

A'Saffa Foods SAOG

Director's Report for the First Half Results – Year 2020

Dear Shareholders,

On behalf of the Board of Directors of A'Saffa Foods SAOG, I have pleasure in presenting the financial results for 1st Half ended 30th June 2020.

Performance Review

Sales for the 1st half ended 30th June 2020 was RO. 15,940,829/- as compared to RO. 15,611,362/- during the same period of 2019. Net Profit (consolidated) of RO. 1,114,047/- has been achieved during 1st Half of 2020 as compared to net profit of RO. 1,189,956/- for the same period of 2019.

We would like to express our sincere gratitude to His Majesty Sultan Haitham bin Tariq Al Said for the encouragement and support given by his Government and pray to Almighty ALLAH(swt) to provide Oman and its people peace and prosperity under His Majesty's wise leadership.

We also take this opportunity to thank all customers, shareholders and staff for their continued support and confidence in the Company.

Chairman

A'SAFFA FOODS SAOG

STATEMENT OF FINANCIAL POSITION

At 30Th. June 2020

| | Notes | Parent Company | | Group | |
|---|-------|-------------------|-------------------|-------------------|-------------------|
| | | 2020 RO | 2019 RO | 2020 RO | 2019 RO |
| ASSETS | | | | | |
| Non-current assets | | | | | |
| Property, plant and equipment | 12 | 14,587,428 | 15,094,202 | 22,316,568 | 23,175,621 |
| Right of Use Assets | | 1,084,637 | 975,811 | 1,536,818 | 1,006,331 |
| Capital Advances/CWIP | | 40,817,218 | 23,174,344 | 41,393,183 | 23,186,269 |
| Intangible assets | 13 | 1,410 | 30,693 | 24,991 | 65,201 |
| Investments in subsidiaries | 14 | 2,950,000 | 2,950,000 | - | - |
| Financial assets at fair value through profit and loss | 16 | 47,671 | 47,671 | 47,671 | 47,671 |
| Investment accounted for using the equity | 15 | 6,387,538 | 4,069,138 | 6,387,538 | 4,069,138 |
| Term deposits | 21 | - | - | - | - |
| Total non-current assets | | 65,875,902 | 46,341,859 | 71,706,769 | 51,550,231 |
| Current assets | | | | | |
| Inventories | 17 | 4,777,090 | 3,912,397 | 5,625,409 | 4,891,697 |
| Biological assets | 18 | 1,566,375 | 1,335,153 | 1,566,375 | 1,335,153 |
| Trade and other receivables | 19 | 10,562,220 | 11,424,934 | 10,239,710 | 11,099,507 |
| Cash and bank balances | 20 | 322,492 | 135,641 | 375,610 | 175,595 |
| Term deposits | 21 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 |
| Total current assets | | 19,228,177 | 18,808,125 | 19,807,104 | 19,501,952 |
| TOTAL ASSETS | | 85,104,079 | 65,149,984 | 91,513,873 | 71,052,183 |
| EQUITY AND LIABILITIES | | | | | |
| Equity | | | | | |
| Share capital | | 12,000,000 | 12,000,000 | 12,000,000 | 12,000,000 |
| Legal reserves | | 4,000,000 | 4,000,000 | 4,185,955 | 4,206,201 |
| Retained earnings | | 23,801,784 | 22,624,174 | 26,189,256 | 24,328,956 |
| Total equity | | 39,801,784 | 38,624,174 | 42,375,211 | 40,535,157 |
| LIABILITIES | | | | | |
| Non-current liabilities | | | | | |
| Borrowings | 25 | 30,928,031 | 12,054,945 | 32,028,413 | 13,167,715 |
| ROU Lease liabilities | 26 | 875,457 | 892,464 | 1,399,253 | 904,896 |
| End of service benefits | | 900,547 | 703,291 | 956,478 | 746,802 |
| Deferred tax liability | | 632,438 | 625,783 | 826,807 | 796,532 |
| Total non-current liabilities | | 33,336,473 | 14,276,483 | 35,210,951 | 15,615,945 |
| Current liabilities | | | | | |
| Borrowings | 25 | 5,085,141 | 6,445,339 | 6,166,720 | 7,756,483 |
| ROU Lease liabilities | | 251,606 | 69,162 | 285,810 | 86,872 |
| Trade and other payables | 27 | 6,629,075 | 5,734,826 | 7,475,181 | 7,057,726 |
| Total current liabilities | | 11,965,822 | 12,249,327 | 13,927,711 | 14,901,081 |
| TOTAL LIABILITIES | | 45,302,295 | 26,525,810 | 49,138,662 | 30,517,026 |
| TOTAL EQUITY AND LIABILITIES | | 85,104,079 | 65,149,984 | 91,513,873 | 71,052,183 |
| Net assets per share (RO) | 28 | 0.332 | 0.322 | 0.353 | 0.338 |

A'SAFFA FOODS SAOG

STATEMENT OF COMPREHENSIVE INCOME

For the Period 01 January To 30 June 2020

| | Notes | Parent Company | | Group | |
|---|-------|---------------------|------------------|---------------------|------------------|
| | | 2020 RO | 2019 RO | 2020 RO | 2019 RO |
| Revenue From Contract With Customers | | 15,940,829 | 15,611,362 | 16,220,065 | 15,887,374 |
| Cost of sales | 4 | (11,187,754) | (10,641,267) | (10,640,004) | (10,183,490) |
| Gross profit | | 4,753,075 | 4,970,095 | 5,580,061 | 5,703,884 |
| Selling and distribution expenses | 5 | (2,789,421) | (2,797,341) | (2,789,421) | (2,797,341) |
| General and administrative expenses | 6 | (997,347) | (1,116,840) | (1,214,637) | (1,302,766) |
| Other operating income | 7 | - | - | - | - |
| Profit before interest and tax | | 966,307 | 1,055,914 | 1,576,003 | 1,603,777 |
| Finance income | 9 | 46,516 | 48,142 | 46,516 | 48,142 |
| Finance Cost | 9 | (241,596) | (55,791) | (295,360) | (133,186) |
| Finance income / (cost) – net | 9 | (195,080) | (7,649) | (248,844) | (85,044) |
| Share of loss from associates accounted by using the equity method | 15 | (14,941) | (118,785) | (14,941) | (118,785) |
| Profit before tax | | 756,286 | 929,480 | 1,312,218 | 1,399,948 |
| Taxation | | | | | |
| - Current tax | 10 | (114,781) | (139,422) | (198,171) | (209,992) |
| | | (114,781) | (139,422) | (198,171) | (209,992) |
| Total comprehensive income for the year | | 641,505 | 790,058 | 1,114,047 | 1,189,956 |
| Basic earnings per share (RO) | 11 | 0.005 | 0.007 | 0.009 | 0.010 |

A'SAFFA FOODS SAOG
STATEMENT OF CASH FLOWS
At 30Th. June 2020

| | | Parent Company | | Group | |
|---|--------------|-----------------------|------------------|--------------------|------------------|
| | | 2020 | 2019 | 2020 | 2019 |
| | <i>Notes</i> | RO | RO | RO | RO |
| OPERATING ACTIVITIES | | | | | |
| Cash generated from operations | 29 | (1,026,727) | 4,987,198 | (661,271) | 5,728,598 |
| Net Finance Cost | 9 | (195,080) | (7,649) | (248,844) | (85,044) |
| Net cash generated from operating activities | | (1,221,807) | 4,979,549 | (910,115) | 5,643,554 |
| INVESTING ACTIVITIES | | | | | |
| Purchase of property, plant and equipment/CWIP | 12 | (5,471,045) | (18,257,664) | (5,870,082) | (18,317,491) |
| Investment in associates | 15 | - | - | - | - |
| Term deposits | 21 | - | - | - | - |
| Net cash generated (used in) / from | | (5,471,045) | (18,257,664) | (5,870,082) | (18,317,491) |
| FINANCING ACTIVITIES | | | | | |
| Long term loans received & repaid | | 7,544,491 | 15,774,086 | 7,557,269 | 15,099,739 |
| Dividend paid | | - | (2,400,000) | - | (2,400,000) |
| Net cash used in financing activities | | 7,544,491 | 13,374,086 | 7,557,269 | 12,699,739 |
| NET DECREASE IN CASH AND CASH EQUIVALENTS | | 851,639 | 95,971 | 777,072 | 25,802 |
| Cash and cash equivalents at beginning of the year | | (796,298) | (236,528) | (1,242,680) | (126,405) |
| CASH AND CASH EQUIVALENTS AT 30 June 2020 | | 55,341 | (140,557) | (465,608) | (100,603) |
| Cash and cash equivalents comprise of following: | | | | | |
| Bank overdrafts | 25 | (2,267,151) | (2,276,198) | (2,841,218) | (2,276,198) |
| Cash and bank balances | 20 | 2,322,492 | 2,135,641 | 2,375,610 | 2,175,595 |
| | | 55,341 | (140,557) | (465,608) | (100,603) |

A'SAFFA FOODS SAOG
STATEMENT OF CHANGES IN EQUITY
 At 30Th. June 2020

| | <i>Share capital RO</i> | <i>Legal reserves RO</i> | <i>Retained earning RO</i> | <i>Total RO</i> |
|--|---------------------------------|----------------------------------|------------------------------------|---------------------|
| Parent Company | | | | |
| As at 1 January 2019 | 12,000,000 | 4,000,000 | 24,234,116 | 40,234,116 |
| Profit and total comprehensive income for the year | - | - | 790,058 | 790,058 |
| Dividend paid | - | - | (2,400,000) | (2,400,000) |
| At 30th. June 2019 | <u>12,000,000</u> | <u>4,000,000</u> | <u>22,624,174</u> | <u>38,624,174</u> |
| Group | | | | |
| As at 1 January 2019 | 12,000,000 | 4,161,188 | 25,584,013 | 41,745,201 |
| Profit and total comprehensive income for the year | - | - | 1,189,956 | 1,189,956 |
| Dividend paid | - | - | (2,400,000) | (2,400,000) |
| Transfer to legal reserve | - | 45,013 | (45,013) | - |
| At 30th. June 2019 | <u>12,000,000</u> | <u>4,206,201</u> | <u>24,328,956</u> | <u>40,535,157</u> |
| Parent Company | | | | |
| As at 1 January 2020 | 12,000,000 | 4,000,000 | 23,160,279 | 39,160,279 |
| Profit and total comprehensive income for the year | - | - | 641,505 | 641,505 |
| Dividend paid | - | - | - | - |
| At 30th June 2020 | <u>12,000,000</u> | <u>4,000,000</u> | <u>23,801,784</u> | <u>39,801,784</u> |
| Group | | | | |
| As at 1 January 2020 | 12,000,000 | 4,231,319 | 25,048,745 | 41,280,064 |
| Profit and total comprehensive income for the year | - | - | 1,095,147 | 1,095,147 |
| Dividend paid | - | - | - | - |
| Transfer to legal reserve | - | (45,364) | 45,364 | - |
| At 30th June 2020 | <u>12,000,000</u> | <u>4,185,955</u> | <u>26,189,256</u> | <u>42,375,211</u> |

A'SAFFA FOODS SAOG
NOTES TO THE FINANCIAL STATEMENTS
At 30Th. June 2020

4 COST OF SALES

| | Parent Company | | Group | |
|-------------------------------------|-------------------|-------------------|-------------------|-------------------|
| | 2020 RO | 2019 RO | 2020 RO | 2019 RO |
| Cost of materials consumed | 7,261,739 | 6,834,295 | 5,788,471 | 8,150,763 |
| Less: Government subsidy | - | - | - | - |
| | 7,261,739 | 6,834,295 | 5,788,471 | 8,150,763 |
| Employee related costs (note 8) | 2,209,427 | 1,992,981 | 2,628,632 | 2,404,942 |
| Depreciation (note 12) | 518,662 | 532,699 | 699,620 | 717,380 |
| Fuel expenses | 428,731 | 456,936 | 548,439 | 554,332 |
| Amortisation (note 13) | 2,245 | 16,888 | 8,010 | 22,811 |
| Depreciation on Right of use Assets | 17,885 | - | 33,767 | - |
| Other direct expenses | 749,065 | 807,468 | 933,065 | 954,685 |
| | 11,187,754 | 10,641,267 | 10,640,004 | 12,804,913 |

5 SELLING AND DISTRIBUTION EXPENSES

| | Parent Company | | Group | |
|-------------------------------------|------------------|------------------|------------------|------------------|
| | 2020 RO | 2019 RO | 2020 RO | 2019 RO |
| Transportation costs | 599,243 | 848,638 | 599,243 | 848,638 |
| Employee related costs (note 8) | 964,985 | 890,127 | 964,985 | 890,127 |
| Rent and storage expenses | 674,027 | 624,415 | 674,027 | 624,415 |
| Advertisement and sales promotion | 265,470 | 264,381 | 265,470 | 264,381 |
| Insurance | 45,183 | 53,191 | 45,183 | 53,191 |
| Communication | 12,032 | 10,959 | 12,032 | 10,959 |
| Depreciation (note 12) | 12,435 | 12,534 | 12,435 | 12,534 |
| Depreciation on Right of use Assets | 138,768 | - | 138,768 | - |
| Amortisation (note 13) | 2,245 | 16,887 | 2,245 | 16,887 |
| Miscellaneous | 75,033 | 76,209 | 75,033 | 76,209 |
| | 2,789,421 | 2,797,341 | 2,789,421 | 2,797,341 |

6 GENERAL AND ADMINSTRATIVE EXPENSES

| | Parent Company | | Group | |
|--|----------------|------------------|------------------|------------------|
| | 2020 RO | 2019 RO | 2020 RO | 2019 RO |
| Employee related costs (note 8) | 597,380 | 562,821 | 738,161 | 681,517 |
| Depreciation (note 12) | 80,780 | 81,472 | 113,711 | 113,243 |
| Rent | 56,065 | 77,618 | 56,065 | 77,618 |
| Directors' remuneration | 25,000 | 70,000 | 25,000 | 70,000 |
| Printing and stationery | 6,895 | 5,499 | 7,138 | 5,499 |
| Contributions for social causes | 25,000 | 25,000 | 25,000 | 25,000 |
| Business travel and meeting expenses | 12,567 | 25,868 | 12,567 | 25,868 |
| Professional and consultancy fees | 40,108 | 38,995 | 47,800 | 47,637 |
| Amortisation (note 13) | 2,245 | 16,887 | 3,262 | 17,856 |
| Directors' meeting attendance fees | - | - | - | - |
| Directors' meeting attendance fees | 20,610 | 14,000 | 22,560 | 17,050 |
| Provision for expected credit losses (note 19) | (18,472) | 25,254 | (18,472) | 25,254 |
| Communication | 16,384 | 11,472 | 16,384 | 11,761 |
| Registration and renewals | 15,382 | 23,591 | 18,963 | 25,010 |
| Repairs and maintenance | 8,670 | 8,592 | 8,670 | 8,592 |
| Vehicle expenses | 12,751 | 7,402 | 12,751 | 7,402 |
| Foreign exchange loss | 30,631 | 8,351 | 32,239 | 8,351 |
| Miscellaneous | 65,351 | 114,018 | 92,838 | 135,108 |
| | 997,347 | 1,116,840 | 1,214,637 | 1,302,766 |

7 OTHER OPERATING INCOME

| | Parent Company | | Group | |
|---|----------------|------------|------------|------------|
| | 2020 RO | 2019 RO | 2020 RO | 2019 RO |
| Profit on disposal of property, plant and equipment | - | - | - | - |

A'SAFFA FOODS SAOG
 NOTES TO THE FINANCIAL STATEMENTS
 At 30Th. June 2020

8 EMPLOYEE RELATED COSTS

Salaries wages and related costs included under cost of sales, selling and distribution expenses and general and administrative expenses comprise:

| | Parent Company | | Group | |
|------------------------------------|------------------|------------------|------------------|------------------|
| | 2020 RO | 2019 RO | 2020 RO | 2019 RO |
| Salaries, wages and other benefits | 3,335,618 | 3,075,426 | 3,866,046 | 3,569,264 |
| Leave salary | 236,080 | 243,600 | 254,856 | 269,147 |
| Air passage | 62,094 | 69,903 | 66,404 | 75,761 |
| End of service benefits | 138,000 | 57,000 | 144,472 | 62,414 |
| | 3,771,792 | 3,445,929 | 4,331,778 | 3,976,586 |

Staff costs are included in the statement of comprehensive income as follows:

| | Parent Company | | Group | |
|--|------------------|------------------|------------------|------------------|
| | 2020 RO | 2019 RO | 2020 RO | 2019 RO |
| Cost of sales (note 4) | 2,209,427 | 1,992,981 | 2,628,632 | 2,404,942 |
| Selling and distribution expenses (note 5) | 964,985 | 890,127 | 964,985 | 890,127 |
| General and administrative expenses (note 6) | 597,380 | 562,821 | 738,161 | 681,517 |
| | 3,771,792 | 3,445,929 | 4,331,778 | 3,976,586 |

9 FINANCE COSTS / (INCOME) - NET

| | Parent Company | | Group | |
|---|-----------------|-----------------|-----------------|-----------------|
| | 2020 RO | 2019 RO | 2020 RO | 2019 RO |
| a) Interest expenses: | | | | |
| - on government soft loan | - | 5,624 | - | 5,624 |
| - on bank overdraft | 51,666 | 36,376 | 64,905 | 40,773 |
| | 51,666 | 42,000 | 64,905 | 46,397 |
| Financing cost on Islamic finance lease | 147,229 | 13,288 | 176,517 | 86,113 |
| Finance Cos ton ROU Assets | 42,701 | 503 | 53,938 | 676 |
| Government soft loan - release of grant | - | - | - | - |
| Interest expenses | 241,596 | 55,791 | 295,360 | 133,186 |
| b) Interest Income: | | | | |
| Interest income on deposits | (46,516) | (48,142) | (46,516) | (48,142) |
| Interest income | (46,516) | (48,142) | (46,516) | (48,142) |
| Finance costs | 195,080 | 7,649 | 248,844 | 85,044 |

10 TAXATION

Statement of comprehensive income:

| | Parent Company | | Group | |
|-------------|----------------|----------------|----------------|----------------|
| | 2020 RO | 2019 RO | 2020 RO | 2019 RO |
| Current tax | 114,781 | 139,422 | 198,171 | 209,992 |
| | 114,781 | 139,422 | 198,171 | 209,992 |

A'SAFFA FOODS SAOG
NOTES TO THE FINANCIAL STATEMENTS
At 30Th. June 2020

11 BASIC EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the year.

| | Parent Company | | Group | |
|---|--------------------|-------------|--------------------|-------------|
| | 2020 RO | 2019 RO | 2020 RO | 2019 RO |
| Profit attributable to shareholders (RO) | 641,505 | 790,058 | 1,114,046 | 1,189,956 |
| Weighted average number of shares outstanding | 120,000,000 | 120,000,000 | 120,000,000 | 120,000,000 |
| Basic earnings per share (RO) | 0.005 | 0.007 | 0.009 | 0.010 |

No figure for diluted earnings per share has been presented because the Parent Company and Group has not issued any instruments which would have an impact on earnings per share when exercised.

12 PROPERTY, PLANT AND EQUIPMENT

(a) Depreciation is allocated as follows:

| | Parent Company | | Group | |
|--|----------------|------------|----------------|------------|
| | 2020 RO | 2019 RO | 2020 RO | 2019 RO |
| Cost of sales (note 4) | 518,662 | 532,699 | 699,620 | 717,380 |
| General and administrative expenses (note 6) | 80,780 | 81,472 | 113,711 | 113,243 |
| Selling and distribution expenses (note 5) | 12,435 | 12,534 | 12,435 | 12,534 |
| | 611,877 | 626,705 | 825,766 | 843,157 |

13 INTANGIBLE ASSETS

| | Parent Company | | Group | |
|---------------------------------|------------------|------------|------------------|------------|
| | 2020 RO | 2019 RO | 2020 RO | 2019 RO |
| Cost | | | | |
| At 1 January | 510,820 | 510,820 | 578,828 | 575,977 |
| Addition for the year | - | - | - | - |
| At 30 th. June | 510,820 | 510,820 | 578,828 | 575,977 |
| Accumulated amortisation | | | | |
| At 1 January | (502,675) | (429,465) | (540,320) | (453,652) |
| Charge for the year | (6,735) | (50,662) | (13,517) | (57,124) |
| At 30 th. June | (509,410) | (480,127) | (553,837) | (510,776) |
| Net book amount | | | | |
| At 30 th. June | 1,410 | 30,693 | 24,991 | 65,201 |

Intangible assets include computer software system and are being amortised over the estimated useful life of 5 years.

A'SAFFA FOODS SAOG
 NOTES TO THE FINANCIAL STATEMENTS
 At 30Th. June 2020

Amortisation is allocated as follows:

| | Parent Company | | Group | |
|--|-----------------------|---------------|---------------|---------------|
| | 2020 | 2019 | 2020 | 2019 |
| | RO | RO | RO | RO |
| Cost of sales (note 4) | 2,245 | 16,888 | 8,010 | 22,811 |
| Sellind and distribution expenses (note 5) | 2,245 | 16,887 | 2,245 | 16,887 |
| General and administrative expenses (note 6) | 2,245 | 16,887 | 3,262 | 17,856 |
| | 6,735 | 50,662 | 13,517 | 57,554 |

14 INVESTMENT IN SUBSIDIARIES

| | % holding | Year of incorporation | Parent Company | |
|-----------------------------|------------------|------------------------------|-----------------------|------------------|
| | | | 2020 | 2019 |
| | | | RO | RO |
| A'Saffa Food Processing LLC | 100% | 2011 | 1,350,000 | 1,350,000 |
| A'Saffa Logistics LLC | 100% | 2014 | 1,600,000 | 1,600,000 |
| | | | 2,950,000 | 2,950,000 |

15 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Movement in investment in associates are as follows:

| | Parent and Group | |
|--------------------------------|-------------------------|------------------|
| | 2020 | 2019 |
| | RO | RO |
| Al Namaa Poultry Co. SAOC | 2,651,200 | 2,651,200 |
| Osool Poultry Company SAOC | 4,141,044 | 1,831,844 |
| Share of losses from associate | (404,706) | (413,906) |
| | 6,387,538 | 4,069,138 |

A'Namaa Poultry Company SAOC financial results were not incorporated in the half yearly financial due to non-receipt of financials.

A'SAFFA FOODS SAOG
 NOTES TO THE FINANCIAL STATEMENTS
 At 30Th. June 2020

16 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

| | Parent Company | | Group | |
|---------------------------|----------------|------------|------------|------------|
| | 2020 RO | 2019 RO | 2020 RO | 2019 RO |
| Unquoted local investment | 47,671 | 47,671 | 47,671 | 47,671 |

17 INVENTORIES

| | Parent Company | | Group | |
|-------------------------------|------------------|------------------|------------------|------------------|
| | 2020 RO | 2019 RO | 2020 RO | 2019 RO |
| Raw materials and consumables | 2,770,265 | 1,944,749 | 3,295,523 | 2,713,746 |
| Finished products | 1,066,918 | 975,538 | 1,198,088 | 1,006,619 |
| Stores and spares | 939,907 | 992,110 | 1,131,795 | 1,171,332 |
| | 4,777,090 | 3,912,397 | 5,625,406 | 4,891,697 |

18 BIOLOGICAL ASSETS

| | Parent Company | | Group | |
|--|------------------|------------------|------------------|------------------|
| | 2020 RO | 2019 RO | 2020 RO | 2019 RO |
| Mature biological assets (Broiler birds) | 813,445 | 760,981 | 813,445 | 760,981 |
| Immature biological assets (Parent day old chicks) | 434,185 | 436,616 | 434,185 | 436,616 |
| Hatchable eggs | 318,745 | 137,556 | 318,745 | 137,556 |
| | 1,566,375 | 1,335,153 | 1,566,375 | 1,335,153 |

19 TRADE AND OTHER RECEIVABLES

| | Parent Company | | Group | |
|--|-------------------|-------------------|-------------------|-------------------|
| | 2020 RO | 2019 RO | 2020 RO | 2019 RO |
| Trade receivables | 7,656,674 | 8,411,811 | 7,939,760 | 8,624,966 |
| Less: allowance for expected credit losses | (378,299) | (163,990) | (427,576) | (163,990) |
| | 7,278,375 | 8,247,821 | 7,512,184 | 8,460,976 |
| Due from a related party | 632,000 | 750,000 | - | - |
| Advance to staff and suppliers | 2,072,188 | 2,138,371 | 2,077,652 | 2,282,163 |
| Prepayments | 579,657 | 288,742 | 649,874 | 356,368 |
| | 10,562,220 | 11,424,934 | 10,239,710 | 11,099,507 |

20 CASH AND BANK BALANCES

| | Parent Company | | Group | |
|--------------|----------------|----------------|----------------|----------------|
| | 2020 RO | 2019 RO | 2020 RO | 2019 RO |
| Cash on hand | 19,113 | 24,570 | 22,013 | 25,870 |
| Cash at bank | 303,379 | 111,071 | 353,597 | 149,725 |
| | 322,492 | 135,641 | 375,610 | 175,595 |

A'SAFFA FOODS SAOG
NOTES TO THE FINANCIAL STATEMENTS
At 30Th. June 2020

21 TERM DEPOSITS

| | Parent Company | | Group | |
|-------------------------------------|------------------|------------|------------------|------------|
| | 2020 RO | 2019 RO | 2020 RO | 2019 RO |
| Non-current: | | | | |
| Long term deposit | - | - | - | - |
| Current: | | | | |
| Short term deposits (see (b) below) | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 |

25 BORROWINGS

Non-current:

| | Parent Company | | Group | |
|---|-------------------|------------|-------------------|------------|
| | 2020 RO | 2019 RO | 2020 RO | 2019 RO |
| Term loans from commercial banks: | | | | |
| Term loan | 30,928,031 | 12,054,945 | 32,535,925 | 13,167,715 |
| | 30,928,031 | 12,054,945 | 32,535,925 | 13,167,715 |
| Less: current portion of term loans included under current borrowings | - | | (507,512) | |
| | 30,928,031 | 12,054,945 | 32,028,413 | 13,167,715 |

Current:

| | Parent Company | | Group | |
|------------------------------------|------------------|------------------|------------------|------------------|
| | 2020 RO | 2019 RO | 2020 RO | 2019 RO |
| Current portion of long term loans | - | | 507,512 | 480,000 |
| Short Term Borrowing | 2,817,990 | 4,169,141 | 2,817,990 | 4,169,141 |
| Bank overdrafts (see d below) | 2,267,151 | 2,276,198 | 2,841,218 | 2,276,198 |
| | 5,085,141 | 6,445,339 | 6,166,720 | 6,925,339 |

27 TRADE AND OTHER PAYABLES

| | Parent Company | | Group | |
|-------------------------|------------------|------------------|------------------|------------------|
| | 2020 RO | 2019 RO | 2020 RO | 2019 RO |
| Trade payables | 5,200,775 | 4,186,799 | 5,627,573 | 5,424,254 |
| Accruals | 111,205 | 535,847 | 398,650 | 603,560 |
| Tax payable (note 10) | 129,081 | 139,422 | 214,990 | 157,155 |
| Other payables | - | 6,000 | - | 6,000 |
| Advances from customers | - | | 45,954 | - |
| Retentions payable | 1,188,014 | 866,757 | 1,188,014 | 866,757 |
| | 6,629,075 | 5,734,825 | 7,475,181 | 7,057,726 |

A'SAFFA FOODS SAOG
 NOTES TO THE FINANCIAL STATEMENTS
 At 30Th. June 2020

28 NET ASSETS PER SHARE

Net assets per share are calculated by dividing the net assets attributable to shareholders of the Parent Company and the Group at the year end by the number of shares outstanding at the year end as follows:

| | Parent Company | | Group | |
|------------------------------|-----------------------|-------------|--------------------|-------------|
| | 2020 | 2019 | 2020 | 2019 |
| | RO | RO | RO | RO |
| Net assets (RO) | 39,801,784 | 38,624,174 | 42,375,211 | 40,535,157 |
| Number of shares at 31 March | 120,000,000 | 120,000,000 | 120,000,000 | 120,000,000 |
| Net assets per share (RO) | 0.332 | 0.322 | 0.353 | 0.338 |

29 CASH GENERATED FROM OPERATIONS

| | Parent Company | | Group | |
|---------------------------------------|-----------------------|------------------|--------------------|------------------|
| | 2020 | 2019 | 2020 | 2019 |
| | RO | RO | RO | RO |
| Operating activities | | | | |
| Profit after taxation | 641,505 | 790,058 | 1,114,047 | 1,189,956 |
| Adjustment for: | | | | |
| Depreciation | 611,877 | 626,705 | 825,766 | 843,157 |
| Amortisation | 6,735 | 50,662 | 13,517 | 57,554 |
| Net Finance Cost | 195,080 | 7,649 | 248,844 | 84,511 |
| Share of loss from associate | 14,941 | 118,836 | 14,941 | 118,836 |
| End of service benefits | - | - | - | - |
| | 1,470,138 | 1,593,910 | 2,217,115 | 2,294,014 |
| Working capital changes: | | | | |
| Inventories and biological assets | (400,453) | (123,513) | (387,084) | (202,560) |
| Trade and other receivables | (478,120) | 2,415,181 | (1,183,835) | 2,271,304 |
| Trade and other payables | (1,618,292) | 1,101,620 | (1,307,467) | 1,365,840 |
| Cash generated from operations | (1,026,727) | 4,987,198 | (661,271) | 5,728,598 |