

Interim Consolidated Statement of Financial Position

As at 30 September 2020 (Reviewed)

	Reviewed September 30 2020 US\$ 000	Audited December 31 2019 US\$ 000	Reviewed September 30 2019 US\$ 000
ASSETS			
Demand and call deposits with banks	125,663	71,369	94,720
Placements with banks	145,203	236,110	196,506
Investments carried at fair value through statement of income	85,824	97,778	81,732
Investments carried at fair value through other comprehensive income	123,844	131,048	129,891
Investments carried at amortised cost	-	280	283
Loans and receivables	27,911	27,778	27,116
Other assets	63,121	62,933	64,372
Investments in associates	66,460	75,774	74,008
Investment properties	102,197	102,713	97,744
Property and equipment	49,904	51,849	51,071
Goodwill and other intangible assets	64,627	65,591	65,749
Assets of disposal group held for sale	4,815	-	-
TOTAL ASSETS	859,569	923,223	883,192
LIABILITIES AND EQUITY			
LIABILITIES			
Due to banks and other financial institutions	173,505	307,784	210,819
Deposits from customers	68,051	22,647	36,543
Loans payable	91,093	36,875	89,260
Long term bonds	130,719	131,948	131,536
Other liabilities	85,288	90,965	89,936
TOTAL LIABILITIES	548,656	590,219	558,094
EQUITY			
Share capital	116,132	116,132	116,132
Share premium	5,687	5,687	5,687
Statutory reserve	52,032	52,032	50,890
General reserve	31,763	31,763	30,621
Fair value reserve	(8,233)	(6,009)	(11,507)
Foreign currency translation reserve	(5,294)	(4,569)	(5,083)
Retained earnings	5,569	15,911	8,032
CAPITAL AND RESERVES ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT	197,656	210,947	194,772
Perpetual Tier 1 capital	33,000	33,000	33,000
Non-controlling interests	80,257	89,057	97,326
TOTAL EQUITY	310,913	333,004	325,098
TOTAL LIABILITIES AND EQUITY	859,569	923,223	883,192

Interim Consolidated Statement of Income

For the nine-month period ended 30 September 2020 (Reviewed)

	Three-month period ended 30 September		Nine-month period ended 30 September	
	2020 US\$ 000	2019 US\$ 000	2020 US\$ 000	2019 US\$ 000
Continuing operations				
Investment income (loss) - net	5,688	1,900	(873)	19,150
Interest income	1,228	2,876	3,963	8,039
	6,916	4,776	3,090	27,189
Fees and commissions - net	13,371	15,589	44,494	46,412
Foreign currency translation gains - net	2,526	709	2,702	805
Share of results of associates - net	675	(857)	(6,476)	3,084
Total income	23,488	20,217	43,810	77,490
Interest expense	(4,730)	(5,857)	(13,849)	(16,864)
Operating income before expenses and provisions	18,758	14,360	29,961	60,626
Salaries and benefits	(7,278)	(9,147)	(23,576)	(32,135)
General and administrative expenses	(4,791)	(5,494)	(15,361)	(20,653)
Operating income (loss) before provisions and tax	6,689	(281)	(8,976)	7,838
Expected credit losses - net	184	1,225	(171)	1,349
Profit (loss) before tax from continuing operations	6,873	944	(9,147)	9,187
Taxation - net	(27)	22	(62)	(855)
PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	6,846	966	(9,209)	8,332
Discontinued operations				
Net profit from discontinued operations	112	-	556	-
PROFIT (LOSS) FOR THE PERIOD	6,958	966	(8,653)	8,332
Net profit (loss) for the period attributable to:				
Shareholders of the parent				
- from continuing operations	3,395	424	(7,062)	4,681
- from discontinued operation	68	-	334	-
	3,463	424	(6,728)	4,681
Non-controlling interests				
- from continuing operations	3,451	542	(2,147)	3,651
- from discontinued operation	44	-	222	-
	3,495	542	(1,925)	3,651

Interim Consolidated Statement of Comprehensive Income

For the nine-month period ended 30 September 2020 (Reviewed)

	Three-month period ended 30 September		Nine-month period ended 30 September	
	2020 US\$ 000	2019 US\$ 000	2020 US\$ 000	2019 US\$ 000
NET PROFIT (LOSS) FOR THE PERIOD	6,958	966	(8,653)	8,332
Other comprehensive profit (loss)				
Items that may be reclassified to profit or loss in subsequent periods				
Foreign currency translation reserve	771	(375)	(2,226)	(669)
Fair value changes of investments carried at fair value through other comprehensive income	932	-	(2,715)	-
Cash flow hedges	1,703	(519)	(5,070)	(1,648)
Items that will not be reclassified to profit or loss in subsequent periods	519	(3,969)	(3,689)	(10,291)
Fair value changes of investments carried at fair value through other comprehensive income	2,222	(4,508)	(8,759)	(11,939)
TOTAL OTHER COMPREHENSIVE PROFIT (LOSS)	2,222	(4,508)	(8,759)	(11,939)
TOTAL COMPREHENSIVE PROFIT (LOSS) FOR THE PERIOD	9,180	(3,542)	(17,412)	(3,607)
Total comprehensive profit (loss) income attributable to:				
- shareholders of the parent	4,441	(3,466)	(11,530)	(5,469)
- non-controlling interests	4,739	(76)	(5,882)	1,862
	9,180	(3,542)	(17,412)	(3,607)

Interim Condensed Consolidated Statement of Cash Flows

For the nine-month period ended 30 September 2020 (Reviewed)

	Nine-month period ended 30 September	
	2020 US\$ 000	2019 US\$ 000
Net cash flows (used in) from operating activities	(78,821)	5,264
Net cash flows used in investing activities	(954)	(8,543)
Net cash flows from financing activities	52,520	35,475
Foreign currency translation adjustments - net	(776)	(771)
Movement in non-controlling interests	(2,918)	(1,188)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(30,949)	30,237
Cash and cash equivalents at 1 January	292,584	237,428
CASH AND CASH EQUIVALENTS AT 30 September	261,635	267,665

Interim Consolidated Statement of Changes In Equity

For the nine-month period ended 30 September 2020 (Reviewed)

	Attributable to shareholders of the parent											
	Share capital US\$ 000	Share premium US\$ 000	Statutory reserve US\$ 000	General reserve US\$ 000	Fair value reserve US\$ 000	Foreign currency translation reserve US\$ 000	Retained earnings US\$ 000	Total before non-controlling interests US\$ 000	Perpetual Tier 1 capital US\$ 000	Non-controlling interests US\$ 000	Total equity US\$ 000	
Balance at 1 January 2020	116,132	5,687	52,032	31,763	(6,009)	(4,569)	15,911	210,947	33,000	89,057	333,004	
Loss for the period	-	-	-	-	-	-	(6,728)	(6,728)	-	(1,925)	(8,653)	
Other comprehensive loss for the period	-	-	-	-	(4,077)	(725)	-	(4,802)	-	(3,957)	(8,759)	
Total comprehensive loss for the period	-	-	-	-	(4,077)	(725)	(6,728)	(11,530)	-	(5,882)	(17,412)	
Transfer upon disposal of equity investments carried at carried at fair value through other comprehensive income	-	-	-	-	1,853	-	(1,853)	-	-	-	-	
Interest payment on Tier 1 capital	-	-	-	-	-	-	(1,761)	(1,761)	-	-	(1,761)	
Distributions and other movements in non-controlling interests - net	-	-	-	-	-	-	-	-	-	(2,918)	(2,918)	
Balance at 30 September 2020	116,132	5,687	52,032	31,763	(8,233)	(5,294)	5,569	197,656	33,000	80,257	310,913	
Balance at 1 January 2019	101,132	5,687	50,890	30,621	(10,121)	(4,534)	13,318	186,993	33,000	94,863	314,856	
Profit for the period	-	-	-	-	-	-	4,681	4,681	-	3,651	8,332	
Other comprehensive loss for the period	-	-	-	-	(9,601)	(549)	-	(10,150)	-	(1,789)	(11,939)	
Total comprehensive (loss) income for the period	-	-	-	-	(9,601)	(549)	4,681	(5,469)	-	1,862	(3,607)	
Issue of share capital	15,000	-	-	-	-	-	-	15,000	-	-	15,000	
Transfer upon disposal of equity investments carried at carried at fair value through other comprehensive income	-	-	-	-	8,215	-	(8,215)	-	-	-	-	
Interest payment on Tier 1 capital	-	-	-	-	-	-	(1,752)	(1,752)	-	-	(1,752)	
Distributions and other movements in non-controlling interests - net	-	-	-	-	-	-	-	-	-	601	601	
Balance at 30 September 2019	116,132	5,687	50,890	30,621	(11,507)	(5,083)	8,032	194,772	33,000	97,326	325,098	

The above Interim Consolidated Statement of Financial Position, Interim Consolidated Statement of Income, Interim Consolidated Statement of Comprehensive Income, Interim Condensed Consolidated Statement of Cash Flows and Interim Consolidated Statement of Changes In Equity have been extracted from the Interim Condensed Consolidated Financial Statements of United Gulf Bank B.S.C.(c) For the nine-month period ended 30 September 2020, which were approved by the Board of Directors on 15 November 2020 and was reviewed by Ernst & Young, Kingdom of Bahrain.

Masaud Hayat
Chairman

Faisal Al Ayyar
Vice Chairman

Hussain Lalani
Chief Executive Officer



بنك الخليج المتحد
United Gulf Bank B.S.C. (Closed)