

A'Saffa Foods SAOG

Director's Report for the First Half Results – Year 2023

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 2023.

Performance Review

Sales for the 1st Half ended 30th June 2023 was RO. 25,439,040/- as compared to RO. 26,406,021/- during the same period of 2022. The Net Profit (consolidated) for the period ended 30th June 2023 was RO. 1,370,345/- as compared to net loss (consolidated) of RO. 100,007/- for the same period of 2022.

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

Statement of Financial position, Current/ non-current	Consolidated		Standalone		Actuals/Omani Rial/Unaudited	
	30/06/2023	30/06/2023	30/06/2022	30/06/2022	31/12/2022	31/12/2022
STATEMENT OF FINANCIAL POSITION						
CONSOLIDATED AND SEPARATE						
ASSETS						
NON-CURRENT ASSETS						
Goodwill	0	0	0		0	0
Property, plant and equipment	61,161,719	53,734,210	63,919,336	56,110,440	62,563,426	54,954,946
Right-of-use assets	1,444,416	933,710	1,727,293	1,178,448	1,562,263	1,033,296
Investments in subsidiaries	0	2,950,000		2,950,000		2,950,000
Investments accounted for using equity method	5,623,547	5,623,547	6,441,099	6,441,099	5,817,405	5,817,405
Non-current financial assets at fair value through profit or loss	47,671	47,671	47,671	47,671	47,671	47,671
Non-current financial assets at fair value through other comprehensive income	0		2,427,217	2,427,217		
Total non-current assets	68,277,353	63,289,138	74,562,616	69,154,875	69,990,765	64,803,318
CURRENT ASSETS						
Current inventories	12,495,622	11,410,393	11,301,034	10,451,189	11,554,003	10,854,765
Trade and other current receivables	12,967,611	13,021,501	14,174,055	14,183,471	11,666,155	11,442,849
Current biological assets	3,269,452	3,269,452	3,047,296	3,047,296	3,002,585	3,002,585
Cash and bank balances	(71,353)	(155,200)	(1,382,702)	(1,009,509)	(892,021)	(1,104,993)
Other current financial assets	3,300,000	3,300,000	2,000,000	2,000,000	2,000,000	2,000,000
Total current assets other than non-current assets or disposal groups classified as held for sale or as held for distribution to owners	31,961,332	30,846,146	29,139,683	28,672,447	27,330,722	26,195,206
Total current assets	31,961,332	30,846,146	29,139,683	28,672,447	27,330,722	26,195,206
Total assets	100,238,685	94,135,284	103,702,299	97,827,322	97,321,487	90,998,524
EQUITY AND LIABILITIES						
EQUITY						
Issued capital	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000
Statutory reserve	2,107,157	1,568,358	4,456,346	3,995,575	4,497,763	1,568,358
Retained earnings (accumulated Losses)	25,033,035	20,380,024	22,941,704	18,990,966	21,272,084	19,420,036
Total equity attributable to owners of parent	39,140,192	33,948,382	39,398,050	34,986,541	37,769,847	32,988,394
Total equity	39,140,192	33,948,382	39,398,050	34,986,541	37,769,847	32,988,394
LIABILITIES						
NON-CURRENT LIABILITIES						
NON-CURRENT PROVISIONS						
Non-current provisions for employee benefits	1,220,122	1,122,366	1,181,590	1,096,793	1,222,864	1,132,118
Total non-current provisions	1,220,122	1,122,366	1,181,590	1,096,793	1,222,864	1,132,118
Borrowings, non current	35,102,560	34,901,375	35,985,516	35,510,943	35,463,637	35,206,161
Non-current lease liabilities	1,320,181	766,820	1,679,113	1,073,270	1,503,845	933,295
Deferred tax liabilities	453,722	228,478	373,957	158,302	453,723	228,478
Total non-current liabilities	38,096,585	37,019,039	39,220,176	37,839,308	38,644,069	37,500,052
CURRENT LIABILITIES						
CURRENT PROVISIONS						
Trade and other current payables	10,442,579	10,925,796	8,847,875	9,293,294	7,061,026	7,133,892
Borrowings, current	12,099,119	11,951,481	15,867,655	15,486,408	13,442,737	13,154,418
Current lease liabilities	327,767	290,586	244,540	221,771	244,540	221,768
Current tax liabilities, current	132,443		124,003		159,268	
Total current liabilities other than liabilities included in disposal groups classified as held for sale	23,001,908	23,167,863	25,084,073	25,001,473	20,907,571	20,510,078
Total current liabilities	23,001,908	23,167,863	25,084,073	25,001,473	20,907,571	20,510,078
Total liabilities	61,098,493	60,186,902	64,304,249	62,840,781	59,551,640	58,010,130
Total equity and liabilities	100,238,685	94,135,284	103,702,299	97,827,322	97,321,487	90,998,524
Number of outstanding shares			12000000			
Net assets per share	0.326		0.328			

Subclassifications of Assets, Liabilities and Equity, Current, Non-current	Consolidated		Standalone		Actuals/Omani Rial/Unaudited	
	30/06/2023	30/06/2023	30/06/2022	30/06/2022	31/12/2022	31/12/2022
SUBCLASSIFICATIONS OF ASSETS, LIABILITIES AND EQUITIES						
CONSOLIDATED AND SEPARATE						
ASSETS						
NON-CURRENT ASSETS						
EXPLORATION AND EVALUATION ASSETS						
INVESTMENT ACCOUNTED FOR USING EQUITY METHOD						
Investments in associates using equity method	5,623,547	5,623,547	6,441,099	6,441,099	5,817,405	5,817,405
Total investments accounted for using equity method	5,623,547	5,623,547	6,441,099	6,441,099	5,817,405	5,817,405
INVESTMENT PROPERTIES						
INVESTMENT PROPERTIES AT COST						
INVESTMENT PROPERTIES AT FAIR VALUE						
OTHER NON-CURRENT NON-FINANCIALASSETS						
CURRENT ASSETS						
INVENTORIES						
Raw materials	5,040,721	4,146,459	4,727,280	4,044,031	5,658,925	5,134,205
Finished goods	5,588,891	5,679,999	5,045,900	5,109,406	4,259,858	4,344,425
Current spare parts	1,866,010	1,583,935	1,527,854	1,297,752	1,635,220	1,376,135
Total inventories, current	12,495,622	11,410,393	11,301,034	10,451,189	11,554,003	10,854,765
TRADE AND OTHER CURRENT RECEIVABLES						
Accounts receivables	10,452,477	10,294,750	11,549,738	11,360,120	9,959,780	9,553,740
Receivables due from related parties		369,499		368,247	50,638	437,280
PREPAYMENTS, ADVANCES AND ACCRUED INCOME						
Prepayments	411,380	355,297	245,693	142,790	136,841	104,736
Advances	2,007,299	1,916,370	1,855,185	1,748,980	976,611	833,724
Total prepayments and accrued income	2,418,679	2,271,667	2,100,878	1,891,770	1,113,452	938,460

INTERIM CONDENSED FINANCIAL STATEMENTS WERE APPROVED BY THE BOARD OF DIRECTORS ON 27 Jul 2023

Other receivables	729,372	669,225	1,006,010	996,628	542,285	513,369
Allowance for expected credit losses	632,917	583,640	482,571	433,294	0	
Total trade and other current receivables	12,967,611	13,021,501	14,174,055	14,183,471	11,666,155	11,442,849
CASH AND CASH EQUIVALENTS						
CASH						
Cash on hand	157,170	154,406	84,841	82,575	116,347	113,662
Balances with banks	(228,523)	(309,606)	(1,467,543)	(1,092,084)	(1,008,368)	(1,218,655)
Total cash	(71,353)	(155,200)	(1,382,702)	(1,009,509)	(892,021)	(1,104,993)
CASH EQUIVALENTS						
Total cash and cash equivalents	(71,353)	(155,200)	(1,382,702)	(1,009,509)	(892,021)	(1,104,993)
Total cash and bank balances	(71,353)	(155,200)	(1,382,702)	(1,009,509)	(892,021)	(1,104,993)
OTHER CURRENT NON-FINANCIAL ASSETS						
EQUITY						
OTHER RESERVES						
LIABILITIES						
NON-CURRENT LIABILITIES						
NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFITS						
Employee End of Term Benefits, non current	1,220,122	1,122,366	1,181,590	1,096,793	1,222,864	1,132,118
Total non-current provisions for employee benefits	1,220,122	1,122,366	1,181,590	1,096,793	1,222,864	1,132,118
BORROWINGS, NON CURRENT						
Borrowings from banks and other financial institutions, non current	35,102,560	34,901,375	35,985,516	35,510,943	35,463,637	35,206,161
Total borrowings, non current	35,102,560	34,901,375	35,985,516	35,510,943	35,463,637	35,206,161
CURRENT LIABILITIES						
CURRENT PROVISIONS FOR EMPLOYEE BENEFITS						
TRADE AND OTHER CURRENT PAYABLES						
Trade payable	5,927,201	5,503,163	3,925,273	3,420,296	3,008,538	2,797,732
Payables to related parties		1,168,829		1,308,114	128,616	1,087,794
ACCRUALS AND DEFERRED INCOME						
Accruals	289,292	257,253	302,942	250,155	232,756	194,000
Total accruals and deferred income	289,292	257,253	302,942	250,155	232,756	194,000
Other payables	4,226,086	3,996,551	4,619,660	4,314,729	3,691,116	3,054,366
Total trade and other current payables	10,442,579	10,925,796	8,847,875	9,293,294	7,061,026	7,133,892
BORROWINGS, CURRENT						
Borrowings from banks and other financial institutions, current	12,099,119	11,951,481	15,867,655	15,486,408	13,442,737	13,154,418
Total borrowings, current	12,099,119	11,951,481	15,867,655	15,486,408	13,442,737	13,154,418

Income Statement - Function of expense	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone
	01/04/2023- 30/06/2023	01/04/2023- 30/06/2023	01/04/2022- 30/06/2022	01/04/2022- 30/06/2022	01/01/2023- 30/06/2023	01/01/2023- 30/06/2023	01/01/2022- 30/06/2022	01/01/2022- 30/06/2022
PROFIT OR LOSS								
CONSOLIDATED AND SEPARATE								
PROFIT (LOSS)								
Revenue	12,080,910	12,044,632	14,026,441	14,025,286	25,439,040	25,316,077	26,406,021	26,255,793
Cost of sales	8,586,026	8,691,790	10,587,068	10,628,181	18,161,015	18,392,473	20,752,005	20,864,358
Gross profit	3,494,884	3,352,842	3,439,373	3,397,105	7,278,025	6,923,604	5,654,016	5,391,435
Other income	9,987	9,206	800	0	10,587	9,206	224,932	224,132
General and administrative expense	568,710	488,603	583,864	540,530	1,176,592	1,014,337	1,168,596	1,029,473
Selling, distribution and marketing expenses	1,596,230	1,770,140	1,554,520	1,765,775	3,243,474	3,566,771	3,053,743	3,425,008
Profit (loss) from operating activities	1,339,931	1,103,305	1,301,789	1,090,800	2,868,546	2,351,702	1,656,609	1,161,086
Finance income	12,536	12,536	17,454	17,454	40,135	40,135	34,716	34,716
Finance costs	593,301	572,101	747,181	710,717	1,272,063	1,237,991	1,528,368	1,465,963
Share of profit (loss) of associates and joint ventures accounted for using equity method	(128,108)	(128,108)	(177,213)	(177,213)	(193,858)	(193,858)	(197,997)	(197,997)
Profit (loss) before income tax, continuing operations	631,058	415,632	394,849	220,324	1,442,760	959,988	(35,040)	(468,158)
Income tax expense, continuing operations	32,313	0	26,179	0	72,415		64,967	
Profit (loss) from continuing operations	598,745	415,632	368,670	220,324	1,370,345	959,988	(100,007)	(468,158)
Net Profit / (Loss) for the period	598,745	415,632	368,670	220,324	1,370,345	959,988	(100,007)	(468,158)
PROFIT (LOSS), ATTRIBUTABLE TO								
Profit (loss), attributable to owners of parent	598,745		368,670		1,370,345		(100,007)	
Profit (loss), attributable to non-controlling interests	0		0		0		0	
BASIC AND DILUTED EARNINGS PER SHARE								
BASIC EARNINGS PER SHARE								
Basic earnings (loss) per share from continuing operations	0.004	0.003	0.003	0.001	0.011	0.008	(0.001)	(0.004)
Basic earnings (loss) per share from discontinued operations	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total basic earnings (loss) per share	0.004	0.003	0.003	0.001	0.011	0.008	(0.001)	(0.004)
DILUTED EARNINGS PER SHARE								
Diluted earnings (loss) per share from continuing operations	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Diluted earnings (loss) per share from discontinued operations	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total diluted earnings (loss) per share	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000

Statement of comprehensive income - Net of tax	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone
	01/04/2023- 30/06/2023	01/04/2023- 30/06/2023	01/04/2022- 30/06/2022	01/04/2022- 30/06/2022	01/01/2023- 30/06/2023	01/01/2023- 30/06/2023	01/01/2022- 30/06/2022	01/01/2022- 30/06/2022
STATEMENT OF COMPREHENSIVE INCOME								
CONSOLIDATED AND SEPARATE								
Net Profit / (Loss) for the period	598,745	415,632	368,670	220,324	1,370,345	959,988	(100,007)	(468,158)
OTHER COMPREHENSIVE INCOME								
OTHER COMPREHENSIVE INCOME (LOSS) TO BE RECLASSIFIED TO STATEMENT OF INCOME IN SUBSEQUENT PERIODS, NET OF TAX								
OTHER COMPREHENSIVE INCOME (LOSS) NOT TO BE RECLASSIFIED TO STATEMENT OF INCOME IN SUBSEQUENT PERIODS								
Total comprehensive income	598,745	415,632	368,670	220,324	1,370,345	959,988	(100,007)	(468,158)
COMPREHENSIVE INCOME ATTRIBUTABLE TO								
Comprehensive income, attributable to owners of parent	598,745		368,670		1,370,345		(100,007)	
Comprehensive income, attributable to non-controlling interests	0		0		0		0	

	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone
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INTERIM CONDENSED FINANCIAL STATEMENTS WERE APPROVED BY THE BOARD OF DIRECTORS ON 27 Jul 2023

Analysis of Income and Expense - Function of Expense	01/04/2023-30/06/2023	01/04/2023-30/06/2023	01/04/2022-30/06/2022	01/04/2022-30/06/2022	01/01/2023-30/06/2023	01/01/2023-30/06/2023	01/01/2022-30/06/2022	01/01/2022-30/06/2022
ANALYSIS OF INCOME AND EXPENSE								
CONSOLIDATED AND SEPARATE								
REVENUE								
Revenue from sale of goods	12,026,089	12,044,632	13,976,718	14,025,286	25,316,077	25,316,077	26,255,793	26,255,793
Revenue from rendering of services	54,821		49,723		122,963		150,228	
Total revenue	12,080,910	12,044,632	14,026,441	14,025,286	25,439,040	25,316,077	26,406,021	26,255,793
OTHER INCOME								
Miscellaneous income	9,987	9,206	800	0	10,587	9,206	224,932	224,132
Total other income	9,987	9,206	800	0	10,587	9,206	224,932	224,132
EXPENSES								
COST OF SALES								
Cost of material consumed	5,108,494	5,669,021	7,429,068	7,929,404	11,554,406	12,700,899	14,242,762	15,302,586
Employee benefit expenses	1,473,480	1,262,103	1,243,484	1,027,920	2,786,672	2,368,927	2,525,010	2,125,212
Fuel and electricity	492,664	429,833	759,197	684,986	1,004,529	878,901	1,427,006	1,269,946
Depreciation and amortisation	962,047	849,492	840,816	721,494	1,856,649	1,636,748	1,690,967	1,462,033
Other cost of goods sold	549,341	481,341	314,503	264,377	958,759	806,998	866,260	704,581
Total Cost of sales	8,586,026	8,691,790	10,587,068	10,628,181	18,161,015	18,392,473	20,752,005	20,864,358
SELLING, DISTRIBUTION AND MARKETING EXPENSES								
Packaging and dispatch charges	546,080	546,080	561,304	561,304	1,088,463	1,088,463	975,932	975,932
Employee benefit expense	537,839	537,839	546,883	546,883	1,085,204	1,085,204	1,022,376	1,022,376
Depreciation and amortisation	66,711	66,711	74,248	74,248	147,703	147,703	158,994	158,994
Advertising expense	117,880	117,880	107,518	107,519	227,012	227,012	237,884	237,884
Other selling and distribution expenses	327,720	501,630	264,567	475,821	695,092	1,018,389	658,557	1,029,822
Total selling, distribution and marketing expenses	1,596,230	1,770,140	1,554,520	1,765,775	3,243,474	3,566,771	3,053,743	3,425,008
GENERAL AND ADMINISTRATIVE EXPENSES								
Rent and utility expenses	0	27,129	(27,129)	27,129		54,258		54,258
Employee benefit expenses	402,402	319,828	438,315	370,552	819,156	664,422	762,494	626,587
Director's remuneration and sitting fees	9,950	9,100	11,900	11,900	29,300	25,900	22,000	20,300
Expected credit losses - trade and other receivables	0	0	12,086	12,086	(8,584)	(8,584)	63,500	63,500
Depreciation and amortisation	46,667	36,068	85,375	74,759	90,704	69,564	126,635	105,520
Head office expenses	1,904	1,904	4,228	4,229	7,950	10,774	4,569	10,539
Professional and consultants fees	25,950	20,650	27,319	18,170	53,282	41,257	56,841	40,005
Legal and professional expense					0		0	
Registrations and renewals	4,561	5,073	2,696	1,609	18,610	10,940	14,280	13,848
Vehicle expenses	6,733	6,101	7,657	6,708	13,276	11,696	13,729	11,833
Printing and stationary	667	531	(166)	(341)	1,228	918	287	24
Other expenses and fees	69,876	62,219	21,583	13,729	151,670	133,192	104,261	83,059
Total General and administrative expenses	568,710	488,603	583,864	540,530	1,176,592	1,014,337	1,168,596	1,029,473

INTERIM CONDENSED FINANCIAL STATEMENTS WERE APPROVED BY THE BOARD OF DIRECTORS ON 27 Jul 2023

Statement of cash flows, indirect method	Consolidated		Actuals/Omani Rial/Unaudited	
	01/01/2023-30/06/2023	Standalone 01/01/2023-30/06/2023	Consolidated 01/01/2022-30/06/2022	Standalone 01/01/2022-30/06/2022
STATEMENT OF CASH FLOWS				
CONSOLIDATED AND SEPARATE				
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES				
Profit (loss) before tax	1,442,760	959,988	(35,040)	(468,158)
ADJUSTMENTS TO RECONCILE PROFIT (LOSS)				
Adjustments for depreciation and amortisation expense	1,961,472	1,739,101	1,793,872	1,563,264
Adjustments for other provisions	(72,415)		(64,968)	
Adjustments for undistributed profits of associates	(193,858)	(193,858)	(197,997)	(197,997)
Total adjustments to reconcile profit (loss)	2,082,915	1,932,959	1,926,901	1,761,261
Cash flows from (used in) operations before changes in working capital	3,525,675	2,892,947	1,891,861	1,293,103
WORKING CAPITAL CHANGES				
Adjustments for decrease (increase) in inventories	(1,208,484)	(822,495)	(1,506,585)	(1,386,879)
Adjustments for decrease (increase) in trade and other receivables	(1,880,620)	(1,578,651)	(4,251,459)	(3,946,572)
Adjustments for increase (decrease) in trade and other payables	3,845,193	3,684,494	971,934	960,896
Total adjustments to working capital changes	756,089	1,283,348	(4,786,110)	(4,372,555)
Cash flows from (used in) operations	4,281,764	4,176,295	(2,894,249)	(3,079,452)
Net cash flows from (used in) operating activities	4,281,764	4,176,295	(2,894,249)	(3,079,452)
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES				
Purchase of property, plant and equipment, classified as investing activities	460,179	418,779	(617,645)	(614,157)
Net cash flows from (used in) investing activities	(460,179)	(418,779)	617,645	614,157
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES				
Proceeds from borrowings			4,148,120	4,457,374
Repayments of borrowings	1,700,917	1,507,723		
Other inflows (outflows) of cash, classified as financing activities	(1,300,000)	(1,300,000)	0	
Net cash flows from (used in) financing activities	(3,000,917)	(2,807,723)	4,148,120	4,457,374
Net increase (decrease) in cash and cash equivalents before effect of exchange rate changes	820,668	949,793	1,871,516	1,992,079
Net increase (decrease) in cash and cash equivalents	820,668	949,793	1,871,516	1,992,079
Cash and cash equivalents at beginning of period	(892,021)	(1,104,993)	(3,254,218)	(3,001,588)
Cash and cash equivalents at end of period	(71,353)	(155,200)	(1,382,702)	(1,009,509)

Statement of changes in equity	Total equity attributable to owners of parent Consolidated 01/01/2023-30/06/2023	Issued capital Consolidated 01/01/2023-30/06/2023	Issued capital Standalone 01/01/2023-30/06/2023	Other reserves Consolidated 01/01/2023-30/06/2023	Other reserves Standalone 01/01/2023-30/06/2023	Retained earnings (accumulated Losses) Consolidated 01/01/2023-30/06/2023	Retained earnings (accumulated Losses) Standalone 01/01/2023-30/06/2023	Statutory reserve Consolidated 01/01/2023-30/06/2023	Statutory reserve Standalone 01/01/2023-30/06/2023	Actuals/Omani Rial/U/audited	
										Consolidated 01/01/2023-30/06/2023	Standalone 01/01/2023-30/06/2023
STATEMENT OF CHANGES IN EQUITY											
STATEMENT OF CHANGES IN EQUITY											
Equity at beginning of period (before adjustments)	37,769,847	12,000,000	12,000,000	(2,431,642)	(2,431,642)	23,703,726	19,420,036	4,497,763	4,000,000	37,769,847	32,988,394
Equity at beginning of period (after adjustments)	37,769,847	12,000,000	12,000,000	(2,431,642)	(2,431,642)	23,703,726	19,420,036	4,497,763	4,000,000	37,769,847	32,988,394
CHANGES IN EQUITY											
COMPREHENSIVE INCOME											
Net Profit / (Loss) for the period	1,370,345					1,370,345	959,988			1,370,345	959,988
Total comprehensive income	1,370,345					1,370,345	959,988			1,370,345	959,988
Transfer to reserve	0				(41,036)			41,036		0	
Total increase (decrease) in equity	1,370,345				(41,036)	1,329,309	959,988	41,036		1,370,345	959,988
Equity at end of period	39,140,192	12,000,000	12,000,000	(2,431,642)	(2,431,642)	25,033,035	20,380,024	4,538,799	4,000,000	39,140,192	33,948,382

Statement of changes in equity	Total equity attributable to owners of parent Consolidated 01/01/2022-30/06/2022	Issued capital Consolidated 01/01/2022-30/06/2022	Issued capital Standalone 01/01/2022-30/06/2022	Other reserves Consolidated 01/01/2022-30/06/2022	Other reserves Standalone 01/01/2022-30/06/2022	Retained earnings (accumulated Losses) Consolidated 01/01/2022-30/06/2022	Retained earnings (accumulated Losses) Standalone 01/01/2022-30/06/2022	Statutory reserve Consolidated 01/01/2022-30/06/2022	Statutory reserve Standalone 01/01/2022-30/06/2022	Actuals/Omani Rial/U/audited	
										Consolidated 01/01/2022-30/06/2022	Standalone 01/01/2022-30/06/2022
STATEMENT OF CHANGES IN EQUITY											
STATEMENT OF CHANGES IN EQUITY											
Equity at beginning of period (before adjustments)	39,498,057	12,000,000	12,000,000	(4,425)	(4,425)	23,079,065	19,459,124	4,423,417	4,000,000	39,498,057	35,454,699
Equity at beginning of period (after adjustments)	39,498,057	12,000,000	12,000,000	(4,425)	(4,425)	23,079,065	19,459,124	4,423,417	4,000,000	39,498,057	35,454,699
CHANGES IN EQUITY											
COMPREHENSIVE INCOME											
Net Profit / (Loss) for the period	(100,007)					(100,007)	(468,158)			(100,007)	(468,158)
Total comprehensive income	(100,007)					(100,007)	(468,158)			(100,007)	(468,158)
Transfer to reserve	0				(32,971)			32,971		0	
Total increase (decrease) in equity	(100,007)				(32,971)	(132,978)	(468,158)	32,971		(100,007)	(468,158)
Equity at end of period	39,398,050	12,000,000	12,000,000	(4,425)	(4,425)	22,946,087	18,990,966	4,456,388	4,000,000	39,398,050	34,986,541

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NOTES TO THE FINANCIAL STATEMENTS

From Jan To Jun 2023

4 COST OF SALES

	Parent Company		Group	
	2023 RO	2022 RO	2023 RO	2022 RO
Cost of materials consumed	12,700,899	15,302,586	11,554,406	14,242,762
Employee related costs (note 8)	2,368,927	2,125,212	2,786,672	2,525,010
Depreciation (note 12)	1,599,973	1,442,111	1,801,156	1,649,446
Fuel expenses	878,901	1,269,946	1,004,529	1,427,006
Amortisation (note 13)	-	-	48	2,158
Depreciation on ROU	36,775	19,922	55,445	39,363
Other direct expenses	806,998	704,581	958,759	866,260
	<u>18,392,473</u>	<u>20,864,358</u>	<u>18,161,015</u>	<u>20,752,005</u>

5 SELLING AND DISTRIBUTION EXPENSES

	Parent Company		Group	
	2023 RO	2022 RO	2023 RO	2022 RO
Transportation costs	1,088,463	975,932	1,088,463	975,932
Employee related costs (note 8)	1,085,204	1,022,376	1,085,204	1,022,376
Rent and storage expenses	851,205	889,255	527,908	517,990
Advertisement and sales promotion	227,012	237,884	227,012	237,884
Insurance	86,594	53,188	86,594	53,188
Communication	15,578	10,668	15,578	10,668
Depreciation on property plant & equipment (note 12)	69,564	15,633	69,564	15,633
Depreciation on ROU	78,139	143,361	78,139	143,361
Amortisation (note 13)	-	-	-	-
Miscellaneous	65,012	76,711	65,012	76,711
	3,566,771	3,425,008	3,243,474	3,053,743

6 GENERAL AND ADMINISTRATIVE EXPENSES

	Parent Company		Group	
	2023	2022	2023	2022
	RO	RO	RO	RO
Employee related costs (note 8)	664,422	626,587	819,156	762,494
Depreciation (note 12)	69,564	105,520	90,704	126,635
Rent	54,258	54,258	-	-
Printing and stationery	918	24	1,228	287
Contributions for social causes	10,000	-	10,000	-
Business travel and meeting expenses	7,950	4,361	7,950	4,569
Professional and consultancy fees	41,257	40,005	53,282	56,841
Amortisation (note 13)	-	-	-	-
Directors' meeting attendance fees	25,900	20,300	29,300	22,000
Provision for expected credit losses (note 20)	(8,584)	63,500	(8,584)	63,500
Communication	12,604	10,556	12,604	10,556
Registration and renewals	10,940	13,848	18,610	14,280
Repairs and maintenance	2,824	6,178	2,824	6,178
Vehicle expenses		11,833	13,276	13,729
Foreign exchange loss	(2,071)	15,589	1,926	16,299
Miscellaneous	112,659	56,914	124,315	71,228
	1,014,337	1,029,473	1,176,592	1,168,596

7 OTHER OPERATING INCOME

	Parent Company		Group	
	2023	2022	2023	2022
	RO	RO	RO	RO
Miscellaneous	9,206	224,132	10,587	224,932
	9,206	224,132	10,587	224,932

8 EMPLOYEE RELATED COSTS

	Parent Company		Group	
	2023	2022	2023	2022
	RO	RO	RO	RO
Salaries, wages and other benefits	3,754,665	3,432,986	4,273,720	3,931,427
Leave salary	205,000	217,500	241,756	242,469
Air passage	51,888	42,189	60,291	46,943
End of service benefits	107,000	81,500	115,265	89,041
	4,118,553	3,774,175	4,691,032	4,309,880

	Parent Company		Group	
	2023	2022	2023	2022
	RO	RO	RO	RO
Cost of sales (note 4)	2,368,927	2,125,212	2,786,672	2,525,010
Selling and distribution expenses (note 5)	1,085,204	1,022,376	1,085,204	1,022,376
General and administrative expenses (note 6)	664,422	626,587	819,156	762,494
	4,118,553	3,774,175	4,691,032	4,309,880

9 FINANCE INCOME / (COSTS) - NET

	Parent Company		Group	
	2023 RO	2022 RO	2023 RO	2022 RO
(a) <i>Interest expenses:</i>				
- on bank overdraft	29,279	23,580	31,221	37,914
	29,279	23,580	31,221	37,914
Financing cost on Islamic finance lease	1,170,838	1,394,605	1,184,740	1,422,701
On lease liabilities (note 23) IFRS 16	37,874	47,778	56,102	67,753
Interest expenses - net	1,237,991	1,465,963	1,272,063	1,528,368
(b) <i>Interest Income:</i>				
Interest income on deposits	(40,135)	(34,716)	(40,135)	(34,716)
Interest income	(40,135)	(34,716)	(40,135)	(34,716)
Finance income /(costs) - net	1,197,856	1,431,247	1,231,928	1,493,652

10 TAXATION

	Parent Company		Group	
	2023	2022	2023	2022
	RO	RO	RO	RO
Current tax	-	-	72,415	64,968
	<u>-</u>	<u>-</u>	<u>72,415</u>	<u>64,968</u>

11 BASIC EARNINGS PER SHARE

	Parent Company		Group	
	2023	2022	2023	2022
	RO	RO	RO	RO
Profit / (Loss) attributable to shareholders (RO)	<u>959,988</u>	(468,157)	<u>1,370,345</u>	(100,007)
Weighted average number of shares outstanding	<u>120,000,000</u>	120,000,000	<u>120,000,000</u>	120,000,000
Basic earnings / (Loss) per share (RO)	<u>0.008</u>	(0.004)	<u>0.011</u>	(0.001)

12 PROPERTY, PLANT AND EQUIPMENT

(a) Depreciation is allocated as follows:

	Parent Company		Group	
	2023	2022	2023	2022
	RO	RO	RO	RO
Cost of Sales (note 4)	1,599,973	1,442,111	1,801,156	1,649,446
General & Administrative expenses (note 6)	69,564	105,520	90,704	126,635
Selling and distribution expenses (note 5)	69,564	15,633	69,564	15,633
	<u>1,739,101</u>	<u>1,563,264</u>	<u>1,961,424</u>	<u>1,791,714</u>

13 INTANGIBLE ASSETS

	Parent Company		Group	
	2023	2022	2023	2022
	RO	RO	RO	RO
Cost				
At 1 January	510,819	510,819	578,827	578,827
Addition for the year	-	-	-	-
At 30 Jun	510,819	510,819	578,827	578,827
Accumulated amortisation				
At 1 January	510,819	510,819	578,112	575,667
Charge for the year	-	-	48	2,158
At 30 Jun	510,819	510,819	578,160	577,825
Net book amount				
At 30 Jun	-	-	667	1,002

	Parent Company		Group	
	2023	2022	2023	2022
	RO	RO	RO	RO
Cost of sales (note 4)	-	-	48	2,158
Selling and distribution expenses (note 5)	-	-	-	-
General and administrative expenses (note 6)	-	-	-	-
	-	-	48	2,158

14 INVESTMENT IN SUBSIDIARIES

	% holding	Year of incorporation	Parent Company	
			2023 RO	2022 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 INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD

	2023		2022	
	%	RO	%	RO
Osool Poultry SAOC	23.46%	5,817,405	23.47%	6,639,096
Share of losses from associate		(193,858)		(197,997)
		5,623,547		6,441,099

16 EQUITY INVESTMENT AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<u>Parent Company</u>		<u>Group</u>	
	2023	2022	2023	2022
	RO	RO	RO	RO
A'Namaa Poultry Co. SAOC	-	2,427,217	-	2,427,217
	<u>-</u>	<u>2,427,217</u>	<u>-</u>	<u>2,427,217</u>

17 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

	<u>Parent Company</u>		<u>Group</u>	
	2023	2022	2023	2022
	RO	RO	RO	RO
Unquoted local investment - Al Najd Agricultural Development SAOC.	47,671	47,671	47,671	47,671
	<u>47,671</u>	<u>47,671</u>	<u>47,671</u>	<u>47,671</u>

18 INVENTORIES

	<u>Parent Company</u>	<u>Group</u>
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	2023	2022	2023	2022
	RO	RO	RO	RO
Raw materials and consumables	4,146,459	4,044,031	5,040,721	4,727,280
Finished products	5,679,999	5,109,406	5,588,891	5,045,900
Stores and spares	1,583,935	1,297,752	1,866,010	1,527,854
	11,410,393	10,451,189	12,495,622	11,301,034

19 BIOLOGICAL ASSETS

	Parent Company		Group	
	2023	2022	2023	2022
	RO	RO	RO	RO
Mature biological assets (Broiler birds)	2,048,614	1,851,058	2,048,614	1,851,058
Immature biological assets (Parent day old chicks)	558,563	454,552	558,563	454,552
Hatchable eggs	662,275	741,686	662,275	741,686
	3,269,452	3,047,296	3,269,452	3,047,296

20 TRADE AND OTHER RECEIVABLES

	Parent Company		Group	
	2023	2022	2023	2022
	RO	RO	RO	RO
Trade receivables	10,294,750	11,360,120	10,452,477	11,549,738
Less: allowance for expected credit losses	(583,640)	(433,294)	(632,917)	(482,571)
	9,711,110	10,926,826	9,819,560	11,067,167
Due from a related party	369,499	368,247	-	-
Advance to staff and suppliers	1,916,370	1,748,980	2,007,299	1,855,185
Prepayments	355,297	142,790	411,380	245,693
Vat Input	359,617	819,610	419,764	828,992
Other receivables	309,608	177,018	309,608	177,018
	13,021,501	14,183,472	12,967,611	14,174,056

21 CASH AND BANK BALANCES

	<u>Parent Company</u>		<u>Group</u>	
	2023	2022	2023	2022
	RO	RO	RO	RO
Cash on hand	154,406	82,575	157,171	84,841
Cash at bank	39,666	345,228	120,749	463,366
	194,072	427,802	277,920	548,206

22 TERM DEPOSITS

	<u>Parent Company</u>		<u>Group</u>	
	2023	2022	2023	2022
	RO	RO	RO	RO
Non-current:				
(a) <i>Long term deposit</i>	-	-	-	-
:				
Current				
(b) <i>Short term deposits</i>	3,300,000	2,000,000	3,300,000	2,000,000

24 LEASE LIABILITIES

	Parent Company		Group	
	2023 RO	2022 RO	2023 RO	2022 RO
Land	769,082	792,969	1,359,624	1,421,590
Vehicle	288,324	502,070	288,324	502,070
Building	-	-	-	-
Total	<u>1,057,406</u>	<u>1,295,039</u>	<u>1,647,948</u>	<u>1,923,660</u>
Current	290,586	221,769	327,766	244,540
Non-current	<u>766,820</u>	<u>1,073,270</u>	<u>1,320,181</u>	<u>1,679,110</u>
Total	<u>1,057,406</u>	<u>1,295,039</u>	<u>1,647,948</u>	<u>1,923,650</u>

25 TRADE AND OTHER PAYABLES

	Parent Company		Group	
	2023 RO	2022 RO	2023 RO	2022 RO
Trade payables	5,503,163	3,420,296	5,927,201	3,925,273
Due to related party	1,168,829	1,308,114	-	-
Accruals	257,253	250,155	289,292	302,942
Tax payable	-	-	132,444	124,003
Other payables	3,019,474	2,998,914	3,249,009	3,259,891
Vat Output	-	339,915	-	383,869
Retentions payable	977,077	975,900	977,077	975,900
	10,925,796	9,293,295	10,575,024	8,971,878

26 NET ASSETS PER SHARE

	Parent Company		Group	
	2023	2022	2023	2022
	RO	RO	RO	RO
Net assets (RO)	33,948,382	34,986,542	39,140,192	39,398,050
Number of shares at 30 June	120,000,000	120,000,000	120,000,000	120,000,000
Net assets per share (RO)	0.283	0.292	0.326	0.328

27 CASH GENERATED FROM OPERATIONS

	Parent Company		Group	
	2023 RO	2022 RO	2023 RO	2022 RO
Operating activities				
Profit /(Loss) after taxation	959,988	(468,157)	1,370,345	(100,007)
Adjustment for:				
Depreciation on Property, plant and equipment	1,739,101	1,563,264	1,961,424	1,791,714
Amortization	-	-	48	2,158
Net Finance Cost	1,197,856	1,431,247	1,231,928	1,493,652
Share of loss from associates	193,858	197,997	193,858	197,997
	4,090,803	2,724,351	4,757,603	3,385,514
Working capital changes:				
Inventories & Biological Assets	(822,495)	(1,386,879)	(1,208,484)	(1,506,585)
Trade and other receivables	(1,578,651)	(3,946,572)	(1,880,620)	(4,251,459)
Trade and other payables	3,684,494	960,894	3,845,194	971,931
Cash generated from operations	5,374,151	(1,648,206)	5,513,693	(1,400,599)

PROPERTY, PLANT AND EQUIPMENT
(continued)

Parent

	Freehold Land	Buildings and improvements on leasehold land	Motor Vehicles	Bore wells	Plant and machinery	Furniture and fittings	Office equipment	Porta Cabins	Capital work-in- progress	Total
	RO	RO	RO	RO	RO	RO	RO	RO	RO	RO
Cost										
At 1 January 2022	575,868	42,913,688	1,075,460	431,700	30,255,486	302,489	495,943	233,113	246,184	76,529,931
Additions	-	7,319	65,000	-	-	-	2,284	-	116,010	190,613
Disposals	(575,868)	-	-	-	-	-	-	-	-	(575,868)
Transfer from Capital work-in-progress	-	60,948	-	-	300,586	-	-	-	(361,534)	-
At 30 June 2022	-	42,981,955	1,140,460	431,700	30,556,072	302,489	498,227	233,113	660	76,144,676
Accumulated depreciation										
At 1 January 2022	-	6,746,248	727,505	202,113	9,894,868	285,192	447,569	167,477	-	18,470,972
Charge for the year	-	710,454	55,144	10,704	765,433	3,122	12,637	5,770	-	1,563,264
Disposals	-	-	-	-	-	-	-	-	-	-
At 30 June 2022	-	7,456,702	782,649	212,817	10,660,301	288,314	460,206	173,247	-	20,034,236
Net book value										
At 30 June 2022	-	35,525,252	357,811	218,883	19,895,771	14,175	38,021	59,866	660	56,110,440

Cost

At 1 January 2023	-	42,999,116	1,339,831	431,700	30,852,125	302,489	498,227	233,113	-	76,656,601
Additions	-	23,530	471,650	-	16,850	-	-	-	6,340	518,370
Disposals	-	-	(51,200)	-	-	-	-	-	-	(51,200)
Transfer from Capital work-in-progress										-
At 30 June 2023	-	43,022,646	1,760,281	431,700	30,868,975	302,489	498,227	233,113	6,340	77,123,771

Accumulated depreciation

At 1 January 2023	-	8,179,095	843,799	233,316	11,503,268	291,448	471,615	179,115	-	21,701,656
Charge for the year	-	711,015	88,757	7,111	914,191	3,083	9,173	5,771	-	1,739,101
Disposals	-	-	(51,196)	-	-	-	-	-	-	(51,196)
At 30 June 2023	-	8,890,110	881,360	240,427	12,417,459	294,531	480,788	184,886	-	23,389,561

Net book value

30-Jun-23	-	34,132,536	878,921	191,273	18,451,516	7,958	17,439	48,227	6,340	53,734,210
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PROPERTY, PLANT AND EQUIPMENT (continued)

Group

	Freehold Land RO	Buildings and improvements on leasehold land RO	Motor vehicles RO	Bore wells RO	Plant and machinery RO	Furniture and fittings RO	Office equipment RO	Porta cabins RO	Capita work-in- progress RO	Total RO
Cost										
At 1 January 2022	575,868	49,231,997	1,288,408	431,700	34,780,279	341,016	538,222	233,113	246,184	87,666,786
Additions	-	7,319	65,000	-	-	2,300	2,313	-	116,010	192,942
Disposals	(575,868)	-	-	-	-	-	-	-	-	(575,868)
Transfer from Capital work-in-progress	-	60,948	-	-	300,586	-	-	-	(361,534)	-
At 30 June 2022	-	49,300,264	1,353,408	431,700	35,080,865	343,316	540,535	233,113	660	87,283,860
Accumulated depreciation										
At 1 January 2022	-	8,170,263	910,676	202,113	11,317,586	319,831	484,864	167,477	-	21,572,810
Charge for the year	-	814,564	60,007	10,704	882,710	4,248	13,711	5,770	-	1,791,714
Disposals	-	-	-	-	-	-	-	-	-	-
At 30 June 2022	-	8,984,827	970,683	212,817	12,200,296	324,079	498,575	173,247	-	23,364,524
Net book amounts										
At 30 June 2022	-	40,315,436	382,725	218,883	22,880,569	19,237	41,960	59,865	660	63,919,336

Cost

At 1 January 2023	-	49,347,651.00	1,552,778.00	431,700.00	35,368,821.00	343,330.00	550,236.40	233,113.40	-	87,827,630
Additions	-	27,530	513,050	-	16,850	-	-	-	2,200	559,630
Disposals	-	-	(51,200)	-	-	-	-	-	-	(51,200)
Transfer from Capital work-in-progress										-
At 30 June 2023	-	49,375,181	2,014,628	431,700	35,385,671	343,330.0	550,236	233,113	2,200	88,336,060
Accumulated depreciation										
At 1 January 2023	-	9,813,772	1,036,845	233,316	13,155,292	328,287	518,293	179,115	-	25,264,919
Charge for the year	-	824,647	97,763	7,111	1,010,860	5,559	9,715	5,631	-	1,961,285
Disposals	-	-	(51,196)	-	-	-	-	-	-	(51,196)
At 30 June 2023	-	10,638,419	1,083,412	240,427	14,166,152	333,845.9	528,007	184,745	-	27,175,008
Net book value										
30-Jun-23	-	38,736,762	931,216	191,273	21,219,519	9,484	22,229	48,368	2,200	61,161,052