

WAFRAH FOR INDUSTRY AND DEVELOPMENT CO.
(A Saudi Joint Stock Company)
THE INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE MONTH PERIOD AND YEAR
ENDED DECEMBER, 31, 2014 TOGETHER WITH INDEPENDENT
ACCOUNTANTS LIMITED REVIEW REPORT

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(A Saudi Joint Stock Company)
THE INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE MONTH PERIOD AND YEAR ENDED DECEMBER 31, 2014
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INDEPENDENT ACCOUNTANTS LIMITED REVIEW REPORT

**Shareholders Of
Wafrah For Industry And Development Co.
(A Saudi Joint Stock Company)**

Scope of examination

We have examined the accompanying interim balance sheet of **Wafrah For Industry And Development Co. (A Saudi Joint Stock Company)** as of December 31,2014 and the related interim statements of income for the three month period and year ended December 31 , 2014 and the interim cash flows and interim changes in shareholders ' equity for the year then ended , and the notes from (1) to (19) which are an integral part of these interim financial statements which have been prepared by the Company's management and submitted to us together with all the information and explanations which we requested . These financial statements are the responsibility of the Company's management .

Our examination was limited for the interim financial statements and was conducted in accordance with the Saudi Organization for Certified Public Accountants standard on interim financial statements . The limited examination consists principally of analytical procedures applied to financial data and inquiries of the Company's personnel responsible for financial and accounting matters . It is substantially less in scope than an audit in accordance with generally accepted auditing standards , the objective of which is the expression of an opinion regarding the financial statements taken as a whole . Accordingly , we do not express such an opinion .

Notes

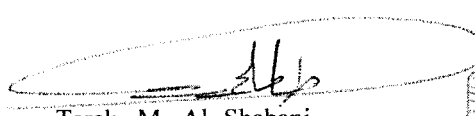
The company has transferred part of its existing project, to be part of company property and utilized equipment from the beginning of the year and charged depreciation for the whole 2014 at the 4th quarter. As a result, the results for the first 3 quarters has been overstated by about SAR 2,232,042. Whereas, the result of the 4th quarter has been understated by the same amount. However, there is no impact on the results of 2014 as a whole.

Review conclusion

Based on our limited review, and other than the effect mentioned above we are not aware of any material modifications that should be made to the interim financial statements to be in conformity with generally accepted accounting principles in the Kingdom of Saudi Arabia.

Emphasis of matter

As per assessment received from Zakat and Income tax department for the year 2008 G to 2011 G, Zakat and Income tax Department demanded a payment of SAR 5,043,060 being difference in the Zakat and Income Tax. However, the company management has raised objection and established as a provision to meet this commitment.


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Certified Public Accountant
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Date :
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WAFRAH FOR INDUSTRY AND DEVELOPMENT CO.
(A Saudi Joint Stock Company)
INTERIM BALANCE SHEET (UNAUDITED)
AS OF DECEMBER 31,2014
(ALL AMOUNT IN SAUDI RIYALS)

<u>ASSETS</u>	<u>Note</u>	<u>Un-audited</u> <u>31/12/2014</u>	<u>Audited</u> <u>31/12/2013</u>
Current Assets			
Cash and bank balances	(4)	7,075,326	21,390,077
Accounts receivable		33,754,419	31,930,870
Inventory	(5)	23,026,608	20,203,174
Prepayments and other receivable	(6)	10,140,600	5,937,988
Total current assets		73,996,953	79,462,109
Non-Current Assets			
Investments in companies	(7)	17,050,000	17,050,000
Investments in securities available for sale		504,051	16,356,969
Projects under Processing	(8)	23,919,646	41,121,049
Deferred expenses		2,764,224	14,224
Investments in Lands	(9)	11,127,708	--
Property and operating equipment , net	(10/1)	114,168,589	80,341,595
Property and non-operating equipment , net	(10/2)	891,642	919,703
Total non-current assets		170,425,860	155,803,540
Total assets		244,422,813	235,265,649
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>			
Current Liabilities			
Accounts payable		6,460,331	3,038,980
Oversubscribed payable		3,285,800	3,285,800
Accrued expenses and other liabilities	(11)	1,541,865	2,043,675
Accrued dividends	(12)	1,272,525	--
Current portion from long-term loan	(14)	1,000,000	--
Zakat provision	(13)	6,434,629	1,661,046
Total current liabilities		19,995,150	10,029,501
Non-Current Liabilities			
Long-term loans	(14)	15,854,000	--
End of Service Benefits		5,135,681	4,800,496
Total Non-Current Liabilities		20,989,681	4,800,496
Shareholders' Equity			
Paid-up capital	(1)	200,000,000	200,000,000
Statutory reserve		7,199,061	7,199,061
Unrealized (losses) profits from Investments in security available for sales		(751,648)	1,482,080
Retained (losses) earnings		(3,009,431)	11,754,511
Total Shareholders' equity		203,437,982	220,435,652
Total liabilities and shareholders' equity		244,422,813	235,265,649

Finance Manager

Ezzat Rajaa Abdul Aziz



General Manager – Chief Executive Officer

Eng.Ibrahim Mohamad Al Daghrir



Authorized Member

Dr.Turki mosoud AL Haider



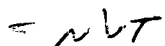
(The accompanying notes from (1) to (19) are an integral part of these statements)

WAFRAH FOR INDUSTRY AND DEVELOPMENT CO.
(A Saudi Joint Stock Company)
INTERIM STATEMENT OF INCOME (UNAUDITED)
FOR THE THREE MONTH PERIOD AND YEAR ENDED DECEMBER 31 , 2014
(ALL AMOUNT IN SAUDI RIYALS)

	Note	FOR THE THREE MONTH PERIOD ENDED IN 31 DECEMBER		FOR THE YEAR ENDED IN 31 DECEMBER	
		Un-audited	Un-audited	Un-audited	Audited
		From 1/10/2014 To 31/12/2014	From 1/10/2013 To 31/12/2013	From 1/1/2014 to 31/12/2014	From 1/1/2013 to 31/12/2013
Sales	(15)	17,518,803	18,891,606	86,819,891	86,161,748
Cost of sales		(11,088,469)	(11,952,940)	(53,820,023)	(53,067,236)
Depreciations		(3,213,656)	(944,400)	(7,135,740)	(4,939,152)
Gross operation profit		3,216,678	5,994,266	25,864,128	28,155,360
General and administrative expenses		(2,265,185)	(1,938,985)	(8,676,700)	(7,345,627)
Selling and distributing expenses		(5,870,390)	(2,740,520)	(19,391,247)	(12,884,074)
Net operating (Loss) profit		(4,918,897)	1,314,761	(2,203,819)	7,925,659
Other income	(16)	1,633,352	399,374	4,049,506	850,988
Net (Loss) profit for the year before zakat		(3,285,545)	1,714,135	1,845,687	8,776,647
Zakat provision		--	(415,261)	(1,391,569)	(1,661,046)
Net (Loss) profit for the period		(3,285,545)	1,298,874	454,118	7,115,601
(Loss) Earnings per share :					
From net operating(Loss) profit	(17)	(0,24)	0,07	(0,11)	0,4
From net (Loss) profit	(17)	(0,16)	0,06	0,02	0,36

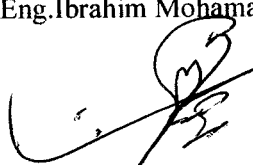
Finance Manager

Ezzat Rajaa Abdul Aziz



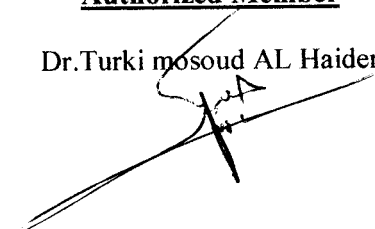
General Manager – Chief Executive Officer

Eng.Ibrahim Mohamad Al Daghrir



Authorized Member

Dr.Turki mosoud AL Haider



(The accompanying notes from (1) to (19) are an integral part of these Interim financial statements)

WAFRAH FOR INDUSTRY AND DEVELOPMENT CO.
(A Saudi Joint Stock Company)
INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE YEAR ENDED DECEMBER 31, 2014
(ALL AMOUNT IN SAUDI RIYALS)

	FOR THE YEAR ENDED IN 31 DECEMBER	
	Un-audited	Audited
	From 1/1/2014 To	From 1/1/2013 To
	31/12/2014	31/12/2013
Cash Flows from Operating Activities :		
Net profit for the year	454,118	7,115,601
Adjustments to reconcile net profit to net cash (used in)		
Provided by operating activities :		
Depreciations for the year	9,654,629	6,302,600
Amortizations for the year	--	5,851
Gains from selling of property and equipment	(238,860)	(299,741)
Zakat provision for the year	1,391,569	1,661,046
End of Service Benefits	823,835	863,322
Total	12,085,291	15,648,679
Changes in assets and liabilities :		
Accounts receivable	(1,823,549)	(5,007,322)
Inventory	(2,823,434)	(207,540)
Prepayments and other receivable	(4,202,612)	33,592,817
Accounts payable	3,421,351	1,420,673
Accrued expenses and other liabilities	(501,810)	894,248
End of Service Benefits paid during the period	(488,650)	(620,089)
Zakat paid during the period	(1,661,046)	(2,705,116)
Net cash (used in) provided by operating activities	4,005,541	43,016,350
Cash Flows from Investing Activities :		
Net change in securities available for sale investments	13,619,189	--
Paid of Investments in Lands	(11,127,708)	--
Purchase of property and equipment	(4,418,980)	(26,468,909)
Projects under Processing	(21,884,392)	(34,150,907)
Deferred expenses	(2,750,000)	--
Proceeds from selling of property and equipment	290,074	434,020
Net cash used in investing activities	(26,271,817)	(60,185,796)
Cash Flows from Financing Activities :		
Dividends	(8,902,475)	--
Long – term Loans	16,854,000	--
Net cash (used in) provided by financing Activities	7,951,525	--
Net decrease in cash and banks balances	(14,314,751)	(17,169,446)
Cash and banks balances at beginning of the year	21,390,077	38,559,523
Cash and banks balances at end of the year	7,075,326	21,390,077
NON-CASH ITEM		
Unrealized (losses) profits from Investments in security	(2,233,728)	--
Available for sales		
Accrued dividends	1,272,525	--
Transfers from projects under Processing during the year	39,085,797	24,511,303
Zakat previous years adjustments	5,043,060	--

Finance Manager

Ezzat Rajaa Abdul Aziz

General Manager – Chief Executive

Eng. Ibrahim Mohamad Al Daghrir

Officer

Authorized Member

Dr. Turki mosoud AL Haider


(The accompanying notes from (1) to (19) are an integral part of these Interim financial statements)

WAFRAH FOR INDUSTRY AND DEVELOPMENT CO.**(A Saudi Joint Stock Company)****INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED)****FOR THE YEAR ENDED DECEMBER 31, 2014****(ALL AMOUNT IN SAUDI RIYALS)**

	FOR THE YEAR ENDED IN 31 DECEMBER	
	Un-audited	Audited
	From 1/1/2014 To	From 1/1/2013 To
	31/12/2014	31/12/2013
Paid-up capital	200,000,000	200,000,000
Statutory reserve	7,199,061	7,199,061
Unrealized (loss) profit from Investments in security		
Available for sales		
Beginning of the year	1,482,080	(640,988)
Net movement during the year	(2,233,728)	2,123,068
End of the year	(751,648)	1,482,080
Retained (losses) earnings :		
Beginning of the year	11,754,511	5,350,470
Zakat adjustments for the years from 2008 G until 2011 G	(5,043,060)	--
Transfer to statutory reserve	--	(711,560)
Dividends to Shareholders	(10,000,000)	--
Dividends to the Board of Directors	(175,000)	--
Net profit for the year	454,118	7,115,601
End of the year	(3,009,431)	11,754,511
Total Shareholders' Equity	203,437,982	220,435,652

Finance Manager

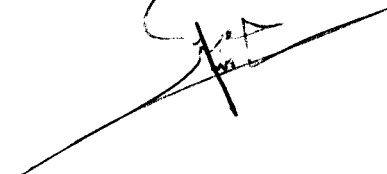
Ezzat Rajaa Abdul Aziz


General Manager – Chief Executive**Officer**

Eng. Ibrahim Mohamad Al Daghrir


Authorized Member

Dr. Turki Mosoud AL Haider


(The accompanying notes from (1) to (19) are an integral part of these Interim financial statements)

WAFRAH FOR INDUSTRY AND DEVELOPMENT CO.
(A Saudi Joint Stock Company)
NOTES TO INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE MONTH PERIOD AND YEAR ENDED DECEMBER 31 , 2014
(ALL AMOUNT IN SAUDI RIYALS)

1- ACTIVITIES

Wafrah for Industry and Development CO. is a Saudi Joint Stock Company founded according to the commercial registration No. 1010076996 issued in Riyadh dated 24/10/1410 H (corresponding to 19/05/1990) . The paid up capital of the Company is 200 Millions Saudi Riyals comprising of 20 million shares at a par value of Saudi Riyals 10 per share .

The company is engaged taking advantage of seasonal agricultural surplus especially for those of a perishable nature , and are marketed to the consumers after subjecting them to varying degree of agricultural treatment , production processes and manufacturing services . They are also involved in marketing of food products , investment on land property as well as in creation , maintenance , operation and ownership of industrial projects .

The accompanying interim financial statements represents Company's financial statement and it's branch as follow .

<u>Branch Name</u>	<u>Commercial registration No.</u>	<u>Activity</u>
Wafrah for Industry and Development CO. Jeddah	4030108227	Marketing of the company's products
Wafrah for Industry and Development CO. Dammam	2050028895	Marketing of the food products

The company decided in an extra-ordinary general assembly meeting dated 8/24/1434 H (corresponding 3/07/2013) to amend Article No. (2) of the statute change the name of the Company from a Food Products Company to Wafrah of Industry and Development Company , and the procedures to bring this decision in to effect was completed in the first quarter of 2014 .

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of Company's significant accounting policies :

2-1 Basis Of Preparation

The accompanying financial statements have been prepared on the basis of historical cost in accordance with the accrual concept except for the investment in securities for sale which are evaluated and the difference in re-evaluation is recorded within the statement of charges in shareholders equity , and prepared in accordance with generally accepted accounting principles issued by Saudi Organization for Certified Public Accountants – SOCPA .

The accompanying interim financial statements have been prepared based on the interim financial report standard issued by Saudi Organization of Certified Public Accountants . SOCPA and on the basis of the periods integration where is each consider as a part of financial year . Accordingly the revenue and gain, expenses , loss for the period were recorded in the period .

Items appear in the financial statements for the Company in Saudi Riyals which is the functional currency and disclosure of the Company .

2-2 Use Of Estimates

The preparation of financial statements in accordance with the accepted principles requires the use of estimates and assumptions that may affects the value of restricted assets and liabilities and disclosure of potential assets and liabilities in the date of the financial statements and the value of revenue and expenses were disclosure to the period of the financial statements preparation . Although these estimates and judgments are based on management's best knowledge and events available to the management in the date of the accompanying interim financial statement , It is possible that actual final results differ from these estimated . These estimated and assumptions are reviewed on a continual basis and effects resulting from these accounting change will be disclosed in the year and future period which are affected by it .

WAFRAH FOR INDUSTRY AND DEVELOPMENT CO.
(A Saudi Joint Stock Company)
NOTES TO INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE MONTH PERIOD AND YEAR ENDED DECEMBER 31 , 2014
(ALL AMOUNT IN SAUDI RIYALS)

2-3 Cash And Cash Equivalents

Cash and cash equivalents include cash in hand and with banks and other short-term highly liquid investments with maturities of three months or less from the purchase date , if any .

2-4 Accounts Receivable

Accounts receivable are carried at Original invoice amount less provision for doubtful debts is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables . Such provisions are charged to the income statement and reported under " selling and marketing expenses " When an account receivable is uncollectible , it is written-off against the provision for doubtful debts . Any subsequent recoveries of amounts previously written-off are credited against " selling and marketing expenses " in the income statement .

2-5 Inventory

Inventories comprise of finished goods , work in process raw materials , accessories and spare parts which are stated at the lower of cost or estimated net realizable value. Costs include raw materials direct labor and manufacturing overheads appropriate provisions are made for slow moving and redundant inventories, if any .

2-6 Investments

- **Investments in subsidiaries** : Investments in subsidiaries companies represent shares in companies owned by the company in different percentages , when the percentage does not exceeds 20 % investments are shown at cost . When the percentage ranges between 20 % to 50 % investments are accounted for , using the equity methods , whereas investment accounted for using the methods , when the percentage exceeds 50 % If any .
- **Investments in securities held for trading** : Investments in securities held for trading are reported in the accompanying interim financial statements at market value . Realized gains or losses on sale of these investments are reported in the statement of income .
- **Investments in securities available for sale** : Investments in securities available for sale are reported in the accompanying interim financial statements at fair value . Realized gains or losses on sale are recorded in the statement of income , and unrealized gains or losses are reported in the statement of equity section .
- **Investment in Property** : land and Real Estate are held for undetermined future purposes and kept as real estate investment. This investment shown at cost less accumulated depreciation and decline in value, if any. The land properties are wholly owned by the company and shown at cost including expenses for it's development, if any.

2-7 Deferred Charges

Costs that are not of benefit beyond the current period are charged to the interim income statement , while costs that will benefit future periods are capitalized Deferred charges , reported under " Intangible assets " In the accompanying balance sheet , include certain indirect construction costs incurred by the company in relation to setting up its retail outlets . Such costs are amortized over periods which do not exceed five years .

WAFRAH FOR INDUSTRY AND DEVELOPMENT CO.

(A Saudi Joint Stock Company)

NOTES TO INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE THREE MONTH PERIOD AND YEAR ENDED DECEMBER 31 , 2014

(ALL AMOUNT IN SAUDI RIYALS)

2/8 Property And Equipment :

Property and equipment are stated at net cost of accumulated depreciation . Depreciation is computed using the straight- line method over the estimated useful lives of the assets based on the following annual percentage rates :

Buildings	3- 15 %	Motor vehicles	25 %
Furniture and fixture	2.5 -15 %	Machinery and equipment	5 %
Tools	5 – 15 %	Artesian wells	5 %
Air conditions	15 %	Fitting and equipment	10 %

2/9 Accounts Payable And Accruals

Liabilities are recognized for amount to be paid for goods and services received , whether or not billed to the company .

2-10 Provisions

Provisions are recognized , when the company has a present legal or constructive obligation as a result of a past event , it is probable that an outflow of resources will be required to settle the obligation , and the amount can be reliably estimated .

2/11 End Of Service Benefits

Benefits payable to the employees at the end of their services are provided in accordance with the guidelines set by the Saudi Arabian Labor Law .

2-12 Borrowings

Borrowings are recognized as equivalent to the proceeds received , net of transaction costs incurred . Borrowing costs that are directly attributable to the acquisition , construction or production of qualifying assets are capitalized as part of those assets . Other borrowing costs are charged to the interim income statement .

2-13 Revenue Recognition

Revenue is recognized when goods are delivered and invoices are issued to customers . Other income is recorded when earned .

2-14 Selling, Distribution, General And Administrative Expenses

Selling and distribution expenses represent expenses resulting from the company's activities in the functions of sales , marketing and distribution . All other expenses are classified as general and administrative expenses . General and administrative expenses contains direct and indirect expenses which are not directly related to selling and marketing expenses , according to the accounting standards .

2-15 Zakat Provision

Zakat is an obligation payable by the Company . Estimated Zakat is provided for in the accompanying financial statements and charged to the statement of income , in accordance with Zakat standard issued by the Saudi Organization for Certified Public Accountants . Zakat calculation is made quarterly according to the accrual accounting concept . Any differences between Zakat provision and final settlement at the end of the year are settled .

WAFRAH FOR INDUSTRY AND DEVELOPMENT CO.
(A Saudi Joint Stock Company)
NOTES TO INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE MONTH PERIOD AND YEAR ENDED DECEMBER 31 , 2014
(ALL AMOUNT IN SAUDI RIYALS)

2-16 Dividends

Dividends are recorded in the interim financial statements in the period in which they are approved by the shareholders of the Company .

2-17 Operating Lessees

Rental expenses under operating leases are charged to the interim income statement over the period of the respective lease .

2-18 Transfer Of Foreign Currencies

The accompanying financial statements are denominated in Saudi Riyals . Appropriate exchange rates have been used to translate transactions or balances denominated in foreign currencies . There were no material exchange gains or losses during the period .

3- ADJUSTMENTS RELATED TO THE PERIOD

The company's management has prepared all the adjustments needed to fairly present the financial position and the results of its operations, however the results of its operations for the period ended December 31,2014 and 2013 may not be an accurate indicator of the actual results of the audited yearly financial statement .

4- CASH AND BANK BALANCES

Cash and banks balances comprised of the following as of	<u>Un-audited</u>	<u>Audited</u>
December 31 :	<u>2014</u>	<u>2013</u>
Cash at banks	7,071,586	21,366,006
Cash on hand	3,740	24,071
Total	<u>7,075,326</u>	<u>21,390,077</u>

5- INVENTORY

Inventory comprised of the following as of December 31 :	<u>Un-audited</u>	<u>Audited</u>
	<u>2014</u>	<u>2013</u>
Raw materials	12,547,656	10,508,180
Finished goods	7,023,937	6,022,026
Spare parts	3,455,015	3,672,968
Total	<u>23,026,608</u>	<u>20,203,174</u>

WAFRAH FOR INDUSTRY AND DEVELOPMENT CO.**(A Saudi Joint Stock Company)****NOTES TO INTERIM FINANCIAL STATEMENTS (UNAUDITED)****FOR THE THREE MONTH PERIOD AND YEAR ENDED DECEMBER 31 , 2014****(ALL AMOUNT IN SAUDI RIYALS)****6- PREPAYMENTS AND OTHER RECEIVABLE**

Prepayments and other receivable comprised of the following as of December 31 :	<u>Un-audited</u> <u>2014</u>	<u>Audited</u> <u>2013</u>
Advance to suppliers	4,960,541	5,259,209
Uncarned revenue	2,942,693	--
Employee receivables	674,889	253,685
Other receivables	--	122,623
Prepaid rents	1,336,057	193,304
Operation loans	--	90,855
Refundable	18,312	18,312
Prepayments	208,108	--
Total	<u>10,140,600</u>	<u>5,937,988</u>

7- INVESTMENT IN COMPANIES

Investments in companies comprised of the following as of December 31 :	<u>Un-audited</u> <u>2014</u>	<u>Audited</u> <u>2013</u>
East Asia Company for Development and Agricultural Investment (Note 7/2)	10,000,000	10,000,000
Jannat for Agricultural Investment (Note 7/3)	7,050,000	7,050,000
Total	<u>17,050,000</u>	<u>17,050,000</u>

7/2 Investment in East Asia Company for Development and Agricultural Investment (Closed Joint Stock Company) represent an investment of 10 % from disclosed company's capital amounted SAR 100 million . Were the paid in capital reached SAR 70 million .

7/3 Investment in Jannat for Agricultural Investment (A Saudi Limited Liabilities Company) represent an investment of 11.1 % from the company's capital which amount to SAR 63 million and the remaining balance of SAR 50,000 represents the company's shares in pre-operating expenses .

8- PROJECTS UNDER PROCESSING

Projects under Processing comprised of the following as of December 31:	<u>Un-audited</u> <u>2014</u>	<u>Audited</u> <u>2013</u>
Vegetables factory	23,919,646	41,001,049
Study of potatoes production line	--	120,000
Total	<u>23,919,646</u>	<u>41,121,049</u>

WAFRAH FOR INDUSTRY AND DEVELOPMENT CO.**(A Saudi Joint Stock Company)****NOTES TO INTERIM FINANCIAL STATEMENTS (UNAUDITED)****FOR THE THREE MONTH PERIOD AND YEAR ENDED DECEMBER 31 , 2014****(ALL AMOUNT IN SAUDI RIYALS)**

- 8/2 The amount shown above represents the value of Cold Stores and Warehouse in Vegetables Processing Factory which is not yet operative. Note that during the year part of Vegetables Processing Plant project, which is not yet operative, is transferred to Property and Operating Equipment account at SAR 39,085,797.

9- INVESTMENTS IN LANDS

9/1 Investments In Lands of the following as of December 31 :	<u>Un-audited</u>	<u>Audited</u>
	<u>2014</u>	<u>2013</u>
Investments in Lands in Jazan	<u>11,127,708</u>	<u>--</u>
Total	<u>11,127,708</u>	<u>--</u>

- 9/2 Investment in lands property shown above are bought by the company as per decision taken in the 7th meeting of board of directors held on 04/12/2014 G . These are 18 plots of land located in Al-Mohammadiya Quarters in Jazan city with a total are of 10,803,60 square meters and bought from M/S. Tanmiya Commercial Investment Company .

10- PROPERTY AND EQUIPMENT , NET**Property and equipment comprised of the following as of December 31 ,2014 and 2013 :**

	<u>Cost</u>	<u>Accumulated Depreciations</u>	<u>Un-audited N.B.V 2014</u>	<u>Audited N.B.V 2013</u>
10/1 Property and operating equipment	274,074,716	159,906,127	114,168,589	80,341,595
Total	<u>274,074,716</u>	<u>159,906,127</u>	<u>114,168,589</u>	<u>80,341,595</u>
10/2 Property and non-operating equipment				
Pickles production line	9,352,804	8,461,162	891,642	919,703
Total	<u>9,352,804</u>	<u>8,461,162</u>	<u>891,642</u>	<u>919,703</u>
Total	<u>283,427,520</u>	<u>168,367,289</u>	<u>115,060,231</u>	<u>81,261,298</u>

- 10/3 During 4th quarter an amount of SAR 38,343,797 is added to the Property and Operating Equipment by transfer from Vegetable Processing Factory Project under implementation and annual depreciation fully provided to show current quarter operating results at SAR 2,976,056.

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11 - Accrued expenses and other liabilities

Accrued expenses and other liabilities comprised of the following as of December 31 :

	<u>Un-audited</u> <u>2014</u>	<u>Audited</u> <u>2013</u>
Accrued expenses salaries and vacations	998,858	774,346
Accrued expenses others	416,018	1,269,329
Advance from customer	114,826	--
Employee payable	12,163	--
Total	1,541,865	2,043,675

12 - Accrued dividends

The General Assembly approved in its meeting held on 2/6/2014 to distribute a cash dividends by (0.5) half a riyals per share , in addition to disburse 175,000 SR of profit reward for the Board of Directors by 25,000 SR for each member , and the amount was distributed during third quarter and the apparent balance under this item represents the remaining balance of the Shareholders who didn't receive their profits until the preparation date of financial statements .

13 - ZAKAT PROVISION

Zakat Provision Comprised of the following as of December 31 :

	<u>Un-audited</u> <u>2014</u>	<u>Audited</u> <u>2013</u>
Beginning of the year	1,661,046	2,705,116
Provision for current year	1,391,569	1,661,046
Zakat paid during the year	(1,661,046)	(2,705,116)
Zakat previous year adjustments	5,043,060	--
Total	6,434,629	1,661,046

14 - LONG -TERM LOANS

14-1 Long -term loans comprised of the following as of December 31 :

	<u>Un-audited</u> <u>2014</u>	<u>Audited</u> <u>2013</u>
Saudi Industrial Development fund Loan	16,854,000	--
Total	16,854,000	--

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14-2 Long –term Loans showed in interim balance sheet as at December 31 are as follows :

	<u>Un-audited</u>	<u>Audited</u>
	<u>2014</u>	<u>2013</u>
Current portion under current liabilities	1,000,000	--
Non-current portion under non-current liabilities	15,854,000	--
Total	16,854,000	--

- 14-3** Signed a loan contract with the Saudi Industrial Development Fund on May 9, 2012 for the purpose of funding a project establish and expand the factory producing vegetables, frozen potatoes, the total loan balance as of December 31, 2014 is 16,854,000 Saudi Riyal out of the total of approved loan By 34,000,000 Saudi riyal, and the loan is repayable over a period of 6 years and a semi-annual installments starting from August 1, 2015 and the loan is secured by mortgaging all of the entire plant food for the production of meat and whole plant food to freeze vegetables for the benefit of the Fund as collateral for the loan, the loan agreement containing pledges that include among other things, reduce future capital expenditures to maintain the ratios certain financial.

15 - SALES

Sales comprised of the following for the year ended December 31 as follow :

	<u>FOR THE YEAR ENDED 31</u>	
	<u>December</u>	
	<u>Un-audited</u>	<u>Audited</u>
	<u>2014</u>	<u>2013</u>
Vegetables factory	42,164,132	35,372,092
Pastry factory	33,557,267	39,661,074
Food and meet factory	10,455,616	10,798,784
Breakfast cereals factory	452,126	329,798
Dates factory	190,750	--
Total	86,819,891	86,161,748

16 - OTHER INCOME

Other income comprised of the following for the year ended December 31 as follow :

	<u>FOR THE YEAR ENDED 31</u>	
	<u>December</u>	
	<u>Un-audited</u>	<u>Audited</u>
	<u>2014</u>	<u>2013</u>
Investment gains	3,287,087	--
Capital gains	238,861	299,741
Miscellaneous income	523,558	551,247
Total	4,049,506	850,988

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17- NET PROFIT PER SHARE

Earnings per share on net operating income is calculated by dividing net operating for the period / year by the weighted average number of shares during the period / year .

Earnings per share on net income is calculated by dividing the net income for the period /year by the weighted average number of shares during the period /year . Know that the weighted average numbers of current shares are 20,000,000 shares .

18- Approving financial statement

Interim financial statements has been Approved by the Board of directors at January 19 , 2015 G .

19- GENERAL

The figures in these financial statements are rounded to the nearest Saudi riyal .