

## **REPORT ON MATERIAL EVENTS & SIGNIFICANT CHANGES FOR THE PERIOD OF SIX MONTHS ENDED ON 30 JUNE 2017**

### **MATERIAL EVENTS**

In the annual general meeting of the company held on 13 March 2017 the shareholders declared 10% bonus shares (1 share for every 10 shares held) for the year ended on 31 December 2016.

Company's new compost plant in Thumrait and new growing rooms in Barka have been commissioned on trial basis. Full impact on operations will be seen from last quarter of this year.

### **MATERIAL CHANGES IN FIGURES**

**Production** – During the period Company produced 2007 Metric Tons of fresh mushrooms compared to 1896 Metric Tons for the same period last year, an increase of 6%.

**Sales** – During the period the company achieved a sales turnover of RO 3.224 million compared to RO 3.083 million for the same period last year, an increase of 5%.

**Gross Profit** – During the period the company made a Gross Profit of RO 1.193 million compared to a Gross Profit of RO 1.189 million for the same period last year with no significant change.

**Selling & Distribution Expenses** – During the period the company incurred RO 339,000 as Selling & distribution expenses compared to RO 309,000 for the same period last year, an increase of 10%.

**General & Administration Expenses** – During the period the company incurred RO 384,000 as General & administration expenses compared to RO 398,000 for the same period last year, a decrease of 4% due to loss on disposal of some assets booked last year.

**Profit before tax** – During the period the company earned Profit before tax of RO 204,000 compared to Profit before tax of RO 224,000 for the same period last year, a decrease of 9%.

**Income tax** – During the period Company provided Income tax of RO 57,000 compared to RO 30,000 provided for the same period last year, an increase of 90% due to change in tax rates and impact on deferred tax liability.

**Total Comprehensive Income ( after tax )** – During the period the company earned a total Comprehensive Income (after tax) of RO 147,000 compared to a total Comprehensive Income (after tax) of RO 194,000 for the same period last year, a decrease of 24% due to above reasons.

**Chief Executive Officer**

## Unaudited Statement of financial position

	Notes	30 Jun 2017	30 Jun 2016
		RO	RO
<b>Non-current sssets</b>		<b>13,101,527</b>	<b>9,186,805</b>
		<u>13,101,527</u>	<u>9,186,805</u>
<b>Current assets</b>			
Inventories	1	768,710	590,732
Receivables & Prepayments	2	1,352,035	1,001,004
Bank and Cash		101,523	120,714
		<u>2,222,268</u>	<u>1,712,450</u>
<b>Total current assets</b>		<b>2,222,268</b>	<b>1,712,450</b>
		<u>2,222,268</u>	<u>1,712,450</u>
<b>Total assets</b>		<b>15,323,795</b>	<b>10,899,255</b>
		<u>15,323,795</u>	<u>10,899,255</u>
<b>Current liabilities</b>			
Bank overdraft/Wakala		603,887	144,800
Term loans	3	-	-
Trade and other creditors		1,246,446	781,476
Taxation		47,260	40,462
		<u>1,897,593</u>	<u>966,738</u>
<b>Total current liabilities</b>		<b>1,897,593</b>	<b>966,738</b>
		<u>1,897,593</u>	<u>966,738</u>
<b>Non-current liabilities</b>			
Term loans	3	6,679,654	3,462,759
Deferred Tax	4	365,187	337,011
End of service benefits		249,732	221,558
		<u>7,294,573</u>	<u>4,021,328</u>
<b>Total non-current liabilities</b>		<b>7,294,573</b>	<b>4,021,328</b>
		<u>7,294,573</u>	<u>4,021,328</u>
<b>Total liabilities</b>		<b>9,192,166</b>	<b>4,988,066</b>
		<u>9,192,166</u>	<u>4,988,066</u>
<b>Net Assets</b>		<b>6,131,629</b>	<b>5,911,189</b>
		<u>6,131,629</u>	<u>5,911,189</u>
<b>Shareholders' funds</b>			
Share capital		3,782,297	3,438,452
Legal Reserve		662,261	635,230
Special Reserves		12,405	12,405
Revaluation Reserve		1,462,756	1,462,756
Accumulated Profit		211,910	362,346
		<u>6,131,629</u>	<u>5,911,189</u>
<b>Total shareholders' equity</b>	9	<b>6,131,629</b>	<b>5,911,189</b>
		<u>6,131,629</u>	<u>5,911,189</u>
<b>Net assets per share (RO)</b>	8	<b>0.162</b>	<b>0.172</b>

**Unaudited Statement of comprehensive Income  
for six months ended 30 June**

	Notes	<b>6 months ended 30 Jun 2017 RO</b>	6 months ended 30 Jun 2016 RO
<b>Turnover/Revenue</b>		<b>3,223,847</b>	<b>3,082,709</b>
Direct Expenses		<b>(2,031,197)</b>	<b>(1,893,616)</b>
<b>Gross profit</b>		<b>1,192,650</b>	<b>1,189,093</b>
Selling & distribution exp.		<b>(338,981)</b>	<b>(308,837)</b>
Indirect expenses		<b>(383,940)</b>	<b>(397,880)</b>
Other Income		<b>2,439</b>	<b>16,123</b>
<b>Profit before depreciation &amp; net financing costs</b>		<b>472,168</b>	<b>498,499</b>
Depreciation		<b>(251,206)</b>	<b>(258,019)</b>
<b>Profit before net financing costs</b>		<b>220,962</b>	<b>240,480</b>
Net financing costs	3	<b>(16,632)</b>	<b>(16,348)</b>
<b>Profit before tax</b>		<b>204,330</b>	<b>224,132</b>
Income tax	4	<b>(56,991)</b>	<b>(29,999)</b>
<b>Profit after tax</b>		<b>147,339</b>	<b>194,133</b>
<b>Profit per share ( RO )</b>	7	<b>0.004</b>	<b>0.005</b>