

## Year End 2021 Financial Results

ASSETS Liquid funds	31 December 2021	All figures ir	uS\$ Millio
Liquid funds       2,626       1,752         Trading securities       902       177         Placements with banks and other financial institutions       3,031       1,803         Securities bought under repurchase agreements       698       1,823         Non-trading investments       698       1,823         Non-trading investments       698       1,823         Loans and advances       16,768       15,656         Other assets       2,213       2,300         Premises and equipment       309       201         TOTAL ASSETS       34,897       30,407         LIABILITIES       Deposits from customers       20,734       17,175         Deposits from banks       4,388       3,596         Securities sold under repurchase agreements       2,011       1,151         Securities sold under repurchase agreements       2,011       1,151         Taxation       79       80         Other liabilities       1,514       1,974         Borrowings       1,211       1,795         Total liabilities       3,110       3,110         Share capital       3,110       3,110         Treasury shares       (6)       (6         Statutory reserve <th></th> <th>2021</th> <th>2020</th>		2021	2020
Trading securities       902       177         Placements with banks and other financial institutions       3,031       1,803         Securities bought under repurchase agreements       698       1,823         Non-trading investments       8,350       6,696         Loans and advances       16,768       15,656         Other assets       2,213       2,303         Premises and equipment       309       201         TOTAL ASSETS       34,897       30,407         LIABILITIES       20,734       17,173         Deposits from customers       20,734       17,173         Deposits from banks       4,388       3,596         Certificates of deposit       725       494         Securities sold under repurchase agreements       2,011       1,151         Taxation       79       80         Other liabilities       1,514       1,974         Borrowings       1,211       1,795         Total liabilities       30,662       26,263         Schare capital       3,110       3,110         Treasury shares       (6)       (6         Sctatutory reserve       530       520         Retained earnings       1,055       965	ASSETS		
Placements with banks and other financial institutions       3,031       1,803         Securities bought under repurchase agreements       698       1,823         Non-trading investments       8,350       6,696         Loans and advances       16,768       15,656         Other assets       2,213       2,303         Premises and equipment       309       201         TOTAL ASSETS       34,897       30,407         LIABILITIES       20,734       17,173         Deposits from customers       20,734       17,173         Deposits from banks       4,388       3,596         Certificates of deposit       725       494         Securities sold under repurchase agreements       2,011       1,151         Taxation       79       80         Other liabilities       1,514       1,974         Borrowings       1,211       1,795         Total liabilities       30,662       26,263         EQUITY       50       (6)       (6         Statutory reserve       530       520         Retained earnings       1,055       965         Of ther reserves       (817)       (822         EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS       0F THE	Liquid funds	2,626	1,752
Securities bought under repurchase agreements       698       1,825         Non-trading investments       8,350       6,696         Loans and advances       16,768       15,656         Other assets       2,213       2,305         Premises and equipment       309       200         TOTAL ASSETS       34,897       30,407         LIABILITIES       20,734       17,173         Deposits from customers       20,734       17,173         Deposits from banks       4,388       3,596         Certificates of deposit       725       494         Securities sold under repurchase agreements       2,011       1,151         Taxation       79       80         Other liabilities       1,514       1,974         Borrowings       1,211       1,795         Total liabilities       30,662       26,263         EQUITY       5hare capital       3,110       3,110         Treasury shares       (6)       (6         Statutory reserve       530       520         Retained earnings       1,055       965         Other reserves       (817)       (822         EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS       0F THE PARENT       3,872 <td>Trading securities</td> <td>902</td> <td>171</td>	Trading securities	902	171
Non-trading investments         8,350         6,696           Loans and advances         16,768         15,656           Other assets         2,213         2,305           Premises and equipment         309         200           TOTAL ASSETS         34,897         30,407           LIABILITIES         20posits from customers         20,734         17,173           Deposits from banks         4,388         3,596           Certificates of deposit         725         494           Securities sold under repurchase agreements         2,011         1,151           Taxation         79         80           Other liabilities         1,514         1,974           Borrowings         1,211         1,795           Total liabilities         30,662         26,263           EQUITY         5hare capital         3,110         3,110           Treasury shares         (6)         (6           Statutory reserve         530         520           Retained earnings         1,055         965           Other reserves         (817)         (822           EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS         0F THE PARENT         3,872         3,767           Non-controlling in	Placements with banks and other financial institutions	3,031	1,803
Loans and advances       16,768       15,656         Other assets       2,213       2,305         Premises and equipment       309       200         TOTAL ASSETS       34,897       30,407         LIABILITIES       20,734       17,173         Deposits from customers       20,734       17,173         Deposits from banks       4,388       3,596         Certificates of deposit       725       494         Securities sold under repurchase agreements       2,011       1,151         Taxation       79       80         Other liabilities       1,514       1,974         Borrowings       1,211       1,795         Total liabilities       30,662       26,265         EQUITY       5hare capital       3,110       3,110         Treasury shares       (6)       (6         Statutory reserve       530       520         Retained earnings       1,055       965         Other reserves       (817)       (822         EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS       0F THE PARENT       3,872       3,767         Non-controlling interests       363       377         Total equity       4,235       4,144	Securities bought under repurchase agreements	698	1,823
Other assets       2,213       2,305         Premises and equipment       309       201         TOTAL ASSETS       34,897       30,407         LIABILITIES       20,734       17,173         Deposits from customers       20,734       17,173         Deposits from banks       4,388       3,596         Certificates of deposit       725       494         Securities sold under repurchase agreements       2,011       1,151         Taxation       79       80         Other liabilities       1,514       1,974         Borrowings       1,211       1,795         Total liabilities       30,662       26,263         EQUITY       5hare capital       3,110       3,110         Treasury shares       (6)       (6         Statutory reserve       530       520         Retained earnings       1,055       965         Other reserves       (817)       (822         EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS       (817)       (822         OF THE PARENT       3,872       3,767         Non-controlling interests       363       377         Total equity       4,235       4,144	Non-trading investments	8,350	6,696
Premises and equipment         309         201           TOTAL ASSETS         34,897         30,407           LIABILITIES         Deposits from customers         20,734         17,173           Deposits from banks         4,388         3,596           Certificates of deposit         725         494           Securities sold under repurchase agreements         2,011         1,151           Taxation         79         80           Other liabilities         1,514         1,974           Borrowings         1,211         1,795           Total liabilities         30,662         26,265           EQUITY         5hare capital         3,110         3,110           Treasury shares         (6)         (6           Statutory reserve         530         520           Retained earnings         1,055         965           Other reserves         (817)         (822           EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS         0F THE PARENT         3,872         3,767           Non-controlling interests         363         377           Total equity         4,235         4,144	Loans and advances	16,768	15,656
TOTAL ASSETS 34,897 30,407  LIABILITIES  Deposits from customers 20,734 17,173  Deposits from banks 4,388 3,596  Certificates of deposit 725 494  Securities sold under repurchase agreements 2,011 1,151  Taxation 79 80  Other liabilities 1,514 1,974  Borrowings 1,211 1,795  Total liabilities 30,662 26,263  EQUITY  Share capital 3,110 3,110  Treasury shares (6) (6)  Statutory reserve 530 520  Retained earnings 1,055 965  Other reserves (817) (822  EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS  OF THE PARENT 3,872 3,767  Non-controlling interests 363 377  Total equity 4,235 4,144	Other assets	2,213	2,305
Deposits from customers   20,734   17,173   17	Premises and equipment	309	201
Deposits from customers       20,734       17,173         Deposits from banks       4,388       3,596         Certificates of deposit       725       494         Securities sold under repurchase agreements       2,011       1,151         Taxation       79       80         Other liabilities       1,514       1,974         Borrowings       1,211       1,795         Total liabilities       30,662       26,263         EQUITY         Share capital       3,110       3,110         Treasury shares       (6)       (6         Statutory reserve       530       520         Retained earnings       1,055       965         Other reserves       (817)       (822         EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS       0F THE PARENT       3,872       3,767         Non-controlling interests       363       377         Total equity       4,235       4,144	TOTAL ASSETS	34,897	30,407
Deposits from banks       4,388       3,596         Certificates of deposit       725       494         Securities sold under repurchase agreements       2,011       1,151         Taxation       79       80         Other liabilities       1,514       1,974         Borrowings       1,211       1,795         Total liabilities       30,662       26,263         EQUITY         Share capital       3,110       3,110         Treasury shares       (6)       (6         Statutory reserve       530       520         Retained earnings       1,055       965         Other reserves       (817)       (822         EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS       0F THE PARENT       3,872       3,767         Non-controlling interests       363       377       700       3,424	LIABILITIES		
Certificates of deposit     725     494       Securities sold under repurchase agreements     2,011     1,151       Taxation     79     80       Other liabilities     1,514     1,974       Borrowings     1,211     1,795       Total liabilities     30,662     26,263       EQUITY       Share capital     3,110     3,110       Treasury shares     (6)     (6       Statutory reserve     530     520       Retained earnings     1,055     965       Other reserves     (817)     (822       EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS     0F THE PARENT     3,872     3,767       Non-controlling interests     363     377       Total equity     4,235     4,144	Deposits from customers	20,734	17,173
Securities sold under repurchase agreements         2,011         1,151           Taxation         79         80           Other liabilities         1,514         1,974           Borrowings         1,211         1,795           Total liabilities         30,662         26,263           EQUITY         5hare capital         3,110         3,110           Treasury shares         (6)         (6           Statutory reserve         530         520           Retained earnings         1,055         965           Other reserves         (817)         (822           EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS         67 THE PARENT         3,872         3,767           Non-controlling interests         363         377           Total equity         4,235         4,144	Deposits from banks	4,388	3,596
Taxation         79         80           Other liabilities         1,514         1,974           Borrowings         1,211         1,795           Total liabilities         30,662         26,263           EQUITY         5         3,110         3,110           Treasury shares         (6)         (6         6           Statutory reserve         530         520           Retained earnings         1,055         965           Other reserves         (817)         (822           EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS         67 THE PARENT         3,872         3,767           Non-controlling interests         363         377         3761           Total equity         4,235         4,144	Certificates of deposit	725	494
Dither liabilities         1,514         1,974           Borrowings         1,211         1,795           Total liabilities         30,662         26,263           EQUITY         5           Share capital         3,110         3,110           Treasury shares         (6)         (6           Statutory reserve         530         520           Retained earnings         1,055         965           Other reserves         (817)         (822           EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS         0F THE PARENT         3,872         3,767           Non-controlling interests         363         377           Total equity         4,235         4,144	Securities sold under repurchase agreements	2,011	1,151
1,211   1,795   1,211   1,795   1,211   1,795   1,211   1,795   1,211   1,795   1,211   1,795   1,211   1,795   1,211   1,795   1,211   1,795   1,211   1,795   1,211   1,795   1,211   1,211   1,795   1,211   1,21	Taxation	79	80
Total liabilities         30,662         26,263           EQUITY         5         3,110         3,110           Share capital         3,110         3,110         3,110           Treasury shares         (6)         (6         6           Statutory reserve         530         520         520           Retained earnings         1,055         965         965         965           Other reserves         (817)         (822         622	Other liabilities	1,514	1,974
EQUITY  Share capital 3,110 3,110  Treasury shares (6) (6) Statutory reserve 530 520 Retained earnings 1,055 965 Other reserves (817) (822  EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS  OF THE PARENT 3,872 3,767 Non-controlling interests 363 377  Total equity 4,235 4,144	Borrowings	1,211	1,795
Share capital       3,110       3,110         Treasury shares       (6)       (6)         Statutory reserve       530       520         Retained earnings       1,055       965         Other reserves       (817)       (822         EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS       5,767         OF THE PARENT       3,872       3,767         Non-controlling interests       363       377         Total equity       4,235       4,144	Total liabilities	30,662	26,263
Treasury shares         (6)         (6)         (6)         (6)         (6)         (6)         (6)         (6)         (6)         (6)         (6)         (6)         (5)         (5)         (5)         (5)         (5)         (5)         (6)         (8)	EQUITY		
Statutory reserve         530         520           Retained earnings         1,055         965           Dther reserves         (817)         (822           EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS         3,872         3,767           Non-controlling interests         363         377           Total equity         4,235         4,144	Share capital	3,110	3,110
Retained earnings         1,055         965           Dither reserves         (817)         (822           EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS         3,872         3,767           Non-controlling interests         363         377           Total equity         4,235         4,144	Treasury shares	(6)	(6
Other reserves         (817)         (822)           EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS         3,872         3,767           OF THE PARENT         3,872         3,767           Non-controlling interests         363         377           Total equity         4,235         4,144	Statutory reserve	530	520
EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS         3,872         3,767           OF THE PARENT         3,872         3,767           Non-controlling interests         363         377           Total equity         4,235         4,144	Retained earnings	1,055	965
OF THE PARENT         3,872         3,767           Non-controlling interests         363         377           Total equity         4,235         4,144	Other reserves	(817)	(822
Non-controlling interests 363 377 Total equity 4,235 4,144	EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS		
Total equity 4,235 4,144	OF THE PARENT	3,872	3,767
	Non-controlling interests	363	377
TOTAL LIABILITIES AND EQUITY 34,897 30,407	Total equity	4,235	4,144
	TOTAL LIABILITIES AND EQUITY	34,897	30,407

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS Year ended 31 December 2021 All figures in US\$ Millio							
	2021	2020					
OPERATING ACTIVITIES							
Net cash from operating activities	3,143	966					
INVESTING ACTIVITIES							
Net cash used in investing activities	(1,955)	(581)					
FINANCING ACTIVITIES							
Net cash used in financing activities	(361)	(179)					
Net change in cash and cash equivalents	827	206					
Effect of exchange rate changes on cash and cash equivalents	7	(111)					
Cash and cash equivalents at beginning of the year	1,752	1,657					
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	2,586	1,752					

CONSOLIDATED STATEMENT OF PROFIT OR LOSS							
Year ended 31 December 2021	All figures i	n US\$ Million					
	2021	2020					
OPERATING INCOME							
Interest and similar income	1,256	1,175					
Interest and similar expense	(664)	(659)					
Net interest income	592	516					
Other operating income	262	130					
Total operating income	854	646					
OPERATING EXPENSES							
Staff	347	291					
Premises and equipment	49	43					
Other	173	152					
Total operating expenses	569	486					
NET OPERATING PROFIT BEFORE CREDIT LOSS EXPENSE AND TAXATION	285	160					
Credit loss expense	(106)	(329)					
PROFIT (LOSS) BEFORE TAXATION	179	(169)					
Taxation on foreign operations	(51)	94					
PROFIT (LOSS) FOR THE YEAR	128	(75)					
Profit attributable to non-controlling interests	(28)	(14)					
PROFIT (LOSS) ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT	100	(89)					
BASIC AND DILUTED EARNINGS (LOSS) PER SHARE (EXPRESSED IN US\$)	0.03	(0.03)					

Year ended 31 December 2021	All figures in	US\$ Million
	2021	2020
PROFIT (LOSS) FOR THE YEAR Other comprehensive income:	128	(75)
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 Debt instruments at FVOCI:	(69)	(234)
Net change in fair value during the year	43	(22)
	(26)	(256)
Other comprehensive income (loss) that will not be reclassified (or recycled) to profit or loss in subsequent periods:		
Net change in pension fund reserve	10	(8)
	10	(8)
Other comprehensive loss for the year	(16)	(264)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	112	(339)
Attributable to:		
Shareholders of the parent	105	(267)
Non-controlling interests	7	(72)
	112	(339)

Year ended 31 December 2021	MENT OF CHANGES IN EQUITY								All figures in L	IS\$ Millior	
	Equity attributable to the shareholders of the parent								Non- controlling interests	Tota equit <u>u</u>	
						Other rese	rves				
	Share capital	Treasury shares	Statutory reserve	Retained earnings*	General reserve	Foreign exchange translation adjustments	Cumulative changes in fair value	Pension fund reserve	Total		
At 31 December 2019	3,110	(6)	520	1,051	100	(754)	42	(32)	4,031	458	4,489
(Loss) profit for the year	-	-	-	(89)	-	-	-	-	(89)	14	(75
Other comprehensive loss for the year		-	-	-	-	(148)	(22)	(8)	(178)	(86)	(264
Total comprehensive loss for the year	-	-	-	(89)	-	(148)	(22)	(8)	(267)	(72)	(339
Dividend	-	-	-	-	-	-	-	-	-	(8)	3)
Other equity movements in subsidiaries		-	-	3	-	-	-	-	3	(1)	ā
At 31 December 2020	3,110	(6)	520	965	100	(902)	20	(40)	3,767	377	4,144
Profit for the year	-	-	-	100	-	-	-	-	100	28	128
Other comprehensive (loss) / income for the year		-	-	-	-	(48)	43	10	5	(21)	(16
Total comprehensive income / (loss) for the year	-	-	-	100	-	(48)	43	10	105	7	117
Transfers during the year	-	-	10	(10)	-	-	-	-	-	-	
Dividend	-	-	-	-	-	-	-	-	-	(14)	(14
Acquisition of a subsdiary	-	-	-	-	-	-	-	-	-	2	i
Other equity movements in subsidiaries	-	-	-	-	-	_	-	-	-	(9)	(9
At 31 December 2021	3,110	(6)	530	1,055	100	(950)	63	(30)	3,872	363	4,23!

The above consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income, condensed consolidated statement of cash flows, and consolidated statement of changes in equity have been extracted from the Consolidated Financial Statements of Arab Banking Corporation (B.S.C.) for the year ended 31st December 2021, which were approved by the Board of Directors and on which an unqualified audit opinion was issued by Ernst & Young, Kingdom of Bahrain, on 13th February 2022.

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