

Trafco Group B.S.C.

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**

30 SEPTEMBER 2022 (REVIEWED)



Ernst & Young - Middle East
P O Box 140
10th 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 SHAREHOLDERS OF TRAFCO GROUP B.S.C.

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Trafco Group B.S.C. ("the Company") and its subsidiaries (together "the Group") as at 30 September 2022, comprising of the interim consolidated statement of financial position as at 30 September 2022 and the related interim consolidated statement of profit or loss and other comprehensive income for the three 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 Board of Directors of the Company 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



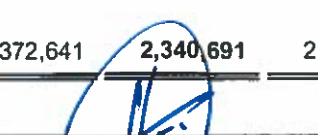
Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Auditor's Registration No. 244
7 November 2022
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 2022 (Reviewed)

	Notes	Three-month period ended 30 September		Nine-month period ended 30 September	
		2022	2021	2022	2021
		BD	BD	BD	BD
Revenue	4	11,599,630	9,299,322	31,276,735	26,682,990
Costs of revenue		(9,218,596)	(7,240,028)	(24,885,938)	(20,852,365)
GROSS PROFIT		2,381,034	2,059,294	6,390,797	5,830,625
Other operating income		32,398	41,079	76,907	105,248
Personnel costs		(1,060,387)	(950,172)	(2,891,995)	(2,826,487)
General and administration expenses		(316,500)	(245,766)	(751,195)	(665,706)
Selling and distribution expenses		(334,840)	(253,603)	(879,505)	(686,590)
Depreciation on property, plant and equipment		(119,381)	(117,066)	(333,129)	(351,853)
Depreciation on right-of-use assets		(66,373)	(68,124)	(219,418)	(208,146)
PROFIT FROM OPERATIONS		515,951	465,642	1,392,462	1,197,091
Investment income	7	53,365	42,041	706,507	630,728
Other income		-	61,933	231,672	125,761
Share of results of an associate		-	(21,001)	(138,319)	(83,734)
Finance costs		(79,787)	(36,086)	(164,761)	(108,340)
Finance costs on lease liabilities		(53,077)	(29,411)	(147,248)	(89,501)
Foreign exchange gains, net		13,254	6,209	37,330	20,168
PROFIT OF THE GROUP FOR THE PERIOD		449,706	489,327	1,917,643	1,692,173
of which profit attributable to non-controlling interest		(148,508)	(214,209)	(461,754)	(552,352)
PROFIT FOR THE PERIOD ATTRIBUTABLE TO SHAREHOLDERS OF TRAFCO GROUP B.S.C.		301,198	275,118	1,455,889	1,139,821
BASIC AND DILUTED EARNINGS PER SHARE (FILS)	8	4	4	20	15
OTHER COMPREHENSIVE INCOME					
<i>Items not to be reclassified to profit or loss in subsequent periods:</i>					
- Gains on disposals of investment at fair value through other comprehensive income		9,965	5,059	9,965	165,486
- Net change in fair value of investments through other comprehensive income		65,286	126,653	931,489	738,303
- Share of associate's other comprehensive income (loss)		-	7,072	(11,063)	9,327
		75,251	138,784	930,391	913,116
<i>Items to be reclassified to profit or loss in subsequent periods:</i>					
- Exchange differences on translation of foreign operations		(23,873)	(54,962)	(79,107)	(52,538)
Other comprehensive income for the period		51,378	83,822	851,284	860,578
TOTAL COMPREHENSIVE INCOME OF THE GROUP FOR THE PERIOD		501,084	573,149	2,768,927	2,552,751
of which attributable to non-controlling interests		(140,071)	(200,508)	(428,236)	(548,418)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO SHAREHOLDERS OF TRAFCO GROUP B.S.C.		361,013	372,641	2,340,691	2,004,333
 Ebrahim Mohamed Ali Zainal Chairman					
 Yusef Saleh Abdulla AlSaleh Vice Chairman					
 Azzam Moutragi Group Chief Executive Officer					

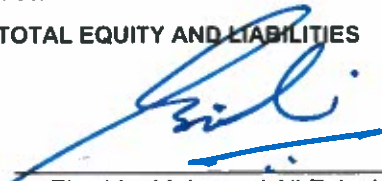
The attached notes 1 to 14 form part of these interim condensed consolidated financial statements.


Trafco Group B.S.C.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2022 (Reviewed)

	30 September 2022 (Reviewed) BD	31 December 2021 (Audited) BD
	Note	
ASSETS		
Non-current assets		
Property, plant and equipment	9,423,260	9,185,005
Right-of-use assets	3,840,759	2,321,836
Investment in an associate	5	1,343,583
Investment at fair value through other comprehensive income	15,599,390	14,094,593
	<u>28,863,409</u>	<u>26,945,017</u>
Current assets		
Inventories	10,348,940	8,455,712
Trade and other receivables	10,582,430	8,694,895
Cash, bank balances and short-term deposits	3,451,043	3,534,812
	<u>24,382,413</u>	<u>20,685,419</u>
TOTAL ASSETS	<u><u>53,245,822</u></u>	<u><u>47,630,436</u></u>
EQUITY AND LIABILITIES		
Equity		
Share capital	8,067,505	8,067,505
Treasury shares	(1,706,644)	(1,706,644)
Share premium	3,386,502	3,386,502
Reserves	19,073,831	17,730,248
Equity attributable to shareholders of Trafco Group B.S.C.	<u>28,821,194</u>	<u>27,477,611</u>
Non-controlling interests	5,088,287	4,660,051
Total equity	<u>33,909,481</u>	<u>32,137,662</u>
Non-current liabilities		
Lease liabilities	3,545,625	2,099,615
Employees' end of service benefits	1,523,268	1,464,015
Term loans	1,685,050	593,428
Government grant	40,965	44,642
	<u>6,794,908</u>	<u>4,201,700</u>
Current liabilities		
Trade and other payables	6,699,181	6,892,595
Import loans	3,491,666	3,429,810
Lease liabilities	512,558	352,701
Contract and refund liabilities	293,622	229,124
Bank overdrafts	993,008	136,564
Term loans	545,900	202,709
Retentions payable	1,831	43,904
Government grant	3,667	3,667
	<u>12,541,433</u>	<u>11,291,074</u>
Total liabilities	<u>19,336,341</u>	<u>15,492,774</u>
TOTAL EQUITY AND LIABILITIES	<u><u>53,245,822</u></u>	<u><u>47,630,436</u></u>


Ebrahim Mohamed Ali Zainal
Chairman


Yasir Saleh Abdulla AlSaleh
Vice Chairman


Azzam Moutragi
Group Chief Executive Officer

The attached notes 1 to 14 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 2022 (Reviewed)

	<i>Nine-month period ended</i>	
	<i>30 September</i>	
	2022	2021
	BD	BD
OPERATING ACTIVITIES		
Profit of the Group for the period	1,917,643	1,692,173
Adjustments for:		
Investment income	(706,507)	(630,728)
Depreciation on property, plant and equipment	772,636	803,892
Depreciation on right-of-use assets	310,628	304,235
Finance costs	164,761	108,340
Other income	(231,672)	-
Finance costs on lease liabilities	147,248	89,501
Provision for employees' end of service benefits	151,628	157,643
Share of results of an associate	138,319	83,734
Provision for slow moving and obsolete of inventories	74,682	39,316
Allowance for expected credit losses	(11,474)	38,138
Gain on termination of lease agreements	-	(2,301)
Amortisation of Government grant	(3,677)	(3,029)
Gain on disposals of property, plant and equipment	(11,792)	(17,630)
Operating profit before changes in working capital	2,712,423	2,663,284
Working capital changes:		
Inventories	(1,723,148)	1,054,786
Trade and other receivables	(1,072,720)	(350,605)
Trade and other payables	(474,398)	200,280
Contract and refund liabilities	64,498	119,395
Retentions	(42,073)	-
Net cash (used in) from operations	(535,418)	3,687,140
Directors' remuneration paid	(92,250)	(92,250)
Employees' end of service benefits paid	(151,343)	(230,356)
Net cash flows (used in) from operating activities	(779,011)	3,364,534
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(420,510)	(638,649)
Proceeds from disposals of property, plant and equipment	22,993	25,021
Purchase of investment at fair value through other comprehensive income	(159,388)	(1,029,700)
Proceeds from disposals of investment at fair value		
through other comprehensive income	14,858	697,453
Dividends and interest received	706,507	631,126
Acquisition of associate (note 6)	(850,951)	-
Short-term deposits with original maturities of more than three months	(946,985)	(3,165,085)
Net cash flows used in investing activities	(1,633,476)	(3,479,834)

The attached notes 1 to 14 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 2022 (Reviewed)

	<i>Nine-month period ended</i>	
	<i>30 September</i>	
	2022	2021
	BD	BD
FINANCING ACTIVITIES		
Dividends paid	(1,038,654)	(1,117,307)
Net movements in import loans	61,856	(645,661)
Net movements in term loans	1,434,813	(147,310)
Finance costs paid on term loans	(131,933)	(34,792)
Finance costs paid	(147,247)	(159,987)
Payment of principal portion of lease liabilities	(224,439)	(281,739)
Net cash flows used in financing activities	(45,604)	(2,386,796)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(2,458,091)	(2,502,096)
Foreign currency translation adjustments - net	(79,107)	(52,538)
Cash and cash equivalents at 1 January	3,398,248	2,972,240
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER (A)	861,050	417,606

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

	<i>Nine-month period ended</i>	
	<i>30 September</i>	
	2022	2021
	BD	BD
Cash, bank balances and short-term deposits	3,451,043	3,928,997
Less: Bank overdrafts	(993,008)	(346,306)
Less: Short-term deposits with original maturities of more than three months	(1,596,985)	(3,165,085)
	861,050	417,606

The attached notes 1 to 14 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 2022 (Reviewed)

	Attributable to shareholders of Trafco Group B.S.C.											Non-controlling interests BD	Total equity BD	
	Share capital BD	Treasury shares BD	Share premium BD	Statutory reserve BD	General reserve BD	Fair value reserve BD	Foreign currency reserve BD	Retained earnings - distributable BD	Retained earnings not-distributable BD	Proposed appropriations BD	Total reserves BD			Total Trafco's shareholders BD
Balance at 1 January 2022	8,067,505	(1,706,644)	3,386,502	4,033,753	1,515,000	6,976,287	(19,157)	3,638,863	496,736	1,088,766	17,730,248	27,477,611	4,660,051	32,137,662
Profit for the period	-	-	-	-	-	-	-	1,455,889	-	-	1,455,889	1,455,889	461,754	1,917,643
Other comprehensive income (loss) for the period	-	-	-	-	-	925,147	(40,345)	-	-	-	884,802	884,802	(33,518)	851,284
Total comprehensive income (loss) for the period	-	-	-	-	-	925,147	(40,345)	1,455,889	-	-	2,340,691	2,340,691	428,236	2,768,927
Deemed disposal of associate	-	-	-	-	-	41,546	-	-	-	-	41,546	41,546	-	41,546
Dividends (note 11)	-	-	-	-	-	-	-	112	-	(1,038,766)	(1,038,654)	(1,038,654)	-	(1,038,654)
Transfer to general reserve	-	-	-	-	50,000	-	-	-	-	(50,000)	-	-	-	-
Gains on disposals of investments at fair value through other comprehensive income	-	-	-	-	-	(9,965)	-	9,965	-	-	-	-	-	-
Balance at 30 September 2022	8,067,505	(1,706,644)	3,386,502	4,033,753	1,565,000	7,933,015	(59,502)	5,104,829	496,736	-	19,073,831	28,821,194	5,088,287	33,909,481

	Attributable to shareholders of Trafco Group B.S.C.											Non-controlling interests BD	Total equity BD	
	Share capital BD	Treasury shares BD	Share premium BD	Statutory reserve BD	General reserve BD	Fair value and other reserve BD	Foreign currency reserve BD	Retained earnings - distributable BD	Retained earnings not-distributable BD	Proposed appropriations BD	Total reserves BD			Total Trafco's shareholders 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 11)	-	-	-	-	-	-	-	-	-	(1,116,366)	(1,116,366)	(1,116,366)	-	(1,116,366)
Transfer to general reserve	-	-	-	-	50,000	-	-	-	-	(50,000)	-	-	-	-
Gains on disposals of investments at fair value through other comprehensive income	-	-	-	-	-	(163,007)	-	163,007	-	-	-	-	-	-
Balance at 30 September 2021	8,067,505	(1,644,095)	3,386,502	4,033,753	1,515,000	7,375,346	(43,496)	4,566,407	496,736	-	17,943,746	27,753,658	4,756,984	32,510,642

The attached notes 1 to 14 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 and Commerce 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 2021 and details of acquisition of remaining stake in it's associate during the the second quarter of 2022 is disclosed in note 6.

The interim condensed consolidated financial statements were authorised for issue by the Board of Directors on 7 November 2022.

2 SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The interim condensed consolidated financial statements for the nine-month period ended 30 September 2022 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 2021. In addition, results for the nine-month period ended 30 September 2022 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2022.

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 2021, except for the new and amended standards effective as of 1 January 2022. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The following amendment applies for the first time in 2022, but do not have an impact on the interim condensed consolidated financial statements of the Group.

- *Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37;*
- *Reference to the Conceptual Framework – Amendments to IFRS 3;*
- *Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16;*
- *IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first- time adopter;*
- *IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities;*
- *IAS 41 Agriculture – Taxation in fair value measurements.*

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 2021.

Trafco Group B.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 September 2022 (Reviewed)

4 REVENUE

The following table presents the disaggregation of the Group's revenue for the three-month periods ended 30 September 2022 and 30 September 2021:

	<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>Livestock*</i>		<i>Total</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</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>Types of revenue</i>														
Sale of goods	3,803,282	3,746,907	337,786	288,897	5,285,930	4,560,594	482,355	544,724	-	-	1,513,414	-	11,422,767	9,141,122
Rendering of services	-	-	-	-	-	-	-	-	176,863	158,200	-	-	176,863	158,200
	3,803,282	3,746,907	337,786	288,897	5,285,930	4,560,594	482,355	544,724	176,863	158,200	1,513,414	-	11,599,630	9,299,322
<i>Geographic markets</i>														
Bahrain	3,803,282	3,746,907	337,786	288,897	3,824,841	3,129,315	482,355	544,724	176,863	158,200	1,513,414	-	10,138,541	7,868,043
Kuwait and other countries	-	-	-	-	1,461,089	1,431,279	-	-	-	-	-	-	1,461,089	1,431,279
	3,803,282	3,746,907	337,786	288,897	5,285,930	4,560,594	482,355	544,724	176,863	158,200	1,513,414	-	11,599,630	9,299,322
<i>Timing of revenue recognition</i>														
At a point in time	3,803,282	3,746,907	337,786	288,897	5,285,930	4,560,594	482,355	544,724	-	-	1,513,414	-	11,422,767	9,141,122
Over the time	-	-	-	-	-	-	-	-	176,863	158,200	-	-	176,863	158,200
	3,803,282	3,746,907	337,786	288,897	5,285,930	4,560,594	482,355	544,724	176,863	158,200	1,513,414	-	11,599,630	9,299,322

* New segment as a result of acquisition of Bahrain Livestock Company W.L.L. (formerly Bahrain Livestock Company B.S.C. (c)) during second quarter of 2022.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 September 2022 (Reviewed)

4 REVENUE (continued)

The following table presents the disaggregation of the Group's revenue for the nine-month periods ended 30 September 2022 and 30 September 2021:

	<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>Livestock*</i>		<i>Total</i>	
	2022	<i>2021</i>	2022	<i>2021</i>	2022	<i>2021</i>	2022	<i>2021</i>	2022	<i>2021</i>	2022	<i>2021</i>	2022	<i>2021</i>
	BD	<i>BD</i>	BD	<i>BD</i>	BD	<i>BD</i>	BD	<i>BD</i>	BD	<i>BD</i>	BD	<i>BD</i>	BD	<i>BD</i>
Types of revenue														
Sale of goods	11,616,902	11,383,427	964,023	852,682	14,858,047	12,449,045	1,593,039	1,511,730	-	-	1,724,230	-	30,756,241	26,196,884
Rendering of services	-	-	-	-	-	-	-	-	520,494	486,106	-	-	520,494	486,106
	11,616,902	11,383,427	964,023	852,682	14,858,047	12,449,045	1,593,039	1,511,730	520,494	486,106	1,724,230	-	31,276,735	26,682,990
Geographic markets														
Bahrain	11,616,902	11,383,427	964,023	852,682	10,961,245	8,815,809	1,593,039	1,511,730	520,494	486,106	1,724,230	-	27,379,933	23,049,754
Kuwait and other countries	-	-	-	-	3,896,802	3,633,236	-	-	-	-	-	-	3,896,802	3,633,236
	11,616,902	11,383,427	964,023	852,682	14,858,047	12,449,045	1,593,039	1,511,730	520,494	486,106	1,724,230	-	31,276,735	26,682,990
Timing of revenue recognition														
At a point in time	11,616,902	11,383,427	964,023	852,682	14,858,047	12,449,045	1,593,039	1,511,730	-	-	1,724,230	-	30,756,241	26,196,884
Over the time	-	-	-	-	-	-	-	-	520,494	486,106	-	-	520,494	486,106
	11,616,902	11,383,427	964,023	852,682	14,858,047	12,449,045	1,593,039	1,511,730	520,494	486,106	1,724,230	-	31,276,735	26,682,990

* New segment as a result of acquisition of Bahrain Livestock Company W.L.L. (formerly Bahrain Livestock Company B.S.C. (c)) during second quarter of 2022.

At 30 September 2022 (Reviewed)

5 INVESTMENT IN AN ASSOCIATE

The Group owned a 36.26% interest in Bahrain Livestock Company W.L.L. (formerly Bahrain Livestock Company B.S.C. (c)), as at 31 December 2021, a company registered in the Kingdom of Bahrain and engaged in the import of both livestock and chilled meat in the Kingdom of Bahrain. During the second quarter of 2022, the Group acquired remaining shareholding from associate's other shareholders and therefore the associate was converted into a wholly owned subsidiary of the Group (deemed disposal of associate) during second quarter of 2022 (see note 6).

The movements in the carrying values of the investment in an associate, are as follows:

	<i>Nine months period ended 30 September 2022 BD</i>	<i>Year ended 31 December 2021 BD</i>
At 1 January	1,343,583	1,439,991
Share of results for the period until deemed disposal	(138,319)	(113,128)
Net changes in fair value of associate's investments at fair value through other comprehensive income during the period until deemed disposal	(11,063)	16,720
Derecognition of associate (note 6)	(1,194,201)	-
At 30 September (deemed disposal)	-	1,343,583

6 ACQUISITION OF ADDITIONAL STAKE IN BAHRAIN LIVESTOCK COMPANY W.L.L. (FORMERLY BAHRAIN LIVESTOCK COMPANY B.S.C. (C))

As at 31 December 2021, the Group had an investment of 36.26% in the Bahrain Livestock Company W.L.L. (formerly Bahrain Livestock Company B.S.C. (c)) ("BLSC"), a company that is engaged in the import of both livestock and chilled meat in the Kingdom of Bahrain. BLSC was treated as an associate and was accounted for under the equity method of accounting in the Group's consolidated financial statements.

During the second quarter of 2022, the Group purchased the remaining 63.74% shareholding in BLSC for BD 1,657,240.

As a result of such increased shareholding, BLSC became a wholly owned subsidiary of the Group and the Group started consolidating BLSC in the Group's consolidated financial statements from the date of such acquisition. The Group acquired BLSC to increase its operations of trading in food products.

As required by IFRS, the Group has:

- fair valued its previously held shareholding in BLSC and has taken the difference between the carrying value and the fair value at the date of acquisition to profit or loss.
- recycled all amounts previously recorded in Group's equity in relation to the Group's investment in BLSC (pre-acquisition) to profit or loss.
- included the fair value of its previously held stake in BLSC at the date of acquisition as part of purchase consideration for the determination of goodwill / gain on bargain purchase.

The Group has accounted for this acquisition using provisional fair values of the acquired assets and assumed liabilities as at the acquisition date. Adjustment to the provisional values will be finalised within twelve months of the date of acquisition.

The following table summarises the recognised amounts (provisional fair values) of assets acquired and liabilities assumed at the date of acquisition.

**6 ACQUISITION OF ADDITIONAL STAKE IN BAHRAIN LIVESTOCK COMPANY W.L.L.
(FORMERLY BAHRAIN LIVESTOCK COMPANY B.S.C. (C)) (continued)**

	2022 BD
Assets	
Property, plant and equipment	601,582
Right-of-use assets	25,643
Investment at fair value through other comprehensive income	418,809
Inventories	244,762
Trade and other receivables	803,341
Cash, bank balances and short-term deposits	1,456,290
	<u>3,550,427</u>
Liabilities	
Employees' end of service benefits	58,968
Trade and other payables	340,406
Lease liabilities	26,394
	<u>425,768</u>
Total identifiable net assets	<u><u>3,124,659</u></u>
Less:	
Fair value of previously held investment in BLSC	942,760
Consideration paid for acquisition of remaining shareholding in BLSC	1,657,240
	<u>2,600,000</u>
Total purchase consideration	2,600,000
Bargain purchase gain (provisional)	524,659
Carrying value of Group's investment in BLSC at the date of acquisition (note 5)	1,194,201
Fair value of Group's investment in BLSC (36.26%) at the date of acquisition	942,760
	<u>(251,441)</u>
Net bargain purchase gain (provisional)	<u><u>273,218</u></u>
Cashflow on acquisition	
Net cash acquired with the subsidiary	806,289
Cash paid	(1,657,240)
	<u>(850,951)</u>

During the period ended 30 September 2022, the Group incurred acquisition related costs on account of fees to third parties for legal and transaction services as well as costs of third party consultants amounting to BD 1,928. Such amount was charged to profit or loss (general and administration expenses).

From the date of acquisition, BLSC has contributed BD 1,724,230 of revenue and a profit of BD 1,377 to the results of the Group. If the acquisition had taken place at the beginning of 2022, revenue of the Group for the period ended 30 September 2022 would have been BD 32,960,680 and the results of the Group for the period ended 30 September 2022 would have been BD 1,692,996.

The Group has recorded both the gain on bargain purchase (provisional) and the loss on deemed disposal of associate as a part of other income in profit or loss.

Trafco Group B.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 September 2022 (Reviewed)

7 SEASONALITY OF RESULTS

Investment income amounting to BD 706,507 (2021: BD 630,728) and other income amounting to BD 231,672 (2021: BD 125,761) for the nine-month period ended 30 September 2022 are of seasonal nature.

8 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 September (Reviewed)</i>		<i>Nine-month period ended</i> <i>30 September (Reviewed)</i>	
	2022	2021	2022	2021
Profit for the period attributable to shareholders of TRAFCO – (BD)	301,198	275,118	1,455,889	1,139,821
Weighted average number of shares, net of treasury shares	74,197,577	74,424,401	74,197,577	74,424,401
Basic and diluted earnings per share (fils)	4	4	20	15

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

9 FINANCIAL INSTRUMENTS

Set out below is an overview of the financial instruments held by the Group as at 30 September 2022 and 31 December 2021:

<i>Financial assets</i>	<i>Fair value through other comprehensive income</i>		<i>Total BD</i>
	<i>Amortised cost BD</i>	<i>BD</i>	
<i>At 30 September 2022 (Reviewed)</i>			
Investments at fair value through other comprehensive income	-	15,599,390	15,599,390
Trade and other receivables	10,582,430	-	10,582,430
Cash, bank balances and short-term deposits	3,451,043	-	3,451,043
	14,033,473	15,599,390	29,632,863
<i>Financial assets</i>	<i>Fair value through other comprehensive income</i>		<i>Total BD</i>
<i>At 31 December 2021 (Audited)</i>	<i>Amortised cost BD</i>	<i>BD</i>	
Investments at fair value through other comprehensive income	-	14,094,593	14,094,593
Trade and other receivables	8,694,895	-	8,694,895
Cash, bank balances and short-term deposits	3,534,812	-	3,534,812
	12,229,707	14,094,593	26,324,300

9 FINANCIAL INSTRUMENTS (continued)

	30 September 2022 (Reviewed) BD	31 December 2021 (Audited) BD
Financial liabilities at amortised cost		
Trade and other payables	6,699,181	6,892,595
Import loans	3,491,666	3,429,810
Lease liabilities	4,058,183	2,452,316
Bank overdrafts	993,008	136,564
Term loans	2,230,950	796,137
Retentions payable	1,831	43,904
	17,474,819	13,751,326

10 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, import loans, trade and other receivables, retentions payable, trade and other payables approximate their carrying amounts largely due to the short-term maturities.
- b) Term loans and lease liabilities are evaluated by the Group based on parameters such as interest rates. As at 30 September 2022 and as at 31 December 2021, 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 investment at fair value through other comprehensive income 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 2022 and as at 31 December 2021.

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 2022 and as at 31 December 2021.

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.

10 FAIR VALUE MEASUREMENT (continued)

Fair value hierarchy (continued)

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

	30 September 2022 (Reviewed)			Total BD	
	Quoted prices in active markets Level 1 BD	Significant observable inputs Level 2 BD	Significant unobservable inputs Level 3 BD		
	Assets measured at fair value				
	<i>Investments at fair value through other comprehensive income</i>				
- Quoted equity investments	9,968,498	-	-	9,968,498	
- Unquoted equity investments	-	-	5,444,545	5,444,545	
- Quoted debt instruments	186,347	-	-	186,347	
	10,154,845	-	5,444,545	15,599,390	
	31 December 2021 (Audited)			Total BD	
	Quoted prices in active markets Level 1 BD	Significant observable inputs Level 2 BD	Significant unobservable inputs Level 3 BD		
	Assets measured at fair value				
	<i>Investments at fair value through other comprehensive income</i>				
- Quoted equity investments	9,374,733	-	-	9,374,733	
- Unquoted equity investments	-	-	4,533,513	4,533,513	
- Quoted debt instruments	186,347	-	-	186,347	
	9,561,080	-	4,533,513	14,094,593	

Liabilities measured at fair value:

There were no liabilities measured at fair value as of 30 September 2022 and as of 31 December 2021.

During the nine-month period ended 30 September 2022 and year ended 31 December 2021, 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:

	30 September 2022 (Reviewed) BD	31 December 2021 (Audited) BD
At beginning of the period / year	4,533,513	4,594,232
Purchased during the period / year	-	447,142
Change in fair values	911,032	(507,861)
At end of the period / year	5,444,545	4,533,513

11 DIVIDENDS

At the annual general meeting of the shareholders held on 30 March 2022, a final cash dividend of 14 fils per share, excluding treasury shares, totaling BD 1,038,766 for the year ended 31 December 2021 was approved. (30 September 2021: 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 approved). Dividends payable are included within 'Trade and other payables' in the interim consolidated statement of financial position as at 30 September 2022 and as at 31 December 2021.

12 COMMITMENTS AND CONTINGENCIES

The Group has capital expenditure commitments of BD 86,904 as of 30 September 2022 [31 December 2021 (Audited): BD 75,351].

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 2022 amounted to BD 837,893 [31 December 2021 (Audited): BD 841,893].

13 SEGMENT REPORTING

For management purposes, the Group is organised into business units based on their products and services and has seven 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.
Livestock	Import and sale of live animals, fresh, chilled and frozen meat and food service products.

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.

13 SEGMENT REPORTING (continued)

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, the carrying amounts of certain liabilities used jointly by two or more segments are allocated to the segments on a reasonable basis.

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 2022 in the State of Kuwait and Kingdom of Saudi Arabia amounted to BD 1,461,089 (2021: BD 1,431,279) and profit for the three-month period ended 30 September 2022 amounted to BD 26,713 (2021: loss of BD 28,282). 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 2022 in the State of Kuwait and Kingdom of Saudi Arabia amounted to BD 3,896,802 (2021: BD 3,633,236) and profit for the nine-month period ended 30 September 2022 amounted to BD 56,247 (2021: loss of BD 101,690). 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 2022, total assets in the State of Kuwait and Kingdom of Saudi Arabia amounted to BD 2,237,985 [31 December 2021 (Audited): BD 1,996,801] and total liabilities amounted to BD 2,104,543 [31 December 2021 (Audited): BD 1,863,360]. 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 2022 (Reviewed)

13 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 2022 and 30 September 2021:

	Wholesale operations		Retail operations		Investments		Dairy products and beverages		Fruits and vegetables		Storage and logistics		Livestock*		Adjustments and eliminations		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD
Revenue - third parties	3,803,282	3,746,907	337,786	288,897	-	-	5,285,930	4,560,594	482,355	544,724	176,863	158,200	1,513,414	-	-	-	11,599,630	9,299,322
Revenue - inter segments	14,654	204,776	220	222	-	-	14,665	8,504	6,817	13,857	43,449	29,169	5,194	-	(84,999)	(256,528)	-	-
Total revenue	3,817,936	3,951,683	338,006	289,119	-	-	5,300,595	4,569,098	489,172	558,581	220,312	187,369	1,518,608	-	(84,999)	(256,528)	11,599,630	9,299,322
Costs of revenue (excluding depreciation)	(3,153,563)	(3,344,002)	(272,125)	(238,209)	-	-	(3,889,819)	(3,203,414)	(411,180)	(445,799)	(59,427)	(53,829)	(1,301,510)	-	47,292	226,421	(9,040,332)	(7,058,832)
Gross profit	664,373	607,681	65,881	50,910	-	-	1,410,776	1,365,684	77,992	112,782	160,885	133,540	217,098	-	(37,707)	(30,107)	2,559,298	2,240,490
Other operating income	3,177	13,231	642	578	-	-	17,452	18,904	13,628	4,773	2,491	3,593	2,177	-	(7,169)	-	32,398	41,079
Other expenses (excluding depreciation)	(509,066)	(519,627)	(23,269)	(28,920)	-	-	(905,755)	(803,422)	(78,527)	(78,085)	(18,960)	(17,726)	(177,825)	-	1,675	(1,761)	(1,711,727)	(1,449,541)
Depreciation on property, plant and equipment	(33,025)	(32,818)	(2,266)	(4,162)	-	-	(125,011)	(135,752)	(11,953)	(12,395)	(77,539)	(76,979)	(5,179)	-	(4,127)	(4,127)	(259,100)	(266,233)
Depreciation on right-of-use assets	(27,069)	(27,645)	(7,176)	(11,256)	-	-	(72,952)	(66,110)	(4,923)	(4,821)	(8,871)	(9,559)	(1,777)	-	17,850	19,238	(104,918)	(100,153)
Profit (loss) from operations	98,390	40,822	33,812	7,150	-	-	324,510	379,304	(3,783)	22,254	58,006	32,869	34,494	-	(29,478)	(16,757)	515,951	465,642
Investment income - (including share of results from an associate)	-	-	-	-	303,115	281,507	24,109	22,466	-	-	-	-	6,699	-	(280,558)	(282,933)	53,365	21,040
Other income	-	-	-	-	-	-	-	61,623	-	-	-	310	-	-	-	-	-	61,933
Finance costs	(66,823)	(28,515)	(1,127)	(923)	-	-	(1,176)	(148)	(7,721)	(6,500)	(13,414)	(16,818)	(2,938)	-	13,412	16,818	(79,787)	(36,086)
Finance costs on lease liabilities	(29,356)	(14,569)	(418)	(495)	-	-	(31,699)	(18,590)	(4,319)	(2,109)	(12,601)	(6,277)	(40)	-	25,356	12,629	(53,077)	(29,411)
Foreign exchange gains - net	-	-	-	-	-	-	13,254	6,209	-	-	-	-	-	-	-	-	13,254	6,209
Profit (loss) for the period	2,211	(2,262)	32,267	5,732	303,115	281,507	328,998	450,864	(15,823)	13,645	31,991	10,084	38,215	-	(271,268)	(270,243)	449,706	489,327

* New segment as a result of acquisition of Bahrain Livestock Company W.L.L. (formerly Bahrain Livestock Company B.S.C. (c)) during second quarter of 2022.

Trafco Group B.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 September 2022 (Reviewed)

13 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 2022 and 30 September 2021:

	Wholesale operations		Retail operations		Investments		Dairy products and beverages		Fruits and vegetables		Storage and logistics		Livestock*		Adjustments and eliminations		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD
Revenue - third parties	11,616,902	11,383,427	964,023	852,682	-	-	14,858,047	12,449,045	1,593,039	1,511,730	520,494	486,106	1,724,230	-	-	-	31,276,735	26,682,990
Revenue - inter segments	15,024	590,084	632	750	-	-	41,596	38,931	13,697	34,770	137,679	93,446	5,208	-	(213,836)	(757,981)	-	-
Total revenue	11,631,926	11,973,511	964,655	853,432	-	-	14,899,643	12,487,976	1,606,736	1,546,500	658,173	579,552	1,729,438	-	(213,836)	(757,981)	31,276,735	26,682,990
Costs of revenue (excluding depreciation)	(9,654,088)	(10,152,034)	(791,764)	(713,674)	-	-	(11,012,116)	(8,683,389)	(1,319,535)	(1,248,905)	(176,244)	(156,590)	(1,495,379)	-	93,905	650,355	(24,355,221)	(20,304,237)
Gross profit	1,977,838	1,821,477	172,891	139,758	-	-	3,887,527	3,804,587	287,201	297,595	481,929	422,962	234,059	-	(119,931)	(107,626)	6,921,514	6,378,753
Other operating income	8,535	17,198	1,586	3,786	-	-	37,562	46,354	39,002	27,181	7,560	12,829	3,284	-	(20,622)	(2,100)	76,907	105,248
Other expenses (excluding depreciation)	(1,463,697)	(1,559,688)	(78,130)	(88,204)	-	-	(2,474,915)	(2,246,938)	(229,796)	(238,539)	(55,524)	(59,538)	(231,580)	-	10,947	14,124	(4,522,695)	(4,178,783)
Depreciation on property, plant and equipment	(97,894)	(101,029)	(9,809)	(13,375)	-	-	(376,174)	(410,227)	(36,355)	(37,561)	(232,438)	(229,319)	(7,585)	-	(12,381)	(12,381)	(772,636)	(803,892)
Depreciation on right-of-use of assets	(79,266)	(82,937)	(27,431)	(33,805)	-	-	(213,596)	(202,064)	(14,768)	(14,462)	(26,609)	(28,677)	(2,501)	-	53,543	57,710	(310,628)	(304,235)
Profit (loss) from operations	345,516	95,021	59,107	8,160	-	-	860,404	991,712	45,284	34,214	174,918	118,257	(4,323)	-	(88,444)	(50,273)	1,392,462	1,197,091
Investment income - net (including share of results of an associate)	-	-	-	4,691	1,107,681	1,189,008	99,571	85,623	-	-	-	-	9,799	-	(648,863)	(732,328)	568,188	546,994
Other income	231,672	-	-	-	-	-	-	125,141	-	-	-	620	-	-	-	-	231,672	125,761
Finance costs	(129,558)	(86,584)	(3,651)	(2,673)	-	-	(6,875)	(366)	(20,947)	(19,040)	(41,470)	(52,761)	(3,729)	-	41,469	53,084	(164,761)	(108,340)
Finance costs on lease liabilities	(87,044)	(45,242)	(874)	(1,918)	-	-	(84,190)	(55,002)	(13,034)	(6,398)	(37,803)	(18,831)	(370)	-	76,067	37,890	(147,248)	(89,501)
Foreign exchange gains, net	-	-	-	-	-	-	37,330	20,168	-	-	-	-	-	-	-	-	37,330	20,168
Profit (loss) for the period	360,586	(36,805)	54,582	8,260	1,107,681	1,189,008	906,240	1,167,276	11,303	8,776	95,645	47,285	1,377	-	(619,771)	(691,627)	1,917,643	1,692,173
Capital expenditure	55,180	13,145	-	4,791	-	-	279,585	509,061	-	-	85,745	111,652	-	-	-	-	420,510	638,649

The following table presents the details of segmental assets and liabilities as at 30 September 2022 and as at 31 December 2021:

	Wholesale operations		Retail operations		Investments		Dairy products and beverages		Fruits and vegetables		Storage and logistics		Livestock*		Adjustments and eliminations		Total	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021	30 September 2022	31 December 2021	30 September 2022	31 December 2021	30 September 2022	31 December 2021	30 September 2022	31 December 2021	30 September 2022	31 December 2021	30 September 2022	31 December 2021	30 September 2022	31 December 2021
	(Reviewed)	(Audited)	(Reviewed)	(Audited)	(Reviewed)	(Audited)	(Reviewed)	(Audited)	(Reviewed)	(Audited)	(Reviewed)	(Audited)	(Reviewed)	(Audited)	(Reviewed)	(Audited)	(Reviewed)	(Audited)
	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD
Assets	14,895,497	12,712,944	123,614	418,976	25,322,313	22,661,896	17,977,339	16,998,205	1,759,086	1,635,811	3,856,036	3,494,102	3,973,970	-	(14,662,033)	(10,291,498)	53,245,822	47,630,436
Liabilities	11,663,747	8,176,737	123,614	418,976	-	-	6,679,927	6,538,629	1,162,008	1,037,652	2,122,860	1,856,573	864,784	-	(3,280,599)	(2,535,793)	19,336,341	15,492,774

* New segment as a result of acquisition of Bahrain Livestock Company W.L.L. (formerly Bahrain Livestock Company B.S.C. (c)) during second quarter of 2022.

14 RELATED PARTY TRANSACTIONS AND BALANCES

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 2022 and 30 September 2021 respectively, are as follows:

	<i>Nine-month period ended 30 September 2022 (Reviewed)</i>			
	<i>Revenue BD</i>	<i>Purchases BD</i>	<i>Income BD</i>	<i>Expenses BD</i>
Associated companies	8,950	-	-	742
Companies with common directors	389,893	600,216	341,466	137,412
	398,843	600,216	341,466	138,154

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

Balances with related parties included in the interim consolidated statement of financial position as at 30 September 2022 and as at 31 December 2021, are as follows:

	<i>At 30 September 2022 (Reviewed)</i>		<i>At 31 December 2021 (Audited)</i>	
	<i>Due from BD</i>	<i>Due to BD</i>	<i>Due from BD</i>	<i>Due to BD</i>
Associated companies	-	-	6,546	-
Companies with common directors	160,043	241,045	128,549	323,424
	160,043	241,045	135,095	323,424

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. For details of acquisition during the current period please see note 6.

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.

14 RELATED PARTY TRANSACTIONS (continued)

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</i>	
	<i>30 September (Reviewed)</i>	
	2022	2021
	BD	BD
Short-term benefits	263,126	256,038
Employees' end of service benefits	21,076	85,895
	284,202	341,933