

Bahrain Flour Mills Company B.S.C.

INTERIM CONDENSED FINANCIAL STATEMENTS

30 June 2025 (Reviewed)

Commercial registration	1170 (Bahraini Joint Stock Company)
Board of Directors	Mr. Basim AlSaie (Chairman) Mr. Salah Mushari Al Kulaib (Vice Chairman) Mr. Ayman A.Hameed Zainal Ms. Raghdan Qassim A. Rasool Mr. Eyad Redha Faraj Mr. Ahmad Mazhar Mr. Fahad Mohamed Al Mudhahka Mr. Wael Ahmed Itani
Offices and plant	Building 1773, Road 4236, Block 342 P.O Box 26787, Mina Salman, Manama – Kingdom of Bahrain Telephone 17729984, Fax 17729312 E-Mail: info@bfm.bh
Bankers	Kuwait Finance House B.S.C (c) National Bank of Bahrain B.S.C. Bank of Bahrain and Kuwait B.S.C. Arab Bank National Bank of Kuwait
Auditors	Ernst & Young - Middle East
Shares registrar	Bahrain Clear B.S.C (c)

REPORT ON THE REVIEW OF THE INTERIM CONDENSED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF BAHRAIN FLOUR MILLS COMPANY B.S.C.

Introduction

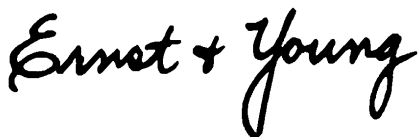
We have reviewed the accompanying interim condensed financial statements of Bahrain Flour Mills Company B.S.C. (the "Company") as at 30 June 2025, comprising of the interim statement of financial position as at 30 June 2025, the related interim statement of comprehensive income for the three and six-month periods then ended, and the interim statements of cash flows and changes in equity for the six-month period then ended and explanatory notes. The Board of Directors is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed 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 financial statements are not prepared, in all material respects, in accordance with IAS 34.

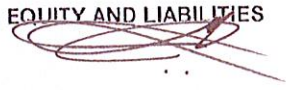



13 August 2025
Manama, Kingdom of Bahrain

Bahrain Flour Mills Company B.S.C.**INTERIM STATEMENT OF FINANCIAL POSITION**

At 30 June 2025

		30 June 2025 (Reviewed) BD	31 December 2024 (Audited) BD
	<i>Note</i>		
ASSETS			
Non-current assets			
Property, plant and equipment		7,001,714	7,541,233
Intangible assets		81,862	93,117
Right-of-use assets		4,350,559	4,553,229
Investment securities	5	3,911,367	3,918,414
		<u>15,345,502</u>	<u>16,105,993</u>
Current assets			
Investment securities	5	13,004,735	12,992,041
Inventories		6,564,709	5,841,463
Receivables and other assets	6	1,447,303	396,639
Bank balances, short-term deposits and cash	7	3,634,638	4,377,581
		<u>24,651,385</u>	<u>23,607,724</u>
TOTAL ASSETS		<u>39,996,887</u>	<u>39,713,717</u>
EQUITY AND LIABILITIES			
Equity			
Share capital		2,481,877	2,481,877
Share premium		1,350,000	1,350,000
Statutory reserve		1,241,625	1,241,625
Other reserves		3,463,628	3,463,628
Retained earnings		18,357,493	18,326,466
Total equity		<u>26,894,623</u>	<u>26,863,596</u>
Non-current liabilities			
Employees' end of service benefits		150,475	146,531
Lease liabilities - non-current portion		4,499,431	4,496,510
		<u>4,649,906</u>	<u>4,643,041</u>
Current liabilities			
Lease liabilities - current portion		223,602	226,981
Term loan	8	2,184,951	2,202,091
Trade payables and other liabilities		511,798	616,926
Advance received from the Government	9	5,532,007	-
Amount due to the Government		-	2,902,669
Import finance loans		-	2,258,413
		<u>8,452,358</u>	<u>8,207,080</u>
Total liabilities		<u>13,102,264</u>	<u>12,850,121</u>
TOTAL EQUITY AND LIABILITIES		<u>39,996,887</u>	<u>39,713,717</u>


 Basim AlSaie
 Chairman


 Salah Mohamed Al Kulaib
 Vice Chairman


 Wayne Henry Craig
 Chief Executive Officer

The accompanying notes 1 to 17 form part of these interim condensed financial statements.

Bahrain Flour Mills Company B.S.C.**INTERIM STATEMENT OF COMPREHENSIVE INCOME**

For the period ended 30 June 2025 (Reviewed)

	Note	<i>Three-month period ended</i>		<i>Six-month period ended</i>	
		30 June	<i>30 June</i>	30 June	<i>30 June</i>
		2025	<i>2024</i>	2025	<i>2024</i>
		BD	<i>BD</i>	BD	<i>BD</i>
Revenue	10	1,752,414	1,726,071	3,693,169	3,936,883
Cost of revenue		(4,256,545)	(4,394,255)	(8,693,967)	(9,516,916)
Gross loss before					
Government subsidy		(2,504,131)	(2,668,184)	(5,000,798)	(5,580,033)
Government subsidy	11	3,531,150	2,988,666	6,404,222	6,456,360
Gross profit		1,027,019	320,482	1,403,424	876,327
Other operating income		87,316	119,670	193,376	152,396
Other operating expenses		(411,169)	(559,806)	(925,809)	(1,022,139)
Operating profit / (loss)		703,166	(119,654)	670,991	6,584
Net change in fair value of investment securities at fair value through profit or loss		247,416	(358,510)	12,694	34,936
Interest income from investment securities at amortised cost - net		58,584	46,066	117,314	93,171
Finance cost		(127,762)	(75,657)	(276,985)	(138,619)
Other income		93,117	80,147	152,633	173,467
Net profit / (loss) and total comprehensive income / (loss) for the period		974,521	(427,608)	676,647	169,539
Basic and diluted earnings / (losses) per share (fils)	12	39.25	(17.22)	27.26	6.83



Basim AlSaie
Chairman



Salah Mohamed Al Kulaib
Vice Chairman



Wayne Henry Craig
Chief Executive Officer

The accompanying notes 1 to 17 form part of these interim condensed financial statements.

Bahrain Flour Mills Company B.S.C.

INTERIM STATEMENT OF CASH FLOWS

For the period ended 30 June 2025 (Reviewed)

	<i>Six-month period ended</i>	<i>30 June</i>	<i>30 June</i>
		2025	2024
	<i>Note</i>	BD	BD
OPERATING ACTIVITIES			
Net profit for the period		676,647	169,539
Adjustments for:			
Depreciation on property, plant and equipment		444,648	315,583
Amortisation of intangible assets		11,255	8,387
Depreciation on right-of-use assets		202,670	100,445
Net change in fair value of investment securities at fair value through profit or loss		(12,694)	(34,936)
Interest income from investment securities at amortised cost- net		(117,314)	(93,171)
Interest income from bank balances and short-term deposits		(28,404)	(105,974)
Finance cost		276,985	138,619
(Reversal) / charge for slow moving and obsolete inventories		(3,862)	51,488
Provision for employees' end of service benefits		17,223	16,481
Operating profit before working capital changes		1,467,154	566,461
Working capital changes:			
Inventories		(719,384)	(1,823,160)
Receivables and other assets		(4,061,205)	(4,722,742)
Trade payables and other liabilities		(98,517)	706,744
Net cash used in operations		(3,411,952)	(5,272,697)
Employees' end of service benefits paid		(13,279)	(23,509)
Donation paid		(24,527)	(15,000)
Net cash flows used in operating activities		(3,449,758)	(5,311,206)
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(235,129)	(1,235,714)
Purchase of intangible assets		-	(17,262)
Purchase of investment securities at amortised cost		-	(1,451,582)
Redemption of investment securities at amortised cost		-	188,500
Interest income received from investment securities at amortised cost- net		124,360	87,676
Interest income received		38,629	120,311
Net cash flows used in investing activities		(72,140)	(2,308,071)
FINANCING ACTIVITIES			
Payment of principal portion of lease liabilities		(114,966)	(87,522)
Term loan paid		(17,140)	-
Term loan availed		-	372,473
Advance received from the Government		8,862,323	10,221,518
Amount due to the Government		(2,902,669)	(2,083,158)
Repayment of import finance loans		(2,258,413)	(2,210,479)
Finance cost paid		(169,560)	(175,786)
Dividend paid		(620,620)	(620,701)
Net cash flows from financing activities		2,778,955	5,416,345
NET CHANGE IN CASH AND CASH EQUIVALENTS		(742,943)	(2,202,932)
Cash and cash equivalents at 1 January		4,377,581	7,009,746
CASH AND CASH EQUIVALENTS AT 30 JUNE	7	3,634,638	4,806,814

The accompanying notes 1 to 17 form part of these interim condensed financial statements.

Bahrain Flour Mills Company B.S.C.

INTERIM STATEMENT OF CASH FLOWS (continued)

For the period ended 30 June 2025 (Reviewed) (continued)

Non-cash Items:

- Advance received from the Government of BD 3,330,316 (30 June 2024: BD 4,670,005) has been adjusted with the subsidy receivable.
- Amount of BD 330,000 (30 June 2024: nil) has been excluded from the movement in the property, plant and equipment and receivables and other assets.

Bahrain Flour Mills Company B.S.C.

INTERIM STATEMENT OF CHANGES IN EQUITY

For the six-month period ended 30 June 2025 (Reviewed)

	<i>Note</i>	<i>Share capital BD</i>	<i>Share premium BD</i>	<i>Reserves</i>		<i>Retained earnings BD</i>	<i>Total equity BD</i>
				<i>Statutory reserve BD</i>	<i>Other reserves BD</i>		
At 1 January 2025 (Audited)		2,481,877	1,350,000	1,241,625	3,463,628	18,326,466	26,863,596
Net profit and total comprehensive profit for the period		-	-	-	-	676,647	676,647
Charity approved for 2024	15	-	-	-	-	(25,000)	(25,000)
Dividends for 2024	15	-	-	-	-	(620,620)	(620,620)
At 30 June 2025		2,481,877	1,350,000	1,241,625	3,463,628	18,357,493	26,894,623

	<i>Note</i>	<i>Share capital BD</i>	<i>Share premium BD</i>	<i>Reserves</i>		<i>Retained earnings BD</i>	<i>Total equity BD</i>
				<i>Statutory reserve BD</i>	<i>Other reserves BD</i>		
At 1 January 2024 (Audited)		2,481,877	1,350,000	1,241,625	3,463,628	18,539,295	27,076,425
Net profit and total comprehensive profit for the period		-	-	-	-	169,539	169,539
Charity approved for 2023	15	-	-	-	-	(25,000)	(25,000)
Dividends for 2023	15	-	-	-	-	(620,620)	(620,620)
At 30 June 2024		2,481,877	1,350,000	1,241,625	3,463,628	18,063,214	26,600,344

The accompanying notes 1 to 17 form part of these interim condensed financial statements.

1 CORPORATE INFORMATION

Bahrain Flour Mills Company B.S.C. (the "Company") is a Bahraini public shareholding company registered with the Ministry of Industry and Commerce in the Kingdom of Bahrain under commercial registration number 1170 obtained on 16 July 1970 and listed in Bahrain Bourse. The Company was incorporated by an Amiri Charter dated 9 May 1970 and commenced commercial operations on 1 May 1972. The Company is engaged in the production of flour and related products which are mainly sold in the local market.

The interim condensed financial statements comprise the results of the Company for the six-month period ended 30 June 2025.

The Company's majority shareholder is Bahrain Food Holding Company W.L.L, which holds 65.73% of the Company's shares (the "Parent"). The Parent is wholly owned by Bahrain Investment Holding Company - Istithmar W.L.L, which in turn is wholly owned by Bahrain Mumtalakat Holding Company B.S.C (c) (the "Ultimate Parent"). The Ultimate Parent is controlled by the Government of the Kingdom of Bahrain (the "Government").

The interim condensed financial statements were authorised for issue in accordance with a resolution of the Board of Directors on 13 August 2025.

2 BASIS OF PREPARATION AND CHANGES TO THE COMPANY'S ACCOUNTING POLICIES

Basis of preparation

The interim condensed financial statements for the six-month period ended 30 June 2025 have been prepared in accordance with IAS 34 *Interim Financial Reporting*. The Company has prepared the financial statements on the basis that it will continue to operate as a going concern. The Board of Directors considers that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

The interim condensed financial statements have been presented in Bahrain Dinars ("BD") which is the functional currency of the Company. These interim condensed financial statements have been prepared under the historical cost convention except for fair value measurement of investment securities classified as at fair value through profit or loss.

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended 31 December 2024. In addition, results for the six-month period ended 30 June 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025.

New standards, interpretations and amendments adopted by the Company

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2024, except for the adoption of new standards effective as of 1 January 2025. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

- *Amendments to IAS 21 - Lack of exchangeability - The Effects of Changes in Foreign Exchange Rates specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.*

The amendment had no material impact on the interim condensed financial statements of the Company.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 30 June 2025

3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The significant accounting judgements and estimates used in the preparation of the interim condensed financial statements for the six-month period ended 30 June 2025 are consistent with those used in the preparation of the Company's annual financial statements for the year ended 31 December 2024.

4 SEASONALITY OF OPERATIONS

The Company is engaged in the production and sale of flour and related products and as such has no seasonality in its operations.

5 INVESTMENT SECURITIES

	30 June 2025 (Reviewed) BD	31 December 2024 (Audited) BD
<i>Non-current:</i>		
Investment securities at amortised cost	3,911,367	3,918,414
<i>Current:</i>		
Investment securities at fair value through profit or loss	13,004,735	12,992,041

The investments at amortised cost consist of unquoted debt securities while investments at fair value through profit or loss consist of quoted equity securities and a managed fund.

6 RECEIVABLES AND OTHER ASSETS

	30 June 2025 (Reviewed) BD	31 December 2024 (Audited) BD
Subsidy receivable (notes 11 & 13)	700,000	-
Trade receivables	147,526	210,638
Advances to suppliers	138,545	101,690
VAT receivable - net	63,743	67,005
Interest accrued	55,540	65,765
Prepayments	41,557	35,112
Other receivables	392,392	8,429
	1,539,303	488,639
Allowance for expected credit losses	(92,000)	(92,000)
	1,447,303	396,639

7 BANK BALANCES, SHORT-TERM DEPOSITS AND CASH

For the purpose of the interim condensed statement of cash flows, cash and cash equivalents comprise of the following:

	30 June 2025 (Reviewed) BD	31 December 2024 (Audited) BD
Cash on hand	1,916	2,069
Bank balances	1,332,722	801,854
Short-term deposits	2,300,000	3,573,658
	3,634,638	4,377,581

8 TERM LOAN

The Company has obtained a loan to finance the mill expansion project as well as other operating needs through a repo facility arrangement with a financial institution with an aggregate limit of BD 2,250,000 (the "Facility Amount"). The Board of Directors decided to utilise the proceeds from the term loan to finance the mill expansion project only. The loan is secured against debt securities and as per the arrangement, the value of the collateral must always exceed the Facility Amount and a minimum collateral ratio of 1.33x or a loan-to-value ratio ("LTV") of 75% or below is required to be maintained. At 30 June 2025, the fair value of debt securities held as collateral is BD 3,998,234 (31 December 2024: BD 4,002,471). The term loan is for a three-month period with a mutual option to rollover for further periods of three months indefinitely. The loan carries annual interest rate of 3 month SOFR plus 2% being 6.12% per annum at 30 June 2025 (31 December 2024: 6.36% per annum). Management of the Company intends to rollover the term loan until 2030.

9 ADVANCE RECEIVED FROM THE GOVERNMENT

The Company has entered into an arrangement with the Ministry of Finance and National Economy of the Kingdom of Bahrain, to receive advance payment against the import of wheat. The main purpose of such an advance payment is to support the payment of wheat shipments. As a part of the funding mechanism, Government subsidy is adjusted against the advance received and any unadjusted balance is payable to the Government at year end. During the six-month period ended 30 June 2025, BD 8,862,323 (30 June 2024: BD 10,221,518) was received as an advance, out of which BD 3,330,316 (30 June 2024: BD 4,670,005) has been adjusted against the subsidy on the sale of goods in the local market.

10 REVENUE

Set out below is the disaggregation of the Company's revenue from contracts with customers:

	<i>Three-month period ended</i>		<i>Six-month period ended</i>	
	30 June	<i>30 June</i>	30 June	<i>30 June</i>
	2025	<i>2024</i>	2025	<i>2024</i>
	(Reviewed)	<i>(Reviewed)</i>	(Reviewed)	<i>(Reviewed)</i>
	BD	<i>BD</i>	BD	<i>BD</i>
a) Type of goods				
Flour	1,228,285	1,209,303	2,491,251	2,518,970
Bran	320,356	287,260	591,788	691,040
Special products	203,773	229,508	610,130	650,485
Bulk wheat	-	-	-	76,388
	1,752,414	1,726,071	3,693,169	3,936,883
b) Geographical markets				
Kingdom of Bahrain	1,752,414	1,726,071	3,693,169	3,936,883
c) Timing of revenue recognition				
Recorded at a point in time	1,752,414	1,726,071	3,693,169	3,936,883

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 30 June 2025

11 GOVERNMENT SUBSIDY

Government subsidy is available for most of the Company's products sold locally and is calculated as the difference between the actual cost of wheat purchased and used for local sales plus conversion fee of BD 31 per ton for flour and a range of BD 98 to BD 145 per ton for special products (2024: same) and the value of sales of these products made during the period.

The following table shows the details of Government subsidy:

	<i>Three-month period ended</i>		<i>Six-month period ended</i>	
	30 June	<i>30 June</i>	30 June	<i>30 June</i>
	2025	<i>2024</i>	2025	<i>2024</i>
	(Reviewed)	<i>(Reviewed)</i>	(Reviewed)	<i>(Reviewed)</i>
	BD	<i>BD</i>	BD	<i>BD</i>
Actual cost of wheat used for products sold subject to subsidy	3,602,564	3,717,030	7,378,604	8,194,756
Plus: landing costs on import of wheat	21,276	65,345	43,040	74,650
	3,623,840	3,782,375	7,421,644	8,269,406
Plus: conversion fee per ton of wheat products sold subject to subsidy	965,816	943,480	1,995,001	2,089,593
	4,589,656	4,725,855	9,416,645	10,358,999
Gross sales subject to subsidy	(1,758,506)	(1,737,189)	(3,712,423)	(3,902,639)
	2,831,150	2,988,666	5,704,222	6,456,360
Plus: compensation (note 11.1)	700,000	-	700,000	-
	3,531,150	2,988,666	6,404,222	6,456,360

11.1 This represents the amount receivable from the Ministry of Finance and National Economy of the Kingdom of Bahrain to compensate for the increase in conversion costs per ton of the subsidised products sold.

Quantity sold during the six-month period ended 30 June 2025 was 61,269 tons out of which 61,174 tons were subsidised and 95 tons were commercial sales (30 June 2024: 64,079 tons sold, out of which 63,668 tons were subsidised and 411 tons were commercial sales).

12 EARNINGS / (LOSSES) PER SHARE

Basic earnings / (losses) per share is calculated by dividing the profit or loss for the period attributed to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period and is as follows:

	<i>Three-month period ended</i>		<i>Six-month period ended</i>	
	30 June	<i>30 June</i>	30 June	<i>30 June</i>
	2025	<i>2024</i>	2025	<i>2024</i>
	(Reviewed)	<i>(Reviewed)</i>	(Reviewed)	<i>(Reviewed)</i>
Net profit / (loss) for the period (BD)	974,521	(427,608)	676,647	169,539
Weighted average number of equity shares in issue	24,825,570	24,825,570	24,825,570	24,825,570
Basic and diluted earnings / (losses) per share (fils)	39.25	(17.22)	27.26	6.83

Basic and diluted earnings / (losses) per share are the same since the Company has not issued any instruments that would have a dilutive effect.

13 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties represent major shareholders (i.e. those who have control or significant influence over the Company), key management personnel of the Company and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Company's management and Board of Directors.

Being an entity under the control of the Government of the Kingdom of Bahrain, the Company qualifies as a government related entity under the definitions provided in International Accounting Standard 24 *Related Party Disclosures* ("IAS 24"). Accordingly, the Company considers Government departments, ministries and other Government controlled organisations as its related parties. The Company purchases electricity, receives subsidy against the sale of goods in the local market, receives grant against specific expenses incurred, pays lease rentals and receives other services from various Government, semi-Government organisations and other Government related entities in the Kingdom of Bahrain. Other than the subsidy and grant, all such other transactions are not considered to be individually significant. All related party transactions and balances are in the normal course of business.

Transactions with the Government and other related parties included in the interim statement of comprehensive income are as follows:

	<i>Six-month period ended</i>	
	30 June	30 June
	2025	2024
	(Reviewed)	(Reviewed)
	BD	BD
Government		
Government subsidy (note 11)	6,404,222	6,456,360
Other operating income	193,376	152,396
Affiliates of Ultimate Parent		
Finance cost on import finance loans	-	19,414
Interest income on bank balances and short-term deposits	757	285
Other operating expenses	11,132	14,937

Balances with the Government and other related parties included in the interim statement of financial position are as follows:

	30 June	31 December
	2025	2024
	(Reviewed)	(Audited)
	BD	BD
Government		
Subsidy receivable (note 6)	700,000	-
Advance received from the Government	5,532,007	-
Amount due to the Government	-	2,902,669
Affiliates of Ultimate Parent		
Bank balances and short-term deposits	440,988	134,617

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 30 June 2025

13 RELATED PARTY TRANSACTIONS AND BALANCES (continued)**Compensation of key management personnel**

Key management personnel of the Company comprise of the Board of Directors and other members of key management having authority and responsibility for planning, directing and controlling the activities of the Company.

	<i>Six-month period ended</i>	
	30 June	30 June
	2025	2024
	(Reviewed)	(Reviewed)
	BD	BD
Board of Directors:		
Remuneration	30,000	30,000
Sitting fees	25,400	37,000
Other expenses	6,876	4,911
Other members of key management:		
Salaries and short-term benefits	235,059	265,502
End of service benefits	11,835	8,810
	309,170	346,223

The balances of remuneration payable to the other members of key management included in the interim statement of financial position are as follows:

	30 June	31 December
	2025	2024
	(Reviewed)	(Audited)
	BD	BD
Salaries and short-term benefits	20,017	20,480
End of service benefits	89,492	86,212
	109,509	106,692

14 CLASSIFICATION AND FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS**Classification**

The details of classification of financial assets and financial liabilities held by the Company at the reporting date are as follows:

	30 June 2025 (Reviewed)		
	Fair value	Amortised	Total carrying
	through profit	cost	value
	and loss		
	BD	BD	BD
Financial assets			
Investment securities	13,004,735	3,911,367	16,916,102
Receivables and other assets	-	811,066	811,066
Bank balances, short-term deposits and cash	-	3,634,638	3,634,638
	13,004,735	8,357,071	21,361,806

14 CLASSIFICATION AND FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

Classification (continued)

	31 December 2024 (Audited)		
	Fair value through profit and loss	Amortised cost	Total carrying value
	BD	BD	BD
Financial assets			
Investment securities	12,992,041	3,918,414	16,910,455
Receivables and other assets	-	184,403	184,403
Bank balances, short-term deposits and cash	-	4,377,581	4,377,581
	<u>12,992,041</u>	<u>8,480,398</u>	<u>21,472,439</u>
		30 June 2025 (Reviewed) BD	31 December 2024 (Audited) BD
Financial liabilities at amortised cost			
Lease liabilities		4,723,033	4,723,491
Term loan		2,184,951	2,202,091
Trade payables and other liabilities		206,830	216,366
Amount due to the Government		-	2,902,669
Import finance loans		-	2,258,413
		<u>7,114,814</u>	<u>12,303,030</u>

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 in the principal, or in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

Level 1 Quoted prices (unadjusted) 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 financial statements on a recurring basis, the Company 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.

There were no changes in the Company's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the period.

14 CLASSIFICATION AND FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

Fair value measurement (continued)

Fair value of investment securities at fair value through profit or loss

Fair values of quoted equity investments and a managed fund are derived from quoted prices in active markets. The fair values are categorized into level 1 of the fair value hierarchy. There were no transfers between the different levels of the fair value hierarchy during the current period and prior year.

Fair value of other financial instruments

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

- a) Receivables and other assets, bank balances, short-term deposits and cash, term loan, trade payables and other liabilities, amount due to the Government and import finance loans approximate their carrying amounts at the reporting date largely due to the short-term maturities of these instruments.
- b) Investment securities at amortised cost and lease liabilities are evaluated by the Company based on parameters such as interest rates. At the reporting date, the carrying amounts are not materially different from their fair values.

15 APPROPRIATIONS

At the Annual General Meeting of the shareholders held on 26 March 2025, a final cash dividend of 25 fils per share totalling BD 620,620 and contribution to charity of BD 25,000 for the year ended 31 December 2024 were declared (2024: at the Annual General Meeting of the shareholders held on 27 March 2024, a final cash dividend of 25 fils per share totalling BD 620,620 and charity of BD 25,000 for the year ended 31 December 2023 were declared).

The directors' remuneration of BD 46,815 for the year ended 31 December 2024 was approved by the shareholders at the Annual General Meeting held on 26 March 2025 (2024: the directors' remuneration of BD 60,000 for the year ended 31 December 2023 was approved by the shareholders at the Annual General Meeting held on 27 March 2024).

16 SEGMENTAL INFORMATION

A segment is a distinguishable component of the Company that is engaged either in providing products or services (business segment) or in providing products or services within a particular environment (geographical segment), which is subject to risks and rewards that are different from those of other segment. The Company's current activities are primarily the production of flour and related products which are predominately sold in the local market. The revenue, expenses and results are reviewed only at a Company level and therefore no separate operating segment results and other disclosures are provided in the interim condensed financial statements.

17 COMPARATIVE INFORMATION

Certain comparative figures as presented below have been reclassified in order to conform to the current period presentation. Such reclassifications do not affect previously reported profit / (loss) or equity.

	<i>Three-month period ended 30 June 2024</i>		
	<i>As previously reported BD</i>	<i>Re- classification BD</i>	<i>Reclassified BD</i>
<i>Interim statement of comprehensive income</i>			
Cost of revenue	(4,510,236)	115,981	(4,394,255)
Other operating expenses	(443,825)	(115,981)	(559,806)

17 COMPARATIVE INFORMATION (continued)

	<i>Six-month period ended 30 June 2024</i>		
	<i>As previously reported BD</i>	<i>Re- classification BD</i>	<i>Reclassified BD</i>
<i>Interim statement of comprehensive income</i>			
Cost of revenue	(9,678,997)	162,081	(9,516,916)
Other operating expenses	(860,058)	(162,081)	(1,022,139)