

**Significance of Covid-19 Impact on FS for the period ended 31 March 2021**

The World Health Organization declared coronavirus and COVID-19 a global health emergency on 30 January 2020. The significant events and transactions that have occurred since 31 December 2019 relate to the effects of the global pandemic on the condensed interim financial information. However, new variants of the coronavirus were identified at the end of year 2020 or the beginning of the year 2021. Due to second / third wave, the government reimposed restrictions that may have impact on the condensed interim financial information for the period ended 31 March 2021 and are summarized as follows.

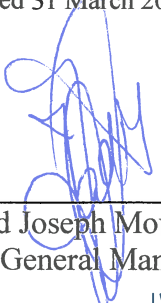
The Company's management assessed the impact of COVID-19 and new variants in the below areas:

- Operating income
- Going concern; and
- Commitments and contingent liabilities.

Their financial impact is displayed in the following table:

CATEGORY	DESCRIPTION	FINANCIAL EFFECT (BD)
Operating Income	The Company has experienced a significant reduction in its operating income since pandemic effect was widespread during the period ended 31 March 2021. The Company is engaged in operating hotels, providing services related to Hospitality management. During the period operating revenue decreased by BD270,492 as compared to the prior period. The Company has reported a total operating income of BD318,842 for the three months period ended as compared to BD589,334 in the corresponding previous period.	(270,492)
Going Concern	The Company has incurred a net loss of BD730,905 during the three months period ended 31 March 2021. The current period and prior period losses have resulted into accumulated losses amounting to BD3,819,745 as at 31 March 2021 raising concern on the going concern status of the Company. 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 contribute to evolve, but at the present time the projections show that the Company has ample resources to continue to operational existence and its going concern positions remain largely unaffected and unchanged from 31 December 2020. As a result, this interim condensed financial information has been appropriately prepared on a going concern basis.	-
Commitments and contingent liabilities	The Company has assessed the impact of any operational disruptions, including any contractual challenges and changes in business or commercial relationships among the Company, customers and suppliers, with a view of potential increase in contingent liabilities and commitments and no issues were noted.	-
<b>Net Effect</b>		<b>(270,492)</b>

No other significant impact has been noted by the management on other financial statement areas during the year period ended 31 March 2021.

  
Jad Joseph Moukheiber  
General Manager