

Interim Consolidated Statement of Financial Position

31 March 2023 (Reviewed) All figures in US\$ Million

	Reviewed	
	31 March 2023	Audited 31 December 2022
ASSETS		
Liquid funds	1,546	2,886
Trading securities	1,065	590
Placements with banks and other financial institutions	2,510	2,226
Securities bought under repurchase agreements	1,059	1,386
Non-trading investments	7,090	8,080
Loans and advances	17,908	18,190
Other assets	3,213	3,016
Premises and equipment	253	265
TOTAL ASSETS	34,644	36,639
LIABILITIES		
Deposits from customers	19,948	21,396
Deposits from banks	4,081	3,764
Certificates of deposit	336	435
Securities sold under repurchase agreements	1,980	2,878
Taxation	118	84
Other liabilities	2,395	2,264
Borrowings	1,301	1,297
Total liabilities	30,159	32,118
EQUITY		
Share capital	3,110	3,110
Treasury shares	(6)	(6)
Statutory reserve	545	545
Retained earnings	1,134	1,125
Other reserves	(1,130)	(1,069)
EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT	3,653	3,705
Additional / perpetual tier-1 capital	390	390
Equity attributable to the shareholders of the parent and perpetual instrument holders	4,043	4,095
Non-controlling interests	442	426
Total equity	4,485	4,521
TOTAL LIABILITIES AND EQUITY	34,644	36,639

Interim Consolidated Statement of Profit or Loss

Three-month period ended 31 March 2023 (Reviewed) All figures in US\$ Million

	Reviewed	
	Three months ended 31 March 2023	2022
OPERATING INCOME		
Interest and similar income	661	403
Interest and similar expense	(438)	(226)
Net interest income	223	177
Other operating income	76	70
Total operating income	299	247
OPERATING EXPENSES		
Staff	108	100
Premises and equipment	13	15
Other	53	44
Total operating expenses	174	159
NET OPERATING PROFIT BEFORE CREDIT LOSS EXPENSE AND TAXATION	125	88
Credit loss expense	(43)	(25)
PROFIT BEFORE TAXATION	82	63
Taxation charge on foreign operations	(11)	(20)
PROFIT FOR THE PERIOD	71	43
Profit attributable to non-controlling interests	(11)	(12)
PROFIT ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT	60	31
BASIC AND DILUTED EARNINGS PER SHARE (EXPRESSED IN US\$)	0.02	0.01

Interim Consolidated Statement of Comprehensive Income

Three-month period ended 31 March 2023 (Reviewed) All figures in US\$ Million

	Reviewed	
	Three months ended 31 March 2023	2022
PROFIT FOR THE PERIOD	71	43
Other comprehensive income (loss):		
<i>Other comprehensive income (loss) 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	(27)	74
Debt instruments at FVOCI:		
Net change in fair value during the period	(24)	(41)
Other comprehensive (loss) income for the period	(51)	33
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	20	76
Attributable to:		
Shareholders of the parent	(1)	8
Non-controlling interests	21	68
	20	76

Interim Condensed Consolidated Statement of Cash Flows

Three-month period ended 31 March 2023 (Reviewed) All figures in US\$ Million

	Reviewed	
	Three months ended 31 March 2023	2022
OPERATING ACTIVITIES		
Net cash used in operating activities*	(1,586)	(871)
INVESTING ACTIVITIES		
Net cash from investing activities	434	345
FINANCING ACTIVITIES		
Net cash used in financing activities	(123)	(299)
Net change in cash and cash equivalents	(1,275)	(825)
Effect of exchange rate changes on cash and cash equivalents	(27)	(25)
Cash and cash equivalents at beginning of the period	2,848	2,586
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD**	1,546	1,736

*This excludes non-cash item amounting to US\$ Nil (31 March 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 (31 March 2022: US\$ 343 million).

Interim Consolidated Statement of Changes in Equity

Three-month period ended 31 March 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 adjustment	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	-	-	-	60	-	-	-	-	60	-	11	71
Other comprehensive (loss) income for the period	-	-	-	-	-	(37)	(24)	-	(61)	-	10	(51)
Total comprehensive income (loss) for the period	-	-	-	60	-	(37)	(24)	-	(1)	-	21	20
Dividend**	-	-	-	(46)	-	-	-	-	(46)	-	-	(46)
Interest paid on additional / perpetual tier-1 capital	-	-	-	(9)	-	-	-	-	(9)	-	-	(9)
Other equity movements in subsidiaries	-	-	-	4	-	-	-	-	4	-	(5)	(1)
At 31 March 2023 (reviewed)	3,110	(6)	545	1,134	100	(1,151)	(46)	(33)	3,653	390	442	4,485
At 31 December 2021	3,110	(6)	530	1,055	100	(950)	63	(30)	3,872	-	363	4,235
Profit for the period	-	-	-	31	-	-	-	-	31	-	12	43
Other comprehensive income (loss) for the period	-	-	-	-	-	18	(41)	-	(23)	-	56	33
Total comprehensive income (loss) for the period	-	-	-	31	-	18	(41)	-	8	-	68	76
Dividend	-	-	-	(31)	-	-	-	-	(31)	-	-	(31)
Issue of additional / perpetual tier-1 capital	-	-	-	-	-	-	-	-	-	390	-	390
Other equity movements in subsidiaries	-	-	-	(18)	-	-	-	-	(18)	-	-	(18)
At 31 March 2022 (reviewed)	3,110	(6)	530	1,037	100	(932)	22	(30)	3,831	390	431	4,652

* Retained earnings include non-distributable reserves arising from consolidation of subsidiaries amounting to US\$ 519 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 Condensed Consolidated Financial Statements of Arab Banking Corporation (B.S.C) for the three-month period ended 31st March 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 14th May 2023.