

Interim Consolidated Statement of Financial Position
As at 30 June 2020 (Reviewed)

	Reviewed June 30 2020 US\$ 000	Audited December 31 2019 US\$ 000	Reviewed June 30 2019 US\$ 000
ASSETS			
Demand and call deposits with banks	162,091	71,369	107,292
Placements with banks	103,551	236,110	243,529
Investments carried at fair value through statement of income	77,975	97,778	80,760
Investments carried at fair value through other comprehensive income	120,484	131,048	136,914
Investments carried at amortised cost	-	280	283
Loans and receivables	27,841	27,778	25,349
Other assets	63,425	62,933	61,086
Investments in associates	65,509	75,774	75,078
Investment properties	101,884	102,713	97,873
Property and equipment	50,142	51,849	51,709
Goodwill and other intangible assets	64,835	65,591	66,063
Assets of disposal group held for sale	41,360	-	-
TOTAL ASSETS	879,097	923,223	945,936
LIABILITIES AND EQUITY			
LIABILITIES			
Due to banks and other financial institutions	154,702	307,784	257,882
Deposits from customers	77,174	22,647	52,427
Loans payable	131,896	36,875	79,856
Long term bonds	129,980	131,948	131,844
Other liabilities	83,770	90,965	92,721
TOTAL LIABILITIES	577,522	590,219	614,730
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	(8,972)	(6,009)	(7,672)
Foreign currency translation reserve	(5,597)	(4,569)	(4,814)
Retained earnings	2,170	15,911	7,594
CAPITAL AND RESERVES ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT	193,215	210,947	198,238
Perpetual Tier 1 capital	33,000	33,000	33,000
Non-controlling interests	75,360	89,057	99,968
TOTAL EQUITY	301,575	333,004	331,206
TOTAL LIABILITIES AND EQUITY	879,097	923,223	945,936

Interim Consolidated Statement of Income
For the six-month period ended 30 June 2020 (Reviewed)

	Six-month period ended 30 June	
	2020 US\$ 000	2019 US\$ 000
Continuing operations		
Investment (loss) income - net	(6,561)	17,250
Interest income	2,735	5,163
Fees and commissions - net	(3,826)	22,413
Foreign currency translation gains - net	31,123	30,823
Share of results of associates - net	176	96
Total income	20,322	57,273
Interest expense	(9,119)	(11,007)
Operating income before expenses and provisions	11,203	46,266
Salaries and benefits	(16,298)	(22,988)
General and administrative expenses	(10,570)	(15,159)
Operating (loss) income before provisions and tax	(15,665)	8,119
Expected credit losses - net	(355)	124
(Loss) profit before tax from continuing operations	(16,020)	8,243
Taxation - net	(35)	(877)
(LOSS) PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS	(16,055)	7,366
Discontinued operations		
Net profit from discontinued operations	444	-
(LOSS) PROFIT FOR THE PERIOD	(15,611)	7,366
Net (loss) profit for the period attributable to:		
Shareholders of the parent		
- from continuing operations	(10,457)	4,257
- from discontinued operation	266	-
	(10,191)	4,257
Non-controlling interests		
- from continuing operations	(5,598)	3,109
- from discontinued operation	178	-
	(5,420)	3,109

Interim Consolidated Statement of Comprehensive Income
For the Six-month period ended 30 June 2020 (Reviewed)

	Six-month period ended 30 June	
	2020 US\$ 000	2019 US\$ 000
NET (LOSS) PROFIT FOR THE PERIOD		
Other comprehensive loss	(15,611)	7,366
Items that may be reclassified to profit or loss in subsequent periods		
Foreign currency translation reserve	(2,997)	(294)
Fair value changes of investments carried at fair value through other comprehensive income	(3,647)	-
Cash flow hedges	(129)	(835)
	(6,773)	(1,129)
Items that will not be reclassified to profit or loss in subsequent periods		
Fair value changes of investments carried at fair value through other comprehensive income	(4,208)	(6,302)
Total other comprehensive loss	(10,981)	(7,431)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	(26,592)	(65)
Total comprehensive (loss) income attributable to:		
- shareholders of the parent	(15,971)	(2,003)
- non-controlling interests	(10,621)	1,938
	(26,592)	(65)
Interim Condensed Consolidated Statement of Cash Flows		
For the Six-month period ended 30 June 2020 (Reviewed)		
	Six-month period ended 30 June	
	2020 US\$ 000	2019 US\$ 000
Net cash flows (used in) from operating activities	(81,119)	57,032
Net cash flows used in investing activities	(35,737)	(4)
Net cash flows from financing activities	93,260	17,831
Foreign currency translation adjustments	(1,139)	(176)
Movement in non-controlling interests	(3,076)	1,994
NET CHANGE IN CASH AND CASH EQUIVALENTS	(27,811)	76,677
Cash and cash equivalents at 1 January	267,314	237,428
CASH AND CASH EQUIVALENTS AT 30 JUNE	239,503	314,105

Interim Consolidated Statement of Changes In Equity

For the Six-month period ended 30 June 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	-	-	-	-	-	-	(10,191)	(10,191)	-	(5,420)	(15,611)
Other comprehensive loss for the period	-	-	-	-	(4,752)	(1,028)	-	-	-	(5,201)	(10,981)
Total comprehensive loss for the period	-	-	-	-	(4,752)	(1,028)	(10,191)	(15,971)	-	(10,621)	(26,592)
Transfer upon disposal of investments carried at fair value through other comprehensive income	-	-	-	-	-	-	(1,789)	-	-	-	-
Interest payment on Tier 1 capital	-	-	-	-	-	-	-	(1,761)	(1,761)	-	(1,761)
Other movements in non-controlling interests	-	-	-	-	-	-	-	-	-	(3,076)	(3,076)
Balance at 30 June 2020	116,132	5,687	52,032	31,763	(8,972)	(5,597)	2,170	193,215	33,000	75,360	301,575
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	-	-	-	-	-	-	4,257	4,257	-	3,109	7,366
Other comprehensive loss for the period	-	-	-	-	(5,980)	(280)	-	-	-	(1,171)	(7,431)
Total comprehensive (loss) income for the period	-	-	-	-	(5,980)	(280)	4,257	(2,003)	-	1,938	(65)
Issue of share capital	15,000	-	-	-	-	-	-	-	15,000	-	15,000
Transfer upon disposal of investments carried at fair value through other comprehensive income	-	-	-	-	8,229	-	(8,229)	-	-	-	-
Interest payment on Tier 1 capital	-	-	-	-	-	-	(1,752)	(1,752)	-	-	(1,752)
Other movements in non-controlling interests	-	-	-	-	-	-	-	-	-	3,167	3,167
Balance at 30 June 2019	116,132	5,687	50,890	30,621	(7,872)	(4,814)	7,594	196,238	33,000	99,968	331,206

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 Six-month period ended 30 June 2020, which were approved by the Board of Directors on 13 August 2020 and was reviewed by Ernst & Young, Kingdom of Bahrain.



Masaud Hayat
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