

A'SAFFA FOODS SAOG

NOTES TO THE FINANCIAL STATEMENTS

From Jan To Jun 2025

4 COST OF SALES

	Parent Company		Group	
	2025	2024	2025	2024
	RO	RO	RO	RO
Cost of materials consumed	14,528,439	20,099,293	12,645,778	18,232,924
Employee related costs (note 8)	2,718,022	2,808,475	3,059,797	3,168,611
Depreciation (note 12)	1,521,634	1,499,698	1,644,145	1,618,941
Fuel expenses	848,436	943,214	944,666	1,048,817
Amortisation (note 13)	-	188	-	188
Depreciation on ROU	93,120	34,348	99,357	40,585
Other direct expenses	1,079,454	725,962	1,212,134	844,177
	<u>20,789,105</u>	<u>26,111,178</u>	<u>19,605,877</u>	<u>24,954,244</u>

5 SELLING AND DISTRIBUTION EXPENSES

	Parent Company		Group	
	2025	2024	2025	2024
	RO	RO	RO	RO
Transportation costs	1,001,575	1,035,308	1,001,575	1,035,308
Employee related costs (note 8)	1,403,072	1,340,777	1,403,072	1,340,777
Rent and storage expenses	30,735	53,415	30,735	53,415
Advertisement and sales promotion	144,429	216,321	144,429	216,321

Insurance	114,775	103,350	114,775	103,350
Communication	15,929	14,415	15,929	14,415
Depreciation on property plant & equipment (note 12)	66,158	65,204	66,158	65,204
Depreciation on ROU	6,406	69,470	6,406	69,470
Amortisation (note 13)	-	-	-	-
Miscellaneous	154,476	120,755	154,476	120,755
	2,937,555	3,019,015	2,937,555	3,019,015

6 GENERAL AND ADMINSTRATIVE EXPENSES

	Parent Company		Group	
	2025	2024	2025	2024
	RO	RO	RO	RO
Employee related costs (note 8)	909,737	777,434	984,761	856,488
Depreciation (note 12)	66,158	65,204	87,778	86,247
Directors' remuneration	125,000	200,000	125,000	200,000
Printing and stationery	10,206	7,800	10,206	7,800
Contributions for social causes	25,000	30,000	25,000	30,000
Business travel and meeting expenses	28,631	7,617	28,631	7,617
Professional and consultancy fees	37,195	42,026	46,342	49,487
Amortisation (note 13)	-	-	-	-
Directors' meeting attendance fees	18,900	16,800	20,600	17,650

Provision for expected credit losses (note 20)	(9,248)	12,156	(9,248)	12,156
Communication	11,210	11,129	11,210	11,129
Registration and renewals	21,029	28,041	21,029	28,041
Repairs and maintenance	20,232	15,583	20,232	15,583
Vehicle expenses	10,303	25,646	10,303	25,646
Foreign exchange loss	64,283	16,572	74,865	19,556
Miscellaneous	155,929	157,749	169,444	170,288
	<u>1,494,565</u>	<u>1,413,757</u>	<u>1,626,153</u>	<u>1,537,688</u>

7 OTHER OPERATING INCOME

	Parent Company		Group	
	2025	2024	2025	2024
	RO	RO	RO	RO
Miscellaneous	37,641	14,170	38,081	15,145
	<u>37,641</u>	<u>14,170</u>	<u>38,081</u>	<u>15,145</u>

8 EMPLOYEE RELATED COSTS

	Parent Company		Group	
	2025	2024	2025	2024
	RO	RO	RO	RO
Salaries, wages and other benefits	4,595,083	4,448,686	4,984,181	4,853,800
Leave salary	239,783	236,000	258,461	254,301
Air passage	74,965	62,000	79,182	66,009

End of service benefits	<u>121,000</u>	180,000	<u>125,806</u>	<u>191,766</u>
	<u>5,030,831</u>	<u>4,926,686</u>	<u>5,447,630</u>	<u>5,365,876</u>

	<u>Parent Company</u>		<u>Group</u>	
	2025	2024	2025	2024
	RO	RO	RO	RO
Cost of sales (note 4)	2,718,022	2,808,475	3,059,797	3,168,611
Selling and distribution expenses (note 5)	1,403,072	1,340,777	1,403,072	1,340,777
General and administrative expenses (note 6)	<u>909,737</u>	<u>777,434</u>	<u>984,761</u>	<u>856,488</u>
	<u>5,030,831</u>	<u>4,926,686</u>	<u>5,447,630</u>	<u>5,365,876</u>

9 FINANCE INCOME / (COSTS) - NET

	<u>Parent Company</u>		<u>Group</u>	
	2025	2024	2025	2024
	RO	RO	RO	RO
(a) Interest expenses:				
- on bank overdraft	<u>17,649</u>	<u>14,561</u>	<u>18,548</u>	<u>15,442</u>
	17,649	14,561	18,548	15,442
Financing cost on Islamic finance	1,162,220	1,293,509	1,168,960	1,302,877
On lease liabilities IFRS 16	<u>139,559</u>	<u>46,564</u>	<u>150,842</u>	<u>57,767</u>
Interest expenses - net	<u>1,319,428</u>	<u>1,354,634</u>	<u>1,338,350</u>	<u>1,376,086</u>
(b) Interest Income:				
Interest income on deposits	<u>(93,142)</u>	<u>(97,999)</u>	<u>(93,142)</u>	<u>(97,999)</u>
Interest income	<u>(93,142)</u>	<u>(97,999)</u>	<u>(93,142)</u>	<u>(97,999)</u>

Finance income /(costs) - net

1,226,286	1,256,635	1,245,208	1,278,087
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10 TAXATION

	Parent Company		Group	
	2025	2024	2025	2024
	RO	RO	RO	RO
Current tax	483,052	484,947	572,841	557,603
	483,052	484,947	572,841	557,603

11 BASIC EARNINGS PER SHARE

	Parent Company		Group	
	2025	2024	2025	2024
	RO	RO	RO	RO
Profit attributable to shareholders (RO)	3,187,473	2,748,032	3,562,936	3,159,747
Weighted average number of shares outstanding	120,000,000	120,000,000	120,000,000	120,000,000
Basic earnings per share (RO)	0.027	0.023	0.030	0.026

12 PROPERTY, PLANT AND EQUIPMENT

(a) Depreciation is allocated as follows:

	Parent Company		Group	
	2025	2024	2025	2024
	RO	RO	RO	RO
Cost of Sales (note 4)	1,521,634	1,499,698	1,644,145	1,618,941

General & Administrative expenses (note 6)	66,158	65,204	87,778	86,247
Selling and distribution expenses (note 5)	66,158	65,204	66,158	65,205
	1,653,950	1,630,107	1,798,081	1,770,393

13 INTANGIBLE ASSETS

	Parent Company		Group	
	2025	2024	2025	2024
	RO	RO	RO	RO
Cost				
At 1 January	578,827	578,827	578,827	578,827
Addition for the year	-	-	-	-
At 30 Jun	578,827	578,827	578,827	578,827
Accumulated amortisation				
At 1 January	578,826	578,638	578,826	578,638
Charge for the year	-	188	-	188
At 30 Jun	578,826	578,826	578,826	578,826
Net book amount				
At 30 Jun	1	1	1	1

	Parent Company		Group	
	2025	2024	2025	2024
	RO	RO	RO	RO
Cost of sales (note 4)	-	188	-	188
Selling and distribution expenses (note 5)	-	-	-	-

General and administrative expenses (note 6)

-	-	-	-
	188	-	188
-			

14 INVESTMENT IN SUBSIDIARIES

	% holding	Year of incorporation	Parent Company	
			2025 RO	2024 RO
A'Saffa Food Processing SPC	100%	2011	1,350,000	1,350,000
			1,350,000	1,350,000

15 INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD

	2025		2024	
	%	RO	%	RO
Osool Poultry SAOC	23.46%	6,108,998	23.46%	5,390,298
Share of gain from associate		450,176		377,015
		6,559,174		5,767,313

16 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

	Parent Company		Group	
	2025 RO	2024 RO	2025 RO	2024 RO
Unquoted local investment - Al Najd Agricultural Development SAOC.	45,795	46,225	45,795	46,225

17 INVENTORIES

	Parent Company		Group	
	2025	2024	2025	2024
	RO	RO	RO	RO
Raw materials and consumables	5,580,352	4,918,382	6,511,445	5,907,587
Finished products	3,719,525	1,663,278	3,923,362	1,579,389
Stores and spares	2,529,192	1,852,475	2,544,150	2,141,693
	<u>11,829,069</u>	<u>8,434,135</u>	<u>12,978,957</u>	<u>9,628,669</u>

18 BIOLOGICAL ASSETS

	Parent Company		Group	
	2025	2024	2025	2024
	RO	RO	RO	RO
Mature biological assets (Broiler birds)	1,496,877	1,807,921	1,496,877	1,807,921
Immature biological assets (Parent day old chicks)	800,669	589,249	800,669	589,249
Hatchable eggs	743,939	757,392	743,939	757,392
	<u>3,041,485</u>	<u>3,154,562</u>	<u>3,041,485</u>	<u>3,154,562</u>

19 TRADE AND OTHER RECEIVABLES

	Parent Company		Group	
	2025	2024	2025	2024
	RO	RO	RO	RO
Trade receivables	12,142,104	10,807,015	12,213,177	10,807,015
Less: allowance for expected credit losses	(662,886)	(693,568)	(662,886)	(693,568)
	11,479,218	10,113,447	11,550,291	10,113,447
Due from a related party	714,669	668,591	164,854	381,530
Advance to staff and suppliers	2,401,767	1,853,637	2,478,602	1,965,400
Prepayments	50,281	396,269	108,687	446,601
Vat Input	644,942	457,113	792,778	560,328
Other receivables	77,965	160,023	77,965	160,023
	15,368,841	13,649,081	15,173,176	13,627,330

20 CASH AND BANK BALANCES

	Parent Company		Group	
	2025	2024	2025	2024
	RO	RO	RO	RO
Cash on hand	182,886	181,281	183,590	181,965
Cash at bank	2,515,550	298,542	2,737,628	553,909
	2,698,437	479,822	2,921,218	735,874

21 TERM DEPOSIT

		Parent Company		Group	
		2025	2024	2025	2024
		RO	RO	RO	RO
Non-current:					
(a)	Long term deposit with Islamic Banks	-	-	-	-
:					
Current					
(b)	Short term deposits with Islamic Banks	3,300,000	3,300,000	3,300,000	3,300,000

22 BORROWINGS

Non-current:		Parent Company		Group	
		2025	2024	2025	2024
		RO	RO	RO	RO
Term loans from Islamic banks:					
Term loan from Local Islamic Banks		33,268,118	34,901,343	33,308,109	35,099,431
		33,268,118	34,901,343	33,308,109	35,099,431
Less: current portion of term loans from Loan Islamic Banks		(3,221,750)	(2,657,100)	(3,261,741)	(2,804,738)
		30,046,368	32,244,243	30,046,368	32,294,693

	Parent Company		Group	
	2025	2024	2025	2024
	RO	RO	RO	RO
Current portion of term loans from Local Islamic Banks	3,221,750	2,657,100	3,261,741	2,804,738
Short Term loan from Local Islamic Banks	7,486,070	4,887,524	7,486,070	4,887,524
Bank overdrafts	-	240,975	-	240,975
	10,707,820	7,785,600	10,747,811	7,933,238

23 LEASE LIABILITIES

	Parent Company		Group	
	2025	2024	2025	2024
	RO	RO	RO	RO
Land	1,298,067	1,325,869	1,644,947	1,671,767
Vehicle	8,691	111,027	8,691	111,027
Solar Equipment	2,922,118	-	2,922,118	-
Total	4,228,876	1,436,896	4,575,756	1,782,794
Current	337,856	108,547	346,162	116,853
Non-current	3,891,020	1,328,349	4,229,594	1,665,941
Total	4,228,876	1,436,896	4,575,756	1,782,794

24 TRADE AND OTHER PAYABLES

	Parent Company		Group	
	2025	2024	2025	2024
	RO	RO	RO	RO
Trade payables	4,314,991	4,271,624	4,384,935	4,535,046
Due to related party	1,507,063	1,573,147	27,828	331,776
Accruals	552,722	486,492	559,220	594,649
Tax payable	784,634	486,705	851,142	587,541
Other payables	4,649,825	4,040,494	4,860,334	4,168,435
Vat Output	-	-	-	-
Retentions payable	587,634	814,101	587,634	814,101
	<u>12,396,869</u>	<u>11,672,563</u>	<u>11,271,093</u>	<u>11,031,547</u>

25 NET ASSETS PER SHARE

	Parent Company		Group	
	2025	2024	2025	2024
	RO	RO	RO	RO
Net assets (RO)	41,915,596	38,153,818	46,224,513	42,319,586
Number of shares at 30 Jun	<u>120,000,000</u>	<u>120,000,000</u>	<u>120,000,000</u>	<u>120,000,000</u>
Net assets per share (RO)	<u>0.349</u>	<u>0.318</u>	<u>0.385</u>	<u>0.353</u>

PROPERTY, PLANT AND EQUIPMENT (continued)

Parent

	Freehold	Buildings	Motor	Bore	Plant and	Furniture	Office	Porta		
	Land	and improvements on leasehold land	Vehicles	wells	machinery	fittings	equipment	Cabins	Capital work-in- progress	Total
	RO	RO	RO	RO	RO	RO	RO	RO	RO	RO
Cost										
At 1 January 2024	-	46,639,588	2,268,919	431,700	31,666,767	311,448	510,725	233,113	278,970	82,341,230
Additions	-	-	368,824	-	-	1,308	10,163	-	1,452,592	1,832,887
Disposals	-	-	-	-	-	-	-	-	-	-
At 30 June 2024	-	46,639,588	2,637,743	431,700	31,666,767	312,756	520,888	233,113	1,731,562	84,174,117
Accumulated depreciation										
At 1 January 2024	-	10,541,189	1,198,936	247,657	13,401,366	308,243	495,111	194,332	-	26,386,834
Charge for the year	-	773,108	170,012	7,131	666,376	3,340	8,004	2,137	-	1,630,107
Disposals	-	-	-	-	-	-	-	-	-	-
At 30 June 2024	-	11,314,297	1,368,948	254,788	14,067,742	311,583	503,115	196,469	-	28,016,941
Net book value										
At 30 June 2024	-	35,325,291	1,268,795	176,912	17,599,025	1,173	17,774	36,644	1,731,562	56,157,176
Cost										
At 1 January 2025	-	47,462,936	2,896,003	431,700	33,031,471	312,756	555,977	233,113	-	84,923,956
Additions	-	-	346,773	-	30,213	-	17,242	-	259,856	654,084
Disposals	-	(213,458)	(67,211)	-	(2,999)	(21,280)	(5,090)	-	-	(310,037)

At 30 June 2025	-	47,249,478	3,175,565	431,700	33,058,685	291,476	568,129	233,113	259,856	85,268,003
Accumulated depreciation										
At 1 January 2025	-	12,111,723	1,539,853	261,998	14,744,728	312,756	513,382	198,629	-	29,683,069
Charge for the year	-	754,120	230,349	7,111	650,521	-	9,717	2,131	-	1,653,950
Disposals	-	-	(59,655)	-	(2,941)	(21,280)	(5,087)	-	-	(88,962)
Transfer from Subsidiary	-	-	-	-	-	-	-	-	-	-
At 30 June 2025	-	12,865,843	1,710,548	269,109	15,392,308	291,476	518,012	200,760	-	31,248,057
Net book value										
30-Jun-25	-	34,383,634	1,465,017	162,591	17,666,377	-	50,117	32,353	259,856	54,019,946

Group	Freehold	Buildings	Motor	Bore	Plant and	Furniture and	Office	Porta	Capita	Total
	Land	and improvements on leasehold land	vehicles	wells	machinery	fittings	equipment	cabins	work-in-progress	
	RO	RO	RO	RO	RO	RO	RO	RO	RO	RO
Cost										
At 1 January 2024	-	49,377,241	2,312,828	431,700	35,445,353	343,330	551,875	233,113	278,970	88,974,410
Additions	-	1,160	393,404	-	20,927	3,689	10,557	-	1,452,592	1,882,329
Disposals	-	-	-	-	-	-	-	-	-	-
At 30 June 2024	-	49,378,401	2,706,232	431,700	35,466,280	347,019	562,432	233,113	1,731,562	90,856,739
Accumulated depreciation										
At 1 January 2024	-	11,468,122	1,240,322	247,657	14,966,214	338,078	531,390	194,332	-	28,986,115
Charge for the year	-	818,492	170,659	7,131	759,367	4,034	8,574	2,137	-	1,770,393
Disposals	-	-	-	-	-	-	-	-	-	-
At 30 June 2024	-	12,286,614	1,410,981	254,788	15,725,581	342,112	539,964	196,469	-	30,756,508
Net book amounts										
At 30 June 2024	-	37,091,787	1,295,251	176,912	19,740,699	4,907	22,469	36,645	1,731,562	60,100,231

Cost										
At 1 January 2025	-	50,225,749	2,945,912	431,700	36,847,946	347,019	602,124	233,113	-	91,633,563
Additions	-	6,972	346,773	-	62,982	333	17,242	-	259,856	694,158
Disposals	-	(213,458)	(67,211)	-	(2,999)	(21,280)	(5,090)	-	-	(310,037)

At 30 June 2025	-	50,019,263	3,225,474	431,700	36,907,929	326,072.4	614,276	233,113	259,856	92,017,684
Accumulated depreciation										
At 1 January 2025	-	13,130,004	1,568,361	261,998	16,498,129	344,036	550,875	198,629	-	32,552,032
Charge for the year	-	799,788	232,827	7,111	745,131	496	10,595	2,132	-	1,798,081
Disposals	-	-	(59,655)	-	(2,941)	(21,280)	(5,087)	-	-	(88,962)
At 30 June 2025	-	13,929,792	1,741,534	269,109	17,240,319	323,252	556,383	200,761	-	34,261,151
Net book value										
30-Jun-25	-	36,089,470	1,483,940	162,591	19,667,610	2,820	57,893	32,352	259,856	57,756,533