

TRAFCO GROUP B.S.C.
INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
31 MARCH 2015 (REVIEWED)

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

Introduction

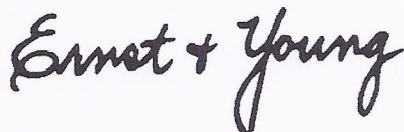
We have reviewed the accompanying interim condensed consolidated financial statements of Trafco Group B.S.C. ("the Company") and its subsidiaries (together "the Group") as at 31 March 2015, comprising of the interim consolidated statement of financial position as at 31 March 2015, and the related interim consolidated statements of income, other comprehensive income, cash flows and changes in equity for the three-month period then ended and explanatory notes. The Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated 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 consolidated 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 consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

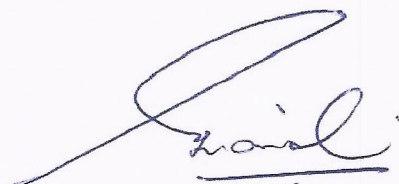


Auditor's Registration No. 115
9 May 2015
Manama, Kingdom of Bahrain

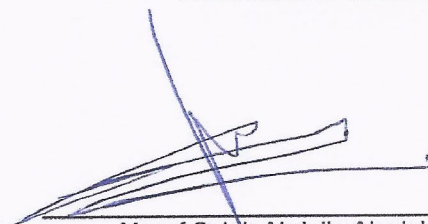
TRAFCO GROUP B.S.C.
INTERIM CONSOLIDATED STATEMENT OF INCOME

For the period ended 31 March 2015 (Reviewed)

	Notes	Three-month period ended 31 March	
		2015	2014
		BD	BD
Sales		9,898,116	10,138,039
Cost of sales		(8,080,867)	(8,434,365)
GROSS PROFIT		1,817,249	1,703,674
Storage income		122,868	58,126
Other operating income		28,568	11,359
Personnel costs		(829,929)	(797,666)
Selling and distribution expenses		(436,216)	(370,004)
General and administrative expenses		(260,284)	(255,822)
Depreciation		(91,390)	(92,064)
Direct operating costs - warehouse		(95,884)	(88,893)
OPERATING PROFIT FROM CONTINUING OPERATIONS		254,982	168,710
Investment income (net)		408,206	645,508
Finance costs		(74,801)	(90,440)
Share of results of an associate		96,527	41,053
Foreign exchange (losses) gains (net)		(14,249)	420
PROFIT OF THE GROUP FOR THE PERIOD FROM CONTINUING OPERATIONS BEFORE IMPAIRMENT OF AVAILABLE-FOR-SALE INVESTMENTS		670,665	765,251
Impairment of available-for-sale investments		(31,366)	(38,976)
PROFIT OF THE GROUP FOR THE PERIOD FROM CONTINUING OPERATIONS		639,299	726,275
DISCONTINUED OPERATIONS			
Net loss for the period from discontinued operations	4	-	(28,430)
PROFIT OF THE GROUP FOR THE PERIOD		639,299	697,845
of which loss attributable to non-controlling interests		3,633	34,927
PROFIT FOR THE PERIOD ATTRIBUTABLE TO TRAFCO EQUITY SHAREHOLDERS		642,932	732,772
BASIC AND DILUTED EARNINGS PER SHARE (FILS)	6	8.2	9.4
BASIC AND DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS (FILS)	6	8.2	9.7



 Ebrahim Mohamed Ali Zainal
Chairman



 Yusuf Saleh Abdulla Alsaleh
Vice Chairman


The attached notes 1 to 16 form part of these interim condensed consolidated financial statements.

TRAFCO GROUP B.S.C.

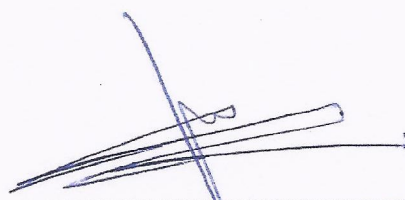
INTERIM CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the period ended 31 March 2015 (Reviewed)

	Three-month period ended 31 March	
	2015	2014
	BD	BD
PROFIT OF THE GROUP FOR THE PERIOD	639,299	697,845
OTHER COMPREHENSIVE INCOME (LOSS)		
<i>Other comprehensive income (loss) to be reclassified to the interim consolidated statement of income in subsequent periods:</i>		
Realised gain included in the interim consolidated statement of income upon disposal of available-for-sale investments (net)	(9,257)	(340,554)
Changes in fair value of available-for-sale investments (net)	262,815	169,773
Changes in fair value of associates' available-for-sale investments	8,298	22,965
Foreign currency translation adjustment	(18,210)	(8,675)
Other comprehensive income (loss) that will be reclassified to the interim consolidated statement of income in subsequent periods	243,646	(156,491)
TOTAL COMPREHENSIVE INCOME OF THE GROUP FOR THE PERIOD	882,945	541,354
of which loss attributable to non-controlling interests	12,556	39,178
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO TRAFCO EQUITY SHAREHOLDERS	895,501	580,532



Ebrahim Mohamed Ali Zainal
Chairman



Yusuf Saleh Abdulla Alsaleh
Vice Chairman

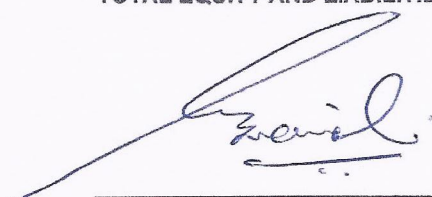
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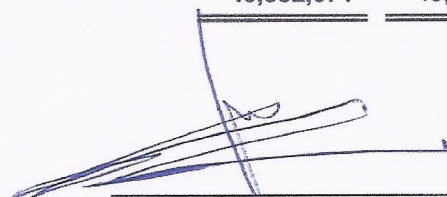
TRAFCO GROUP B.S.C.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2015 (Reviewed)

		31 March 2015 (Reviewed) BD	31 December 2014 (Audited) BD
	Notes		
ASSETS			
Non-current assets			
Property, plant and equipment		9,321,627	9,507,600
Investment in an associate	7	2,389,362	2,284,537
Available-for-sale investments	8	9,873,797	9,669,590
		21,584,786	21,461,727
Current assets			
Inventories		8,288,888	9,194,950
Trade and other receivables		9,550,685	8,967,503
Bank balances and cash		908,312	591,874
		18,747,885	18,754,327
TOTAL ASSETS		40,332,671	40,216,054
EQUITY AND LIABILITIES			
Equity			
Share capital	11	8,067,505	8,067,505
Treasury shares	12	(564,821)	(564,821)
Reserves		15,622,277	15,898,873
Equity attributable to equity holders of the parent		23,124,961	23,401,557
Non-controlling interests		1,205,804	1,218,360
Total equity		24,330,765	24,619,917
Non-current liabilities			
Employees' end of service benefits		1,014,647	1,001,759
Term loans		695,461	854,341
Loans from non-controlling interests		627,000	627,000
		2,337,108	2,483,100
Current liabilities			
Trade and other payables		6,475,313	4,996,513
Import loans		4,808,448	5,681,159
Bank overdrafts		1,730,736	1,777,965
Term loans		650,301	657,400
		13,664,798	13,113,037
Total liabilities		16,001,906	15,596,137
TOTAL EQUITY AND LIABILITIES		40,332,671	40,216,054


Ebrahim Mohamed Ali Zainal
Chairman


Yusuf Saleh Abdulla Alsaleh
Vice Chairman

The attached notes 1 to 16 form part of these interim condensed consolidated financial statements.

TRAFICO GROUP B.S.C.
INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 31 March 2015 (Reviewed)

	<i>Note</i>	<i>Three-month period ended 31 March</i>	
		2015	2014
		BD	BD
OPERATING ACTIVITIES			
Profit of the Group for the period		639,299	697,845
Adjustments for:			
Investment income (net)		(408,206)	(645,508)
Depreciation		261,518	279,709
Finance costs		74,801	90,440
Provision for employees' end of service benefits		43,419	47,124
Share of results of an associate		(96,527)	(41,053)
Impairment of available-for-sale investments		31,366	38,976
Net loss for the period from discontinued operations	4	-	28,430
Provision for slow moving and obsolete of inventories		1,908	1,908
Allowance for impairment of trade receivables		4,873	1,163
Gain on disposal of property, plant and equipment		(6,174)	-
Operating profit before changes in working capital		546,277	499,034
Working capital changes:			
Inventories		904,154	(297,483)
Trade and other receivables		(401,170)	(242,503)
Trade and other payables		316,391	407,613
Cash generated from operations		1,365,652	366,661
Finance costs paid		(77,064)	(95,514)
Employees' end of service benefits paid		(30,531)	(26,874)
Net cash flows from operating activities		1,258,057	244,273
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(85,807)	(1,504,277)
Proceeds from disposal of property, plant and equipment		16,436	7,687
Proceeds from disposal of available-for-sale investments		19,879	753,807
Return of capital of available-for-sale investments		-	79,302
Purchase of available-for-sale investments		(21,378)	(246,297)
Dividends received		240,805	137,902
Net cash flows from (used in) investing activities		169,935	(771,876)
FINANCING ACTIVITIES			
Net movement in import loans		(872,711)	214,332
Term loans availed		-	750,000
Repayment of term loans		(165,979)	(315,065)
Dividends paid		(7,425)	(38,445)
Net cash flows (used in) from financing activities		(1,046,115)	610,822
NET INCREASE IN CASH AND CASH EQUIVALENTS		381,877	83,219
Foreign currency translation adjustment (net)		(18,210)	(8,675)
Cash and cash equivalents at 1 January		(1,186,091)	(539,077)
CASH AND CASH EQUIVALENTS AT 31 MARCH (a)		(822,424)	(464,533)

TRAFECO GROUP B.S.C.**INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**

For the period ended 31 March 2015 (Reviewed)

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

	<i>Three-month period ended</i>	
	<i>31 March</i>	
	2015	2014
	BD	BD
Bank balances and cash	908,312	1,446,796
Bank overdrafts	(1,730,736)	(1,911,329)
	(822,424)	(464,533)

Non-cash items:

- (i) Unclaimed dividends pertaining to prior period amounting to BD 1,646,607 (31 March 2014: BD 1,386,155) have been excluded from the movement of trade and other payables above.
- (ii) Dividend receivable amounting to BD 186,885 (31 March 2014: BD 204,298) has been excluded from the movement of trade and other receivables above.

TRAFICO GROUP B.S.C.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 31 March 2015 (Reviewed)

	Attributable to equity holders of the parent												
	Reserves											Total Tratco's equity holders' BD	
Share capital BD	Treasury shares BD	Share premium BD	Statutory reserve BD	General reserve BD	Cumulative changes in fair value BD	Retained earnings - distributable BD	Retained earnings not- distributable BD	Proposed appropriations BD	Total reserves BD	Non-controlling interests BD	Total equity BD		
Balance at 1 January 2015	8,067,505	(564,821)	3,386,502	3,083,650	1,165,000	5,263,404	1,661,336	116,884	1,222,097	15,898,873	23,401,557	1,218,360	24,619,917
Profit (loss) for the period	-	-	-	-	-	-	642,932	-	-	642,932	642,932	(3,633)	639,299
Other comprehensive income (loss) for the period	-	-	-	-	-	252,569	-	-	-	252,569	252,569	(8,923)	243,646
Total comprehensive income (loss) for the period	-	-	-	-	-	252,569	642,932	-	-	895,501	895,501	(12,556)	882,945
Dividends paid (note 13)	-	-	-	-	-	-	-	-	(1,172,097)	(1,172,097)	(1,172,097)	-	(1,172,097)
Transfer to general reserve	-	-	-	-	50,000	-	-	-	(50,000)	-	-	-	-
Balance at 31 March 2015	8,067,505	(564,821)	3,386,502	3,083,650	1,215,000	5,515,973	2,304,268	116,884	-	15,622,277	23,124,961	1,205,804	24,330,765
Balance at 1 January 2014	8,067,505	(560,224)	3,386,502	2,922,778	1,130,000	4,866,982	1,452,098	116,884	1,051,066	14,926,310	22,433,591	1,274,734	23,708,325
Profit (loss) for the period	-	-	-	-	-	-	732,772	-	-	732,772	732,772	(34,927)	697,845
Other comprehensive loss for the period	-	-	-	-	-	(152,240)	-	-	-	(152,240)	(152,240)	(4,251)	(156,491)
Total comprehensive (loss) income for the period	-	-	-	-	-	(152,240)	732,772	-	-	580,532	580,532	(39,178)	541,354
Dividends paid (note 13)	-	-	-	-	-	-	-	-	(1,016,066)	(1,016,066)	(1,016,066)	-	(1,016,066)
Transfer to general reserve	-	-	-	-	35,000	-	-	-	(35,000)	-	-	-	-
Balance at 31 March 2014	8,067,505	(560,224)	3,386,502	2,922,778	1,165,000	4,714,742	2,184,870	116,884	-	14,490,776	21,998,057	1,235,556	23,233,613

The attached notes 1 to 16 form part of these interim condensed consolidated financial statements.