

**Bahrain Commercial Facilities Company B.S.C.**

**INTERIM CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS**

**31 MARCH 2025**

## **REPORT ON REVIEW OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF BAHRAIN COMMERCIAL FACILITIES COMPANY B.S.C.**

### *Introduction*

We have reviewed the accompanying interim condensed consolidated financial statements of Bahrain Commercial Facilities Company B.S.C. ("the Company") and its subsidiaries (collectively, "the Group") as at 31 March 2025 comprising of the interim consolidated statement of financial position as at 31 March 2025, the related interim consolidated statements of profit or loss and comprehensive income, changes in equity and cash flows for the three-month period then ended and explanatory notes. The Board of Directors of the Group is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 (IAS 34) "Interim Financial Reporting". 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 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.



7 May 2025  
Manama, Kingdom of Bahrain

# Bahrain Commercial Facilities Company B.S.C.

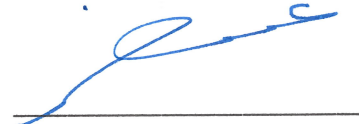
## INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2025

		<i>(Reviewed)</i>	<i>(Audited)</i>
		<b>31 March</b>	<b>31 December</b>
	<i>Note</i>	<b>2025</b>	<b>2024</b>
		<b>BD '000</b>	<b>BD '000</b>
<b>ASSETS</b>			
Cash and balances with banks		<b>10,024</b>	15,232
Loans and advances to customers	6	<b>139,243</b>	137,320
Trade receivables	7	<b>5,212</b>	3,927
Inventories	8	<b>20,199</b>	18,900
Investment properties		<b>9,824</b>	9,849
Property and equipment		<b>29,308</b>	28,613
Other assets	9	<b>5,805</b>	6,963
<b>TOTAL ASSETS</b>		<b>219,615</b>	<b>220,804</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
Trade and other payables	10	<b>25,892</b>	21,197
Bank term loans and other borrowings		<b>90,020</b>	93,731
<b>TOTAL LIABILITIES</b>		<b>115,912</b>	<b>114,928</b>
<b>EQUITY</b>			
Share capital		<b>20,419</b>	20,419
Treasury shares		<b>(599)</b>	(599)
Statutory reserve		<b>10,210</b>	10,210
Share premium		<b>25,292</b>	25,292
Other reserves		<b>27,939</b>	28,074
Retained earnings		<b>20,442</b>	22,480
<b>TOTAL EQUITY</b>		<b>103,703</b>	<b>105,876</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>219,615</b>	<b>220,804</b>

  
**AbdulRahman Yusuf Fakhro**  
 Chairman

  
**Reyadh Yusuf Sater**  
 Vice Chairman

  
**Abdulla Abdulrazaq Bukhowa**  
 Chief Executive Officer

The attached notes 1 to 14 form part of these interim condensed consolidated financial statements.


# Bahrain Commercial Facilities Company B.S.C.

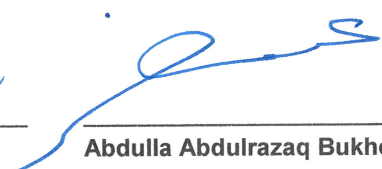
## INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the three months ended 31 March 2025

	<i>(Reviewed)</i>	
	<b>Three months ended 31 March</b>	
	<b>2025</b>	<b>2024</b>
	<b>BD '000</b>	<b>BD '000</b>
Interest income	<b>3,841</b>	4,237
Interest expense	<b>(1,598)</b>	(1,875)
<b>Net interest income</b>	<b>2,243</b>	2,362
Automotive revenue	<b>11,458</b>	10,704
Cost of sales	<b>(9,157)</b>	(8,675)
<b>Gross profit on automotive revenue</b>	<b>2,301</b>	2,029
Net fees and commission income	<b>502</b>	821
Rental and real estate income	<b>206</b>	185
Other income	<b>230</b>	545
<b>Total operating income</b>	<b>5,482</b>	5,942
Salaries and related costs	<b>(2,206)</b>	(2,105)
Other operating expenses	<b>(2,853)</b>	(2,499)
<b>Total operating expenses</b>	<b>(5,059)</b>	(4,604)
<b>Profit before net provisions, credit losses and recoveries</b>	<b>423</b>	1,338
Provisions and credit losses	<b>(476)</b>	(130)
Recoveries from written off balances	<b>1,186</b>	604
<b>Profit for the period</b>	<b>1,133</b>	1,812
<b>Basic and diluted earnings per share</b>	<b>6 fils</b>	9 fils

  
**AbdulRahman Yusuf Fakhro**  
 Chairman

  
**Reyadh Yusuf Sater**  
 Vice Chairman

  
**Abdulla Abdulrazaq Bukhowa**  
 Chief Executive Officer

The attached notes 1 to 14 form part of these interim condensed consolidated financial statements.

# Bahrain Commercial Facilities Company B.S.C.

## INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months ended 31 March 2025

	<b>(Reviewed)</b>	
	<i>Three months ended</i>	
	<i>31 March</i>	
	<b>2025</b>	<b>2024</b>
	<b>BD '000</b>	<b>BD '000</b>
<b>Profit for the period</b>	<b>1,133</b>	<b>1,812</b>
<b>Other comprehensive (loss)/ income:</b>		
<b>Items that are or may be reclassified</b>		
<b>to profit or loss</b>		
Net change in cash flow hedge reserve	<b>(285)</b>	<b>84</b>
<b>Total comprehensive income for the period</b>	<b>848</b>	<b>1,896</b>

The attached notes 1 to 14 form part of these interim condensed consolidated financial statements.

Bahrain Commercial Facilities Company B.S.C.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 31 March 2025

	<i>(Reviewed)</i>								
	<i>Share capital</i>			<i>Reserves and retained earnings</i>					
				<i>Other reserves</i>					
	<i>Share capital</i>	<i>Treasury shares</i>	<i>Statutory reserve</i>	<i>Share premium</i>	<i>Cash flow hedge reserve</i>	<i>Donation reserve</i>	<i>General reserve</i>	<i>Retained earnings</i>	<i>Total equity</i>
<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	
As at 1 January 2025	20,419	(599)	10,210	25,292	559	15	27,500	22,480	105,876
<b>2024 appropriations (approved by shareholders):</b>									
- Donations	-	-	-	-	-	150	-	(150)	-
- Dividends to equity holders declared	-	-	-	-	-	-	-	(3,021)	(3,021)
<b>Balance after 2024 appropriations</b>	<b>20,419</b>	<b>(599)</b>	<b>10,210</b>	<b>25,292</b>	<b>559</b>	<b>165</b>	<b>27,500</b>	<b>19,309</b>	<b>102,855</b>
<b>Comprehensive income for the period:</b>									
Profit for the period	-	-	-	-	-	-	-	1,133	1,133
Other comprehensive loss:									
- Net change in cash flow hedge reserve	-	-	-	-	(285)	-	-	-	(285)
	20,419	(599)	10,210	25,292	274	165	27,500	20,442	103,703
Utilisation of donation reserve	-	-	-	-	-	-	-	-	-
<b>At 31 March 2025</b>	<b>20,419</b>	<b>(599)</b>	<b>10,210</b>	<b>25,292</b>	<b>274</b>	<b>165</b>	<b>27,500</b>	<b>20,442</b>	<b>103,703</b>

The attached notes 1 to 14 form part of these interim condensed consolidated financial statements.

# Bahrain Commercial Facilities Company B.S.C.

## INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 31 March 2025

	(Reviewed)									
	Share capital		Reserves and retained earnings							Total equity BD '000
	Share capital BD '000	Treasury shares BD '000	Statutory reserve BD '000	Share premium BD '000	Other reserves			Retained earnings BD '000		
					Cash flow					
Cash flow hedge reserve BD '000					Donation reserve BD '000	General reserve BD '000				
As at 1 January 2024	20,419	(599)	10,210	25,292	1,244	33	27,500	17,546	101,645	
<b>2023 appropriations (approved by shareholders):</b>										
- Donations	-	-	-	-	-	100	-	(100)	-	
Balance after 2023 appropriations	20,419	(599)	10,210	25,292	1,244	133	27,500	17,446	101,645	
<b>Comprehensive income for the period:</b>										
Income for the period	-	-	-	-	-	-	-	1,812	1,812	
Other comprehensive income:										
- Net change in cash flow hedge reserve	-	-	-	-	84	-	-	-	84	
	20,419	(599)	10,210	25,292	1,328	133	27,500	19,258	103,541	
Utilisation of donation reserve	-	-	-	-	-	(3)	-	-	(3)	
At 31 March 2024	20,419	(599)	10,210	25,292	1,328	130	27,500	19,258	103,538	

The attached notes 1 to 14 form part of these interim condensed consolidated financial statements.

# Bahrain Commercial Facilities Company B.S.C.

## INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the three months ended 31 March 2025

	<i>(Reviewed)</i>	
	<i>Three months ended</i>	
	<i>31 March</i>	
	<i>2025</i>	<i>2024</i>
	<i>BD '000</i>	<i>BD '000</i>
<b>OPERATING ACTIVITIES</b>		
Loan repayments, interest received and other credit related receipts	53,158	49,593
Cash receipts from automotive sales	10,857	10,794
Insurance commission received	92	163
Proceeds from sale of real estate inventory	263	312
Rental and evaluation income received	193	132
Loans and advances to customers	(50,054)	(39,400)
Payments to suppliers	(8,914)	(7,123)
Payments for operating expenses	(3,924)	(4,931)
Interest paid	(1,784)	(1,726)
<b>Net cash (used in)/ generated from operating activities</b>	<b>(113)</b>	<b>7,814</b>
<b>INVESTING ACTIVITIES</b>		
Addition to property and equipment	(1,856)	(2,608)
Addition to investment properties	(23)	-
Proceeds from sale of property and equipment	421	839
Fixed deposits with maturities of more than three months	1,000	1,000
<b>Net cash used in investing activities</b>	<b>(458)</b>	<b>(769)</b>
<b>FINANCING ACTIVITIES</b>		
Bank term loans and other borrowings availed	11,815	-
Bank term loans and other borrowings paid	(15,080)	-
Donations paid	-	(3)
<b>Net cash used in financing activities</b>	<b>(3,265)</b>	<b>(3)</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(3,836)</b>	<b>7,042</b>
Cash and cash equivalents at 1 January	10,658	6,214
<b>CASH AND CASH EQUIVALENTS AT 31 MARCH</b>	<b>6,822</b>	<b>13,256</b>
Cash and cash equivalents comprise:		
Cash and balances with banks	10,024	19,118
Less:		
Restricted cash	(202)	(154)
Bank overdrafts	-	(708)
Fixed deposits with maturities of more than three months	(3,000)	(5,000)
	<b>6,822</b>	<b>13,256</b>

The attached notes 1 to 14 form part of these interim condensed consolidated financial statements.

# Bahrain Commercial Facilities Company B.S.C.

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## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2025

### 1 REPORTING ENTITY

Bahrain Commercial Facilities Company B.S.C. (the "Company") is a public shareholding company incorporated and registered in the Kingdom of Bahrain. It provides term loans and issues credit cards. Effective 26 June 2005, the Company became licensed and regulated by the Central Bank of Bahrain ("the CBB"). This financial information is the reviewed interim condensed consolidated financial statements (the "interim condensed consolidated financial statements") of the Company and its subsidiaries (together referred to as the "Group") for the three-month period ended 31 March 2025.

### 2 BASIS OF PREPARATION

The interim condensed consolidated financial statements of the Group are prepared in accordance with International Accounting Standard IAS 34, Interim Financial Reporting ("IAS 34").

The interim condensed consolidated financial statements of the Group have been prepared in accordance with applicable rules and regulations issued by the Central Bank of Bahrain ("CBB"). These rules and regulations require the application of all International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

The interim condensed consolidated financial statements are reviewed, not audited. They do not include all of the information required for a complete set of IFRS financial statements and should be read in conjunction with the Group's last audited consolidated financial statements for the year ended 31 December 2024. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 31 December 2024.

### 3 MATERIAL ACCOUNTING POLICIES

#### 3.1 New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for adoption of new standards or certain amendments to existing standards that have become applicable to the Group effective from 1 January 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

The amendments and interpretations apply for the first time in 2025, but do not have any impact on the interim condensed consolidated financial statements of the Group.

##### 3.1.1 Lack of exchangeability - Amendments to IAS 21

The amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

#### 3.2 New standards, interpretations and amendments issued but not yet effective

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of following new and amended standards and interpretations that have become applicable effective from 1 January 2025. The Group has not early adopted any new and amended standard or interpretation that has been issued but is not yet effective.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2025

**4 USE OF JUDGEMENTS AND ESTIMATES**

Preparation of interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The areas of significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the last audited consolidated financial statements as at and for the year ended 31 December 2024.

***Significant increase in credit risk (SICR)***

Establishing the criteria for determining whether credit risk on the financial asset has increased significantly since initial recognition, determining methodology for incorporation, forward looking information into measurement of ECL and selection and approval of models used to measure ECL.

Judgement is involved in setting the rules and trigger points to determine whether there has been a SICR since initial recognition of a financing facility, which would result in the financial asset moving from 'stage 1' to 'stage 2'. The Group continues to assess borrowers for other indicators of unlikelihood to pay, taking into consideration the underlying cause of any financial difficulty and whether it is likely to be temporary or longer term.

***Reasonableness of forward-looking information***

Judgement is involved in determining which forward looking information variables are relevant for particular financing portfolios and for determining the sensitivity of the parameters to movements in these forward-looking variables.

Due to macro economic variables being not statistically acceptable, the Group continues to use Vasicek-Merton single factor model for conversion of TTC PD to PIT PD instead of the regression methodology as per the Group's approved policy. Vasicek Based Analysis method has been used to forecast the forward-looking PIT PDs by developing composite index oil price as macro-economic variables.

***Probability weights***

Management judgement is involved in determining the probability weighting of each scenario considering the risks and uncertainties surrounding the base case scenario.

**5 FINANCIAL RISK MANAGEMENT**

The Group's financial risk management objectives and policies are consistent with those disclosed in the last audited consolidated financial statements for the year ended 31 December 2024 with emphasis on those described below:

***Credit Risk***

The Group is performing assessments of the relevant available macro-economic information in light of the rising interest rate environment and the ongoing geopolitical tensions in Europe, and within the region.

***Liquidity risk and capital management***

The Group's approach to managing liquidity risk is to ensure that the Group secures funding significantly larger than present and future requirements. The Group continuously monitors the extent to which contractual receipts exceed contractual payments and the levels of new advances are correlated to the levels of liquidity. Liquidity risks are closely monitored by the risk management and finance departments and reported to the Assets and Liabilities Committee (ALCO) and the Board.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2025

**5 FINANCIAL RISK MANAGEMENT (continued)**

***Liquidity risk and capital management (continued)***

The Group continues to calibrate stress testing scenarios to current market conditions in order to assess the impact on the Group in the current extreme stress environment. As at the reporting date the liquidity and funding position of the Group remains strong and is well placed to absorb and manage the impacts of this disruption.

***Operational risk management***

The Group's objective is to manage operational risk so as to balance the avoidance of financial losses and damage, to the Group's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The Group manages the operational risk through policies and procedures to identify, assess, control, manage and report risks. Additionally, prior to the implementation of new products and services, it's reviewed and assessed for operational risks. The Group's risk management division employs clear internal policies and procedures and the Risk Control Self-Assessment (RCSA) methodology to reduce the likelihood of any operational losses. Where appropriate, risk is mitigated by way of insurance.

**6 LOANS AND ADVANCES TO CUSTOMERS**

**(a) Exposure by staging**

	<b>31 March 2025</b>			
	<b>(Reviewed)</b>			
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
	<b>BD '000</b>	<b>BD '000</b>	<b>BD '000</b>	<b>BD '000</b>
Loans and advances	103,823	12,615	59,680	176,118
Less: expected credit loss	(1,161)	(1,936)	(33,778)	(36,875)
<b>Loans and advances</b>	<b>102,662</b>	<b>10,679</b>	<b>25,902</b>	<b>139,243</b>
	<b>31 December 2024</b>			
	<b>(Audited)</b>			
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
	<b>BD '000</b>	<b>BD '000</b>	<b>BD '000</b>	<b>BD '000</b>
Loans and advances	103,884	12,518	60,577	176,979
Less: expected credit loss	(1,066)	(1,978)	(36,615)	(39,659)
<b>Loans and advances</b>	<b>102,818</b>	<b>10,540</b>	<b>23,962</b>	<b>137,320</b>

Bahrain Commercial Facilities Company B.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2025

6 LOANS AND ADVANCES TO CUSTOMERS (continued)

(b) Expected credit loss movement

	31 March 2025 (Reviewed)			
	Stage 1 BD '000	Stage 2 BD '000	Stage 3 BD '000	Total BD '000
<b>2025</b>				
Expected credit loss at 1 January 2025	1,066	1,978	36,615	39,659
Net transfer between stages	(102)	(578)	680	-
Net charge / (reversal) for the period	197	536	(391)	342
Net write off during the period	-	-	(3,126)	(3,126)
<b>Expected credit loss at 31 March 2025</b>	<b>1,161</b>	<b>1,936</b>	<b>33,778</b>	<b>36,875</b>

	31 December 2024 (Audited)			
	Stage 1 BD '000	Stage 2 BD '000	Stage 3 BD '000	Total BD '000
<b>2024</b>				
Expected credit loss at 1 January 2024	1,088	2,413	45,241	48,742
Net transfer between stages	(148)	(534)	682	-
Net charge for the year	126	99	1,029	1,254
Net write off during the year	-	-	(10,337)	(10,337)
<b>Expected credit loss at 31 December 2024</b>	<b>1,066</b>	<b>1,978</b>	<b>36,615</b>	<b>39,659</b>

7 TRADE RECEIVABLES

	(Reviewed)	(Audited)
	31 March 2025 BD '000	31 December 2024 BD '000
Trade receivables	6,889	5,564
Less: expected credit losses	(1,677)	(1,637)
	<b>5,212</b>	<b>3,927</b>

# Bahrain Commercial Facilities Company B.S.C.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2025

### 7 TRADE RECEIVABLES (continued)

#### Expected credit losses movement

	<i>(Reviewed)</i>	<i>(Audited)</i>
	<b>31 March</b>	<b>31 December</b>
	<b>2025</b>	<b>2024</b>
	<b>BD '000</b>	<b>BD '000</b>
At beginning of the period / year	1,637	2,114
Charge for the period / year	40	133
Net write off during the period / year	-	(610)
<b>At end of the period / year</b>	<b>1,677</b>	<b>1,637</b>

### 8 INVENTORIES

	<i>(Reviewed)</i>	<i>(Audited)</i>
	<b>31 March</b>	<b>31 December</b>
	<b>2025</b>	<b>2024</b>
	<b>BD '000</b>	<b>BD '000</b>
Vehicles	15,136	12,724
Automotive spare parts	5,422	6,210
Real estate inventory	1,097	1,351
	<b>21,655</b>	<b>20,285</b>
Provisions	<b>(1,456)</b>	<b>(1,385)</b>
	<b>20,199</b>	<b>18,900</b>

#### Movement in provisions

	<i>(Reviewed)</i>	<i>(Audited)</i>
	<b>2025</b>	<b>2024</b>
	<b>BD '000</b>	<b>BD '000</b>
At beginning of the period / year	1,385	1,294
Net charge for the period / year	94	195
Utilisation	(23)	(104)
<b>At end of the period / year</b>	<b>1,456</b>	<b>1,385</b>

# Bahrain Commercial Facilities Company B.S.C.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2025

### 9 OTHER ASSETS

	<i>(Reviewed)</i>	<i>(Audited)</i>
	<b>31 March</b>	31 December
	<b>2025</b>	2024
	<b>BD '000</b>	<b>BD '000</b>
Advance to suppliers and manufacturers incentive	2,153	3,770
VAT receivables	2,006	1,520
Prepaid expenses	888	669
Positive fair value derivative	310	582
Others	448	422
	<b>5,805</b>	<b>6,963</b>

### 10 TRADE AND OTHER PAYABLES

	<i>(Reviewed)</i>	<i>(Audited)</i>
	<b>31 March</b>	31 December
	<b>2025</b>	2024
	<b>BD '000</b>	<b>BD '000</b>
Accounts payable	14,159	8,936
Accrued expenses	8,224	8,713
Lease liabilities	718	912
Negative fair value derivative	36	23
Others	2,755	2,613
	<b>25,892</b>	<b>21,197</b>

### 11 BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Related parties comprise major shareholders, directors, and key management personnel of the Group and entities owned or controlled, jointly controlled or significantly influenced by them and companies affiliated by virtue of shareholding in common with that of the Group.

The Group has banking relationships and obtains term borrowings and has unutilised credit facilities with certain of its shareholder banks (Bank of Bahrain and Kuwait B.S.C and National Bank of Bahrain B.S.C). All such transactions are in the ordinary course of business and on terms agreed between the parties.

	<i>(Reviewed)</i>	<i>(Audited)</i>
	<b>31 March</b>	31 December
	<b>2025</b>	2024
	<b>BD '000</b>	<b>BD '000</b>
<b>Shareholders:</b>		
Term loans	42,034	31,034
Bank balance	1,229	1,078

# Bahrain Commercial Facilities Company B.S.C.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2025

### 11 BALANCES AND TRANSACTIONS WITH RELATED PARTIES (continued)

	<i>(Reviewed)</i> <b>31 March</b> <b>2025</b> <b>BD '000</b>	<i>(Reviewed)</i> <b>31 March</b> <b>2024</b> <b>BD '000</b>
<b>Shareholders:</b>		
Interest expense	<b>677</b>	<b>533</b>

#### Key management personnel

Transactions with related parties are transactions with key management personnel or their direct family members.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group. The key management personnel comprise members of the Board of Directors, Chief Executive Officer, Deputy Chief Executive Officer, the automotive companies' Chief Executive Officer, approved personnel by the CBB and the General Managers.

	<i>(Reviewed)</i> <b>31 March</b> <b>2025</b> <b>BD '000</b>	<i>(Audited)</i> <b>31 December</b> <b>2024</b> <b>BD '000</b>
Loan and advances*	<b>920</b>	<b>865</b>

	<i>(Reviewed)</i> <b>31 March</b> <b>2025</b> <b>BD '000</b>	<i>(Reviewed)</i> <b>31 March</b> <b>2024</b> <b>BD '000</b>
<b>For the period ended</b>		
Salaries and short-term and end of service employee benefits	<b>524</b>	<b>499</b>
Directors remuneration and attendance fees	<b>125</b>	<b>117</b>
Sales, service and lease of vehicles	<b>44</b>	<b>4</b>

\*The Company has allowance for impairment losses on balances with related parties of BD 331 thousand (2024: BD 247 thousand).

### 12 APPROPRIATIONS

At the Annual General Meeting held on 25 March 2025, the shareholders approved the appropriation of dividends of BD 3,021 thousand and the appropriation of donations of BD 150 thousand (2024: appropriation of donations of BD 100 thousand) from the retained earnings of the Group.

# Bahrain Commercial Facilities Company B.S.C.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2025

### 13 OPERATING SEGMENT INFORMATION

	<b>Operating income</b>		<b>Profit / (loss)</b>	
	<b>Three months ended 31 March 2025</b>	<b>Three months ended 31 March 2024</b>	<b>Three months ended 31 March 2025</b>	<b>Three months ended 31 March 2024</b>
	<b>(Reviewed)</b>	<b>(Reviewed)</b>	<b>(Reviewed)</b>	<b>(Reviewed)</b>
	<b>BD '000</b>	<b>BD '000</b>	<b>BD '000</b>	<b>BD '000</b>
Lending	2,640	3,067	447	790
Automotive	2,430	2,183	775	751
Insurance	206	207	(2)	26
Real estate	206	485	(87)	245
	<b>5,482</b>	<b>5,942</b>	<b>1,133</b>	<b>1,812</b>

Majority of the Group's assets and liabilities are concentrated in the lending and automotive segments. Total assets as of 31 March 2025 amounted to BD 154,119 thousand and BD 50,556 thousand (31 December 2024: BD 157,333 thousand and BD 48,198 thousand) and total liabilities amounted to BD 104,766 thousand and BD 10,157 thousand (31 December 2024: BD 104,866 thousand and BD 9,053 thousand) in the lending and automotive segments respectively.

### 14 FAIR VALUE

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal, or in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

Underlying the definition of fair value is a presumption that an enterprise is a going concern without any intention or need to liquidate, curtail materially the scale of its operations or undertake a transaction on adverse terms.

Except for derivative instruments which are classified as at fair value, all of the Group's other financial assets and liabilities are classified as at amortised cost.

#### **Fair value hierarchy**

The Group measures fair values of financial instruments using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Valuation techniques based on observable inputs, either directly (i.e. ask prices) or indirectly (i.e. derived from prices). This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly observable from market data.

Level 3: Valuation techniques using significant unobservable inputs. This category includes instruments where the valuation technique includes inputs not based on market observable data.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2025

**14 FAIR VALUE (continued)**

**(i) Financial assets and liabilities measured at fair value**

The fair value of the derivatives, which are not exchange traded, is estimated at the amount the Group would receive or pay to terminate the contract at the reporting date taking into account current market conditions and the current credit worthiness of the counterparties. The Group's exposure to derivatives are categorised under Level 2.

**(ii) Financial assets and liabilities not measured at fair value**

The following tables set out the fair values of financial instruments not measured at fair value and analyses them by the level in the fair value hierarchy into which each fair value measurement is categorised:

<b>31 March 2025 (Reviewed)</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Fair value</b>	<b>Carrying value</b>
	<b>BD '000</b>	<b>BD '000</b>	<b>BD '000</b>	<b>BD '000</b>	<b>BD '000</b>
Loans and advances to customers	-	-	139,243	139,243	139,243
Bank term loans and other borrowings	-	-	90,020	90,020	90,020
<hr/>					
<b>31 December 2024 (Audited)</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Fair value</b>	<b>Carrying value</b>
	<b>BD '000</b>	<b>BD '000</b>	<b>BD '000</b>	<b>BD '000</b>	<b>BD '000</b>
Loans and advances to customers	-	-	137,320	137,320	137,320
Bank term loans and other borrowings	-	-	93,731	93,731	93,731
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In the case of loans and advances to customers, the average interest rate of the loan portfolio is in line with current market rates for similar facilities and hence after consideration of adjustment for prepayment risk and impairment charges it is expected that the carrying value would not be materially different to fair value of these assets.

The fair value of bank term loans and other borrowings issued approximate their carrying value since they are at floating interest rates.

The fair values of all other financial instruments approximated their respective book values due to their short-term nature.