

A'SAFFA FOODS SAOG

NOTES TO THE FINANCIAL STATEMENTS

From Jan To Mar 2026

4 COST OF SALES

	Parent Company		Group	
	2026	2025	2026	2025
	<u>₪</u>	<u>₪</u>	<u>₪</u>	<u>₪</u>
Cost of materials consumed	9,347,392	7,734,717	8,535,820	6,724,677
Employee related costs (note 8)	1,417,094	1,393,717	1,601,836	1,566,517
Depreciation (note 12)	795,658	741,735	856,764	802,696
Fuel expenses	327,141	385,441	357,410	437,289
Depreciation on ROU	69,245	46,560	72,362	49,678
Other direct expenses	539,957	263,953	630,061	329,565
	<u>12,496,487</u>	<u>10,566,123</u>	<u>12,054,253</u>	<u>9,910,422</u>

5 SELLING AND DISTRIBUTION EXPENSES

	Parent Company		Group	
	<u>₪</u>	2025 <u>₪</u>	<u>₪</u>	2025 <u>₪</u>
Transportation costs	548,371	458,223	548,371	458,223
Employee related costs (note 8)	758,995	707,049	758,995	707,049
Rent and storage expenses	28,524	15,385	28,524	15,385
Advertisement and sales promotion	117,117	64,440	117,117	64,440
Insurance	70,383	31,136	70,383	31,136
Communication	9,043	10,311	9,043	10,311
Depreciation on property plant & equipment (note 12)	34,594	32,249	34,594	32,249
Depreciation on ROU	690	4,489	690	4,489
Miscellaneous	63,795	47,918	63,795	47,918
	<u>1,631,512</u>	<u>1,371,200</u>	<u>1,631,512</u>	<u>1,371,200</u>

6 GENERAL AND ADMINSTRATIVE EXPENSES

	Parent Company		Group	
	 2026		 2026	 2025
Employee related costs (note 8)	425,744	414,846	466,297	452,778
Depreciation (note 12)	34,594	32,249	45,377	43,007
Directors' remuneration	75,000	62,500	75,000	62,500
Printing and stationery	3,566	6,224	3,622	6,224
Contributions for social causes	15,000	16,000	15,000	16,000
Business travel and meeting expenses	11,266	17,442	11,266	17,442
Professional and consultancy fees	17,620	7,650	22,404	11,481
Directors' meeting attendance fees	17,500	9,100	18,350	9,950
Provision for expected credit losses	-	-	-	-
Communication	7,627	7,044	7,627	7,044
Registration and renewals	4,065	20,793	4,065	20,793
Repairs and maintenance	4,803	18,057	4,803	18,057
Vehicle expenses	2,398	6,576	2,398	6,566
Foreign exchange loss	8,283	29,521	13,367	31,384
Miscellaneous	85,258	99,562	89,973	106,323
	<u>712,724</u>	<u>747,564</u>	<u>779,549</u>	<u>809,549</u>

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7 OTHER OPERATING INCOME

	Parent Company		Group	
	 2026	 2025	 2026	 2025
Miscellaneous	1,222	7,817	1,222	7,817
	<u>1,222</u>	<u>7,817</u>	<u>1,222</u>	<u>7,817</u>

8 EMPLOYEE RELATED COSTS

	Parent Company		Group	
	 2026	 2025	 2026	 2025
Salaries, wages and other benefits	2,387,833	2,271,829	2,598,767	2,468,128
Leave salary	142,000	119,783	151,339	129,122
Air passage	27,000	42,000	28,998	44,258
End of service benefits	45,000	82,000	48,024	84,835
	<u>2,601,833</u>	<u>2,515,612</u>	<u>2,827,128</u>	<u>2,726,343</u>

	Parent Company		Group	
	 2026	 2025	 2026	 2025
Cost of sales (note 4)	1,417,094	1,393,717	1,601,836	1,566,517
Selling and distribution expenses (note 5)	758,995	707,049	758,995	707,049
General and administrative expenses (note 6)	425,744	414,846	466,297	452,778
	<u>2,601,833</u>	<u>2,515,612</u>	<u>2,827,128</u>	<u>2,726,344</u>

9 FINANCE INCOME / (COSTS) - NET

	Parent Company		Group	
	 2026	 2025	 2026	 2025
(a) Interest expenses:				
- on bank overdraft	3,682	4,772	3,950	5,176
	<u>3,682</u>	<u>4,772</u>	<u>3,950</u>	<u>5,176</u>
Financing cost on Islamic finance	533,185	614,838	533,185	618,097
On lease liabilities IFRS 16	66,912	69,905	72,549	75,547
Interest expenses - net	<u>603,779</u>	<u>689,515</u>	<u>609,684</u>	<u>698,820</u>
(b) Interest Income:				
Interest income on deposits	(40,711)	(46,029)	(40,711)	(46,029)

Interest income	<u>(40,711)</u>	<u>(46,029)</u>	<u>(40,711)</u>	<u>(46,029)</u>
Finance income /(costs) - net	<u><u>563,068</u></u>	<u><u>643,486</u></u>	<u><u>568,973</u></u>	<u><u>652,791</u></u>

10 TAXATION

	Parent Company		Group	
	 2026	 2025	 2026	 2025
Current tax	182,607	213,503	214,157	257,916
	<u><u>182,607</u></u>	<u><u>213,503</u></u>	<u><u>214,157</u></u>	<u><u>257,916</u></u>

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11 BASIC EARNINGS PER SHARE

	Parent Company		Group	
	 2026	 2025	 2026	 2025
Profit attributable to shareholders	1,070,977	1,439,904	1,249,760	1,691,574
 Weighted average number of shares outstanding	120,000,000	120,000,000	120,000,000	120,000,000
Basic earnings per share	<u><u>0.009</u></u>	<u><u>0.012</u></u>	<u><u>0.010</u></u>	<u><u>0.014</u></u>

12 PROPERTY, PLANT AND EQUIPMENT

(a) Depreciation is allocated as follows:

	Parent Company		Group	
	 2026	 2025	 2026	 2025

	2026	2025	2025	
Cost of Sales (note 4)	795,658	741,735	856,764	802,696
General & Administrative expenses (note 6)	34,594	32,249	45,377	43,007
Selling and distribution expenses (note 5)	34,594	32,249	34,594	32,249
	<u>864,846</u>	<u>806,233</u>	<u>936,734</u>	<u>877,952</u>

13 INTANGIBLE ASSETS

	 Parent Company		 Group	
	2026	 2025	2026	 2025
Cost				
At 1 January	578,827	578,827	578,827	578,827
Addition for the year	-	-	-	-
At 31 Mar	<u>578,827</u>	<u>578,827</u>	<u>578,827</u>	<u>578,827</u>
Accumulated amortisation				
At 1 January	578,826	578,826	578,826	578,826
Charge for the year	-	-	-	-
At 31 Mar	<u>578,826</u>	<u>578,826</u>	<u>578,826</u>	<u>578,826</u>
Net book amount				
At 31 Mar	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

14 INVESTMENT IN SUBSIDIARIES



	% holding	Year of incorporation	Parent Company	
			2026	2025
A'Saffa Food Processing SPC	100%	2011	1,350,000	1,350,000
			1,350,000	1,350,000

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15 INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD

	2026		2025	
	%		%	
Osool Poultry SAOC	23.46%	7,062,140	23.46%	6,108,998
Share of gain from associate		36,203		230,051
		7,098,343		6,339,049

16 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

	Parent Company		Group	
	2026	2025	2026	2025
Unquoted local investment - Al Najd Agricultural Development SAOC.	45,795	45,795	45,795	45,795

17 INVENTORIES

	Parent Company		Group	
	2026	2025	2026	2025

Raw materials and consumables	6,035,739	4,550,821	7,204,633	5,615,434
Finished products	4,266,969	2,834,784	4,053,452	2,700,162
Stores and spares	2,735,927	2,245,491	3,115,745	2,586,614
	<u>13,038,635</u>	<u>9,631,096</u>	<u>14,373,830</u>	<u>10,902,210</u>

18 BIOLOGICAL ASSETS

	 Parent Company 		 Group 	
	<u>2026</u>	<u>2025</u>	<u>2026</u>	<u>2025</u>
Mature biological assets (Broiler birds)	1,507,759	1,729,073	1,507,759	1,729,073
Immature biological assets (Parent day old chicks)	869,185	802,239	869,185	802,239
Hatchable eggs	706,812	649,180	706,812	649,180
	<u>3,083,756</u>	<u>3,180,492</u>	<u>3,083,756</u>	<u>3,180,492</u>

19 TRADE AND OTHER RECEIVABLES

	 Parent Company 		 Group 	
	2026	2025	2026	2025
Trade receivables	14,535,480	11,102,428	14,575,680	11,102,428
Less: allowance for expected credit losses	(706,886)	(672,134)	(706,886)	(672,134)
	13,828,594	10,430,294	13,868,794	10,430,294
Due from a related party	260,545	272,542	33,489	155,953
Advance to staff and suppliers	2,802,011	2,458,762	3,267,826	2,538,794
Prepayments	214,825	289,805	244,702	354,068
Vat Input	712,738	687,542	896,945	825,440
Other receivables	65,368	69,374	65,368	75,919
	17,884,081	14,208,319	18,377,124	14,380,468

20 CASH AND BANK BALANCES

	€ Parent Company €		€ Group €	
	2026	2025	2026	2025
Cash on hand	176,311	207,689	177,501	210,116
Cash at bank	1,283,018	528,729	1,661,883	759,629
	1,459,329	736,418	1,839,383	969,745

21 TERM DEPOSIT

		 Parent Company 		 Group 	
		2026	2025	2026	2025
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 

	2026	2025	2026	2025
Term loans from Islamic banks:				
Term loan from Local Islamic Banks	33,268,723	33,415,418	33,268,723	33,496,197
	<u>33,268,723</u>	<u>33,415,418</u>	<u>33,268,723</u>	<u>33,496,197</u>
Less: current portion of term loans from Loan Islamic Banks	(3,300,500)	(3,221,656)	(3,300,500)	(3,302,435)
	<u>29,968,223</u>	<u>30,193,762</u>	<u>29,968,223</u>	<u>30,193,762</u>
	₱	₱	₱	₱
	Parent Company		Group	
	2026	2025	2026	2025
Current portion of term loans from Local Islamic Banks	3,300,500	3,221,656	3,300,500	3,302,435
Short Term loan from Local Islamic Banks	10,334,724	3,242,207	10,334,724	3,242,207
Bank overdrafts	-	744,023	-	744,023
	<u>13,635,224</u>	<u>7,207,887</u>	<u>13,635,224</u>	<u>7,288,665</u>

23 LEASE LIABILITIES

	₱	₱	₱	₱
	Parent Company		Group	
	2026	2025	2026	2025
				RO
Land	1,039,625	1,306,181	1,386,171	1,653,170
Vehicle	2,734	20,950	2,734	20,950
Solar Equipment	<u>2,903,907</u>	<u>2,928,685</u>	<u>2,903,907</u>	<u>2,928,685</u>

Total	3,946,266	4,255,816	4,292,812	4,602,805
Current	316,568	337,856	324,876	346,162
Non-current	3,629,698	3,917,960	3,967,936	4,256,643
Total	3,946,266	4,255,816	4,292,812	4,602,805

24 TRADE AND OTHER PAYABLES

	₱	₱	₱	₱
	Parent Company		Group	
	2026	2025	2026	2025
Trade payables	6,809,154	3,646,485	7,091,739	3,739,102
Due to related party	2,048,025	1,207,923	734,701	155,832
Accruals	453,503	506,849	460,041	513,346
Tax payable	1,377,588	661,700	1,556,866	811,143
Other payables	4,110,775	6,182,797	4,303,484	6,507,979
Retentions payable	1,107,624	587,634	1,107,624	587,634
	15,906,669	12,793,388	15,254,455	12,315,036

25 NET ASSETS PER SHARE

	₱	₱	₱	₱
	Parent Company		Group	
	2026	2025	2026	2025
Net assets	43,009,870	40,168,027	47,839,325	44,353,151
Number of shares at 31 Mar	120,000,000	120,000,000	120,000,000	120,000,000
Net assets per share ()	0.358	0.335	0.399	0.370

Note 11

Property, plant and equipment (continued)

Parent

Current year (2026)

Cost

Description	Freehold land	Buildings & leasehold improvements	Motor vehicles	Bore wells	Plant & machinery	Furniture & fittings	Office equipment	Porta cabins	Capital work-in-progress	Total
At 1 January 2026	-	47,249,478	3,546,362	527,610	33,795,414	290,348	564,114	248,113	3,055,191	89,276,630
Additions	-	-	42,480	-	-	-	2,050	-	3,144,773	3,189,303
Disposals	-	-	-	-	-	-	-	-	-	-
At 31 March 2026	-	47,249,478	3,588,842	527,610	33,795,414	290,348	566,164	248,113	6,199,964	92,465,933

Accumulated depreciation

Description	Freehold land	Buildings & leasehold improvements	Motor vehicles	Bore wells	Plant & machinery	Furniture & fittings	Office equipment	Porta cabins	Capital work-in-progress	Total
At 1 January 2026	-	13,659,512	1,951,115	279,334	16,066,187	290,348	488,183	203,041	-	32,937,720
Charge for the period	-	388,366	133,816	4,718	327,962	108	8,630	1,245	-	864,846
Disposals	-	-	-	-	-	-	-	-	-	-
Transfer from subsidiary	-	-	-	-	-	-	-	-	-	-
At 31 March 2026	-	14,047,878	2,084,931	284,052	16,394,149	290,456	496,813	204,286	-	33,802,566

Net book value

Description	Freehold land	Buildings & leasehold improvements	Motor vehicles	Bore wells	Plant & machinery	Furniture & fittings	Office equipment	Porta cabins	Capital work-in-progress	Total
At 31 March 2026	-	33,201,600	1,503,911	243,558	17,401,265	(107.51)	69,351	43,827	6,199,964	58,663,367

Previous year comparative (2025)

Cost

Description	Freehold land	Buildings & leasehold improvements	Motor vehicles	Bore wells	Plant & machinery	Furniture & fittings	Office equipment	Porta cabins	Capital work-in-progress	Total
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	-	-	338,110	-	10,094	-	16,913	-	80,237	445,354
Disposals	-	(213,458)	-	-	-	-	-	-	-	(213,458)
At 31 March 2025	-	47,249,478	3,234,113	431,700	33,041,565	312,756	572,890	233,113	80,237	85,155,852

Accumulated depreciation

Description	Freehold land	Buildings & leasehold improvements	Motor vehicles	Bore wells	Plant & machinery	Furniture & fittings	Office equipment	Porta cabins	Capital work-in-progress	Total
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 period	-	361,114	112,771	3,536	317,772	-	9,982	1,060	-	806,234
Disposals	-	-	-	-	-	-	-	-	-	-
At 31 March 2025	-	12,472,837	1,652,624	265,534	15,062,500	312,756	523,364	199,689	-	30,489,303

Net book value

Description	Freehold land	Buildings & leasehold improvements	Motor vehicles	Bore wells	Plant & machinery	Furniture & fittings	Office equipment	Porta cabins	Capital work-in-progress	Total
At 31 March 2025	-	34,776,641	1,581,489	166,166	17,979,065	-	49,526	33,424	80,237	54,666,549

Group

Current year (2026)

Cost

Description	Freehold land	Buildings & leasehold improvements	Motor vehicles	Bore wells	Plant & machinery	Furniture & fittings	Office equipment	Porta cabins	Capital work-in-progress	Total
At 1 January 2026	-	50,019,263	3,596,271	527,610	37,657,431	324,944	610,261	248,113	3,055,191	96,039,084
Additions	-	-	42,480	-	132,633	-	7,000	-	3,144,773	3,326,886
Disposals	-	-	-	-	-	-	-	-	-	-
At 31 March 2026	-	50,019,263	3,638,751	527,610	37,790,064	324,944	617,261	248,113	6,199,964	99,365,970

Accumulated depreciation

Description	Freehold land	Buildings & leasehold improvements	Motor vehicles	Bore wells	Plant & machinery	Furniture & fittings	Office equipment	Porta cabins	Capital work-in-progress	Total
At 1 January 2026	-	14,770,003	1,984,519	279,334	18,011,244	322,525	527,468	203,041	-	36,098,134
Charge for the period	-	411,132	134,901	4,718	375,410	303	9,025	1,245	-	936,734
Disposals	-	-	-	-	-	-	-	-	-	-
At 31 March 2026	-	15,181,135	2,119,420	284,052	18,386,654	322,828	536,493	204,286	-	37,034,868

Net book value

Description	Freehold land	Buildings & leasehold improvements	Motor vehicles	Bore wells	Plant & machinery	Furniture & fittings	Office equipment	Porta cabins	Capital work-in-progress	Total
At 31 March 2026	-	34,838,128	1,519,331	243,558	19,403,410	2,116	80,768	43,827	6,199,964	62,331,101

Previous year comparative (2025)

Cost

Description	Freehold land	Buildings & leasehold improvements	Motor vehicles	Bore wells	Plant & machinery	Furniture & fittings	Office equipment	Porta cabins	Capital work-in-progress	Total
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	-	-	338,110	-	37,278	-	17,246	-	80,237	472,871
Disposals	-	(213,458)	-	-	-	-	-	-	-	(213,458)
At 31 March 2025	-	50,012,291	3,284,022	431,700	36,885,224	347,019	619,370	233,113	80,237	91,892,976

Accumulated depreciation

Description	Freehold land	Buildings & leasehold improvements	Motor vehicles	Bore wells	Plant & machinery	Furniture & fittings	Office equipment	Porta cabins	Capital work-in-progress	Total
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 period	-	383,822	114,003	3,536	364,816	298	10,418	1,061	-	877,954
Disposals	-	-	-	-	-	-	-	-	-	-
At 31 March 2025	-	13,513,826	1,682,364	265,534	16,862,945	344,334	561,293	199,690	-	33,429,986

Net book value

Description	Freehold land	Buildings & leasehold improvements	Motor vehicles	Bore wells	Plant & machinery	Furniture & fittings	Office equipment	Porta cabins	Capital work-in-progress	Total
At 31 March 2025	-	36,498,465	1,601,658	166,166	20,022,279	2,685	58,077	33,423	80,237	58,462,990

