flows generated by operating units and discount rates used to discount future cash flows.
- Note 12 – The valuation of intangible assets acquired as part of a business combination at fair value requires assumptions about the future cash flows that these assets are expected to generate, and the discount rates used to discount future cash flows.
- Note 24 and Note 25 – measurement of contingent consideration and put option liabilities require assumptions to be made regarding profit forecasts and discount rates to be used to discount these forecasts to net present value.
- Note 27 – recognition of deferred tax assets requires assessment of availability of future taxable profit against which carry forward tax losses can be used.

Notes to the Group Financial Statements (continued)
for the year ended 31 December 2016

34. ACCOUNTING ESTIMATES AND JUDGMENTS (continued)

Measurement of fair value

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

- *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
- *Level 3*: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability are categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group measures transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

Note 10 – Property, Plant and Equipment
Note 11 – Investment Property
Note 24 – Contingent Consideration
Note 25 – Put Option Liability
Note 29 – Employee Benefits

35. TRANSLATION OF FOREIGN CURRENCIES

The presentation currency of the Group is Euro, which is the functional currency of the Company. Results and cash flows of foreign currency denominated operations have been translated into Euro at the average exchange rates for the period, and the related balance sheets have been translated at the rates of exchange ruling at the balance sheet date. Adjustments arising on the translation of the results of foreign currency denominated operations at average rates, and on the restatement of the opening net assets at closing rates, are accounted for within a separate translation reserve within equity, net of differences on related foreign currency borrowings designated as hedges of those net investments. All other translation differences are taken to the income statement. The principal rates used in the translation of results and balance sheets into Euro were as follows:

	Average rate			Closing rate		
	2016	2015	% change	**2016**	2015	% change
Brazilian Real	**3.6919**	–	–	**3.4305**	4.3198	20.6%
Canadian Dollar	**1.4674**	1.4184	(3.5%)	**1.4141**	1.5129	6.5%
Czech Koruna	**27.0353**	27.2862	0.9%	**27.0210**	27.0217	0.0%
Danish Kroner	**7.4427**	7.4584	0.2%	**7.4344**	7.4623	0.4%
Indian Rupee	**74.2703**	71.1987	(4.3%)	**71.4680**	72.2024	1.0%
Polish Zloty	**4.3621**	4.1769	(4.4%)	**4.4051**	4.2628	(3.3%)
Pound Sterling	**0.8102**	0.7223	(12.2%)	**0.8526**	0.7368	(15.7%)
Swedish Krona	**9.4650**	9.3489	(1.2%)	**9.5773**	9.1858	(4.3%)
US Dollar	**1.1081**	1.1106	0.2%	**1.0520**	1.0907	3.5%

36. POST BALANCE SHEET EVENTS

Post year end on 1 March 2017 the Group agreed to invest €28m to increase its shareholding in the North American based Oppenheimer Group ('Oppy') from 35% to 65%, and Oppy has entered into strategic agreements in North America with the New Zealand based T&G Global. There have been no other material events subsequent to 31 December 2016 which would require disclosure or adjustment in the financial statements.

37. PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

The list of subsidiaries, joint ventures and associates forms part of the notes to financial statements. The principal areas of operations are the countries of incorporation.

Subsidiaries	Principal activity	Group share %	Country of incorporation	Registered office
Total Produce Ireland Limited*	Fresh produce company	100	Ireland	Charles McCann Building, Rampart Road, Dundalk, Co. Louth
Allegro Limited*	Consumer products distribution	90	Ireland	1 Beresford Street, Dublin 7
Total Produce International Holdings Limited*	Investment holding company	100	Ireland	Charles McCann Building, Rampart Road, Dundalk, Co. Louth
Total Produce Belfast Limited	Fresh produce company	100	United Kingdom	231 City Business Park, Dunmurry, Belfast, BT17 8HY
R Group Holdings Limited	Investment holding company	100	United Kingdom	Enterprise Way, Pinchbeck, Spalding PE11 3YR
Redbridge Holdings Limited	Fresh produce company	100	United Kingdom	Enterprise Way, Pinchbeck, Spalding PE11 3YR
TPH (UK) Limited	Investment holding company	100	United Kingdom	Enterprise Way, Pinchbeck, Spalding PE11 3YR
Total Produce Holdings (UK) Limited	Investment holding company	100	United Kingdom	Enterprise Way, Pinchbeck, Spalding PE11 3YR
Total Produce Limited	Fresh produce company	100	United Kingdom	Enterprise Way, Pinchbeck, Spalding PE11 3YR
Provenance Partners Limited	Fresh produce company	50	United Kingdom	c/o Shelly Stock Hunter LLP, 1st Floor, 7-10 Chandos Street, London W1G 9DQ
Total Produce Holdings B.V.	Investment holding company	100	Netherlands	Marconistraat 19, 3029 AE Rotterdam
Total Produce B.V.	Fresh produce company	72.5	Netherlands	Marconistraat 19, 3029 AE Rotterdam
Haluco B.V.	Fresh produce company	60	Netherlands	Klappolder 224, 2665 MR Bleiswijk
Nedalpac B.V.	Fresh produce company	60	Netherlands	Venrayseweg 198, 5928 RH Venlo
Total Produce Direct B.V.	Fresh produce company	100	Netherlands	Handelsweg 150, 2988 DC Ridderkerk
ASF Holding B.V.	Fresh produce company	100	Netherlands	Venrayseweg 126, 5928 RH Venlo
EurobananCanarias S.A.	Fresh produce company	50	Spain	Avda. de Anaga N°11, 38001 Santa Cruz de Tenerife
Peviani SpA	Fresh produce company	50	Italy	Largo Augusto 8, 20122, Milan
Hortim International s.r.o.	Fresh produce company	75	Czech Republic	Breclao, ZIP 690 02, Haskova 18, ICO 47915528
Nordic Fruit Holding AB[1]	Investment holding company	100	Sweden	Långebergavägen 190, 256 69 Helsingborg
Total Produce Nordic A/S[2]	Investment holding company	100	Denmark	Gronttorvet 220, Copenhagen
Total Produce Indigo S.A.S.	Fresh produce company	51	France	Route de la Seds, Parc du Griffon Bat 14, Vitrolles F-13127
Total Produce USA Holdings Inc.	Investment holding company	100	USA	c/o National Registered Agents, Inc., 160 Greentree Drive, Suite 101, Dover, Kent, Delaware, 19904
Progressive Produce LLC	Fresh produce company	65	USA	5790 Peachtree Street, Los Angeles, California 90040
TP Canada Holdings Inc.	Investment holding company	100	Canada	P.O. Box 10424, Pacific Centre, 1300-777 Dunsmuir Street, Vancouver, British Columbia, V7Y 1K2
Argofruta Comercial Exportadora Limitada	Fresh produce company	60	Brazil	Lote 165, nucleo 2, PISC, Zona Rural, Petrolina, Pernambuco 56332-175

* denotes subsidiaries owned directly by Total Produce plc.

1 Nordic Fruit Holding AB is the holding company of the Group's principal Swedish trading subsidiaries Everfresh AB and Interbanan AB.

2 Total Produce Nordic A/S is the holding company of the Group's principal Danish trading subsidiaries Brdr. Lembcke A/S and Interbanan A/S.

Notes to the Group Financial Statements (continued)
for the year ended 31 December 2016

37. PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (continued)

Joint ventures and associates	Principal activity	Group share %	Country of incorporation	Registered office
Grandview Ventures Limited	Fresh produce company	35	Canada	2800 Park Place, 666 Burrard Street Vancouver, BC V6C 2Z7
2451487 Ontario Inc.	Fresh produce company	50	Canada	302 Dwight Avenue, Toronto, ON, M8V 2W7
2451490 Ontario Inc.	Property holding company	50	Canada	302 Dwight Avenue, Toronto, ON, M8V 2W7
Frankort & Koning Beheer Venlo BV	Fresh produce company	50	Netherlands	Venrayseweg 126, 5928 RH Venlo
Anaco & Greeve International B.V.	Fresh produce company	50	Netherlands	Postbus 31, 2685 ZG Poeldijk
Suri Agro Fresh Pvt. Limited	Fresh produce company	50	India	C-129, New Subzi Mandi, Azadpur, Delhi – 110033
Frutas IRU S.A.	Fresh produce company	50	Spain	Puestos 326-330, Mercabilbao, 48970 Basauri – Bilbao
African Blue Limited	Fresh produce company	10	Morocco	Boite Postale No 1, Moula Bousselham, Kenitra
Eco Farms Investments Holdings LLC	Fresh produce company	37.5	USA	28790 Las Haciendas Street, Temecula, California 92590
Organic Trade Company Holland B.V.	Fresh produce company	60	Netherlands	Bronsweg 7, 8211 AL, Lelystad
Exportadora y Servicios El Parque Limitada	Fresh produce company	50	Chile	Los Acantos 1320, Vitacura, Santiago

A full list of subsidiaries, joint ventures and associates is included with the Company's Annual Return filed with the Companies Registration Office.

Company Balance Sheet
as at 31 December 2016

	Notes	2016 €'000	2015 €'000
Assets			
Non-current			
Intangible assets	38	**7**	10
Investments in subsidiaries and joint ventures and associates	39	**248,475**	248,826
Total non-current assets		**248,482**	248,836
Current			
Trade and other receivables	40	**29,915**	32,276
Cash and cash equivalents	41	**212**	48
Total current assets		**30,127**	32,324
Total assets		**278,609**	281,160
Equity			
Share capital		**3,429**	3,446
Share premium		**148,204**	254,512
Other reserves		**(6,668)**	(6,494)
Retained earnings		**132,460**	24,805
Total equity		**277,425**	276,269
Liabilities			
Current			
Trade and other payables	42	**1,184**	4,891
Total current liabilities		**1,184**	4,891
Total liabilities		**1,184**	4,891
Total liabilities and equity		**278,609**	281,160

On behalf of the Board

C P McCann
Chairman

F J Davis
Finance Director

Company Statement of Changes in Equity
for the year ended 31 December 2016

	Share capital €'000	Share premium €'000	Own shares reserve €'000	Share option reserve €'000	Undenominated capital €'000	Retained earnings €'000	Total €'000
As at 1 January 2015	3,533	253,565	(8,580)	1,979	–	32,279	282,776
Profit for the year	–	–	–	–	–	14,836	14,836
Other comprehensive income							
Other comprehensive income:							
Total other comprehensive income	–	–	–	–	–	–	–
Total comprehensive income	–	–	–	–	–	14,836	14,836
Transactions with equity holders							
New shares issued	12	947	–	(373)	–	373	959
Dividends	–	–	–	–	–	(8,295)	(8,295)
Own shares acquired and cancelled	(99)	–	–	–	99	(14,388)	(14,388)
Share-based payment transactions	–	–	–	381	–	–	381
Total transactions with equity holders	(87)	947	–	8	99	(22,310)	(21,343)
As at 31 December 2015	**3,446**	**254,512**	**(8,580)**	**1,987**	**99**	**24,805**	**276,269**
Profit for the year	**–**	**–**	**–**	**–**	**–**	**14,090**	**14,090**
Other comprehensive income							
Other comprehensive income:	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total other comprehensive income	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total comprehensive income	**–**	**–**	**–**	**–**	**–**	**14,090**	**14,090**
Transactions with equity holders							
New shares issued	**24**	**1,763**	**–**	**(651)**	**–**	**651**	**1,787**
Capital reduction (Note a)	**–**	**(108,071)**	**–**	**–**	**–**	**107,963**	**(108)**
Dividends	**–**	**–**	**–**	**–**	**–**	**(9,076)**	**(9,076)**
Own shares acquired and cancelled	**(41)**	**–**	**–**		**41**	**(5,973)**	**(5,973)**
Share-based payment transactions	**–**	**–**	**–**	**436**	**–**	**–**	**436**
Total transactions with equity holders	**(17)**	**(106,308)**	**–**	**(215)**	**41**	**93,565**	**(12,934)**
As at 31 December 2016	**3,429**	**148,204**	**(8,580)**	**1,772**	**140**	**132,460**	**277,425**

Note (a)
On 25 May 2016 and pursuant to Section 84 of the Companies Act 2014, the shareholders of the Company approved the passing of a special resolution authorising the Directors of the Company to apply to the High Court of Ireland for approval under Section 85 of the Companies Act 2014 to proceed with a Capital Reduction in the amount of €108,071,000. On 8 July 2016, the High Court confirmed the approval of this resolution and following the registration of this Court order with the Companies Registration Office on 11 July 2016, the Company reduced its Share Premium by the sum of €108,071,000 and transferred this sum to retained earnings, net of associated professional fees of €108,000.

Company Statement of Cash Flows
for the year ended 31 December 2016

	Notes	2016 €'000	2015 €'000
Operating activities			
Profit for the year		**14,090**	14,836
Non-cash adjustments to reconcile profit before tax to net cash flows:			
Share-based payment expense		**44**	19
Amortisation of intangible assets – computer software		**3**	2
Impairment of investment in subsidiaries		**743**	1,272
Movement in trade and other receivables		**2,361**	10,986
Movement in trade and other payables		**(3,707)**	(5,048)
Net cash flows from operating activities		**13,534**	22,067
Investing activities			
Acquisition of subsidiaries		**–**	(428)
Net cash flows from investing activities		**–**	(428)
Financing activities			
Capital reduction costs		**(108)**	–
New shares issued		**1,787**	959
Buyback of own shares		**(5,973)**	(14,388)
Dividends paid to equity holders		**(9,076)**	(8,295)
Net cash flows from financing activities		**(13,370)**	(21,724)
Net increase/(decrease) in cash, cash equivalents and bank overdrafts		**164**	(85)
Cash, cash equivalents and bank overdrafts at 1 January		**48**	133
Cash, cash equivalents and bank overdrafts at 31 December	41	**212**	48

Notes to the Company Financial Statements
for the year ended 31 December 2016

38. INTANGIBLE ASSETS

	Computer software €'000	Total €'000
Cost		
Balance at 1 January 2016	12	12
Balance at 31 December 2016	**12**	**12**
Accumulated amortisation		
Balance at 1 January 2016	2	2
Software amortisation	3	3
Balance at 31 December 2016	**5**	**5**
Carrying amount		
Balance at 31 December 2015	10	10
Balance at 31 December 2016	**7**	**7**

39. INVESTMENTS

	Investments in subsidiaries €'000	Investments in joint ventures and associates €'000	Total €'000
Balance at 1 January 2015	248,459	850	249,309
Investment in subsidiaries	789	–	789
Joint venture becoming subsidiary	850	(850)	–
Impairment of investment in subsidiary	(1,272)	–	(1,272)
Balance at 31 December 2015	**248,826**	**–**	**248,826**
Impairment of investment in subsidiary	**(743)**	**–**	**(743)**
Investment in subsidiaries	**392**	**–**	**392**
Balance at 31 December 2016	**248,475**	**–**	**248,475**

The principal subsidiaries and joint ventures and associates are set out on pages 135 and 136.

40. TRADE AND OTHER RECEIVABLES

	2016 €'000	2015 €'000
Current		
Amounts due from subsidiaries	**29,873**	32,194
Other receivables	**33**	82
Prepayments	**9**	–
	29,915	32,276

Amounts due from subsidiary undertakings are repayable on demand and there are no impairment provisions against these balances at year-end.

41. CASH AND CASH EQUIVALENTS

	2016 €'000	2015 €'000
Cash	**212**	48

42. TRADE AND OTHER PAYABLES

	2016 €'000	2015 €'000
Amounts due to group undertakings	**723**	4,212
Other payables	**–**	52
Accruals	**461**	627
	1,184	4,891

43. RELATED PARTY TRANSACTIONS

The Company has a related party relationship with its subsidiaries, joint ventures and associates and with the Directors of the Company. Details of the remuneration of the Company's individual Directors, together with the number of Total Produce plc shares owned by them and their outstanding share options are set out in the Compensation Committee report on pages 52 to 56.

	2016 €'000	2015 €'000
Dividends received from group undertakings	**15,467**	17,839

44. EMPLOYEE BENEFITS

The aggregate employee costs for the Company were as follows:

	2016 €'000	2015 €'000
Wages and salaries	**1,441**	1,257
Social security contributions	**108**	95
Pension costs – defined benefit schemes	**100**	90
Share-based payment transactions	**44**	19
	1,693	1,461

The average number of employees of the Company in 2016 was 6 (2015: 6).

45. CAPITAL COMMITMENTS AND CONTINGENCIES

The Company has no capital commitments at 31 December 2016 (2015: €Nil).

Details in relation to contingencies and guarantees, including guarantees to avail of exemptions under Section 357 of the Companies Act, 2014, are outlined in Note 30 of the Group Financial Statements on page 120.

46. STATUTORY AND OTHER INFORMATION

Auditors' remuneration

	2016 €'000	2015 €'000
Audit services	**189**	167
Other non-audit services	**67**	30

Notes to the Company Financial Statements (continued)
for the year ended 31 December 2016

47. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

Accounting classifications and fair values

The following table shows the Company amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy:

	Loans and receivables 2016 €'000	Liabilities at amortised cost 2016 €'000	Total 2016 €'000	Fair value 2016 €'000
Trade and other receivables – current (Note 40)*	**29,906**	**–**	**29,906**	**n/a**
Cash and cash equivalents (Note 41)	**212**	**–**	**212**	**n/a**
	30,118	**–**	**30,118**	
Trade and other payables – current (Note 42)	**–**	**(1,184)**	**(1,184)**	**n/a**
	–	**(1,184)**	**(1,184)**	

	Loans and receivables 2015 €'000	Liabilities at amortised cost 2015 €'000	Total 2015 €'000	Fair value 2015 €'000
Trade and other receivables – current (Note 40)*	32,276	–	32,276	n/a
Cash and cash equivalents (Note 41)	48	–	48	n/a
	32,324	–	32,324	
Trade and other payables – current (Note 42)	–	(4,891)	(4,891)	n/a
	–	(4,891)	(4,891)	

* For the purposes of this analysis prepayments have not been included.

The Company has the same risk exposures as those of the Group as outlined in Note 32.

The Group has availed of the exemption under IFRS 7 *Financial Instruments: Disclosure* for additional disclosures where fair value closely approximates carrying value.

Credit risk

Trade and other receivables above includes €29,873,000 (2015: €32,194,000) due from subsidiary undertakings. All are repayable on demand and there were no impairment provisions against these balances at year-end. The €212,000 (2015: €48,000) of cash and cash equivalents is managed in accordance with the overall Group credit risk policy as outlined in Note 32.

Liquidity risk

The €1,184,000 (2015: €4,891,000) within trade and other payables are all due for repayment within six months.

Currency risk

All financial assets and liabilities are denominated in Euro (the functional currency of the Company) and hence no currency risk is present at year-end.

48. POST BALANCE SHEET EVENTS

There have been no material events subsequent to 31 December 2016 which would require disclosure or adjustment in the financial statements.

49. APPROVAL OF FINANCIAL STATEMENTS

The Directors approved these financial statements on 1 March 2017.

Directors and Other Information

TOTAL PRODUCE PLC

Directors
C P McCann, *Chairman*
R P Byrne, *Chief Executive*
F J Davis
J F Gernon
R B Hynes
J J Kennedy
S J Taaffe
K E Toland

Company Secretary
M T Reid

Registered Office
Charles McCann Building
Rampart Road
Dundalk
Co Louth

AUDITOR
KPMG
Chartered Accountants
1 Stokes Place
St. Stephen's Green
Dublin 2

REGISTRAR
Computershare Investor Services (Ireland) Limited
P.O. Box 954
Heron House
Corrig Road
Sandyford Industrial Estate
Dublin 18

SOLICITOR
Arthur Cox
10 Earlsfort Terrace
Dublin 2

STOCKBROKERS AND NOMINATED ADVISER
Davy
49 Dawson Street
Dublin 2

PRINCIPAL BANKERS
Allied Irish Banks plc
Bankcentre
Ballsbridge
Dublin 4

Bank of Ireland
Lower Baggot Street
Dublin 2

BNP Paribas
5 George's Dock
IFSC
Dublin 1

Caixa Bank
8th floor
63 St Mary Axe
EC3A 8AA
London
United Kingdom

Danske Bank A/S
3 Harbourmaster Place
IFSC
Dublin 1

HSBC Ireland
1 Grand Canal Square
Grand Canal Harbour
Dublin 2

Rabobank Ireland plc
Charlemont Place
Dublin 2

Ulster Bank
George's Quay
Dublin 2

Shareholder Information

Total Produce plc is an Irish registered company. Its ordinary shares are quoted on the Emerging Securities Market (‘ESM’) on the Irish Stock Exchange and on the Alternative Investments Market (‘AIM’) on the London Stock Exchange.

FINANCIAL CALENDAR

Record date for 2016 final dividend	5 May 2017
Annual General Meeting	25 May 2017
Payment date for 2016 final dividend	26 May 2017
2017 interim results announcement	September 2017
Interim dividend payment	October 2017
Financial year end	31 December 2017
2017 preliminary results announcement	March 2018

SHARE PRICE (EURO CENT)

Year	High	Low	31 December
2016	**197**	**125**	**196.5**

INVESTOR RELATIONS

Frank Davis
Group Finance Director
Total Produce plc
29 North Anne Street
Dublin 7
Telephone: +353 1 887 2600
Fax: +353 1 887 2731
Email: fdavis@totalproduce.com

REGISTRAR

Administrative queries about holdings of
Total Produce plc shares can be directed to the Company’s registrar:
Computershare Investor Services (Ireland) Limited
P.O. Box 954, Heron House, Corrig Road
Sandyford Industrial Estate
Dublin 18
Telephone: +353 1 216 3100
Fax: +353 1 216 3151
Email: webqueries@computershare.ie

WEBSITE

Further information on the Total Produce Group is available at www.totalproduce.com

ANNUAL GENERAL MEETING

The Annual General Meeting of the Company will take place in the Cusack Suite, Croke Park, Jones Road, Dublin 3 on 25 May 2017 at 10.30 am. Notice of this meeting is set out on pages 145 to 149 of this annual report and a personalised proxy form is included in the mailing to shareholders.

AMALGAMATION OF ACCOUNTS

Shareholders receiving multiple copies of Company mailings as a result of a number of accounts being maintained in their name should write to the Company’s Registrar, at the given address, to request that their accounts be amalgamated.

PAYMENTS OF DIVIDENDS

Shareholders may elect to have future dividends paid directly to a nominated bank account by completing the mandate form which accompanies each dividend payment or by writing to the Company’s Registrar at the above address. Dividends are normally paid in Euro; however, for the convenience of shareholders with addresses in the United Kingdom, dividends are paid in Sterling unless requested otherwise.

Notice of Annual General Meeting
Total Produce Plc
year ended 31 December 2016

NOTICE IS HEREBY GIVEN that the Annual General Meeting ('**AGM'**) of Total Produce plc ('the Company') will be held at 10.30am on Thursday 25 May 2017 in the Cusack Suite, Croke Park, Jones Road, Dublin 3, for the following purposes:

1. To receive and consider the Company's Financial Statements for the year ended 31 December 2016 and the reports of the Directors and auditor thereon, and to review the Company's affairs.

2. To declare a final dividend of 2.2297 cent per share on the ordinary shares for the year ended 31 December 2016.

3. By separate resolutions to re-elect as Directors the following, who retire in accordance with the Articles of Association and, being eligible, offer themselves for re-election:

   (a) Carl P McCann;
   (b) John F Gernon; and
   (c) Jerome J Kennedy

4. To authorise the Directors to fix the remuneration of the auditor for the year ending 31 December 2017.

As special business to consider and, if thought fit, pass the following resolutions:-

5. AS AN ORDINARY RESOLUTION:
"That the Directors of the Company are hereby unconditionally authorised to exercise all the powers of the Company to allot relevant securities (within the meaning of section 1021 of the Companies Act 2014) up to an aggregate nominal amount of:

(a) €1,071,533 (107,153,254 shares), representing approximately 33.3% of the nominal value of the issued share capital of the Company (excluding treasury shares) ; and
(b) €2,143,065 (214,306,508 shares) (after deducting from such limit any relevant securities allotted under paragraph (a) above) being equivalent to approximately 66.6% of the aggregate nominal value of the issued share capital of the Company (excluding treasury shares) provided that (i) they are equity securities (within the meaning of section 1023(1) of the Companies Act 2014) and (ii) they are offered by way of a rights issue pursuant to the terms of Article 8(d)(i) of the Articles of Association of the Company.

The authority hereby conferred shall expire at the earlier of the close of business on the date of the next AGM after the passing of this resolution or 25 August 2018 provided however that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such offer or agreement as if the authority hereby conferred had not expired."

6. AS A SPECIAL RESOLUTION:
"That subject to the approval of Resolution 5 in the Notice of this meeting, the Directors of the Company are hereby empowered to allot equity securities (as defined by Section 1023 of that Act) for cash in accordance with Article 8(d)(i) and (ii) of the Articles of Association provided that the aggregate nominal value of any shares which may be allotted pursuant to Article 8(d)(ii) together with all treasury shares (as defined in Section 1078 of the Companies Act 2014) re-issued pursuant to Resolution 9 in this Notice of meeting may not exceed €160,730 (16,072,988 shares) representing 5% of the nominal value of the issued share capital (excluding treasury shares).

This authority shall expire at the earlier of the close of business on the date of the next AGM after the passing of this resolution or 25 August 2018."

7. AS A SPECIAL RESOLUTION:
"That subject to the approval of Resolution 5 in the Notice of this meeting, the Directors of the Company be and they are hereby authorised in addition to any authority granted under Resolution 6 in the Notice of this meeting to allot equity securities (as defined in Section 1023 of the Companies Act 2014) for cash as if Section 1022 of the Companies Act 2014 did not apply to any such allotment, provided that:

(a) the proceeds of any such allotment are to be used only for the purposes of financing (or re-financing, if the authority is to be used in within six months after the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-emption Rights most recently published by the Pre-Emption Group prior to the date of this Notice; and
(b) the nominal value of all equity securities allotted pursuant to this authority together with the nominal value of all treasury shares (as defined in Section 1078 of the Companies Act 2014) re-issued pursuant to Resolution 9 in the Notice of this Meeting may not exceed €160,730 (16,072,988 shares) representing 5% of the nominal value of the issued share capital (excluding treasury shares).

This authority shall expire at the close of business on the earlier of the date of the Annual General Meeting in 2018 or 25 August 2018 save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry date and the Directors may allot equity securities in pursuance of such offer or agreement as if such power had not expired."

8. AS A SPECIAL RESOLUTION:

"That the Company and/or any subsidiary (as defined by Section 7 of the Companies Act 2014) of the Company is hereby generally authorised to purchase on a securities market (as defined by Section 1072 of the Companies Act 2014) shares of any class in the Company ('**shares'**) on such terms and conditions and in such manner as the Directors may determine from time to time but subject to the provisions of the Companies Act 2014 and to the following restrictions and provisions:-

(a) the maximum number of ordinary shares (as defined in the Articles of Association of the Company) authorised to be acquired pursuant to this resolution shall not exceed 32,145,976 (representing 10% of the issued share capital excluding treasury shares);
(b) the minimum price (excluding expenses) which may be paid for any share shall be an amount equal to the nominal value thereof;
(c) the maximum price (excluding expenses) which may be paid for any share (a '**relevant share'**) shall be an amount equal to the greater of:

(i) 105% of the average of the five amounts resulting from determining whichever of the following (A), (B) or (C) specified below in relation to the shares of the same class as the relevant share shall be appropriate for each of the five business days immediately preceding the day on which the relevant share is purchased, as determined from the information published by the trading venue where the purchase will be carried out reporting the business done on each of those five business days:
(A) if there shall be more than one dealing reported for the day, the average of the prices at which such dealings took place; or
(B) if there shall be only one dealing reported for the day, the price at which such dealing took place; or
(C) if there shall not be any dealing reported for the day, the average of the high and low market guide prices for that day;
and if there shall be only a high (but not a low) or a low (but not a high) market guide price reported, or if there shall not be any market guide price reported, for any particular day then that day shall not count as one of the said five business days for the purposes of determining the maximum price. If the means of providing the foregoing information as to dealings and prices by reference to which the maximum price is to be determined is altered or is replaced by some other means, then a maximum price shall be determined on the basis of the equivalent information published by the relevant authority in relation to dealings on the Irish Stock Exchange or its equivalent; and

(ii) the higher of the price quoted for:

(A) the last independent trade of; and
(B) the highest current independent bid or offer for,

the Company's shares on the trading venue where the purchase pursuant to the authority conferred by this resolution will be carried out;

The authority hereby granted shall expire at the close of business on the date of the next AGM of the Company or 25 August 2018, whichever is the earlier, unless previously varied, revoked or renewed by special resolution in accordance with the provisions of Section 1074 of the Companies Act 2014. The Company or any such subsidiary may, before such expiry, enter into a contract for the purchase of shares which would or might be executed wholly or partly after such expiry and may complete any such contract as if the authority conferred hereby had not expired."

9. AS A SPECIAL RESOLUTION:

"That, subject to the passing of Resolution 8 in this Notice of meeting, for the purposes of Section 1078 of the Companies Act 2014, the reissue price range at which any treasury shares (as defined by the said Section 1078) for the time being held by the Company may be reissued off-market shall be as follows:-

(a) the maximum price at which a treasury share may be reissued off-market shall be an amount equal to 120 per cent of the "appropriate price"; and
(b) the minimum price at which a treasury share may be re-issued off-market shall be the nominal value of the share where such a share is required to satisfy an obligation under an employee share scheme (as defined in the Listing Rules of The Irish Stock Exchange Limited) operated by the Company or, in all other cases, an amount equal to 95% of the appropriate price.

For the purposes of this resolution the expression 'appropriate price' shall mean the average of the five amounts resulting from determining whichever of the following (i), (ii) or (iii) specified below in relation to shares of the class of which such treasury share is to be reissued shall be appropriate in respect of each of the five business days immediately preceding the day on which the treasury share is reissued, as determined from information published in the Irish Stock Exchange Daily Official List reporting the business done in each of those five business days:

(i) if there shall be more than one dealing reported for the day, the average of the prices at which such dealings took place; or
(ii) if there shall be only one dealing reported for the day, the price at which such dealing took place; or
(iii) if there shall not be any dealing reported for the day, the average of the high or low market guide prices for the day;

and if there shall be only a high (but not a low) or a low (but not a high) market guide price reported, or if there shall not be any market guide price reported, for any particular day then that day shall not count as one of the said five business days for the purposes of determining the appropriate price. If the means of providing the foregoing information as to dealings and prices by reference to which the appropriate price is to be determined is altered or is replaced by some other means, then the appropriate price shall be determined on the basis of the equivalent information published by the relevant authority in relation to dealings on the Irish Stock Exchange or its equivalent.
The authority hereby conferred shall expire at the close of business on the day of the next AGM of the Company or 25 August 2018, whichever is the earlier, unless previously varied or renewed in accordance with the provisions of Section 1078 of the Companies Act 2014."

M Reid
Secretary
Charles McCann Building,
Rampart Road, Dundalk, Co Louth, Ireland
24 March 2017

NOTES TO NOTICE OF ANNUAL GENERAL MEETING OF TOTAL PRODUCE PLC

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy need not be a member of the Company. Appointment of a proxy will not preclude a member from attending and voting at the meeting should the member subsequently wish to do so. You may appoint more than one proxy provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. Should you wish to appoint more than one proxy, please read carefully the explanatory notes accompanying the Form of Proxy.
2. As a member, you have several ways to exercise your right to vote:
   (a) by attending the Annual General Meeting in person;
   (b) by appointing (either electronically or by returning a completed Form of Proxy) the Chairman or another person as a proxy to vote on your behalf;
   (c) by appointing a proxy via the CREST System if you hold your shares in CREST.
   In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other registered holder(s) and, for this purpose, seniority will be determined by the order in which the names stand in the register of members.
3. You may appoint the Chairman of the Company or another individual as your proxy. You may appoint a proxy by completing the enclosed Form of Proxy, making sure to sign and date the form at the bottom and return it to the Company's Registrars, Computershare Services (Ireland) Limited. If you are appointing someone other than the Chairman as your proxy, then you must fill in the contact details of your representative at the meeting on the Form of Proxy. If you appoint the Chairman or another person as a proxy to vote on your behalf, please make sure to indicate how you wish your votes to be cast by ticking the relevant boxes on the Form of Proxy.
   Alternatively, a member may appoint a proxy or proxies electronically by logging on to the website of the registrars, Computershare Services (Ireland) Limited: at www.eproxyappointment.com. Shareholders will be asked to enter their Shareholder Reference Number and PIN Number as printed on your Form of Proxy and agree to certain conditions.
4. To be valid, forms of proxy duly signed together with the power of attorney or such other authority (if any) under which they are signed (or a certified copy of such power or authority) must be lodged with the Company's registrar, Computershare Services (Ireland) Limited, P.O. Box 954, Sandyford, Dublin 18 by not later than 10.30am on 23 May 2017.
5. The Company, pursuant to Section 1105 of the Companies Act 2014 and Regulation 14 of the Companies Act, 1990 (Uncertificated Securities) Regulations, 1996 (as amended), specifies that only those shareholders registered in the register of members of the Company as at close of business on 23 May 2017 (or in the case of an adjournment as at 48 hours before the time of the adjourned meeting) shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their names at the time. Changes to entries in the register after that time will be disregarded in determining the right of any person to attend and/or vote at the meeting.
6. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST Proxy Instruction must be properly authenticated in accordance with Euroclear UK & Ireland Limited ("EUI")'s specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by Computershare Services (Ireland) Limited (ID 3RA50) by 10.30am on 23 May 2017. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Computershare Services (Ireland) Limited is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Companies Act, 1990 (Uncertificated Securities) Regulations, 1996 (as amended).
7. As of 24 March 2017 (being the latest practicable date prior to the publication of this notice), the outstanding share options issued by the Company would result in the issue of 9,644,700 new ordinary shares if such share options were to be exercised. Further the issue of all of these shares would represent approximately 2.91% of the enlarged equity or 3.23%, if the Company were to exercise in full the proposed authority being sought in Resolution 8 above to purchase its own shares.
8. Biographical details for the Directors standing for re-election at the AGM are set out in the accompanying Annual Report. Each of the Directors has been subject to the evaluation process recommended by the UK Corporate Governance Code. On this basis, the Chairman and Board are pleased to recommend the re-election of those Directors.
9. Copies of all documentation tabled before the AGM are available on the Company's website. Should you not receive a Form of Proxy, or should you wish to be sent copies of these documents, you may request this by telephoning the Company's registrar (on +353 1 216 3100) or by writing to the Company Secretary at the address set out above.

FSC
www.fsc.org
MIX
From responsible sources
FSC® C013684

Designed and produced by **emperor**
Visit us at **emperor.works**

Printed by Colorman (Ireland) Limited
www.colorman.ie
Tel +353 1 882 1100

TotalProduce

Let's Grow Together

Total Produce plc
Charles McCann Building
Rampart Road
Dundalk, Co Louth
Ireland

Tel: +353 42 933 5451
Fax: +353 42 933 9470

Email: info@totalproduce.com
www.totalproduce.com

Find us on: facebook

Keyword: Total Produce

LinkedIn

Keyword: Totalproduce