



## CHAIRMAN'S REPORT

We are pleased to present the financial results for the first quarter period ended 31<sup>st</sup> March, 2012.

**Turnover:** Your Company had made Sales of Ro 1,149,000 compared to the sales of Ro 1,722,000 during the same period last year. The decline is due to expiry of the PASFR Distribution Contract with effect from 8<sup>th</sup> February 2012. During the period January to March 2012 PASFR Products were sold of RO 213,545 compare to RO 1,215,055/-as compare to same period of last year.

**Operating Result:** During the three month period ended 31<sup>st</sup> March, 2012, the company made a net loss of Ro 62,000 compared to the net loss of Ro 55,000 during same period last year.

PASFR distribution agreement with Oman Foods International SAOG expired on 8<sup>th</sup> February, 2012, and was not renewed.

**Future Operations:** The Company will continue its efforts to improve the sales of its own brands of rice and other commodities during the remaining part of the year.

The Company is planning to add more brands from second quarter and also will be signing agreement for the exclusive distribution of a well known instant milk powder brand in the Sultanate of Oman.

### **Legal Cases:**

The Company has filed a legal case against M/s Ali Redha Company for RO. 2,326,878 in 2002 to recover monies owed to the Company: M/S. Ali Redha Company has filed a counter legal case against the Company for RO 1,270,420 on 4<sup>th</sup> January 2003. Both Suits were returned by the Supreme Court to be heard by different judicial circuit at the Appeal Court. The hearings before the Appeal Court are scheduled for 28<sup>th</sup> May, 2012.

The Public Authority for Stores and Foods Reserve has filed a case on 31<sup>st</sup> July 2011 against the Company for RO 647,702 for a breach of contract and in addition RO.15,000 for Advocacy and Arbitration Fees. The Company has vigorously defended itself. The next hearing is on 30<sup>th</sup> May, 2012.

**Acknowledgement:** The Directors gratefully acknowledges for the consistent support received from the Government, Ministry of Commerce & Industry, Ministry of Finance, PASFR, Banks, CMA MSM and all our shareholders.

CHAIRMAN



الشركة العمانية الغذائية الدولية (ش.م.ع.ع.)  
Oman Foods International SAOG



Un-Audited Balance Sheet as at 31 March 2012				
		As at 31 March		
	Notes	2012		2011
		RO "000"		RO "000"
<b>Non Current Assets</b>				
Property, Plant & Equipment		763		861
Investments Available For Sale	1	775		704
<b>Total Non Current Assets</b>		<b>1,538</b>		<b>1,565</b>
<b>Current Assets</b>				
Inventories	2	788		1,174
Trade receivables (Net)	3	834		366
Cash at Bank and in Hand				1,287
Other Deposits & Prepayments		108		172
<b>Total Current Assets</b>		<b>1,730</b>		<b>2,999</b>
<b>Total Assets</b>		<b>3,268</b>		<b>4,564</b>
<b>Current Liabilities</b>				
Trade and Other Creditors		1,102		2,221
Bank Loans and Overdrafts	-	232		-
Soft Loan installment due <1 year	8	200		100
Provision For Repairs		-		-
<b>Total Current Liabilities</b>		<b>1,534</b>		<b>2,321</b>
<b>Long Term Loans</b>				
Long Term Loans		-		-
Soft Loan	9	303		553
Deferred Government Grant		147		147
Interest Accrued on Long Term Loan		-		-
<b>Total LT Loans</b>		<b>450</b>		<b>700</b>
<b>Total Liabilities</b>		<b>1,984</b>		<b>3,021</b>
<b>Net Assets</b>		<b>1,284</b>		<b>1,543</b>
<b>Shareholders Funds</b>				
<b>Share Capital &amp; Reserves</b>				
Share Capital		6,200		6,200
Accumulated Loss brought forward		(5,115)		(4,792)
Legal Reserves		172		172
Fair Value Reserve		89		18
Profit for the period		(62)		(55)
		<b>1,284</b>		<b>1,543</b>



الشركة العمانية الغذائية الدولية (ش.م.ع.ع.)

**Oman Foods International SAOG**



<b>Un-Audited Profit and Loss Account for</b> Three months ended 31 March 2012			
	Notes	<b>31-March 2012</b>	31-March 2011
		<b>RO'000</b>	RO'000
Turnover /Revenue	4	<b>1,149</b>	<b>1,722</b>
Gross Profit		<b>79</b>	<b>96</b>
Other Income	5	24	15
Depreciation		(14)	(13)
Administration & General Expenses		(149)	(152)
<b>Operating Profit</b>		(60)	(54)
Finance Charges		(2)	(1)
Profit Before Write Back Previous Provisions			
(+) Write Back Previous Provisions	6	-	-
Profit Before Taxation		(62)	(55)
<b>Net Profit</b>		<b>(62)</b>	<b>(55)</b>