

Interim Consolidated Statement of Financial Position

30 September 2023 (Reviewed)

All figures in US\$ Million

	Reviewed	Audited
	30 September 2023	31 December 2022
ASSETS		
Liquid funds	2,586	2,886
Trading securities	1,191	590
Placements with banks and other financial institutions	2,765	2,226
Securities bought under repurchase agreements	1,721	1,386
Non-trading investments	11,463	8,080
Loans and advances	17,598	18,190
Other assets	3,680	3,016
Premises and equipment	257	265
TOTAL ASSETS	41,261	36,639
LIABILITIES		
Deposits from customers	20,914	21,396
Deposits from banks	4,340	3,764
Certificates of deposit	201	435
Securities sold under repurchase agreements	6,735	2,878
Taxation	122	84
Other liabilities	2,962	2,264
Borrowings	1,298	1,297
Total liabilities	36,572	32,118
EQUITY		
Share capital	3,110	3,110
Treasury shares	(6)	(6)
Statutory reserve	545	545
Retained earnings	1,250	1,125
Other reserves	(1,078)	(1,069)
EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT	3,821	3,705
Additional / perpetual tier-1 capital	390	390
Equity attributable to the shareholders of the parent and perpetual instrument holders	4,211	4,095
Non-controlling interests	478	426
Total equity	4,689	4,521
TOTAL LIABILITIES AND EQUITY	41,261	36,639

Interim Condensed Consolidated Statement of Cash Flows

Nine-month period ended 30 September 2023 (Reviewed)

All figures in US\$ Million

	Reviewed	
	Nine months ended 30 September 2023	2022
OPERATING ACTIVITIES		
Net cash from (used in) operating activities*	4,157	(418)
INVESTING ACTIVITIES		
Net cash (used in) from investing activities	(4,010)	112
FINANCING ACTIVITIES		
Net cash used in financing activities	(324)	(201)
Net change in cash and cash equivalents	(177)	(507)
Effect of exchange rate changes on cash and cash equivalents	(85)	(57)
Cash and cash equivalents at beginning of the period	2,848	2,586
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD**	2,586	2,022

*This excludes non-cash item amounting to US\$ Nil (30 September 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 September 2022: US\$ 34 million).

Interim Consolidated Statement of Profit or Loss

Nine-month period ended 30 September 2023 (Reviewed)

All figures in US\$ Million

	Reviewed		Reviewed	
	Three months ended 30 September 2023	2022	Nine months ended 30 September 2023	2022
OPERATING INCOME				
Interest and similar income	822	539	2,205	1,435
Interest and similar expense	(581)	(345)	(1,520)	(871)
Net interest income	241	194	685	564
Other operating income	91	77	258	227
Total operating income	332	271	943	791
OPERATING EXPENSES				
Staff	116	109	339	308
Premises and equipment	15	13	40	40
Other	59	41	175	146
Total operating expenses	190	163	554	494
NET OPERATING PROFIT BEFORE CREDIT LOSS EXPENSE AND TAXATION	142	108	389	297
Credit loss expense	(35)	(27)	(108)	(78)
PROFIT BEFORE TAXATION	107	81	281	219
Taxation charge on foreign operations	(27)	(22)	(55)	(64)
PROFIT FOR THE PERIOD	80	59	226	155
Profit attributable to non-controlling interests	(18)	(15)	(43)	(41)
PROFIT ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT	62	44	183	114
BASIC AND DILUTED EARNINGS PER SHARE (EXPRESSED IN US\$)	0.02	0.01	0.06	0.04

Interim Consolidated Statement of Comprehensive Income

Nine-month period ended 30 September 2023 (Reviewed)

All figures in US\$ Million

	Reviewed		Reviewed	
	Three months ended 30 September 2023	2022	Nine months ended 30 September 2023	2022
PROFIT FOR THE PERIOD	80	59	226	155
Other comprehensive income (loss):				
Other comprehensive income (loss) that will be reclassified (or recycled) to profit or loss in subsequent periods:				
Foreign currency translation:				
Unrealised loss on exchange translation in foreign subsidiaries	(39)	(55)	(16)	(84)
Debt instruments at FVOCI:				
Net change in fair value during the period	27	(4)	19	(127)
	(12)	(59)	3	(211)
Other comprehensive income (loss) that will not be reclassified (or recycled) to profit or loss in subsequent periods:				
Net change in fair value of FVOCI equity securities during the period	(1)	(2)	4	(1)
	(1)	(2)	4	(1)
Other comprehensive (loss) income for the period	(13)	(61)	7	(212)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	67	(2)	233	(57)
Attributable to:				
Shareholders of the parent	65	(6)	174	(109)
Non-controlling interests	2	4	59	52
	67	(2)	233	(57)

Interim Consolidated Statement of Changes in Equity

Nine-month period ended 30 September 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	
	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 2022	3,110	(6)	545	1,125	100	(1,114)	(22)	(33)	3,705	390	426	4,521
Profit for the period	-	-	-	183	-	-	-	-	183	-	43	226
Other comprehensive (loss) income for the period	-	-	-	-	-	(32)	23	-	(9)	-	16	7
Total comprehensive income (loss) for the period	-	-	-	183	-	(32)	23	-	174	-	59	233
Dividend**	-	-	-	(46)	-	-	-	-	(46)	-	(21)	(67)
Interest paid on additional / perpetual tier-1 capital	-	-	-	(19)	-	-	-	-	(19)	-	-	(19)
Other equity movements in subsidiaries	-	-	-	7	-	-	-	-	7	-	14	21
At 30 September 2023 (reviewed)	3,110	(6)	545	1,250	100	(1,146)	1	(33)	3,821	390	478	4,689
At 31 December 2021	3,110	(6)	530	1,055	100	(950)	63	(30)	3,872	-	363	4,235
Profit for the period	-	-	-	114	-	-	-	-	114	-	41	155
Other comprehensive (loss) income for the period	-	-	-	-	-	(95)	(128)	-	(223)	-	11	(212)
Total comprehensive income (loss) for the period	-	-	-	114	-	(95)	(128)	-	(109)	-	52	(57)
Dividend	-	-	-	(31)	-	-	-	-	(31)	-	(17)	(48)
Issue of additional / perpetual tier-1 capital	-	-	-	-	-	-	-	-	-	390	-	390
Interest paid on additional / perpetual tier-1 capital	-	-	-	(9)	-	-	-	-	(9)	-	-	(9)
Other equity movements in subsidiaries	-	-	-	(18)	-	-	-	-	(18)	-	3	(15)
At 30 September 2022 (reviewed)	3,110	(6)	530	1,111	100	(1,045)	(65)	(30)	3,705	390	401	4,496

* Retained earnings include non-distributable reserves arising from consolidation of subsidiaries amounting to US\$ 555 million (31 December 2022: US\$ 517 million).

** A dividend of US\$ 0.015 per share (2021: US\$ 0.010 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 Condensed Consolidated Financial Statements of Arab Banking Corporation (B.S.C) for the nine-month period ended 30th September 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 November 2023.