

Seera Investment Bank

FINANCIAL RESULTS FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2017



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2017

| | 30 September 2017 US\$ '000 (Reviewed) | 31 December 2016 US\$ '000 (Audited) |
|---|--|--|
| ASSETS | | |
| Cash and balances with banks | 2,160 | 3,787 |
| Due from banks | 62,309 | 34,003 |
| Non-trading investments | 18,183 | 26,487 |
| Investments in ijarah assets | - | 28,892 |
| Investment in real estate | 10,476 | 10,476 |
| Other assets | 1,593 | 2,321 |
| Property and equipment | 5,194 | 5,353 |
| TOTAL ASSETS | 99,915 | 111,319 |
| LIABILITIES | | |
| Term financing | - | 12,413 |
| Other liabilities | 5,178 | 7,703 |
| TOTAL LIABILITIES | 5,178 | 20,116 |
| OWNERS' EQUITY | | |
| Share capital | 145,643 | 145,643 |
| Reserves | 10,521 | 10,073 |
| Accumulated losses | (62,163) | (68,243) |
| Equity attributable to shareholders of the parent | 94,001 | 87,473 |
| Non-controlling interest | 736 | 3,730 |
| TOTAL OWNERS' EQUITY | 94,737 | 91,203 |
| TOTAL LIABILITIES AND OWNERS' EQUITY | 99,915 | 111,319 |

CONSOLIDATED STATEMENT OF CASH FLOWS

For the nine month period ended 30 September 2017 (Reviewed)

| | Nine months ended | |
|---|--------------------------------|--------------------------------|
| | 30 September 2017 US\$ '000 | 30 September 2016 US\$ '000 |
| Net cash (used in)/from operating activities | (518) | 797 |
| Net cash from/(used in) investing activities | 43,693 | (15,616) |
| Net cash used in financing activity | (16,496) | (2,188) |
| NET MOVEMENT IN CASH AND CASH EQUIVALENTS | 26,679 | (17,007) |
| Cash and cash equivalents at beginning of the period | 37,790 | 43,096 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD | 64,469 | 26,089 |

These consolidated financial statements were extracted from the reviewed consolidated financial statements on which Ernst & Young issued an unqualified report dated 8 November 2017 and were authorised for issue in accordance with a resolution of the Board of Directors. The detailed financial statements are available at the Bank's official website.

Hamad Al Ameeril
Chairman

Abdulla Janahi
Chief Executive Officer

Mubarak Al Hemeiri
Board Member

CONSOLIDATED STATEMENT OF INCOME

For the nine month period ended 30 September 2017 (Reviewed)

| | Nine months ended | | Three months ended | |
|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | 30 September 2017 US\$ '000 | 30 September 2016 US\$ '000 | 30 September 2017 US\$ '000 | 30 September 2016 US\$ '000 |
| INCOME | | | | |
| Rental income from investment in ijarah assets | 1,315 | 7,251 | - | 2,726 |
| Depreciation on investment in ijarah assets | (908) | (5,057) | - | (1,686) |
| Management fees relating to ijarah assets | (37) | (186) | - | (62) |
| Financing cost relating to term financing obtained to purchase ijarah assets | (211) | (450) | - | (113) |
| Other income relating to ijarah assets | 1,512 | 107 | - | 48 |
| Gain on disposal of ijarah asset | 4,864 | 2,232 | 707 | - |
| Other operating expenses relating to ijarah assets | (138) | (334) | (19) | (154) |
| Net income from investment in ijarah assets | 6,397 | 3,563 | 688 | 759 |
| Profit on amounts due from banks | 468 | 263 | 230 | 48 |
| Fee and other income | 2,767 | 769 | 1,858 | 505 |
| TOTAL INCOME | 9,632 | 4,595 | 2,776 | 1,312 |
| EXPENSES | | | | |
| Staff expenses | 2,508 | 2,668 | 882 | 882 |
| General and administrative expenses | 971 | 982 | 322 | 352 |
| Depreciation on property and equipment | 172 | 204 | 55 | 67 |
| TOTAL EXPENSES | 3,651 | 3,854 | 1,259 | 1,301 |
| NET INCOME FOR THE PERIOD BEFORE FX GAINS/(LOSSES) AND UNREALISED GAINS/(LOSSES) | 5,981 | 741 | 1,517 | 11 |
| Foreign exchange gains/(losses) | 383 | (575) | 147 | (130) |
| Unrealised fair value gains/(losses) on investments | 594 | (1,166) | 236 | (232) |
| NET INCOME/(LOSS) FOR THE PERIOD | 6,958 | (1,000) | 1,900 | (351) |
| Attributable to: | | | | |
| Shareholders of the parent | 6,080 | (1,493) | 1,803 | (453) |
| Non-controlling interest | 878 | 493 | 97 | 102 |
| | 6,958 | (1,000) | 1,900 | (351) |

CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

For the nine month period ended 30 September 2017 (Reviewed)

| | Nine months ended | |
|---|--------------------------------|--------------------------------|
| | 30 September 2017 US\$ '000 | 30 September 2016 US\$ '000 |
| Balance at the beginning of the period | 91,203 | 147,602 |
| Net income/(loss) for the period | 6,958 | (1,000) |
| Subsidiary capital distribution | (3,872) | - |
| Unrealised gain/(loss) on remeasurement to fair value | 448 | (67) |
| BALANCE AT END OF THE PERIOD | 94,737 | 146,535 |