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شركة الألبان الأردنية المساهمة العامة المحدودة  
JORDAN DAIRY COMPANY LTD.

29/04/2019

M/S: Jordan SECURITES COMMISSION

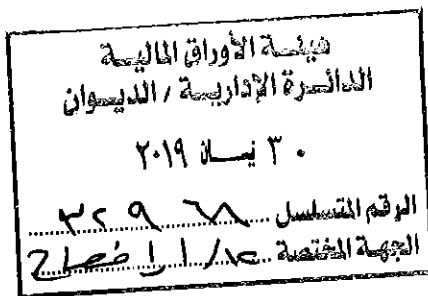
Disclosure

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Kindly see the consolidated financial statements for the period 31/03/2019 and independent auditors report for Jordan Dairy CO.

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Jordan Dairy Co



*Jordan Dairy Company (plc)*  
*Amman – Jordan*  
*Interim Consolidated Financial Statements*  
*For the period from 1/1/2019 to 31/3/2019*  
*Report on the review of the interim financial*  
*information (Unaudited)*

**Jordan Dairy Company (plc)**  
**Amman – Jordan**

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Report on the review of the interim consolidated financial information (Unaudited)

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330/1/105/1678

**Report on the review of the interim consolidated financial information (Unaudited)**

**To the Board of Directors,  
Jordan Dairy Company (plc)  
Amman – Jordan**


We have reviewed the accompanying interim consolidated financial statements of **Jordan Dairy Company (plc)** and the related Interim Consolidated Statement of Comprehensive Income, Interim Consolidated Changes in Equity and Interim Consolidated Cash Flow for the three months period ended on 31/March/2019, and a summary of significant accounting policies and other explanatory notes from (1-7). Management is responsible for the preparation and fair presentation of this interim consolidated financial information in accordance with the International Standard 34 (Interim Financial Reports). Our responsibility is to express a conclusion on this interim consolidated financial information based on our review.

**Scope of Review**

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

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial information does not give a true and fair view of the **Jordan Dairy Company (plc)** financial position as at 31/3/2019, and of its consolidated financial performance and its consolidated cash flows for the three month period then ended in accordance International Standard 34 (Interim Financial Reports).



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**April/28/2019  
Amman - Jordan**

**Jordan Dairy Company (plc)**  
**Amman – Jordan**  
**Statement of Interim Consolidated Financial Position**  
**as of 31/March/2019**

<b>Assets</b>	<b>31/3/2019/JD</b>	<b>31/12/2018/JD</b>
<b><u>Current Assets</u></b>		
Cash and cash equivalents	46704	203207
Checks under collection	1491492	1380267
Accounts' receivable - Net	3222732	3389047
Inventory - Net	1393943	1464373
L/C's	99627	80318
Other current assets	1513272	1355098
<b>Total Current Assets</b>	<b>7767770</b>	<b>7872310</b>
<b><u>Non Current Assets</u></b>		
Property, plant & equipment	6118372	6248956
Biological assets	1718513	1849447
Property & plant under process	683275	257085
<b>Total Non Current Assets</b>	<b>8520160</b>	<b>8355488</b>
<b>Total Assets</b>	<b>16287930</b>	<b>16227798</b>
	=====	=====
<b><u>Liabilities &amp; Stockholders' Equity</u></b>		
<b><u>Current Liabilities</u></b>		
Due to banks	873107	762546
Short term loan	398940	454255
Notes' payable	429463	302710
Accounts' payable	1939130	2139612
Other current liabilities	738567	754329
<b>Total Current Liabilities</b>	<b>4379207</b>	<b>4413452</b>
<b><u>Non Current Liabilities</u></b>		
Long term loan	1394047	952347
<b><u>Stockholders' Equity</u></b>		
Capital	4000000	4000000
Statutory reserve	1735210	1735210
Voluntary reserve	262500	262500
Shares' premium	1345417	1345417
Retained earnings	3171549	3518872
<b>Net Stockholders' Equity</b>	<b>10514676</b>	<b>10861999</b>
<b>Total Liabilities &amp; Stockholders' Equity</b>	<b>16287930</b>	<b>16227798</b>
	=====	=====

“ The accompanying notes are an integral part of these statements ”

## Statement (B)

**Jordan Dairy Company (plc)**  
**Amman – Jordan**  
**Statement of Interim Consolidated Comprehensive Income**  
**for the Period Ended 31/March/2019, 2018**

<b><u>Comprehensive income</u></b>	<b><u>31/3/2019</u></b> <b><u>JD</u></b>	<b><u>31/3/2018</u></b> <b><u>JD</u></b>
Net sales	3759041	4337341
Cost of sales	(3411657)	(3531260)
<b>Gross income</b>	<b>347384</b>	<b>806081</b>
Sales & distribution expenses	(269350)	(242080)
Overhead expenses	(215767)	(208791)
Depreciation	(43923)	(41577)
Banking interest & expenses	(11977)	(3441)
Other revenue	311	4571
Change in fair value of biological assets	(130934)	(117807)
Gains of disposal of property & equipment	000	8117
<b>(Loss) income for the period before tax /</b>		
<b>Comprehensive income</b>	<b>(324256)</b>	<b>205073</b>
Provision for income tax for the period	(21969)	000
National contribution for public debt payment	(1098)	000
<b>(Loss) income for the period after tax /</b>		
<b>Comprehensive income</b>	<b>(347323)</b>	<b>205073</b>
<b>Earnings per share from comprehensive</b>		
<b>income for the period</b>	<b>000</b>	<b>5.13%</b>
<b>Weighted Average Shares</b>	<b>4000000</b>	<b>4000000</b>

“ The accompanying notes are an integral part of these statements ”

Statement (C)

Jordan Dairy Company (plc)  
Amman – Jordan  
Statement of Interim Consolidated Changes in Equity  
for the Period Ended 31/March/2019, 2018

Description	Capital	Statutory reserve	Voluntary reserve	Shares' Premium	Retained Earnings		Total
					Realized	Unrealized	
	JD	JD	JD	JD	JD	JD	JD
Balance as of Dec. 31, 2018	4000000	1735210	262500	1345417	3041751	477121	10861999
(Loss) for the period after tax / Comprehensive income	000	000	000	000	(216389)	(130934)	(347323)
Balance as of 31/March/2019	4000000	1735210	262500	1345417	2825362	346187	10514676
Balance as of Dec. 31, 2017	4000000	1615381	262500	1345417	3373023	338370	10934691
Income for the period / Comprehensive income	000	000	000	000	322880	(117807)	205073
Balance as of 31/March/2018	4000000	1615381	262500	1345417	3695903	220563	11139764

“The accompanying notes are an integral part of these statements”

## Statement (D)

**Jordan Dairy Company (plc)**  
**Amman – Jordan**  
**Statement of Interim Consolidated Cash Flows**  
**for the Period Ended 31/March/2019, 2018**

	<b><u>31/3/2019</u></b>	<b><u>31/3/2018</u></b>
	<b><u>JD</u></b>	<b><u>JD</u></b>
<b><u>Cash Flows From Operating Activities:</u></b>		
(Loss) income for the period after tax / Comprehensive income	(347323)	205073
<b><u>Adjustments:</u></b>		
Depreciation	204639	191926
Change in fair value of biological assets	130934	117807
Gains on disposal of property & equipment	000	(8117)
<b>Operating (loss) income before working capital changes:</b>	<b>(11750)</b>	<b>506689</b>
Accounts' receivable and other current assets	(122393)	(882459)
Inventory	70430	259845
Accounts' payable and other current liabilities	(216244)	(814311)
<b>Net cash flows from operating activities</b>	<b>(279957)</b>	<b>(930236)</b>
<b><u>Cash Flows From Investing Activities:</u></b>		
Property, plant & equipment	(74055)	(342536)
Property & equipment under process	(426190)	(24840)
<b>Net cash flows from investing activities</b>	<b>(500245)</b>	<b>(367376)</b>
<b><u>Cash Flows From Financing Activities:</u></b>		
Notes' payables	126753	42458
Due to banks	110561	608651
Loan	386385	425617
<b>Net cash flows from financing activities</b>	<b>623699</b>	<b>1076726</b>
<b>Net change in cash and cash equivalents</b>	<b>(156503)</b>	<b>(220886)</b>
<b>Cash &amp; cash equivalents at beginning of the period</b>	<b>203207</b>	<b>1160260</b>
<b>Cash &amp; cash equivalents at end of the period</b>	<b>46704</b>	<b>939374</b>

“The accompanying notes are an integral part of these statements”



**Jordan Dairy Company (plc)**

**Amman – Jordan**

**Notes to Interim Consolidated Financial Statements**

**31/March/2019**

**1- Constitution and objectives:**

A- The company is registered as a public shareholding company in the public shareholding companies register at Companies Control Department under the No. (68) on February 29<sup>th</sup>, 1968, and justified its legal status on December 10<sup>th</sup>, 1989.

B- The interim consolidated financial statements were approved by the broad of directors on 28/April/2019, and it is subject to be approved by the general assembly.

**C- Objectives:**

To establish plants for dairy products, establishing projects and industries related to dairy industry and marketing its products and trading in its products.

**2- Significant accounting policies:**

The interim consolidated financial statements are prepared under the International Standard 34 (Interim Financial Reports) and the related interpretations originated by the International financial Reporting Interpretations Committee.

The interim consolidated financial statements do not include all significant matters and explanatory notes that are required for the annual financial statements and are prepared in accordance with the International Financial Reporting Standards, in addition the interim consolidated financial performance is not necessarily represents an indicator of the annual financial performance.

The same accounting policies used in the previous period's financial statements have been adopted.

**3- Investment in Subsidiary:**

The company owns 100% of the capital of the subsidiary company (Al Maha Agricultural & Zoological Investments Co. L.L.C.) that being JD (1,000,000), the subsidiary's interim financial statements show that its assets as of 31/3/2019 are JD (7,314,025), comprehensive income for the period/ Comprehensive income is JD (5,842) and net equity is JD (5,310,453). For the purposes of preparing separate interim financial statements, investments in subsidiaries are recorded using the cost method, with the recognition of any decline in the investment's value - if any -. Dividends arising from investments in subsidiaries are recorded when the General Assembly of the subsidiary decide distributing such dividends

#### 4- Corporate Tax position:

- ◆ The tax position of the Company was finalized with Income and Sales Tax Department till end of the year 2016.
- ◆ Tax declaration of the Company for the years 2017, 2018 were submitted to Income and Sales Tax Department, and tax assessment still not made by the Department yet.
- ◆ The tax position of the subsidiary was finalized till end of the year 2016.

#### 5- Operating Segments:

- ◆ The company and its subsidiary practice it's activities through:

##### 1. Industrial activity:

Industrial activity includes the production and sale of various dairy products and miscellaneous plastic bottles.

##### 2. Cattle and trees' farms activity:

Cattle and trees' farms' activities include fattening and breeding cattle, sheep and calves and establishing farms and trading with its products.

- ◆ The following table shows the presentation of the results of the operating segments for the two companies:

<u>A- Comprehensive Income Information</u>	<u>Industrial Activity</u>	<u>Farms Activity</u>	<u>31/3/2019</u>
	<u>JD</u>	<u>JD</u>	<u>JD</u>
Net sales	1987306	1771735	3759041
Cost of sales	(1882021)	(1529636)	(3411657)
<b>Gross profit</b>	<b>105285</b>	<b>242099</b>	<b>347384</b>
Allocated expenses	(269350)	(236257)	(505607)
Unallocated expenses	000	000	(189411)
Unallocated revenues	000	000	311
<b>(Loss) for the period after tax / Comprehensive income</b>			<b>(347323)</b>
<b>B- Other Information</b>			
Assets segment except cash	11006273	5234953	16241226
Unallocated assets	000	000	46704
<b>Total Assets</b>			<b>16287930</b>

**6- Contingencies**

Following are the parent and subsidiary's contingent liabilities as at the date of the interim consolidated financial statements:

	<b><u>31/3/2019</u></b>
	<b><u>JD</u></b>
L/C's & collections	43346
L/Gs	473347
<b>Total</b>	<b><u>516693</u></b>

**7- General:**

Attention must be drawn to the effect of the Jordan Securities Commission regulations and Jordanian Companies Law on calculating statutory reserve only on the realized earnings bases, as well as presenting the unrealized earnings separately in the retained earnings item. Attention to be drawn to restrictions on the distributing dividends for unrealized earnings.