



# BAHRAIN COMMERCIAL FACILITIES COMPANY BSC

Consolidated Financial Information 31 December 2020

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS for the year ended 31 December 2020

Bahraini dinars in thousands	2020	2019
Interest income	34,366	39,505
Interest expense	(10,861)	(12,803)
<b>Net interest income</b>	<b>23,505</b>	<b>26,702</b>
Automotive revenue	39,855	48,183
Cost of sales	(35,964)	(41,803)
<b>Gross profit on automotive revenue</b>	<b>3,891</b>	<b>6,380</b>
Fee and commission income	5,276	10,988
Profit from sale of land inventory	220	334
Rental income	888	862
<b>Total operating income</b>	<b>33,780</b>	<b>45,266</b>
Other income	1,027	1,584
Salaries and related costs	(7,730)	(9,522)
Other operating expenses	(10,880)	(12,248)
<b>Profit before impairment allowance on financial instruments</b>	<b>16,197</b>	<b>25,080</b>
Impairment allowance on financial instruments, net of recoveries	(20,472)	(7,968)
<b>Profit for the year</b>	<b>(4,275)</b>	<b>17,112</b>
Basic and diluted earnings per 100 fils share	<b>(21) fils</b>	85 fils
Proposed cash dividend per 100 fils share	-	25 fils

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME for the year ended 31 December 2020

Bahraini dinars in thousands	2020	2019
<b>Profit for the year</b>	<b>(4,275)</b>	<b>17,112</b>
<b>Other comprehensive income</b>		
Items that are or may be reclassified to profit or loss		
Net change in cash flow hedge reserve	(3,723)	(3,088)
<b>Total other comprehensive income for the year</b>	<b>(3,723)</b>	<b>(3,088)</b>
<b>Total comprehensive income for the year</b>	<b>(7,998)</b>	<b>14,024</b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 31 December 2020

Bahraini dinars in thousands	31 December 2020	31 December 2019
<b>Assets</b>		
Cash and balances with banks	25,530	5,040
Loans and advances to customers	264,006	325,289
Trade receivables	4,495	7,270
Inventories	18,706	26,322
Investment properties	12,563	12,641
Property and equipment	27,650	29,592
Other assets	2,504	3,673
<b>Total assets</b>	<b>355,454</b>	<b>409,827</b>
<b>Liabilities and equity</b>		
<b>Liabilities</b>		
Bank overdrafts	-	1
Trade and other payables	23,865	27,301
Bank term loans	205,956	230,163
<b>Total liabilities</b>	<b>229,821</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	22,084	25,221
Retained earnings	48,227	71,819
<b>Total equity</b>	<b>125,633</b>	<b>152,362</b>
<b>Total liabilities and equity</b>	<b>355,454</b>	<b>409,827</b>

## OPERATING SEGMENT INFORMATION for the year ended 31 December 2020

Bahraini dinars in thousands	Revenue		Profit	
	2020	2019	2020	2019
Consumer finance	27,932	36,190	(3,611)	13,867
Automotive	3,902	6,408	(928)	2,366
Insurance	838	1,472	171	692
Real estate	1,108	1,196	93	187
	<b>33,780</b>	<b>45,266</b>	<b>(4,275)</b>	<b>17,112</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS for the year ended 31 December 2020

Bahraini dinars in thousands	2020	2019
<b>Cash flow from operating activities</b>		
Loan repayments, interest received and credit card related receipts	223,237	328,399
Receipts from automotive sales	42,097	51,262
Insurance commission received	924	1,402
Proceeds from sale of land inventory	2,158	3,049
Rental received	819	849
Loans and advances to customers disbursed	(158,576)	(296,037)
Payments to automotive suppliers	(34,379)	(44,024)
Payment for real estate inventory	(578)	(696)
Payments for operating expenses	(14,088)	(20,524)
Directors' fees paid	(440)	(535)
Interest paid	(10,940)	(13,106)
<b>Net cash generated from operating activities</b>	<b>50,234</b>	<b>10,039</b>
<b>Cash flows from investing activities</b>		
Capital expenditure on property and equipment	(2,956)	(3,020)
Addition to / purchase of investment properties (net)	(263)	(6,165)
Proceeds from sale of property and equipment	1,215	708
<b>Net cash used in investing activities</b>	<b>(2,004)</b>	<b>(8,477)</b>
<b>Cash flows from financing activities</b>		
Bank term loans availed	169,283	41,473
Bank term loans repaid	(193,279)	(15,593)
Bonds paid on maturity	-	(19,981)
Dividends paid	(5,179)	(7,205)
Government grant received	1,960	-
Donations paid	(464)	(339)
<b>Net cash used in financing activities</b>	<b>(27,679)</b>	<b>(1,645)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>20,551</b>	<b>(83)</b>
Cash and cash equivalents at 1 January	4,884	4,967
<b>Cash and cash equivalents at 31 December</b>	<b>25,435</b>	<b>4,884</b>
Cash and cash equivalents comprise:		
Cash and balances with banks	25,530	5,040
Less:		
Restricted cash	(95)	(155)
Bank overdrafts	-	(1)
	<b>25,435</b>	<b>4,884</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 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 31 December 2019	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 declared	-	-	-	-	-	-	-	(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 year</b>									
Profit for the year	-	-	-	-	-	-	-	(4,275)	(4,275)
Other comprehensive income:									
- Fair value loss on cash flow hedge reserve	-	-	-	-	(3,723)	-	-	-	(3,723)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,723)</b>	<b>-</b>	<b>-</b>	<b>(4,275)</b>	<b>(7,998)</b>
Modification loss	-	-	-	-	-	-	-	(15,191)	(15,191)
Government grant	-	-	-	-	-	-	-	1,960	1,960
Utilisation of donation reserve	-	-	-	-	-	(464)	-	-	(464)
<b>At 31 December 2020</b>	<b>20,419</b>	<b>(599)</b>	<b>10,210</b>	<b>25,292</b>	<b>(5,445)</b>	<b>529</b>	<b>27,000</b>	<b>48,227</b>	<b>125,633</b>

The consolidated financial statements were approved by the Board of Directors on 28<sup>th</sup> February 2021 and signed on its behalf by:

**Abdulrahman Yusuf Fakhro**  
Chairman

**Dr. AbdulRahman Ali Saif**  
Vice Chairman

**Reyadh Yusuf Hasan Sater**  
Managing Director

The above consolidated financial information has been audited by KPMG, who expressed an unqualified opinion on 28<sup>th</sup> February 2021.

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