

**WAFRAH FOR INDUSTRY AND DEVELOPMENT CO.**  
**( A Saudi Joint Stock Company )**  
**THE INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE THREE MONTH PERIOD**  
**ENDED MARCH 31, 2015 TOGETHER WITH INDEPENDENT**  
**ACCOUNTANTS LIMITED REVIEW REPORT**

**THE INTERIM FINANCIAL STATEMENTS (Unaudited)**  
**FOR THE THREE MONTH PERIOD**  
**ENDED MARCH 31, 2015 TOGETHER WITH INDEPENDENT**  
**ACCOUNTANTS LIMITED REVIEW REPORT**

**WAFRAH FOR INDUSTRY AND DEVELOPMENT CO.**  
**( A Saudi Joint Stock Company )**  
**THE INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2015**  
**TO GETHER INDEPENDENT ACCOUNTANTS LIMITED REVIEW REPORT**

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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 March 31,2015 and the related interim statements of income for the three month periods ended March 31,2015 and the interim cash flows and interim changes in shareholders ' equity for three months period 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 .

### Conclusion

Based on our limited review , 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 .

  
Tarek M. Alshabani

Certified Public Accountant  
License No. 388



Date :

13/04/2015 G

24/06 /1436 H

No.2009 / 2015

-B-

**WAFRAH FOR INDUSTRY AND DEVELOPMENT CO.**  
**( A Saudi Joint Stock Company )**  
**INTERIM BALANCE SHEET ( UNAUDITED )**  
**AS OF MARCH 31,2015**  
**(ALL AMOUNT IN SAUDI RIYALS)**

<u>ASSETS</u>	<u>Note</u>	<u>Un-audited</u> <u>31/03/2015</u>	<u>Un-audited</u> <u>31/03/2014</u>
<b>Current Assets</b>			
Cash and bank balances	(4)	4,885,557	12,204,141
Accounts receivable , net	(5)	31,311,352	33,153,821
Inventory	(6)	33,040,910	27,055,711
Prepayments and other receivable	(7)	9,458,121	8,735,999
<b>Total current assets</b>		<b>78,695,940</b>	<b>81,149,672</b>
<b>Non-Current Assets</b>			
Investments in companies	(8)	17,050,000	17,050,000
Investments in securities available for sale		445,210	17,313,417
Projects under Processing	(9)	24,333,146	43,286,766
Deferred expenses		2,764,224	14,224
Investments in Lands	(10)	11,127,708	--
Property and operating equipment , net	(11/1)	111,875,146	79,486,122
Property and non-operating equipment , net	(11/2)	850,334	912,686
<b>Total non-current assets</b>		<b>168,445,768</b>	<b>158,063,215</b>
<b>Total assets</b>		<b>247,141,708</b>	<b>239,212,887</b>
<b><u>LIABILITIES AND SHAREHOLDERS' EQUITY</u></b>			
<b>Current Liabilities</b>			
Accounts payable		12,453,772	5,102,985
Oversubscribed payable		3,285,800	3,285,800
Accrued expenses and other liabilities	(12)	1,753,622	1,246,445
Accrued dividends	(13)	1,269,025	--
Current portion from long-term loan	(15)	1,000,000	--
Zakat provision	(14)	6,810,000	2,209,628
<b>Total current liabilities</b>		<b>26,572,219</b>	<b>11,844,858</b>
<b>Non-Current Liabilities</b>			
Long-term loans	(15)	15,854,000	--
End of Service Benefits		5,500,931	4,912,113
<b>Total Non-Current Liabilities</b>		<b>21,354,931</b>	<b>4,912,113</b>
<b>Shareholders' Equity</b>			
Paid-up capital	(1)	200,000,000	200,000,000
Statutory reserve		7,202,424	7,199,061
Unrealized (losses ) profits from Investments in security available for sales		(810,489 )	2,438,528
Retained (losses ) earnings		(7,177,377 )	12,818,327
<b>Total Shareholders' equity</b>		<b>199,214,558</b>	<b>222,455,916</b>
<b>Total liabilities and shareholders' equity</b>		<b>247,141,708</b>	<b>239,212,887</b>

**Finance Manager**

Mr. Ezzat Rajaa Abdul Aziz



**General Manager – Chief Executive**

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 ENDED MARCH 31 , 2015**  
**(ALL AMOUNT IN SAUDI RIYALS)**

<b>FOR THE THREE MONTH PERIOD ENDED IN 31 MARCH</b>			
	<b>Note</b>	<b>Un-audited From 1/1/2015 to 31/3/2015</b>	<b>Un-audited From 1/1/2014 to 31/3/2014</b>
Sales , net	(16)	15,054,986	22,085,776
Cost of sales		(8,836,193 )	(12,646,215 )
Depreciations		(2,277,270 )	(1,286,162 )
<b>Gross operation profit</b>		<b>3,941,523</b>	<b>8,153,399</b>
General and administrative expenses		(2,180,960 )	(2,065,258 )
Selling and distributing expenses		(5,178,718 )	(4,512,864 )
<b>Net operating (Loss ) profit</b>		<b>(3,418,155 )</b>	<b>1,575,277</b>
Other income		29,895	37,121
<b>Net (Loss ) profit for the year before zakat</b>		<b>(3,388,260 )</b>	<b>1,612,398</b>
Zakat provision		(355,835 )	(548,582 )
<b>Net (Loss) profit for the period</b>		<b>(3,744,095 )</b>	<b>1,063,816</b>
(Loss ) Earnings per share :			
<b>From net operating(Loss) profit</b>	(17)	<b>(0,171 )</b>	<b>0,079</b>
<b>From net (Loss ) profit</b>	(17)	<b>(0,187 )</b>	<b>0,053</b>

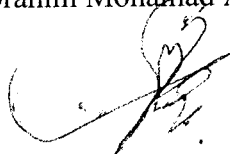
**Finance Manager**

Mr. Ezzat Rajaa Abdul Aziz



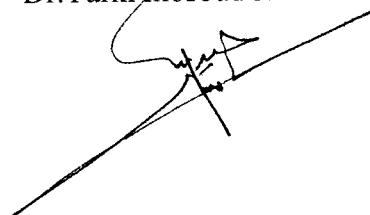
**General Manager – Chief Executive  
Officer**

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)**

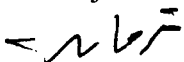
**WAFRAH FOR INDUSTRY AND DEVELOPMENT CO.**  
**( A Saudi Joint Stock Company )**  
**INTERIM STATEMENT OF CASH FLOWS ( UNAUDITED )**  
**FOR THE THREE MONTH PERIOD ENDED MARCH 31 , 2015**  
**(ALL AMOUNT IN SAUDI RIYALS)**

**FOR THE THREE MONTH PERIOD**  
**ENDED IN 31 MARCH**

	<b><u>Un-audited</u></b> <b><u>From 1/1/2015 To</u></b> <b><u>31/3/2015</u></b>	<b><u>Un-audited</u></b> <b><u>From 1/1/2014 To</u></b> <b><u>31/3/2014</u></b>
<b><u>Cash Flows from Operating Activities :</u></b>		
Net (Loss ) profit for the period	(3,744,095 )	1,063,816
<b>Adjustments to reconcile net profit to net cash (used in)</b>		
<b>Provided by operating activities :</b>		
Depreciations for the period	2,940,202	1,627,620
Zakat provision for the period	355,835	548,582
End of Service Benefits	385,727	171,837
<b>Total</b>	<b>(62,331 )</b>	<b>3,411,855</b>
<b>Changes in assets and liabilities :</b>		
Accounts receivable	2,241,134	(1,222,951)
Inventory	(9,825,414 )	(6,852,537)
Prepayments and other receivable	1,357,072	(2,798,011)
Accounts payable	5,983,441	2,025,005
Accrued expenses and other liabilities	191,286	(758,230)
End of Service Benefits paid during the period	(20,477 )	(60,220 )
<b>Net cash provided by (used in ) operating activities</b>	<b>135,289</b>	<b>(6,255,089)</b>
<b><u>Cash Flows from Investing Activities :</u></b>		
Purchase of property and equipment	(1,206,330 )	(765,130)
Projects under Processing	(876,000 )	(2,165,717)
<b>Net cash (used in) investing activities</b>	<b>(2,082,330 )</b>	<b>(2,930,847)</b>
<b><u>Cash Flows from Financing Activities :</u></b>		
Dividends	(3,500 )	--
<b>Net cash (used in ) financing Activities</b>	<b>(3,500 )</b>	<b>--</b>
<b>Net decrease in cash and banks balances</b>	<b>(2,221,119 )</b>	<b>(9,185,936)</b>
Cash and banks balances at beginning of the period	7,106,676	21,390,077
Cash and banks balances at end of the period	<b>4,885,557</b>	<b>12,204,141</b>
<b><u>NON-CASH ITEM</u></b>		
Unrealized (losses) profits from Investments in security		
Available for sales	(58,438 )	956,448
Transfers from projects under Processing during the period	462,500	--

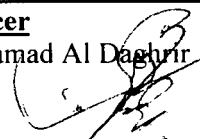
**Finance Manager**

Mr. Ezzat Rajaa Abdul Aziz



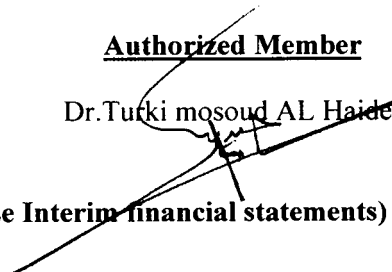
**General Manager – Chief Executive**  
**Officer**

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 CHANGES IN SHAREHOLDERS' EQUITY ( UNAUDITED )**

**FOR THE THREE MONTH PERIOD ENDED MARCH 31 , 2015**

**(ALL AMOUNT IN SAUDI RIYALS)**

	<b><u>FOR THE THREE MONTH PERIOD</u></b>	
	<b><u>ENDED IN 31 MARCH</u></b>	
	<b><u>Un-audited</u></b>	<b><u>Un-audited</u></b>
	<b><u>From 1/1/2015 To</u></b>	<b><u>From 1/1/2014 To</u></b>
	<b><u>31/3/2015</u></b>	<b><u>31/3/2014</u></b>
Paid-up capital	200,000,000	200,000,000
Statutory reserve	7,202,424	7,199,061
<b>Unrealized ( loss ) profit from Investments in security</b>		
<b>Available for sales</b>		
Beginning of the period	(752,051 )	1,482,080
Net movement during the period	(58,438 )	956,448
<b>End of the period</b>	<b>(810,489 )</b>	<b>2,438,528</b>
<b>Retained ( losses ) earnings :</b>		
Beginning of the period	(3,433,282 )	11,754,511
Net (Losses ) profit for the period	(3,744,095 )	1,063,816
<b>End of the period</b>	<b>(7,177,377 )</b>	<b>12,818,327</b>
<b>Total Shareholders' Equity</b>	<b>199,214,558</b>	<b>222,455,916</b>

**Finance Manager**

Mr. Ezzat Rajaa Abdul Aziz



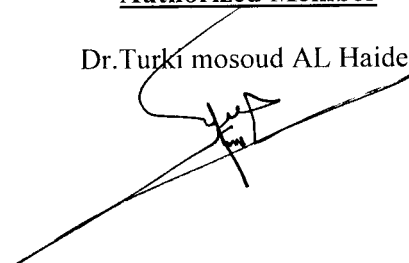
**General Manager – Chief Executive**  
**Officer**

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 ENDED MARCH 31 , 2015

(ALL AMOUNT IN SAUDI RIYALS)

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### 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 ENDED MARCH 31 , 2015**  
**(ALL AMOUNT IN SAUDI RIYALS)**

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**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 ENDED MARCH 31 , 2015**  
**(ALL AMOUNT IN SAUDI RIYALS)**

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**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 %
Pickles production	2,5 %		

**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 ENDED MARCH 31 , 2015**  
**(ALL AMOUNT IN SAUDI RIYALS)**

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**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 March 31,2015 and 2014 may not be an accurate indicator of the actual results of the audited yearly financial statement .

**4- CASH AND BANK BALANCES**

<b>Cash and banks balances comprised of the following as of</b>	<b><u>Un-audited</u></b>	<b><u>Un-audited</u></b>
<b>March 31 :</b>	<b><u>2015</u></b>	<b><u>2014</u></b>
Cash at banks	4,851,529	12,141,476
Cash on hand	34,028	62,665
<b>Total</b>	<b><u>4,885,557</u></b>	<b><u>12,204,141</u></b>

**5- ACCOUNTS RECEIVABLE , NET**

<b>Inventory comprised of the following as of March 31 :</b>	<b><u>Un-audited</u></b>	<b><u>Un-audited</u></b>
	<b><u>2015</u></b>	<b><u>2014</u></b>
Clients	31,511,352	33,153,821
Less : provision for doubtful debts	(200,000 )	--
<b>Total</b>	<b><u>31,311,352</u></b>	<b><u>33,153,821</u></b>

**6- INVENTORY**

<b>Inventory comprised of the following as of March 31 :</b>	<b><u>Un-audited</u></b>	<b><u>Un-audited</u></b>
	<b><u>2015</u></b>	<b><u>2014</u></b>
Raw materials	11,207,061	12,530,939
Finished goods	17,803,303	10,730,227
Spare parts	4,030,546	3,794,545
<b>Total</b>	<b><u>33,040,910</u></b>	<b><u>27,055,711</u></b>

**WAFRAH FOR INDUSTRY AND DEVELOPMENT CO.**  
**( A Saudi Joint Stock Company )**  
**NOTES TO INTERIM FINANCIAL STATEMENTS ( UNAUDITED )**  
**FOR THE THREE MONTH PERIOD ENDED MARCH 31 , 2015**  
**(ALL AMOUNT IN SAUDI RIYALS)**

**7- PREPAYMENTS AND OTHER RECEIVABLE**

<b>Prepayments and other receivable comprised of the following as of March 31 :</b>	<b><u>Un-audited</u></b> <b><u>2015</u></b>	<b><u>Un-audited</u></b> <b><u>2014</u></b>
Advance to suppliers	6,170,808	6,974,574
Prepayments	1,743,772	--
Prepaid rents	749,378	450,121
Employee receivables	652,609	359,910
Operation loans	121,241	322,910
Refundable	20,313	18,313
Other receivables	--	610,171
<b>Total</b>	<b><u>9,458,121</u></b>	<b><u>8,735,999</u></b>

**8- INVESTMENT IN COMPANIES**

<b>8-1 Investments in companies comprised of the following as of March 31 :</b>	<b><u>Un-audited</u></b> <b><u>2015</u></b>	<b><u>Un-audited</u></b> <b><u>2014</u></b>
East Asia Company for Development and Agricultural Investment (Note 8/2 )	10,000,000	10,000,000
Jannat for Agricultural Investment (Note 8/3 )	7,050,000	7,050,000
<b>Total</b>	<b><u>17,050,000</u></b>	<b><u>17,050,000</u></b>

- 8-2** 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 .
- 8-3** 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 .

**9- PROJECTS UNDER PROCESSING**

<b>9-1 Projects under Processing comprised of the following as of March 31:</b>	<b><u>Un-audited</u></b> <b><u>2015</u></b>	<b><u>Un-audited</u></b> <b><u>2014</u></b>
Vegetables factory	24,333,146	43,166,766
Study of potatoes production line	--	120,000
<b>Total</b>	<b><u>24,333,146</u></b>	<b><u>43,286,766</u></b>

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- 9-2 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 period part of Vegetables Processing Plant project, which is not yet operative, is transferred to Property and Operating Equipment account at SAR 462,500.

**10- INVESTMENTS IN LANDS**

<b>10-1 Investments In Lands of the following as of March 31 :</b>	<b><u>Un-audited</u> <u>2015</u></b>	<b><u>Un-audited</u> <u>2014</u></b>
Investments in Lands in Jazan	<b><u>11,127,708</u></b>	<b><u>--</u></b>
<b>Total</b>	<b><u>11,127,708</u></b>	<b><u>--</u></b>

- 10-2 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 .

**11- PROPERTY AND EQUIPMENT , NET**

Property and equipment comprised of the following as of March 31 ,2015 and 2014 :

	<b><u>Cost</u></b>	<b><u>Accumulated</u> <u>Depreciations</u></b>	<b><u>Un-audited</u> <u>N.B.V</u> <u>2015</u></b>	<b><u>Un-audited</u> <u>N.B.V</u> <u>2014</u></b>
<b>11-1 Property and operating equipment</b>				
<b>Total</b>	<b><u>274,993,081</u></b>	<b><u>(163,117,935)</u></b>	<b><u>111,875,146</u></b>	<b><u>79,486,122</u></b>
<b>11-2 Property and non-operating equipment</b>				
Pickles production line	<b><u>9,352,804</u></b>	<b><u>(8,502,470)</u></b>	<b><u>850,334</u></b>	<b><u>912,686</u></b>
<b>Total</b>	<b><u>9,352,804</u></b>	<b><u>(8,502,470)</u></b>	<b><u>850,334</u></b>	<b><u>912,686</u></b>
<b>Total</b>	<b><u>284,345,885</u></b>	<b><u>(171,620,405)</u></b>	<b><u>112,725,480</u></b>	<b><u>80,398,808</u></b>

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**12 - Accrued expenses and other liabilities**

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

	<u>Un-audited</u> <u>2015</u>	<u>Un-audited</u> <u>2014</u>
Accrued expenses salaries and vacations	1,061,240	957,608
Accrued expenses others	515,598	288,837
Advance from customer	162,006	--
Employee payable	14,778	--
<b>Total</b>	<u><u>1,753,622</u></u>	<u><u>1,246,445</u></u>

**13 - 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 of 2014 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 .

**14 - ZAKAT PROVISION**

**Zakat Provision Comprised of the following as of March 31 :**

	<u>Un-audited</u> <u>2015</u>	<u>Un-audited</u> <u>2014</u>
Beginning of the period	6,454,165	1,661,046
Provision for current period	355,835	548,582
Zakat paid during the period	--	--
<b>Total</b>	<u><u>6,810,000</u></u>	<u><u>2,209,628</u></u>

**15 - LONG -TERM LOANS**

**15-1 Long -term loans comprised of the following as of March 31 :**

	<u>Un-audited</u> <u>2015</u>	<u>Un-audited</u> <u>2014</u>
Saudi Industrial Development fund Loan	16,854,000	--
<b>Total</b>	<u><u>16,854,000</u></u>	<u><u>--</u></u>

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**15-2 Long –term Loans showed in interim balance sheet as at March 31 are as follows :**

	<u>Un-audited</u> <u>2015</u>	<u>Un-audited</u> <u>2014</u>
Current portion under current liabilities	1,000,000	--
Non-current portion under non-current liabilities	15,854,000	--
<b>Total</b>	<u>16,854,000</u>	<u>--</u>

**15-3** 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 March 31, 2015 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.

**16 - SALES , NET**

**16-1** Sales comprised of the following for the period ended March 31 as follow :

	<u>FOR THE THREE MONTH</u> <u>PERIOD ENDED IN 31</u> <u>MARCH</u> <u>Un-audited</u> <u>2015</u>	<u>Un-audited</u> <u>2014</u>
Vegetables factory	7,652,766	11,807,623
Pastry factory	6,077,181	7,929,791
Food and meet factory	1,101,142	2,244,428
Breakfast cereals factory	223,757	103,934
Dates factory	140	--
<b>Total</b>	<u>15,054,986</u>	<u>22,085,776</u>

**16-2** Sales balances shown above consists of sales less sales returns know that was recorded sales discounts on selling and distribution expenses account .

**17- NET PROFIT(LOSS) PER SHARE**

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

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

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**18- Approving financial statement**

Interim financial statements has been Approved by the Board of directors at April 13 , 2015 G .

**19- GENERAL**

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