



BMMI COVID-19 Impact – Supplementary Information

With the onset of COVID-19, economies across the Globe have been severely impacted by loss of lives, panic and uncertainty. Demand for essential goods rose in the ensuing panic while non-essential demand plummeted. Significant uncertainty continues respect to ease of lockdowns, social distancing norms and long-term impact of the pandemic on economic and social well-being. This uncertainty has further intensified in 2021 as vaccination efforts are being challenged by emerging new variants.

BMMI has not been immune to the pandemic impact. COVID-19 hit our business in the last week of February 2020 and has significantly impacted our business till date. The key domestic impact is the closure of the hospitality sector arising from travel restrictions. This has resulted in a downturn across many of our business units but most significantly in our Beverage division.

Below is an assessment of key impacts BMMI has observed in its operations in Q1 2021:

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| Revenue | <p>With tourism and hospitality restrictions, the BMMI Shops witnessed an estimated drop in revenue of BD2.4m</p> <p>Alosra has also been impacted as the initial COVID-induced panic buy has eased (estimated at BD0.4m)</p> <p>Bayader restaurants has also been impacted with interruption in operations of the outlets with the social distancing directives (estimated sales loss of BD0.1m)</p> <p>Banader Hotel noted significant reduction in occupancy rates and has lost an estimated sales of BD0.3m.</p> |
| Other income | Rental income fell by BD11k as rent concessions were offered by the management as COVID relief to the tenants |
| Other expense | The Pandemic resulted in several novel expenses in the company. In 2021, Facilities Management incurred costs relating to Sanitization and employee hygiene measures in the workplace costing BD13k |
| Net Profit | The net impact of the above on the Group's bottom line is estimated at BD1.3m. |





Commitments and Contingent Liabilities

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

Going Concern

In response to significant change in market conditions, BMMI assessed the Group's Going Concern ability. Despite market turmoil, BMMI has closed the quarter with a profit capitalizing on diversified business and strong focus on e-commerce. Moreover, BMMI has successfully secured higher loan limits with the banks to facilitate smooth cash flow. Combining these factors with BMMI's strong reserves, the Management has complete comfort in the going concern ability of the Group and the interim Consolidated Financial Statements have been prepared on a going concern basis.



Jad Moukneibar
Company Secretary

