

Interim Consolidated Statement of Financial Position

30 June 2022 (Reviewed)

All figures in US\$ Million

	Reviewed	Audited
	30 June 2022	31 December 2021
ASSETS		
Liquid funds	2,043	2,626
Trading securities	987	902
Placements with banks and other financial institutions	2,510	3,031
Securities bought under repurchase agreements	1,029	698
Non-trading investments	7,378	8,350
Loans and advances	17,022	16,768
Other assets	3,037	2,213
Premises and equipment	280	309
TOTAL ASSETS	34,286	34,897
LIABILITIES		
Deposits from customers	20,512	20,734
Deposits from banks	3,712	4,388
Certificates of deposit	481	725
Securities sold under repurchase agreements	1,630	2,011
Taxation	87	79
Other liabilities	2,115	1,514
Borrowings	1,244	1,211
Total liabilities	29,781	30,662
EQUITY		
Share capital	3,110	3,110
Treasury shares	(6)	(6)
Statutory reserve	530	530
Retained earnings	1,071	1,055
Other reserves	(990)	(817)
EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT	3,715	3,872
Additional / perpetual tier-1 capital	390	-
Equity attributable to the shareholders of the parent and perpetual instrument holders	4,105	3,872
Non-controlling interests	400	363
Total equity	4,505	4,235
TOTAL LIABILITIES AND EQUITY	34,286	34,897

Interim Condensed Consolidated Statement of Cash Flows

Six-month period ended 30 June 2022 (Reviewed)

All figures in US\$ Million

	Reviewed	
	Six months ended 30 June 2022	2021
OPERATING ACTIVITIES		
Net cash (used in) from operating activities*	(880)	806
INVESTING ACTIVITIES		
Net cash from (used in) investing activities	542	(586)
FINANCING ACTIVITIES		
Net cash used in financing activities	(199)	(47)
Net change in cash and cash equivalents	(537)	173
Effect of exchange rate changes on cash and cash equivalents	(12)	60
Cash and cash equivalents at beginning of the period	2,585	1,752
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD**	2,036	1,985

*This excludes non-cash item amounting to US\$ 390 million, which was converted from deposits from customers to additional / perpetual tier-1 capital instruments.

**Cash and cash equivalents comprises of liquid funds excluding treasury and other eligible bills with original maturities of more than three months amounting to US\$ 36 million (30 June 2021: US\$ 10 million).

Interim Consolidated Statement of Profit or Loss

Six-month period ended 30 June 2022 (Reviewed)

All figures in US\$ Million

	Reviewed		Reviewed	
	Three months ended 30 June 2022	2021	Six months ended 30 June 2022	2021
OPERATING INCOME				
Interest and similar income	493	206	896	475
Interest and similar expense	(300)	(68)	(526)	(215)
Net interest income	193	138	370	260
Other operating income	80	87	150	147
Total operating income	273	225	520	407
OPERATING EXPENSES				
Staff	99	78	199	156
Premises and equipment	12	13	27	23
Other	61	37	105	74
Total operating expenses	172	128	331	253
NET OPERATING PROFIT BEFORE CREDIT LOSS EXPENSE AND TAXATION	101	97	189	154
Credit loss expense	(26)	(29)	(51)	(49)
PROFIT BEFORE TAXATION	75	68	138	105
Taxation charge on foreign operations	(22)	(35)	(42)	(36)
PROFIT FOR THE PERIOD	53	33	96	69
Profit attributable to non-controlling interests	(14)	(8)	(26)	(14)
PROFIT ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT	39	25	70	55
BASIC AND DILUTED EARNINGS PER SHARE (EXPRESSED IN US\$)	0.01	0.01	0.02	0.02

Interim Consolidated Statement of Comprehensive Income

Six-month period ended 30 June 2022 (Reviewed)

All figures in US\$ Million

	Reviewed		Reviewed	
	Three months ended 30 June 2022	2021	Six months ended 30 June 2022	2021
PROFIT FOR THE PERIOD	53	33	96	69
Other comprehensive (loss) income:				
<i>Other comprehensive (loss) income that will be reclassified (or recycled) to profit or loss in subsequent periods:</i>				
Foreign currency translation:				
Unrealised (loss) gain on exchange translation in foreign subsidiaries	(103)	118	(29)	41
Debt instruments at FVOCI:				
Net change in fair value during the period	(81)	36	(122)	42
Other comprehensive (loss) income for the period	(184)	154	(151)	83
TOTAL COMPREHENSIVE (LOSS) INCOME FOR THE PERIOD	(131)	187	(55)	152
Attributable to:				
Shareholders of the parent	(111)	137	(103)	121
Non-controlling interests	(20)	50	48	31
	(131)	187	(55)	152

Interim Consolidated Statement of Changes In Equity

Six-month period ended 30 June 2022 (Reviewed)

All figures in US\$ Million

	Equity attributable to the shareholders of the parent								Additional / perpetual tier-1 capital	Non-controlling interests	Total equity	
	Share capital	Treasury shares	Statutory reserve	Retained earnings*	General reserve	Other reserves						Total
						Foreign exchange translation adjustments	Cumulative changes in fair value	Pension fund reserve				
At 31 December 2021	3,110	(6)	530	1,055	100	(950)	63	(30)	3,872	-	363	4,235
Profit for the period	-	-	-	70	-	-	-	-	70	-	26	96
Other comprehensive (loss) income for the period	-	-	-	-	-	(51)	(122)	-	(173)	-	22	(151)
Total comprehensive income (loss) for the period	-	-	-	70	-	(51)	(122)	-	(103)	-	48	(55)
Dividend**	-	-	-	(31)	-	-	-	-	(31)	-	-	(31)
Issue of additional / perpetual tier-1 capital	-	-	-	-	-	-	-	-	-	390	-	390
Other equity movements in subsidiaries	-	-	-	(23)	-	-	-	-	(23)	-	(11)	(34)
At 30 June 2022 (reviewed)	3,110	(6)	530	1,071	100	(1,001)	(59)	(30)	3,715	390	400	4,505
At 31 December 2020	3,110	(6)	520	965	100	(902)	20	(40)	3,767	-	377	4,144
Profit for the period	-	-	-	55	-	-	-	-	55	-	14	69
Other comprehensive income for the period	-	-	-	-	-	24	42	-	66	-	17	83
Total comprehensive income for the period	-	-	-	55	-	24	42	-	121	-	31	152
Other equity movements in subsidiaries	-	-	-	2	-	-	-	-	2	-	(16)	(14)
At 30 June 2021 (reviewed)	3,110	(6)	520	1,022	100	(878)	62	(40)	3,890	-	392	4,282

* Retained earnings include non-distributable reserves arising from consolidation of subsidiaries amounting to US\$ 517 million (31 December 2021: US\$ 510 million).

** A dividend of US\$ 0.01 per share (2020: Nil) was approved for payment at the Annual General Meeting held on 23 March 2022 and paid during the half-year.

The above interim consolidated statement of financial position, interim consolidated statement of profit or loss, interim consolidated statement of comprehensive income, interim condensed consolidated statement of cash flows, and the interim consolidated statement of changes in equity have been extracted from the Interim Condensed Consolidated Financial Statements of Arab Banking Corporation (B.S.C.) for the six-month period 30th June 2022, which were approved by the Board of Directors and on which an unqualified review conclusion was issued by Ernst & Young, Kingdom of Bahrain, on 10th August 2022.