



BAHRAIN COMMERCIAL FACILITIES COMPANY BSC

Condensed Consolidated Interim Financial Information 31 March 2018

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS for the three months ended 31 March 2018

| Bahraini dinars in thousands | 31 March 2018 (reviewed) | 31 March 2017 (reviewed) |
|--|--------------------------|--------------------------|
| Interest income | 8,772 | 8,014 |
| Interest expense | (2,659) | (2,326) |
| Net interest income | 6,113 | 5,688 |
| Automotive revenue | 13,149 | 13,299 |
| Cost of sales | (11,575) | (11,588) |
| Gross profit on automotive revenue | 1,574 | 1,711 |
| Fee and commission income | 2,746 | 2,409 |
| Profit from sale of land inventory | 338 | 182 |
| Rental and evaluation income | 195 | 176 |
| Total operating income | 10,966 | 10,166 |
| Operating expenses | (5,210) | (4,669) |
| Impairment allowance on loans and receivables, net of recoveries | (1,093) | (978) |
| Other income | 323 | 169 |
| Profit for the period | 4,986 | 4,688 |
| Basic and diluted earnings per 100 fils share | 31 fils | 29 fils |

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME for the three months ended 31 March 2018

| Bahraini dinars in thousands | 31 March 2018 (reviewed) | 31 March 2017 (reviewed) |
|---|--------------------------|--------------------------|
| Profit for the period | 4,986 | 4,688 |
| Other comprehensive income: Items that may be reclassified subsequently to profit or loss: | | |
| Fair value gain on cash flow hedge reserve | 1,010 | 109 |
| Total comprehensive income for the period | 5,996 | 4,797 |

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 31 March 2018

| Bahraini dinars in thousands | 31 March 2018 (reviewed) | 31 December 2017 (audited) |
|-------------------------------------|--------------------------|----------------------------|
| Assets | | |
| Cash and balances with banks | 2,951 | 5,637 |
| Loans and advances to customers | 292,938 | 294,718 |
| Trade receivables | 5,817 | 7,111 |
| Inventories | 30,187 | 29,716 |
| Investment properties | 6,976 | 6,939 |
| Property and equipment | 25,221 | 25,343 |
| Other assets | 4,618 | 3,608 |
| Total assets | 368,708 | 373,072 |
| Liabilities and equity | | |
| Liabilities | | |
| Bank overdrafts | 694 | 73 |
| Trade and other payables | 27,500 | 17,988 |
| Bank term loans | 171,499 | 177,703 |
| Bonds issued | 39,918 | 39,900 |
| Total liabilities | 239,611 | 235,664 |
| Equity | | |
| Share capital | 16,335 | 16,335 |
| Treasury shares | (599) | (599) |
| Statutory reserve | 33,542 | 33,542 |
| Other reserves | 27,922 | 25,112 |
| Retained earnings | 51,897 | 63,018 |
| Total equity | 129,097 | 137,408 |
| Total liabilities and equity | 368,708 | 373,072 |

OPERATING SEGMENT INFORMATION for the three months ended 31 March 2018

| Bahraini dinars in thousands | Revenue | | Profit | |
|------------------------------|---|---|---|---|
| | Three months ended 31 March 2018 (reviewed) | Three months ended 31 March 2017 (reviewed) | Three months ended 31 March 2018 (reviewed) | Three months ended 31 March 2017 (reviewed) |
| Consumer finance | 11,217 | 10,174 | 4,071 | 3,916 |
| Automotive | 13,149 | 13,299 | 531 | 593 |
| Insurance | 301 | 248 | 150 | 119 |
| Real estate | 2,524 | 721 | 234 | 60 |
| | 27,191 | 24,442 | 4,986 | 4,688 |

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS for the three months ended 31 March 2018

| Bahraini dinars in thousands | 31 March 2018 (reviewed) | 31 March 2017 (reviewed) |
|---|--------------------------|--------------------------|
| Operating activities | | |
| Loan repayments, interest received and other credit related receipt | 76,243 | 68,178 |
| Cash receipts from automotive sales | 13,626 | 14,138 |
| Insurance commission received | 351 | 294 |
| Sale of land inventory | 2,211 | 608 |
| Rental income received | 191 | 198 |
| Loans and advances to customers disbursed | (69,692) | (61,462) |
| Payments to suppliers | (10,379) | (7,652) |
| Payments for operating expenses | (6,644) | (4,705) |
| Payment for purchase of land inventory | - | (156) |
| Interest paid | (2,418) | (2,260) |
| Net cash generated from operating activities | 3,489 | 7,181 |
| Investing activities | | |
| Capital expenditure on property and equipment | (491) | (1,357) |
| Addition to investment properties | (121) | (48) |
| Proceeds from sale of property and equipment | 214 | 146 |
| Net cash used in investing activities | (398) | (1,259) |
| Financing activities | | |
| Bank term loans availed | - | 3,434 |
| Bank term loans paid | (6,300) | (7,824) |
| Dividends paid | (10) | (3) |
| Donations paid | - | (99) |
| Net cash used in financing activities | (6,310) | (4,492) |
| Net (decrease) / Increase in cash and cash equivalents | (3,219) | 1,430 |
| Cash and cash equivalents at 1 January | 5,280 | 917 |
| Cash and cash equivalents at 31 March | 2,061 | 2,347 |
| Cash and cash equivalents comprise: | | |
| Cash and balances with banks | 2,951 | 3,589 |
| Less: | | |
| Restricted cash | (196) | (491) |
| Bank overdrafts | (694) | (751) |
| | 2,061 | 2,347 |

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the three months ended 31 March 2018

| Bahraini dinars in thousands | Share capital | | Reserves and retained earnings | | | | | Total equity |
|--|---------------|-----------------|--------------------------------|-------------------------|------------------|-----------------|-------------------|----------------|
| | Share capital | Treasury shares | Statutory reserve * | Other reserves | | | Retained earnings | |
| | | | | Cash flow hedge reserve | Donation reserve | General reserve | | |
| As at 31 December 2017 | 16,335 | (599) | 33,542 | 1,182 | 680 | 23,250 | 63,018 | 137,408 |
| Impact of adopting IFRS 9 as at 1 January 2018 | - | - | - | - | - | - | (6,250) | (6,250) |
| Restated balance as at 1 January 2018 | 16,335 | (599) | 33,542 | 1,182 | 680 | 23,250 | 56,768 | 131,158 |
| 2017 appropriations (approved by shareholders): | | | | | | | | |
| - Donations approved | - | - | - | - | 300 | - | (300) | - |
| - Dividend to equity holders | - | - | - | - | - | - | (8,057) | (8,057) |
| - Transfer to general reserve | - | - | - | - | - | 1,500 | (1,500) | - |
| Balance after 2017 appropriations | 16,335 | (599) | 33,542 | 1,182 | 980 | 24,750 | 46,911 | 123,101 |
| Comprehensive income for the period: | | | | | | | | |
| Profit for the period | - | - | - | - | - | - | 4,986 | 4,986 |
| Other comprehensive income: | | | | | | | | |
| - Fair value gain on cash flow hedge reserve | - | - | - | 1,010 | - | - | - | 1,010 |
| Total comprehensive income for the period | - | - | - | 1,010 | - | - | 4,986 | 5,996 |
| Utilisation of donation reserve | - | - | - | - | - | - | - | - |
| At 31 March 2018 | 16,335 | (599) | 33,542 | 2,192 | 980 | 24,750 | 51,897 | 129,097 |

The Board of Directors approved the condensed consolidated interim financial information on 2 May 2018 and signed on its behalf by:

Khalid Mohammed Ali Mattar
Chairman of the Executive Committee

Reyadh Yusuf Hasan Sater
Vice Chairman

Dr. Adel Hubail
Chief Executive Officer

The above condensed consolidated financial information has been reviewed by KPMG, who expressed an unqualified opinion on 2 May 2018.

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