



# BAHRAIN COMMERCIAL FACILITIES COMPANY BSC

## Condensed Consolidated Interim Financial Information 30 September 2020

### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS for the nine months ended 30 September 2020

Bahraini dinars in thousands	Nine months ended		Three months ended	
	30 September 2020 (reviewed)	30 September 2019 (reviewed)	30 September 2020 (reviewed)	30 September 2019 (reviewed)
Interest income	26,862	30,356	8,349	10,412
Interest expense	(8,443)	(9,633)	(2,549)	(3,268)
<b>Net interest income</b>	<b>18,419</b>	<b>20,723</b>	<b>5,800</b>	<b>7,144</b>
Automotive revenue	29,411	35,360	8,892	13,608
Cost of sales	(26,195)	(30,288)	(7,923)	(11,755)
<b>Gross profit on automotive revenue</b>	<b>3,216</b>	<b>5,072</b>	<b>969</b>	<b>1,853</b>
Fee and commission income	4,070	8,440	801	2,810
Profit from sale of real estate inventory	115	293	15	132
Rental and evaluation income	704	627	225	219
<b>Total operating income</b>	<b>26,524</b>	<b>35,155</b>	<b>7,810</b>	<b>12,158</b>
Other income	700	782	622	203
Operating expenses	(14,301)	(16,582)	(4,923)	(5,652)
<b>Profit before impairment allowance</b>	<b>12,923</b>	<b>19,355</b>	<b>3,509</b>	<b>6,709</b>
Impairment allowance on loans and receivables, net of recoveries	(9,908)	(3,891)	(3,031)	(2,082)
<b>Profit for the period</b>	<b>3,015</b>	<b>15,464</b>	<b>478</b>	<b>4,627</b>
Basic and diluted earnings per 100 fils share	<b>15 fils</b>	<b>77 fils</b>	<b>2 fils</b>	<b>23 fils</b>

### CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME for the nine months ended 30 September 2020

Bahraini dinars in thousands	Nine months ended		Three months ended	
	30 September 2020 (reviewed)	30 September 2019 (reviewed)	30 September 2020 (reviewed)	30 September 2019 (reviewed)
<b>Profit for the period</b>	<b>3,015</b>	<b>15,464</b>	<b>478</b>	<b>4,627</b>
<b>Other comprehensive income:</b>				
<b>Items that are or may be reclassified subsequently to profit or loss</b>				
Fair value (loss)/gain on cash flow hedge reserve	(3,353)	(3,456)	424	(601)
<b>Total comprehensive income for the period</b>	<b>(338)</b>	<b>12,008</b>	<b>902</b>	<b>4,026</b>

### CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 30 September 2020

Bahraini dinars in thousands	30 September 2020 (reviewed)	31 December 2019 (audited)
<b>Assets</b>		
Cash and balances with banks	9,162	5,040
Loans and advances to customers	286,599	325,289
Trade receivables	4,775	7,270
Inventories	22,521	26,322
Investment properties	12,662	12,641
Property and equipment	28,264	29,592
Other assets	3,808	3,673
<b>Total assets</b>	<b>367,791</b>	<b>409,827</b>
<b>Liabilities and equity</b>		
<b>Liabilities</b>		
Bank overdrafts	-	1
Trade and other payables	25,156	27,301
Bank term loans	209,624	230,163
<b>Total liabilities</b>	<b>234,780</b>	<b>257,465</b>
<b>Equity</b>		
Share capital	20,419	20,419
Treasury shares	(599)	(599)
Statutory reserve	10,210	10,210
Share premium	25,292	25,292
Other reserves	22,448	25,221
Retained earnings	55,241	71,819
<b>Total equity</b>	<b>133,011</b>	<b>152,362</b>
<b>Total liabilities and equity</b>	<b>367,791</b>	<b>409,827</b>

### OPERATING SEGMENT INFORMATION for the nine months ended 30 September 2020

Bahraini dinars in thousands	Revenue		Profit	
	Nine months ended		Nine months ended	
	30 September 2020 (reviewed)	30 September 2019 (reviewed)	30 September 2020 (reviewed)	30 September 2019 (reviewed)
Consumer finance	30,260	37,655	3,502	12,804
Automotive	29,421	35,381	(752)	1,928
Insurance	662	1,121	153	553
Real estate	1,717	3,270	112	179
	<b>62,060</b>	<b>77,427</b>	<b>3,015</b>	<b>15,464</b>

### CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS for the nine months ended 30 September 2020

Bahraini dinars in thousands	30 September 2020 (reviewed)	30 September 2019 (reviewed)
<b>Operating activities</b>		
Loan repayments, interest received and other credit related receipts	160,369	244,548
Cash receipts from automotive sales	31,247	37,612
Insurance commission received	721	1,090
Sale of real estate inventory	1,120	2,655
Rental and evaluation income received	675	622
Loans and advances to customers	(116,396)	(224,854)
Payments to suppliers	(26,147)	(36,123)
Payments for operating expenses	(11,936)	(14,141)
Payment for real estate inventory	(561)	(593)
Directors' fees paid	(440)	(535)
Interest paid	(8,182)	(9,453)
<b>Net cash generated from operating activities</b>	<b>30,470</b>	<b>828</b>
<b>Investing activities</b>		
Capital expenditure on property and equipment	(2,399)	(3,243)
Addition to investment properties	(257)	(4,898)
Proceeds from sale of property and equipment	944	406
<b>Net cash used in investing activities</b>	<b>(1,712)</b>	<b>(7,735)</b>
<b>Financing activities</b>		
Bank term loans availed	68,838	60,646
Bank term loans paid	(89,563)	(44,788)
Dividends paid	(5,109)	(7,199)
Government grant received	1,684	-
Donations paid	(470)	(308)
<b>Net cash (used in) / generated from financing activities</b>	<b>(24,620)</b>	<b>8,351</b>
<b>Net increase in cash and cash equivalents</b>	<b>4,138</b>	<b>1,444</b>
Cash and cash equivalents at 1 January	4,884	4,967
<b>Cash and cash equivalents at 30 September</b>	<b>9,022</b>	<b>6,411</b>
Cash and cash equivalents comprise:		
Cash and balances with banks	9,162	6,736
Less: Restricted cash	(140)	(215)
Bank overdrafts	-	(110)
	<b>9,022</b>	<b>6,411</b>

### CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the nine months ended 30 September 2020

Bahraini dinars in thousands	Share capital		Reserves and retained earnings						
	Share capital	Treasury shares	Statutory reserve	Share Premium	Other reserves			Retained earnings	Total equity
					Cash flow hedge reserve	Donation reserve	General reserve		
As at 1 January 2020	20,419	(599)	10,210	25,292	(1,722)	693	26,250	71,819	152,362
<b>2019 appropriations (approved by shareholders):</b>									
- Donations approved	-	-	-	-	-	300	-	(300)	-
- Dividend to equity holders	-	-	-	-	-	-	-	(5,036)	(5,036)
- Transfer to general reserve	-	-	-	-	-	-	750	(750)	-
<b>Balance after 2019 appropriations</b>	<b>20,419</b>	<b>(599)</b>	<b>10,210</b>	<b>25,292</b>	<b>(1,722)</b>	<b>993</b>	<b>27,000</b>	<b>65,733</b>	<b>147,326</b>
<b>Comprehensive income for the period</b>									
Profit for the period	-	-	-	-	-	-	-	3,015	3,015
Other comprehensive income	-	-	-	-	(3,353)	-	-	-	(3,353)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,353)</b>	<b>-</b>	<b>-</b>	<b>3,015</b>	<b>(338)</b>
Modification loss	-	-	-	-	-	-	-	(15,191)	(15,191)
Government grant	-	-	-	-	-	-	-	1,684	1,684
Utilisation of donation reserve	-	-	-	-	-	(470)	-	-	(470)
<b>At 30 September 2020</b>	<b>20,419</b>	<b>(599)</b>	<b>10,210</b>	<b>25,292</b>	<b>(5,075)</b>	<b>523</b>	<b>27,000</b>	<b>55,241</b>	<b>133,011</b>

The condensed consolidated interim financial information has been approved by the Board of Directors on 11 November 2020 and signed on its behalf by:

**Abdulrahman Yusuf Fakhro**  
Chairman

**Dr. AbdulRahman Ali Saif**  
Vice Chairman

**Reyadh Yusuf Hasan Sater**  
Managing Director

The above condensed consolidated interim financial information has been reviewed by KPMG, who expressed an unqualified opinion on 11 November 2020.

The Company is licensed and regulated by the Central Bank of Bahrain as a financing company.