

**TAKWEEN ADVANCED INDUSTRIES AND SUBSIDIARIES
(SAUDI JOINT STOCK COMPANY)**

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AND AUDITORS' REPORT (LIMITED REVIEW)
FOR THE THREE MONTHS ENDED MARCH 31, 2015**

**TAKWEEN ADVANCED INDUSTRIES AND SUBSIDIARIES
(SAUDI JOINT STOCK COMPANY)**

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS AND AUDITORS' REPORT
(LIMITED REVIEW)
FOR THE THREE MONTHS ENDED MARCH 31, 2015**

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AUDITORS' REPORT (LIMITED REVIEW) ON CONSOLIDATED INTERIM FINANCIAL STATEMENTS

To the stockholders
Takween Advanced Industries
Kingdom of Saudi Arabia

Scope of Review

We have reviewed the consolidated interim balance sheet of Takween Advanced Industries ("the Company"), a Saudi Joint Stock Company, and its subsidiaries as of March 31, 2015, and the related consolidated interim statements of operations and cash flows for the three months then ended, and notes 1 to 9 which form an integral part of these consolidated interim financial statements as prepared by the Company and presented to us with all the necessary information and explanations. These consolidated interim financial statements are the responsibility of the Company's management.

We conducted our review in accordance with the standard of auditing applicable to interim financial reporting in the Kingdom of Saudi Arabia issued by the Saudi Organization for Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards in the Kingdom of Saudi Arabia, the objective of which is the expression of an opinion regarding the consolidated financial statements taken as whole. Accordingly, we do not express such an opinion.

Review Results

Based on our limited review, we are not aware of any material modifications that should be made to the accompanying consolidated interim financial statements for them to be in conformity with generally accepted accounting standards in the Kingdom of Saudi Arabia.

Emphasis of Matter

With respect to business acquisition as mentioned in note 2 to the consolidated interim financial statements, the Company has recorded the business combination based on provisional fair value of identifiable assets acquired, liabilities assumed and the resulting goodwill. The Company is in the process of performing a purchase price allocation within the measurement period, within 12 months from the acquisition date, and therefore the provisional fair value recognized for the business combination at this period end is subject to retrospective adjustment.

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April 20, 2015



TAKWEEN ADVANCED INDUSTRIES AND SUBSIDIARIES
(SAUDI JOINT STOCK COMPANY)

CONSOLIDATED INTERIM BALANCE SHEET
AS OF MARCH 31, 2015

	Note	2015 SR 000	2014 SR 000
		(Un-audited)	(Un-audited)
ASSETS			
Current assets			
Cash and cash equivalents		250,469	97,481
Investments held for trading		-	51,284
Accounts receivable		453,670	212,814
Inventories		441,784	187,130
Prepaid expenses and other debit balances		104,143	45,467
Total current assets		1,250,066	594,176
Non-current assets			
Property, plant and equipment		1,149,525	578,421
Intangible assets		19,540	12,315
Goodwill	2	442,751	-
Total non-current assets		1,611,816	590,736
TOTAL ASSETS		2,861,882	1,184,912
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities			
Short term borrowings		886,764	457,789
Accounts payable and other liabilities		461,375	161,346
Current portion of medium and long term loans		61,853	10,725
Total current liabilities		1,409,992	629,860
Non-current liabilities			
Medium and long term loans	2	939,733	87,625
End-of-service indemnities		39,810	7,870
Deferred tax liability		3,288	-
Long term payables		319	-
Total non-current liabilities		983,150	95,495
Total liabilities		2,393,142	725,355
Stockholders' equity			
Share capital	1	350,000	350,000
Statutory reserve		29,419	24,766
Retained earnings		93,677	67,291
Proposed cash dividends	7	-	17,500
Currency translation differences		(4,356)	-
Total stockholders' equity		468,740	459,557
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		2,861,882	1,184,912

The accompanying notes form an integral part of these consolidated interim financial statements

TAKWEEN ADVANCED INDUSTRIES AND SUBSIDIARIES
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CONSOLIDATED INTERIM STATEMENT OF OPERATIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2015

		March 31, 2015 SR 000 (Un-audited)	March 31, 2014 SR 000 (Un-audited)
	Note		
Sales	5	419,322	173,688
Cost of sales		(391,435)	(151,501)
Gross profit		27,887	22,187
Research and development expenses		(853)	(254)
Selling and distribution expenses		(20,432)	(4,122)
General and administrative expenses		(28,024)	(9,960)
Operating (loss) income	5	(21,422)	7,851
Finance charges		(8,236)	(3,113)
Realized gain on investments held for trading		14,165	4,941
Other income (expenses), net		1,052	(79)
Net (loss) income before zakat		(14,441)	9,600
Zakat		(1,045)	(802)
NET (LOSS) INCOME		(15,486)	8,798
Earnings per share	4		
(Loss) earnings per share (SR)		(0.44)	0.25
(Loss) earnings per share from continuing main operations (SR)		(0.87)	0.11
Earnings per share from other operations (SR)		0.43	0.14
Weighted average number of shares		35,000,000	35,000,000

The accompanying notes form an integral part of these consolidated interim financial statements

TAKWEEN ADVANCED INDUSTRIES AND SUBSIDIARIES
(SAUDI JOINT STOCK COMPANY)

CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2015

	March 31, 2015 SR 000	March 31, 2014 SR 000
	(Un-audited)	(Un-audited)
OPERATING ACTIVITIES		
Net (loss) income before zakat	(14,441)	9,600
Adjustments for:		
Depreciation	31,886	12,045
Amortization of intangible assets	655	14
Gain on disposal of property, plant and equipment	(9)	-
Property, plant and equipment written-off	357	-
Gain on sale of investments held for trading	(14,165)	(4,941)
End-of-service indemnities	1,835	399
Finance charges, net of amortization	7,784	2,955
Changes in operating assets and liabilities:		
Accounts receivable	15,287	(13,278)
Inventories	63,920	949
Prepaid expenses and other debit balances	19,456	(5,216)
Accounts payable and other liabilities	124,074	115,775
Cash from operations	236,639	118,302
Finance charges paid	(7,784)	(2,988)
End-of-service indemnities paid	(658)	(15)
Net cash from operating activities	228,197	115,299
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(28,954)	(30,452)
Proceeds from disposal of property, plant and equipment	9	-
Additions to intangible assets	-	(10,587)
Net movement in investments held for trading	70,456	(41,531)
Acquisition of subsidiaries (note 2)	(910,000)	-
Net cash used in investing activities	(868,489)	(82,570)
FINANCING ACTIVITIES		
Change in short term borrowings	(32,931)	(12,056)
Change in medium and long term loans	848,797	9,845
Net cash from (used in) financing activities	815,866	(2,211)
Net change in cash and cash equivalents	175,574	30,518
Cash and cash equivalents acquired through acquisition (note 2)	43,858	-
Cash and cash equivalents, January 1	31,037	66,963
CASH AND CASH EQUIVALENTS, MARCH 31	250,469	97,481
Non-cash transaction:		
Currency translation differences	4,356	-

The accompanying notes form an integral part of these consolidated interim financial statements

**TAKWEEN ADVANCED INDUSTRIES AND SUBSIDIARIES
(SAUDI JOINT STOCK COMPANY)**

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2015**

1. ORGANIZATION AND ACTIVITIES

Takween Advanced Industries ("the Company") is a Saudi Joint Stock Company registered in the Kingdom of Saudi Arabia under commercial registration number 2051044381 issued in Al Khobar on 9th Muharram 1432H (December 15, 2010). The Company's share capital is SR 350 million divided into 35 million shares of SR 10 each.

Following the approval by the Capital Market Authority ("CMA"), the Company made an initial public offering of 9 million shares with a par value of SR 10 each, representing 30% of issued shares, in January 2012. The offering was fully subscribed at an offer price of SR 26 per share and the shares were listed on the Saudi Stock Exchange (Tadawul) on February 7, 2012.

The Board of Directors in their meeting held on February 17, 2013 proposed to increase the share capital of the Company from SR 300 million to SR 350 million by capitalizing part of the retained earnings by distributing one bonus share for every six existing shares held at the closing of trading on the day of the Extra Ordinary General Assembly Meeting. On April 8, 2013, the bonus shares have been approved by the stockholders at their Extra Ordinary General Assembly Meeting and the legal formalities to obtain the revised commercial registration have been completed.

The Company acquired 100% ownership in Savola Packaging along with its two subsidiaries effective January 1, 2015 and the newly acquired subsidiaries have been consolidated as part of this consolidated interim financial statements (note 2).

The consolidated financial statements include the financial statements of the Company and its subsidiaries ("the Group") as listed below:

	Effective ownership	
	2015	2014
• Advanced Fabrics Factory Company ("SAAF")	100%	100%
• Ultra Pak Manufacturing Company ("Ultra Pak")	100%	100%
• Savola Packaging Systems Company Limited ("Savola Packaging")	100%	-
• Al-Sharq Company for Plastic Industries Limited ("Al-Sharq")	100%	-
• New Marina for Plastic Industries Company (S.A.E.) ("New Marina")	100%	-

Legal formalities related to transfer of ownership in newly acquired subsidiaries are in process as of period end. All of the above subsidiaries operate in Kingdom of Saudi Arabia with the exception of New Marina which is registered in Alexandria, Arab Republic of Egypt.

The principal activities of the Group companies, each of which operates under individual commercial registration, are:

- Production of disposable polystyrene cups, lids and other plastic related products
- Production of non-woven plastics
- Production of PET (Polyethylene Terephthalate) pre-forms
- Manufacturing of, and wholesale trading in, cartons and plastic containers
- Manufacturing of, and wholesale and retail trading in, plastic containers and polyethylene cups, rolls and bags.

The Company agreed to purchase the textile plant along with its right to use the leasehold land and improvements from Al Hasa Development Company, a Saudi joint stock company, for a total value of SR 31.5 million. The legal formalities and obtaining approvals from related authorities were completed during 2014.

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NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)
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In an extra ordinary general meeting held on February 10, 2015 the shareholders of Savola Packaging passed a resolution for conversion of the company from a Saudi Closed Joint Stock Company to Limited Liability Company. The legal formalities for such conversion were completed on March 7, 2015.

2. BUSINESS COMBINATION

The Company signed a non-binding memorandum of understanding ("MOU"), with Savola Group, a Saudi Joint Stock Company, on July 22, 2014 in relation to the proposed acquisition of Savola Packaging, a wholly owned subsidiary of Savola Group, along with two wholly owned subsidiaries of Savola Packaging (Al-Sharq and New Marina). The Company reached an agreement with Savola Group after completing a detailed due diligence and signed an agreement on December 30, 2014 to purchase the entire shareholding of Savola Packaging along with its two subsidiaries for a total purchase price of SR 910 million. In 2015, Council of Competition Protection has approved the proposed acquisition of Savola Packaging by Takween and consequently the consideration of SR 910 million was paid in full. As a result of this business acquisition and control acquired through sale agreement, the Company has consolidated newly acquired subsidiaries with effect from January 1, 2015. A goodwill of SR 442.75 million was recognized on the acquisition that represented the excess consideration paid over the net book value of net assets acquired. Acquisition cost amounting to SR 8.4 million has been expensed in the current quarter and grouped under general and administrative expenses.

The net book value and approximate fair value of the assets and liabilities recognized as of January 1, 2015 as follows:

	SR 000
ASSETS	
Cash and cash equivalents	45,600
Accounts receivable	262,853
Inventories	261,659
Prepaid expenses and other debit balances	73,777
Property, plant and equipment	525,395
Intangible assets	8,686
TOTAL ASSETS	1,177,970
LIABILITIES	
Short term borrowings	413,123
Accounts payable and other liabilities	201,203
Current portion of medium and long term loans	26,958
Medium and long term loans	1,851
End-of-service indemnities	28,733
Deferred tax liability	3,512
Long term payables	341
TOTAL LIABILITIES	675,721
NET ASSETS	502,249
Fair value adjustments in net assets	(35,000)
100% share acquired in net assets	467,249
Acquisition consideration paid	910,000
Goodwill recognized from business acquisition	442,751

**TAKWEEN ADVANCED INDUSTRIES AND SUBSIDIARIES
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**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)
FOR THE THREE MONTHS ENDED MARCH 31, 2015**

100% of the purchase price was financed through commercial banks and was approved by the shareholders in their ordinary general assembly of the Company. The Company entered into long term Murabaha facilities agreement with commercial banks and availed the full facility of SR 910. The facility is repayable in 12 un-equal semi annual installments commencing after one year from the date of signing of the facility agreement. The facility carries markup at commercial rates and is secured against the pledge of Savola Packaging's shares and revenue accounts of the Company and its subsidiaries, promissory note and a corporate guarantee by a related party. The facilities require the compliance of certain covenants during the loan period. The loan arrangement and front end fee paid to obtain the loans amounting to SR 38.22 million have been deferred over the loan period and presented net off the amount borrowed.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These consolidated interim financial statements have been prepared in accordance with generally accepted accounting standards in the Kingdom of Saudi Arabia issued by the Saudi Organization for Certified Public Accountants. The following is a summary of significant accounting policies applied by the Group:

Accounting convention

These consolidated interim financial statements are prepared under the historical cost convention, modified to include the measurement at fair value of held for trading investments.

Principles of consolidation and business combination

The consolidated interim financial statements incorporate the financial statements of the Company and entities controlled by the Company prepared up to March 31, 2015. Control is achieved where the Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

On acquisition, the assets and liabilities of a subsidiary are measured at their fair values at the date of acquisition. The non-controlling interests is stated at the non-controlling interests' proportion of the fair value of the assets and liabilities recognized.

Income and expenses of subsidiaries acquired or disposed-off during the year are included in the consolidated interim statement of operations from the effective date of acquisition and up to the effective date of disposal, as appropriate. Total income of subsidiaries is attributed to the stockholders of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All significant inter-group transactions and balances between group enterprises have been eliminated in preparing the consolidated interim financial statements.

Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the acquirer measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquirer's identifiable net assets. Acquisition costs incurred are expensed.

When the group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

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**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)
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Goodwill is initially measured at cost being the excess of the consideration transferred over the group's net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in the consolidated interim statement of operations.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the group are assigned to those units or groups of units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed off, the goodwill associated with the operation disposed off is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed off in this circumstance is measured based on the relative values of the operation disposed off and the portion of the cash-generating unit retained. When subsidiaries are sold, the difference between the selling price and the net assets plus cumulative translation differences and goodwill is recognised in the consolidated interim statement of operations.

Use of estimates

The preparation of consolidated interim financial statements in conformity with generally accepted accounting principles in the Kingdom of Saudi Arabia requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates.

Revenue recognition

Revenue is recognized upon delivery of goods to customers and is stated net of trade or quantity discounts.

Research and development expenses

Research and development expenses are charged to the consolidated interim statement of operations in the period in which they are incurred.

Selling and distribution and general and administrative expenses

Selling and distribution expenses principally comprise of costs incurred in the distribution and sale of the Group's products. All other expenses are classified as general and administrative expenses.

General and administrative expenses include direct and indirect costs not specifically part of production costs as required under generally accepted accounting principles. Allocations between general and administrative expenses and cost of sales, when required, are made on a consistent basis.

Cash and cash equivalents

Cash and cash equivalents include cash, demand deposits, and highly liquid investments with original maturities of three months or less.

Investments

Investments in marketable equity securities are classified according to the Group's intent with respect to those securities. Marketable equity securities held to maturity are stated at amortized cost, adjusted for the related premium or discount. Marketable equity securities held for trading are stated at fair value and unrealized gains and losses thereon are included in the consolidated interim statement of operations. Marketable equity securities available for sale are stated at fair value and unrealized gains and losses thereon are included in consolidated stockholders' equity.

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**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)
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Inventories

Inventories are stated at the lower of cost or net realizable value. Cost is determined, for finished goods, on a weighted average cost basis and includes cost of materials, labor and an appropriate proportion of direct overheads. All other inventories are valued on a weighted average cost basis.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation. Expenditure on maintenance and repairs is expensed, while expenditure for betterment is capitalized. Depreciation is provided over the estimated useful lives of the applicable assets using the straight line method. Leasehold improvements are amortized over the shorter of the estimated useful life or the remaining term of the lease.

The estimated rates of depreciation of the principal classes of assets are as follows:

	<u>Rate %</u>
Buildings, leasehold and other improvements	2 – 5
Plant, machinery and equipment	3 – 33.33
Vehicles	20 – 25
Furniture, fixtures and office equipment	6.25 – 33.3

Depreciation for certain machinery owned by SAAF is determined based on total annual output in proportion to total production capacity.

Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the qualifying asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

Impairment

At each balance sheet date, the Group reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the management estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. Impairment losses are recognized as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized as income immediately.

Intangible assets

Intangible assets anticipated to provide identifiable future benefits are classified as non-current assets. Intangible assets comprise software and system development costs and right of use of leased land.

Enterprise resource planning (ERP) system development costs represent costs incurred to implement new system and are amortized over 5 year period from the date it is fully implemented. The right of use of leased land is amortized over the lease period using the straight-line method.

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**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)
FOR THE THREE MONTHS ENDED MARCH 31, 2015**

Dividends

Dividends are recognized as liability at the time of their approval in the Annual General Assembly meeting.

Foreign currency translation

Foreign currency transactions are translated into Saudi Riyals at the rates of exchange prevailing at the time of the transactions. Monetary assets and liabilities denominated in foreign currencies at the consolidated interim balance sheet date are translated into Saudi Riyals at the exchange rates prevailing at that date. Gains and losses from settlement and translation of foreign currency transactions are included in the consolidated interim statement of operations.

The results and financial position of a foreign subsidiary having reporting currency other than Saudi Riyals are translated into Saudi Riyals as follows:

- (i) Assets and liabilities for the interim balance sheet are translated at the closing exchange rate at the date of that consolidated interim balance sheet;
- (ii) Income and expenses for consolidated interim statement of operations are translated at average exchange rates; and
- (iii) Components of the shareholders' equity accounts are translated at the exchange rates in effect at the dates of the related items originated.

Cumulative adjustments resulting from the translations of the financial instruments of the foreign subsidiaries into Saudi Riyals are reported as a separate component of consolidated interim statement of stockholders' equity.

Dividends received from the foreign subsidiary are translated at the exchange rate in effect at the transaction date and related currency translation differences are realized in the consolidated interim statement of operations.

End-of-service indemnities

End-of-service indemnities, required by labor laws applicable in the Kingdom of Saudi Arabia, are provided in the consolidated interim financial statements based on the employees' length of service.

Zakat and income tax

The Group is subject to the Regulations of the Department of Zakat and Income Tax ("DZIT") in the Kingdom of Saudi Arabia. Zakat for the Company and its subsidiaries is filed with the Department of Zakat and Income Tax ("DZIT") on a consolidated basis by the Company, Takween Advanced Industries. Zakat is provided on an accruals basis for the Group. The zakat charge is computed on the zakat base. Any difference in the estimate is recorded when the final assessment is approved, at which time the provision is cleared. The zakat charge in the consolidated interim financial statements represents the zakat for the Company and its subsidiaries.

The zakat provision for the interim period is calculated based on the estimated zakat provision for the whole year. The difference between the provision made during the interim period and the actual provision for the period based on detailed zakat calculation for the year is accounted for at year end.

Foreign income tax is provided for in accordance with foreign fiscal regulations in which the group's foreign subsidiary operates.

Leasing

Leases are classified as capital leases whenever the terms of the lease transfer substantially all of the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Rentals payable under operating leases are charged to income on a straight line basis over the term of the operating lease.

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NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)
FOR THE THREE MONTHS ENDED MARCH 31, 2015

Segmental reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (a business segment) or in providing products or services within a particular economic environment (a geographic segment), which is subject to risks and rewards that are different from those of other segments.

Statutory reserve

In accordance with Regulations for Companies in Saudi Arabia and the by Laws of the Company, the Company has established a statutory reserve by the appropriation of 10% of net income until the reserve equals 50% of the share capital. This reserve is not available for dividend distribution. The statutory reserve is appropriated at the period end based on period end net income and any difference between the amount appropriated and the actual is adjusted at the fourth quarter.

4. EARNINGS PER SHARE

(Loss) earnings per share is computed by dividing net (loss) income for the period by the weighted average number of shares outstanding during three months ended March 31, 2015 totaling 35 million shares of SR 10 each (2014: 35 million shares of SR 10 each).

(Loss) earnings per share from the continuing main operations is computed by dividing the operating (loss) income adjusted with zakat and finance charges for the period by the weighted average number of shares outstanding.

Earnings per share from other operations is computed by dividing the other income for the period by the weighted average number of shares outstanding.

5. SEGMENTAL INFORMATION

Business segments:

Consistent with the Group's internal reporting process, business segments have been approved by management in respect of the Group's activities. Transactions between the business segments are reported as recorded by the Group's transfer pricing system. The Group's revenue, operating income, property, plant and equipment, total assets and total liabilities, by business segment, are as follows:

	Disposable polystyrene cups, lids and other plastic related products SR 000	Non-woven plastics (PET) SR 000	Polyethylene Terephthalate pre-forms SR 000	Total SR 000
2015	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
For the three months ended March 31, 2015				
Revenues	282,671	93,570	43,081	419,322
Operating loss	(13,981)	(7,336)	(105)	(21,422)
As of March 31, 2015				
Property, plant and equipment	671,947	450,114	27,464	1,149,525
Total assets	1,947,078	743,564	171,240	2,861,882
Total liabilities	1,844,056	483,976	65,110	2,393,142

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NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)
FOR THE THREE MONTHS ENDED MARCH 31, 2015

	Disposable polystyrene cups, lids and other plastic related products SR 000	Non-woven plastics SR 000	Polyethylene Terephthalate (PET) pre-forms SR 000	Total SR 000
2014	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
For the three months ended March 31, 2014				
Revenues	67,347	61,021	45,320	173,688
Operating income	653	3,265	3,933	7,851
As of March 31, 2014				
Property, plant and equipment	99,779	449,591	29,051	578,421
Total assets	404,175	650,331	130,406	1,184,912
Total liabilities	316,490	342,649	66,216	725,355

The Company is in the process of identifying reportable segments against the operations of newly acquired subsidiaries. As of March 31, 2015 the results of operations of these subsidiaries are included under "Disposable polystyrene cups, lids and other plastic related products" as this segment is representative of the operations of these subsidiaries.

Geographical segments:

The Group's revenue, operating income, property, plant and equipment, total assets and total liabilities, by geographical segment, are as follows:

	Kingdom of Saudi Arabia SR 000	Arab Republic of Egypt SR 000	Total SR 000
2015	(Un-audited)	(Un-audited)	(Un-audited)
For the three months ended March 31, 2015			
Revenues	397,378	21,944	419,322
Operating (loss) income	(21,674)	252	(21,422)
As of March 31, 2015			
Property, plant and equipment	1,107,460	42,065	1,149,525
Total assets	2,730,785	131,097	2,861,882
Total liabilities	2,325,250	67,892	2,393,142
2014			
For the three months ended March 31, 2014			
Revenues	173,688	-	173,688
Operating income	7,851	-	7,851
As of March 31, 2014			
Property, plant and equipment	578,421	-	578,421
Total assets	1,184,912	-	1,184,912
Total liabilities	725,355	-	725,355

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(SAUDI JOINT STOCK COMPANY)**

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)
FOR THE THREE MONTHS ENDED MARCH 31, 2015**

6. CONTINGENCIES AND COMMITMENTS

At March 31, the Group had the following contingencies and commitments:

	2015	2014
	SR 000	SR 000
	(Un-audited)	(Un-audited)
Letters of credit	70,136	18,016
Letters of guarantee and others	36,760	33,005
Capital commitments against purchase of property, plant and equipment	1,610	-

7. DIVIDENDS

In 2014, the board of directors proposed a cash dividend of SR 0.50 per share totalling SR 17.5 million for the year 2013 (2013: SR 0.50 per share for total shares of 30 million totalling SR 15 million for the year 2012).

8. RESULTS OF INTERIM PERIOD

The results of the interim period are not audited and therefore it may not give accurate indication of the annual operating results.

9. COMPARATIVE FIGURES

Certain figures for 2014 have been reclassified to conform to the presentation in 2015.