

Interim Consolidated Statement of Financial Position

As at 30 June 2019 (Reviewed)

	Reviewed 30 June 2019 US\$ 000	Audited 31 December 2018 US\$ 000	Reviewed 30 June 2018 US\$ 000
ASSETS			
Demand and call deposits with banks	107,292	143,510	44,551
Placements with banks	243,529	108,529	94,420
Investments carried at fair value through statement of income	80,760	81,852	37,057
Investments carried at fair value through other comprehensive income	136,914	167,647	158,393
Investments carried at amortised cost	283	494	-
Loans and receivables	25,349	25,191	3,949
Other assets	61,086	61,097	27,877
Investments in associates	75,078	71,513	77,533
Investment properties	97,873	107,629	106,491
Property and equipment	51,709	39,394	2,497
Goodwill and other intangible assets	66,063	66,634	52,390
TOTAL ASSETS	945,936	873,490	605,158
LIABILITIES AND EQUITY			
LIABILITIES			
Due to banks and other financial institutions	257,882	220,879	209,240
Deposits from customers	52,427	32,608	28,541
Loans payable	79,856	67,033	76,065
Long term bonds	131,844	131,739	-
Other liabilities	92,721	106,375	38,288
TOTAL LIABILITIES	614,730	558,634	352,134
EQUITY			
Share capital	116,132	101,132	101,132
Share premium	5,687	5,687	5,687
Statutory reserve	50,890	50,890	49,881
General reserve	30,621	30,621	29,612
Fair value reserve	(7,872)	(10,121)	1,248
Foreign currency translation reserve	(4,814)	(4,534)	(3,646)
Retained earnings	7,594	13,318	11,714
CAPITAL AND RESERVES ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT	198,238	186,993	195,628
Perpetual Tier 1 capital	33,000	33,000	33,000
Non-controlling interests	99,968	94,863	24,396
TOTAL EQUITY	331,206	314,856	253,024
TOTAL LIABILITIES AND EQUITY	945,936	873,490	605,158

Interim Consolidated Statement of Income

For the six-month period ended 30 June 2019 (Reviewed)

	Three-month period ended 30 June		Six-month period ended 30 June	
	2019 US\$ 000	2018 US\$ 000	2019 US\$ 000	2018 US\$ 000
Continuing operations				
Investment income - net	7,747	808	17,250	5,318
Interest income	2,788	1,039	5,163	2,132
	10,535	1,847	22,413	7,450
Fees and commissions - net	13,501	10,346	30,823	18,283
Foreign currency translation (losses) gains - net	(377)	(984)	96	443
Share of results of associates - net	1,476	1,104	3,941	1,290
Total income	25,135	12,313	57,273	27,466
Interest expense	(5,979)	(2,440)	(11,007)	(5,692)
Operating income before expenses and provisions	19,156	9,873	46,266	21,774
Salaries and benefits	(11,053)	(4,868)	(22,988)	(10,044)
General and administrative expenses	(6,260)	(3,290)	(15,159)	(7,131)
Operating income before provisions and tax	1,843	1,715	8,119	4,599
Reversal of expected credit losses - net	759	-	124	-
Provision for losses against unfunded participation	-	-	-	(731)
Taxation - net	(7)	(160)	(877)	619
Net profit for the period from continuing operations	2,595	1,555	7,366	4,487
Net income from discontinued operations	-	450	-	450
NET PROFIT FOR THE PERIOD	2,595	2,005	7,366	4,937
Net profit for the period attributable to:				
- shareholders of the parent	1,506	1,882	4,257	4,710
- non-controlling interests	1,089	123	3,109	227
	2,595	2,005	7,366	4,937

Interim Consolidated Statement of Comprehensive Income

For the six-month period ended 30 June 2019 (Reviewed)

	Three-month period ended 30 June		Six-month period ended 30 June	
	2019 US\$ 000	2018 US\$ 000	2019 US\$ 000	2018 US\$ 000
NET PROFIT FOR THE PERIOD	2,595	2,005	7,366	4,937
Other comprehensive (loss) income				
Items that may be reclassified to profit or loss in subsequent periods				
Foreign currency translation reserve	(166)	(2,461)	(294)	(1,046)
Cash flow hedges	(498)	27	(835)	630
	(664)	(2,434)	(1,129)	(416)
Items that will not be reclassified to profit or loss in subsequent periods				
Fair value reserve	(5,696)	(1,895)	(6,302)	(9,836)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	(3,765)	(2,324)	(65)	(5,315)
Total comprehensive (loss) income attributable to:				
- shareholders of the parent	(3,925)	(2,163)	(2,003)	(4,531)
- non-controlling interests	160	(161)	1,938	(784)
	(3,765)	(2,324)	(65)	(5,315)

Interim Condensed Consolidated Statement of Cash Flows

For the six-month period ended 30 June 2019 (Reviewed)

	Six-month period ended 30 June	
	2019 US\$ 000	2018 US\$ 000
Net cash flows from operating activities	57,032	1,143
Net cash flows used in investing activities	(4)	(51)
Net cash flows from (used in) financing activities	17,831	(24,345)
Foreign currency translation adjustments	(176)	225
Movement in non-controlling interests	1,994	(2,733)
NET CHANGE IN CASH AND CASH EQUIVALENTS	76,677	(25,761)
Cash and cash equivalents at 1 January	237,428	166,252
CASH AND CASH EQUIVALENTS AT 30 JUNE	314,105	140,491

Interim Consolidated Statement of Changes In Equity

For the six-month period ended 30 June 2019 (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 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	-	-	-	-	(5,980)	(280)	-	(6,260)	-	(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 non-trading investments	-	-	-	-	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	198,238	33,000	99,968	331,206
Balance at 1 January 2018	101,132	5,687	49,881	29,612	12,867	(3,871)	7,659	202,967	33,000	26,902	262,869
Transition adjustment on adoption of IFRS 9 at 1 January 2018	-	-	-	-	3,037	-	(4,093)	(1,056)	-	465	(591)
	101,132	5,687	49,881	29,612	15,904	(3,871)	3,566	201,911	33,000	27,367	262,278
Profit for the period	-	-	-	-	-	-	4,710	4,710	-	227	4,937
Other comprehensive loss	-	-	-	-	(8,160)	(1,081)	-	(9,241)	-	(1,011)	(10,252)
Total comprehensive (loss) income for the period	-	-	-	-	(8,160)	(1,081)	4,710	(4,531)	-	(784)	(5,315)
Transfer upon disposal of non-trading investments	-	-	-	-	(5,190)	-	5,190	-	-	-	-
Interest payment on Tier 1 capital	-	-	-	-	-	-	(1,752)	(1,752)	-	-	(1,752)
Transfer upon reclassification	-	-	-	-	(1,306)	1,306	-	-	-	-	-
Other movements in non-controlling interests	-	-	-	-	-	-	-	-	-	(2,187)	(2,187)
Balance at 30 June 2018	101,132	5,687	49,881	29,612	1,248	(3,646)	11,714	195,628	33,000	24,396	253,024

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 6 months period ended 30 June 2019, which were approved by the Board of Directors on 8 August 2019 and was reviewed by Ernst & Young, Kingdom of Bahrain.

Masaud Hayat
Chairman

Faisal Al Ayyar
Vice Chairman

Hussain Lalani
Chief Executive Officer



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ش.م.ب. (مغلقة)
United Gulf Bank B.S.C. (Closed)