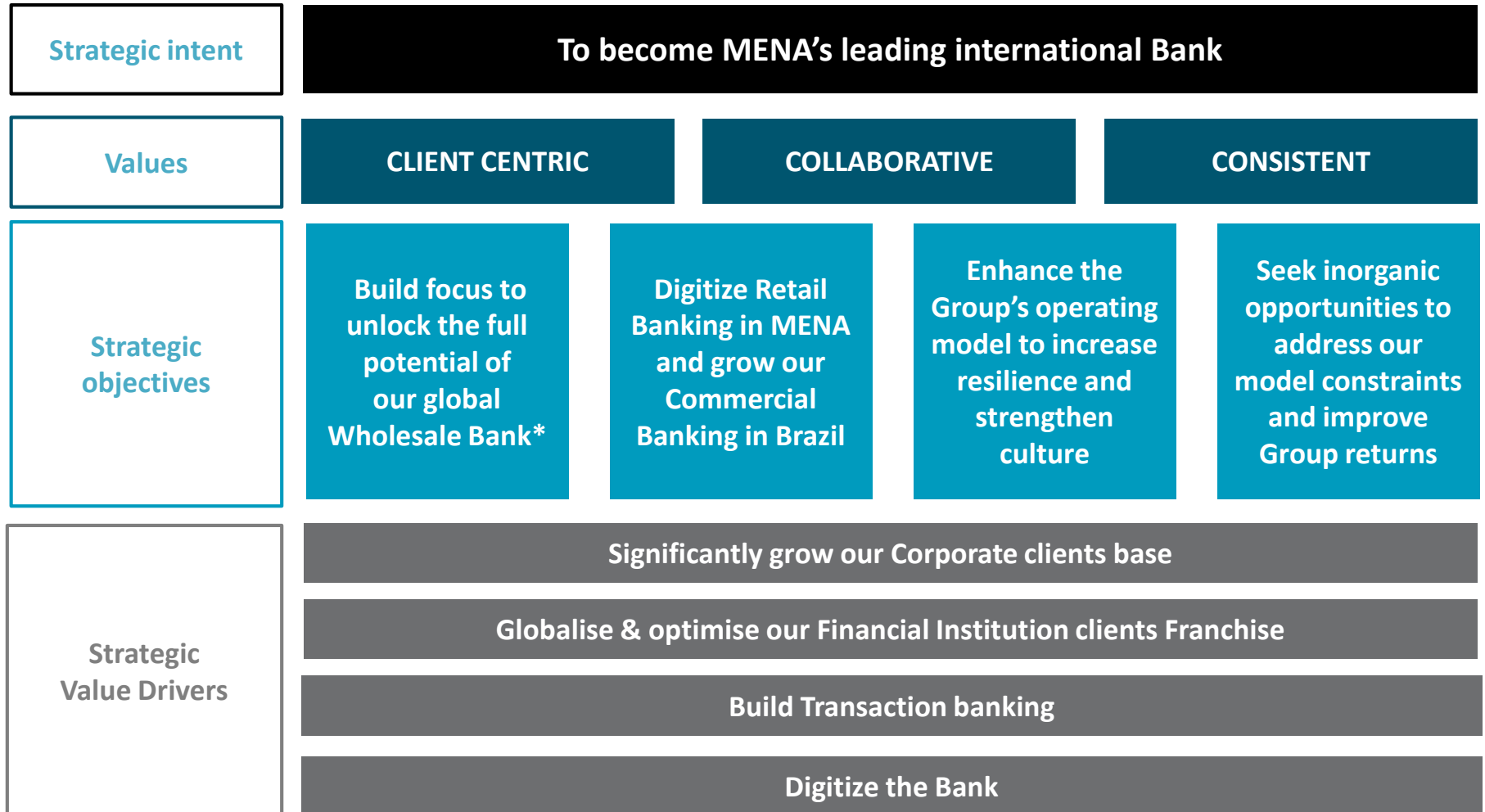


Q4 / FY 2020 Results Presentation

- 2020 has been a year like no other, impacted by unprecedented and deeply challenging conditions represented by the **Covid-19 pandemic, collapse in oil prices and interest rates, and the emergence of some major fraud in the MENA region**
- Bank ABC has not been immune and has faced considerable operational and financial pressures. Nonetheless, a **proactive response to the Covid-19 pandemic ensured the Group maintained its operational and financial resilience throughout 2020**
- **The Bank strategy remained consistent** and Bank ABC continued to invest in its strategic journey, delivering significant milestones such as its **digital transformation winning multiple awards for its 'mobile-only' bank ila, being recognized as the Bank of the Year in Bahrain, and announcing a landmark acquisition of Blom Bank Egypt**
- Despite such unprecedented market conditions, **the Bank delivered robust underlying revenues, a strong balance sheet and a net operating profit of \$282m before provisions**
- **Operating business performance** continued to show robust traction with **underlying TOI** of \$793m (91% of FY 2019)
- **The Bank achieved prudent cost management**, with a 7% drop in headline costs to \$486m, while prioritizing continuing investments in the Group's digital transformation and strategic initiatives
- **The Bank shows a strong balance sheet** with a 16.6% Tier 1 ratio (16.2% CET1), LCR of 324% and NSFR of 122%
- FY 2020 **ECL charge of \$329m** driven higher by unforeseen client frauds of \$183m, combined with Covid-19 conditions and forward-looking nature of IFRS 9. This led to a net loss of \$89m for the year. Excluding the one-off fraud element, the Group would have recorded a \$94m profit



* Includes Wholesale Banking, Financial Markets and Capital markets.

Unlock the full potential of our global Wholesale Bank*

- Revised corporate strategy focused on an enhanced coverage model and improved sales focus
- Kick-started our wholesale bank optimization and digital transformation journey
- Continue to act as a lead arranger in areas of Debt Capital Markets and Syndications on major conventional and Islamic financing transactions

Digitize Retail Banking in MENA

- ila completed its first full year of operation showing exceptional customer numbers and deposits
- ila was awarded the Seamless Middle East 2020 award for Digital Banking Experience of the Year and four Transform Middle East awards for its visual identity
- Launched ABC Labs and continuing to transform AFS into a Digital payment challenger

Enhance the Group's operating model to increase resilience

- Measures to protect staff and strengthen operational resilience adopted early during the Covid-19 pandemic
- Cost saving initiatives were adopted early while prioritizing continuing investments in the Group's digital transformation and strategic initiatives

Seek inorganic growth opportunities

- Entered into an agreement to acquire Blom Bank Egypt, which will provide an excellent franchise addition and platform for growth
- The acquisition will significantly upscale Bank ABC's Egyptian business, delivering scale and a more efficient platform

Key Business Achievements:

Successful expansion and growth of ila

- / ila has demonstrated remarkable growth of customer numbers and market share in its first full year of operation, and the brand is now well established in Bahrain and regionally
- / Continuous enhancements to customer interface and unique user experience of the app reflecting consumer feedback and needs
- / ila has won several awards such as the 'Seamless Middle East award for Digital Banking Experience of the year' and four Transform awards for its visual identify
- / The ila platform will be rolled out across the wider ABC network, with a focus on innovative products including digital payments, asset products and financial management

The ila Platform



- **Mobile-led retail banking** (majority of customers acquired via social media)
- **Competitive rates**
- **Exceptional customer service**
- **Simple, seamless, fast**

- **Current account**
- **Multiple currencies**
- **Virtual, Classic & Premium Cards**
- **Smart, personalized features**, e.g. savings pockets, funding circles
- **Hassala launch** enables customers to save in an automated way
- **Bill payments and P2P transfers**

- **Mobile** (sales fulfillment)
- **Social media** (sales and brand image and cross selling)
- **Contact center** (voice & email) 24x7

Key Business Achievements: Blom Egypt acquisition delivers on Group strategic objective on inorganic growth



Blom Bank Egypt was established in 1977 and is headquartered in Cairo with a nationwide presence of 41 branches and a universal banking proposition

EGP 45bn
Total Assets*

EGP 4.7bn
Total Equity*

EGP 1.8bn
TOI*

Transaction Summary

- / Bank ABC has entered into an agreement with Blom Bank Lebanon to acquire its 99.4% stake in Blom Bank Egypt
- / The transaction is subject to regulatory approvals from the Central Bank of Bahrain, Central Bank of Egypt, Egyptian Financial Regulatory Authority and Banque du Liban and is expected to close by Q2 2021
- / Post acquisition, Bank ABC Egypt and Blom Bank Egypt will merge

Strategic Highlights

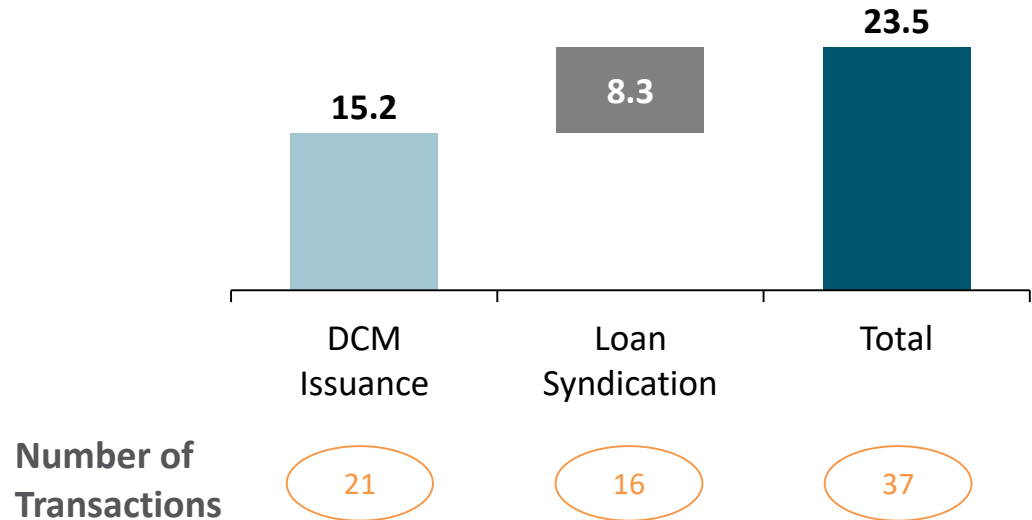
- 1 Significantly upscales Egyptian business, delivering scale and a more efficient platform
- 2 Provides ABC Group with a highly profitable franchise with significant growth potential
- 3 Builds new capabilities in Retail, SME and Corporate lending
- 4 Provides a more capable and expansive branch network with the addition of 41 branches
- 5 Facilitates greater connectivity and access to Egypt for Bank ABC's broader client base

Key Business Achievements:

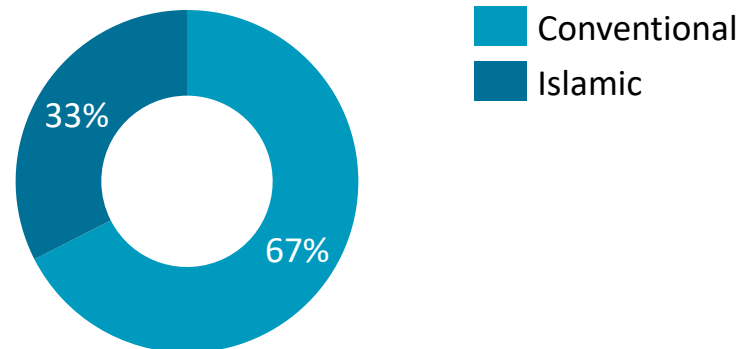
Continuing to act as a lead arranger of public debt origination

- / Bank ABC's reputation and standing has allowed us to continue to act as a lead arranger in debt capital and loan syndication markets
- / Landmark transactions were brought to the market during unprecedented market conditions, highlighting the strength of the Bank ABC distribution platform and improving origination capabilities
- / 37 major conventional and Islamic financing transactions, with approximately US\$23.5bn of debt origination, were facilitated during 2020

2020 Total Debt Origination, \$bn*



2020 Debt Origination by Type, %



* Excludes bilateral facilities.

Multiple Awards Recognizing the Group's Unwavering Commitment to Success

Bank ABC won 5 prestigious awards during 2020



Bank ABC won “Bank of the Year 2020 – Bahrain” by *The Banker Magazine*



“Fatema: ila’s Digital Assistant”
Gartner Eye on Innovation Award for Financial Services – EMEA

Best Trade Finance Provider in Bahrain
by Global Finance

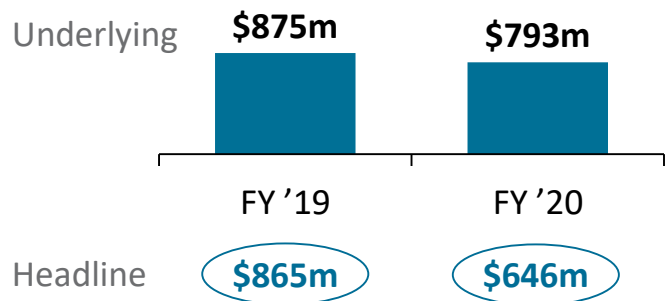


“Digital Banking Experience of the Year”
by Seamless Middle East



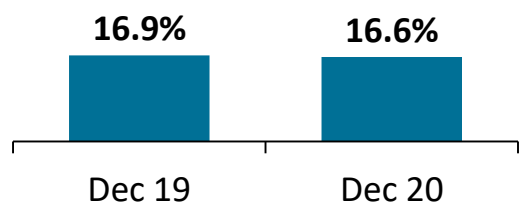
Four branding awards for ila Bank
by Transform MEA

Total Operating Income, \$m



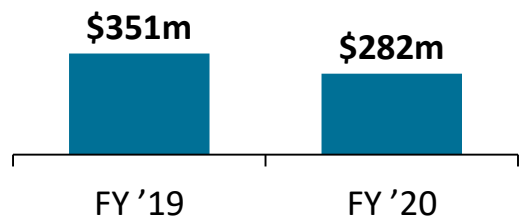
- Underlying* TOI of \$793m (91% of FY 2019) reflects good performance across a number of markets and business lines under the current operating conditions
- Sharp BRL depreciation creates hedge impact of \$103m in headline TOI, offset through tax credit*

T1 Capital Ratio, %



- Capital base remains strong, stable and significantly above regulatory minimum levels
- CET 1 Ratio (16.2%) comprises the majority of Bank ABC's Tier 1 Capital Ratio

Underlying Net Operating Profit, \$m



- Underlying* net operating profit (adjusted for FX, tax and other factors) was \$282m before provisions

After adjusting for currency hedging and FX depreciation, underlying* TOI of \$793m was at 91% of 2019 levels, reflecting resilience across most of our markets and business lines

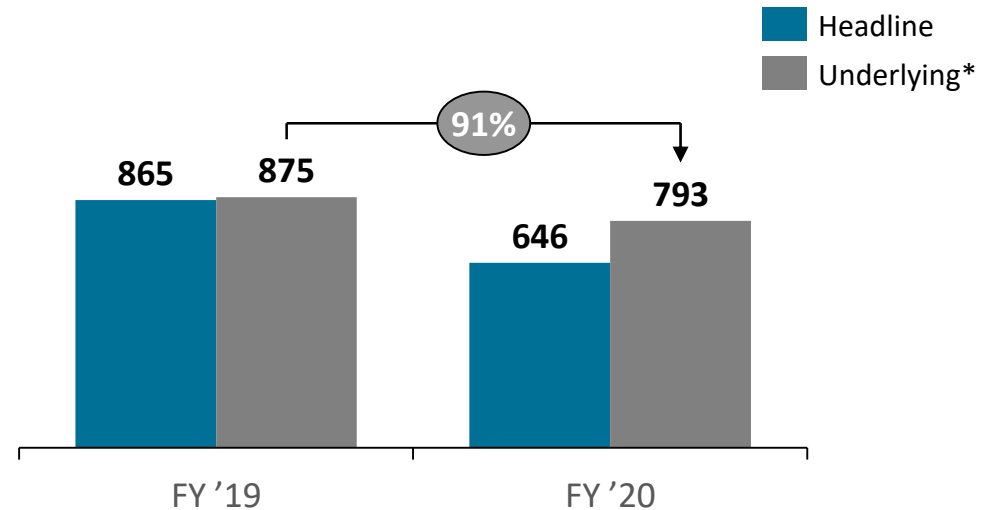
Headline revenues were largely impacted by hedging in our BAB subsidiary and FX translation adjustments given the sharp BRL depreciation against USD. \$103m of this impact is offset through a tax credit of equal amount (pg 16)

Client and transaction revenues have performed well, with many units posting TOI levels of greater than 90% of previous year comparatives

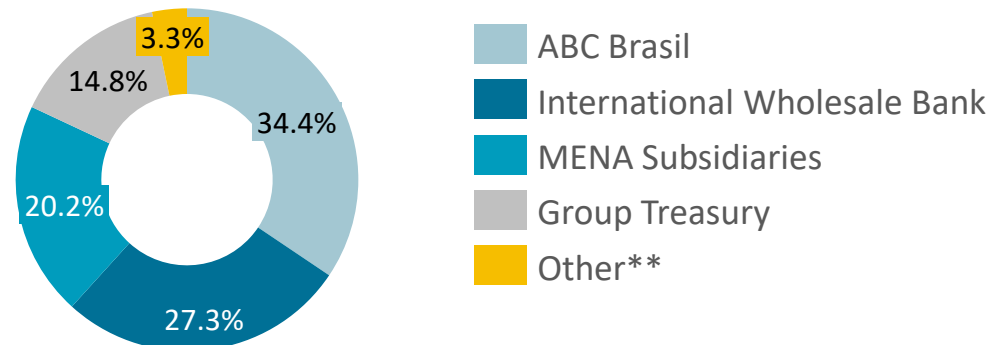
Net interest income was at 91% of FY 2019 levels after absorbing the impact of declining interest rates and FX depreciation

Income is broad based and diversified across various business units

Total Operating Income (TOI), \$m



TOI by Business (FY 2020), %



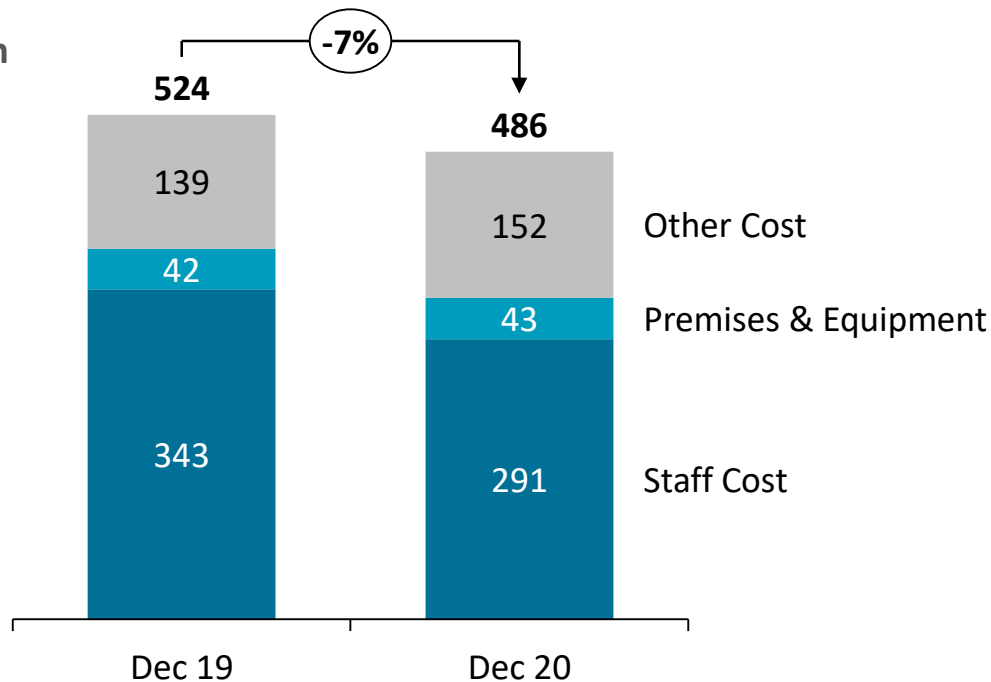
* Please refer to appendix for headline vs underlying basis calculation.

** Other includes activities of Arab Financial Services and ila.

- 7% headline drop in costs during 2020 to \$486m on the back of management actions to control spending
- Costs highly controlled with restricted hiring, rationalization of discretionary spending and FX impact
- Several initiatives are underway to increase cost efficiencies during 2021 and beyond
- Continuing investments into the Group's digital transformation and strategic initiatives will remain a priority
- Cost to income levels have increased due to lower TOI, but robust cost measures will continue during 2021 and beyond

Operating Expenses and Cost to Income Ratio

Operating Expenses, \$m



Normalized Cost to Income Ratio



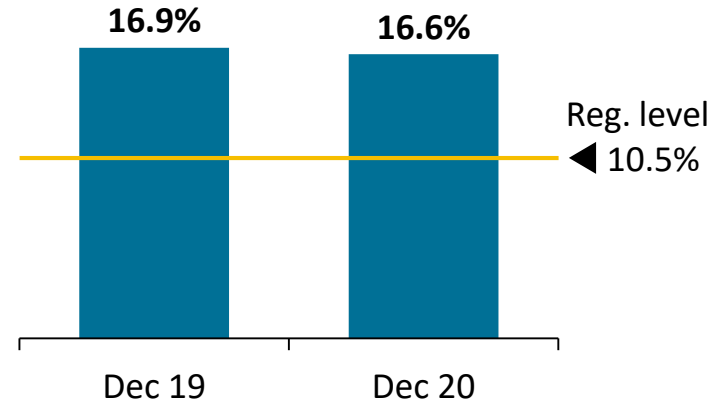
Cost to Income Ratio (ex-Digital)



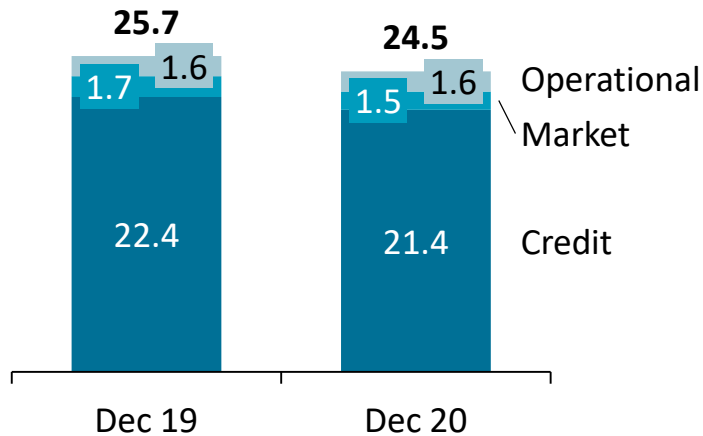
Overview

- ✓ Tier 1 ratio remains strong, after absorbing the exceptional net loss and FX translation adjustments, benefiting from dividend retention
- ✓ CET 1 Ratio (16.2%) comprises the majority of Bank ABC's Tier 1 Capital Ratio (16.6%)
- ✓ Bank ABC's capital base remains very strong, with a capital adequacy ratio of 17.5% as at end of December 2020
- ✓ RWA stood at \$24.5bn as of Dec-2020, compared to \$25.7bn as of Dec-19 (-5%)

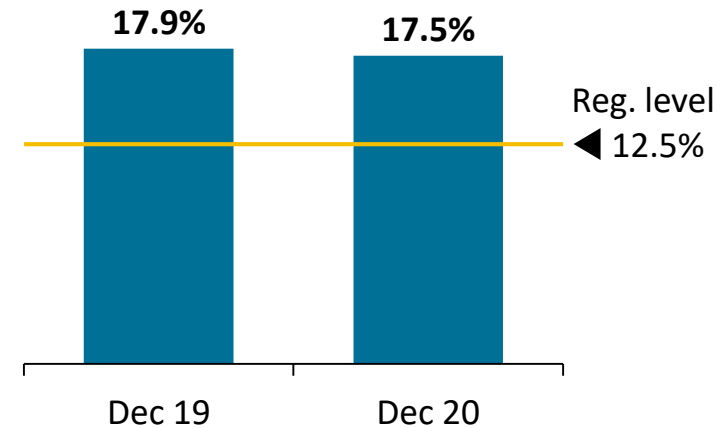
Tier 1 Ratio, %



RWA by Type of Risk, \$bn

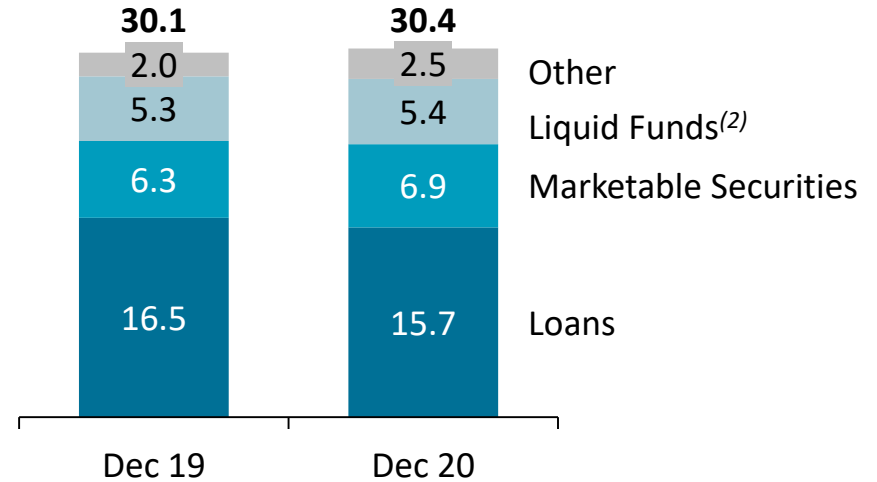


Capital Adequacy Ratio, %

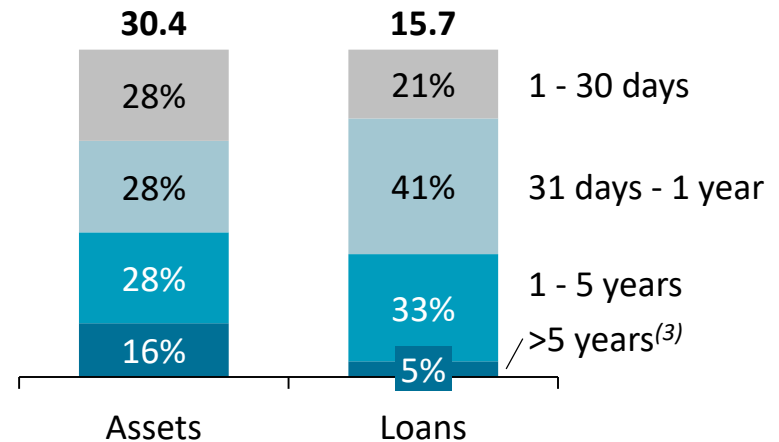


- ✓ Total assets stood at \$30.4bn at the 2020 year end, compared to \$30.1bn at the 2019 year end
- ✓ More than half the Assets are maturing within 1-year (56%)
- ✓ Loans dropped by 5% on a headline basis to \$15.7bn. However, adjusted for BRL depreciation, loans were higher by 2% compared to 2019 year end, reflecting continued focus and selective growth in key markets
- ✓ Loan to customer deposits ratio at 91% compared to 99% at the 2019 year end. Our deposit experience remained steady underscoring the confidence of our clients
- ✓ Marketable securities grew to \$6.9bn (+8%) and liquid funds to \$5.4bn (+1%) at the 2020 year end
- ✓ Strong liquid funds position with LCR of 324% ⁽¹⁾ and NSFR of 122%

Dec 2020 Assets by Instrument, \$bn



Dec 2020 Assets by Maturity, \$bn

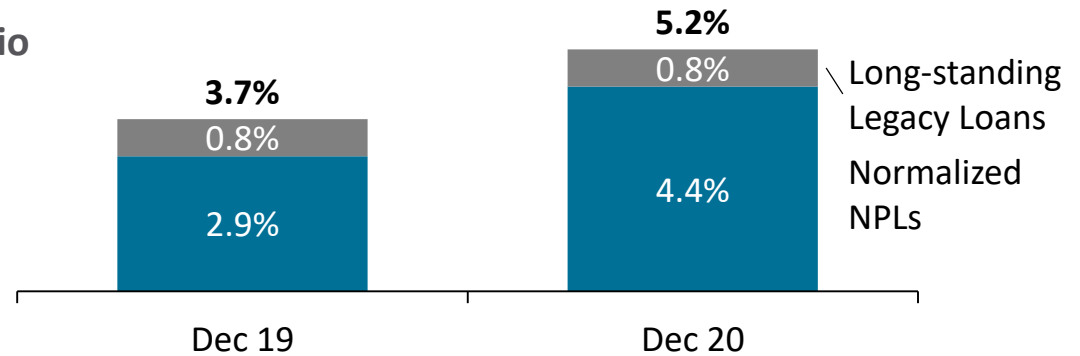


(1) LCR calculated net of trapped liquidity. (2) Liquid funds includes placements with banks & other financial institutions and securities bought under repurchase agreements. (3) >5 years includes undated.

- / NPL ratio impacted by unforeseen major fraud cases in the region relating to KBBO and other companies (incl NMC). Many regional players have been impacted by these names
- / NPL ratio normalises to 4.4% when long-standing legacy fully provided loans are adjusted for
- / Loans provision coverage ratio has improved to 101% compared to 97% as of 2019
- / Bank ABC is taking a conservative approach to provisioning for the fraud cases
- / Excluding fraud events, the remaining ECL provisions are higher than previous years impacted by the Covid19 conditions and forward looking nature of IFRS 9 (similar to the industry peers)

NPLs and Coverage Ratio

NPL Ratio

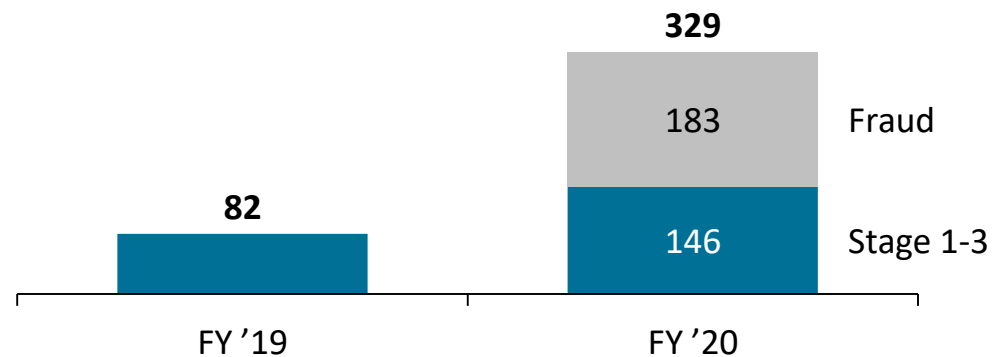


Coverage Ratio⁽¹⁾



ECL & Cost of Risk

ECL, \$m



Cost of Risk⁽²⁾



(1) Provision/Gross Impaired Loans. (2) Impairment / Gross Loans. (3) Excluding ECL related to major client fraud.



Unprecedented market conditions were weathered with strong balance sheet, robust underlying revenues and net operating profit of \$282m before provisions



A significant increase in ECL to \$329m driven higher by major fraud cases, combined with Covid-19 conditions and the forward-looking nature of IFRS 9, created a net loss of \$89m. Excluding the one-off frauds, the Group would have recorded a \$94m profit



Cost reduction measures are continuing alongside prioritized investments into Bank ABC's strategic transformation, consistently aimed at building digital capabilities across both wholesale and retail banking



Announced a landmark transaction to acquire Blom Bank Egypt, providing an excellent franchise addition and platform for growth in a core MENA market

Appendix: Normalised Financials

Profit or Loss	US\$ millions	2016	2017	2018	2019	2020
	Interest Income	538	556	559	564	516
	Non-Interest Income	278	317	309	311	233
	Total Operating Income (TOI)*	816	873	868	875	749
	Total Operating Expenses	-436	-462	-474	-524	-486
	Operating Profit	380	411	394	351	263
	Provisions	-92	-96	-79	-82	-329
	Profit before Taxes & M.I.	288	315	315	269	-66
	Taxes*	-54	-62	-67	-33	-9
	M.I.	-51	-60	-46	-42	-14
Net Profit	183	193	202	194	-89	

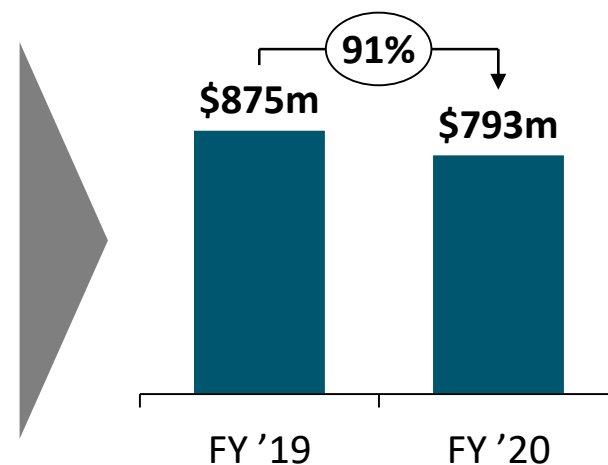
Balance Sheet	US\$ millions	2016	2017	2018	2019	2020
	Liquid Funds**	7,517	6,079	6,266	5,323	5,378
	Marketable Securities	6,346	6,650	6,638	6,343	6,867
	Loans & Advances	14,683	15,329	14,884	16,452	15,656
	Other	1,595	1,441	1,761	1,950	2,506
	Total Assets	30,141	29,499	29,549	30,068	30,407
	Customer Deposits	14,307	16,782	16,464	17,065	17,667
	Bank Deposits	5,870	3,408	4,207	3,897	3,596
	Borrowing	4,269	2,148	2,012	2,080	1,795
	Other	1,435	2,749	2,550	2,537	3,205
Total Liabilities	25,881	25,087	25,233	25,579	26,263	
Shareholders' Equity	3,826	3,930	3,862	4,031	3,767	
Non-Controlling Interest	434	482	454	458	377	
Total Equity	4,260	4,412	4,316	4,489	4,144	
Total Liabilities & Equity	30,141	29,499	29,549	30,068	30,407	

Key Metrics	Normalized Cost to Income, %	53%	53%	55%	60%	65%
	Tier 1 Ratio, %	17.5%	17.7%	17.2%	16.9%	16.6%
	CET 1, %	17.3%	17.5%	17.0%	16.6%	16.2%
	RoAE,%	4.8%	5.0%	5.2%	4.9%	-

* TOI and taxes includes normalization of BRL currency overhedge. Headline TOI 2016 \$865m, 2017 \$869m, 2018 \$817m, 2019 \$865m and 2020 \$646m. ** Liquid funds includes placements with banks & other financial institutions and securities bought under repurchase agreements.

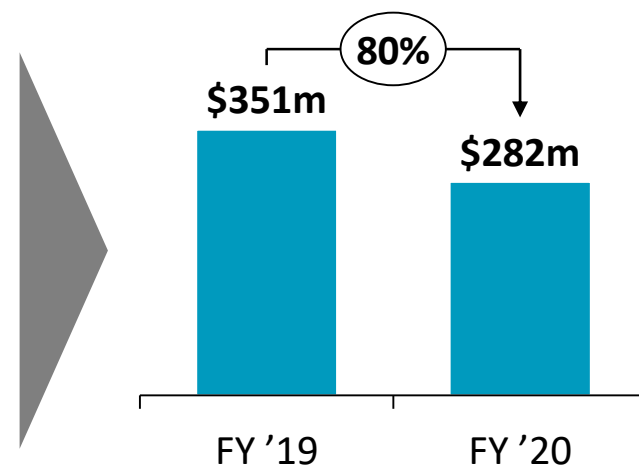
Underlying Total Operating Income

	2019	2020
Headline TOI	\$865m	\$646m
Currency Hedge*	+\$10m	+\$103m
Normalized TOI	\$875m	\$749m
FX impacts and one-offs	-	+\$44m
Underlying TOI	\$875m	\$793m



Underlying Net Operating Profit

	2019	2020
Headline Net Operating Profit	\$341m	\$160m
Currency Hedge*	+\$10m	+\$103m
Normalized Net Operating Profit	\$351m	\$263m
FX impacts and one-offs	-	+\$19m
Underlying Net Operating Profit	\$351m	\$282m





For more information,
contact us on

InvestorRelations@bank-abc.com



Bank ABC Head Office
P.O. Box 5698, Manama
Kingdom of Bahrain

www.bank-abc.com



IMPORTANT: The following applies to this document, the oral presentation of the information in this document by Arab Banking Corporation B.S.C. ("Bank ABC") or any person acting on behalf of Bank ABC, and any question-and-answer session that follows the oral presentation (collectively, the "Information"). In accessing the Information, you agree to be bound by the following terms and conditions.

This presentation has been prepared by Bank ABC and has not been independently verified. This document is an advertisement and does not constitute a prospectus for the purposes of the Prospectus Directive (as defined below). The Information does not constitute or form part or all of, and should not be construed as, any offer of, or any invitation to sell or issue, or any solicitation of any offer to purchase, subscribe for, underwrite or otherwise acquire, or a recommendation regarding, any securities of Bank ABC, nor shall it or any part of it nor the fact of its presentation or distribution form the basis of, or be relied on in connection with, any contract or any commitment whatsoever or any investment decision. The Information is confidential and is being provided to you solely for your information and may not be reproduced, retransmitted or further distributed to any other person or published, in whole or in part, for any purpose. This presentation contains data compilations, writings and information that are proprietary and protected under copyright and other intellectual laws and may not be redistributed or otherwise transmitted by you to any other person for any purposes.

The Information is only being distributed to and is only directed at: (A) persons in member states of the European Economic Area (other than the United Kingdom) who are "qualified investors" within the meaning of Article 2(1)(e) of Directive 2003/71/EC (as amended including by Directive 2010/73/EU and together with any relevant implementing measures in that relevant member state, the "Prospectus Directive") ("Qualified Investors"); (B) in the United Kingdom, Qualified Investors who are "Investment Professionals" falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") and/or high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order; and (C) such other persons as to whom the Information may be lawfully distributed and directed under applicable laws (all such persons in (A) to (C) above together being referred to as "relevant persons"). Securities issued by Bank ABC are only available to, and any invitation, offer or agreement to purchase securities will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on the Information.

This presentation is not intended for distribution or publication in the United States. Neither this document nor any part or copy of it may be distributed, directly or indirectly, in the United States. The distribution of this document in certain jurisdictions may be restricted by law and persons in to whose possession this presentation comes should inform themselves about and observe any such restrictions. By reviewing this presentation, you represent and agree that you are located outside the United States and you are permitted under the laws of your jurisdiction to receive this presentation. This presentation is not an offer to sell or a solicitation of any offer to buy the securities of Bank ABC in the United States. Bank ABC's securities have not been and will not be registered under the Securities Act of 1933, as amended.

Nothing contained in the Information shall be deemed to be a forecast projection or estimate of Bank ABC's future economic performance. The Information contains forward-looking statements. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "projects", "expects", "intends", "may", "will", "seeks" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Forward-looking statements are statements that are not historical facts and include statements about Bank ABC's beliefs and expectations. These statements are based on current plans, estimates and projections and, therefore, undue reliance should not be placed on them. Forward-looking statements speak only as of the date they are made. Although Bank ABC believes that the beliefs and expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such beliefs and expectations will be realised.

The information and opinions contained in this presentation or in oral statements of the representatives of Bank ABC are provided as at the date of this presentation or as at the other date if indicated and are subject to change without notice.

MiFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "MiFID II"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

No reliance may be placed for any purpose whatsoever on the Information or on any assumptions made as to its completeness.

By accepting these materials, you will be deemed to acknowledge and agree to the matters set forth above.

THIS DOCUMENT DOES NOT DISCLOSE ALL THE RISKS AND OTHER SIGNIFICANT ISSUES RELATED TO AN INVESTMENT IN THE SECURITIES/THE TRANSACTION. PRIOR TO TRANSACTING, POTENTIAL INVESTORS SHOULD ENSURE THAT THEY FULLY UNDERSTAND THE TERMS OF THE SECURITIES/TRANSACTION AND ANY APPLICABLE RISKS.