

REPORT ON MATERIAL EVENTS & SIGNIFICANT CHANGES FOR THE PERIOD OF SIX MONTHS ENDED ON 30 JUNE 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 2.887 million compared to RO 3.952 million for the same period last year, a decrease of 27%.

Gross Profit – During the period the company made a Gross Profit of RO 1.261 million compared to a Gross Profit of RO 1.845 million for the same period last year, a decrease of about 32%.

Selling & Distribution Expenses – During the period the company incurred RO 331,000 as Selling & distribution expenses compared to RO 541,000 for the same period last year, a decrease of 39%.

General & Administration Expenses – During the period the company incurred RO 380,000 as General & administration expenses compared to RO 447,000 for the same period last year, a decrease of 15%.

Profit before tax – During the period the company earned Profit before tax of RO 49,000 compared to Profit before tax of RO 337,000 for the same period last year, a decrease of 85%.

Income tax – During the period Company provided Income tax of RO 8,000 compared to RO53,000 provided for the same period last year, a decrease of 85%.

Total Comprehensive Income (after tax) – During the period the company earned a total Comprehensive Income (after tax) of RO 40,000 compared to a total Comprehensive Income (after tax) of RO 284,000 for the same period last year, a decrease of 86% due to above reasons.

Chief Executive Officer

Gulf Mushroom Products Company SAOG

Unaudited Statement of financial position as at 30 June 2020

	Notes	30/06/2020 RO	30/06/2019 RO
Non-current sssets		<u>13,135,710</u>	<u>13,554,337</u>
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Current assets			
Inventories	1	1,298,818	978,814
Receivables & Prepayments	2	1,011,450	1,359,660
Bank and Cash		<u>582,028</u>	<u>777,991</u>
Total current assets		<u>2,892,296</u>	<u>3,116,465</u>
Total assets		<u>16,028,006</u>	<u>16,670,802</u>
Current liabilities			
Bank overdraft/Wakala		690,000	430,749
Term loans	3	868,305	1,356,033
Trade & Other creditors		1,030,238	1,070,249
Lease liability		7,231	-
Taxation		<u>-</u>	<u>37,989</u>
Total current liabilities		<u>2,595,774</u>	<u>2,895,020</u>
Non-current liabilities			
Term loans	3	5,645,650	6,233,920
Deferred Tax	4	508,116	478,298
Lease liability		32,846	-
End of service benefits		<u>303,766</u>	<u>288,912</u>
Total non-current liabilities		<u>6,490,378</u>	<u>7,001,130</u>
Total liabilities		<u>9,086,152</u>	<u>9,896,150</u>
Net Assets		<u>6,941,854</u>	<u>6,774,652</u>
Shareholders' funds			
Share capital		3,782,297	3,782,297
Legal Reserve		781,106	745,474
Special Reserves		12,405	12,405
Revaluation Reserve		1,412,890	1,412,890
Accumulated Profit		<u>953,156</u>	<u>821,586</u>
Total shareholders' equity	9	<u>6,941,854</u>	<u>6,774,652</u>
		-	-
Net assets per share (RO)	8	0.184	0.179

Gulf Mushroom Products Company SAOG

**Unaudited Statement of comprehensive Income
for Six months ended 30 June 2020**

	Notes	6 Months ended 30/06/2020 RO	6 Months ended 30/06/2019 RO
Turnover/Revenue		2,887,377	3,952,050
Direct Expenses		(1,626,851)	(2,107,082)
Selling & distribution expense	1	(331,333)	(540,656)
Indirect expenses	2	(379,987)	(447,112)
Other Income		<u>9,917</u>	<u>20,508</u>
Profit before depreciation & net financing costs		559,123	877,708
Depreciation		<u>(324,817)</u>	<u>(361,454)</u>
Profit before net financing costs		234,306	516,254
Net financing costs	3	<u>(185,534)</u>	<u>(179,706)</u>
Profit before tax		48,772	336,548
Income tax	4	<u>(8,450)</u>	<u>(52,738)</u>
Profit for the period		40,322	283,810
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the period		<u>40,322</u>	<u>283,810</u>
Profit per share (RO)	7	0.001	0.008