

On behalf of the Board of Directors of A'saffa Foods SAOG, I have pleasure in presenting the financial results for the 1st Quarter ended 31st March, 2012 .

The Company further improved its operating performance during Q1 of 2012 by increasing its production and sales activities. Our Sales for 1st Quarter ended 31st March, 2012 have increased to RO. 5,841,102 /- as compared to RO. 5,097,368 /- during the same period of 2011 showing an increase of 14.59 %. Profit of RO. 1,061,594 /- has been achieved during 1st Quarter of 2012 as compared to net profit of RO. 915,438 /- (before income tax) for the same period of 2011.

We would like to express our sincere gratitude to His Majesty Sultan Qaboos Bin Said for the encouragement and support given by his Government and pray to ALMIGHTY ALLAH 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.

Engr. Saleh Mohammed Al Shanfari

CHAIRMAN



A'saffa Foods S.A.O.G
Balance Sheet
 As at 31 March , 2012

	Consolidated		Parents Company	
	Jan - March 2012		Jan - March 2012	
	RO	RO	RO	RO
ASSETS				
Non Current Assets:				
Property, Plant & Equipment	18,652,179	18,652,179	16,465,604	
Capital Advances	655,720	233,770		
Investment in subsidiary		1,000,000		
Total Non Current Assets	19,307,899	19,885,949	16,465,604	
Current Assets:				
Biological assets	1,023,845	1,023,845	950,980	
Inventories	2,420,645	2,420,645	3,287,701	
Receivables & Prepayments	5,457,219	5,460,577	4,197,602	
Cash and bank balances	4,344,005	3,749,607	3,615,842	
Investment	50,000	50,000	50,000	
Total Current Assets	13,295,715	12,704,675	12,102,125	
TOTAL ASSETS	32,603,614	32,590,624	28,567,729	

SHARE HOLDERS EQUITY & LIABILITIES

Shareholder's Equity:				
Share Capital	11,025,000	11,025,000	10,500,000	
Legal Reserve	1,363,144	1,363,144	952,993	
Accumulated Profits / (Losses)	4,516,413	4,520,582	2,614,226	
Total Shareholder's Equity	16,904,558	16,908,726	14,067,220	
Liabilities				
Non-Current Liabilities				
Term Loans	8,393,918	8,393,918	8,026,924	
Employees Terminal Benefits	178,299	178,299	120,264	
Total Non-current Liabilities	8,572,218	8,572,218	8,147,188	
Current Liabilities:				
Term Loans- Current Maturity	1,747,012	1,747,012	1,993,092	
Bank borrowing	1,598,678	1,598,678	1,252,401	
Tax payable	-		163,000	
Dividend payable	1,260,000	1,260,000	1,000,000	
Payables & accruals	2,521,148	2,503,990	1,944,828	
Total Current Liabilities	7,126,839	7,109,680	6,353,321	
Total Liabilities	15,699,056	15,681,898	14,500,509	
Total Share Holder Equity & Liabilities	32,603,614	32,590,624	28,567,729	



A'saffa Foods S.A.O.G
Income Statement
As at 31 March 2012

	Consolidated Jan - March 2012	Parent Company Jan - March 2012	Jan - March 2011
	RO	RO	RO
Sales (net)	5,841,102	5,841,102	5,097,368
Cost of Sales	(3,867,369)	(3,867,369)	(3,374,730)
Gross Profit	1,973,732	1,973,732	1,722,638
Expenses:			
Administrative expenses	(282,207)	(281,728)	(261,429)
Marketing expenses	(551,969)	(551,969)	(435,462)
Finance charges (net)	(78,278)	(78,441)	(110,309)
Total expenses	(912,454)	(912,138)	(807,200)
Profit before taxation	1,061,279	1,061,594	915,438
Taxation	-		100,000
Net profit after taxation	1,061,279	1,061,594	815,438
Basic earning per share		0.010	0.008
No of Shares		110,250,000	105,000,000



A'saffa Foods S.A.O.G
Statement of Cash Flows
As at 31 March 2012

	Consolidated Jan - March 2012 RO	Parent Co, Jan - March 2012 RO	Jan - March 2011 RO
OPERATING ACTIVITIES			
Net profit for the period	1,061,279	1,061,594	815,438
Adjustments for:			
Depreciation	247,060	247,060	247,163
Finance Costs (net)	78,278	78,441	110,309
Operating profit before working capital changes	<u>1,386,617</u>	<u>1,387,096</u>	<u>1,172,909</u>
Increase / decrease in working capital:			
Receivables and prepayments	(1,155,554)	(1,154,953)	29,740
Inventories	56,330	56,330	(949,349)
Payables and accruals	1,383,727	1,369,417	10,726
	<u>284,503</u>	<u>270,794</u>	<u>(908,883)</u>
Cash generated from /(absorbed by) operations	<u>1,671,120</u>	<u>1,657,890</u>	<u>264,025</u>
Interest paid	(78,278)	(78,441)	(110,309)
Net cash generated from /(absorbed by) Operation	<u>1,592,842</u>	<u>1,579,448</u>	<u>153,717</u>
INVESTING ACTIVITIES			
Purchase of property, plant and equipments Investment	(1,263,723)	(1,164,840)	(21,358)
Net Cash (used in) investing activities	<u>(1,263,723)</u>	<u>(1,164,840)</u>	<u>(21,358)</u>
FINANCING ACTIVITIES			
Dividend Paid	(1,260,000)	(1,260,000)	
Term Loans	1,563,010	1,563,010	(538,092)
Net Cash provided / (used by) financing activities	<u>303,010</u>	<u>303,010</u>	<u>(538,092)</u>
Net Increase/ (decrease) in cash & cash equivalent	632,129	717,618	(405,733)
Cash and cash equivalents at the beginning of the year	2,113,198	1,433,311	2,769,174
Cash and cash equivalents at the end of the period	<u>2,745,327</u>	<u>2,150,929</u>	<u>2,363,441</u>



A'saffa Foods S.A.O.G
Statement of Changes in Equity

As at 31 March 2012

Parent Company 2011

	Share Capital RO	Special Reserve RO	Legal Reserve RO	Accumulated Profits RO	Total RO
Balances as at January 1, 2011	10,000,000		871,450	3,380,332	14,251,782
Dividend Paid (10%)				(1,000,000)	(1,000,000)
Movement during the period	500,000		-	(500,000)	-
Profit & Loss for the period	-			3,855,349	3,855,349
Trasfered to legal reserve			385,535	(385,535)	-
Balance as on 31-12-2011	10,500,000	-	1,256,985	5,350,146	17,107,131

Group 2011

Balances as at January 1, 2011	10,000,000		871,450	3,380,332	14,251,782
Dividend Paid (10%)				(1,000,000)	(1,000,000)
Movement during the period	500,000		-	(500,000)	-
Profit & Loss for the period	-			3,851,495	3,851,495
Trasfered to legal reserve			385,535	(385,535)	-
Balance as on 31-12-2011	10,500,000	-	1,256,985	5,346,292	17,103,277

Parent Company 2012

Balances as at January 1, 2012	10,500,000		1,256,985	5,350,146	17,107,131
Movement during the period 5% Dividend	525,000			(525,000)	-
Dividend paid (12%)				(1,260,000)	(1,260,000)
Net Profit for the Period				1,061,594	1,061,594
Trasfered to legal reserve			106,159	(106,159)	-
Balance as on 31-03-2012	11,025,000	-	1,363,144	4,520,582	16,908,726

Group 2012

Balances as at January 1, 2012	10,500,000		1,256,985	5,346,292	17,103,277
Movement during the period 5% Dividend	525,000			(525,000)	-
Dividend paid (12%)				(1,260,000)	(1,260,000)
Net Profit for the Period				1,061,281	1,061,281
Trasfered to legal reserve			106,159	(106,159)	-
Balance as on 31-03-2012	11,025,000	-	1,363,144	4,516,413	16,904,558



A'saffa Foods S.A.O.G
Notes to the Balance Sheet
 As at 31 March , 2012

	Consolidated Jan - March 2012 RO	Parents Company Jan - March 2012 RO	Jan - March 2011 RO
<u>Property, Plant & Equipment</u>			
Property, Plant & Equipment	21,402,444	21,402,444	21,167,259
Work in progress	2,911,704	2,911,704	13,313
Accumulated Depreciation	(5,661,969)	(5,661,969)	(4,714,968)
Total	18,652,179	18,652,179	16,465,604
<u>Biological Assets</u>			
Immature biological assets (Parent DOC)	379,135	379,135	359,132
Mature biological assets (Broiler birds)	644,710	644,710	591,848
Total	1,023,845	1,023,845	950,980
<u>Inventories</u>			
Finished products	510,073	510,073	480,105
Raw Material and other consumables	1,648,877	1,648,877	2,552,549
Hatch able Eggs	159,657	159,657	124,663
Stores & Spares	102,038	102,038	130,384
Total	2,420,645	2,420,645	3,287,701
<u>Accounts & other receivables</u>			
Trade accounts receivables	5,176,565	5,176,565	4,018,249
Debtors- Exports	760,875	760,875	740,068
Debtors- Feed	14,623	14,623	24,418
Debtors- Local	4,401,067	4,401,067	3,253,763
Provision for Bad Debts	(72,129)	(72,129)	(32,129)
Advance In Subsidiary	-	3,358	
Advances , Prepayments other Receivable	185,529	185,529	211,482
Advances To creditors	167,255	167,255	
Accounts & other receivables	5,457,219	5,460,577	4,197,602
<u>Cash and bank balances</u>			
Cash & Bank balances	2,341,253	1,746,855	613,089
Term deposits	2,002,753	2,002,753	3,002,753
Total	4,344,005	3,749,607	3,615,842
<u>Government soft loans and other loans</u>			
Government Soft Loan	3,950,000	3,950,000	4,450,000
Term loans	4,196,156	4,196,156	3,413,661
NBO Loan <i>(Refinancing of AAAID Loan)</i>	1,260,065	1,260,065	
Loans from related parties	717,848	717,848	2,115,483
Lease Finance	16,861	16,861	40,872
Total	10,140,930	10,140,930	10,020,016
Less: Current liabilities:			
Government Soft loan	(500,000)	(500,000)	(500,000)
Term loan	(946,256)	(946,256)	(925,400)
NBO Loan <i>(Refinancing of AAAID Loan)</i>	(157,500)	(157,500)	
Loans from related parties	(137,756)	(137,756)	(542,502)
Lease Finance	(5,500)	(5,500)	(25,190)
Total	(1,747,012)	(1,747,012)	(1,993,092)
Non- current liabilities	8,393,918	8,393,918	8,026,924
<u>Bank Borrowing</u>			
Bank Borrowing	1,598,678	1,598,678	1,252,401
<u>Accounts & other payables</u>			
Creditors & Other payables	1,621,574	1,604,416	1,241,443
Advances From Debtors	130,474	130,474	
Dividend payable	1,260,000	1,260,000	1,000,000
Accruals	769,100	769,100	703,386
Total accounts & other payables	3,781,148	3,763,990	2,944,828