

Bahrain Car Parks Company B.S.C.

Condensed interim financial information
for the quarter and nine months period
ended 30 September 2020
(Unaudited)

Bahrain Car Parks Company B.S.C.
Condensed interim financial information for the quarter and nine months period ended
30 September 2020
(Unaudited)

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Bahrain Car Parks Company B.S.C.
Administration and contact details as at 30 September 2020

Commercial registration number	11455 obtained on 31 October 1981	
Board of Directors	Amin Ahmed Salem Alarrayed Abdulla Ahmed Abdulla Abdulrahman Kamal Yaser Abduljalil Ali AlSharifi Adnan Sayed Habib Maki Hashim Ali Eajaz Ahmed Mohammad Ghulam Murtaza Areej Abdulla Abdulghaffar Abdulla Bader Kassim Mohamed Buallay Fahad Abdulrahman Mohammed Abdulrahman AlSaad Mohamed Rasheed Mohamed Khamis AlMaraj Wael Ezzeldeen Mohamed Hassan Arafa	- Chairman - Vice chairman
Executive Committee members	Abdulla Ahmed Abdulla Abdulrahman Kamal Bader Kassim Mohamed Buallay Mohamed Rasheed Mohamed Khamis AlMaraj Ali Eajaz Ahmed Mohammad Ghulam Murtaza	- Chairman
Audit Committee members	Yaser Abduljalil Ali AlSharifi Areej Abdulla Abdulghaffar Abdulla Adnan Sayed Habib Maki Hashim	- Chairman
NRCG Committee members	Amin Ahmed Salem Alarrayed Fahad Abdulrahman Mohammed Abdulrahman AlSaad Wael Ezzeldeen Mohamed Hassan Arafa	- Chairman
Chief Executive Officer	Tariq Ali Husain Aljowder	
Director of Finance	Mahmood Sayed Husain Yaseen Husain	
Registered office	Flat No. 209, Building No.128, Road No. 383, Block No. 316 2 nd Floor, Car Parks & Commercial Centre Government Avenue PO Box 5298 Manama Kingdom of Bahrain	
Bankers	Ahli United Bank National Bank of Bahrain Bank of Bahrain and Kuwait Al Salam Bank National Bank of Kuwait Ithmaar Bank	
External auditors	BDO 17 th Floor Diplomat Commercial Offices Tower PO Box 787 Manama Kingdom of Bahrain	
Internal auditors	Protiviti - Bahrain PO Box 10231 Manama Kingdom of Bahrain	
Share Registrars	Karvy Fintech (Bahrain) W.L.L. PO Box 514, Manama Kingdom of Bahrain Bahrain Clear B.S.C. (c) PO Box 3203, Manama Kingdom of Bahrain	

Review report on the condensed interim financial information to the Board of Directors of Bahrain Car Parks Company B.S.C.

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Bahrain Car Parks Company B.S.C. ("the Company") as at 30 September 2020, the condensed interim statement of profit or loss, the condensed interim statement of other comprehensive income, the condensed interim statement of changes in shareholders' equity and the condensed interim statement of cash flows for the quarter and nine months period then ended, and selected explanatory notes. The Company's Board of Directors is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Accounting Standard 34 - "*Interim Financial Reporting*". Our responsibility is to express a conclusion on this condensed interim financial information 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 condensed interim financial information does not present fairly, in all material respects, the financial position of the Company as at 30 September 2020, and of its financial performance and its cash flows for the quarter and nine months period then ended in accordance with International Financial Reporting Standard IAS 34 - "*Interim Financial Reporting*".

BDO




Manama, Kingdom of Bahrain
9 November 2020

Bahrain Car Parks Company B.S.C.
Condensed interim statement of financial position as at 30 September 2020
(Unaudited)
(Expressed in Bahrain Dinars)

	<u>Notes</u>	<u>30 September 2020</u> (Unaudited)	<u>31 December 2019</u> (Audited)
ASSETS			
Non-current assets			
Intangible assets	5	20,147	23,895
Right-of-use assets	6	5,980,572	6,079,513
Property, plant and equipment	7	2,887,842	2,860,493
Financial assets at fair value through other comprehensive income	8	2,812,446	3,088,598
Investment properties	9	492,044	492,044
Non-current portion of term deposits	10	-	1,784,782
		<u>12,193,051</u>	<u>14,329,325</u>
Current assets			
Inventories		13,410	12,334
Investments at amortised cost	11	380,871	380,871
Current portion of term deposits	10	4,947,468	3,853,891
Trade and other receivables	12	728,899	656,260
Cash and cash equivalents	13	1,747,459	938,436
		<u>7,818,107</u>	<u>5,841,792</u>
Total assets		<u>20,011,158</u>	<u>20,171,117</u>
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	14	11,031,723	11,031,723
Treasury shares	14	(101,456)	(101,456)
Share premium		2,000,000	2,000,000
Statutory reserve		3,110,547	3,110,547
Charity reserve		12,400	22,400
Investment fair value reserve		(389,833)	(256,380)
Retained earnings		3,802,981	3,806,593
Total equity		<u>19,466,362</u>	<u>19,613,427</u>
Non-current liabilities			
Non-current portion of lease liabilities	15	150,776	153,777
Employees' terminal benefits		39,747	32,419
		<u>190,523</u>	<u>186,196</u>
Current liabilities			
Current portion of lease liabilities	15	655	615
Other payables	16	353,618	370,879
		<u>354,273</u>	<u>371,494</u>
Total liabilities		<u>544,796</u>	<u>557,690</u>
Total equity and liabilities		<u>20,011,158</u>	<u>20,171,117</u>

These unaudited condensed interim financial information were approved, authorised for issue by the Board of Directors and signed on its behalf by:


Amin Ahmed Alarrayed
Chairman


Abdulla Ahmed Kamal
Vice-Chairman


Tariq Ali Aljowder
Chief Executive Officer

Bahrain Car Parks Company B.S.C.
Condensed interim statement of profit or loss for the quarter and nine months period ended 30 September 2020
(Unaudited)
(Expressed in Bahrain Dinars)

	Notes	Nine months period ended 30 September 2020	Nine months period ended 30 September 2019	Three months period ended 30 September 2020	Three months period ended 30 September 2019
Operating income	17	1,214,273	1,146,296	390,821	493,438
Net income from investments	18	288,151	319,308	63,524	71,978
Operating, general and administrative expenses	20	<u>(1,070,832)</u>	<u>(819,353)</u>	<u>(366,786)</u>	<u>(309,765)</u>
Operating profit		431,592	646,251	87,559	255,651
Other income	19	146,581	786	42,644	83
Directors' remuneration	21	<u>(25,272)</u>	<u>(30,332)</u>	-	-
Net profit for the period		<u>552,901</u>	<u>616,705</u>	<u>130,203</u>	<u>255,734</u>
Basic and diluted earnings per share	22	<u>5.06 fils</u>	<u>7.32 fils</u>	<u>1.19 fils</u>	<u>2.34 fils</u>

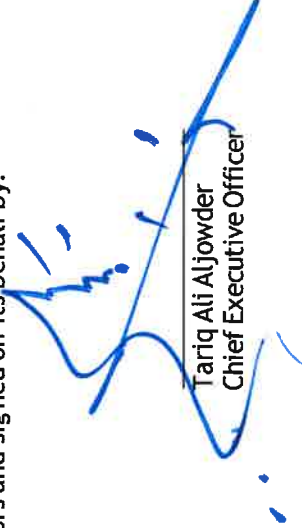
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Amin Ahmed Alarrayed
Chairman



Abdulla Ahmed Kamal
Vice-Chairman

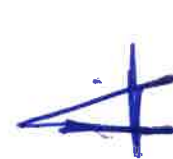



Tariq Ali Aljowder
Chief Executive Officer

Bahrain Car Parks Company B.S.C.
Condensed interim statement of other comprehensive income for the quarter and nine months period ended 30 September 2020
(Unaudited)
(Expressed in Bahrain Dinars)

	<u>Note</u>	<u>Nine months period ended 30 September 2020</u>	<u>Nine months period ended 30 September 2019</u>	<u>Three months period ended 30 September 2020</u>	<u>Three months period ended 30 September 2019</u>
Net profit for the period		552,901	616,705	130,203	255,734
Other comprehensive income					
<i>Items that will not be reclassified to profit or loss:</i>					
Fair value losses on financial assets at fair value through other comprehensive income	8	(133,453)	(260,849)	(4,560)	(9,382)
Other comprehensive loss for the period		<u>(133,453)</u>	<u>(260,849)</u>	<u>(4,560)</u>	<u>(9,382)</u>
Total comprehensive income for the period		<u>419,448</u>	<u>355,856</u>	<u>125,643</u>	<u>246,352</u>

These unaudited condensed interim financial information were approved, authorised for issue by the Board of Directors and signed on its behalf by:


Amin Ahmed Alarrayed
Chairman


Abdulla Ahmed Kamal
Vice-Chairman


Tariq Ali Aljowder
Chief Executive Officer

Bahrain Car Parks Company B.S.C.
Condensed interim statement of changes in shareholders' equity for the nine months period ended 30 September 2020
(Unaudited)
(Expressed in Bahrain Dinars)

	Share capital	Treasury shares	Share premium	Statutory reserve	Charity reserve	Investment fair value reserve	Retained earnings	Total
At 31 December 2018 (Audited)	7,031,723	(101,456)	-	3,021,743	12,400	3,514	3,363,876	13,331,800
Share capital issued during the period	4,000,000	-	2,000,000	-	-	-	-	6,000,000
Total comprehensive income for the period	-	-	-	-	-	(260,849)	616,705	355,856
Dividends for 2018 (Note 23)	-	-	-	-	-	-	(346,514)	(346,514)
Charity reserve created during the period	-	-	-	-	10,000	-	(10,000)	-
At 30 September 2019 (Unaudited)	11,031,723	(101,456)	2,000,000	3,021,743	22,400	(257,335)	3,624,067	19,341,142
At 31 December 2019 (Audited)	11,031,723	(101,456)	2,000,000	3,110,547	22,400	(256,380)	3,806,593	19,613,427
Total comprehensive income for the period	-	-	-	-	-	(133,453)	552,901	419,448
Dividends for 2019 (Note 23)	-	-	-	-	-	-	(546,513)	(546,513)
Charity reserve created during the period	-	-	-	-	10,000	-	(10,000)	-
Charity payments during the period	-	-	-	-	(20,000)	-	-	(20,000)
At 30 September 2020 (Unaudited)	11,031,723	(101,456)	2,000,000	3,110,547	12,400	(389,833)	3,802,981	19,466,362

Bahrain Car Parks Company B.S.C.
Condensed interim statement of cash flows for the nine months period ended
30 September 2020 (Unaudited)
(Expressed in Bahrain Dinars)

	Notes	Nine months period ended 30 September 2020	Nine months period ended 30 September 2019
Operating activities			
Net profit for the period		552,901	616,705
Adjustments for:			
Amortisation of intangible assets	5	3,748	-
Amortisation of right-of-use asset	6	98,941	42,474
Depreciation of property, plant and equipment	7	56,301	50,799
Provision for impaired rents receivable from tenants	20	14,007	28,098
Interest expense on lease liabilities	15	7,039	7,068
Interest income	18	(187,081)	(195,723)
Dividends income	18	(101,070)	(123,585)
Changes in operating assets and liabilities:			
Inventories		(1,076)	(1,942)
Trade and other receivables		(86,646)	(368,254)
Other payables		(17,261)	23,834
Employees' terminal benefits, net		7,328	5,716
Net cash provided by operating activities		<u>347,131</u>	<u>85,190</u>
Investing activities			
Purchase of property, plant and equipment	7	(83,650)	(13,534)
Proceeds from disposal of financial assets at fair value through other comprehensive income		142,699	-
Interest income received	18	187,081	195,723
Dividends received	18	101,070	123,585
Net movement in term deposits		<u>691,205</u>	<u>(879,619)</u>
Net cash provided by/(used in) investing activities		<u>1,038,405</u>	<u>(573,845)</u>
Financing activities			
Principal paid on lease liabilities		(2,961)	(7,500)
Interest paid on lease liabilities	15	(7,039)	-
Dividends paid	23	(546,513)	(346,514)
Charity payments		<u>(20,000)</u>	<u>-</u>
Net cash used in financing activities		<u>(576,513)</u>	<u>(354,014)</u>
Net increase/(decrease) in cash and cash equivalents		809,023	(842,669)
Cash and cash equivalents, beginning of the period		<u>938,436</u>	<u>1,606,559</u>
Cash and cash equivalents, end of the period	13	<u>1,747,459</u>	<u>763,890</u>

Non-cash transactions:

During the period ended 30 September 2019, the Company has issued an additional share capital of 40,000,000 ordinary shares at a value of 150 fils per share for a total value of BD6,000,000 in favour of Bahrain Real Estate Investment (Edamah) B.S.C. (c) in consideration for the usufruct right in the "Terminal Building" in Adliya. This transaction has been eliminated from condensed interim statement of cash flows, being a non-cash transaction (Note 6).

Bahrain Car Parks Company B.S.C.

Selected explanatory notes to the condensed interim financial information for the quarter and nine months period ended 30 September 2020

(Unaudited)

(Expressed in Bahrain Dinars)

1 Organisation and activities

Bahrain Car Parks Company B.S.C. (“the Company”) is a public Bahraini shareholding company registered with the Ministry of Industry, Commerce and Tourism in the Kingdom of Bahrain and operates under commercial registration number 11455 obtained on 31 October 1981.

The principal activity of the Company includes the operation of car parks, real estate activities with own or leased property and other marketing/promotional activities.

The registered office of the Company is in the Kingdom of Bahrain.

These unaudited condensed interim financial information, set out on pages 4 to 21, were approved, authorised for issue and signed by the Board of Directors on 9 November 2020.

2 Basis of preparation

Basis of presentation

The condensed interim financial information has been prepared in accordance with International Accounting Standard 34 - “*Interim Financial Reporting*”. The condensed interim financial information should therefore be read in conjunction with the annual audited financial statements prepared as at, and for the year ended, 31 December 2019, which have been prepared in accordance with International Financial Reporting Standards.

The preparation of financial information in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the Company’s accounting policies.

The condensed interim financial information have been prepared using the going concern assumption and under the historical cost convention as modified by the fair valuation of investment properties and financial assets through other comprehensive income (OCI). The financial information have been presented in Bahrain Dinar which is the functional currency of the Company.

Improvements/amendments to IFRS/IAS

Improvements/amendments to IFRS/IAS contained numerous amendments to IFRS/IAS that the IASB considers non-urgent but necessary. ‘*Improvements to IFRS*’ comprise amendments that result in accounting changes to presentation, recognition or measurement purposes, as well as terminology or editorial amendments related to a variety of individual IFRS standards. The amendments are effective for the Company’s future accounting period with earlier adoption.

Bahrain Car Parks Company B.S.C.

Selected explanatory notes to the condensed interim financial information for the quarter and nine months period ended 30 September 2020

(Unaudited)

(Expressed in Bahrain Dinars)

2 Basis of preparation (continued)

Standards, amendments and interpretations issued and effective in 2020 but not relevant

The following new amendments to existing standards and interpretations to published standards are mandatory for accounting period beginning on or after 1 January 2020 or subsequent periods, but are not relevant to the Company's operations:

<u>Standard or interpretation</u>	<u>Title</u>	<u>Effective for annual periods beginning on or after</u>
IAS 1	Presentation of financial statements	1 January 2020
IAS 8	Accounting policies, changes in accounting estimates and errors	1 January 2020
IFRS 3	Business combinations	1 January 2020
IFRS 7	Financial instruments: Disclosures	1 January 2020
IFRS 9	Financial instruments	1 January 2020

New standards, interpretations and amendments issued but not yet effective in 2020

The following new accounting standard has been issued, but is not mandatory and hence, has not been early adopted by the Company in preparing the condensed interim financial information for the period ended 30 September 2020. The Company intends to apply this standard from application date as indicated in the table below:

<u>Standard or interpretation</u>	<u>Title</u>	<u>Effective for annual periods beginning on or after</u>
IFRS 17	Insurance contracts	1 January 2023

There would have been no change in the financial position and operational results of the Company for the period ended 30 September 2020 had the Company early adopted the above standard.

Early adoption of amendments or standards in 2020

The Company did not early-adopt any new or amended standards in 2020. The Company does not believe that the early adoption of these standards and interpretation will have a material impact on the financial statements once adopted.

3 Significant accounting policies

The accounting policies used in the preparation of the condensed interim financial information are consistent with those used in the annual audited financial statements of the Company prepared as at, and for the year ended 31 December 2019, as described in those annual audited financial statements.

4 Significant events and transactions

In accordance with the Central Bank of Bahrain circular dated 14 July 2020, having reference number OG/259/2020, which aims to maintain transparency amidst the current implication of Coronavirus (COVID19), the Company has discloses herewith additional financial information pertaining to the financial impact of COVID-19 on the condensed interim financial statements as follows:

Bahrain Car Parks Company B.S.C.

Selected explanatory notes to the condensed interim financial information for the quarter and nine months period ended 30 September 2020

(Unaudited)

(Expressed in Bahrain Dinars)

4 Significant events and transactions (continued)

The World Health Organisation declared the outbreak of coronavirus (COVID-19) a global health emergency on 30 January 2020. Since then, the Company has experienced significant disruption to its operations in the following respects:

- Decreased demand for certain services as a consequence of social distancing requirements and recommendations; and
- Significant uncertainty concerning when government lockdowns will be lifted, social distancing requirements will be eased and the long-term effects of the pandemic on the demand for Company's primary services.

Based on the nature of operations and the industry in which it operates, the Company's management assessed the significant impact of COVID-19 in the below areas:

- Decrease in operating income;
- Government grants; and
- Commitments and contingent liabilities.

(a) Decrease in operating income;

Company has experienced a reduction in its operating income since pandemic effect was widespread during the period ended 30 September 2020. The Company is engaged in operating car parks, real estate activities with own or leased property and other marketing/promotional activities. The Company has provided rent concessions to some tenants which are directly impacted by the closure during the period, which along with other COVID 19 related impacts have resulted in a decrease in operating income by BD308,326.

(b) Government grants

The Company has applied for government support programs introduced in response to the global pandemic. The Company has received a government grant of BD129,024 relating to support towards the payroll of the Company's Bahrainis employees, LMRA fees, visa fees, municipality fees and electricity and water charges. The Company has elected to present this government grant under other income (Note 19). The Company had to commit to spending the assistance on payroll expenses, and not to reduce employee head count below the prescribed levels for a specified period of time. The Company does not have any unfulfilled obligations relating to this program.

(c) Commitments and contingent liabilities

The Company has assessed the impact of any operational disruptions, including any contractual challenges and changes in business or commercial relationships among the Company, customers and suppliers, with a view of potential increase in contingent liabilities and commitments and in the opinion of the management, there are no material impacts on these condensed interim financial information.

The below table summarises the impact of COVID-19 at this condensed interim financial information for the nine months period ended 30 September 2020:

<u>Financial statement area</u>	<u>Nature of impact</u>	<u>Amount in BD</u>
Operating income	Decrease	308,326
Government grants	Increase	129,024

No other significant impact has been noted by the management on other financial statement areas during the period ended 30 September 2020.

Bahrain Car Parks Company B.S.C.

Selected explanatory notes to the condensed interim financial information for the quarter and nine months period ended 30 September 2020

(Unaudited)

(Expressed in Bahrain Dinars)

5 Intangible assets

	30 September 2020 (Unaudited)
Cost	
Additions during the year and at 31 December 2019 and 30 September 2020	<u>24,983</u>
Accumulated amortisation	
Amortisation charge for the year and at 31 December 2019	1,088
Amortisation charge for the period	<u>3,748</u>
At 30 September 2020	<u>4,836</u>
Net book amount	
At 30 September 2020 (Unaudited)	<u>20,147</u>
At 31 December 2019 (Audited)	<u>23,895</u>

6 Right-of-use assets

	Leasehold lands
Cost	
On adoption of IFRS 16 as at 1 January 2019	154,968
Additions during the year	<u>6,000,000</u>
At 31 December 2019 and 30 September 2020	<u>6,154,968</u>
Accumulated amortisation	
Amortisation charge for the year and at 31 December 2019	75,455
Amortisation charge for the period	<u>98,941</u>
At 30 September 2020	<u>174,396</u>
Carrying value	
At 30 September 2020 (Unaudited)	<u>5,980,572</u>
At 31 December 2019 (Audited)	<u>6,079,513</u>

Bahrain Car Parks Company B.S.C.

Selected explanatory notes to the condensed interim financial information for the quarter and nine months period ended 30 September 2020

(Unaudited)

(Expressed in Bahrain Dinars)

7 Property, plant and equipment

	<u>Freehold land</u>	<u>Building on leasehold land</u>	<u>Car park and other equipment</u>	<u>Office furniture and equipment</u>	<u>Total</u>
Cost					
At 31 December 2018 (Audited)	2,454,530	8,138,413	189,031	104,086	10,886,060
Additions	<u>-</u>	<u>-</u>	<u>17,582</u>	<u>18,000</u>	<u>35,582</u>
At 31 December 2019 (Audited)	2,454,530	8,138,413	206,613	122,086	10,921,642
Additions during the period	<u>-</u>	<u>-</u>	<u>81,592</u>	<u>2,058</u>	<u>83,650</u>
At 30 September 2020 (Unaudited)	<u>2,454,530</u>	<u>8,138,413</u>	<u>288,205</u>	<u>124,144</u>	<u>11,005,292</u>
Accumulated depreciation					
At 31 December 2018 (Audited)	-	7,881,529	39,865	70,849	7,992,243
Charge for the year	<u>-</u>	<u>18,278</u>	<u>33,791</u>	<u>16,837</u>	<u>68,906</u>
At 31 December 2019 (Audited)	-	7,899,807	73,656	87,686	8,061,149
Charge for the period (Note 20)	<u>-</u>	<u>13,767</u>	<u>29,967</u>	<u>12,567</u>	<u>56,301</u>
At 30 September 2020 (Unaudited)	<u>-</u>	<u>7,913,574</u>	<u>103,623</u>	<u>100,253</u>	<u>8,117,450</u>
Net book amount					
At 30 September 2020 (Unaudited)	<u>2,454,530</u>	<u>224,839</u>	<u>184,582</u>	<u>23,891</u>	<u>2,887,842</u>
At 31 December 2019 (Audited)	<u>2,454,530</u>	<u>238,606</u>	<u>132,957</u>	<u>34,400</u>	<u>2,860,493</u>

Additions to property, plant and equipment during the nine months period ended 30 September 2019 amounted to BD13,534 and depreciation amounted to BD50,799. There were no disposals of property, plant and equipment during the nine months period ended 30 September 2019.

8 Financial assets at fair value through other comprehensive income

	<u>30 September 2020</u> (Unaudited)	<u>31 December 2019</u> (Audited)
Opening balance	3,088,598	3,348,492
Disposals during the period/year	(142,699)	-
Unrealised fair value losses for the period/year recognised in other comprehensive income	<u>(133,453)</u>	<u>(259,894)</u>
Closing balance	<u>2,812,446</u>	<u>3,088,598</u>

Bahrain Car Parks Company B.S.C.

Selected explanatory notes to the condensed interim financial information for the quarter and nine months period ended 30 September 2020

(Unaudited)

(Expressed in Bahrain Dinars)

8 Financial assets at fair value through other comprehensive income (continued)

The above investments are further classified as follows:

	30 September 2020 <u>(Unaudited)</u>	31 December 2019 <u>(Audited)</u>
Shares listed on the Bahrain Bourse	2,010,236	2,286,084
Unquoted equity shares	<u>802,211</u>	<u>802,514</u>
	<u>2,812,446</u>	<u>3,088,598</u>

The investment categorised as financial assets at fair value through other comprehensive income are denominated in the following currencies:

Currency	30 September 2020 <u>(Unaudited)</u>	31 December 2019 <u>(Audited)</u>
United States Dollar	730,372	668,795
Bahrain Dinar	<u>2,082,075</u>	<u>2,419,803</u>
	<u>2,812,446</u>	<u>3,088,598</u>

9 Investment properties

	30 September 2020 <u>(Unaudited)</u>	31 December 2019 <u>(Audited)</u>
Opening and closing balance	<u>492,044</u>	<u>492,044</u>

10 Term deposits

	30 September 2020 <u>(Unaudited)</u>	31 December 2019 <u>(Audited)</u>
Term deposits with banks maturing after 3 months but within 1 year	4,947,468	3,853,891
Term deposit with banks maturing after 1 year	<u>-</u>	<u>1,784,782</u>
	<u>4,947,468</u>	<u>5,638,673</u>

11 Investments at amortised cost

	30 September 2020 <u>(Unaudited)</u>	31 December 2019 <u>(Audited)</u>
Opening and closing balance	<u>380,871</u>	<u>380,871</u>

Bahrain Car Parks Company B.S.C.

Selected explanatory notes to the condensed interim financial information for the quarter and nine months period ended 30 September 2020

(Unaudited)

(Expressed in Bahrain Dinars)

12 Trade and other receivables

	30 September 2020 (Unaudited)	31 December 2019 (Audited)
Rents receivable from tenants	567,163	455,319
Amounts due from a related party (Note 24)	<u>-</u>	<u>149,119</u>
	567,163	604,438
Less: provision for impaired rents receivable from tenants	<u>(91,581)</u>	<u>(83,169)</u>
	475,582	521,269
Accrued interest	142,525	91,938
Advances paid to creditors	78,081	27,500
Deposits	10,084	-
Staff advances	4,000	4,000
Prepayments and other receivables	<u>18,627</u>	<u>11,553</u>
	<u>728,899</u>	<u>656,260</u>

Amounts due from a related party are unsecured, bear no interest and repayable on demand.

13 Cash and cash equivalents

	30 September 2020 (Unaudited)	31 December 2019 (Audited)
Cash on hand	1,780	1,554
Term deposit maturing within three months	807,136	-
Current account balances with banks	<u>938,543</u>	<u>936,882</u>
	<u>1,747,459</u>	<u>938,436</u>

14 Share capital

	30 September 2020 (Unaudited)	31 December 2019 (Audited)
Authorised:		
125,000,000 ordinary shares of 100 fils each (2019: 100,000,000 ordinary shares of 100 fils each)	<u>12,500,000</u>	<u>12,500,000</u>
Issued and fully paid-up:		
110,317,230 ordinary shares of 100 fils each (2019: 110,317,230 ordinary shares of 100 fils each)	11,031,723	11,031,723
Less: 1,014,560 treasury shares of 100 fils each (2019: 1,014,560 treasury shares of 100 fils each)	<u>(101,456)</u>	<u>(101,456)</u>
	<u>10,930,267</u>	<u>10,930,267</u>

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(Unaudited)

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15 Lease liabilities

	30 September 2020 <u>(Unaudited)</u>	31 December 2019 <u>(Audited)</u>
Opening balance	154,392	-
Lease liabilities on adoption of IFRS 16	-	154,968
Lease payments	(10,000)	(10,000)
Interest expenses	<u>7,039</u>	<u>9,424</u>
Closing balance	151,431	154,392
Less: current portion of lease liabilities	<u>(655)</u>	<u>(615)</u>
Non-current portion of lease liabilities	<u>150,776</u>	<u>153,777</u>

Maturity analysis - contractual undiscounted cash flows:

	30 September 2020 <u>(Unaudited)</u>	31 December 2019 <u>(Audited)</u>
Less than one year	10,000	10,000
More than one year and less than five years	80,000	90,000
More than five years	<u>120,000</u>	<u>120,000</u>
Total undiscounted leases	<u>210,000</u>	<u>220,000</u>

16 Other payables

	30 September 2020 <u>(Unaudited)</u>	31 December 2019 <u>(Audited)</u>
Amounts due to a related party (Note 24)	125,914	132,604
Unclaimed dividends	97,733	77,681
Other payables	67,422	80,538
Advances received from tenants	20,531	54,831
Provision for leave salary and air passage	<u>42,018</u>	<u>25,225</u>
	<u>353,618</u>	<u>370,879</u>

Amount due to a related party are unsecured, bear no interest and are repayable on demand.

17 Operating income

	Nine months period ended 30 September 2020 <u>(Unaudited)</u>	Nine months period ended 30 September 2019 <u>(Unaudited)</u>	Three months period ended 30 September 2020 <u>(Unaudited)</u>	Three months period ended 30 September 2019 <u>(Unaudited)</u>
Car park income (Note 24)	549,067	550,727	169,278	202,835
Rental income	553,535	484,041	174,307	240,696
Service charges income	<u>111,671</u>	<u>111,528</u>	<u>47,236</u>	<u>49,907</u>
	<u>1,214,273</u>	<u>1,146,296</u>	<u>390,821</u>	<u>493,438</u>

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18 Net income from investments

	Nine months period ended 30 September 2020 <u>(Unaudited)</u>	Nine months period ended 30 September 2019 <u>(Unaudited)</u>	Three months period ended 30 September 2020 <u>(Unaudited)</u>	Three months period ended 30 September 2019 <u>(Unaudited)</u>
Dividends income	101,070	123,585	6,415	4,752
Interest income	<u>187,081</u>	<u>195,723</u>	<u>57,109</u>	<u>67,226</u>
	<u>288,151</u>	<u>319,308</u>	<u>63,524</u>	<u>71,978</u>

19 Other income

	Nine months period ended 30 September 2020 <u>(Unaudited)</u>	Nine months period ended 30 September 2019 <u>(Unaudited)</u>	Three months period ended 30 September 2020 <u>(Unaudited)</u>	Three months period ended 30 September 2019 <u>(Unaudited)</u>
Government grants (Note 4)	129,024	-	33,505	-
Miscellaneous income	<u>17,557</u>	<u>786</u>	<u>9,139</u>	<u>83</u>
	<u>146,581</u>	<u>786</u>	<u>42,644</u>	<u>83</u>

20 Operating, general and administrative expenses

	Nine months period ended 30 September 2020 <u>(Unaudited)</u>	Nine months period ended 30 September 2019 <u>(Unaudited)</u>	Three months period ended 30 September 2020 <u>(Unaudited)</u>	Three months period ended 30 September 2019 <u>(Unaudited)</u>
Staff costs	405,701	338,601	114,914	93,936
Other operating, general and administrative expenses	429,452	299,784	197,655	149,832
Lease rent expenses (Note 24)	102,941	54,553	15,708	25,965
Maintenance costs	62,430	47,518	19,401	10,114
Depreciation (Note 7)	56,301	50,799	19,108	17,292
Provision for impaired rents receivable from tenants	<u>14,007</u>	<u>28,098</u>	<u>-</u>	<u>12,626</u>
	<u>1,070,832</u>	<u>819,353</u>	<u>366,786</u>	<u>309,765</u>

21 Directors' remuneration

Accrued and expensed

An amount of BD25,272 has been accrued and expensed as Directors' remuneration in 2020 (Note 24), relating to the year ended 31 December 2019 (2019: BD30,332 for the year ended 31 December 2018). The payment was approved by the shareholders in the Annual General Meeting held on 25 March 2020 (2019: 21 March 2019). Directors' remuneration is only expensed in the statement of profit or loss in the year in which it is approved by the shareholder.

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22 Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to the shareholders by the weighted average number of ordinary shares outstanding for the period.

	Nine months period ended 30 September 2020 <u>(Unaudited)</u>	Nine months period ended 30 September 2019 <u>(Unaudited)</u>	Three months period ended 30 September 2020 <u>(Unaudited)</u>	Three months period ended 30 September 2019 <u>(Unaudited)</u>
Net profit attributable to the shareholders	<u>552,901</u>	<u>616,705</u>	<u>130,203</u>	<u>255,734</u>
Weighted average number of ordinary shares	<u>109,302,670</u>	<u>84,302,670</u>	<u>109,302,670</u>	<u>109,302,670</u>
Basic and diluted earnings per share	<u>5.06 fils</u>	<u>7.32 fils</u>	<u>1.19 fils</u>	<u>2.34 fils</u>

The Company does not have any potentially dilutive ordinary shares. Hence, the diluted earnings per share and basic earnings per share are identical.

23 Dividends***Declared and paid***

A dividend of BD546,513 representing 5% of the total issued and fully paid-up share capital of the Company for the year ended 31 December 2019 (at 5 fils per share) (2019: BD346,514 for the year ended 31 December 2018 at 5 fils per share), was approved by the shareholders in the Annual General Meeting of the shareholders held on 25 March 2020 (2019: 21 March 2019).

24 Transactions and balances with related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties include the shareholders, directors, key management personnel and their close family members and such other companies over which the Company or its shareholders, directors, key management personnel and their close family members can exercise significant influence or can be significantly influenced by those parties. Transactions with the related parties are authorised by the management and are on an arm's length basis.

The following is a summary of the significant transactions entered into with the related parties are as follows:

<u>Transaction</u>	<u>Nature of relationship</u>	<u>Name of the related party</u>	Nine months period ended 30 September 2020 <u>(Unaudited)</u>	Nine months period ended 30 September 2019 <u>(Unaudited)</u>
Car park income (Note 17)	Shareholder	Bahrain Real Estate Investment (Edamah) B.S.C (c)	<u>38,218</u>	<u>31,500</u>

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Selected explanatory notes to the condensed interim financial information for the quarter and nine months period ended 30 September 2020

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24 Transactions and balances with related parties (continued)

<u>Transaction</u>	<u>Nature of relationship</u>	<u>Name of the related party</u>	<u>Nine months period ended 30 September 2020</u> (Unaudited)	<u>Nine months period ended 30 September 2019</u> (Unaudited)
Lease rent expenses (Note 20)	Shareholder	Bahrain Real Estate Investment (Edamah) B.S.C (c)	<u>102,941</u>	<u>54,553</u>
Directors' remuneration (Note 21)	Key management personnel *	Key management personnel *	<u>25,272</u>	<u>30,332</u>
Directors' sitting fees	Key management personnel *	Key management personnel *	<u>30,750</u>	<u>25,550</u>

(*) Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, including the directors of the Company.

A summary of the related party balances is as follows:

<u>Name of the related party</u>	<u>Nature of relationship</u>	<u>Amounts due from a related party (Note 12)</u>	
		<u>30 September 2020</u>	<u>31 December 2019</u>
Bahrain Real Estate Investment (Edamah) B.S.C (c)	Shareholder	<u>-</u>	<u>149,119</u>

<u>Name of the related party</u>	<u>Nature of relationship</u>	<u>Amounts due to a related party (Note 16)</u>	
		<u>30 September 2020</u>	<u>31 December 2019</u>
Bahrain Real Estate Investment (Edamah) B.S.C (c)	Shareholder	<u>125,914</u>	<u>132,604</u>

25 Segmental information

Business segments - primary reporting segment

The Company's primary segment reporting format is business segments. A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different to those of other business segments. The Company's primary business segments are:

- Car park services - This segment is involved in providing car parks for the public in return for parking charges.
- Property rental income - This segment is involved in the management, maintenance and renting of properties.
- Investment and related services - This segment is involved in trading in financial assets and investing excess funds in the primary and secondary market.

Bahrain Car Parks Company B.S.C.

Selected explanatory notes to the condensed interim financial information for the quarter and nine months period ended 30 September 2020

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25 Segmental information (continued)

As at, and for the nine months period ended 30 September 2020

	<u>Car park services</u>	<u>Property rental income</u>	<u>Investment activities</u>	<u>Unallocated</u>	<u>Total</u>
Operating income	549,067	665,206	-	-	1,214,273
Net income from investments	-	-	288,151	-	288,151
Other income	<u>64,128</u>	<u>82,353</u>	<u>100</u>	-	<u>146,581</u>
Total revenue	613,195	747,559	288,251	-	1,649,005
Operating and general expenses (including maintenance costs)	313,600	678,351	22,580	-	1,014,531
Depreciation	12,705	43,596	-	-	56,301
Unallocated expenses	-	-	-	<u>25,272</u>	<u>25,272</u>
Total expenses	<u>326,305</u>	<u>721,947</u>	<u>22,580</u>	<u>25,272</u>	<u>1,096,104</u>
Segment profit/(loss)	<u>286,890</u>	<u>25,612</u>	<u>265,671</u>	<u>(25,272)</u>	<u>552,901</u>
Reportable segment assets as at 30 September 2020	<u>158,844</u>	<u>6,874,610</u>	<u>12,977,704</u>	-	<u>20,011,158</u>
Reportable segment liabilities as at 30 September 2020	<u>156,792</u>	<u>388,004</u>	-	-	<u>544,796</u>

As at 31 December 2019, and for the nine months period ended 30 September 2019

	<u>Car park services</u>	<u>Property rental income</u>	<u>Investment activities</u>	<u>Unallocated</u>	<u>Total</u>
Operating income	550,727	595,569	-	-	1,146,296
Net income from investments	-	-	319,308	-	319,308
Other income	<u>241</u>	<u>545</u>	-	-	<u>786</u>
Total revenue	550,968	596,114	319,308	-	1,466,390
Operating and general expenses (including maintenance costs)	288,066	461,682	18,806	-	768,554
Depreciation	7,346	43,453	-	-	50,799
Unallocated expenses	-	-	-	<u>30,332</u>	<u>30,332</u>
Total expenses	<u>295,412</u>	<u>505,135</u>	<u>18,806</u>	<u>30,332</u>	<u>849,685</u>
Segment profit/(loss)	<u>255,556</u>	<u>90,979</u>	<u>300,502</u>	<u>(30,332)</u>	<u>616,705</u>
Reportable segment assets as at 31 December 2019	<u>242,927</u>	<u>9,299,184</u>	<u>10,629,006</u>	-	<u>20,171,117</u>
Reportable segment liabilities as at 31 December 2019	<u>178,905</u>	<u>378,785</u>	-	-	<u>557,690</u>

25 Segmental information (continued)

Geographical segments - secondary reporting segment

A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and return that are different from those of segments operating in other economic environments.

The Company's operations are restricted to the Kingdom of Bahrain; therefore no geographical segmental information has been presented.

26 Interim results

The interim net profit for the nine months period ended 30 September 2020 may not represent a proportionate share of the annual net profit or loss due to the variability in timing of the receipt of dividends and investments income.

27 Events after the reporting date

There were no events occurring subsequent to 30 September 2020 and before the date of the report that are expected to have a significant impact on these condensed interim financial information.