

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

**INTERIM CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS**

**30 SEPTEMBER 2021 (REVIEWED)**



Ernst & Young - Middle East  
P.O. Box 140  
10<sup>th</sup> Floor, East Tower  
Bahrain World Trade Centre  
Manama  
Kingdom of Bahrain

Tel: +973 1753 5455  
Fax: +973 1753 5405  
manama@bh.ey.com  
C.R. No. 29977-1

## **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 September 2021, and the related interim consolidated statement of profit or loss account and other comprehensive income for the three-month and nine-month periods then ended and the related interim consolidated statements of cash flows and changes in equity for the nine-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 November 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 September 2021 (Reviewed)

	Notes	Three-month period ended		Nine-month period ended	
		30 September		30 September	
		2021	2020	2021	2020
		BD	BD	BD	BD
Revenue	4	9,299,322	9,188,708	26,682,990	28,247,702
Costs of revenue		(7,240,028)	(7,192,147)	(20,852,365)	(22,275,945)
<b>GROSS PROFIT</b>		<b>2,059,294</b>	<b>1,996,561</b>	<b>5,830,625</b>	<b>5,971,757</b>
Other operating income		41,079	78,005	105,248	152,915
Personnel costs		(950,172)	(952,752)	(2,826,487)	(2,922,464)
General and administration expenses		(245,766)	(258,902)	(665,706)	(759,043)
Selling and distribution expenses		(253,603)	(227,900)	(686,590)	(749,447)
Depreciation on property, plant and equipment		(117,066)	(105,117)	(351,853)	(311,718)
Depreciation on right-of-use assets		(68,124)	(78,839)	(208,146)	(231,295)
<b>PROFIT FROM OPERATIONS</b>		<b>465,642</b>	<b>451,056</b>	<b>1,197,091</b>	<b>1,150,705</b>
Investment income		42,041	39,376	630,728	630,159
Other income	1	61,933	141,122	125,761	563,935
Share of results of an associate		(21,001)	(36,357)	(83,734)	(62,090)
Finance costs		(36,086)	(33,309)	(108,340)	(112,137)
Finance costs on lease liabilities		(29,411)	(29,889)	(89,501)	(92,265)
Foreign exchange gains, net		6,209	23,768	20,168	31,324
<b>PROFIT OF THE GROUP FOR THE PERIOD</b>		<b>489,327</b>	<b>555,767</b>	<b>1,692,173</b>	<b>2,109,631</b>
of which profit attributable to non-controlling interest		(214,209)	(277,302)	(552,352)	(734,729)
<b>PROFIT FOR THE PERIOD ATTRIBUTABLE TO SHAREHOLDERS OF TRAFCO GROUP B.S.C.</b>		<b>275,118</b>	<b>278,465</b>	<b>1,139,821</b>	<b>1,374,902</b>
<b>BASIC AND DILUTED EARNINGS PER SHARE (FILS)</b>	6	<b>4</b>	<b>4</b>	<b>15</b>	<b>18</b>
<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		5,059	30,443	165,486	54,099
- Net change in fair value of non-trading investments		126,653	364,739	738,303	(355,770)
- Share of associate's other comprehensive income (loss)		7,072	(11)	9,327	(31,042)
		<b>138,784</b>	<b>395,171</b>	<b>913,116</b>	<b>(332,713)</b>
<i>Items to be reclassified to profit or loss in subsequent periods:</i>					
- Exchange differences on translation of foreign operations		(54,962)	(9,770)	(52,538)	(32,191)
<b>Other comprehensive income (loss) for the period</b>		<b>83,822</b>	<b>385,401</b>	<b>860,578</b>	<b>(364,904)</b>
<b>TOTAL COMPREHENSIVE INCOME OF THE GROUP FOR THE PERIOD</b>		<b>573,149</b>	<b>941,168</b>	<b>2,552,751</b>	<b>1,744,727</b>
of which attributable to non-controlling interests		(200,508)	(283,365)	(548,418)	(710,527)
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO SHAREHOLDERS OF TRAFCO GROUP B.S.C.</b>		<b>372,641</b>	<b>657,803</b>	<b>2,004,333</b>	<b>1,034,200</b>

Ebrahim Mohamed Ali Zainal  
Chairman

Vasuf Saleh Abdulla AISaleh  
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 September 2021 (Reviewed)

	30 September 2021 (Reviewed) BD	31 December 2020 (Audited) BD
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	9,340,730	9,513,364
Right-of-use assets	1,829,364	2,118,713
Investment in an associate	1,365,584	1,439,991
Non-trading investments	14,256,937	13,020,901
	<u>26,792,615</u>	<u>26,092,969</u>
<b>Current assets</b>		
Inventories	6,809,038	7,903,140
Trade and other receivables	8,160,983	7,848,914
Cash, bank balances and short-term deposits	3,928,997	3,625,772
	<u>18,899,018</u>	<u>19,377,826</u>
<b>TOTAL ASSETS</b>	<u><u>45,691,633</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	17,943,746	17,055,779
	<u>27,753,658</u>	<u>26,865,691</u>
<b>Equity attributable to shareholders of Trafco Group B.S.C.</b>	<u>27,753,658</u>	<u>26,865,691</u>
Non-controlling interests	4,756,984	4,208,566
<b>Total equity</b>	<u>32,510,642</u>	<u>31,074,257</u>
<b>Non-current liabilities</b>		
Lease liabilities	1,610,041	1,732,148
Employees' end of service benefits	1,444,445	1,517,158
Term loans	638,267	796,770
Government grant	44,637	47,666
	<u>3,737,390</u>	<u>4,093,742</u>
<b>Current liabilities</b>		
Trade and other payables	5,088,946	4,978,795
Import loans	3,103,896	3,749,557
Lease liabilities	347,775	494,822
Contract and refund liabilities	302,538	183,143
Bank overdrafts	346,306	653,532
Term loans	206,569	195,376
Retentions payable	43,904	43,904
Government grant	3,667	3,667
	<u>9,443,601</u>	<u>10,302,796</u>
<b>Total liabilities</b>	<u>13,180,991</u>	<u>14,396,538</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>45,691,633</u></u>	<u><u>45,470,795</u></u>

  
Ebrahim Mohamed Ali Zainal  
Chairman

  
Fusuif Saleh Abdulla AlSaleh  
Vice Chairman

  
Azzam Alotragi  
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 September 2021 (Reviewed)

	<i>Nine-month period ended</i>	
	<i>30 September</i>	
	<b>2021</b>	2020
	<b>BD</b>	<b>BD</b>
<b>OPERATING ACTIVITIES</b>		
Profit of the Group for the period	1,692,173	2,109,631
Adjustments for:		
Investment income	(630,728)	(630,159)
Depreciation on property, plant and equipment	803,892	765,134
Depreciation on right-of-use assets	304,235	331,374
Finance costs	108,340	112,137
Finance costs on lease liabilities	89,501	92,265
Provision for employees' end of service benefits	157,643	194,565
Share of results of an associate	83,734	62,090
Provision for slow moving and obsolete of inventories	39,316	58,162
Allowance for expected credit losses	38,138	114,779
Gain on termination of lease agreements	(2,301)	-
Amortisation of Government grant	(3,029)	-
Gain on disposals of property, plant and equipment	(17,630)	(4,074)
Operating profit before changes in working capital	2,663,284	3,205,904
Working capital changes:		
Inventories	1,054,786	485,312
Trade and other receivables	(350,605)	(113,102)
Trade and other payables	200,280	(887,542)
Contract and refund liabilities	119,395	(26,978)
Net cash generated from operations	3,687,140	2,663,594
Directors' remuneration paid	(92,250)	(122,577)
Finance cost on bank overdrafts	(70,486)	(94,180)
Employees' end of service benefits paid	(230,356)	(81,885)
Net cash flows from operating activities	3,294,048	2,364,952
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(638,649)	(513,420)
Proceeds from disposals of property, plant and equipment	25,021	5,269
Purchase of non-trading investments	(1,029,700)	(343,733)
Proceeds from disposals of non-trading investments	697,453	23,196
Dividends and interest received	631,126	628,919
Short-term deposits with original maturities of more than three months	(3,165,085)	(1,740,950)
Net cash flows used in investing activities	(3,479,834)	(1,940,719)
<b>FINANCING ACTIVITIES</b>		
Dividends paid	(1,117,307)	(1,423,304)
Net movements in import loans	(645,661)	673,463
Net movements in term loans	(147,310)	128,483
Finance costs paid on loans	(34,792)	-
Finance costs paid on lease liabilities	(89,501)	(92,265)
Payment of principal portion of lease liabilities	(281,739)	(295,648)
Net movement in retentions payable	-	(37,198)
Net cash flows used in financing activities	(2,316,310)	(1,046,469)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(2,502,096)	(622,236)
Foreign currency translation adjustments - net	(52,538)	(32,191)
Cash and cash equivalents at 1 January	2,972,240	1,317,279
<b>CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER (A)</b>	<b>417,606</b>	<b>662,852</b>

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 September 2021 (Reviewed)

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

	<i>Nine-month period ended</i>	
	<i>30 September</i>	
	<b>2021</b>	<i>2020</i>
	<b>BD</b>	<i>BD</i>
Cash, bank balances and short-term deposits	<b>3,928,997</b>	2,612,648
Less: Bank overdrafts	<b>(346,306)</b>	(208,846)
Less: Short-term deposits with original maturities of more than three months	<b>(3,165,085)</b>	(1,740,950)
	<b>417,606</b>	662,852

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

# Trafco Group B.S.C.

## INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30 September 2021 (Reviewed)

	Attributable to shareholders of Trafco Group B.S.C.													Non-controlling interests BD	Total equity BD
	Reserves											Total Trafco's shareholders BD			
	Share capital BD	Treasury shares BD	Share premium BD	Statutory reserve BD	General reserve BD	Fair value reserves BD	Foreign currency reserves BD	Retained earnings - distributable BD	Retained earnings not-distributable BD	Proposed appropriations BD	Total reserves 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	-	-	-	-	-	-	-	1,139,821	-	-	1,139,821	1,139,821	552,352	1,692,173	
Other comprehensive income (loss) for the period	-	-	-	-	-	891,306	(26,794)	-	-	-	864,512	864,512	(3,934)	860,578	
Total comprehensive income (loss) for the period	-	-	-	-	-	891,306	(26,794)	1,139,821	-	-	2,004,333	2,004,333	548,418	2,552,751	
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	-	-	-	-	-	(163,007)	-	163,007	-	-	-	-	-	-	
<b>Balance at 30 September 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>7,375,346</b>	<b>(43,496)</b>	<b>4,566,407</b>	<b>496,736</b>	<b>-</b>	<b>17,943,746</b>	<b>27,753,658</b>	<b>4,756,984</b>	<b>32,510,642</b>	

	Attributable to shareholders of Trafco Group B.S.C.													Non-controlling interests BD	Total equity BD
	Reserves											Total Trafco's shareholders BD			
	Share capital BD	Treasury shares BD	Share premium BD	Statutory reserve BD	General reserve BD	Fair value and other reserves BD	Foreign currency reserves BD	Retained earnings - distributable BD	Retained earnings not-distributable BD	Proposed appropriations BD	Total reserves 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	-	-	-	-	-	-	-	1,374,902	-	-	1,374,902	1,374,902	734,729	2,109,631	
Other comprehensive loss for the period	-	-	-	-	-	(324,285)	(16,417)	-	-	-	(340,702)	(340,702)	(24,202)	(364,904)	
Total comprehensive (loss) income for the period	-	-	-	-	-	(324,285)	(16,417)	1,374,902	-	-	1,034,200	1,034,200	710,527	1,744,727	
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	-	-	-	-	-	(54,099)	-	54,099	-	-	-	-	-	-	
<b>Balance at 30 September 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>5,975,017</b>	<b>(53,027)</b>	<b>4,515,317</b>	<b>427,232</b>	<b>-</b>	<b>16,252,839</b>	<b>26,062,751</b>	<b>4,331,854</b>	<b>30,394,605</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 125,761 (2020: BD 563,935) 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 September 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 November 2021.

## 2 SIGNIFICANT ACCOUNTING POLICIES

### Basis of preparation

The interim condensed consolidated financial statements for the nine-month period ended 30 September 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 nine-month period ended 30 September 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.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 September 2021 (Reviewed)

**4 REVENUE**

The following table presents the disaggregation of the Group's revenue for the three-month periods ended 30 September 2021 and 30 September 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>	<b>2020</b>	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>BD</b>	<b>BD</b>	<b>BD</b>	<b>BD</b>	<b>BD</b>	<b>BD</b>	<b>BD</b>	<b>BD</b>	<b>BD</b>	<b>BD</b>	<b>BD</b>	<b>BD</b>
<b><i>Types of revenue</i></b>												
Sale of goods	<b>3,746,907</b>	3,979,423	<b>288,897</b>	307,406	<b>4,560,594</b>	4,123,519	<b>544,724</b>	552,894	-	-	<b>9,141,122</b>	8,963,242
Rendering of services	-	-	-	-	-	-	-	-	<b>158,200</b>	165,466	<b>158,200</b>	165,466
	<b>3,746,907</b>	3,979,423	<b>288,897</b>	307,406	<b>4,560,594</b>	4,123,519	<b>544,724</b>	552,894	<b>158,200</b>	165,466	<b>9,299,322</b>	9,128,708
<b><i>Geographic markets</i></b>												
Bahrain	<b>3,746,907</b>	3,979,423	<b>288,897</b>	307,406	<b>3,129,315</b>	3,017,856	<b>544,724</b>	552,894	<b>158,200</b>	165,466	<b>7,868,043</b>	8,023,045
Kuwait and other countries	-	-	-	-	<b>1,431,279</b>	1,105,663	-	-	-	-	<b>1,431,279</b>	1,105,663
	<b>3,746,907</b>	3,979,423	<b>288,897</b>	307,406	<b>4,560,594</b>	4,123,519	<b>544,724</b>	552,894	<b>158,200</b>	165,466	<b>9,299,322</b>	9,128,708
<b><i>Timing of revenue recognition</i></b>												
At a point in time	<b>3,746,907</b>	3,979,423	<b>288,897</b>	307,406	<b>4,560,594</b>	4,123,519	<b>544,724</b>	552,894	-	-	<b>9,141,122</b>	8,963,242
Over the time	-	-	-	-	-	-	-	-	<b>158,200</b>	165,466	<b>158,200</b>	165,466
	<b>3,746,907</b>	3,979,423	<b>288,897</b>	307,406	<b>4,560,594</b>	4,123,519	<b>544,724</b>	552,894	<b>158,200</b>	165,466	<b>9,299,322</b>	9,128,708

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 September 2021 (Reviewed)

**4 REVENUE (continued)**

The following table presents the disaggregation of the Group's revenue for the nine-month periods ended 30 September 2021 and 30 September 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>
	<b>BD</b>	<i>BD</i>	<b>BD</b>	<i>BD</i>	<b>BD</b>	<i>BD</i>	<b>BD</b>	<i>BD</i>	<b>BD</b>	<i>BD</i>	<b>BD</b>	<i>BD</i>
<b>Types of revenue</b>												
Sale of goods	<b>11,383,427</b>	12,632,898	<b>852,682</b>	1,142,551	<b>12,449,045</b>	12,348,196	<b>1,511,730</b>	1,651,426	-	-	<b>26,196,884</b>	27,775,071
Rendering of services	-	-	-	-	-	-	-	-	<b>486,106</b>	472,631	<b>486,106</b>	472,631
	<b>11,383,427</b>	12,632,898	<b>852,682</b>	1,142,551	<b>12,449,045</b>	12,348,196	<b>1,511,730</b>	1,651,426	<b>486,106</b>	472,631	<b>26,682,990</b>	28,247,702
<b>Geographic markets</b>												
Bahrain	<b>11,383,427</b>	12,632,898	<b>852,682</b>	1,142,551	<b>8,815,809</b>	9,052,219	<b>1,511,730</b>	1,651,426	<b>486,106</b>	472,631	<b>23,049,754</b>	24,951,725
Kuwait and other countries	-	-	-	-	<b>3,633,236</b>	3,295,977	-	-	-	-	<b>3,633,236</b>	3,295,977
	<b>11,383,427</b>	12,632,898	<b>852,682</b>	1,142,551	<b>12,449,045</b>	12,348,196	<b>1,511,730</b>	1,651,426	<b>486,106</b>	472,631	<b>26,682,990</b>	28,247,702
<b>Timing of revenue recognition</b>												
At a point in time	<b>11,383,427</b>	12,632,898	<b>852,682</b>	1,142,551	<b>12,449,045</b>	12,348,196	<b>1,511,730</b>	1,651,426	-	-	<b>26,196,884</b>	27,775,071
Over the time	-	-	-	-	-	-	-	-	<b>486,106</b>	472,631	<b>486,106</b>	472,631
	<b>11,383,427</b>	12,632,898	<b>852,682</b>	1,142,551	<b>12,449,045</b>	12,348,196	<b>1,511,730</b>	1,651,426	<b>486,106</b>	472,631	<b>26,682,990</b>	28,247,702

# Trafco Group B.S.C.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 September 2021 (Reviewed)

### 5 SEASONALITY OF RESULTS

Investment income amounting to BD 630,728 (2020: BD 630,159) and other income amounting to BD 125,761 (2020: BD 563,935) for the nine-month period ended 30 September 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>Nine-month period ended</i>	
	<i>30 September (Reviewed)</i>		<i>30 September (Reviewed)</i>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Profit for the period attributable to shareholders of TRAFCO – (BD)	<b>275,118</b>	278,465	<b>1,139,821</b>	1,374,902
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>4</b>	4	<b>15</b>	18

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 September 2021 and 31 December 2020:

<i>Financial assets</i>	<i>Fair value through other</i>		<i>Total</i>
	<i>Amortised cost</i>	<i>comprehensive income</i>	
	<i>BD</i>	<i>BD</i>	<i>BD</i>
<b><i>At 30 September 2021 (Reviewed)</i></b>			
Non-trading investments	-	14,256,937	14,256,937
Trade and other receivables	8,160,983	-	8,160,983
Cash, bank balances and short-term deposits	3,928,997	-	3,928,997
	<b>12,089,980</b>	<b>14,256,937</b>	<b>26,346,917</b>
<i>Financial assets</i>			
<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 September 2021 (Reviewed) BD</b>	<b>31 December 2020 (Audited) BD</b>
<b>Financial liabilities at amortised cost</b>		
Trade and other payables	<b>5,088,946</b>	4,978,795
Import loans	<b>3,103,896</b>	3,749,557
Lease liabilities	<b>1,957,816</b>	2,226,970
Bank overdrafts	<b>346,306</b>	653,532
Term loans	<b>844,836</b>	992,146
Retentions payable	<b>43,904</b>	43,904
	<b>11,385,704</b>	12,644,904

**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, 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 September 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 September 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 September 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:

	<b>30 September 2021 (Reviewed)</b>			
	<b>Quoted prices in active markets Level 1</b>	<b>Significant observable inputs Level 2</b>	<b>Significant unobservable inputs Level 3</b>	<b>Total</b>
	<b>BD</b>	<b>BD</b>	<b>BD</b>	<b>BD</b>
<b>Assets measured at fair value</b>				
<i>Non-trading investments:</i>				
- Quoted equity investments	8,954,821	-	-	8,954,821
- Unquoted equity investments	-	-	4,738,371	4,738,371
- Quoted debt instruments	186,347	-	-	186,347
- Unquoted preference shares	-	-	377,398	377,398
	<b>9,141,168</b>	<b>-</b>	<b>5,115,769</b>	<b>14,256,937</b>
	<b>31 December 2020 (Audited)</b>			
	<b>Quoted prices in active markets Level 1</b>	<b>Significant observable inputs Level 2</b>	<b>Significant unobservable inputs Level 3</b>	<b>Total</b>
	<b>BD</b>	<b>BD</b>	<b>BD</b>	<b>BD</b>
<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>-</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 September 2021 and as of 31 December 2020.

During the nine-month period ended 30 September 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 were, as follows:

	<b>30 September 2021 (Reviewed) BD</b>	<b>31 December 2020 (Audited) BD</b>
At beginning of the period/ year	4,594,232	3,715,457
Purchased during the period/ year	377,398	-
Change in fair values	144,139	878,775
At end of the period / year	<b>5,115,769</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 and paid. (30 September 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 and paid). Dividends payable are included within 'Trade and other payables' in the interim consolidated statement of financial position as at 30 September 2021 and as at 31 December 2020.

## 10 COMMITMENTS AND CONTINGENCIES

The Group has capital expenditure commitments of BD 27,286 as of 30 September 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 September 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, non-trading investments, 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 September 2021 in the State of Kuwait and Kingdom of Saudi Arabia amounted to BD 1,431,279 (2020: BD 1,105,663) and loss for the three-month period ended 30 September 2021 amounted to BD 28,282. (2020: BD 53,002). 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 nine-month period ended 30 September 2021 in the State of Kuwait and Kingdom of Saudi Arabia amounted to BD 3,633,236 (2020: BD 3,295,977) and loss for the nine-month period ended 30 September 2021 amounted to BD 101,690 (2020: BD 168,342). The remaining revenue and profit for the nine-month period is generated from the primary geographical segment in the Kingdom of Bahrain.

At 30 September 2021, total assets in the State of Kuwait and Kingdom of Saudi Arabia amounted to BD 1,565,438 [31 December 2020 (Audited): BD 1,577,895] and total liabilities amounted to BD 1,431,995 [31 December 2020 (Audited): BD 1,444,454]. All remaining assets and liabilities arise from the primary geographical segment in the Kingdom of Bahrain.



Trafco Group B.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 September 2021 (Reviewed)

11 SEGMENT REPORTING (continued)

Three-month period ended 30 September (Reviewed)

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

	Wholesale operations		Retail operations		Investments		Dairy products and beverages		Fruits and vegetables		Storage and logistics		Adjustments and eliminations		Total	
	2021 BD	2020 BD	2021 BD	2020 BD	2021 BD	2020 BD	2021 BD	2020 BD	2021 BD	2020 BD	2021 BD	2020 BD	2021 BD	2020 BD	2021 BD	2020 BD
Revenue - third parties	3,746,907	3,979,423	288,897	307,406	-	-	4,560,595	4,183,519	544,724	552,894	158,199	165,466	-	-	9,299,322	9,188,708
Revenue - inter segments	204,776	205,786	222	-	-	-	8,504	8,992	13,857	653	29,169	42,840	(256,528)	(258,271)	-	-
Total revenue	3,951,683	4,185,209	289,119	307,406	-	-	4,569,099	4,192,511	558,581	553,547	187,368	208,306	(256,528)	(258,271)	9,299,322	9,188,708
Costs of revenue (excluding depreciation)	(3,344,002)	(3,574,029)	(238,209)	(274,386)	-	-	(3,203,414)	(2,866,876)	(445,799)	(453,855)	(53,829)	(58,978)	226,421	223,292	(7,058,832)	(7,004,832)
<b>Gross profit</b>	<b>607,681</b>	<b>611,180</b>	<b>50,910</b>	<b>33,020</b>	<b>-</b>	<b>-</b>	<b>1,365,685</b>	<b>1,325,635</b>	<b>112,782</b>	<b>99,692</b>	<b>133,539</b>	<b>149,328</b>	<b>(30,107)</b>	<b>(34,979)</b>	<b>2,240,490</b>	<b>2,183,876</b>
Other operating income	40,291	27,360	578	530	-	-	18,904	77,159	4,773	14,055	3,593	6,331	(27,060)	(47,430)	41,079	78,005
Other expenses (excluding depreciation)	(546,687)	(579,813)	(28,920)	(41,599)	-	-	(803,422)	(751,012)	(78,085)	(92,422)	(17,726)	(24,841)	25,299	50,133	(1,449,541)	(1,439,554)
Depreciation on property, plant and equipment	(32,818)	(22,035)	(4,162)	(5,502)	-	-	(135,752)	(139,436)	(12,395)	(12,662)	(76,979)	(75,899)	(4,127)	(4,127)	(266,233)	(259,661)
Depreciation on right-of-use assets	(27,645)	(27,645)	(11,256)	(19,043)	-	-	(66,110)	(69,408)	(4,821)	(5,191)	(9,559)	(9,559)	19,238	19,236	(100,153)	(111,610)
<b>Profit (loss) from operations</b>	<b>40,822</b>	<b>9,047</b>	<b>7,150</b>	<b>(32,594)</b>	<b>-</b>	<b>-</b>	<b>379,305</b>	<b>442,938</b>	<b>22,254</b>	<b>3,472</b>	<b>32,868</b>	<b>45,360</b>	<b>(16,757)</b>	<b>(17,167)</b>	<b>465,642</b>	<b>451,056</b>
Investment income - (including share of results from an associate)	-	-	-	1,866	281,507	310,470	22,466	18,594	-	-	-	-	(282,933)	(327,911)	21,040	3,019
Other income	-	6,517	-	2,592	-	-	61,623	114,595	-	5,466	310	11,952	-	-	61,933	141,122
Finance costs	(28,515)	(28,028)	(923)	(223)	-	-	(148)	(480)	(6,500)	(5,659)	(16,818)	(21,348)	16,818	22,429	(36,086)	(33,309)
Finance costs on lease liabilities	(14,569)	(15,743)	(495)	(2,121)	-	-	(18,590)	(16,527)	(2,109)	(2,223)	(6,277)	(6,643)	12,629	13,368	(29,411)	(29,889)
Foreign exchange gains - net	-	-	-	-	-	-	6,209	23,768	-	-	-	-	-	-	6,209	23,768
<b>(Loss) profit for the period</b>	<b>(2,262)</b>	<b>(28,207)</b>	<b>5,732</b>	<b>(30,480)</b>	<b>281,507</b>	<b>310,470</b>	<b>450,865</b>	<b>582,888</b>	<b>13,645</b>	<b>1,056</b>	<b>10,083</b>	<b>29,321</b>	<b>(270,243)</b>	<b>(309,281)</b>	<b>489,327</b>	<b>555,767</b>

Trafco Group B.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 September 2021 (Reviewed)

11 SEGMENT REPORTING (continued)

Nine-month period ended 30 September (Reviewed)

The following table presents the details of segmental operating results for the nine-month periods ended 30 September 2021 and 30 September 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	11,383,427	12,632,898	852,682	1,142,551	-	-	12,449,046	12,348,196	1,511,730	1,651,426	486,105	472,631	-	-	26,682,990	28,247,702
Revenue - inter segments	590,084	702,724	750	-	-	-	38,931	122,788	34,770	1,375	93,446	128,790	(757,981)	(955,677)	-	-
Total revenue	11,973,511	13,335,622	853,432	1,142,551	-	-	12,487,977	12,470,984	1,546,500	1,652,801	579,551	601,421	(757,981)	(955,677)	26,682,990	28,247,702
Costs of revenue (excluding depreciation)	(10,152,034)	(11,492,476)	(713,674)	(1,040,497)	-	-	(8,683,389)	(8,504,006)	(1,248,905)	(1,367,722)	(156,590)	(153,948)	650,355	836,199	(20,304,237)	(21,722,450)
<b>Gross profit</b>	<b>1,821,477</b>	<b>1,843,146</b>	<b>139,758</b>	<b>102,054</b>	<b>-</b>	<b>-</b>	<b>3,804,588</b>	<b>3,966,978</b>	<b>297,595</b>	<b>285,079</b>	<b>422,961</b>	<b>447,473</b>	<b>(107,626)</b>	<b>(119,478)</b>	<b>6,378,753</b>	<b>6,525,252</b>
Other operating income	98,378	87,186	3,786	3,933	-	-	46,354	127,313	27,181	27,735	12,829	17,813	(83,280)	(111,065)	105,248	152,915
Other expenses (excluding depreciation)	(1,640,868)	(1,784,882)	(88,204)	(123,294)	-	-	(2,246,938)	(2,329,855)	(238,539)	(257,215)	(59,538)	(68,446)	95,304	132,738	(4,178,783)	(4,430,954)
Depreciation on property, plant and equipment	(101,029)	(67,887)	(13,375)	(17,050)	-	-	(410,227)	(401,409)	(37,561)	(38,359)	(229,319)	(228,048)	(12,381)	(12,381)	(803,892)	(765,134)
Depreciation on right-of-use of assets	(82,937)	(82,937)	(33,805)	(56,333)	-	-	(202,064)	(206,673)	(14,462)	(14,462)	(28,677)	(28,677)	57,710	57,708	(304,235)	(331,374)
<b>Profit (loss) from operations</b>	<b>95,021</b>	<b>(5,374)</b>	<b>8,160</b>	<b>(90,690)</b>	<b>-</b>	<b>-</b>	<b>991,713</b>	<b>1,156,354</b>	<b>34,214</b>	<b>2,778</b>	<b>118,256</b>	<b>140,115</b>	<b>(50,273)</b>	<b>(52,478)</b>	<b>1,197,091</b>	<b>1,150,705</b>
Investment income - net (including share of results of an associate)	-	-	4,691	13,919	1,189,008	1,372,871	85,623	49,815	-	-	-	-	(732,328)	(868,536)	546,994	568,069
Other income	-	155,708	-	10,203	-	-	125,141	354,284	-	26,487	620	17,253	-	-	125,761	563,935
Finance costs	(86,584)	(88,472)	(2,673)	(2,684)	-	-	(366)	(2,253)	(19,040)	(24,395)	(52,761)	(66,109)	53,084	71,776	(108,340)	(112,137)
Finance costs on lease liabilities	(45,242)	(47,454)	(1,918)	(6,422)	-	-	(55,002)	(51,535)	(6,398)	(7,027)	(18,831)	(19,929)	37,890	40,102	(89,501)	(92,265)
Foreign exchange gains, net	-	-	-	-	-	-	20,168	31,324	-	-	-	-	-	-	20,168	31,324
<b>(Loss) profit for the period</b>	<b>(36,805)</b>	<b>14,408</b>	<b>8,260</b>	<b>(75,674)</b>	<b>1,189,008</b>	<b>1,372,871</b>	<b>1,167,277</b>	<b>1,537,989</b>	<b>8,776</b>	<b>(2,157)</b>	<b>47,284</b>	<b>71,330</b>	<b>(691,627)</b>	<b>(809,136)</b>	<b>1,692,173</b>	<b>2,109,631</b>
<b>Capital expenditure</b>	<b>13,149</b>	<b>119,926</b>	<b>4,787</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>509,061</b>	<b>370,774</b>	<b>-</b>	<b>1,359</b>	<b>111,652</b>	<b>21,361</b>	<b>-</b>	<b>-</b>	<b>638,649</b>	<b>513,420</b>

The following table presents the details of segmental assets and liabilities as at 30 September 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 September 2021</i>	<i>31 December 2020</i>	<i>30 September 2021</i>	<i>31 December 2020</i>	<i>30 September 2021</i>	<i>31 December 2020</i>	<i>30 September 2021</i>	<i>31 December 2020</i>	<i>30 September 2021</i>	<i>31 December 2020</i>	<i>30 September 2021</i>	<i>31 December 2020</i>	<i>30 September 2021</i>	<i>31 December 2020</i>	<i>30 September 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>
<b>Assets</b>	<b>12,259,486</b>	<b>14,043,924</b>	<b>424,384</b>	<b>476,743</b>	<b>22,580,347</b>	<b>21,081,047</b>	<b>15,681,356</b>	<b>14,569,763</b>	<b>1,647,573</b>	<b>1,729,654</b>	<b>3,558,963</b>	<b>3,709,833</b>	<b>(10,460,476)</b>	<b>(10,140,169)</b>	<b>45,691,633</b>	<b>45,470,795</b>
<b>Liabilities</b>	<b>7,369,795</b>	<b>8,555,290</b>	<b>207,161</b>	<b>270,427</b>	<b>-</b>	<b>-</b>	<b>5,004,324</b>	<b>5,051,973</b>	<b>1,060,316</b>	<b>1,138,790</b>	<b>1,940,447</b>	<b>2,138,605</b>	<b>(2,401,052)</b>	<b>(2,758,547)</b>	<b>13,180,991</b>	<b>14,396,538</b>

**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 nine-month periods ended 30 September 2021 and 30 September 2020 respectively, are as follows:

	<b>Nine-month period ended 30 September 2021 (Reviewed)</b>			
	<b>Revenue BD</b>	<b>Costs of revenue BD</b>	<b>Income BD</b>	<b>Expenses BD</b>
Associated companies	56,443	2,512	5,262	-
Companies with common directors	262,334	543,584	347,765	262,141
	<b>318,777</b>	<b>546,096</b>	<b>353,027</b>	<b>262,141</b>

  

	<b>Nine-month period ended 30 September 2020 (Reviewed)</b>			
	<b>Revenue BD</b>	<b>Costs of revenue BD</b>	<b>Income BD</b>	<b>Expenses BD</b>
Associated companies	334	19,024	5,157	-
Companies with common directors	280,954	579,287	245,692	156,323
	<b>281,288</b>	<b>598,311</b>	<b>250,849</b>	<b>156,323</b>

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

	<b>At 30 September 2021 (Reviewed)</b>		<b>At 31 December 2020 (Audited)</b>	
	<b>Due from BD</b>	<b>Due to BD</b>	<b>Due from BD</b>	<b>Due to BD</b>
Associated companies	11,923	-	6,466	2,651
Companies with common directors	124,235	276,488	143,436	216,608
	<b>136,158</b>	<b>276,488</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 September 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 nine-month period ended was as follows:

	<i>Nine-month period ended 30 September (Reviewed)</i>	
	<b>2021 BD</b>	<i>2020 BD</i>
Short-term benefits	<b>256,038</b>	279,405
Employees' end of service benefits	<b>85,895</b>	30,265
	<b>341,933</b>	309,670

**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.