

# Tearful homage to

By MOHAMMED AL A'ALI

THE Shura Council yesterday dedicated its entire session to pay homage to His Royal Highness Prince Khalifa bin Salman Al Khalifa.

A minute's silence was held in the upper chamber of Bahrain's National Assembly before an emotional chairman Ali Saleh Al Saleh decided to ignore the planned schedule and give members a chance to express their sorrow at the death of the late Prime Minister.

For the first time since the outbreak of the coronavirus (Covid-19) pandemic in April, 39 of the 40 members were present in the chamber.

Abdulwahab Al Mansoor was reportedly too ill to attend, even online.

"All of us here stand with pride because of the successful strides led by Prince Khalifa and the committed work and dedication throughout his life that has seen Bahrain become a lighthouse and model in numerous fields," said Mr Al Saleh.



■ Shura Council members observe a minute's silence



"Prince Khalifa was an inspirational, giving and wise leader who

served Bahrain, the Arab and Islamic nations – and humanity.

"He was a national icon who led government work with the nation and its people as top

of his priorities during his 50 years of continuous contribution.

"HRH was never tired or bored of listening to people and fulfilling their requests and providing them with a decent life."

Mr Al Saleh said the widespread outpouring of grief

showed that Prince Khalifa had made a place in everyone's heart.

"The Prince gathered people from across the country and was keen to meet them in his weekly majlis. He joined everyone in their occasions, and visited all areas as he was per-

sonally concerned about people's welfare."

He also pointed out that the late Prince was always at the forefront of efforts to strengthen the relationship between the legislative and executive arms of the state.

In his closing remarks, he

said words couldn't do justice to the huge loss everyone's suffered.

A tearful Shura Council first vice-chairman Jamal Fakhro said Prince Khalifa was close to everyone through his open heart, and door.

"He didn't turn anyone away

## 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
<b>ASSETS</b>			
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	85,624	97,778	81,732
Investments carried at fair value through other comprehensive income	123,844	131,048	129,891
Investments carried at amortised cost	27,911	27,778	27,116
Loans and receivables	63,121	62,933	64,372
Other assets	66,460	75,774	74,008
Investments in associates	102,197	102,713	97,744
Investment properties	49,904	51,849	51,071
Property and equipment	64,627	65,591	65,749
Goodwill and other intangible assets	4,815	-	-
Assets of disposal group held for sale	-	-	-
<b>TOTAL ASSETS</b>	<b>859,569</b>	<b>923,223</b>	<b>883,192</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
Due to banks and other financial institutions	173,505	307,784	210,819
Deposits from customers	68,051	22,847	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
<b>TOTAL LIABILITIES</b>	<b>548,656</b>	<b>590,219</b>	<b>558,094</b>
<b>EQUITY</b>			
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
<b>CAPITAL AND RESERVES ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT</b>	<b>197,656</b>	<b>210,947</b>	<b>194,772</b>
Perpetual Tier 1 capital	33,000	33,000	33,000
Non-controlling interests	80,257	80,057	97,326
<b>TOTAL EQUITY</b>	<b>310,913</b>	<b>333,004</b>	<b>325,098</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>859,569</b>	<b>923,223</b>	<b>883,192</b>

## Interim Consolidated Statement of Income

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

	Three-month period ended 30 September 2020 US\$ 000	Three-month period ended 30 September 2019 US\$ 000	Nine-month period ended 30 September 2020 US\$ 000	Nine-month period ended 30 September 2019 US\$ 000
<b>Continuing operations</b>				
Investment income (loss) - net	5,688	1,900	(873)	19,150
Interest income	1,228	2,875	3,963	8,039
Fees and commissions - net	6,916	4,775	3,090	27,189
Foreign currency translation gains - net	13,371	15,589	44,494	46,412
Share of results of associates - net	2,526	709	2,702	805
Other comprehensive income	675	(857)	(6,476)	3,084
<b>Total income</b>	<b>23,468</b>	<b>20,217</b>	<b>43,810</b>	<b>77,490</b>
Interest expense	(4,730)	(5,857)	(13,849)	(10,804)
Operating income before expenses and provisions	18,738	14,360	29,961	66,686
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	6,669	(281)	(8,976)	7,838
Expected credit losses - net	184	1,225	(171)	1,349
<b>Profit (loss) before tax from continuing operations</b>	<b>6,873</b>	<b>944</b>	<b>(9,147)</b>	<b>9,187</b>
Taxation - net	(27)	22	(62)	(855)
<b>PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS</b>	<b>6,846</b>	<b>966</b>	<b>(9,209)</b>	<b>8,332</b>
<b>Discontinued operations</b>				
Net profit from discontinued operations	112	-	556	-
<b>PROFIT (LOSS) FOR THE PERIOD</b>	<b>6,958</b>	<b>966</b>	<b>(8,653)</b>	<b>8,332</b>
<b>Net profit (loss) for the period attributable to:</b>				
Shareholders of the parent	3,395	424	(7,062)	4,681
- from continuing operations	68	-	334	-
- from discontinued operation	3,463	424	(6,728)	4,681
<b>Non-controlling interests</b>				
- from continuing operations	3,451	542	(2,147)	3,651
- from discontinued operation	44	-	222	-
<b>Net profit (loss) for the period</b>	<b>3,495</b>	<b>542</b>	<b>(1,925)</b>	<b>3,651</b>

## Interim Consolidated Statement of Comprehensive Income

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

	Three-month period ended 30 September 2020 US\$ 000	Three-month period ended 30 September 2019 US\$ 000	Nine-month period ended 30 September 2020 US\$ 000	Nine-month period ended 30 September 2019 US\$ 000
<b>NET PROFIT (LOSS) FOR THE PERIOD</b>	<b>6,958</b>	<b>966</b>	<b>(8,653)</b>	<b>8,332</b>
<b>Other comprehensive profit (loss)</b>				
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	-	(144)	(129)	(970)
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)
<b>TOTAL OTHER COMPREHENSIVE PROFIT (LOSS)</b>	<b>2,222</b>	<b>(4,508)</b>	<b>(11,412)</b>	<b>(11,939)</b>
<b>TOTAL COMPREHENSIVE PROFIT (LOSS) FOR THE PERIOD</b>	<b>9,180</b>	<b>(3,542)</b>	<b>(20,065)</b>	<b>(3,607)</b>
<b>Total comprehensive profit (loss) income attributable to:</b>				
- shareholders of the parent	4,441	(3,466)	(11,530)	(5,469)
- non-controlling interests	4,739	(76)	(5,882)	1,862
<b>Total comprehensive profit (loss) income</b>	<b>9,180</b>	<b>(3,542)</b>	<b>(20,065)</b>	<b>(3,607)</b>

## Interim Condensed Consolidated Statement of Cash Flows

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

	Three-month period ended 30 September 2020 US\$ 000	Three-month period ended 30 September 2019 US\$ 000	Nine-month period ended 30 September 2020 US\$ 000	Nine-month period ended 30 September 2019 US\$ 000
<b>Net cash flows (used in) from operating activities</b>	<b>(78,821)</b>	<b>5,264</b>	<b>(78,821)</b>	<b>5,264</b>
<b>Net cash flows used in investing activities</b>	<b>(954)</b>	<b>(8,543)</b>	<b>(954)</b>	<b>(8,543)</b>
<b>Net cash flows from financing activities</b>	<b>52,500</b>	<b>35,475</b>	<b>52,500</b>	<b>35,475</b>
<b>Foreign currency translation adjustments - net</b>	<b>(776)</b>	<b>(771)</b>	<b>(776)</b>	<b>(771)</b>
<b>Movement in non-controlling interests</b>	<b>(2,918)</b>	<b>(1,188)</b>	<b>(2,918)</b>	<b>(1,188)</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(30,949)</b>	<b>30,237</b>	<b>(30,949)</b>	<b>30,237</b>
<b>Cash and cash equivalents at 1 January</b>	<b>292,584</b>	<b>237,428</b>	<b>292,584</b>	<b>237,428</b>
<b>CASH AND CASH EQUIVALENTS AT 30 September</b>	<b>261,635</b>	<b>267,665</b>	<b>261,635</b>	<b>267,665</b>

## Interim Consolidated Statement of Changes In Equity

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

	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	-	-	-	-	(4,077)	(725)	(8,728)	(13,530)	-	(1,925)	(15,455)
Other comprehensive loss for the period	-	-	-	-	(4,077)	(725)	(8,728)	(13,530)	-	(1,925)	(15,455)
Total comprehensive loss for the period	-	-	-	-	(4,077)	(725)	(8,728)	(13,530)	-	(1,925)	(15,455)
Transfer upon disposal of equity investments 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)
<b>Balance at 30 September 2020</b>	<b>116,132</b>	<b>5,687</b>	<b>52,032</b>	<b>31,763</b>	<b>(6,233)</b>	<b>(5,294)</b>	<b>5,569</b>	<b>197,656</b>	<b>33,000</b>	<b>80,257</b>	<b>310,913</b>
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 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
<b>Balance at 30 September 2019</b>	<b>116,132</b>	<b>5,687</b>	<b>50,890</b>	<b>30,621</b>	<b>(11,507)</b>	<b>(5,083)</b>	<b>8,032</b>	<b>194,772</b>	<b>33,000</b>	<b>97,326</b>	<b>325,098</b>

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)