

**Supplementary information – Not reviewed.****SUPPLEMENTARY DISCLOSURE RELATED TO THE IMPACT OF COVID-19** *(not reviewed)*

Further to the CBB letter dated 14 July 2020 (ref. OG/259/2020), Bahrain Flour Mills Company B.S.C. provides the following information:

<i>A. The overall impact on the financial statements</i>	
The overall impact on the financial statements of BFM as at 31st March 2021 has been assessed by Management and is described as per below:	

<i>B. The impact on Income Statement</i>	
Revenues	Q1 2021 has seen a reduction in sales volume and demand relating to the impact of Covid. During the January to March period, BFM received some additional commercial business other than the subsidised business. Given the Covid pandemic had no yet taken hold in Q1 2020 we anticipate volumes will improve as the 2021 Financial year progresses as vaccination roll out increases and restrictions are eased.
Expenses	BFM incurred additional expenses of BD 34,112 up to 31 March 2021 in relation to COVID-19.
Investment Income/loss	The company holds financial assets at fair value through profit or loss, the change in the fair value/reported profit for the period is BD 937,071 as compared to fair value gain of BD 375,373 for the year 2020; markets improving from the initial setback.
Net income	As mentioned in this disclosure above.

<i>C. The impact on Balance Sheet</i>	
<i>Assets</i>	
Cash and cash equivalents	We have unused facilities available from Banks. Our liquidity position is strong, and we have not noticed any material reduction in our cash collection. Further, the company has liquid investment on balance sheet.

**Supplementary information – Not reviewed***SUPPLEMENTARY DISCLOSURE RELATED TO THE IMPACT OF COVID-19 (not reviewed) (continued)*

	<p>We have strong cash flow from customers, and we anticipate this to continue and we anticipate the government subsidy to remain the same. There is no material impact on any other assets of the Company as at 31 March 2021.</p> <p>Investment at fair value through profit and loss has increased in value by 3.7% from BD 10,456,304 as of 31 December 2020 to BD11,393,376 as at 31 March 2021.</p>
<i>Liabilities</i>	
Strategic Wheat Payable- Due to Government	BFM currently carries debt for the normal course of business and the only transaction related COVID pandemic was a purchase of strategic wheat on behalf of the government of BD 2,807,135 and reported as payable now stands at BD1,260,823 as of 31 <sup>st</sup> March 2021 after two settlements.
Net equity attributable to shareholders	The net equity has improved by BD 718,562, a net result of current comprehensive income less dividend paid, and charity contribution set aside from 2020 income.
Other material impact on the Balance Sheet	No other impact

*D. The impact on the company's ability to continue as going concern*

The Company has performed an assessment of whether it is a going concern in the light of current economic conditions and all available information about future risks and uncertainties. The projections have been prepared covering the Company's future performance, capital, and liquidity. The impact of COVID-19 may continue to evolve, but at the present time the projections show that the Company has ample resources to continue in operational existence and its going concern position remains largely unaffected and unchanged from 31 December 2020. Considering the above, this Financial Statements have been appropriately prepared on a going concern basis.