

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2021

All figures in US\$ Million

	2021	2020
ASSETS		
Liquid funds	2,626	1,752
Trading securities	902	171
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	2,305
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	26,263
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
TOTAL LIABILITIES AND EQUITY	34,897	30,407

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2021

All figures in US\$ Million

	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 in 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)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2021

All figures in US\$ Million

	2021	2020
PROFIT (LOSS) FOR THE YEAR	128	(75)
Other comprehensive income:		
<i>Other comprehensive income (loss) that will be reclassified (or recycled) to profit or loss in subsequent periods:</i>		
Foreign currency translation:		
Unrealised loss on exchange translation in foreign subsidiaries	(69)	(234)
Debt instruments at FVOCI:		
Net change in fair value during the year	43	(22)
	(26)	(256)
<i>Other comprehensive income (loss) that will not be reclassified (or recycled) to profit or loss in subsequent periods:</i>		
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)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2021

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						
					General reserve	Foreign exchange translation adjustments	Cumulative changes in fair value	Pension fund reserve			
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)	(8)
Other equity movements in subsidiaries	-	-	-	3	-	-	-	-	3	(1)	2
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	112
Transfers during the year	-	-	10	(10)	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	-	-	(14)	(14)
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	2	2
Other equity movements in subsidiaries	-	-	-	-	-	-	-	-	-	(9)	(9)
At 31 December 2021	3,110	(6)	530	1,055	100	(950)	63	(30)	3,872	363	4,235

* Retained earnings include non-distributable reserves arising from consolidation of subsidiaries amounting to US\$ 510 million (2020: US\$ 482 million).

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.