

BMMI B.S.C.

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**

31 MARCH 2021 (REVIEWED)

REPORT ON THE REVIEW OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF BMMI B.S.C.

Introduction

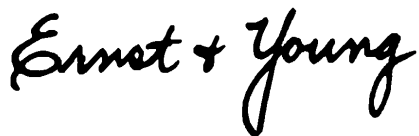
We have reviewed the accompanying interim consolidated statement of financial position of BMMI B.S.C. ("the Company") and its subsidiaries (together "the Group") as of 31 March 2021, and the related interim consolidated statements of income, comprehensive income, cash flows and changes in equity for the three-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 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
3 May 2021
Manama, Kingdom of Bahrain

BMMI B.S.C.
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2021 (Reviewed)

		31 March 2021 (Reviewed) BD	31 December 2020 (Audited) BD	31 March 2020 (Reviewed) BD
	<i>Note</i>			
ASSETS				
Non-current assets				
Property, plant and equipment		50,520,054	51,162,558	47,957,507
Investment property		9,457,725	9,457,725	9,457,725
Right-of-use assets		5,971,707	6,382,691	7,470,228
Investments in joint ventures		123,425	148,535	1,580,461
Other investments		6,726,408	6,933,299	9,731,197
		72,799,319	74,084,808	76,197,118
Current assets				
Inventories		12,172,938	13,583,804	13,249,445
Trade and other receivables		21,137,972	21,463,932	25,506,985
Bank balances and cash		3,216,435	4,611,543	4,700,744
		36,527,345	39,659,279	43,457,174
TOTAL ASSETS		109,326,664	113,744,087	119,654,292
EQUITY AND LIABILITIES				
Equity				
Share capital	6	14,642,854	14,642,854	14,642,854
Treasury shares		(1,430,101)	(1,430,101)	(1,430,101)
Other reserves		11,333,205	12,452,523	13,734,398
Retained earnings		40,383,638	42,311,193	39,657,410
Equity attributable to shareholders of BMMI B.S.C.		64,929,596	67,976,469	66,604,561
Non-controlling interests		(46,184)	285,195	1,319,419
Total equity		64,883,412	68,261,664	67,923,980
Non-current liabilities				
Loans and borrowings		14,700,058	15,402,572	14,485,992
Lease liabilities		4,984,070	5,274,324	6,290,876
Employees' end of service benefits		2,186,035	2,125,198	2,033,821
		21,870,163	22,802,094	22,810,689
Current liabilities				
Trade and other payables		10,465,334	9,209,162	18,725,399
Loans and borrowings		6,178,054	7,086,726	6,160,032
Bank overdrafts		3,048,730	3,387,540	1,897,746
Lease liabilities		1,378,606	1,463,830	934,177
Retentions payable		1,378,645	1,378,645	1,174,121
Income tax payable		123,720	154,426	28,148
		22,573,089	22,680,329	28,919,623
Total liabilities		44,443,252	45,482,423	51,730,312
TOTAL EQUITY AND LIABILITIES		109,326,664	113,744,087	119,654,292



 Abdulla Hassan Buhindi
Chairman



 Shawki Ali Fakhroo
Vice Chairman

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

BMMI B.S.C.
INTERIM CONSOLIDATED STATEMENT OF INCOME

For the three-month period ended 31 March 2021 (Reviewed)

		<i>Three-month period ended</i>	
		<i>31 March</i>	
		2021	2020
		BD	BD
Notes			
	8	23,832,566	26,444,346
Revenue			
Costs of revenue		(18,028,730)	(19,572,509)
GROSS PROFIT		5,803,836	6,871,837
Other operating income		851,272	761,630
Selling and distribution expenses		(2,349,697)	(2,522,850)
General and administrative expenses		(2,712,638)	(3,709,813)
PROFIT FROM OPERATIONS		1,592,773	1,400,804
Net investment income		233,233	348,635
Share of results of joint venture		(25,110)	11,028
Net gains / (losses) on other investments carried at fair value through profit or loss		5,189	(28,082)
Finance costs		(408,196)	(384,862)
PROFIT BEFORE INCOME TAX		1,397,889	1,347,523
Income tax expense		(124,240)	(31,259)
PROFIT OF THE GROUP FOR THE PERIOD		1,273,649	1,316,264
of which loss attributable to non-controlling interests		331,379	386,520
PROFIT FOR THE PERIOD OF THE GROUP		1,605,028	1,702,784
ATTRIBUTABLE TO SHAREHOLDERS OF BMMI B.S.C.			
BASIC AND DILUTED EARNINGS PER SHARE (FILS)	10	11	12



Abdulla Hassan Buhindi
Chairman



Shawki Ali Fakhroo
Vice Chairman

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three-month period ended 31 March 2021 (Reviewed)

	Three-month period ended 31 March	
	2021	2020
	BD	BD
PROFIT OF THE GROUP FOR THE PERIOD	1,273,649	1,316,264
OTHER COMPREHENSIVE LOSS		
<i>Items not to be reclassified to the interim consolidated statement of income in subsequent periods:</i>		
- Net changes in fair value of other investments classified as fair value through other comprehensive income	(151,410)	(117,528)
<i>Items to be reclassified to the interim consolidated statement of income in subsequent periods:</i>		
- Exchange losses on translation of foreign operations	(941,473)	(135,771)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD	(1,092,883)	(253,299)
TOTAL COMPREHENSIVE INCOME OF THE GROUP FOR THE PERIOD	180,766	1,062,965
of which comprehensive loss attributable to non-controlling interests	331,379	386,520
TOTAL COMPREHENSIVE INCOME OF THE GROUP ATTRIBUTABLE TO SHAREHOLDERS OF BMMI B.S.C.	512,145	1,449,485



Abdulla Hassan Buhindi
Chairman



Shawki Ali Fakhroo
Vice Chairman

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the three-month period ended 31 March 2021 (Reviewed)

	<i>Three-month period ended 31 March</i>	
	2021	2020
	BD	BD
OPERATING ACTIVITIES		
Profit before tax	1,397,889	1,347,523
Adjustments for:		
Net investment income	(233,233)	(348,635)
Depreciation of property, plant and equipment	866,536	775,022
Depreciation of right-of-use assets	410,984	308,369
Net (gains) losses on other investments carried at fair value through profit or loss	(5,189)	28,082
Provision for employees' end of service benefits	85,828	211,134
Finance costs	408,196	384,862
Share of results joint venture	25,110	(11,028)
(Reversal of provision) provision for slow moving and expired inventories	(181,242)	315,630
Allowance (reversal of allowance) for expected credit losses	170,242	(415,025)
Operating profit before working capital changes	2,945,121	2,595,934
Working capital changes:		
Inventories	1,592,108	(1,637,020)
Trade and other receivables	322,907	(1,134,510)
Trade and other payables	(2,194,346)	3,194,925
Net cash generated from operations	2,665,790	3,019,329
Income tax paid	(154,946)	(60,763)
Directors' remuneration paid	(108,500)	(193,500)
Employees' end of service benefits paid	(18,241)	(74,399)
Net movement in advances against employees' end of service benefits	(6,750)	(38,500)
Net cash flows from operating activities	2,377,353	2,652,167
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(224,032)	(193,944)
Proceeds from disposals of other investments	60,670	831,285
Dividends and interest received	66,044	86,447
Net cash flows (used in) from investing activities	(97,318)	723,788
FINANCING ACTIVITIES		
Dividends paid to the shareholders of BMMI B.S.C.	-	(665,007)
Finance costs paid	(408,196)	(384,862)
Payment of principal amount of lease liabilities	(375,478)	(267,394)
Loans and borrowings repaid	(2,769,786)	(1,562,470)
Loans and borrowings availed	1,158,600	1,000,000
Net cash flows used in financing activities	(2,394,860)	(1,879,733)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(114,825)	1,496,222
Net foreign exchange differences	(941,473)	(135,771)
Cash and cash equivalents as at 1 January	1,224,003	1,442,547
CASH AND CASH EQUIVALENTS AS AT 31 MARCH (A)	167,705	2,802,998

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

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

For the three-month period ended 31 March 2021 (Reviewed)

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

	<i>Three-month period ended</i>	
	<i>31 March</i>	
	2021	2020
	BD	BD
Bank balances and cash	3,216,435	4,700,744
Bank overdrafts	(3,048,730)	(1,897,746)
Cash and cash equivalents as at 31 March	167,705	2,802,998

Non-cash items

- Dividend and interest income receivable amounting to BD 167,189 (2020: BD 262,188) has been excluded from the movement of trade and other receivables.
- Unclaimed dividends pertaining to prior years amounting to BD 3,559,018 (2020: BD 3,605,815) has been excluded from the movement in trade and other payables.

BMMI B.S.C.**INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the three-month period ended 31 March 2021 (Reviewed)

	<i>Equity attributable to shareholders of BMMI B.S.C.</i>					<i>Non-controlling interests</i>	<i>Total equity</i>
	<i>Share capital</i>	<i>Treasury shares</i>	<i>Other reserves</i>	<i>Retained earnings</i>	<i>Total</i>		
	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>
Balance at 1 January 2021	14,642,854	(1,430,101)	12,452,523	42,311,193	67,976,469	285,195	68,261,664
Profit (loss) for the period	-	-	-	1,605,028	1,605,028	(331,379)	1,273,649
Other comprehensive loss for the period	-	-	(1,092,883)	-	(1,092,883)	-	(1,092,883)
Total comprehensive (loss) income for the period	-	-	(1,092,883)	1,605,028	512,145	(331,379)	180,766
Final dividend for 2020 (note 7)	-	-	-	(3,559,018)	(3,559,018)	-	(3,559,018)
Gain on disposals of other investments carried at fair value through other comprehensive income	-	-	(26,435)	26,435	-	-	-
Balance at 31 March 2021	14,642,854	(1,430,101)	11,333,205	40,383,638	64,929,596	(46,184)	64,883,412

Retained earnings include non-distributable reserves amounting to BD 340,000 relating to the subsidiaries as at 31 March 2021.

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

BMMI B.S.C.
INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

For the three-month period ended 31 March 2021 (Reviewed)

	<i>Equity attributable to shareholders of BMMI B.S.C.</i>					<i>Non-controlling interests</i>	<i>Total equity</i>
	<i>Share capital</i>	<i>Treasury shares</i>	<i>Other reserves</i>	<i>Retained earnings</i>	<i>Total</i>		
	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>	<i>BD</i>
Balance at 1 January 2020	14,642,854	(1,430,101)	14,009,286	42,388,724	69,610,763	1,705,939	71,316,702
Profit (loss) for the period	-	-	-	1,702,784	1,702,784	(386,520)	1,316,264
Other comprehensive loss for the period	-	-	(253,299)	-	(253,299)	-	(253,299)
Total comprehensive (loss) income for the period	-	-	(253,299)	1,702,784	1,449,485	(386,520)	1,062,965
Final dividend for 2019 (note 7)	-	-	-	(4,270,822)	(4,270,822)	-	(4,270,822)
Gain on disposals of other investments carried at fair value through other comprehensive income	-	-	(21,589)	21,589	-	-	-
Transfer to charity reserve	-	-	184,865	(184,865)	-	-	-
Distribution to Alosra Charitable Foundation	-	-	(184,865)	-	(184,865)	-	(184,865)
Balance at 31 March 2020	14,642,854	(1,430,101)	13,734,398	39,657,410	66,604,561	1,319,419	67,923,980

Retained earnings include non-distributable reserves amounting to BD 405,681 relating to the subsidiaries as at 31 March 2020.

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

At 31 March 2021 (Reviewed)

1 CORPORATE INFORMATION

BMMI B.S.C. ("the Company" or "BMMI") is a public joint stock company, whose shares are publicly traded on the Bahrain Bourse, incorporated in the Kingdom of Bahrain and is registered with the Ministry of Industry, Commerce and Tourism under commercial registration (CR) number 10999. The address of the Company's registered head office is building 71, Road 1302, Block 313, P.O. Box 828, Sitra, Kingdom of Bahrain.

The Group comprises of the Company, its subsidiaries and a joint venture the details of which were disclosed in the Group's annual consolidated financial statements for the year ended 31 December 2020.

The principal activities of the Company and its subsidiaries (together "the Group") are the wholesale and retail of food, beverages and other consumable items, logistics and shipping services and also the Group owns a five-star hotel in Kingdom of Bahrain. The Group's operations are located in the Kingdom of Bahrain, United Arab Emirates, Kingdom of Saudi Arabia, Republic of Iraq, United States of America, Republic of Djibouti, Republic of Mali, Republic of South Sudan, Republic of Sudan and Republic of Kenya.

The Group operations continue to expose to risks associated with coronavirus pandemic (COVID-19) which continues to result in challenging operating environments due to worldwide travel restrictions, closure of airports, restrictions on public gatherings and indoor dining and etc. The Government of the Kingdom of Bahrain has taken various measures to contain the spread of COVID-19 and the Group's management is also closely monitoring the latest developments in the current evolving situation. The scale and duration of these developments remain uncertain at this stage. 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 31 March 2021. However, the recorded amounts remain sensitive to change 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 3 May 2021.

2 SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The interim condensed consolidated financial statements are 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 three-month period ended 31 March 2021 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2021.

New and amended standards and interpretations adopted as on 1 January 2021

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 standards and interpretations and amendments to standards and interpretations effective as of 1 January 2021.

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).

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
- b) 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.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2021 (Reviewed)

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.

4 FINANCIAL INSTRUMENTS

Set out below is an overview of financial instruments held by the Group as at 31 March 2021:

	<i>Amortised cost (Reviewed) BD</i>	<i>Fair value through profit or loss (Reviewed) BD</i>	<i>Fair value through other comprehensive income (Reviewed) BD</i>	<i>Total (Reviewed) BD</i>
Financial assets:				
Other investments	-	198,571	6,527,837	6,726,408
Trade and other receivables	18,444,030	-	-	18,444,030
Bank balances and cash	3,216,435	-	-	3,216,435
	21,660,465	198,571	6,527,837	28,386,873
	<i>Amortised cost (Reviewed) BD</i>	<i>Fair value through profit or loss (Reviewed) BD</i>	<i>Fair value through other comprehensive income (Reviewed) BD</i>	<i>Total (Reviewed) BD</i>
Financial liabilities:				
Loans and borrowings	20,878,112	-	-	20,878,112
Trade and other payables	10,154,231	-	-	10,154,231
Lease liabilities	6,362,676	-	-	6,362,676
Bank overdrafts	3,048,730	-	-	3,048,730
Retentions payable	1,378,645	-	-	1,378,645
	41,822,394	-	-	41,822,394

Set out below is an overview of financial instruments held by the Group as at 31 December 2020:

	<i>Amortised cost (Audited) BD</i>	<i>Fair value through profit or loss (Audited) BD</i>	<i>Fair value through other comprehensive income (Audited) BD</i>	<i>Total (Audited) BD</i>
Financial assets:				
Other investments	-	193,386	6,739,913	6,933,299
Trade and other receivables	15,599,885	-	-	15,599,885
Bank balances and cash	4,611,543	-	-	4,611,543
	20,211,428	193,386	6,739,913	27,144,727

4 FINANCIAL INSTRUMENTS (continued)

	<i>Amortised cost (Audited) BD</i>	<i>Fair value through profit or loss (Audited) BD</i>	<i>Fair value through other comprehensive income (Audited) BD</i>	<i>Total (Audited) BD</i>
<i>Financial liabilities:</i>				
Loans and borrowings	22,489,298	-	-	22,489,298
Trade and other payables	8,266,065	-	-	8,266,065
Lease liabilities	6,738,154	-	-	6,738,154
Bank overdrafts	3,387,540	-	-	3,387,540
Retentions payable	1,378,645	-	-	1,378,645
	<u>42,259,702</u>	<u>-</u>	<u>-</u>	<u>42,259,702</u>

5 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. Financial instruments of the Group comprise of financial assets and financial liabilities.

Financial assets consist of other investments, a portion of trade and other receivables and cash and bank balances. Financial liabilities consist of loans and borrowings, lease liabilities, retentions payable, a portion of trade and other payables and bank overdrafts.

Fair value of financial instruments

The fair value of financial instruments are estimated based on the following methods and assumptions:

- Cash, bank balances, bank overdrafts, a portion of trade and other receivables, retentions payable and a portion of trade and other payables approximate their carrying amounts at the reporting date largely due to the short-term maturities of these instruments;
- Loans and borrowings and lease liabilities are evaluated by the Group based on parameters such as interest rates. The carrying amounts are not materially different from their fair values at the reporting date; and
- Fair value of quoted other investments is derived from quoted market prices in active markets or, in the case of unquoted other investments, using indicative bids provided by the fund administrators, using of recent arm's length market transactions, current fair value of another similar instrument or other appropriate valuation techniques.

Fair value of non-financial assets or liabilities

The Group measured its investment properties at fair value which has been determined by the Investment Committee based on valuations performed by accredited independent valuer 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.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2021 (Reviewed)

5 FAIR VALUE MEASUREMENT (continued)

Fair value hierarchy (continued)

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

	Fair value measurement using			Total (Reviewed) BD
	Quoted prices in active markets Level 1 (Reviewed) BD	Significant observable inputs Level 2 (Reviewed) BD	Significant unobservable inputs Level 3 (Reviewed) BD	
31 March 2021				
Assets measured at fair value:				
<i>Investment property:</i>				
- Land and building	-	-	9,457,725	9,457,725
<i>Other investments:</i>				
<i>Fair value through other comprehensive income:</i>				
- quoted investments	4,298,677	-	-	4,298,677
- unquoted investments	-	-	2,229,160	2,229,160
<i>Fair value through profit or loss:</i>				
- unquoted investments	-	-	198,571	198,571
	<u>4,298,677</u>	<u>-</u>	<u>2,427,731</u>	<u>6,726,408</u>
	<u>4,298,677</u>	<u>-</u>	<u>11,885,456</u>	<u>16,184,133</u>
	Fair value measurement using			Total (Audited) BD
	Quoted prices in active markets Level 1 (Audited) BD	Significant observable inputs Level 2 (Audited) BD	Significant unobservable inputs Level 3 (Audited) BD	
31 December 2020				
Assets measured at fair value:				
<i>Investment property:</i>				
- Land and building	-	-	9,457,725	9,457,725
<i>Other investments:</i>				
<i>Fair value through other comprehensive income:</i>				
- quoted investments	4,377,912	-	-	4,377,912
- unquoted investments	-	-	2,362,001	2,362,001
<i>Fair value through profit or loss:</i>				
- unquoted investments	-	-	193,386	193,386
	<u>4,377,912</u>	<u>-</u>	<u>2,555,387</u>	<u>6,933,299</u>
	<u>4,377,912</u>	<u>-</u>	<u>12,013,112</u>	<u>16,391,024</u>

Liabilities measured at fair value:

There were no liabilities measured at fair value as of 31 March 2021 and as of 31 December 2020.

Investment property

The fair values of the investment properties have been determined by the Investment Committee based on valuation performed by an accredited independent valuer as at 31 December 2020. The valuer is an industry specialist in valuing these types of properties and has recent experience in the location and category of the properties being valued. The valuation undertaken was based on open market value, supported by market evidence in which an asset could be exchanged between a knowledgeable willing buyer, based on their recent experience and a knowledgeable willing seller in an arm's length transaction at the date of valuation with appropriate adjustments for liquidity and other discount factors. The management believes that there are no changes in market conditions during the period which would significantly change the fair value of investment properties determined as at 31 December 2020.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2021 (Reviewed)

5 FAIR VALUE MEASUREMENT (continued)**Fair value hierarchy (continued)***Unquoted other investments*

The fair values of unquoted other investments have been estimated using indicative bids provided by the fund administrators, using of recent arm's length market transactions, current fair value of another similar instrument or other appropriate valuation techniques.

During the period ended 31 March 2021 and year ended 31 December 2020, there were no transfers between level 1 and level 2 of fair value hierarchy, and no transfers into and out of level 3 fair value hierarchy.

Reconciliation of fair value measurements of Level 3 assets

The Group has investment properties and certain unquoted other investments classified as fair value through other comprehensive income which are classified as level 3 within the fair value hierarchy. The movements in the fair value of level 3 financial and non-financial assets are as follows:

	<i>Non-financial assets- investment property BD</i>	<i>Unquoted financial assets - Other investments BD</i>	<i>Total BD</i>
At 1 January 2021 (Audited)	9,457,725	2,555,387	12,013,112
Change in fair values	-	(127,656)	(127,656)
At 31 March 2021 (Reviewed)	9,457,725	2,427,731	11,885,456
	<i>Non-financial assets- investment property BD</i>	<i>Unquoted financial assets - Other investments BD</i>	<i>Total BD</i>
At 1 January 2020 (Audited)	9,457,725	2,966,214	12,423,939
Disposals during the year	-	(209,278)	(209,278)
Change in fair values	-	(201,549)	(201,549)
At 31 December 2020 (Audited)	9,457,725	2,555,387	12,013,112

6 SHARE CAPITAL

	<i>31 March 2021 (Reviewed) BD</i>	<i>31 December 2020 (Audited) BD</i>
Authorised:		
200,000,000 [31 December 2020 (Audited): 200,000,000] shares of BD 0.100 each	20,000,000	20,000,000
Issued, subscribed and fully paid-up:		
146,428,549 [31 December 2020 (Audited): 146,428,549] shares of BD 0.100 each	14,642,854	14,642,854

7 DIVIDENDS

At the annual general meeting of the shareholders held on 30 March 2021, the proposed final cash dividend of 25 fils per share, excluding treasury shares, amounting to BD 3,559,018 (31 March 2020: a final cash dividend of 30 fils per share, excluding treasury shares amounting to BD 4,270,822) was approved by the shareholders for distribution. Dividends of BD 3,686,327 [31 December 2020 (Audited): BD 127,309] which are not yet paid are included within trade and other payables in the interim consolidated statement of financial position.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2021 (Reviewed)

8 REVENUE

Set out below is the revenue from contracts with customers disaggregated by types of revenue, geographical markets and timing of revenue recognition for the three-month periods ended 31 March 2021 and 31 March 2020.

	<i>Retail operations</i>		<i>Wholesales operations</i>		<i>Contract services and supply</i>		<i>Hospitality</i>		<i>Investment, shipping and other activities</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>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>												
Sales of goods	8,605,502	9,848,304	9,941,640	11,424,397	-	-	262,224	394,217	-	-	18,809,366	21,666,918
Catering and other services	-	-	-	-	4,046,591	3,427,612	116,982	213,340	-	-	4,163,573	3,640,952
Room services	-	-	-	-	-	-	201,860	375,994	-	-	201,860	375,994
Shipping services	-	-	-	-	-	-	-	-	657,767	760,482	657,767	760,482
Total revenue	8,605,502	9,848,304	9,941,640	11,424,397	4,046,591	3,427,612	581,066	983,551	657,767	760,482	23,832,566	26,444,346
<i>Geographical markets</i>												
Bahrain	7,632,655	8,865,454	9,941,640	11,424,397	1,853,880	1,434,112	581,066	983,551	657,767	760,482	20,667,008	23,467,996
African countries	-	-	-	-	2,192,711	1,993,500	-	-	-	-	2,192,711	1,993,500
GCC and other Arab countries	972,847	982,850	-	-	-	-	-	-	-	-	972,847	982,850
Total revenue	8,605,502	9,848,304	9,941,640	11,424,397	4,046,591	3,427,612	581,066	983,551	657,767	760,482	23,832,566	26,444,346
<i>Timing of revenue recognition</i>												
At point in time	8,605,502	9,848,304	9,941,640	11,424,397	-	-	262,224	394,217	-	-	18,809,366	21,666,918
Over the time	-	-	-	-	4,046,591	3,427,612	318,842	589,334	657,767	760,482	5,023,200	4,777,428
Total revenue	8,605,502	9,848,304	9,941,640	11,424,397	4,046,591	3,427,612	581,066	983,551	657,767	760,482	23,832,566	26,444,346

9 SEASONALITY OF RESULTS

Investment income of BD 233,233 (31 March 2020: BD 348,635) is of a seasonal nature.

10 EARNINGS PER SHARE

Earnings per share is computed by dividing the profit for the period attributable to ordinary shareholders of BMMI B.S.C. by the weighted average number of shares outstanding during the period, net of treasury shares.

	<i>Three-month period ended 31 March (Reviewed)</i>	
	2021	2020
Profit for the period attributable to ordinary shareholders of BMMI (BD)	1,605,028	1,702,784
Weighted average number of shares (shares, net of treasury shares)	142,360,732	142,360,732
Basic and diluted earnings per share (fils)	11	12

Basic and diluted earnings per share are the same as the Company has not issued any instruments that would have a dilutive effect. There have been no other transactions involving ordinary or potential ordinary shares between the reporting date and the date of approval of these interim condensed consolidated financial statements, that would have a dilutive effect.

11 RELATED PARTY TRANSACTIONS

Related parties represent the joint ventures, major shareholders, directors and key management personnel of the Group entities, 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 income during the period are as follows:

	<i>Three-month period ended 31 March 2021 (reviewed)</i>		<i>Three-month period ended 31 March 2020 (reviewed)</i>	
	<i>Revenue BD</i>	<i>Costs of revenue BD</i>	<i>Revenue BD</i>	<i>Costs of revenue BD</i>
Other related parties	15,486	82,151	3,467	134,553

Balances with related parties included in the interim consolidated statement of financial position, are as follows:

	<i>As at 31 March 2021 (Reviewed)</i>			<i>As at 31 December 2020 (Audited)</i>		
	<i>Trade receivables BD</i>	<i>Due from BD</i>	<i>Trade and other payables BD</i>	<i>Trade receivables BD</i>	<i>Due from BD</i>	<i>Trade and other payables BD</i>
Joint ventures	-	361,923	-	-	355,923	-
Other related parties	8,835	-	106,485	6,999	-	108,893
	8,835	361,923	106,485	6,999	355,923	108,893

11 RELATED PARTY TRANSACTIONS (continued)**Terms and conditions**

Outstanding balances as at 31 March 2021 and as at 31 December 2020 are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the three-month period ended 31 March 2021 and 31 March 2020, the Group has not recorded any allowance for expected credit losses relating to amounts owed by related parties as the credit risk associated with the amounts due from related parties is considered to be low.

Ownership interest

The details of the total ownership interest held by the directors are as follows:

	31 March 2021 (Reviewed)	31 December 2020 (Audited)
Number of shares	3,755,408	3,736,408

Remuneration of key management personnel

Key management personnel are those persons having responsibility for planning, directing and controlling the activities of the Group. The key management personnel comprise members of the Board of Directors, the Chief Executive Officer, the Chief Operating Officer and the Chief Financial Officer and their remuneration is as follows:

	<i>Three-month period ended 31 March (Reviewed)</i>	
	2021 BD	2020 BD
Short-term benefits	220,409	368,256
Employees' end of service benefits	5,567	23,015
	225,976	391,271

Included in short term benefits is directors' fees of BD 69,500 (2020: BD 48,375) for the quarter ended end 31 March 2021.

12 CONTINGENCIES AND COMMITMENTS**Contingencies**

The Group had contingencies in the form of bank guarantees issued in the ordinary course of business amounting to BD 2,413,098 [31 December 2020 (Audited): BD 2,963,098] as at 31 March 2021, from which it is anticipated that no material liabilities will arise.

Purchase commitments

Commitments relating to confirmed purchase orders, in the normal course of business, as of 31 March 2021 amounted to BD 1,040,279 [31 December 2020 (Audited): BD 886,933].

Capital expenditure commitments

Estimated capital expenditure contracted for at the reporting date but not provided for is amounting BD 129,833 [31 December 2020 (Audited): BD 179,000] and expected to be settled within one year.

13 OPERATING SEGMENTS

The primary segment reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the products and services provided. Secondary information is reported geographically. The operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

13 OPERATING SEGMENTS (continued)

For management purposes, the Group is organised into five operating segments:

Retail operations - Retail sales of food, beverages and other consumer products.

Wholesales operations - Distribution of food, beverages and other consumer products.

Contract services and supply - Contract supply of food, beverages and other consumer products and related services.

Hospitality - Hotel and restaurants business.

Investments, shipping and other activities - This consist of investment properties, investments, shipping services, bank balances, and certain payables that are managed at a Group level.

Management monitors the operating results of the operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating results and is measured consistently with operating results in the interim condensed consolidated financial statements.

Prices between operating segments are on agreed terms in a manner similar to transactions with third parties, and are eliminated on consolidation.

BMMI B.S.C.
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2021 (Reviewed)

13 OPERATING SEGMENTS (continued)

Three-month period ended 31 March (Reviewed)

	<i>Retail operations</i>		<i>Wholesales operations</i>		<i>Contract services and supply</i>		<i>Hospitality</i>		<i>Investments, shipping and other activities</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>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 - external customers	8,605,502	9,848,304	9,941,640	11,424,397	4,046,591	3,427,612	581,066	983,551	657,767	760,482	-	-	23,832,566	26,444,346
Revenue - inter-segments	71,438	88,854	199,820	307,042	-	-	-	5,402	1,118,296	1,463,434	(1,389,554)	(1,864,732)	-	-
Total revenue	8,676,940	9,937,158	10,141,460	11,731,439	4,046,591	3,427,612	581,066	988,953	1,776,063	2,223,916	(1,389,554)	(1,864,732)	23,832,566	26,444,346
Costs of revenue	(6,092,896)	(6,774,296)	(8,644,276)	(9,489,122)	(2,914,831)	(2,768,152)	(254,790)	(408,339)	(1,511,491)	(1,997,332)	1,389,554	1,864,732	(18,028,730)	(19,572,509)
Gross profit	2,584,044	3,162,862	1,497,184	2,242,317	1,131,760	659,460	326,276	580,614	264,572	226,584	-	-	5,803,836	6,871,837
Other operating income	243,048	266,604	42,541	49,079	298,502	129,049	48,343	4,912	481,631	641,112	(262,793)	(329,126)	851,272	761,630
Net investment income	-	-	-	-	-	-	-	-	233,233	348,635	-	-	233,233	348,635
Share of results of joint ventures	-	-	-	-	(25,110)	(7,972)	-	-	-	19,000	-	-	(25,110)	11,028
Gain (loss) on other investments carried at FVTPL	-	-	-	-	-	-	-	-	5,189	(28,082)	-	-	5,189	(28,082)
Other expenses, excluding depreciation and income tax expense	(1,313,758)	(1,407,625)	(1,244,189)	(1,626,978)	(452,626)	(588,426)	(395,154)	(556,652)	(641,881)	(1,187,717)	262,793	218,126	(3,784,815)	(5,149,272)
Depreciation	(122,371)	(135,573)	(97,064)	(55,705)	(133,962)	(48,892)	(540,110)	(536,628)	(384,013)	(306,593)	-	-	(1,277,520)	(1,083,391)
Finance costs	(15,063)	(16,497)	-	-	(10,588)	-	(180,825)	(334,154)	(201,720)	(145,211)	-	111,000	(408,196)	(384,862)
Income tax expense	(1,500)	-	-	-	(122,740)	(31,259)	-	-	-	-	-	-	(124,240)	(31,259)
Profit (loss) for the period	1,374,400	1,869,771	198,472	608,713	685,236	111,960	(741,470)	(841,908)	(242,989)	(432,272)	-	-	1,273,649	1,316,264
of which loss attributable to non-controlling interests	-	-	-	-	-	-	331,379	386,520	-	-	-	-	331,379	386,520
Profit (loss) attributable to BMMI B.S.C.	1,374,400	1,869,771	198,472	608,713	685,236	111,960	(410,091)	(455,388)	(242,989)	(432,272)	-	-	1,605,028	1,702,784
Capital expenditure	32,542	139,513	71,944	23,835	46,266	-	-	30,596	73,280	-	-	-	224,032	193,944

The following table presents segment assets and liabilities as at 31 March 2021 and as at 31 December 2020:

	<i>Retail operations</i>		<i>Wholesales operations</i>		<i>Contract services and supply</i>		<i>Hospitality</i>		<i>Investment, shipping and other activities</i>		<i>Adjustments and eliminations</i>		<i>Total</i>	
	<i>31 March</i>	<i>31 December</i>	<i>31 March</i>	<i>31 December</i>	<i>31 March</i>	<i>31 December</i>	<i>31 March</i>	<i>31 December</i>	<i>31 March</i>	<i>31 December</i>	<i>31 March</i>	<i>31 December</i>	<i>31 March</i>	<i>31 December</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>(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>
Operating assets	9,598,270	10,389,390	21,785,727	16,926,607	10,359,559	6,737,676	33,924,277	34,352,339	66,707,010	68,353,282	(33,048,179)	(23,015,207)	109,326,664	113,744,087
Operating liabilities	4,305,125	4,497,833	5,790,150	4,386,303	4,372,353	4,612,882	17,519,687	17,986,856	17,207,274	15,035,217	(4,751,337)	(1,036,668)	44,443,252	45,482,423

Inter-segment transactions are eliminated upon consolidation and reflected in the "Adjustments and elimination" column.