



SUPPLEMENTARY DISCLOSURE

REPORTING OF FINANCIAL IMPACT OF COVID-19 AS AT 30th September 2021

The World Health Organization declared COVID-19 a global health emergency on 30 January 2020. Since then, the Group has experienced significant disruption to its operations in the following respects:

- Decreased demand in domestic market for certain products as a consequence of social distancing requirements and recommendations;
- Decreased demand for products has compelled to Group to reduce selling price by 20%; and
- Significant uncertainty concerning when government lockdowns will be lifted, social distancing requirements will be eased and the long-term effects of the pandemic on the demand for Group's primary products.

Based on the nature of operations and the industry in which it operates, the Group's management assessed the significant impact of COVID-19 in the below areas:

- Government grants; and
- Commitments and contingencies.

a) Government grants

The Group has applied for government support programs introduced in response to the global pandemic. The Group has received a government grant of BD4,000 to support the payroll of the Group's employees. The Group has elected to present this government grant as part of the Group's other incomes. The Group had to commit to spending the assistance on payroll expenses and not reduce employee head count below prescribed levels for a specified period of time. The Company does not have any unfulfilled obligations relating to this program.

b) Commitments and contingent liabilities

The Group has assessed the impact of any operational disruptions, including any contractual challenges and changes in business or commercial relationships among the Group, customers and suppliers, with a view of potential increase in contingent liabilities and commitments and no issues were noted.

No other significant impact has been noted by the management on other financial statement areas during the nine months period ended 30 September 2021.

