

### Interim Consolidated Statement of Financial Position

30 June 2023 (Reviewed)

All figures in US\$ Million

	Reviewed 30 June 2023	Audited 31 December 2022
<b>ASSETS</b>		
Liquid funds	3,231	2,886
Trading securities	975	590
Placements with banks and other financial institutions	2,906	2,226
Securities bought under repurchase agreements	1,321	1,386
Non-trading investments	10,619	8,080
Loans and advances	18,154	18,190
Other assets	3,517	3,016
Premises and equipment	258	265
<b>TOTAL ASSETS</b>	<b>40,981</b>	<b>36,639</b>
<b>LIABILITIES</b>		
Deposits from customers	21,774	21,396
Deposits from banks	4,564	3,764
Certificates of deposit	356	435
Securities sold under repurchase agreements	5,417	2,878
Taxation	203	84
Other liabilities	2,741	2,264
Borrowings	1,304	1,297
<b>Total liabilities</b>	<b>36,359</b>	<b>32,118</b>
<b>EQUITY</b>		
Share capital	3,110	3,110
Treasury shares	(6)	(6)
Statutory reserve	545	545
Retained earnings	1,195	1,125
Other reserves	(1,081)	(1,069)
<b>EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT</b>		
Additional / perpetual tier-1 capital	390	390
Equity attributable to the shareholders of the parent and perpetual instrument holders	4,153	4,095
Non-controlling interests	469	426
<b>Total equity</b>	<b>4,622</b>	<b>4,521</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>40,981</b>	<b>36,639</b>

### Interim Condensed Consolidated Statement of Cash Flows

Six-month period ended 30 June 2023 (Reviewed)

All figures in US\$ Million

	Reviewed Six months ended 30 June 2023	2022
<b>OPERATING ACTIVITIES</b>		
Net cash from (used in) operating activities*	3,552	(880)
<b>INVESTING ACTIVITIES</b>		
Net cash (used in) from investing activities	(3,089)	542
<b>FINANCING ACTIVITIES</b>		
Net cash used in financing activities	(71)	(199)
Net change in cash and cash equivalents	392	(537)
Effect of exchange rate changes on cash and cash equivalents	(9)	(12)
Cash and cash equivalents at beginning of the period	2,848	2,585
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD**</b>	<b>3,231</b>	<b>2,036</b>

\*This excludes non-cash item amounting to US\$ Nil (30 June 2022: US\$ 390 million), which was converted from deposits from customers to additional / perpetual tier-1 capital instruments during 2022.

\*\*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\$ nil (30 June 2022: US\$ 36 million).

### Interim Consolidated Statement of Profit or Loss

Six-month period ended 30 June 2023 (Reviewed)

All figures in US\$ Million

	Reviewed Three months ended 30 June		Reviewed Six months ended 30 June	
	2023	2022	2023	2022
<b>OPERATING INCOME</b>				
Interest and similar income	722	493	1,383	896
Interest and similar expense	(501)	(300)	(939)	(526)
<b>Net interest income</b>	<b>221</b>	<b>193</b>	<b>444</b>	<b>370</b>
Other operating income	91	80	167	150
<b>Total operating income</b>	<b>312</b>	<b>273</b>	<b>611</b>	<b>520</b>
<b>OPERATING EXPENSES</b>				
Staff	115	99	223	199
Premises and equipment	12	12	25	27
Other	63	61	116	105
<b>Total operating expenses</b>	<b>190</b>	<b>172</b>	<b>364</b>	<b>331</b>
<b>NET OPERATING PROFIT BEFORE CREDIT LOSS EXPENSE AND TAXATION</b>	<b>122</b>	<b>101</b>	<b>247</b>	<b>189</b>
Credit loss expense	(30)	(26)	(73)	(51)
<b>PROFIT BEFORE TAXATION</b>	<b>92</b>	<b>75</b>	<b>174</b>	<b>138</b>
Taxation charge on foreign operations	(17)	(22)	(28)	(42)
<b>PROFIT FOR THE PERIOD</b>	<b>75</b>	<b>53</b>	<b>146</b>	<b>96</b>
Profit attributable to non-controlling interests	(14)	(14)	(25)	(26)
<b>PROFIT ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT</b>	<b>61</b>	<b>39</b>	<b>121</b>	<b>70</b>
<b>BASIC AND DILUTED EARNINGS PER SHARE (EXPRESSED IN US\$)</b>	<b>0.02</b>	<b>0.01</b>	<b>0.04</b>	<b>0.02</b>

### Interim Consolidated Statement of Comprehensive Income

Six-month period ended 30 June 2023 (Reviewed)

All figures in US\$ Million

	Reviewed Three months ended 30 June		Reviewed Six months ended 30 June	
	2023	2022	2023	2022
<b>PROFIT FOR THE PERIOD</b>	<b>75</b>	<b>53</b>	<b>146</b>	<b>96</b>
<b>Other comprehensive income (loss):</b>				
<i>Other comprehensive income (loss) that will be reclassified (or recycled) to profit or loss in subsequent periods:</i>				
<b>Foreign currency translation:</b>				
Unrealised gain (loss) on exchange translation in foreign subsidiaries	50	(103)	23	(29)
<b>Debt instruments at FVOCI:</b>				
Net change in fair value during the period	20	(81)	(8)	(121)
	70	(184)	15	(150)
<i>Other comprehensive income (loss) that will not be reclassified (or recycled) to profit or loss in subsequent periods:</i>				
Net change in fair value of equity securities during the period	1	-	5	(1)
	1	-	5	(1)
<b>Other comprehensive income (loss) for the period</b>	<b>71</b>	<b>(184)</b>	<b>20</b>	<b>(151)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>146</b>	<b>(131)</b>	<b>166</b>	<b>(55)</b>
<b>Attributable to:</b>				
Shareholders of the parent	110	(111)	109	(103)
Non-controlling interests	36	(20)	57	48
	146	(131)	166	(55)

### Interim Consolidated Statement of Changes in Equity

Six-month period ended 30 June 2023 (Reviewed)

All figures in US\$ Million

	Equity attributable to the shareholders of the parent									Additional / perpetual tier-1 capital	Non-controlling interests	Total equity
						Other reserves						
	Share capital	Treasury shares	Statutory reserve	Retained earnings*	General reserve	Foreign exchange translation adjustment	Cumulative changes in fair value	Pension fund reserve	Total			
At 31 December 2022	3,110	(6)	545	1,125	100	(1,114)	(22)	(33)	3,705	390	426	4,521
Profit for the period	-	-	-	121	-	-	-	-	121	-	25	146
Other comprehensive (loss) income for the period	-	-	-	-	-	(9)	(3)	-	(12)	-	32	20
<b>Total comprehensive income (loss) for the period</b>	-	-	-	121	-	(9)	(3)	-	109	-	57	166
Dividend**	-	-	-	(46)	-	-	-	-	(46)	-	(15)	(61)
Interest paid on additional / perpetual tier-1 capital	-	-	-	(9)	-	-	-	-	(9)	-	-	(9)
Other equity movements in subsidiaries	-	-	-	4	-	-	-	-	4	-	1	5
<b>At 30 June 2023 (reviewed)</b>	<b>3,110</b>	<b>(6)</b>	<b>545</b>	<b>1,195</b>	<b>100</b>	<b>(1,123)</b>	<b>(25)</b>	<b>(33)</b>	<b>3,763</b>	<b>390</b>	<b>469</b>	<b>4,622</b>
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)
<b>Total comprehensive income (loss) for the period</b>	-	-	-	70	-	(51)	(122)	-	(103)	-	48	(55)
Dividend	-	-	-	(31)	-	-	-	-	(31)	-	(11)	(42)
Issue of additional / perpetual tier-1 capital	-	-	-	-	-	-	-	-	-	390	-	390
Other equity movements in subsidiaries	-	-	-	(23)	-	-	-	-	(23)	-	-	(23)
<b>At 30 June 2022 (reviewed)</b>	<b>3,110</b>	<b>(6)</b>	<b>530</b>	<b>1,071</b>	<b>100</b>	<b>(1,001)</b>	<b>(59)</b>	<b>(30)</b>	<b>3,715</b>	<b>390</b>	<b>400</b>	<b>4,505</b>

\* Retained earnings include non-distributable reserves arising from consolidation of subsidiaries amounting to US\$ 520 million (31 December 2022: US\$ 517 million).

\*\* A dividend of US\$ 0.015 per share (2021: US\$ 0.01 per share) for the year 2022 was approved for payment at the Annual General Meeting held on 19 March 2023 and paid during the period.

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 Consolidated Financial Statements of Arab Banking Corporation (B.S.C) for the six-month period ended 30th June 2023, which were approved by the Board of Directors and on which an unqualified review conclusion was issued by Ernst & Young, Kingdom of Bahrain, on 13th August 2023.