

**REPORT ON MATERIAL EVENTS & SIGNIFICANT CHANGES FOR THE PERIOD OF
THREE MONTHS ENDED ON 31 MARCH 2016**

MATERIAL EVENTS

In the annual general meeting of the company held on 13 March 2016 the shareholders declared 15% bonus shares (15 shares for every 100 shares held) for the year ended on 31 December 2015.

MATERIAL CHANGES IN FIGURES

Production – During the period Company produced 985 Metric Tons of fresh mushrooms compared to 967 Metric Tons for the same period last year, an increase of 2% due to increased yield.

Sales – During the period the company achieved a sales turnover of RO 1.598 million compared to RO 1.667 million for the same period last year, an decrease of 4% due to reduction in selling price.

Gross Profit – During the period the company made a Gross Profit of RO 655,000 compared to a Gross Profit of RO 683,000 for the same period last year, an decrease of 4% due to reduction in selling price.

Selling & Distribution Expenses – During the period the company incurred RO 123,000 as Selling & distribution expenses compared to RO 165,000 for the same period last year, a decrease of 25% due to decrease in exports and resultant decrease in air freight.

General & Administration Expenses – During the period the company incurred RO 228,000 as General & administration expenses compared to RO 227,000 for the same period last year, no significant change.

Profit before tax – During the period the company earned Profit before tax of RO 181,000 compared to Profit before tax of RO 171,000 for the same period last year, an increase of 6% due to above reasons.

Income tax – During the period Company provided Income tax of RO 27,000 compared to RO 20,000 provided for the same period last year, an increase of 35%.

Total Comprehensive Income (after tax) – During the period the company earned a total Comprehensive Income (after tax) of RO 154,000 compared to a total Comprehensive Income (after tax) of RO 152,000 for the same period last year, an increase of 1% due to above reasons.

Chief Executive Officer

Unaudited Statement of financial position as at 31 March 2016

	Notes	31 March 2016	31 March 2015
		RO	RO
Non-current assets		8,013,897	6,200,213
		<u>8,013,897</u>	<u>6,200,213</u>
Current assets			
Inventories	1	598,102	646,589
Receivables & Prepayments	2	1,137,162	1,123,247
Cash and bank		9,549	586,089
		<u>1,744,813</u>	<u>2,355,925</u>
Total current assets		1,744,813	2,355,925
Total assets		<u>9,758,710</u>	<u>8,556,138</u>
Current liabilities			
Bank overdraft		122,360	-
Bank Term Loans	3	602,740	565,000
Trade and other creditors		684,353	515,129
Taxation		34,770	27,732
		<u>1,444,223</u>	<u>1,107,861</u>
Total current liabilities		1,444,223	1,107,861
Non-current liabilities			
Bank Term Loans	3	1,881,561	1,340,130
Deferred Tax	4	339,861	364,564
End of service benefits		222,120	188,865
		<u>2,443,542</u>	<u>1,893,559</u>
Total non-current liabilities		2,443,542	1,893,559
Total liabilities		<u>3,887,765</u>	<u>3,001,420</u>
Net Assets		<u>5,870,945</u>	<u>5,554,718</u>
Shareholders' funds			
Share capital		3,438,452	2,989,958
Legal Reserve		631,206	599,584
Special Reserves		12,405	12,405
Revaluation Reserve		1,462,756	1,462,756
Accumulated Profit		326,126	490,015
		<u>5,870,945</u>	<u>5,554,718</u>
Total shareholders' equity	9	5,870,945	5,554,718
Net assets per share (RO)	8	0.171	0.186

**Unaudited Statement of comprehensive Income
for Three months ended 31 March 2016**

	Notes	3 months ended 31 March 2016	3 months ended 31 March 2015
		RO	RO
Turnover/Revenue		1,598,289	1,666,685
Direct Expenses		(943,331)	(983,941)
Gross profit		654,958	682,744
Selling & distribution exp.		(122,662)	(164,735)
Indirect expenses		(227,724)	(226,654)
Other Income		13,484	18,142
Profit before depreciation & net financing costs		318,056	309,497
Depreciation		(129,978)	(128,156)
Profit before net financing costs		188,078	181,341
Net financing costs	3	(7,033)	(9,971)
Profit before tax		181,045	171,370
Income tax	4	(27,156)	(19,665)
Profit for the period		153,889	151,705
Other comprehensive income		-	-
Total comprehensive income for the period		153,889	151,705
Profit per share (RO)	7	0.004	0.004