

**Delmon Poultry Company B.S.C.**

Condensed interim financial information  
for the quarter and nine months ended  
30 September 2020  
(Reviewed)

**Delmon Poultry Company B.S.C.**  
**Condensed interim financial information for the nine months period ended 30 September 2020**  
**(Reviewed)**

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**Delmon Poultry Company B.S.C.**  
**Administration and contact details as at 30 September 2020**

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<b>Commercial registration</b>	10700-1 obtained on 21 July 1980 10700-2 obtained on 2 March 2017 10700-3 obtained on 26 January 2019
<b>Board of directors</b>	Abdul Rahman Mohamed Jamsheer (Chairman) Abdulhussain Khalil Dewani (Vice Chairman) Yousuf Saleh Al-Saleh Abdulredha Mohamed Al Daylami Talal Mohamed Abdulla Al Mannai Esam Abdulhameed Zainal Jaffar Mohamed Ali Al Dhaif Mohamed Jehad Bukamal Hasan Nabeel Ebrahim Al Mahroos Fouad Ebrahim Almutawa
<b>Executive Committee</b>	Mohamed Jehad Bukamal(Chairman) Abdul Rahman Mohamed Jamsheer Yousuf Saleh Al Saleh Talal Mohamed Abdulla Al Mannai
<b>Audit Committee</b>	Abdulhussain Khalil Dewani (Chairman) Hasan Nabeel Ebrahim Al Mahroos Jaffar Mohamed Ali Al Dhaif Fouad Ebrahim Yousif Almutawa
<b>Governance Committee</b>	Fouad Ebrahim Almutawa (Chairman) Abdulredha Mohamed Al Daylami Esam Abdulhameed Zainal
<b>Nomination and Remuneration Committee</b>	Abdulredha Mohamed Al Daylami (Chairman) Abdulhussain Khalil Dewani Esam Abdulhameed Zainal
<b>General Manager</b>	Abdulhadi Mirza Jaffar

**Delmon Poultry Company B.S.C.**

**Administration and contact details as at 30 September 2020 (continued)**

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**Offices and plants**

Administration and chicken processing plant

Hamala, PO Box 20535

Telephone 17608282

Fax 17601930

Email: [info@dawajen.bh](mailto:info@dawajen.bh)

Website: [www.dawajen.bh](http://www.dawajen.bh)

Feedmill - Mina Salman

Telephone 17727705

Chicks Hatchery - Al-Buhair

Telephone 17624832

**Principal bankers**

Ahli United Bank

National Bank of Bahrain

National Bank of Kuwait

Bahrain Islamic Bank

Bank of Bahrain and Kuwait

Kuwait Finance House

**Auditors**

BDO

17<sup>th</sup> Floor

Diplomatic Commercial Office Tower

PO Box 787

Manama

Kingdom of Bahrain

**Internal Auditor**

Grant Thornton - Abdulaal

12<sup>th</sup> Floor, Al Nakeel Tower

Seef District

PO Box 11175

Kingdom Of Bahrain

**Share registrar**

Bahrain Clear B.S.C.(c)

PO Box 3203

Manama

Kingdom of Bahrain

**Review report on the condensed interim financial information  
to the Board of Directors of Delmon Poultry Company B.S.C.**

***Introduction***

We have reviewed the accompanying condensed interim statement of financial position of Delmon Poultry Company B.S.C. ("the Company") as at 30 September 2020, the condensed interim statement of profit or loss, the condensed interim statement of comprehensive income, the condensed interim statement of changes in shareholders' equity, the condensed interim statement of cash flows for the quarter and nine months then ended and selected explanatory notes. The Company's Board of Directors is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Accounting Standard 34 - "*Interim Financial Reporting*". Our responsibility is to express a conclusion on this condensed interim financial information 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 condensed 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 condensed interim financial information does not present fairly, in all material respects, the financial position of the Company as at 30 September 2020, and its financial performance and its cash flows for the quarter and nine months then ended in accordance with International Accounting Standard 34 - "*Interim Financial Reporting*".

**BDO**

Manama, Kingdom of Bahrain  
10 November 2020



**Delmon Poultry Company B.S.C.**  
**Condensed interim statement of financial position as at 30 September 2020 (Reviewed)**  
**(Expressed in Bahrain Dinars)**

	30 September 2020 (Reviewed)	31 December 2019 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	2,913,771	3,093,332
Investment in an associate	1,480,028	1,573,155
Right-of-use assets	558,654	578,724
Financial assets at fair value through other comprehensive income	2,974,435	3,172,944
Financial assets at fair value through profit or loss	675,866	689,871
Investments at amortised cost	500,000	500,000
	<u>9,102,754</u>	<u>9,608,026</u>
<b>Current assets</b>		
Inventories	2,263,167	3,002,137
Trade and other receivables	2,194,033	2,043,887
Cash and bank balances	2,037,653	501,223
	<u>6,494,853</u>	<u>5,547,247</u>
<b>TOTAL ASSETS</b>	<b><u>15,597,607</u></b>	<b><u>15,155,273</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholders' equity</b>		
Share capital	3,120,928	3,120,928
Statutory reserve	1,560,464	1,560,464
General reserve	3,993,000	3,993,000
Development and raw material reserve	1,000,000	1,000,000
Investment fair value reserve	1,907,391	2,139,170
Retained earnings	2,262,959	1,507,754
Treasury shares	(122,398)	(122,398)
<b>Total shareholders' equity</b>	<b><u>13,722,344</u></b>	<b><u>13,198,918</u></b>
<b>Non-current liabilities</b>		
Non-current portion of lease liabilities	540,220	561,757
Non-current portion of deferred income	197,150	207,504
Employees' terminal benefits	36,155	30,496
	<u>773,525</u>	<u>799,757</u>
<b>Current liabilities</b>		
Current portion of lease liabilities	45,879	38,814
Trade and other payables	1,042,053	1,103,978
Current portion of deferred income	13,806	13,806
	<u>1,101,738</u>	<u>1,156,598</u>
<b>Total liabilities</b>	<b><u>1,875,263</u></b>	<b><u>1,956,355</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>15,597,607</u></b>	<b><u>15,155,273</u></b>

These condensed interim financial information, were approved and authorised for issue by the Board of Directors and signed on its behalf by:

Abdul Rahman Mohamed Jamsheer  
Chairman

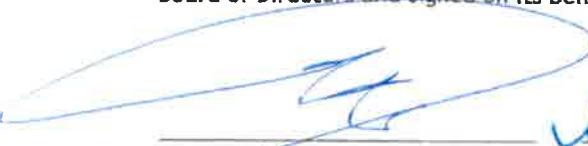
Abdulhussain Khalil Dewani  
Vice chairman

Abdulhadi Mirza Jaffar  
General manager

**Delmon Poultry Company B.S.C.**  
**Condensed interim statement of profit or loss for the quarter and nine months period ended**  
**30 September 2020**  
**(Reviewed)**  
**(Expressed in Bahrain Dinars)**

	Quarter ended 30 September 2020 (Reviewed)	Quarter ended 30 September 2019 (Reviewed)	Nine months period ended 30 September 2020 (Reviewed)	Nine months period ended 30 September 2019 (Reviewed)
Sales	3,569,488	3,616,530	10,988,816	11,511,047
Cost of sales	(3,358,059)	(3,508,144)	(10,338,026)	(11,190,771)
<b>Gross profit for the period</b>	<b>211,429</b>	<b>108,386</b>	<b>650,790</b>	<b>320,276</b>
Other income	184,847	19,121	576,400	55,475
Other operating expenses	(237,753)	(169,588)	(612,619)	(522,268)
<b>Profit/(loss) from operations</b>	<b>158,523</b>	<b>(42,081)</b>	<b>614,571</b>	<b>(146,517)</b>
Investments income	42,522	28,344	220,343	208,309
Share of loss profit in an associate company	(35,894)	(26,517)	(49,658)	(19,663)
Finance costs	(5,857)	(5,104)	(16,046)	(17,242)
Unrealised fair value gains/(losses) on financial assets at fair value through profit or loss	11.825	(8,554)	(14,005)	8,660
<b>Net profit/(loss) for the period</b>	<b>171,119</b>	<b>(53,912)</b>	<b>755,205</b>	<b>33,547</b>
<b>Basic earnings per share ( fils )</b>	<b>5.59</b>	<b>(1.76)</b>	<b>24.68</b>	<b>1.10</b>

These condensed interim financial information, were approved and authorised for issue by the Board of Directors and signed on its behalf by:



Abdul Rahman Mohamed Jamsheer  
Chairman



Abdulhussain Khalil Dewani  
Vice chairman

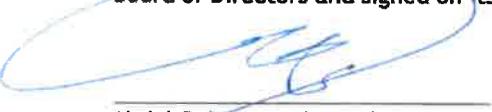


Abdulhadi Mirza Jaffar  
General manager

**Delmon Poultry Company B.S.C.**  
**Condensed interim statement of comprehensive income**  
**for the quarter and nine months ended 30 September 2020**  
**(Reviewed)**  
**(Expressed in Bahrain Dinars)**

	Quarter ended 30 September 2020 (Reviewed)	Quarter ended 30 September 2019 (Reviewed)	Nine months period ended 30 September 2020 (Reviewed)	Nine months period ended 30 September 2019 (Reviewed)
<b>Net profit/(loss) for the period</b>	<b>171,119</b>	<b>(53,912)</b>	<b>755,205</b>	<b>33,547</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified to profit or loss:</i>				
Unrealised fair value gains/(losses) on financial assets at fair value through other comprehensive income	316,825	27,297	(188,310)	380,895
<i>Items that may be reclassified into profit or loss</i>				
Company's share in associate's net change in investments' fair value	<u>2,026</u>	<u>(2,353)</u>	<u>(43,469)</u>	<u>(17,578)</u>
<b>Other comprehensive income/(loss) for the period</b>	<b><u>318,851</u></b>	<b><u>24,944</u></b>	<b><u>(231,779)</u></b>	<b><u>363,317</u></b>
<b>Total comprehensive income/(loss) for the period</b>	<b><u>489,970</u></b>	<b><u>(28,968)</u></b>	<b><u>523,426</u></b>	<b><u>396,864</u></b>

These condensed interim financial information, were approved and authorised for issue by the Board of Directors and signed on its behalf by:

  
**Abdul Rahman Mohamed Jamsheer**  
Chairman

  
**Abdulhussain Khalil Dewani**  
Vice chairman

  
**Abdulhadi Mirza Jaffar**  
General manager

**Delmon Poultry Company B.S.C.**  
**Condensed interim statement of changes in shareholders' equity for the nine months ended 30 September 2020**  
**(Reviewed)**  
**(Expressed in Bahrain Dinars)**

	<u>Share capital</u>	<u>Statutory reserve</u>	<u>General reserve</u>	<u>Development and raw material reserve</u>	<u>Investment fair value reserve</u>	<u>Retained earnings</u>	<u>Treasury shares</u>	<u>Total</u>
At 31 December 2018 (Audited)								
Total comprehensive income for the period	3,120,928	1,560,464	3,993,000	1,000,000	1,865,423	1,454,210	(118,093)	12,875,932
Movement in investment fair value reserve on disposal of financial assets at fair value through other comprehensive income	-	-	-	-	363,317	33,547	-	396,864
Dividends for 2018 (Note 6)	-	-	-	-	(349,038)	349,038	-	(153,065)
At 30 September 2019 (Reviewed)								
At 31 December 2019 (Audited)								
Total comprehensive income for the period	3,120,928	1,560,464	3,993,000	1,000,000	1,879,702	1,683,730	(118,093)	13,119,731
At 30 September 2020 (Reviewed)								

**Delmon Poultry Company B.S.C.**  
**Condensed interim statement of cash flows for the nine months ended 30 September 2020**  
**(Reviewed)**  
**(Expressed in Bahrain Dinars)**

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	Nine months period ended 30 September 2020 (Reviewed)	Nine months period ended 30 September 2019 (Reviewed)
<b>Operating activities</b>		
Net profit for the period	755,205	33,547
Adjustments for:		
Gain on sale of property, plant and equipment	(800)	-
Depreciation	309,634	317,579
Amortisation of right-of-use assets	20,070	20,070
Finance costs	16,046	15,236
Unrealised fair value losses/(gains) on financial assets at fair value through profit or loss	14,005	(8,660)
Share of loss from associate	49,658	19,663
Interest and dividend income	(220,343)	(208,309)
Changes in operating assets and liabilities:		
Inventories	738,970	88,545
Trade and other receivables	(150,146)	470,853
Trade and other payables	135,371	(24,585)
Employees' terminal benefits, net	<u>5,659</u>	<u>5,257</u>
Net cash provided by operating activities	<u>1,673,329</u>	<u>729,196</u>
<b>Investing activities</b>		
Purchase of property, plant and equipment	(130,073)	(830,031)
Proceed from sale of property, plant and equipment	800	-
Proceed from matured investments at amortised cost	-	250,000
Proceeds from sale of financial assets at fair value through other comprehensive income	-	430,511
Interest and dividend income received	<u>220,343</u>	<u>208,309</u>
Net cash provided by investing activities	<u>91,070</u>	<u>58,789</u>
<b>Financing activities</b>		
Principal repayment of lease liabilities	(4,273)	(9,989)
Net movement in deferred income	(10,354)	164,266
Dividends paid	(197,296)	(175,525)
Finance costs paid	<u>(16,046)</u>	<u>(15,236)</u>
Net cash used in financing activities	<u>(227,969)</u>	<u>(36,484)</u>
Net increase in cash and cash equivalents	1,536,430	751,501
Cash and cash equivalents, beginning of the period	<u>501,223</u>	<u>50,454</u>
Cash and cash equivalents, end of the period	<u>2,037,653</u>	<u>801,955</u>

**Delmon Poultry Company B.S.C.**  
**Selected explanatory notes to the condensed interim financial information**  
**for the quarter and nine months ended 30 September 2020**  
**(Reviewed)**  
**(Expressed in Bahrain Dinars)**

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**1 Organisation and activities**

Delmon Poultry Company B.S.C. ("the Company") is a public shareholding company registered with the Ministry of Commerce, Industry and Tourism in the Kingdom of Bahrain and operates under commercial registration numbers 10700-1 obtained on 21 July 1980, commercial registration number 10700-2 obtained on 2 March 2017 and commercial registration number 10700-3 obtained on 26 January 2019.

The principal objectives of the Company include establishing or investing in:

- Facilities for processing, packing and storing fresh and frozen chicken;
- Feed factories;
- Integrated project for broiler meat;
- Distribution network affording easy accessibility for consumers; and
- Similar or supporting activities in Bahrain or abroad.

The Company is also allowed to invest its surplus funds in all types of investments.

Current operations, all in Bahrain, are as follows:

- Chicken processing plant at Hamala
- Feedmill at Mina Salman
- Chicks hatchery at Al-Buhair

The registered office of the Company is in the Kingdom of Bahrain.

These unaudited condensed interim financial information, set out on pages 5 to 16, were approved and authorised for issue by the Board of Directors on 10 November 2020.

**Name and status of the divisions:**

<u>Name</u>	<u>Commercial registration number</u>	<u>Status</u>
Delmon Poultry Company	10700-1	Active
Delmon Poultry Company	10700-2	Active
Delmon Poultry Company	10700-3	Active

**2 Basis of preparation**

**Basis of presentation**

The condensed interim financial information has been prepared in accordance with International Accounting Standard 34 - "*Interim Financial Reporting*". The condensed interim financial information should therefore be read in conjunction with the annual audited financial statements prepared as at, and for the year ended, 31 December 2019, which have been prepared in accordance with International Financial Reporting Standards.

The preparation of condensed interim financial information in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the Company's accounting policies.

These condensed interim financial information have been prepared using the going concern assumption under the historical cost convention, except for the investments classified as financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income which are recorded at their fair market value at the statement of financial position date.

These condensed interim financial information have been presented in Bahraini Dinar (BD) which is also the functional currency of the Company.

**Delmon Poultry Company B.S.C.**  
**Selected explanatory notes to the condensed interim financial information**  
**for the quarter and nine months ended 30 September 2020**  
**(Reviewed)**  
**(Expressed in Bahrain Dinars)**

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**2 Basis of preparation (continued)**

***Improvements/amendments to IFRS/IAS***

Improvements/amendments to IFRS/IAS contained numerous amendments to IFRS/IAS that the IASB considers non-urgent but necessary. ‘Improvements to IFRS’ comprise amendments that result in accounting changes to presentation, recognition or measurement purposes, as well as terminology or editorial amendments related to a variety of individual IFRS standards. The amendments are effective for the Company’s future accounting year with earlier adoption.

***Standards, amendments and interpretations issued and effective in 2020 but not relevant***

The following new amendments to existing standard and interpretation to published standard is mandatory for accounting period beginning on or after 1 January 2020 or subsequent periods, but is not relevant to the Company’s operations:

<b><u>Standard or Interpretation</u></b>	<b><u>Title</u></b>	<b><u>Effective for annual periods beginning on or after</u></b>
IAS 1	Presentation of financial statements	1 January 2020
IAS 8	Accounting policies, changes in accounting estimates and errors	1 January 2020
IFRS 3	Business combinations	1 January 2020
IFRS 7	Financial instruments: Disclosures	1 January 2020
IFRS 9	Financial instruments	1 January 2020

***Standards, amendments and interpretations issued but not yet effective in 2020***

The following new/amended accounting standards and interpretations have been issued, but are not mandatory for financial period ended 30 September 2020. They have not been adopted in preparing the condensed interim financial information for the period ended 30 September 2020 and will or may have an effect on the entity’s future financial statements. In all cases, the entity intends to apply these standards from application date as indicated in the table below:

<b><u>Standard or interpretation</u></b>	<b><u>Title</u></b>	<b><u>Effective for annual periods beginning on or after</u></b>
IFRS 17	Insurance contracts	1 January 2021

There would have been no change in the operational results of the Company for the period ended 30 September 2020 had the Company early adopted any of the above standards applicable to the Company.

***Early adoption of amendments or standards in 2020***

The Company did not early-adopt any new or amended standards in 2020. The Company does not believe that the early adoption of these standards and interpretation will have a material impact on the financial statements once adopted.

**Delmon Poultry Company B.S.C.**  
**Selected explanatory notes to the condensed interim financial information**  
**for the quarter and nine months ended 30 September 2020**  
**(Reviewed)**  
**(Expressed in Bahrain Dinars)**

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**3 Significant accounting policies and critical accounting judgments, estimates and assumptions**

**Significant accounting policies**

The accounting policies used in the preparation of the condensed interim financial information are consistent with those used in the annual audited financial statements of the Company prepared as at, and for the year ended 31 December 2019.

**Use of estimates and judgments**

There have been no material revisions to the nature and amount of estimates of amounts reported in prior periods. However, as discussed in Note 4, the effects of COVID-19 have required significant judgments and estimates to be made, including:

- a) Assessing whether the entity has reasonable assurance as to whether it will comply with the conditions attached to government grants; and
- b) Determining which information obtained subsequent to period end provides evidence of conditions that existed as at the end of the reporting period ('adjusting events after the reporting period') and which do not ('non-adjusting events after the reporting period').

Additionally, while the changes in the following estimates and judgments have not had a material impact on a Company, the effects of COVID-19 have required revisions to:

- a) Estimates of expected credit losses attributable to accounts receivable arising from sales to customers on credit terms, including the incorporation of forward-looking information to supplement historical credit loss rates; and
- b) The methodology used to estimate the fair value of equity instruments classified as level 3 in the fair value hierarchy, as their valuation techniques incorporate significant unobservable inputs.

**4 COVID-19 events and transactions**

The World Health Organisation declared coronavirus and COVID-19 a global health emergency on 30 January 2020. Since then, a Company has experienced minor disruption to its operations in the following respects:

- Some disruptions in the supply of inventory from its suppliers;
- Fluctuation demand for certain products as a consequence of social distancing requirements and recommendations;
- 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 a Company's primary products.

**Delmon Poultry Company B.S.C.**

**Selected explanatory notes to the condensed interim financial information  
for the quarter and nine months ended 30 September 2020  
(Reviewed)  
(Expressed in Bahrain Dinars)**

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**4 COVID-19 events and transactions (continued)**

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

- Government grants; and
- Commitment and contingent liabilities.

*(a) Government grants*

The Company has applied for government support programs introduced in response to the global pandemic. The Company has received a government grants of BD527,827 where BD477,089 relating to supporting the payroll of the Company's employees and LMRA fees and BD50,738 related to supporting electricity and water. The Company has elected to present this government grant as other income. The Company had to commit to spend the assistance on payroll expenses, and not to 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 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 material issued were noted.

**5 Earnings per share**

	Quarter ended 30 September 2020	Quarter ended 30 September 2019	Nine months ended 30 September 2020	Nine months ended 30 September 2019
Net profit/(loss) for the period	<u>171,119</u>	<u>(53,912)</u>	<u>755,205</u>	<u>33,547</u>
Weighted average number of shares outstanding	<u>30,595,344</u>	<u>30,612,969</u>	<u>30,595,344</u>	<u>30,612,969</u>
Earnings per share (fils)	<u>5.59</u>	<u>(1.76)</u>	<u>24.68</u>	<u>1.10</u>

The earnings per share has been computed on the basis of net profit/(loss) for the nine months ended 30 September divided by the weighted average number of shares outstanding for the period total of 31,209,277, net of 613,933 treasury shares. The Company does not have any potentially dilutive ordinary shares, hence the diluted earnings per share and basic earnings per share are identical.

**6 Appropriations**

The Annual General Meeting of shareholders held on 23 March 2020 has not approved any cash dividends for the year ended 31 December 2019 (2019: BD153,065 at 5 fils per share representing 5% of the total issued and fully paid-up share capital of the Company for the year ended 31 December 2018).

**Delmon Poultry Company B.S.C.**

**Selected explanatory notes to the condensed interim financial information  
for the quarter and nine months ended 30 September 2020**

**(Reviewed)**

**(Expressed in Bahrain Dinars)**

**7 Transactions and balances with related parties**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties include entities over which the Company exercises significant influence, major shareholders, directors and executive management of the Company.

Transactions with entities controlled by directors, or over which they exert significant influence are as per the fixed contract price agreed by the Company, government and those entities. Other related party transactions are authorised by the management and conducted on an arm's length basis or on normal commercial terms.

The related party transactions and balances included in these financial statements are as follows:

	30 September 2020		31 December 2019		30 September 2019	
	Receivables	Payables	Sales	Purchases	Receivables	Payables
<b>Major Shareholders</b>						
Shareholders	188,987	-	801,156	-	128,125	-
Associate Entities	-	(42)	-	-	-	(42)
Controlled by directors	<u>23,259</u>	<u>-</u>	<u>339,901</u>	<u>384,231</u>	<u>5,045</u>	<u>-</u>
	<u><b>212,246</b></u>	<u><b>(42)</b></u>	<u><b>1,141,057</b></u>	<u><b>384,231</b></u>	<u><b>133,170</b></u>	<u><b>(42)</b></u>
					<u><b>830,324</b></u>	<u><b>377,233</b></u>

Key management personnel of the Company comprise the Board of Directors and key members of management having authority and responsibility for planning, directing and controlling the activities of the Company. The key management personnel compensation is as follows:

	Nine months ended 30 September 2020	Nine months ended 30 September 2019
Board of directors' attendance fees	47,400	32,150
Salaries and other benefits	<u>-</u>	<u>4,500</u>
	<u><b>47,400</b></u>	<u><b>36,650</b></u>

**8 Property, plant and equipment**

Additions to property, plant and equipment during the nine months period ended 30 September 2020 amounted to BD130,073, (30 September 2019: BD830,031). Disposals from property, plant and equipment during the nine months period ended 30 September 2020 amounted to BD 27,572 (30 September 2019: BDNil). Depreciation in the property, plant and equipment during the nine months period ended 30 September 2020 amounted to BD309,634 (30 September 2019: BD317,579).

**Delmon Poultry Company B.S.C.**

**Selected explanatory notes to the condensed interim financial information  
for the quarter and nine months ended 30 September 2020  
(Reviewed)  
(Expressed in Bahrain Dinars)**

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**9 Segmental information:**

As at and for the nine months period ended 30 September 2020 (Reviewed)

	<u>Chicken</u>	<u>Feeds</u>	<u>Chicks</u>	<u>Investments</u>	<u>Unallocated</u>	<u>Total</u>
Sales	6,344,476	3,447,803	1,196,537	-	-	10,988,816
Cost of sales	(6,009,358)	(3,328,881)	(999,787)	-	-	(10,338,026)
Gross profit	335,118	118,922	196,750	-	-	650,790
Other income	14,073	1,675	2,315	-	558,337	576,400
Other operating expenses	(352,891)	(199,973)	(59,755)	-	-	(612,619)
<b>(Loss)/profit from operations</b>	<b>(3,700)</b>	<b>(79,376)</b>	<b>139,310</b>	<b>-</b>	<b>558,337</b>	<b>614,571</b>
Investments income	-	-	-	220,343	-	220,343
Share of loss in an associate	-	-	-	(49,658)	-	(49,658)
Finance costs	(5,726)	(10,124)	(196)	-	-	(16,046)
Unrealised fair value losses on financial assets at fair value through profit or loss	-	-	-	(14,005)	-	(14,005)
<b>Segment (loss)/profit for the period</b>	<b>(9,426)</b>	<b>(89,500)</b>	<b>139,114</b>	<b>156,680</b>	<b>558,337</b>	<b>755,205</b>
<b>Reportable segment assets</b>	<b>3,952,856</b>	<b>3,180,320</b>	<b>586,741</b>	<b>5,935,970</b>	<b>1,941,720</b>	<b>15,597,607</b>
<b>Reportable segment liabilities</b>	<b>494,399</b>	<b>707,489</b>	<b>-</b>	<b>-</b>	<b>673,375</b>	<b>1,875,263</b>

**Delmon Poultry Company B.S.C.**

**Selected explanatory notes to the condensed interim financial information  
for the quarter and nine months ended 30 September 2020  
(Reviewed)  
(Expressed in Bahrain Dinars)**

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**9 Segmental information (continued):**

As at 31 December 2019 and for the nine months ended 30 September 2019 (Reviewed)

	<u>Chicken</u>	<u>Feeds</u>	<u>Chicks</u>	<u>Investments</u>	<u>Unallocated</u>	<u>Total</u>
Sales	6,619,116	3,393,356	1,498,575	-	-	11,511,047
Cost of sales	(6,588,615)	(3,379,804)	(1,222,352)	-	-	(11,190,771)
Gross profit	30,501	13,552	276,223	-	-	320,276
Other income	17,731	5,469	3,460		28,815	55,475
Other operating expenses	(307,462)	(157,592)	(57,214)	-	-	(522,268)
<b>(Loss)/profit from operations</b>	<b>(259,230)</b>	<b>(138,571)</b>	<b>222,469</b>		<b>28,815</b>	<b>(146,517)</b>
Investments income	-	-	-	208,309	-	208,309
Share of loss in an associate	-	-	-	(19,663)	-	(19,663)
Finance cost	(6,467)	(10,429)	(346)	-	-	(17,242)
Unrealised fair value gains on financial assets at fair value through profit or loss	-	-	-	8,660	-	8,660
<b>Segment (loss)/profit for the period</b>	<b>(265,697)</b>	<b>(149,000)</b>	<b>222,123</b>	<b>197,306</b>	<b>28,815</b>	<b>33,547</b>
<b>Reportable segment assets</b>	<b>4,393,631</b>	<b>3,380,645</b>	<b>671,299</b>	<b>5,935,970</b>	<b>773,728</b>	<b>15,155,273</b>
<b>Reportable segment liabilities</b>	<b>582,648</b>	<b>576,205</b>	<b>49,114</b>		<b>748,388</b>	<b>1,956,355</b>

**10 Interim results**

The interim net profit for the nine months period ended 30 September 2020 may not represent a proportionate share of the annual net profit or loss due to the nature of the Company's activities, timing of the receipt of dividend and investment income.

**11 Subsequent events**

There were no significant events subsequent to 30 September 2020 and occurring before the date of signing of the financial statements that would have a significant impact on these financial statements.

**SCHEDULE 1**

**Delmon Poultry Company B.S.C.**  
Additional information (Not reviewed)  
(Expressed in Bahrain Dinars)

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**Quantities produced and sold**

<b>Quantities sold</b>	Nine months period ended	Nine months period ended
	<u>30 September 2020</u>	<u>30 September 2019</u>
Chicken	5,591,683 KG	5,958,535 KG
Feed	26,427 ton	26,043 ton
Chicks	5,979,001 chicks	7,498,436 chicks
<b>Quantities produced</b>		
Chicken	5,374,491 KG	6,063,631 KG
Feed	26,447 ton	22,379 ton
Chicks	6,042,543 chicks	7,467,540 chicks