

Bahrain Car Parks Company B.S.C.

Condensed interim financial information
for the quarter and six months period ended
30 June 2019
(Unaudited)

Bahrain Car Parks Company B.S.C.
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Bahrain Car Parks Company B.S.C.
Administration and contact details as at 30 June 2019

Commercial registration number	11455 obtained on 31 October 1981	
Board of Directors	Ismaeel AbdulNabi Ismaeel AlMarhoon Nabeel Khaled Mohammed Kanoo Ali Mohamed Qasim Buhamood Ali Abdulla Mohamed Isa Mohamed Abdulelah AbdulRahim Alkoheji Abdulla Nooruddin Abdulla Nooruddin Yusuf AbdulRahman Yusuf Fakhro Yaser AbdulJalil Ali Alsharifi Badr A S Alhasawi	- Chairman - Vice chairman
Executive Committee members	Yaser AbdulJalil Ali Alsharifi Ali Mohamed Qasim Buhamood Mohamed Abdulelah AbdulRahim Alkoheji Abdulla Nooruddin Abdulla Nooruddin	- Chairman
Audit Committee members	Mohamed Abdulelah AbdulRahim Alkoheji Ali Abdulla Mohamed Isa Yusuf AbdulRahman Yusuf Fakhro	- Chairman
NRCG Committee members	Ismaeel AbdulNabi Ismaeel AlMarhoon Nabeel Khaled Mohammed Kanoo Badr A S Alhasawi	- Chairman
Chief Executive Officer	Tariq Ali Husain Aljowder	
Director Finance	Mahmood Husain Yaseen	
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 Office Tower PO Box 787 Manama Kingdom of Bahrain	
Internal auditors	Protiviti - Bahrain PO Box 10231 Manama Kingdom of Bahrain	
Share Registrar	Karvy Computershare W.L.L. PO Box 514, Manama Kingdom of Bahrain Bahrain Clear 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 June 2019, 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 six 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 June 2019, and of its financial performance and its cash flows for the quarter and six months period then ended in accordance with International Financial Reporting Standard IAS 34 - "*Interim Financial Reporting*".

BDO


Manama, Kingdom of Bahrain
16 July 2019



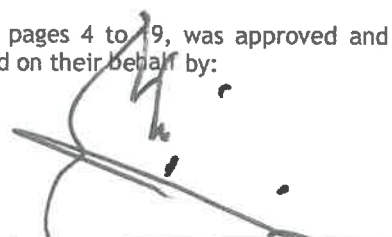
Bahrain Car Parks Company B.S.C.
Condensed interim statement of financial position as at 30 June 2019
(Unaudited)
(Expressed in Bahrain Dinars)

	Notes	30 June 2019 (Unaudited)	31 December 2018 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	4	8,872,302	2,893,817
Financial assets at fair value through other comprehensive income	5	3,097,025	3,348,492
Investments at amortised cost	6	380,871	380,871
Investment properties	7	492,044	492,044
Right-of-use asset	8	149,008	-
		<u>12,991,250</u>	<u>7,115,224</u>
Current assets			
Inventories		10,519	8,577
Short-term fixed deposits	9	5,531,098	4,674,496
Trade and other receivables	10	317,595	261,484
Cash and bank balances	11	669,397	1,606,559
		<u>6,528,609</u>	<u>6,551,116</u>
Total assets		<u>19,519,859</u>	<u>13,666,340</u>
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	12	11,031,723	7,031,723
Share premium	12	2,000,000	-
Treasury shares	12	(101,456)	(101,456)
Statutory reserve		3,021,743	3,021,743
Charity reserve		22,400	12,400
Investment fair value reserve		(247,953)	3,514
Retained earnings		3,368,333	3,363,876
Total equity		<u>19,094,790</u>	<u>13,331,800</u>
Non-current liabilities			
Non-current portion of lease liability	13	154,084	-
Employees' terminal benefits		30,038	25,469
		<u>184,122</u>	<u>25,469</u>
Current liabilities			
Current portion of lease liability	13	596	-
Other payables	14	240,351	309,071
		<u>240,947</u>	<u>309,071</u>
Total liabilities		<u>425,069</u>	<u>334,540</u>
Total equity and liabilities		<u>19,519,859</u>	<u>13,666,340</u>

These unaudited condensed interim financial information, set out on pages 4 to 9, was approved and authorised for issue by the Board of Directors on 16 July 2019 and signed on their behalf by:


Ismaeel Abdulnabi AlMarhoon
Chairman


Nabeel Khaled Kanoo
Vice Chairman


Tariq Ali Aljowder
Chief Executive Officer

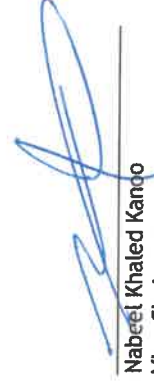
Bahrain Car Parks Company B.S.C.
Condensed interim statement of profit or loss for the quarter and six months period ended 30 June 2019 (Unaudited)
(Expressed in Bahrain Dinars)

	Notes	Six months period ended 30 June 2019	Six months period ended 30 June 2018	Quarter ended 30 June 2019	Quarter ended 30 June 2018
Operating income	15	652,858	582,933	335,730	292,243
Net income from investments	16	247,330	232,983	64,066	52,800
Operating, general and administrative expenses	17	<u>(509,588)</u>	<u>(388,706)</u>	<u>(230,024)</u>	<u>(201,574)</u>
Operating profit		390,600	427,210	169,772	143,469
Other income		703	4,075	201	205
Directors' remuneration	18	<u>(30,332)</u>	<u>(37,343)</u>	-	-
Net profit for the period		<u>360,971</u>	<u>393,942</u>	<u>169,973</u>	<u>143,674</u>
Basic and diluted earnings per share	19	<u>3.30 fils</u>	<u>5.68 fils</u>	<u>1.55 fils</u>	<u>2.07 fils</u>

These unaudited condensed interim financial information, set out on pages 4 to 19, was approved and authorised for issue by the Board of Directors on 16 July 2019 and signed on their behalf by:



Ismaeel Abdulnabi AlMarhoon
Chairman



Nabeel Khaled Kando
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 six months period ended 30 June 2019 (Unaudited)
(Expressed in Bahrain Dinars)

	Notes	Six months period ended 30 June 2019	Six months period ended 30 June 2018	Quarter ended 30 June 2019	Quarter ended 30 June 2018
Net profit for the period		360,971	393,942	169,973	143,674
Other comprehensive income					
<i>Items that will not be reclassified to profit or loss</i>					
Unrealised fair value losses on financial assets at fair value through other comprehensive income	5	(251,467)	(166,810)	(240,823)	(84,277)
Other comprehensive loss for the period		(251,467)	(166,810)	(240,823)	(84,277)
Total comprehensive income/(losses) for the period		109,504	227,132	(70,850)	59,397

These unaudited condensed interim financial information, set out on pages 4 to 19, was approved and authorised for issue by the Board of Directors on 16 July 2019 and signed on their behalf by:



Ismaeel Abdulnabi AlMarhoon
Chairman



Nabeel Khaled Kanoo
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 quarter and six months period ended 30 June 2019 (Unaudited)
(Expressed in Bahrain Dinars)

	Share capital	Share premium	Treasury shares	Statutory reserve	Charity reserve	Investment fair value reserve	Retained earnings	Total
At 31 December 2017 (audited)	7,031,723	-	(101,456)	2,949,540	4,900	-	3,070,559	12,955,266
Total comprehensive income for the period	-	-	-	-	-	(166,810)	393,942	227,132
Dividends declared for 2017 (Note 20)	-	-	-	-	-	-	(346,514)	(346,514)
Charity payments during the period	-	-	-	-	(2,500)	-	-	(2,500)
Charity reserve created during the period	-	-	-	-	10,000	-	(10,000)	-
At 30 June 2018 (unaudited)	7,031,723	-	(101,456)	2,949,540	12,400	(166,810)	3,107,987	12,833,384
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	-	-	-	-	-	(251,467)	360,971	109,504
Dividends paid for 2018 (Note 20)	-	-	-	-	-	-	(346,514)	(346,514)
Charity reserve created during the period	-	-	-	-	10,000	-	(10,000)	-
At 30 June 2019 (unaudited)	11,031,723	2,000,000	(101,456)	3,021,743	22,400	(247,953)	3,368,333	19,094,790

Bahrain Car Parks Company B.S.C.
Condensed interim statement of cash flows for the quarter and six months period ended
30 June 2019
(Unaudited)
(Expressed in Bahrain Dinars)

	Notes	Six months period ended 30 June 2019	Six months period ended 30 June 2018
Operating activities			
Net profit for the period		360,971	393,942
Adjustments for:			
Depreciation	4	33,507	30,830
Amortisation of right-of-use asset	8	5,960	-
Interest expense on lease liability	13	4,712	-
Unrealised fair value gains on investment properties	16	-	(10,684)
Interest income	16	(128,497)	(102,620)
Dividends income	16	(118,833)	(119,679)
Changes in operating assets and liabilities:			
Inventories		(1,942)	678
Trade and other receivables		(56,111)	(45,947)
Other payables		(68,720)	(218,911)
Employees' terminal benefits, net		4,569	841
Net cash provided by/(used in) operating activities		<u>35,616</u>	<u>(71,550)</u>
Investing activities			
Purchase of property, plant and equipment	4	(11,992)	(17,218)
Interest income received	16	128,497	102,620
Dividends received	16	118,833	119,679
Net movement in fixed deposits		<u>(856,602)</u>	<u>360,208</u>
Net cash (used in)/provided by investing activities		<u>(621,264)</u>	<u>565,289</u>
Financing activities			
Principal elements of lease payments	13	(5,000)	
Dividends paid	20	(346,514)	(346,514)
Charity payments		-	(2,500)
Net cash used in financing activities		<u>(351,514)</u>	<u>(349,014)</u>
Net (decrease)/increase in cash and cash equivalents		(937,162)	144,725
Cash and cash equivalents, beginning of the period		1,606,559	756,175
Cash and cash equivalents, end of the period	11	<u>669,397</u>	<u>900,900</u>

Non-cash transactions:

During the period, 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, has been eliminated from statement of cash flows of the period ended 30 June 2019, being a non-cash transaction (Note 4).

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 and Commerce 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.

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 2018, which have been prepared in accordance with International Financial Reporting Standards.

The preparation of financial statements 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.

These financial statements have been prepared using the going concern assumption under the historical cost convention, except for the investment classified as financial assets at fair value through other comprehensive income and investment properties which are recorded at their fair market value at the statement of financial position date.

The financials information has been presented in Bahraini Dinar (BD) which is also 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.

Standards, amendments and interpretations effective and adopted in 2019

The following new standard, amendment to existing standard or interpretation to published standard is mandatory for the first time for the financial year beginning 1 January 2019 and has been adopted in the preparation of these condensed interim financial information:

<u>Standard or interpretation</u>	<u>Title</u>	<u>Effective for annual periods beginning on or after</u>
IFRS 16	Leases	1 January 2019

Bahrain Car Parks Company B.S.C.

Selected explanatory notes to the condensed interim financial information for the quarter and six months period ended 30 June 2019

(Unaudited)

(Expressed in Bahrain Dinars)

2 Basis of preparation (continued)

Standards, amendments and interpretations effective and adopted in 2018 (continued)

IFRS 16 Leases

IFRS 16 supersedes IAS 17 Leases. As a result of adoption of IFRS 16, the Company has recognised right of use assets and lease liabilities for all contracts that are, or contain, a lease. For leases currently classified as operating leases, under previous accounting requirements, the Company did not recognise related assets or liabilities, and instead spread the lease payments on a straight-line basis over the lease term, disclosing in its condensed interim financial information the total commitment.

The Company has adopted and implemented IFRS 16 from 1 January 2019 and therefore the Company has recognised leases on balance sheet as at 1 January 2019. In addition, it also decided to measure right-of-use assets by reference to the measurement of the lease liability on that date.

In accordance with the transition provisions of IFRS 16, instead of recognising an operating expense for its operating lease arrangements, the Company has recognised finance costs on its lease liabilities and amortisation charge on its right-of-use assets. This will increase reported EBITDA by the amount of its operating lease cost.

As a result of the adoption of this standard as of 1 January 2019, BD154,968 was recognised as right-of-use assets and as lease liabilities. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 6.5%. The following is a reconciliation of total operating lease commitments at 31 December 2018 to the lease liabilities recognised at 1 January 2019:

	<u>Leasehold land</u>
Operating lease commitments disclosed at 31 December 2018	230,000
Discounted using the lessee's incremental borrowing rate of at the date of initial application	<u>(75,032)</u>
Lease liabilities recognised under IFRS 16 at 1 January 2019	<u>154,968</u>

The variable lease payments not recognised as per IFRS 16 amounts to BD28,588.

Standards, amendments and interpretations issued and effective in 2019 but not relevant

The following new amendments to existing standard and interpretation to published standard is mandatory for accounting period beginning on or after 1 January 2019 or subsequent periods, but is 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 12	Income taxes	1 January 2019
IAS 19	Employee benefits	1 January 2019
IAS 23	Borrowing costs	1 January 2019
IAS 28	Investments in Associates and Joint Ventures	1 January 2019
IFRS 9	Financial instruments	1 January 2019
IFRS 3	Business combinations	1 January 2019
IFRS 11	Joint arrangements	1 January 2019
IFRIC 23	Uncertainty over income tax treatments	1 January 2019

2 Basis of preparation (continued)

Standards, amendments and interpretations issued but not yet effective in 2019

The following new/amended accounting standards and interpretations have been issued, but are not mandatory for financial period ended 30 June 2019. They have not been adopted in preparing the financial statements for the period ended 30 June 2019 and will or may have an effect on the entity's future financial statements. In all cases, the entity intends to apply these standards 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 2021

There would have been no change in the operational results of the Company for the period ended 30 June 2019 had the Company early adopted any of the above standards applicable to the Company.

Early adoption of amendments or standards in 2019

The Company did not early-adopt any new or amended standards in 2019.

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 2018, as described in those annual audited financial statements except for the change arising due to adoption of IFRS 16.

Right-of-use assets

As explained above in Note 2, the Company has implemented IFRS 16 from 1 January 2019 and therefore the Company has recognised a right-of-use assets and lease liability in the condensed interim financial information. In accordance with the transition provisions of IFRS 16, instead of recognising an operating expense for its operating lease arrangements, the Company has recognised finance costs on its lease liabilities and amortisation charge on its right-of-use assets.

The Company recognises a right of use asset and a lease liability at the lease commencement date. The right-of-use of asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

The right-of-use asset is subsequently amortised using the straight line method from the commencement date to the earlier of the end of the estimated useful life of the right of use asset or the end of the lease term. The estimated useful lives of right of use assets are determined on the same basis as those of property, plant and equipment. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

Amortisation is calculated on a straight line basis over the estimated useful lives of the right of use assets.

Bahrain Car Parks Company B.S.C.

Selected explanatory notes to the condensed interim financial information for the quarter and six months period ended 30 June 2019

(Unaudited)

(Expressed in Bahrain Dinars)

3 Significant accounting policies (continued)***Lease liability***

The lease is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprising fixed payments, including in-substance fixed payments.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset, or is recorded in profit or loss if the carrying amount of the right of use asset has been reduced to zero.

4 Property, plant and equipment

	Freehold land	Building on leasehold land	Car park and other equipment	Office furniture and equipment	Total
<i>Cost</i>					
At 31 December 2017	2,487,226	8,138,413	174,349	96,316	10,896,304
Additions during the year	-	-	<u>14,682</u>	<u>7,770</u>	<u>22,452</u>
At 31 December 2018	2,487,226	8,138,413	189,031	104,086	10,918,756
Additions during the period	-	<u>6,000,000</u>	<u>7,072</u>	<u>4,920</u>	<u>6,011,992</u>
At 30 June 2019	<u>2,487,226</u>	<u>14,138,413</u>	<u>196,103</u>	<u>109,006</u>	<u>16,930,748</u>
<i>Accumulated depreciation</i>					
At 31 December 2017	32,696	7,863,177	10,058	55,768	7,961,699
Charge for the year	-	<u>18,352</u>	<u>29,807</u>	<u>15,081</u>	<u>63,240</u>
At 31 December 2018	32,696	7,881,529	39,865	70,849	8,024,939
Charge for the period (Note 17)	-	<u>9,100</u>	<u>16,427</u>	<u>7,980</u>	<u>33,507</u>
At 30 June 2019	<u>32,696</u>	<u>7,890,629</u>	<u>56,292</u>	<u>78,829</u>	<u>8,058,446</u>
<i>Net book amount</i>					
At 30 June 2019 (unaudited)	<u>2,454,530</u>	<u>6,247,784</u>	<u>139,811</u>	<u>30,177</u>	<u>8,872,302</u>
At 31 December 2018 (audited)	<u>2,454,530</u>	<u>256,884</u>	<u>149,166</u>	<u>33,237</u>	<u>2,893,817</u>

The land on which the car park building is constructed has been leased from the Government of the Kingdom of Bahrain at variable lease rentals for a period of 50 years commencing from the year 1982.

Additions to property, plant and equipment during the six month period ended 30 June 2018 amounted to BD17,218 and depreciation amounted to BD30,830. There were no disposals of property, plant and equipment during the six month period ended 30 June 2018.

Bahrain Car Parks Company B.S.C.

Selected explanatory notes to the condensed interim financial information for the quarter and six months period ended 30 June 2019

(Unaudited)

(Expressed in Bahrain Dinars)

4 Property, plant and equipment (continued)

During the period, 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" for a period of 99 years with an automatic renewal for the same period after the completion of initial period.

5 Investments in fair value through other comprehensive income

	30 June 2019 <u>(Unaudited)</u>	31 December 2018 <u>(Audited)</u>
Opening balance	3,348,492	3,344,978
Unrealised fair value (losses)/gains recognised in statement of other comprehensive income	<u>(251,467)</u>	<u>3,514</u>
Closing balance	<u>3,097,025</u>	<u>3,348,492</u>

The above investments are further classified as follows:

	30 June 2019 <u>(Unaudited)</u>	31 December 2018 <u>(Audited)</u>
Shares listed on the Bahrain Bourse	2,294,511	2,551,441
Unquoted equity shares	<u>802,514</u>	<u>797,051</u>
	<u>3,097,025</u>	<u>3,348,492</u>

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

Currency	30 June 2019 <u>(Unaudited)</u>	31 December 2018 <u>(Audited)</u>
United States Dollar	691,415	721,575
Bahrain Dinar	<u>2,405,610</u>	<u>2,626,917</u>
	<u>3,097,025</u>	<u>3,348,492</u>

6 Investments at amortised cost

	30 June 2019 <u>(Unaudited)</u>	31 December 2018 <u>(Audited)</u>
Closing balance	<u>380,871</u>	<u>380,871</u>

Amortised cost investments represent bonds (Ahli United Bank Perpetual Tier 1 Capital Securities) carrying coupon interest of 6.875%, having maturity period of 5 years with settlement date of 29 April 2020 and are denominated in United States Dollars.

Bahrain Car Parks Company B.S.C.

Selected explanatory notes to the condensed interim financial information for the quarter and six months period ended 30 June 2019

(Unaudited)

(Expressed in Bahrain Dinars)

7 Investment properties

	30 June 2019 <u>(Unaudited)</u>	31 December 2018 <u>(Audited)</u>
Opening balance	492,044	481,360
Unrealised fair value gains for the year (Note 16)	<u>-</u>	<u>10,684</u>
Closing balance	<u>492,044</u>	<u>492,044</u>

8 Right-of-use assets

	Leasehold land <u>(Unaudited)</u>
On adoption of IFRS 16 as at 1 January 2019 (Note 2)	154,968
Amortisation charge for the period	<u>(5,960)</u>
Balance at 30 June 2019	<u>149,008</u>

9 Short term fixed deposits

	30 June 2019 <u>(Unaudited)</u>	31 December 2018 <u>(Audited)</u>
Short-term fixed deposit with banks maturing after 3 months but within 1 year	<u>5,531,098</u>	<u>4,674,496</u>

Fixed deposits held with the Company's bankers earn interest at rates ranging between 3% and 5% per annum (2018: between 2.75% and 5% per annum) and are denominated in Bahrain Dinars.

10 Trade and other receivables

	30 June 2019 <u>(Unaudited)</u>	31 December 2018 <u>(Audited)</u>
Rents receivable from tenants	189,499	198,700
Less: provision for impaired rents receivable from tenants	<u>(62,105)</u>	<u>(46,633)</u>
Accrued interest	127,394	152,067
Advances paid to creditors	86,170	75,971
Staff advances	31,640	14,589
Staff advances	4,000	4,000
Prepayments and other receivables	<u>68,391</u>	<u>14,857</u>
	<u>317,595</u>	<u>261,484</u>

The Company's rent receivables are generally on 30 days credit terms and are primarily denominated in Bahrain Dinar.

Bahrain Car Parks Company B.S.C.**Selected explanatory notes to the condensed interim financial information for the quarter and six months period ended 30 June 2019****(Unaudited)****(Expressed in Bahrain Dinars)****11 Cash and bank balances**

	<u>30 June 2019</u> (Unaudited)	<u>31 December 2018</u> (Audited)
Cash on hand	780	780
Current account balances with banks	<u>668,617</u>	<u>1,605,779</u>
	<u>669,397</u>	<u>1,606,559</u>

The current account balances with banks bears interest rate ranging from 0% to 2.5% per annum.

12 Share capital

	<u>30 June 2019</u> (Unaudited)	<u>31 December 2018</u> (Audited)
Authorised: 125,000,000 ordinary shares of 100 fils each (2018: 100,000,000 ordinary shares of 100 fils each)	<u>12,500,000</u>	<u>10,000,000</u>
Issued and fully paid-up: 110,317,230 ordinary shares of 100 fils each (2018: 70,317,230 ordinary shares of 100 fils each)	11,031,723	7,031,723
Less: 1,014,560 treasury shares of 100 fils each (2018: 1,014,560 treasury shares of 100 fils each)	<u>(101,456)</u>	<u>(101,456)</u>
	<u>10,930,267</u>	<u>6,930,267</u>

During the period, 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". Accordingly the difference between par value and the issued price amounting to BD2,000,000 has been transferred to share premium account.

13 Lease liabilities

	<u>30 June 2019</u> (Unaudited)
Lease liabilities on adoption of IFRS 16 (Note 2)	154,968
Lease payment	(5,000)
Finance charges	<u>4,712</u>
	154,680
Less: Current lease liabilities	<u>(596)</u>
Non-current lease liabilities	<u>154,084</u>

Bahrain Car Parks Company B.S.C.

Selected explanatory notes to the condensed interim financial information for the quarter and six months period ended 30 June 2019

(Unaudited)

(Expressed in Bahrain Dinars)

13 Lease liabilities (continued)

Maturity analysis - contractual undiscounted cash flows:

	<u>30 June 2019</u>
Less than one year	10,000
One to five years	65,000
More than five years	<u>150,000</u>
Total undiscounted lease liabilities	<u><u>225,000</u></u>

14 Other payables

	<u>30 June 2019</u> (Unaudited)	<u>31 December 2018</u> (Audited)
Unclaimed dividends	85,466	91,386
Other payables	128,859	196,769
Advances received from tenants	2,681	4,784
Provision for leave salary and air passage	<u>23,345</u>	<u>16,132</u>
	<u><u>240,351</u></u>	<u><u>309,071</u></u>

Other payables are generally settled within 30 to 60 days of the suppliers' invoice date.

15 Operating income

	Six months period ended 30 June 2019 (Unaudited)	Six months period ended 30 June 2018 (Unaudited)	Quarter ended 30 June 2019 (Unaudited)	Quarter ended 30 June 2018 (Unaudited)
Car park income	347,892	271,265	177,061	138,637
Rental income	243,345	247,973	126,860	121,985
Service charges income	<u>61,621</u>	<u>63,695</u>	<u>31,809</u>	<u>31,621</u>
	<u><u>652,858</u></u>	<u><u>582,933</u></u>	<u><u>335,730</u></u>	<u><u>292,243</u></u>

16 Net income from investments

	Six months period ended 30 June 2019 (Unaudited)	Six months period ended 30 June 2018 (Unaudited)	Quarter ended 30 June 2019 (Unaudited)	Quarter ended 30 June 2018 (Unaudited)
Dividend income	118,833	119,679	-	-
Interest income	128,497	102,620	64,066	52,800
Unrealised fair value gain on investment properties	<u>-</u>	<u>10,684</u>	<u>-</u>	<u>-</u>
	<u><u>247,330</u></u>	<u><u>232,983</u></u>	<u><u>64,066</u></u>	<u><u>52,800</u></u>

Bahrain Car Parks Company B.S.C.

Selected explanatory notes to the condensed interim financial information for the quarter and six months period ended 30 June 2019

(Unaudited)

(Expressed in Bahrain Dinars)

17 Operating, general and administrative expenses

	Six months period ended 30 June 2019 (Unaudited)	Six months period ended 30 June 2018 (Unaudited)	Quarter ended 30 June 2019 (Unaudited)	Quarter ended 30 June 2018 (Unaudited)
Other operating, general and administrative expenses	149,952	125,039	76,079	69,223
Staff costs	244,665	148,916	97,440	60,736
Lease rent expenses (Note 2)	28,588	47,804	19,813	37,348
Maintenance costs	37,404	36,117	18,008	18,422
Depreciation (Note 4)	33,507	30,830	17,000	15,845
Provision for impaired trade receivables	<u>15,472</u>	<u>-</u>	<u>1,684</u>	<u>-</u>
	<u>509,588</u>	<u>388,706</u>	<u>230,024</u>	<u>201,574</u>

18 Directors' remuneration**Accrued and expensed**

An amount of BD30,332 has been accrued and expensed as directors' remuneration in 2019, relating to the year ended 31 December 2018 (2018: BD37,343 for the year ended 31 December 2017). The payment was approved by the shareholders in the Annual General Meeting held on 21 March 2019 (2018: 21 March 2018). Directors' remuneration is only expensed in the statement of profit or loss in the year in which it is approved by the shareholder.

19 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.

	Six months period ended 30 June 2019 (Unaudited)	Six months period ended 30 June 2018 (Unaudited)	Quarter ended 30 June 2019 (Unaudited)	Quarter ended 30 June 2018 (Unaudited)
Net profit attributable to the shareholders	<u>360,971</u>	<u>393,942</u>	<u>169,973</u>	<u>143,674</u>
Weighted average number of ordinary shares	<u>109,302,670</u>	<u>69,302,670</u>	<u>109,302,670</u>	<u>69,302,670</u>
Basic and diluted earnings per share	<u>3.30 fils</u>	<u>5.68 fils</u>	<u>1.55 fils</u>	<u>2.07 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.

20 Dividends**Declared and paid**

A dividend of BD346,514 representing 5% of the total issued and fully paid-up share capital of the Company for the year ended 31 December 2018 (at 5 fils per share) (2018: BD346,514 for the year ended 31 December 2017 at 5 fils per share), was approved by the shareholders in the Annual General Meeting of the shareholders held on 21 March 2019 (2018: 21 March 2018).

Bahrain Car Parks Company B.S.C.**Selected explanatory notes to the condensed interim financial information for the quarter and six months period ended 30 June 2019****(Unaudited)****(Expressed in Bahrain Dinars)****21 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, key management personnel and their close family members and such other companies over which the Company or its shareholders, 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 arm's length basis.

A summary of the significant transactions entered into with the related parties are as follows:

	Six months period ended 30 June 2019 (Unaudited)	Six months period ended 30 June 2018 (Unaudited)
Directors' remuneration	<u>30,332</u>	<u>37,343</u>
Board of directors attendance fee	<u>17,500</u>	<u>20,000</u>

22 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 rental - This business segment is involved in the operation of car parks.
- Investment activities - This business segment is involved in investing in shares listed on stock exchanges, managed funds and unquoted equity shares

As at, and for the six months period ended 30 June 2019

	<u>Car park rental</u>	<u>Investment activities</u>	<u>Total</u>
Operating income	652,858	-	652,858
Other income	<u>703</u>	<u>-</u>	<u>703</u>
Total revenue	653,561	-	653,561
Net income from investments	-	247,330	247,330
Depreciation	<u>(33,507)</u>	<u>-</u>	<u>(33,507)</u>
Segment profit	<u>113,641</u>	<u>247,330</u>	<u>360,971</u>
Reportable segment assets as at 30 June 2019	<u>9,349,589</u>	<u>10,170,270</u>	<u>19,519,859</u>
Reportable segment liabilities as at 30 June 2019	<u>425,069</u>	<u>-</u>	<u>425,069</u>

Bahrain Car Parks Company B.S.C.

Selected explanatory notes to the condensed interim financial information for the quarter and six months period ended 30 June 2019

(Unaudited)

(Expressed in Bahrain Dinars)

22 Segmental information (continued)

As at 31 December 2018, and for the six months period ended 30 June 2018

	<u>Car park rental</u>	<u>Investment activities</u>	<u>Total</u>
Operating income	582,933	-	582,933
Other income	<u>4,075</u>	<u>-</u>	<u>4,075</u>
Total revenue	587,008	-	587,008
Net income from investments	-	232,983	232,983
Depreciation	<u>(30,830)</u>	<u>-</u>	<u>(30,830)</u>
Segment profit	<u>160,959</u>	<u>232,983</u>	<u>393,942</u>
Reportable segment assets as at 31 December 2018	<u>3,088,687</u>	<u>10,577,653</u>	<u>13,666,340</u>
Reportable segment liabilities as at 31 December 2018	<u>334,540</u>	<u>-</u>	<u>334,540</u>

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.

23 Interim results

The interim net profit for the quarter and six months period ended 30 June 2019 may not represent a proportionate share of the annual net profit or loss due to the variability in timing of the receipt of dividend and investments income.

24 Subsequent events

There were no events occurring subsequent to 30 June 2019 and before the date of the report that are expected to have a significant impact on these condensed interim financial information.