

United Gulf Investment Corporation B.S.C.

Condensed interim consolidated financial
information for the quarter and nine
months period ended 30 September 2024
(Reviewed)

United Gulf Investment Corporation B.S.C.
Condensed interim consolidated financial information for the quarter and nine months period
ended 30 September 2024 (Reviewed)

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United Gulf Investment Corporation B.S.C.
Administration and contact details as at 30 September 2024

Commercial registration no.	24377 obtained on 18 February 1991	
Board of Directors	Rashed Abdulla Al Suwaiket Al Hajri Abdulla Fahad Al-Subaie Qusay Khalil Yusuf Al-Khalili Abdulla Mubarak Abdulla Al-Suwaiket Waleed Fahad Al-Tharman	- Chairman - Vice - Chairman - Board member - Board member - Board member
Authorised persons	Rashed Abdulla Al Suwaiket Al Hajri Qusay Khalil Yusuf Al-Khalili	
Chief Executive Officer and Secretary to the Board	Qusay Khalil Yusuf Al-Khalili	
Audit Committee	Rashed Abdulla Al Suwaiket Al Hajri Waleed Fahad Al-Tharman	- Chairman
Registered office	Office 3202, Building 2504 Road 2832, Block 428 Al-Seef District Kingdom of Bahrain	
Principal bankers	Ahli United Bank Arab National Bank - Dammam Ithmar Bank Alinma Bank Khaleeji Commercial Bank National Commercial Bank	
Auditors	BDO 17 th Floor Diplomat Commercial Office Tower Manama Kingdom of Bahrain	
Registrars	KFin technologies (Bahrain) W.L.L. PO Box 514 Manama Kingdom of Bahrain Bahrain Clear B.S.C. (c) Bahrain Financial Harbour Harbour Gate - Level 4 PO Box 3203 Manama Kingdom of Bahrain	

Review report on the condensed interim consolidated financial information to the Board of Directors of United Gulf Investment Corporation B.S.C.

Introduction

We have reviewed the accompanying condensed interim consolidated financial information of United Gulf Investment Corporation B.S.C. (“the Company” or “the Parent Company”) and its subsidiaries (collectively referred to as “the Group”), which comprise the condensed interim consolidated statement of financial position as at 30 September 2024, the condensed interim consolidated statement of profit or loss and other comprehensive income, the condensed interim consolidated statement of changes in shareholders’ equity and the condensed interim consolidated statement of cash flows for the quarter and nine months period then ended and selected explanatory notes. The management is responsible for the preparation and presentation of these condensed interim consolidated financial information in accordance with International Accounting Standard 34 - “*Interim financial reporting*”. Our responsibility is to express a conclusion on this condensed interim consolidated 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 condensed interim consolidated 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 consolidated financial information do not present fairly, in all material respects, the condensed interim consolidated financial position of the Group as at 30 September 2024, and its consolidated financial performance and its consolidated cash flows for the quarter and nine months period then ended in accordance with International Accounting Standard 34 - “*Interim financial reporting*”.



Manama, Kingdom of Bahrain
12 November 2024



United Gulf Investment Corporation B.S.C.
Condensed interim consolidated statement of financial position as at 30 September 2024
(Reviewed)
(Expressed in Bahrain Dinars)

	Notes	30 September 2024 (Reviewed)	31 December 2023 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	5	27,387,290	28,856,876
Investment in associates	6	2,459,055	2,376,796
Right-of-use assets	7	<u>152,722</u>	<u>195,304</u>
		<u>29,999,067</u>	<u>31,428,976</u>
Current assets			
Financial assets at fair value through profit or loss	8	10,400	10,400
Inventories	9	19,825,098	20,464,913
Trade and other receivables	10	13,231,353	8,839,756
Mudaraba deposits		1,238,542	1,195,499
Cash and bank balances	11	<u>4,485,962</u>	<u>2,142,699</u>
		<u>38,791,355</u>	<u>32,653,267</u>
Total assets		<u>68,790,422</u>	<u>64,082,243</u>
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	12	20,000,000	20,000,000
Statutory reserve		3,526,235	3,526,235
Share premium		116,328	116,328
Other reserves		<u>8,521,297</u>	<u>7,366,195</u>
Equity attributable to shareholders of the Parent		32,163,860	31,008,758
Non-controlling interest	13	<u>8,160,497</u>	<u>7,789,301</u>
		<u>40,324,357</u>	<u>38,798,059</u>
Non-current liabilities			
Non-current portion of term loans	14	14,049,100	16,919,575
Non-current portion of lease liabilities	15	283,973	349,596
Employees' terminal benefits		<u>891,325</u>	<u>864,592</u>
		<u>15,224,398</u>	<u>18,133,763</u>
Current liabilities			
Current portion of term loans	14	3,375,475	1,010,000
Current portion of lease liabilities	15	87,358	86,522
Trade and other payables	16	<u>9,778,834</u>	<u>6,053,899</u>
		<u>13,241,667</u>	<u>7,150,421</u>
Total equity and liabilities		<u>68,790,422</u>	<u>64,082,243</u>

These reviewed condensed interim consolidated financial information were approved, authorised for issue by the Board of Directors and signed on their behalf by:


Rashed Abdulla Al Suwaiket Al Hajri
Chairman


Abdulla Fahad Al-Subaie
Vice - Chairman

United Gulf Investment Corporation B.S.C.
Condensed interim consolidated statement of profit or loss and other comprehensive income for
the quarter and nine months period ended 30 September 2024 (Reviewed)
(Expressed in Bahrain Dinars)

	Notes	Nine months ended 30 September 2024 (Reviewed)	Nine months ended 30 September 2023 (Reviewed)	Three months ended 30 September 2024 (Reviewed)	Three months ended 30 September 2023 (Reviewed)
Sales		33,097,625	27,524,959	10,137,918	7,646,416
Cost of sales		<u>(29,077,274)</u>	<u>(23,404,960)</u>	<u>(9,196,067)</u>	<u>(7,329,272)</u>
Gross profit		4,020,351	4,119,999	941,851	317,144
Other income	17	<u>152,734</u>	<u>489,109</u>	<u>21,820</u>	<u>419,724</u>
		<u>4,173,085</u>	<u>4,609,108</u>	<u>963,671</u>	<u>736,868</u>
Expenses					
Indirect expenses		(2,214,870)	(2,141,972)	(610,978)	(667,706)
Finance costs		<u>(210,686)</u>	<u>(212,832)</u>	<u>(32,844)</u>	<u>(67,007)</u>
		<u>(2,425,556)</u>	<u>(2,354,804)</u>	<u>(643,822)</u>	<u>(734,713)</u>
Net profit for the period before tax and share of profit from investment in associates		1,747,529	2,254,304	319,849	2,155
Share of profit from investment in associates	6	<u>145,722</u>	<u>112,863</u>	<u>42,417</u>	<u>5,216</u>
Net profit for the period before zakat		1,893,251	2,367,167	362,266	7,371
Provision for zakat		<u>(366,953)</u>	<u>(454,500)</u>	<u>(63,953)</u>	<u>(151,500)</u>
Net profit and other comprehensive income/(loss) for the period		<u>1,526,298</u>	<u>1,912,667</u>	<u>298,313</u>	<u>(144,129)</u>
Net profit attributable to:					
Shareholders of the Company		1,155,102	1,447,506	225,763	(109,077)
Non-controlling interest	13	<u>371,196</u>	<u>465,161</u>	<u>72,550</u>	<u>(35,052)</u>
		<u>1,526,298</u>	<u>1,912,667</u>	<u>298,313</u>	<u>(144,129)</u>
Basic and diluted earnings/(loss) per share	18	<u>5.78 fils</u>	<u>7.23 fils</u>	<u>1.13 fils</u>	<u>(0.54) fils</u>
Total comprehensive income/(loss) attributable to:					
Shareholders of the Company		1,155,102	1,447,506	225,763	(109,077)
Non-controlling interest	13	<u>371,196</u>	<u>465,161</u>	<u>72,550</u>	<u>(35,052)</u>
		<u>1,526,298</u>	<u>1,912,667</u>	<u>298,313</u>	<u>(144,129)</u>

The reviewed condensed Interim consolidated financial information was approved, authorised for issue by the Board of Directors and signed on their behalf by:


Rashed Abdulla Al Suwaiket Al Hajri
Chairman


Abdulla Fahad Al-Subaie
Vice - Chairman

United Gulf Investment Corporation B.S.C.
Condensed interim consolidated statement of changes in shareholders' equity for the nine months ended 30 September 2024 (Reviewed)
(Expressed in Bahrain Dinars)

	Equity attributable to shareholders of the Parent						
	Share capital	Statutory reserve	Share premium	Other reserves	Retained earnings	Non-controlling interest	Total
				Revaluation reserve			
At 31 December 2022 (Audited)	20,000,000	3,400,568	116,328	4,329,043	1,906,152	7,346,835	37,098,926
Total comprehensive income for the period	-	-	-	-	1,447,506	465,161	1,912,667
At 30 September 2023 (Reviewed)	20,000,000	3,400,568	116,328	4,329,043	3,353,658	7,811,996	39,011,593
At 31 December 2023 (Audited)	20,000,000	3,526,235	116,328	4,329,043	3,037,152	7,789,301	38,798,059
Total comprehensive income for the period	-	-	-	-	1,155,102	371,196	1,526,298
At 30 September 2024 (Reviewed)	20,000,000	3,526,235	116,328	4,329,043	4,192,254	8,160,497	40,324,357

United Gulf Investment Corporation B.S.C.
Condensed interim consolidated statement of cash flows for the nine months ended
30 September 2024
(Reviewed)
(Expressed in Bahrain Dinars)

	Notes	Nine months ended 30 September 2024 (Reviewed)	Nine months ended 30 September 2023 (Reviewed)
Operating activities			
Net profit for the period		1,526,298	1,912,667
Adjustments for:			
Depreciation on property, plant and equipment	5	1,670,369	1,955,787
Share of profit from investment in associates	6	(145,722)	(112,863)
Amortisation of right-of-use assets	7	42,582	42,582
Reversal of allowance for slow-moving inventories		-	(1,555,181)
Bank interest income	17	(41,310)	(83,012)
Finance costs		210,686	212,832
Changes in operating assets and liabilities:			
Inventories		639,815	(8,515,914)
Trade and other receivables		(4,391,597)	161,228
Trade and other payables		3,724,935	1,324,218
Employees' terminal benefits, net		26,733	54,990
Net cash provided by/(used in) operating activities		<u>3,262,789</u>	<u>(4,602,666)</u>
Investing activities			
Purchase of property, plant and equipment	5	(410,321)	(267,196)
Proceeds from disposal of property, plant and equipment	5	209,538	-
Addition to investment in associates		-	(75,908)
Dividends received during the period	6	63,463	76,439
Net movement in Mudaraba deposits		(43,043)	361,838
Bank interest income received	17	41,310	83,012
Net cash (used in)/provided by investing activities		<u>(139,053)</u>	<u>178,185</u>
Financing activities			
Finance costs paid		(210,686)	(212,832)
Repayment of term loans	23	(505,000)	(505,000)
Repayment of lease liabilities including interest		(64,787)	(63,961)
Net cash used in financing activities		<u>(780,473)</u>	<u>(781,793)</u>
Net increase/(decrease) in cash and cash equivalents		2,343,263	(5,206,274)
Cash and cash equivalents, beginning of the period		<u>2,142,699</u>	<u>7,702,113</u>
Cash and cash equivalents, end of the period	11	<u>4,485,962</u>	<u>2,495,839</u>

United Gulf Investment Corporation B.S.C.

**Selected explanatory notes to the condensed interim consolidated financial information for the quarter and nine months ended 30 September 2024 (Reviewed)
(Expressed in Bahrain Dinars)**

1 Organisation and activities

United Gulf Investment Corporation B.S.C. (“the Company” or “the Parent Company”) and its subsidiaries comprise “the Group.” The Company is a public shareholding company registered with the Ministry of Industry and Commerce in the Kingdom of Bahrain and operates under commercial registration number 24377 obtained on 18 February 1991.

According to the terms of its Memorandum and Articles of Association, the duration of the Company is for 50 years, renewable for further similar periods unless terminated earlier by the operation of law or as provided for in the Articles of Association.

The principal activities of the Company include property leasing, buying and selling of properties for the Company only, third grade industrial maintenance works, selling and buying of shares and securities for the Company and investment in local industrial projects.

The Company’s registered office is in the Kingdom of Bahrain.

The reviewed condensed interim consolidated financial information, set out on pages 4 to 18, was approved and authorised for issue by the Board of Directors on 12 November 2024.

2 Structure of the Group

The structure of the Group is as follows:

<u>Name of the subsidiary</u>	<u>Country of incorporation</u>	<u>Proportion of ownership interest as at 30 September</u>	<u>Non-controlling interest ownership /voting interest as at 30 September</u>
Gulf Ferro Alloys Company (SABAYEK) W.L.L.	Kingdom of Saudi Arabia	75.68% (31 December 2023: 75.68%)	24.32% (31 December 2023: 24.32%)
United Gulf Trading W.L.L. (UGT)	Kingdom of Bahrain	100% (31 December 2023: 100%)	Nil (31 December 2023: Nil)

The principal activities of SABAYEK include the production and marketing of ferro silicon, ferro manganese, silicon manganese silicon and micro silicate.

The principal activities of UGT are other professional, scientific and technical activities, real estate activities on fee or contract and sale/trading in other industrial products/raw materials.

SABAYEK and UGT’s total assets, liabilities and net profit for the period have been extracted from interim financial information prepared as at, and for the nine months ended, 30 September 2024.

The investment in associates represents the Group’s 20% ownership interest in Dhahran Chemical Industries Marketing (“DCIM”) and 40% ownership in Rukam industrial Company, held through one of the subsidiary. The Group’s share in the net assets and results of operations of the associates have been extracted from the management accounts of DCIM and Rukham prepared as at, and for the nine months ended 30 September 2024 and for the year ended 31 December 2023.

3 Basis of preparation

The condensed interim consolidated financial information has been prepared in accordance with International Accounting Standard 34 - “*Interim financial reporting*”. The condensed interim consolidated financial information should therefore be read in conjunction with the annual audited consolidated financial statements prepared as at, and for the year ended, 31 December 2023, which have been prepared in accordance with the IFRS Accounting Standards. The financial information has been presented in Bahrain Dinars (BD) which is also the functional currency of the Group.

The preparation of condensed interim consolidated financial information in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the Group’s accounting policies. This condensed interim consolidated financial information have been prepared using going concern assumption under the historical cost convention except for financial assets at fair value through profit and loss.

Improvements/amendments to IFRS Accounting Standards

Improvements/amendments to IFRS Accounting Standards contained numerous amendments to IFRS Accounting Standards that the IASB considers non-urgent but necessary. ‘Improvements to IFRS Accounting Standards’ 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 Accounting Standards. The amendments are effective for the Group’s future accounting year with earlier adoption.

Standards, amendments and interpretations issued and effective in 2024 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 2024 or subsequent periods, but is not relevant to the Group’s operations:

<u>Standard or interpretation</u>	<u>Title</u>	<u>Effective for annual periods beginning on or after</u>
IAS 1	Presentation of financial statements	1 January 2024
IAS 7	Statement of Cash Flows	1 January 2024
IFRS 7	Financial Instruments: Disclosures	1 January 2024
IFRS 16	Leases	1 January 2024

Standards, amendments and interpretations issued but not yet effective in 2024

The following new/amended accounting standards and interpretations have been issued, but are not mandatory for financial period ended 30 September 2024. They have not been adopted in preparing the condensed interim consolidated financial information for the period ended 30 September 2024 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>
IAS 21	The Effects of Changes in Foreign Exchange Rates	1 January 2025

United Gulf Investment Corporation B.S.C.
Selected explanatory notes to the condensed interim consolidated financial information for the quarter and nine months ended 30 September 2024 (Reviewed)
(Expressed in Bahrain Dinars)

3 Basis of preparation (continued)

Early adoption of amendments or standards in 2024

The Group did not early-adopt any new or amended standards in 2024. There would have been no change in the operational results of the Group for the period ended 30 September 2024 had the Group early adopted any of the above standards applicable to the Group.

4 Material accounting policy information

The material accounting policy information used in the preparation of the condensed interim consolidated financial information are consistent with those used in the annual audited consolidated financial statements of the Group prepared as at, and for the year ended 31 December 2023, as described in those annual audited consolidated financial statements.

5 Property, plant and equipment

Additions to property, plant and equipment during the nine months period ended 30 September 2024 amounted to BD410,321 (31 December 2023: BD1,676,874). Disposals of property, plant and equipment during the nine months period ended 30 September 2024 amounted to BD209,538 (31 December 2023: BDNil).

The depreciation charged for the nine months ended 30 September 2024 amounted to BD1,670,369 (30 September 2023: BD1,955,787).

The Company operates from premises rented at a monthly rent of BD12,053 (30 September 2023: BD12,053 per month).

The Group's subsidiary operates from premises rented at a monthly rent of BD7,635 (30 September 2023: BD7,635 per month).

The property, plant and equipment are subject to term loans (Note 14).

6 Investment in associates

	30 September 2024 <u>(Reviewed)</u>	31 December 2023 <u>(Audited)</u>
Opening balance	2,376,796	2,286,100
Dividends received during the period/year	(63,463)	(120,740)
Share of profit for the period/year	<u>145,722</u>	<u>211,436</u>
Closing balance	<u>2,459,055</u>	<u>2,376,796</u>

The investment in associates represents the Group's 20% ownership interest in Dhahran Chemical Industries Marketing ("DCIM") and 40% ownership in Rukam Industrial Company, held through one of the subsidiaries.

The Group's share in the net assets and results of operations of the associates have been extracted from the management accounts of DCIM and Rukam Industrial Company prepared as at, and for the nine months ended 30 September 2024 and for the year ended 31 December 2023.

United Gulf Investment Corporation B.S.C.
Selected explanatory notes to the condensed interim consolidated financial information for the quarter
and nine months ended 30 September 2024 (Reviewed)
(Expressed in Bahrain Dinars)

7 Right-of-use assets

	<u>Leasehold land</u>
<i>Cost</i>	
At 31 December 2023 and at 30 September 2024	<u>479,181</u>
<i>Accumulated amortisation</i>	
At 31 December 2022	227,102
Amortisation charge for the year	<u>56,775</u>
At 31 December 2023	283,877
Amortisation charge for the period	<u>42,582</u>
At 30 September 2024	<u>326,459</u>
<i>Carrying value</i>	
At 30 September 2024 (reviewed)	<u>152,722</u>
At 31 December 2023 (audited)	<u>195,304</u>

8 Financial assets at fair value through profit or loss

	<u>30 September 2024 (Reviewed)</u>	<u>31 December 2023 (Audited)</u>
Opening balance	10,400	256,000
Unrealised fair value loss during the period/year	<u>-</u>	<u>(245,600)</u>
Closing balance	<u>10,400</u>	<u>10,400</u>

Financial assets at fair value through profit or loss are denominated in Bahrain Dinars. These consist of marketable equity securities listed on the Bahrain Bourse and are fair valued annually at the close of business on 31 December. Fair value is determined by reference to stock exchange quoted prices.

United Gulf Investment Corporation B.S.C.

Selected explanatory notes to the condensed interim consolidated financial information for the quarter and nine months ended 30 September 2024 (Reviewed)
(Expressed in Bahrain Dinars)

9 Inventories

	30 September 2024 <u>(Reviewed)</u>	31 December 2023 <u>(Audited)</u>
Raw materials	8,782,393	7,339,736
Finished goods and work-in-process	7,795,324	10,084,387
Consumable spares	<u>3,247,381</u>	<u>3,040,790</u>
	<u>19,825,098</u>	<u>20,464,913</u>

10 Trade and other receivables

	30 September 2024 <u>(Reviewed)</u>	31 December 2023 <u>(Audited)</u>
Trade receivables	8,356,372	5,517,271
Less: allowance for impaired of trade receivables	<u>(261,825)</u>	<u>(261,825)</u>
	8,094,547	5,255,446
Advance paid to supplier	3,702,389	2,145,814
Prepayments and other receivables	<u>1,434,417</u>	<u>1,438,496</u>
	<u>13,231,353</u>	<u>8,839,756</u>

Trade receivables are generally on 60 to 180 days credit terms and are primarily denominated in Saudi Riyals.

11 Cash and bank balances

	30 September 2024 <u>(Reviewed)</u>	31 December 2023 <u>(Audited)</u>
Balances in call and current accounts with banks	4,481,484	2,138,361
Cash on hand	<u>4,478</u>	<u>4,338</u>
	<u>4,485,962</u>	<u>2,142,699</u>

12 Share capital

	30 September 2024 <u>(Reviewed)</u>	31 December 2023 <u>(Audited)</u>
Authorised		
400,000,000 (2023: 400,000,000) shares of 100 fils each	<u>40,000,000</u>	<u>40,000,000</u>
Issued and fully paid-up		
200,000,000 (2023: 200,000,000) shares of 100 fils each	<u>20,000,000</u>	<u>20,000,000</u>

United Gulf Investment Corporation B.S.C.

Selected explanatory notes to the condensed interim consolidated financial information for the quarter and nine months ended 30 September 2024 (Reviewed)
(Expressed in Bahrain Dinars)

13 Non-controlling interest

	30 September <u>2024</u> (Reviewed)	31 December <u>2023</u> (Audited)
Opening balance	7,789,301	7,346,835
Share of non-controlling interest in the total comprehensive income of the subsidiary	<u>371,196</u>	<u>442,466</u>
Closing balance	<u>8,160,497</u>	<u>7,789,301</u>

14 Term loans

	30 September <u>2024</u> (Reviewed)	31 December <u>2023</u> (Audited)
Saudi Industrial Development Fund		
In 1996, the subsidiary obtained a long-term loan from SIDF amounting to SAR323 million by pledging the property, plant and equipment of the subsidiary and the guarantee of the subsidiary's shareholders against the loan. The total withdrawal against this loan amounted to SAR319 million.		
The subsidiary negotiated with SIDF for the extension of the repayment schedule of the loan in subsequent years. SIDF accepted the subsidiary's proposal and extended the loan repayment period to 35 years beginning from 17 April 2008, with half yearly intervals, vide their letter dated 7/11/1427 Hijri (Arabic date).	15,059,100	15,564,100
Saudi Electric Company		
Payable to SEC includes payable towards substation amounting to SAR23 million.	<u>2,365,475</u>	<u>2,365,475</u>
	17,424,575	17,929,575
Less: current portion of term loans	<u>(3,375,475)</u>	<u>(1,010,000)</u>
Non-current portion of term loans	<u>14,049,100</u>	<u>16,919,575</u>

That portion of the loans which is repayable within one year from the condensed interim consolidated statement of financial position date is disclosed as current portion of term loans.

United Gulf Investment Corporation B.S.C.

Selected explanatory notes to the condensed interim consolidated financial information for the quarter and nine months ended 30 September 2024 (Reviewed)
(Expressed in Bahrain Dinars)

15 Lease liabilities

	30 September 2024 <u>(Reviewed)</u>	31 December 2023 <u>(Audited)</u>
Opening balance	436,118	521,536
Lease payments	(68,712)	(91,616)
Interest expenses	<u>3,925</u>	<u>6,198</u>
Closing balance	371,331	436,118
Less: current lease liabilities	<u>(87,358)</u>	<u>(86,522)</u>
Non-current lease liabilities	<u>283,973</u>	<u>349,596</u>

Maturity analysis - contractual undiscounted cash flows:

	30 September 2024 <u>(Reviewed)</u>	31 December 2023 <u>(Audited)</u>
Less than one year	91,616	91,616
One to five years	<u>290,117</u>	<u>358,829</u>
Total undiscounted lease liabilities	<u>381,733</u>	<u>450,445</u>

16 Trade and other payables

	30 September 2024 <u>(Reviewed)</u>	31 December 2023 <u>(Audited)</u>
Trade payables	6,271,886	1,840,841
Zakat payable	1,595,780	1,575,606
Accruals and other payables	<u>1,911,168</u>	<u>2,637,452</u>
	<u>9,778,834</u>	<u>6,053,899</u>

United Gulf Investment Corporation B.S.C.

Selected explanatory notes to the condensed interim consolidated financial information for the quarter and nine months ended 30 September 2024 (Reviewed)
(Expressed in Bahrain Dinars)

17 Other income

	Nine months ended 30 September 2024 <u>(Reviewed)</u>	Nine months ended 30 September 2023 <u>(Reviewed)</u>	Three months ended 30 September 2024 <u>(Reviewed)</u>	Three months ended 30 September 2023 <u>(Reviewed)</u>
Commission income	111,424	48,914	20,709	31,846
Bank interest income	41,310	83,012	1,111	73,196
Miscellaneous income	<u>-</u>	<u>357,183</u>	<u>-</u>	<u>314,682</u>
	<u>152,734</u>	<u>489,109</u>	<u>21,820</u>	<u>419,724</u>

18 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to the shareholders of the Parent by the weighted average number of ordinary shares in issue during the period, excluding the average number of ordinary shares purchased by the Company and held as treasury shares.

	Nine months ended 30 September 2024 <u>(Reviewed)</u>	Nine months ended 30 September 2023 <u>(Reviewed)</u>	Three months ended 30 September 2024 <u>(Reviewed)</u>	Three months ended 30 September 2023 <u>(Reviewed)</u>
Net profit/(loss) attributable to shareholders of the Parent	<u>1,155,102</u>	<u>1,447,506</u>	<u>225,763</u>	<u>(109,077)</u>
Weighted average number of ordinary shares in issue during the period	<u>200,000,000</u>	<u>200,000,000</u>	<u>200,000,000</u>	<u>200,000,000</u>
Basic and diluted earnings/(loss) per share	<u>5.78 fils</u>	<u>7.23 fils</u>	<u>1.13 fils</u>	<u>(0.54) fils</u>

19 Related party transactions and balances

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 Group or its shareholders, key management personnel and their close family members can exercise significant influence or can be significantly influenced by those parties. The Group's transactions with related parties are authorised by the management. Further, there are no loans due from any of the Directors of the Group.

Key management personnel compensation

Key management personnel of the Group comprise the Board of Directors and key members of management having authority and responsibility for planning, directing and controlling the activities of the Group including the Chief Executive Officer of the Group.

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19 Related party transactions and balances (continued)

	Nine months ended 30 September 2024 <u>(Reviewed)</u>	Nine months ended 30 September 2023 <u>(Reviewed)</u>
Remuneration to key management personnel	<u>213,030</u>	<u>213,030</u>

A summary of significant transactions with associates:

	Nine months ended 30 September 2024 <u>(Reviewed)</u>	Nine months ended 30 September 2023 <u>(Reviewed)</u>
Net share of profit from investment in associate	<u>145,722</u>	<u>112,863</u>

20 Segmental information

The Group's primary segment reporting format is business segment. 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 Group's primary business segments are:

- smelting;
- investment income-foreign; and
- investment income-domestic

As at and for the nine months ended 30 September 2024 (reviewed)

	<u>Smelting</u>	<u>Investment activities</u>	<u>Total</u>
Revenue	33,097,625	-	33,097,625
Other income	-	152,734	152,734
Provision for Zakat	(366,953)	-	(366,953)
Operating costs	<u>(29,077,274)</u>	<u>-</u>	<u>(29,077,274)</u>
Segment profit	3,653,398	152,734	3,806,132
Share of profit from investment in associates	56,059	89,663	145,722
Other expenses	<u>(2,252,546)</u>	<u>(173,010)</u>	<u>(2,425,556)</u>
Net profit for the period	<u>1,456,911</u>	<u>69,387</u>	<u>1,526,298</u>
Assets and liabilities			
	<u>Smelting</u>	<u>Investment activities</u>	<u>Total</u>
Addition to non-current asset	<u>410,321</u>	<u>-</u>	<u>410,321</u>
Total segment assets	<u>64,799,026</u>	<u>3,991,396</u>	<u>68,790,422</u>
Total segment liabilities	<u>27,000,616</u>	<u>1,465,449</u>	<u>28,466,065</u>

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20 Segmental information (continued)

As at 31 December 2023 (audited) and for the nine months period 30 September 2023 (reviewed)

	<u>Smelting</u>	<u>Investment activities</u>	<u>Total</u>
Revenue	27,524,959	-	27,524,959
Other income	318,316	170,793	489,109
Provision for Zakat	(454,500)	-	(454,500)
Operating costs	<u>(23,404,960)</u>	<u>-</u>	<u>(23,404,960)</u>
Segment profit	3,983,815	170,793	4,154,608
Share of profit from investment in associates	-	112,863	112,863
Other expenses	<u>(2,232,492)</u>	<u>(122,312)</u>	<u>(2,354,804)</u>
Net profit for the period	<u>1,751,323</u>	<u>161,344</u>	<u>1,912,667</u>
Assets and liabilities	<u>Smelting</u>	<u>Investment activities</u>	<u>Total</u>
Addition to non-current asset	<u>1,676,874</u>	<u>-</u>	<u>1,676,874</u>
Total segment assets	<u>60,268,564</u>	<u>3,813,679</u>	<u>64,082,243</u>
Total segment liabilities	<u>23,927,063</u>	<u>1,357,121</u>	<u>25,284,184</u>

The Group's secondary reporting format is geographic segment which is based on the geographical location of the Group's operations. The Group mainly operates in:

- Kingdom of Bahrain; and
- Kingdom of Saudi Arabia.

	<u>Segment assets</u>		<u>Segment liabilities</u>	
	As at 30 September 2024	As at 31 December 2023	As at 30 September 2024	As at 31 December 2023
Kingdom of Bahrain	3,991,396	3,813,679	1,465,449	1,357,121
Kingdom of Saudi Arabia	<u>64,799,026</u>	<u>60,268,564</u>	<u>27,000,616</u>	<u>23,927,063</u>
	<u>68,790,422</u>	<u>64,082,243</u>	<u>28,466,065</u>	<u>25,284,184</u>

21 Dividends

The Board of Directors does not propose to pay any dividends during the period ended 30 September 2024 (31 December 2023: BDNil).

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22 Interim results

The interim consolidated net profit and other comprehensive income for the nine months ended 30 September 2024 may not be represent a proportionate share of the annual consolidated net profit and other comprehensive income due to the variability in timing of the receipt of investment income.

23 Notes supporting statement of cash flows

IAS 7 “*Statement of cash flows*” requires additional disclosures about changes in an entity’s financing liabilities arising from both cash flow and non-cash flow items.

	<u>1 January 2024</u>	<u>Obtained during the period</u>	<u>Finance cost accrued</u>	<u>Principal repaid during the period</u>	<u>Finance costs paid</u>	<u>30 September 2024</u>
Term loans	<u>17,929,575</u>	<u>-</u>	<u>174,224</u>	<u>(505,000)</u>	<u>(174,224)</u>	<u>17,424,575</u>

	<u>1 January 2023</u>	<u>Obtained during the period</u>	<u>Finance cost accrued</u>	<u>Principal repaid during the period</u>	<u>Finance costs paid</u>	<u>30 September 2023</u>
Term loans	<u>18,939,575</u>	<u>-</u>	<u>73,256</u>	<u>(505,000)</u>	<u>(73,256)</u>	<u>18,434,575</u>

24 Events after the reporting period

There were no events occurring subsequent to 30 September 2024 and before the date of the report that are expected to have a significant impact on this condensed interim consolidated financial information.