

**REPORT ON MATERIAL EVENTS & SIGNIFICANT CHANGES FOR THE PERIOD OF  
NINE MONTHS ENDED ON 30 SEPTEMBER 2020**

**MATERIAL EVENTS**

The covid19 pandemic has adversely affected company's sales and profit due to disruption of logistics and its impact on tourism and hotel industry.

**MATERIAL CHANGES IN FIGURES**

**Sales** – During the period the company achieved a sales turnover of RO 4.396 million compared to RO 5.659 million for the same period last year, a decrease of 22%.

**Gross Profit** – During the period the company made a Gross Profit of RO 1.960 million compared to a Gross Profit of RO 2.657 million for the same period last year, a decrease of 26%.

**Selling & Distribution Expenses** – During the period the company incurred RO 453,000 as Selling & distribution expenses compared to RO 790,000 for the same period last year, a decrease of 43%.

**General & Administration Expenses** – During the period the company incurred RO 580,000 as General & administration expenses compared to RO 669,000 for the same period last year, a decrease of 13%.

**Profit before tax** – During the period the company earned Profit before tax of RO 181,000 compared to Profit before tax of RO 409,000 for the same period last year, a decrease of 56%.

**Income tax** – During the period Company provided Income tax of RO 27,000 compared to RO 65,000 provided for the same period last year, a decrease of 58%.

**Total Comprehensive Income ( after tax )** – During the period the company earned a total Comprehensive Income (after tax) of RO 153,000 compared to a total Comprehensive Income (after tax) of RO 344,000 for the same period last year, a decrease of 55%.

**Chief Executive Officer**

***Gulf Mushroom Products Company SAOG***

**Unaudited Statement of financial position as at**

	Notes	30/09/2020 RO	30/09/2019 RO
<b>Non-current sssets</b>		<u>12,986,493</u>	<u>13,488,618</u>
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<b>Current assets</b>			
Inventories	1	1,351,194	1,112,048
Receivables & Prepayments	2	1,043,038	1,250,229
Bank and Cash		<u>440,009</u>	<u>473,086</u>
<b>Total current assets</b>		<b><u>2,834,241</u></b>	<b><u>2,835,363</u></b>
<b>Total assets</b>		<b><u>15,820,734</u></b>	<b><u>16,323,981</u></b>
<b>Current liabilities</b>			
Bank overdraft/Wakala		600,000	345,349
Term loans	3	872,733	1,420,276
Trade & Other creditors		830,818	1,100,203
Lease liability		7,321	6,961
Taxation		<u>4,036</u>	<u>41,093</u>
<b>Total current liabilities</b>		<b><u>2,314,908</u></b>	<b><u>2,913,882</u></b>
<b>Non-current liabilities</b>			
Term loans	3	5,599,555	5,785,135
Deferred Tax	4	523,015	485,448
Lease liability		24,415	30,645
End of service benefits		<u>304,029</u>	<u>274,109</u>
<b>Total non-current liabilities</b>		<b><u>6,451,014</u></b>	<b><u>6,575,337</u></b>
<b>Total liabilities</b>		<b><u>8,765,922</u></b>	<b><u>9,489,219</u></b>
<b>Net Assets</b>		<b><u>7,054,812</u></b>	<b><u>6,834,762</u></b>
<b>Shareholders' funds</b>			
Share capital		3,782,297	3,782,297
Legal Reserve		792,402	751,485
Special Reserves		12,405	12,405
Revaluation Reserve		1,412,890	1,412,890
Accumulated Profit		<u>1,054,818</u>	<u>875,685</u>
<b>Total shareholders' equity</b>	<b>9</b>	<b><u>7,054,812</u></b>	<b><u>6,834,762</u></b>
 <b>Net assets per share (RO)</b>	 <b>8</b>	 <b>0.187</b>	 <b>0.181</b>

***Gulf Mushroom Products Company SAOG***

**Unaudited Statement of comprehensive Income  
for Nine months ended 30 September**

	Notes	9 Months ended 30/09/2020 RO	9 Months ended 30/09/2019 RO
<b>Turnover/Revenue</b>		4,396,011	5,659,008
Direct Expenses		(2,435,578)	(3,001,800)
Selling & distribution expense	1	(452,843)	(789,960)
Indirect expenses	2	(580,304)	(669,487)
Other Income		<u>8,898</u>	<u>25,522</u>
<b>Profit before depreciation &amp; net financing costs</b>		936,184	1,223,283
Depreciation		<u>(484,317)</u>	<u>(549,569)</u>
<b>Profit before net financing costs</b>		451,867	673,714
Net financing costs	3	<u>(271,202)</u>	<u>(264,658)</u>
<b>Profit before tax</b>		180,665	409,056
<b>Income tax</b>	4	<u>(27,385)</u>	<u>(65,136)</u>
<b>Profit for the period</b>		153,280	343,920
Other comprehensive income		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the period</b>		<u><b>153,280</b></u>	<u><b>343,920</b></u>
<b>Profit per share ( RO )</b>	7	0.004	0.009