

## First Quarter Financial Results 31 March 2021 (Reviewed)

### Interim Consolidated Statement of Financial Position

31 March 2021 (Reviewed)

All figures in US\$ Million

	Three months ended 31 March	
	2021 Reviewed	2020 Unreviewed
<b>ASSETS</b>		
Liquid funds	1,787	1,752
Trading securities	538	171
Placements with banks and other financial institutions	2,095	1,803
Securities bought under repurchase agreements	1,223	1,823
Non-trading investments	6,940	6,696
Loans and advances	15,198	15,656
Other assets	2,217	2,305
Premises and equipment	210	201
<b>TOTAL ASSETS</b>	<b>30,208</b>	<b>30,407</b>
<b>LIABILITIES</b>		
Deposits from customers	17,271	17,173
Deposits from banks	3,828	3,596
Certificates of deposit	548	494
Securities sold under repurchase agreements	1,025	1,151
Taxation	112	80
Other liabilities	1,720	1,974
Borrowings	1,602	1,795
<b>Total liabilities</b>	<b>26,106</b>	<b>26,263</b>
<b>EQUITY</b>		
Share capital	3,110	3,110
Treasury shares	(6)	(6)
Statutory reserve	520	520
Retained earnings	997	965
Other reserves	(868)	(822)
<b>EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT</b>	<b>3,753</b>	<b>3,767</b>
Non-controlling interests	349	377
<b>Total equity</b>	<b>4,102</b>	<b>4,144</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>30,208</b>	<b>30,407</b>

### Interim Condensed Consolidated Statement of Cash Flows

Three-month period ended 31 March 2021 (Reviewed)

All figures in US\$ Million

	Three months ended 31 March	
	2021 Reviewed	2020 Unreviewed
<b>OPERATING ACTIVITIES</b>		
Net cash from operating activities	315	200
<b>INVESTING ACTIVITIES</b>		
Net cash (used in) from investing activities	(262)	185
<b>FINANCING ACTIVITIES</b>		
Net cash used in financing activities	(40)	(157)
Net change in cash and cash equivalents	13	228
Effect of exchange rate changes on cash and cash equivalents	22	(43)
Cash and cash equivalents at beginning of the period	1,752	1,657
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD*</b>	<b>1,787</b>	<b>1,842</b>

\* 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 (31 March 2020: US\$ 207 million).

### Interim Consolidated Statement of Profit or Loss

Three-month period ended 31 March 2021 (Reviewed)

All figures in US\$ Million

	Three months ended 31 March	
	2021 Reviewed	2020 Unreviewed
<b>OPERATING INCOME</b>		
Interest and similar income	269	394
Interest and similar expense	(147)	(257)
<b>Net interest income</b>	<b>122</b>	<b>137</b>
Other operating income (expense)	60	(35)
<b>Total operating income</b>	<b>182</b>	<b>102</b>
<b>OPERATING EXPENSES</b>		
Staff	78	87
Premises and equipment	10	10
Other	37	36
<b>Total operating expenses</b>	<b>125</b>	<b>133</b>
<b>NET OPERATING PROFIT (LOSS) BEFORE CREDIT LOSS EXPENSE AND TAXATION</b>	<b>57</b>	<b>(31)</b>
Credit loss expense	(20)	(120)
<b>PROFIT (LOSS) BEFORE TAXATION</b>	<b>37</b>	<b>(151)</b>
Taxation (charge) reversal on foreign operations	(1)	98
<b>PROFIT (LOSS) FOR THE PERIOD</b>	<b>36</b>	<b>(53)</b>
Profit attributable to non-controlling interests	(6)	(9)
<b>PROFIT (LOSS) ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT</b>	<b>30</b>	<b>(62)</b>
<b>BASIC AND DILUTED EARNINGS (LOSS) PER SHARE (EXPRESSED IN US\$)</b>	<b>0.01</b>	<b>(0.02)</b>

### Interim Consolidated Statement of Comprehensive Income

Three-month period ended 31 March 2021 (Reviewed)

All figures in US\$ Million

	Three months ended 31 March	
	2021 Reviewed	2020 Unreviewed
<b>PROFIT (LOSS) FOR THE PERIOD</b>	<b>36</b>	<b>(53)</b>
<b>Other comprehensive (loss) income:</b>		
<i>Other comprehensive (loss) income that will be reclassified (or recycled) to profit or loss in subsequent periods:</i>		
<u>Foreign currency translation:</u>		
Unrealised loss on exchange translation in foreign subsidiaries	(77)	(226)
<u>Debt instruments at FVOCI:</u>		
Net change in fair value during the period	6	(331)
	(71)	(557)
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>	<b>(35)</b>	<b>(610)</b>
<b>Attributable to:</b>		
Shareholders of the parent	(16)	(534)
Non-controlling interests	(19)	(76)
	(35)	(610)

### Interim Consolidated Statement of Changes in Equity

Three-month period ended 31 March 2021 (Reviewed)

All figures in US\$ Million

	Equity attributable to the shareholders of the parent									Non-controlling interests	Total equity
	Share capital	Treasury shares	Statutory reserve	Retained earnings*	Other reserves				Total		
					General reserve	Foreign exchange translation adjustments	Cumulative changes in fair value	Pension fund reserve			
At 31 December 2020	3,110	(6)	520	965	100	(902)	20	(40)	3,767	377	4,144
Profit for the period	-	-	-	30	-	-	-	-	30	6	36
Other comprehensive (loss) income for the period	-	-	-	-	-	(52)	6	-	(46)	(25)	(71)
<b>Total comprehensive income (loss) for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30</b>	<b>-</b>	<b>(52)</b>	<b>6</b>	<b>-</b>	<b>(16)</b>	<b>(19)</b>	<b>(35)</b>
Other equity movements in subsidiaries	-	-	-	2	-	-	-	-	2	(9)	(7)
<b>At 31 March 2021 (reviewed)</b>	<b>3,110</b>	<b>(6)</b>	<b>520</b>	<b>997</b>	<b>100</b>	<b>(954)</b>	<b>26</b>	<b>(40)</b>	<b>3,753</b>	<b>349</b>	<b>4,102</b>
At 31 December 2019	3,110	(6)	520	1,051	100	(754)	42	(32)	4,031	458	4,489
(Loss) profit for the period	-	-	-	(62)	-	-	-	-	(62)	9	(53)
Other comprehensive loss for the period	-	-	-	-	-	(141)	(331)	-	(472)	(85)	(557)
<b>Total comprehensive loss for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(62)</b>	<b>-</b>	<b>(141)</b>	<b>(331)</b>	<b>-</b>	<b>(534)</b>	<b>(76)</b>	<b>(610)</b>
Purchase of treasury shares - net	-	1	-	-	-	-	-	-	1	-	1
Other equity movements in subsidiaries	-	-	-	-	-	-	-	-	-	(12)	(12)
<b>At 31 March 2020 (unreviewed)</b>	<b>3,110</b>	<b>(5)</b>	<b>520</b>	<b>989</b>	<b>100</b>	<b>(895)</b>	<b>(289)</b>	<b>(32)</b>	<b>3,498</b>	<b>370</b>	<b>3,868</b>

\* Retained earnings include non-distributable reserves arising from consolidation of subsidiaries amounting to US\$ 483 million (31 December 2020: US\$ 482 million).

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 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 period ended 31st March 2021, which were approved by the Board of Directors and on which an unqualified review conclusion and an other matter paragraph was issued by Ernst & Young, Kingdom of Bahrain, on 12th May 2021.

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Bank ABC (Arab Banking Corporation B.S.C.) is licensed as a conventional wholesale bank by the Central Bank of Bahrain