

Bahrain Commercial Facilities Company B.S.C.

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**

30 SEPTEMBER 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

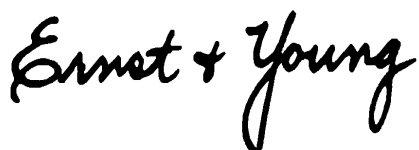
We have reviewed the accompanying interim condensed consolidated financial statements of Bahrain Commercial Facilities Company B.S.C. ("the Company") and its subsidiaries (collectively, "the Group") as at 30 September 2025 comprising of the interim consolidated statement of financial position as at 30 September 2025 and the related interim consolidated statements of profit or loss and other comprehensive income for the three and nine month periods then ended and the interim consolidated statements of changes in equity and cash flows for the nine-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.




29 October 2025
Manama, Kingdom of Bahrain

Bahrain Commercial Facilities Company B.S.C.

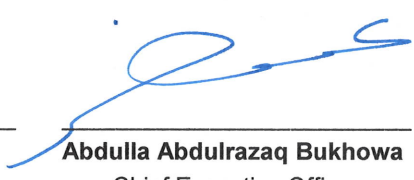
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2025

| | | <i>(Reviewed)</i> 30 September | <i>(Audited)</i> 31 December |
|--------------------------------------|-------------|--|---------------------------------|
| | <i>Note</i> | 2025 | 2024 |
| | | BD '000 | BD '000 |
| ASSETS | | | |
| Cash and balances with banks | | 11,604 | 15,232 |
| Loans and advances to customers | 6 | 138,694 | 137,320 |
| Trade receivables | 7 | 4,639 | 3,927 |
| Inventories | 8 | 21,881 | 18,900 |
| Investment properties | | 5,800 | 9,849 |
| Property and equipment | | 29,120 | 28,613 |
| Other assets | 9 | 6,534 | 6,963 |
| TOTAL ASSETS | | 218,272 | 220,804 |
| LIABILITIES AND EQUITY | | | |
| LIABILITIES | | | |
| Trade and other payables | 10 | 20,654 | 21,197 |
| Bank term loans and other borrowings | | 91,591 | 93,731 |
| TOTAL LIABILITIES | | 112,245 | 114,928 |
| EQUITY | | | |
| Share capital | | 20,419 | 20,419 |
| Treasury shares | | (599) | (599) |
| Statutory reserve | | 10,210 | 10,210 |
| Share premium | | 25,292 | 25,292 |
| Other reserves | | 27,590 | 28,074 |
| Retained earnings | | 23,115 | 22,480 |
| TOTAL EQUITY | | 106,027 | 105,876 |
| TOTAL LIABILITIES AND EQUITY | | 218,272 | 220,804 |


AbdulRahman Yusuf Fakhro
Chairman


Reyadh Yusuf Sater
Vice Chairman


Abdulla Abdulrazaq Bukhowa
Chief Executive Officer

The attached notes 1 to 16 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 nine months ended 30 September 2025

| | <i>(Reviewed)</i> | | <i>(Reviewed)</i> | |
|---|--------------------------|-----------------|---------------------------|----------------|
| | <i>Nine months ended</i> | | <i>Three months ended</i> | |
| | <i>30 September</i> | | <i>30 September</i> | |
| Note | <i>2025</i> | <i>2024</i> | <i>2025</i> | <i>2024</i> |
| | <i>BD '000</i> | <i>BD '000</i> | <i>BD '000</i> | <i>BD '000</i> |
| Interest income | 11,700 | 13,137 | 4,006 | 4,401 |
| Interest expense | (4,975) | (5,463) | (1,714) | (1,722) |
| Net interest income | 6,725 | 7,674 | 2,292 | 2,679 |
| Automotive revenue | 36,892 | 33,748 | 12,806 | 11,278 |
| Cost of sales | (30,784) | (27,695) | (10,808) | (9,430) |
| Gross profit on automotive revenue | 6,108 | 6,053 | 1,998 | 1,848 |
| Net fees and commission income | 1,544 | 2,200 | 526 | 571 |
| Rental and real estate income | 1,170 | 552 | 755 | 184 |
| Other income | 870 | 906 | 341 | 175 |
| Total operating income | 16,417 | 17,385 | 5,912 | 5,457 |
| Salaries and related costs | (5,989) | (6,357) | (2,055) | (2,221) |
| Other operating expenses | (8,755) | (7,749) | (3,080) | (2,604) |
| Total operating expenses | (14,744) | (14,106) | (5,135) | (4,825) |
| Profit before provisions, credit losses and recoveries | 1,673 | 3,279 | 777 | 632 |
| Provisions and credit losses | (1,543) | (870) | (605) | (341) |
| Recoveries from written off balances | 3,676 | 2,019 | 1,386 | 812 |
| Profit for the period | 3,806 | 4,428 | 1,558 | 1,103 |
| Basic and diluted earnings per share | 19 fils | 22 fils | 8 fils | 5 fils |


AbdulRahman Yusuf Fakhro
Chairman


Reyadh Yusuf Sater
Vice Chairman


Abdulla Abdulrazaq Bukhowa
Chief Executive Officer

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

Bahrain Commercial Facilities Company B.S.C.

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the nine months ended 30 September 2025

| | <i>(Reviewed)</i> <i>Nine months ended</i> <i>30 September</i> | | <i>(Reviewed)</i> <i>Three months ended</i> <i>30 September</i> | |
|--|--|-------------------------------|---|-------------------------------|
| | <i>2025</i> <i>BD '000</i> | <i>2024</i> <i>BD '000</i> | <i>2025</i> <i>BD '000</i> | <i>2024</i> <i>BD '000</i> |
| Profit for the period | 3,806 | 4,428 | 1,558 | 1,103 |
| Other comprehensive loss: | | | | |
| Items that are or may be reclassified | | | | |
| to profit or loss | | | | |
| Net change in cash flow hedge reserve | (492) | (733) | (65) | (647) |
| Total comprehensive income for the period | 3,314 | 3,695 | 1,493 | 456 |

The attached notes 1 to 16 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 nine months ended 30 September 2025

| | (Reviewed) | | | | | | | | | | |
|--|--|--|--|--|---|--|--|---|--|---------------------------------------|--|
| | <u>Share capital</u> | | <u>Reserves and retained earnings</u> | | | | | | | <u>Total equity</u> <u>BD '000</u> | |
| | <u>Share capital</u> <u>BD '000</u> | <u>Treasury shares</u> <u>BD '000</u> | <u>Statutory reserve</u> <u>BD '000</u> | <u>Share premium</u> <u>BD '000</u> | <u>Other reserves</u> | | | | | | <u>Retained earnings</u> <u>BD '000</u> |
| | | | | | <u>Cash flow</u> | | | <u>Donation reserve</u> <u>BD '000</u> | <u>General reserve</u> <u>BD '000</u> | | |
| <u>hedge reserve</u> <u>BD '000</u> | | | | | <u>Donation reserve</u> <u>BD '000</u> | <u>General reserve</u> <u>BD '000</u> | <u>Retained earnings</u> <u>BD '000</u> | | | | |
| As at 1 January 2025 | 20,419 | (599) | 10,210 | 25,292 | 559 | 15 | 27,500 | 22,480 | 105,876 | | |
| 2024 appropriations (approved by shareholders): | | | | | | | | | | | |
| - Donations | - | - | - | - | - | 150 | - | (150) | - | | |
| - Dividends to equity holders | - | - | - | - | - | - | - | (3,021) | (3,021) | | |
| Balance after 2024 appropriations | 20,419 | (599) | 10,210 | 25,292 | 559 | 165 | 27,500 | 19,309 | 102,855 | | |
| Comprehensive income for the period: | | | | | | | | | | | |
| Profit for the period | - | - | - | - | - | - | - | 3,806 | 3,806 | | |
| Other comprehensive loss: | | | | | | | | | | | |
| - Net change in cash flow hedge reserve | - | - | - | - | (492) | - | - | - | (492) | | |
| | 20,419 | (599) | 10,210 | 25,292 | 67 | 165 | 27,500 | 23,115 | 106,169 | | |
| Utilisation of donation reserve | - | - | - | - | - | (142) | - | - | (142) | | |
| At 30 September 2025 | 20,419 | (599) | 10,210 | 25,292 | 67 | 23 | 27,500 | 23,115 | 106,027 | | |

The attached notes 1 to 16 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 nine months ended 30 September 2025

| | (Reviewed) | | | | | | | | | |
|--|--|--|--|--|------------------|---|--|--|---------|---------------------------------------|
| | <i>Share capital</i> | | <i>Reserves and retained earnings</i> | | | | | | | <i>Total equity</i> <i>BD '000</i> |
| | | | <i>Other reserves</i> | | | | | <i>Retained earnings</i> <i>BD '000</i> | | |
| | | | | | <i>Cash flow</i> | <i>Donation reserve</i> <i>BD '000</i> | <i>General reserve</i> <i>BD '000</i> | | | |
| <i>Share capital</i> <i>BD '000</i> | <i>Treasury shares</i> <i>BD '000</i> | <i>Statutory reserve</i> <i>BD '000</i> | <i>Share premium</i> <i>BD '000</i> | <i>hedge reserve</i> <i>BD '000</i> | | | | | | |
| As at 1 January 2024 | 20,419 | (599) | 10,210 | 25,292 | 1,244 | 33 | 27,500 | 17,546 | 101,645 | |
| 2023 appropriations (approved by shareholders): | | | | | | | | | | |
| - Donations | - | - | - | - | - | 100 | - | (100) | - | |
| Balance after 2023 appropriations | 20,419 | (599) | 10,210 | 25,292 | 1,244 | 133 | 27,500 | 17,446 | 101,645 | |
| Comprehensive income for the period: | | | | | | | | | | |
| Income for the period | - | - | - | - | - | - | - | 4,428 | 4,428 | |
| Other comprehensive loss: | | | | | | | | | | |
| - Net change in cash flow hedge reserve | - | - | - | - | (733) | - | - | - | (733) | |
| | 20,419 | (599) | 10,210 | 25,292 | 511 | 133 | 27,500 | 21,874 | 105,340 | |
| Utilisation of donation reserve | - | - | - | - | - | (114) | - | - | (114) | |
| At 30 September 2024 | 20,419 | (599) | 10,210 | 25,292 | 511 | 19 | 27,500 | 21,874 | 105,226 | |

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

Bahrain Commercial Facilities Company B.S.C.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the nine months ended 30 September 2025

| | <i>(Reviewed)</i> | |
|--|--------------------------|----------------|
| | <i>Nine months ended</i> | |
| | <i>30 September</i> | |
| | <i>2025</i> | <i>2024</i> |
| | <i>BD '000</i> | <i>BD '000</i> |
| OPERATING ACTIVITIES | | |
| Loan repayments, interest received and other credit related receipts | 166,841 | 151,812 |
| Cash receipts from automotive sales | 36,500 | 33,616 |
| Insurance commission received | 452 | 524 |
| Proceeds from sale of real estate inventory | 525 | 503 |
| Rental and evaluation income received | 598 | 455 |
| Directors' remuneration paid | (306) | - |
| Loans and advances to customers | (152,923) | (130,022) |
| Payments to suppliers | (31,256) | (26,254) |
| Payments for operating expenses | (11,523) | (12,395) |
| Interest paid | (4,918) | (5,724) |
| Net cash generated from operating activities | 3,990 | 12,515 |
| INVESTING ACTIVITIES | | |
| Addition to property and equipment | (6,361) | (7,873) |
| Addition to investment properties | (33) | - |
| Proceeds from sale of property and equipment | 3,067 | 2,854 |
| Proceeds from sale of investment properties | 1,121 | - |
| Movement of fixed deposits with maturities of more than three months | 1,000 | 2,000 |
| Net cash used in investing activities | (1,206) | (3,019) |
| FINANCING ACTIVITIES | | |
| Bank term loans and other borrowings availed | 25,105 | 23,117 |
| Bank term loans and other borrowings paid | (26,891) | (30,996) |
| Dividends paid | (3,021) | - |
| Donations paid | (142) | (114) |
| Net cash used in financing activities | (4,949) | (7,993) |
| NET CHANGE IN CASH AND CASH EQUIVALENTS | (2,165) | 1,503 |
| Cash and cash equivalents at 1 January | 10,658 | 6,214 |
| CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER | 8,493 | 7,717 |
| Cash and cash equivalents comprise: | | |
| Cash and balances with banks | 11,604 | 11,937 |
| Less: | | |
| Restricted cash | (111) | (220) |
| Fixed deposits with maturities of more than three months | (3,000) | (4,000) |
| | 8,493 | 7,717 |

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

Bahrain Commercial Facilities Company B.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 September 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 nine-month period ended 30 September 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 new accounting standards issued and effective as at 1 January 2025 do not have a significant impact on the Group's accounting policies. The condensed consolidated interim financial statements have been prepared using the same accounting policies and methods of computation applied in the preparation of the Group's audited consolidated financial statements as at and for the year ended 31 December 2024, except for the adoption of new standards or amendments to existing standards that have become applicable effective from 1 January 2025.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 September 2025

3 MATERIAL ACCOUNTING POLICIES (continued)

3.2 New standards, interpretations and amendments issued but not yet effective (continued)

A number of new accounting standards, amendments and interpretations are effective for annual periods beginning after 1 January 2025 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these condensed consolidated interim financial statements.

The following new standards, amendments and interpretations to standards that are relevant to the Group are not expected to have a significant impact on the Group's condensed consolidated interim financial statements:

- Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 - The amendments are effective for annual reporting periods starting on or after 1 January 2026.
- IFRS 18 Presentation and Disclosure in Financial Statements - IFRS 18 is effective for reporting periods beginning on or after 1 January 2027, with early application permitted. IFRS 18 introduces new requirements for: presentation within the statement of profit or loss, including specified totals and subtotals; disclosure of management-defined performance measures; and aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes.
- IFRS 19: Subsidiaries without Public Accountability: Disclosures - IFRS 19, which allows eligible subsidiaries to elect to provide reduced disclosures when they apply the recognition, measurement and presentation requirements in other IFRS accounting standards, is effective for reporting periods beginning on or after 1 January 2027 and can be early adopted.

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.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 September 2025

4 USE OF JUDGEMENTS AND ESTIMATES

Reasonableness of forward-looking information (continued)

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 within the region. The relevant macroeconomic information has been updated for the period.

The risk management department has also enhanced its monitoring of the financing portfolio by reviewing the performance of exposures to sectors expected to be directly or indirectly impacted by the ongoing challenging economic environment to identify potential SICR on a qualitative basis.

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.

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.

Bahrain Commercial Facilities Company B.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 September 2025

6 LOANS AND ADVANCES TO CUSTOMERS

(a) Exposure by staging

| | 30 September 2025 (Reviewed) | | | |
|----------------------------|---------------------------------|--------------------|--------------------|------------------|
| | Stage 1 BD '000 | Stage 2 BD '000 | Stage 3 BD '000 | Total BD '000 |
| Loans and advances | 103,637 | 10,994 | 54,735 | 169,366 |
| Less: expected credit loss | (1,179) | (1,470) | (28,023) | (30,672) |
| Loans and advances | 102,458 | 9,524 | 26,712 | 138,694 |
| | 31 December 2024 (Audited) | | | |
| | Stage 1 BD '000 | Stage 2 BD '000 | Stage 3 BD '000 | Total BD '000 |
| Loans and advances | 103,884 | 12,518 | 60,577 | 176,979 |
| Less: expected credit loss | (1,066) | (1,978) | (36,615) | (39,659) |
| Loans and advances | 102,818 | 10,540 | 23,962 | 137,320 |

(b) Expected credit loss movement

| | 30 September 2025 (Reviewed) | | | |
|--|---------------------------------|--------------------|--------------------|------------------|
| | Stage 1 BD '000 | Stage 2 BD '000 | Stage 3 BD '000 | Total BD '000 |
| 2025 | | | | |
| Expected credit loss at 1 January 2025 | 1,066 | 1,978 | 36,615 | 39,659 |
| Net transfer between stages | (144) | (950) | 1,094 | - |
| Net charge for the period | 257 | 442 | 383 | 1,082 |
| Net write off during the period | - | - | (10,069) | (10,069) |
| Expected credit loss at 30 September 2025 | 1,179 | 1,470 | 28,023 | 30,672 |
| | 31 December 2024 (Audited) | | | |
| | Stage 1 BD '000 | Stage 2 BD '000 | Stage 3 BD '000 | Total BD '000 |
| 2024 | | | | |
| 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) |
| Expected credit loss at 31 December 2024 | 1,066 | 1,978 | 36,615 | 39,659 |

Bahrain Commercial Facilities Company B.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL

STATEMENTS

At 30 September 2025

7 TRADE RECEIVABLES

| | <i>(Reviewed)</i> | <i>(Audited)</i> |
|--|---------------------|--------------------|
| | 30 September | 31 December |
| | 2025 | 2024 |
| | BD '000 | BD '000 |
| Trade receivables | 6,399 | 5,564 |
| Less: expected credit losses | (1,760) | (1,637) |
| | 4,639 | 3,927 |
| | (Reviewed) | (Audited) |
| | 30 September | 31 December |
| | 2025 | 2024 |
| | BD '000 | BD '000 |
| At beginning of the period / year | 1,637 | 2,114 |
| Charge for the period / year | 123 | 133 |
| Net write off during the period / year | - | (610) |
| At end of the period / year | 1,760 | 1,637 |

8 INVENTORIES

| | <i>(Reviewed)</i> | <i>(Audited)</i> |
|------------------------------------|---------------------|--------------------|
| | 30 September | 31 December |
| | 2025 | 2024 |
| | BD '000 | BD '000 |
| Vehicles | 12,002 | 12,724 |
| Automotive spare parts | 6,867 | 6,210 |
| Real estate inventory | 4,524 | 1,351 |
| | 23,393 | 20,285 |
| Provisions | (1,512) | (1,385) |
| | 21,881 | 18,900 |
| | (Reviewed) | (Audited) |
| | 2025 | 2024 |
| | BD '000 | BD '000 |
| At beginning of the period / year | 1,385 | 1,294 |
| Net charge for the period / year | 338 | 195 |
| Utilisation | (211) | (104) |
| At end of the period / year | 1,512 | 1,385 |

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL

STATEMENTS

At 30 September 2025

9 OTHER ASSETS

| | <i>(Reviewed)</i> | <i>(Audited)</i> |
|--|---------------------|--------------------|
| | 30 September | 31 December |
| | 2025 | 2024 |
| | BD '000 | BD '000 |
| Advance to suppliers and manufacturers incentive | 3,463 | 3,770 |
| VAT receivables | 1,502 | 1,520 |
| Prepaid expenses | 927 | 669 |
| Positive fair value derivative | 91 | 582 |
| Others | 551 | 422 |
| | 6,534 | 6,963 |

10 TRADE AND OTHER PAYABLES

| | <i>(Reviewed)</i> | <i>(Audited)</i> |
|--------------------------------|---------------------|--------------------|
| | 30 September | 31 December |
| | 2025 | 2024 |
| | BD '000 | BD '000 |
| Accounts payable | 8,861 | 8,936 |
| Accrued expenses | 9,182 | 9,787 |
| Lease liabilities | 552 | 912 |
| Negative fair value derivative | 24 | 23 |
| Others | 2,035 | 1,539 |
| | 20,654 | 21,197 |

11 RENTAL AND REAL ESTATE INCOME

| | <i>(Reviewed)</i> | <i>(Reviewed)</i> |
|---|---------------------|---------------------|
| | 30 September | 30 September |
| | 2025 | 2024 |
| | BD '000 | BD '000 |
| Profit from sale of investment properties | 595 | - |
| Rental and evaluation income | 558 | 524 |
| Profit from sale of real estate inventory | 17 | 28 |
| | 1,170 | 552 |

12 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.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 September 2025

12 BALANCES AND TRANSACTIONS WITH RELATED PARTIES (continued)

| | <i>(Reviewed)</i> 30 September 2025 BD '000 | <i>(Audited)</i> 31 December 2024 BD '000 |
|----------------------|---|---|
| Shareholders: | | |
| Term loans | 42,034 | 31,034 |
| Bank balance | 2,394 | 1,078 |

| | <i>(Reviewed)</i> 30 September 2025 BD '000 | <i>(Reviewed)</i> 30 September 2024 BD '000 |
|----------------------|---|---|
| Shareholders: | | |
| Interest expense | 2,290 | 1,783 |

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> 30 September 2025 BD '000 | <i>(Audited)</i> 31 December 2024 BD '000 |
|--------------------|---|---|
| Loan and advances* | 861 | 865 |

| | <i>(Reviewed)</i> 30 September 2025 BD '000 | <i>(Reviewed)</i> 30 September 2024 BD '000 |
|--|---|---|
| For the period ended | | |
| Salaries and short-term and end of service employee benefits | 1,466 | 1,436 |
| Directors remuneration and attendance fees | 275 | 389 |
| Sales, service and lease of vehicles | 50 | 35 |

*The Company has allowance for expected credit losses on balances with related parties of BD 302 thousand (2024: BD 254 thousand).

13 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.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 September 2025

14 OPERATING SEGMENT INFORMATION

| | Operating income | | Profit / (loss) | |
|-------------|--|--|--|--|
| | Nine months ended 30 September 2025 | Nine months ended 30 September 2024 | Nine months ended 30 September 2025 | Nine months ended 30 September 2024 |
| | (Reviewed) | (Reviewed) | (Reviewed) | (Reviewed) |
| | BD '000 | BD '000 | BD '000 | BD '000 |
| Lending | 7,820 | 9,447 | 1,195 | 2,488 |
| Automotive | 6,722 | 6,423 | 2,243 | 2,103 |
| Insurance | 686 | 664 | 70 | 83 |
| Real estate | 1,189 | 851 | 298 | (246) |
| | 16,417 | 17,385 | 3,806 | 4,428 |

Majority of the Group's assets and liabilities are concentrated in the lending and automotive segments. Total assets as of 30 September 2025 amounted to BD 154,072 thousand and BD 49,704 thousand (31 December 2024: BD 157,333 thousand and BD 48,198 thousand) and total liabilities amounted to BD 102,593 thousand and BD 9,187 thousand (31 December 2024: BD 104,886 thousand and BD 9,053 thousand) in the lending and automotive segments respectively.

15 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 30 September 2025

15 FAIR VALUE (continued)

Fair value hierarchy (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:

| 30 September 2025 (Reviewed) | Level 1 BD '000 | Level 2 BD '000 | Level 3 BD '000 | Fair value BD '000 | Carrying value BD '000 |
|---|----------------------------|----------------------------|----------------------------|-------------------------------|---------------------------------------|
| Loans and advances to customers | - | - | 138,694 | 138,694 | 138,694 |
| Bank term loans and other borrowings | - | - | 91,591 | 91,591 | 91,591 |
| <hr/> | | | | | |
| 31 December 2024 (Audited) | Level 1 BD '000 | Level 2 BD '000 | Level 3 BD '000 | Fair value BD '000 | Carrying value BD '000 |
| Loans and advances to customers | - | - | 137,320 | 137,320 | 137,320 |
| Bank term loans and other borrowings | - | - | 93,731 | 93,731 | 93,731 |
| <hr/> | | | | | |

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.

16 COMPARATIVES

Certain comparative figures have been reclassified to conform to the current period's presentation. Such reclassification did not affect previously reported profit or loss, comprehensive income for the period or total equity.