

**Trafco Group B.S.C.**

**INTERIM CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS**

**30 JUNE 2021 (REVIEWED)**



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## **REPORT ON THE REVIEW OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF TRAFCO GROUP B.S.C.**

### ***Introduction***

We have reviewed the accompanying interim consolidated statement of financial position of Trafco Group B.S.C. ("the Company") and its subsidiaries (together "the Group") as of 30 June 2021, and the related interim consolidated statements of profit or loss account and other comprehensive income for the three-month and six-month periods then ended and the related interim consolidated statement of cash flows and changes in equity for the six-month period then ended and explanatory notes. The Company's Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 ('IAS 34') "*Interim Financial Reporting*". Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

### ***Scope of review***

We conducted our review in accordance with the International Standard on Review Engagements 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### ***Conclusion***

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Auditor's Registration No. 244  
8 August 2021  
Manama, Kingdom of Bahrain

# Trafco Group B.S.C.

## INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME

For the period ended 30 June 2021 (Reviewed)

	Notes	Three-month period ended 30 June		Six-month period ended 30 June	
		2021	2020	2021	2020
		BD	BD	BD	BD
Revenue	4	<b>8,382,788</b>	8,950,409	<b>17,383,668</b>	19,118,994
Costs of revenue		<b>(6,464,085)</b>	(7,102,210)	<b>(13,612,337)</b>	(15,083,798)
<b>GROSS PROFIT</b>		<b>1,918,703</b>	1,848,199	<b>3,771,331</b>	4,035,196
Other operating income		<b>28,317</b>	49,738	<b>64,169</b>	74,910
Personnel costs		<b>(926,793)</b>	(982,851)	<b>(1,876,315)</b>	(1,969,712)
General and administration expenses		<b>(212,049)</b>	(308,697)	<b>(419,940)</b>	(577,768)
Selling and distribution expenses		<b>(216,287)</b>	(246,048)	<b>(432,987)</b>	(503,920)
Depreciation on property, plant and equipment		<b>(114,780)</b>	(102,392)	<b>(234,787)</b>	(206,601)
Depreciation on right-of-use assets		<b>(59,750)</b>	(65,352)	<b>(140,022)</b>	(152,456)
<b>PROFIT FROM OPERATIONS</b>		<b>417,361</b>	192,597	<b>731,449</b>	699,649
Investment income		<b>24,755</b>	9,076	<b>588,687</b>	590,783
Other income	1	<b>63,828</b>	422,813	<b>63,828</b>	422,813
Share of results of an associate		<b>(16,837)</b>	(16,731)	<b>(62,733)</b>	(25,733)
Finance costs		<b>(40,303)</b>	(35,868)	<b>(72,254)</b>	(78,828)
Finance costs on lease liabilities		<b>(27,348)</b>	(30,855)	<b>(60,090)</b>	(62,376)
Foreign exchange gains, net		<b>6,042</b>	2,368	<b>13,959</b>	7,556
<b>PROFIT OF THE GROUP FOR THE PERIOD</b>		<b>427,498</b>	543,400	<b>1,202,846</b>	1,553,864
of which profit attributable to non-controlling interest		<b>(208,661)</b>	(231,102)	<b>(338,143)</b>	(457,427)
<b>PROFIT FOR THE PERIOD ATTRIBUTABLE TO SHAREHOLDERS OF TRAFCO GROUP B.S.C.</b>		<b>218,837</b>	312,298	<b>864,703</b>	1,096,437
<b>BASIC AND DILUTED EARNINGS PER SHARE (FILS)</b>	6	<b>3</b>	4	<b>12</b>	15
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>					
<i>Items not to be reclassified to profit or loss in subsequent periods:</i>					
- Gains on disposals of non-trading investments		<b>141,220</b>	-	<b>160,427</b>	23,656
- Net change in fair value of non-trading investments		<b>(79,895)</b>	150,472	<b>611,650</b>	(720,509)
- Share of associate's other comprehensive income (loss)		<b>9,921</b>	(254)	<b>2,255</b>	(31,031)
		<b>71,246</b>	150,218	<b>774,332</b>	(727,884)
<i>Items to be reclassified to profit or loss in subsequent periods:</i>					
- Exchange differences on translation of foreign operations		<b>8,330</b>	19,416	<b>2,424</b>	(22,421)
<b>Other comprehensive income (loss) for the period</b>		<b>79,576</b>	169,634	<b>776,756</b>	(750,305)
<b>TOTAL COMPREHENSIVE INCOME OF THE GROUP FOR THE PERIOD</b>		<b>507,074</b>	713,034	<b>1,979,602</b>	803,559
of which attributable to non-controlling interests		<b>(222,332)</b>	(237,130)	<b>(347,910)</b>	(427,162)
<b>TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD ATTRIBUTABLE TO SHAREHOLDERS OF TRAFCO GROUP B.S.C.</b>		<b>284,742</b>	475,904	<b>1,631,692</b>	376,397

Ebrahim Mohamed Ali Zainal  
Chairman

Yusuf Saleh Abdulla AlSaleh  
Vice Chairman

Azzam Moutragi  
Group Chief Executive Officer

The attached notes 1 to 13 form part of these interim condensed consolidated financial statements.


# Trafco Group B.S.C.

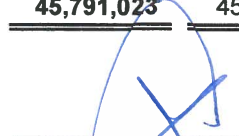
## INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2021 (Reviewed)

	<b>30 June 2021 (Reviewed) BD</b>	<b>31 December 2020 (Audited) BD</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	9,314,565	9,513,364
Right-of-use assets	1,926,970	2,118,713
Investment in an associate	1,379,513	1,439,991
Non-trading investments	14,214,491	13,020,901
	<u>26,835,539</u>	<u>26,092,969</u>
<b>Current assets</b>		
Inventories	7,726,888	7,903,140
Trade and other receivables	8,032,700	7,848,914
Cash, bank balances and short-term deposits	3,195,896	3,625,772
	<u>18,955,484</u>	<u>19,377,826</u>
<b>TOTAL ASSETS</b>	<u><u>45,791,023</u></u>	<u><u>45,470,795</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	8,067,505	8,067,505
Treasury shares	(1,644,095)	(1,644,095)
Share premium	3,386,502	3,386,502
Reserves	17,571,105	17,055,779
<b>Equity attributable to shareholders of Trafco Group B.S.C.</b>	<u>27,381,017</u>	<u>26,865,691</u>
Non-controlling interests	4,556,476	4,208,566
<b>Total equity</b>	<u>31,937,493</u>	<u>31,074,257</u>
<b>Non-current liabilities</b>		
Lease liabilities	1,630,877	1,732,148
Employees' end of service benefits	1,449,651	1,517,158
Term loans	689,698	796,770
Government grant	48,314	47,666
	<u>3,818,540</u>	<u>4,093,742</u>
<b>Current liabilities</b>		
Trade and other payables	5,117,133	4,978,795
Import loans	3,694,032	3,749,557
Lease liabilities	415,592	494,822
Contract and refund liabilities	286,223	183,143
Bank overdrafts	266,445	653,532
Term loans	207,994	195,376
Retentions payable	43,904	43,904
Government grant	3,667	3,667
	<u>10,034,990</u>	<u>10,302,796</u>
<b>Total liabilities</b>	<u>13,853,530</u>	<u>14,396,538</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>45,791,023</u></u>	<u><u>45,470,795</u></u>

  
Ebrahim Mohamed Ali Zainal  
Chairman

  
Yusuf Saleh Abdulla AlSaleh  
Vice Chairman

  
Azzam Moutragi  
Group Chief Executive Officer

The attached notes 1 to 13 form part of these interim condensed consolidated financial statements.

# Trafco Group B.S.C.

## INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 30 June 2021 (Reviewed)

	<i>Six-month period ended</i>	
	<i>30 June</i>	
	<b>2021</b>	<b>2020</b>
	<b>BD</b>	<b>BD</b>
<b>OPERATING ACTIVITIES</b>		
Profit of the Group for the period	<b>1,202,846</b>	1,553,864
Adjustments for:		
Investment income	<b>(588,687)</b>	(590,783)
Depreciation on property, plant and equipment	<b>537,659</b>	505,473
Depreciation on right-of-use assets	<b>204,082</b>	220,089
Finance costs	<b>72,254</b>	78,828
Finance costs on lease liabilities	<b>60,090</b>	62,376
Provision for employees' end of service benefits	<b>97,499</b>	116,407
Share of results of an associate	<b>62,733</b>	25,733
Provision for slow moving and obsolete of inventories	<b>28,081</b>	23,172
Allowance for expected credit losses	<b>11,005</b>	71,732
Gain on termination of lease agreements	<b>(3,003)</b>	-
Amortisation of Government grant	<b>648</b>	-
(Gain) loss on disposals of property, plant and equipment	<b>(4,340)</b>	270
Operating profit before changes in working capital	<b>1,680,867</b>	2,067,161
Working capital changes:		
Inventories	<b>148,171</b>	(391,932)
Trade and other receivables	<b>(195,189)</b>	(590,127)
Trade and other payables	<b>228,027</b>	(319,128)
Contract and refund liabilities	<b>103,080</b>	127,975
Net cash generated from operations	<b>1,964,956</b>	893,949
Directors' remuneration paid	<b>(92,250)</b>	(116,076)
Finance cost on bank overdraft	<b>(47,212)</b>	(54,955)
Employees' end of service benefits paid	<b>(165,006)</b>	(42,716)
Net cash flows from operating activities	<b>1,660,488</b>	680,202
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	<b>(341,051)</b>	(364,089)
Proceeds from disposals of property, plant and equipment	<b>6,531</b>	905
Proceeds from disposals of non-trading investments	<b>367,538</b>	16,421
Purchase of non-trading investments	<b>(789,051)</b>	(342,400)
Dividends and interest received	<b>589,085</b>	590,783
Short-term deposits with original maturities of more than three months	<b>(2,349,321)</b>	(1,078,788)
Net cash flows used in investing activities	<b>(2,516,269)</b>	(1,177,168)
<b>FINANCING ACTIVITIES</b>		
Dividends paid	<b>(1,116,870)</b>	(989,776)
Net movements in import loans	<b>(55,525)</b>	941,520
Net movements in term loans	<b>(94,454)</b>	176,171
Finance costs paid on loans	<b>(21,977)</b>	(10,562)
Payment of principal portion of lease liabilities	<b>(189,837)</b>	(199,417)
Net movement in retentions payable	<b>-</b>	(62,376)
Finance costs paid on lease liabilities	<b>(60,090)</b>	(36,794)
Net cash flows used in financing activities	<b>(1,538,753)</b>	(181,234)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(2,394,534)</b>	(678,200)
Foreign currency translation adjustments - net	<b>2,424</b>	(22,421)
Cash and cash equivalents at 1 January	<b>2,972,240</b>	1,317,279
<b>CASH AND CASH EQUIVALENTS AT 30 JUNE (A)</b>	<b>580,130</b>	616,658

The attached notes 1 to 13 form part of these interim condensed consolidated financial statements.

## Trafco Group B.S.C.

### INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

For the period ended 30 June 2021 (Reviewed)

(A) Cash and cash equivalents comprise of following amounts:

	<i>Six-month period ended</i>	
	<i>30 June</i>	
	<b>2021</b>	<b>2020</b>
	<b>BD</b>	<b>BD</b>
Cash, bank balances and short-term deposits	<b>3,195,896</b>	2,053,124
Less: Bank overdrafts	<b>(266,445)</b>	(357,678)
Less: Short-term deposits with original maturities of more than three months	<b>(2,349,321)</b>	(1,078,788)
	<b>580,130</b>	616,658

**Non-cash items:**

- (i) Unclaimed dividends of BD 504 (2020: BD 126,590) pertaining to prior periods have been adjusted in the movement of trade and other payables.
- (ii) Dividends receivable of BD 398 (2020: nil) have been excluded from the movement of trade and other receivables above.

# Trafco Group B.S.C.

## INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30 June 2021 (Reviewed)

	Attributable to shareholders of Trafco Group B.S.C.											Non-controlling interests	Total equity	
	Share capital	Treasury shares	Share premium	Statutory reserve	General reserve	Fair value reserves	Foreign currency reserves	Retained earnings - distributable	Retained earnings not-distributable	Proposed appropriations	Total reserves			Total Trafco's shareholders
	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD
Balance at 1 January 2021	8,067,505	(1,644,095)	3,386,502	4,033,753	1,465,000	6,647,047	(16,702)	3,263,579	496,736	1,166,366	17,055,779	26,865,691	4,208,566	31,074,257
Profit for the period	-	-	-	-	-	-	-	864,703	-	-	864,703	864,703	338,143	1,202,846
Other comprehensive income for the period	-	-	-	-	-	765,753	1,236	-	-	-	766,989	766,989	9,767	776,756
Total comprehensive income for the period	-	-	-	-	-	765,753	1,236	864,703	-	-	1,631,692	1,631,692	347,910	1,979,602
Dividends (note 9)	-	-	-	-	-	-	-	-	-	(1,116,366)	(1,116,366)	(1,116,366)	-	(1,116,366)
Transfer to general reserve	-	-	-	-	50,000	-	-	-	-	(50,000)	-	-	-	-
Gains on disposals of non-trading investments	-	-	-	-	-	(160,427)	-	160,427	-	-	-	-	-	-
<b>Balance at 30 June 2021</b>	<b>8,067,505</b>	<b>(1,644,095)</b>	<b>3,386,502</b>	<b>4,033,753</b>	<b>1,515,000</b>	<b>7,252,373</b>	<b>(15,466)</b>	<b>4,288,709</b>	<b>496,736</b>	<b>-</b>	<b>17,571,105</b>	<b>27,381,017</b>	<b>4,556,476</b>	<b>31,937,493</b>

	Attributable to shareholders of Trafco Group B.S.C.											Non-controlling interests	Total equity	
	Share capital	Treasury shares	Share premium	Statutory reserve	General reserve	Fair value and other reserves	Foreign currency reserves	Retained earnings - distributable	Retained earnings not-distributable	Proposed appropriations	Total reserves			Total Trafco's shareholders
	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD
Balance at 1 January 2020	8,067,505	(1,644,095)	3,386,502	3,923,300	1,415,000	6,353,401	(36,610)	3,086,316	427,232	1,166,366	16,335,005	26,144,917	3,621,327	29,766,244
Profit for the period	-	-	-	-	-	-	-	1,096,437	-	-	1,096,437	1,096,437	457,427	1,553,864
Other comprehensive loss for the period	-	-	-	-	-	(708,605)	(11,435)	-	-	-	(720,040)	(720,040)	(30,265)	(750,305)
Total comprehensive (loss) income for the period	-	-	-	-	-	(708,605)	(11,435)	1,096,437	-	-	376,397	376,397	427,162	803,559
Dividends (note 9)	-	-	-	-	-	-	-	-	-	(1,116,366)	(1,116,366)	(1,116,366)	-	(1,116,366)
Transfer to general reserve	-	-	-	-	50,000	-	-	-	-	(50,000)	-	-	-	-
Gains on disposals of non-trading investments	-	-	-	-	-	(23,656)	-	23,656	-	-	-	-	-	-
<b>Balance at 30 June 2020</b>	<b>8,067,505</b>	<b>(1,644,095)</b>	<b>3,386,502</b>	<b>3,923,300</b>	<b>1,465,000</b>	<b>5,621,140</b>	<b>(48,045)</b>	<b>4,206,409</b>	<b>427,232</b>	<b>-</b>	<b>15,595,036</b>	<b>25,404,948</b>	<b>4,048,489</b>	<b>29,453,437</b>

The attached notes 1 to 13 form part of these interim condensed consolidated financial statements.

## 1 CORPORATE INFORMATION

Trafco Group B.S.C. ('the Company' or 'Trafco') is a public joint stock company, the shares of which are listed and publicly traded on Bahrain Bourse. The Company was incorporated in the Kingdom of Bahrain by Amiri Decree No. 10 of November 1977. The Company operates in accordance with the provisions of the Bahrain Commercial Companies Law under commercial registration (CR) number 8500 issued by the Ministry of Industry, Commerce and Tourism on 9 April 1978. The Company's registered office is situated at Building 117, Road 42, Block 343, Mina Salman Industrial Area, Kingdom of Bahrain. The Company's principal activity is trading in food products.

The Group comprises of the Company and its subsidiaries. The details of Company's subsidiaries and an associate are disclosed in the Group's annual consolidated financial statements for the year ended 31 December 2020.

The Group's operations continue to expose it to risks associated with coronavirus pandemic (COVID-19) which continues to result in challenging operating environments due to worldwide travel restrictions, restrictions on public gatherings, indoor dining and etc. The Government of the Kingdom of Bahrain has taken various measures to contain the spread of COVID-19 and provide financial assistance to local businesses. The Group has recognised an other income of BD 63,828 (2020: BD 422,813) related to the assistance provided by the Government of the Kingdom of Bahrain. The scale and duration of these developments remain uncertain at this stage and the Group's management is closely monitoring the latest developments in current evolving situation. The Group's management has considered the potential impact of COVID-19 in determining the reported amounts of the Group's financial and non-financial assets and liabilities as at 30 June 2021. However, the recorded amounts remain sensitive to changes in market conditions, the extent of which is presently undeterminable, and may adversely impact the Group's financial performance and financial position during 2021 and beyond.

The interim condensed consolidated financial statements were authorised for issue by the Board of Directors on 8 August 2021.

## 2 SIGNIFICANT ACCOUNTING POLICIES

### Basis of preparation

The interim condensed consolidated financial statements for the six-month period ended 30 June 2021 have been prepared in accordance with International Accounting Standard 34 (IAS 34) "Interim Financial Reporting".

The interim condensed consolidated financial statements do not contain all information and disclosures required for full consolidated financial statements prepared in accordance with International Financial Reporting Standards, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2020. In addition, results for the six-month period ended 30 June 2021 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2021.

### New and amended standards adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2020, except for the new and amended standards effective as of 1 January 2021. One of the significant amendment effective from 1 January 2021 is disclosed below:

#### *Interest Rate Benchmark Reform – Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16*

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).



**2 SIGNIFICANT ACCOUNTING POLICIES (continued)**

**New and amended standards adopted by the Group (continued)**

*Interest Rate Benchmark Reform – Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (continued)*

The amendments include the following practical expedients:

- a) A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- b) Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- c) Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the interim condensed consolidated financial statements of the Group. The Group intends to use the practical expedients in future periods if they become applicable.

**3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES**

The significant accounting judgements and estimates used in the preparation of the interim condensed consolidated financial statements are consistent with those used in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2020.

Trafco Group B.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2021 (Reviewed)

4 REVENUE

The following table presents the disaggregation of the Group's revenue for the three-month periods ended 30 June 2021 and 30 June 2020:

	<i>Wholesale operations</i>		<i>Retail operations</i>		<i>Dairy products and beverages</i>		<i>Fruits and vegetables</i>		<i>Storage and logistics</i>		<i>Total</i>	
	<b>2021</b>	<i>2020</i>	<b>2021</b>	<i>2020</i>	<b>2021</b>	<i>2020</i>	<b>2021</b>	<i>2020</i>	<b>2021</b>	<i>2020</i>	<b>2021</b>	<i>2020</i>
	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>
<b>Types of revenue</b>												
Sale of goods	<b>3,386,044</b>	3,813,038	<b>275,737</b>	383,360	<b>4,030,520</b>	4,089,077	<b>531,381</b>	512,978	-	-	<b>8,223,682</b>	8,798,453
Rendering of services	-	-	-	-	-	-	-	-	<b>159,106</b>	151,956	<b>159,106</b>	151,956
	<b>3,386,044</b>	3,813,038	<b>275,737</b>	383,360	<b>4,030,520</b>	4,089,077	<b>531,381</b>	512,978	<b>159,106</b>	151,956	<b>8,382,788</b>	8,950,409
<b>Geographic markets</b>												
Bahrain	<b>3,386,044</b>	3,813,038	<b>275,737</b>	383,360	<b>3,024,255</b>	2,906,681	<b>531,381</b>	512,978	<b>159,106</b>	151,956	<b>7,376,523</b>	7,768,013
Kuwait and other countries	-	-	-	-	<b>1,006,265</b>	1,182,396	-	-	-	-	<b>1,006,265</b>	1,182,396
	<b>3,386,044</b>	3,813,038	<b>275,737</b>	383,360	<b>4,030,520</b>	4,089,077	<b>531,381</b>	512,978	<b>159,106</b>	151,956	<b>8,382,788</b>	8,950,409
<b>Timing of revenue recognition</b>												
At a point in time	<b>3,386,044</b>	3,813,038	<b>275,737</b>	383,360	<b>4,030,520</b>	4,089,077	<b>531,381</b>	512,978	-	-	<b>8,223,682</b>	8,798,453
Over the time	-	-	-	-	-	-	-	-	<b>159,106</b>	151,956	<b>159,106</b>	151,956
	<b>3,386,044</b>	3,813,038	<b>275,737</b>	383,360	<b>4,030,520</b>	4,089,077	<b>531,381</b>	512,978	<b>159,106</b>	151,956	<b>8,382,788</b>	8,950,409

Trafco Group B.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2021 (Reviewed)

4 REVENUE (continued)

The following table presents the disaggregation of the Group's revenue for the six-month periods ended 30 June 2021 and 30 June 2020:

	<i>Wholesale operations</i>		<i>Retail operations</i>		<i>Dairy products and beverages</i>		<i>Fruits and vegetables</i>		<i>Storage and logistics</i>		<i>Total</i>	
	<b>2021</b>	<i>2020</i>	<b>2021</b>	<i>2020</i>	<b>2021</b>	<i>2020</i>	<b>2021</b>	<i>2020</i>	<b>2021</b>	<i>2020</i>	<b>2021</b>	<i>2020</i>
	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>
<b>Types of revenue</b>												
Sale of goods	<b>7,636,520</b>	8,653,475	<b>563,785</b>	835,145	<b>7,888,451</b>	8,224,677	<b>967,006</b>	1,098,532	-	-	<b>17,055,762</b>	18,811,829
Rendering of services	-	-	-	-	-	-	-	-	<b>327,906</b>	307,165	<b>327,906</b>	307,165
	<b>7,636,520</b>	8,653,475	<b>563,785</b>	835,145	<b>7,888,451</b>	8,224,677	<b>967,006</b>	1,098,532	<b>327,906</b>	307,165	<b>17,383,668</b>	19,118,994
<b>Geographic markets</b>												
Bahrain	<b>7,636,520</b>	8,653,475	<b>563,785</b>	835,145	<b>5,817,702</b>	6,055,639	<b>967,006</b>	1,098,532	<b>327,906</b>	307,165	<b>15,312,919</b>	16,949,956
Kuwait and other countries	-	-	-	-	<b>2,070,749</b>	2,169,038	-	-	-	-	<b>2,070,749</b>	2,169,038
	<b>7,636,520</b>	8,653,475	<b>563,785</b>	835,145	<b>7,888,451</b>	8,224,677	<b>967,006</b>	1,098,532	<b>327,906</b>	307,165	<b>17,383,668</b>	19,118,994
<b>Timing of revenue recognition</b>												
At a point in time	<b>7,636,520</b>	8,653,475	<b>563,785</b>	835,145	<b>7,888,451</b>	8,224,677	<b>967,006</b>	1,098,532	-	-	<b>17,055,762</b>	18,811,829
Over the time	-	-	-	-	-	-	-	-	<b>327,906</b>	307,165	<b>327,906</b>	307,165
	<b>7,636,520</b>	8,653,475	<b>563,785</b>	835,145	<b>7,888,451</b>	8,224,677	<b>967,006</b>	1,098,532	<b>327,906</b>	307,165	<b>17,383,668</b>	19,118,994

# Trafco Group B.S.C.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2021 (Reviewed)

### 5 SEASONALITY OF RESULTS

Investment income amounting to BD 588,687 (2020: BD 590,783) and other income amounting to BD 63,828 (2020: BD 422,813) for the six-month period ended 30 June 2021 are of seasonal nature.

### 6 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the period attributable to shareholders of Trafco Group B.S.C. by the weighted average number of ordinary shares outstanding during the period, excluding the average number of ordinary shares purchased by the Company and held as treasury shares, as follows:

	<i>Three-month period ended</i> <i>30 June (Reviewed)</i>		<i>Six-month period ended</i> <i>30 June (Reviewed)</i>	
	<b>2021</b>	2020	<b>2021</b>	2020
Profit for the period attributable to shareholders of TRAFCO – (BD)	<b>218,837</b>	312,298	<b>864,703</b>	1,096,437
Weighted average number of shares, net of treasury shares	<b>74,424,401</b>	74,424,401	<b>74,424,401</b>	74,424,401
Basic and diluted earnings per share (fils)	<b>3</b>	4	<b>12</b>	15

Basic and diluted earnings per share are the same as the Company has not issued any instruments that would have a dilutive effect.

### 7 FINANCIAL INSTRUMENTS

Set out below is an overview of the financial instruments held by the Group as at 30 June 2021 and 31 December 2020:

	<i>Amortised cost</i> <i>BD</i>	<i>Fair value through other comprehensive income</i> <i>BD</i>	<i>Total</i> <i>BD</i>
<b><i>Financial assets</i></b>			
<b><i>At 30 June 2021 (Reviewed)</i></b>			
Non-trading investments	-	14,214,491	14,214,491
Trade and other receivables	8,032,700	-	8,032,700
Cash, bank balances and short-term deposits	3,195,896	-	3,195,896
	<b>11,228,596</b>	<b>14,214,491</b>	<b>25,443,087</b>
<b><i>Financial assets</i></b>			
<b><i>At 31 December 2020 (Audited)</i></b>			
Non-trading investments	-	13,020,901	13,020,901
Trade and other receivables	7,848,914	-	7,848,914
Cash, bank balances and short-term deposits	3,625,772	-	3,625,772
	<b>11,474,686</b>	<b>13,020,901</b>	<b>24,495,587</b>

**7 FINANCIAL INSTRUMENTS (continued)**

	<b>30 June 2021 (Reviewed) BD</b>	<b>31 December 2020 (Audited) BD</b>
<b>Financial liabilities at amortised cost</b>		
Trade and other payables	5,117,133	4,978,795
Import loans	3,694,032	3,749,557
Lease liabilities	2,046,469	2,226,970
Bank overdrafts	266,445	653,532
Term loans	897,692	992,146
Retentions payable	43,904	43,904
	<b>12,065,675</b>	<b>12,644,904</b>

**8 FAIR VALUE MEASUREMENT**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

**Fair value of financial instruments**

The fair value of financial instruments are estimated based on the following methods and assumptions:

- a) Bank balances, cash, short term deposits, bank overdrafts, trade and other receivables, retentions payable and trade and other payables approximate their carrying amounts largely due to the short-term maturities.
- b) Term loans, import loans and lease liabilities are evaluated by the Group based on parameters such as interest rates. As at 30 June 2021 and as at 31 December 2020, the carrying amounts are not materially different from their fair values; and
- c) Fair value of quoted equity investments and quoted debt instruments is derived from quoted market prices in active markets or in the case of unquoted non-trading investments using fair value provided by the investment managers or other appropriate valuation techniques including fair values determined based on unobservable inputs using market multiples or other appropriate valuation methodologies.

The fair values of financial assets and liabilities are not materially different from their carrying values as at 30 June 2021 and as at 31 December 2020.

**Fair value of non-financial assets and liabilities**

The Group does not have any non-financial assets or liabilities which have been remeasured at fair value as at 30 June 2021 and as at 31 December 2020.

**Fair value hierarchy**

All assets and liabilities for which fair value is measured or disclosed in the interim condensed consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the interim condensed consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**8 FAIR VALUE MEASUREMENT (continued)**

**Fair value hierarchy (continued)**

The following table provides fair value hierarchy of the Group's assets and liabilities:

	30 June 2021 (Reviewed)			Total BD
	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	
	Level 1	Level 2	Level 3	
	BD	BD	BD	
<b>Assets measured at fair value</b>				
<i>Non-trading investments:</i>				
- Quoted equity investments	8,411,599	-	-	8,411,599
- Unquoted equity investments	-	-	4,939,148	4,939,148
- Quoted debt instruments	486,347	-	-	486,347
- Unquoted preference shares	-	-	377,398	377,398
	<b>8,897,946</b>	-	<b>5,316,546</b>	<b>14,214,492</b>
	31 December 2020 (Audited)			
	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	
	Level 1	Level 2	Level 3	Total
	BD	BD	BD	BD
<b>Assets measured at fair value</b>				
<i>Non-trading investments:</i>				
- Quoted equity investments	7,940,322	-	-	7,940,322
- Unquoted equity investments	-	-	4,594,232	4,594,232
- Quoted debt instruments	486,347	-	-	486,347
	<b>8,426,669</b>	-	<b>4,594,232</b>	<b>13,020,901</b>

**Liabilities measured at fair value:**

There were no liabilities measured at fair value as of 30 June 2021 and as of 31 December 2020.

During the six-month period ended 30 June 2021 and year ended 31 December 2020, there were no transfers between Level 1 and Level 2 fair value measurements, and there are no transfers into or out of Level 3 fair value measurements.

**Reconciliation of fair value measurement of Level 3 assets**

Level 3 equity investments have been estimated using fair value provided by the investment managers or other appropriate valuation techniques including fair values determined based on unobservable inputs using market multiples or other appropriate valuation methodologies.

Movement in the fair values of financial assets classified as level 3 category was as follows:

	30 June 2021 (Reviewed) BD	31 December 2020 (Audited) BD
At beginning of the period / year	4,594,232	3,715,457
Additions during the period / year	377,398	-
Change in fair values	344,916	878,775
At end of the period / year	<b>5,316,546</b>	<b>4,594,232</b>

## 9 DIVIDENDS

At the annual general meeting of the shareholders held on 29 March 2021, a final cash dividend of 15 fils per share, excluding treasury shares, totaling BD 1,116,366 for the year ended 31 December 2020 was declared. (30 June 2020: At the annual general meeting of the shareholders held on 30 March 2020, a final cash dividend of 15 fils per share, excluding treasury shares, totaling BD 1,116,366 for the year ended 31 December 2019 was declared). Dividends payable are included within 'Trade and other payables' in the interim consolidated statement of financial position as at 30 June 2021 and as at 31 December 2020.

## 10 COMMITMENTS AND CONTINGENCIES

The Group has capital expenditure commitments of BD 93,691 as of 30 June 2021 [31 December 2020 (Audited): BD 36,500].

Tender, advance payment and performance guarantees issued by banks on behalf of the Group, in the normal course of business, outstanding as at 30 June 2021 amounted to BD 887,828 [31 December 2020 (Audited): BD 841,735].

## 11 SEGMENT REPORTING

For management purposes, the Group is organised into business units based on their products and services and has six reportable operating segments as follows:

Wholesale operations	Import and distribution of foodstuff.
Retail operations	Import and distribution of foodstuff through supermarkets.
Investments	Investment in quoted and unquoted securities (including investment in an associate).
Dairy products and beverages	Production, processing and distribution of dairy products, juices, ice-cream, bottling of water and other items.
Fruits and vegetables	Import and distribution of fruits, vegetables and other food items.
Storage and logistics	Providing of storage and logistics services.

No operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained later in a table, is measured differently from operating profit or loss in the interim condensed consolidated financial statements.

Transfer prices between operating segments are set in a manner similar to transactions with third parties.

The Group's geographical segments are based on the location of the Group's assets. Sales to external customers disclosed in geographical segments are based on the geographical location of its customers.

Segment assets include all operating assets used by a segment and consist primarily of property, plant and equipment, investment in an associate, right-of-use assets, inventories, trade and other receivables, cash, bank balances and short-term deposits. Whilst the majority of the assets can be directly attributed to individual business segments, the carrying amounts of certain assets used jointly by two or more segments is allocated to the segments on a reasonable basis.

Segment liabilities include all operating liabilities and consist primarily of term loans, import loans, lease liabilities, employees' end of service benefits, retention payable, contract and refund liabilities, Government grant, trade and other payables and bank overdrafts. Whilst the majority of the liabilities can be directly attributed to individual business segments.

**11 SEGMENT REPORTING (continued)**

Inter-segment revenues, transactions, assets and liabilities are eliminated upon consolidation and reflected in the adjustment and eliminations column.

Revenue for the three-month period ended 30 June 2021 in the State of Kuwait and Kingdom of Saudi Arabia amounted to BD 1,006,265 (2020: BD 1,182,396) and loss for the three-month period ended 30 June 2021 amounted to BD 28,193 (2020: BD 25,596). The remaining revenue and profit for the three-month period then ended is generated from the primary geographical segment in the Kingdom of Bahrain.

Revenue for the six-month period ended 30 June 2021 in the State of Kuwait and Kingdom of Saudi Arabia amounted to BD 2,070,749 (2020: BD 2,169,038) and loss for the six-month period ended 30 June 2021 amounted to BD 73,408 (2020: BD 115,340). The remaining revenue and profit for the six-month period is generated from the primary geographical segment in the Kingdom of Bahrain.

At 30 June 2021, total assets in the State of Kuwait and Kingdom of Saudi Arabia amounted to BD 1,299,821 [31 December 2020 (Audited): BD 1,577,895] and total liabilities amounted to BD 1,295,271 [31 December 2020 (Audited): BD 1,444,454]. All remaining assets and liabilities arise from the primary geographical segment in the Kingdom of Bahrain.



## 11 SEGMENT REPORTING (continued)

## Three-month period ended 30 June (Reviewed)

The following table presents the details of segmental operating results for the three-month periods ended 30 June 2021 and 30 June 2020:

	<i>Wholesale operations</i>		<i>Retail operations</i>		<i>Investments</i>		<i>Dairy products and beverages</i>		<i>Fruits and vegetables</i>		<i>Storage and logistics</i>		<i>Adjustments and eliminations</i>		<i>Total</i>	
	<i>2021</i> <i>BD</i>	<i>2020</i> <i>BD</i>	<i>2021</i> <i>BD</i>	<i>2020</i> <i>BD</i>	<i>2021</i> <i>BD</i>	<i>2020</i> <i>BD</i>	<i>2021</i> <i>BD</i>	<i>2020</i> <i>BD</i>	<i>2021</i> <i>BD</i>	<i>2020</i> <i>BD</i>	<i>2021</i> <i>BD</i>	<i>2020</i> <i>BD</i>	<i>2021</i> <i>BD</i>	<i>2020</i> <i>BD</i>	<i>2021</i> <i>BD</i>	<i>2020</i> <i>BD</i>
Revenue - third parties	<b>3,386,044</b>	3,813,038	<b>275,737</b>	383,360	-	-	<b>4,030,520</b>	4,089,077	<b>531,381</b>	512,978	<b>159,106</b>	151,956	-	-	<b>8,382,788</b>	8,950,409
Revenue - inter segments	<b>189,687</b>	208,069	<b>235</b>	-	-	-	<b>7,537</b>	57,944	<b>4,534</b>	533	<b>31,933</b>	46,698	<b>(233,926)</b>	(313,244)	-	-
Total revenue	<b>3,575,731</b>	4,021,107	<b>275,972</b>	383,360	-	-	<b>4,038,057</b>	4,147,021	<b>535,915</b>	513,511	<b>191,039</b>	198,654	<b>(233,926)</b>	(313,244)	<b>8,382,788</b>	8,950,409
Costs of revenue (excluding depreciation)	<b>(2,999,811)</b>	(3,468,079)	<b>(230,347)</b>	(349,630)	-	-	<b>(2,748,606)</b>	(2,889,769)	<b>(431,270)</b>	(416,281)	<b>(51,998)</b>	(46,641)	<b>193,826</b>	264,230	<b>(6,268,206)</b>	(6,906,170)
<b>Gross profit</b>	<b>575,920</b>	553,028	<b>45,625</b>	33,730	-	-	<b>1,289,451</b>	1,257,252	<b>104,645</b>	97,230	<b>139,041</b>	152,013	<b>(40,100)</b>	(49,014)	<b>2,114,582</b>	2,044,239
Other operating income	<b>26,978</b>	27,470	<b>2,702</b>	2,506	-	-	<b>14,388</b>	39,747	<b>6,563</b>	5,049	<b>4,746</b>	5,049	<b>(27,060)</b>	(30,083)	<b>28,317</b>	49,738
Other expenses (excluding depreciation)	<b>(535,751)</b>	(600,483)	<b>(29,430)</b>	(40,505)	-	-	<b>(719,483)</b>	(831,756)	<b>(78,495)</b>	(82,319)	<b>(14,632)</b>	(15,662)	<b>22,662</b>	33,129	<b>(1,355,129)</b>	(1,537,596)
Depreciation on property, plant and equipment	<b>(33,031)</b>	(22,456)	<b>(4,449)</b>	(5,539)	-	-	<b>(137,883)</b>	(131,626)	<b>(12,554)</b>	(12,749)	<b>(76,330)</b>	(76,077)	<b>(4,127)</b>	(4,127)	<b>(268,374)</b>	(252,574)
Depreciation on right-of-use assets	<b>(27,646)</b>	(27,972)	<b>(11,275)</b>	(18,766)	-	-	<b>(67,971)</b>	(69,328)	<b>(4,820)</b>	(4,821)	<b>(9,559)</b>	(9,559)	<b>19,236</b>	19,236	<b>(102,035)</b>	(111,210)
<b>Profit (loss) from operations</b>	<b>6,470</b>	(70,413)	<b>3,173</b>	(28,574)	-	-	<b>378,502</b>	264,289	<b>15,339</b>	2,390	<b>43,266</b>	55,764	<b>(29,389)</b>	(30,859)	<b>417,361</b>	192,597
Investment income - (including share of results from an associate)	-	-	<b>49</b>	5,354	<b>264,277</b>	281,676	<b>22,605</b>	3,169	-	-	-	-	<b>(279,013)</b>	(297,854)	<b>7,918</b>	(7,655)
Other income	-	149,191	-	7,611	-	-	<b>63,518</b>	239,689	-	21,021	<b>310</b>	5,301	-	-	<b>63,828</b>	422,813
Finance costs	<b>(33,123)</b>	(28,885)	<b>(844)</b>	(1,129)	-	-	<b>(76)</b>	(294)	<b>(6,309)</b>	(7,853)	<b>(17,709)</b>	(22,211)	<b>17,758</b>	24,504	<b>(40,303)</b>	(35,868)
Finance costs on lease liabilities	<b>(14,659)</b>	(15,820)	<b>(637)</b>	(2,159)	-	-	<b>(20,546)</b>	(21,781)	<b>(4,213)</b>	(4,543)	<b>(12,554)</b>	(13,286)	<b>25,261</b>	26,734	<b>(27,348)</b>	(30,855)
Foreign exchange gains (loss) - net	-	-	-	-	-	-	<b>6,042</b>	2,368	-	-	-	-	-	-	<b>6,042</b>	2,368
<b>(Loss) profit for the period</b>	<b>(41,312)</b>	34,073	<b>1,741</b>	(18,897)	<b>264,277</b>	281,676	<b>450,045</b>	487,440	<b>4,817</b>	11,015	<b>13,313</b>	25,568	<b>(265,383)</b>	(277,475)	<b>427,498</b>	543,400

Trafco Group B.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2021 (Reviewed)

11 SEGMENT REPORTING (continued)

Six-month period ended 30 June (Reviewed)

The following table presents the details of segmental operating results for the six-month periods ended 30 June 2021 and 30 June 2020:

	<i>Wholesale operations</i>		<i>Retail operations</i>		<i>Investments</i>		<i>Dairy products and beverages</i>		<i>Fruits and vegetables</i>		<i>Storage and logistics</i>		<i>Adjustments and eliminations</i>		<i>Total</i>	
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>
Revenue - third parties	7,636,520	8,653,475	563,785	835,145	-	-	7,888,451	8,224,677	967,006	1,098,532	327,906	307,165	-	-	17,383,668	19,118,994
Revenue - inter segments	385,308	496,938	528	-	-	-	30,427	113,796	20,913	722	64,277	85,950	(501,453)	(697,406)	-	-
Total revenue	8,021,828	9,150,413	564,313	835,145	-	-	7,918,878	8,338,473	987,919	1,099,254	392,183	393,115	(501,453)	(697,406)	17,383,668	19,118,994
Costs of revenue (excluding depreciation)	(6,808,032)	(7,918,447)	(475,465)	(766,111)	-	-	(5,479,975)	(5,637,130)	(803,106)	(913,867)	(102,761)	(94,970)	423,934	613,232	(13,245,405)	(14,717,293)
Gross profit	1,213,796	1,231,966	88,848	69,034	-	-	2,438,903	2,701,343	184,813	185,387	289,422	298,145	(77,519)	(84,174)	4,138,263	4,401,701
Other operating income	58,087	59,826	3,208	3,403	-	-	27,450	50,154	22,408	13,680	9,236	11,482	(56,220)	(63,635)	64,169	74,910
Other expenses (excluding depreciation)	(1,094,181)	(1,205,069)	(59,284)	(81,695)	-	-	(1,443,516)	(1,638,843)	(160,454)	(164,793)	(41,812)	(43,605)	70,005	82,605	(2,729,242)	(3,051,400)
Depreciation on property, plant and equipment	(68,211)	(45,852)	(9,213)	(11,548)	-	-	(274,475)	(261,973)	(25,166)	(25,697)	(152,340)	(152,149)	(8,254)	(8,254)	(537,659)	(505,473)
Depreciation on right-of-use of assets	(55,292)	(55,617)	(22,549)	(37,290)	-	-	(135,954)	(137,265)	(9,641)	(9,271)	(19,118)	(19,118)	38,472	38,472	(204,082)	(220,089)
Profit (loss) from operations	54,199	(14,746)	1,010	(58,096)	-	-	612,408	713,416	11,960	(694)	85,388	94,755	(33,516)	(34,986)	731,449	699,649
Investment income - net (including share of results of an associate)	-	-	4,691	12,053	907,501	1,062,401	63,157	31,221	-	-	-	-	(449,395)	(540,625)	525,954	565,050
Other income	-	149,191	-	7,611	-	-	63,518	239,689	-	21,021	310	5,301	-	-	63,828	422,813
Finance costs	(58,069)	(60,444)	(1,750)	(2,461)	-	-	(218)	(1,773)	(12,540)	(18,736)	(35,943)	(44,761)	36,266	49,347	(72,254)	(78,828)
Finance costs on lease liabilities	(30,673)	(31,711)	(1,423)	(4,301)	-	-	(36,412)	(35,008)	(4,289)	(4,804)	(12,554)	(13,286)	25,261	26,734	(60,090)	(62,376)
Foreign exchange gains, net	-	-	-	-	-	-	13,959	7,556	-	-	-	-	-	-	13,959	7,556
(Loss) profit for the period	(34,543)	42,290	2,528	(45,194)	907,501	1,062,401	716,412	955,101	(4,869)	(3,213)	37,201	42,009	(421,384)	(499,530)	1,202,846	1,553,864
Capital expenditure	1,747	86,523	4,787	-	-	-	315,519	263,424	-	1,359	18,998	12,783	-	-	341,051	364,089

The following table presents the details of segmental assets and liabilities as at 30 June 2021 and as at 31 December 2020:

	<i>Wholesale operations</i>		<i>Retail operations</i>		<i>Investments</i>		<i>Dairy products and beverages</i>		<i>Fruits and vegetables</i>		<i>Storage and logistics</i>		<i>Adjustments and eliminations</i>		<i>Total</i>	
	<i>30 June 2021</i>	<i>31 December 2020</i>	<i>30 June 2021</i>	<i>31 December 2020</i>	<i>30 June 2021</i>	<i>31 December 2020</i>	<i>30 June 2021</i>	<i>31 December 2020</i>	<i>30 June 2021</i>	<i>31 December 2020</i>	<i>30 June 2021</i>	<i>31 December 2020</i>	<i>30 June 2021</i>	<i>31 December 2020</i>	<i>30 June 2021</i>	<i>31 December 2020</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>	<i>(Reviewed)</i>	<i>(Audited)</i>	<i>(Reviewed)</i>	<i>(Audited)</i>	<i>(Reviewed)</i>	<i>(Audited)</i>	<i>(Reviewed)</i>	<i>(Audited)</i>	<i>(Reviewed)</i>	<i>(Audited)</i>	<i>(Reviewed)</i>	<i>(Audited)</i>	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>
Assets	12,916,419	14,043,924	440,818	476,743	22,253,975	21,081,047	15,309,264	14,569,763	1,630,097	1,729,654	3,599,342	3,709,833	(10,358,892)	(10,140,169)	45,791,023	45,470,795
Liabilities	8,077,129	8,555,290	230,017	270,427	-	-	5,055,129	5,051,973	1,052,357	1,138,790	1,990,907	2,138,605	(2,552,009)	(2,758,547)	13,853,530	14,396,538

**12 RELATED PARTY TRANSACTIONS**

Related parties represent associate, major shareholders, companies having common directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management.

Transactions with related parties included in the interim consolidated statement of profit or loss and other comprehensive income for the six-month periods ended 30 June 2021 and 30 June 2020 respectively, are as follows:

	<i>Six-month period ended 30 June 2021</i>			
	<i>Revenue BD</i>	<i>Costs of revenue BD</i>	<i>Income BD</i>	<i>Expenses BD</i>
Associated companies	39,158	2,511	5,262	-
Companies with common directors	166,009	357,496	347,766	117,598
	<b>205,167</b>	<b>360,007</b>	<b>353,028</b>	<b>117,598</b>

	<i>Six-month period ended 30 June 2020</i>			
	<i>Revenue BD</i>	<i>Costs of revenue BD</i>	<i>Income BD</i>	<i>Expenses BD</i>
Associated companies	3,255	1,924	-	-
Companies with common directors	191,536	286,924	302,377	105,615
	<b>194,791</b>	<b>288,848</b>	<b>302,377</b>	<b>105,615</b>

Balances with related parties included in the interim consolidated statement of financial position as at 30 June 2021 and as at 31 December 2020, are as follows:

	<i>At 30 June 2021 (Reviewed)</i>		<i>At 31 December 2020 (Audited)</i>	
	<i>Due from BD</i>	<i>Due to BD</i>	<i>Due from BD</i>	<i>Due to BD</i>
Associated companies	11,112	-	6,466	2,651
Companies with common directors	95,335	182,542	143,436	216,608
	<b>106,447</b>	<b>182,542</b>	<b>149,902</b>	<b>219,259</b>

Investment in an associate and share of results of an associate are disclosed on the face of interim statement of financial position and interim statement of profit or loss and other comprehensive income respectively.

**Terms and conditions**

Transactions are made at prices agreed mutually with the related parties. Outstanding balances at the period-end and year-end arose in the normal course of business are unsecured, interest free and settlement occurs in cash.

**12 RELATED PARTY TRANSACTIONS (continued)**

***Ownership interest***

The details of the total ownership interest held by the directors are as follows:

	<b>30 June 2021 (Reviewed) BD</b>	<i>31 December 2020 (Audited) BD</i>
Number of shares	<b>7,056,833</b>	7,056,833

***Compensation of key management personnel***

The remuneration of directors and other members of key management personnel during the six-month period ended was as follows:

	<i>Six-month period ended 30 June (Reviewed)</i>	
	<b>2021 BD</b>	<i>2020 BD</i>
Short-term benefits	<b>167,126</b>	198,208
Employees' end of service benefits	<b>84,185</b>	7,093
	<b>251,311</b>	205,301

**13 COMPARATIVES**

The corresponding figures in the interim consolidated statement of profit or loss account and other comprehensive income and notes thereto have been reclassified in order to conform to the presentation for the current period. Such reclassifications do not affect previously reported profit or the Group's equity.