

ESTERAD BANK B.S.C. (C)

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024



CONSOLIDATED STATEMENT OF FINANCIAL POSITION As at 31 December 2024

	31 December 2024 USD '000	31 December 2023 USD '000
ASSETS		
Balances with banks	1,127	2,116
Placements with financial institutions	650	1,608
Investments	17,127	25,984
Funding to project companies	1,939	2,242
Other assets	2,163	1,193
Right-of-use asset	3,175	3,326
Property and equipment	3,874	3,999
TOTAL ASSETS	30,055	40,468
LIABILITIES		
Employee accruals	308	257
Ijarah liability	3,519	3,612
Other liabilities	21,460	36,557
Total liabilities	25,287	40,426
EQUITY		
Share capital	1,005	1,005
Statutory reserve	249	5,441
Investment fair value reserve	-	45
Accumulated losses	(22,742)	(29,252)
Equity attributable to Shareholders	(21,488)	(22,761)
Subordinated Mudharaba (AT1)	26,256	22,803
Total equity	4,768	42
TOTAL LIABILITIES AND EQUITY	30,055	40,468

CONSOLIDATED STATEMENT OF INCOME For the year ended 31 December 2024

	31 December 2024 USD '000	31 December 2023 USD '000
REVENUE		
Management fee, net	5,390	9,102
Net realised gains on sale of investment	1,142	(187)
Net change in fair value of investments carried at fair value through income	(146)	(3,480)
Other investment income	175	75
Rental and other income	3,001	6,271
Total revenue	9,562	11,781
EXPENSES		
Staff cost	3,176	3,267
Legal and professional fees	693	1,415
Finance expense	173	227
Depreciation	370	390
Loss on settlement of liabilities	1,129	3,585
Other expenses	1,925	2,882
Total expenses	7,466	11,756
PROFIT BEFORE IMPAIRMENT PROVISIONS	2,096	25
Impairment of investments	(291)	(6,424)
Reversal of provision for credit losses	585	1,174
Reversal / (charge) of impairment of property and equipment	98	(310)
PROFIT / (LOSS) FOR THE YEAR	2,488	(5,535)

CONSOLIDATED STATEMENT OF CASH FLOWS For the year ended 31 December 2024

	31 December 2024 USD '000	31 December 2023 USD '000
OPERATING ACTIVITIES		
Net profit / (loss) for the year	2,488	(5,535)
Adjustments for:		
Impairment of investments	291	6,424
Reversal of provision for credit losses	(585)	(1,174)
Reversal / impairment of property and equipment	(98)	310
Fair value losses / (gains) on investments carried at fair value through income - net	146	3,667
Depreciation	370	390
Finance cost on right-of-use asset	173	177
Dividend income	(33)	(3)
Operating gains before changes in operating assets and liabilities	2,752	4,246
Changes in operating assets and liabilities:		
Investments	(2,527)	(5,494)
Receivables	(493)	1,947
Funding to project companies	959	130
Property and equipment	4	(72)
Other assets	(553)	57
Proceeds from sale of investments	14,043	1,362
Employee accruals	51	(236)
Islamic finance	-	(3,646)
Other liabilities	(15,097)	3,297
Placements with financial institutions (maturity more than 3 months)	(252)	(133)
Net cash (used in) / from operating activities	(1,113)	1,458
FINANCING ACTIVITIES		
Cost of issuance of subordinated mudharaba (AT1)	-	(459)
Rent paid towards right-of-use asset	(266)	(267)
Net cash used in financing activities	(266)	(726)
Investment fair value reserve	(45)	-
Profit paid to Subordinated Mudharaba (AT1)	(780)	-
Net (decrease) / increase in cash and cash equivalents	(2,204)	732
Cash and cash equivalents at beginning of the year	3,591	2,861
ECL reversed / (charged) on balances with banks	5	(2)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	1,392	3,591
Cash and cash equivalents per the consolidated statement of financial position		
Balances with banks	1,127	2,116
Short-term placements with banks	265	1,475
	1,392	3,591

Extracted from the financial statements reviewed by KPMG and approved for issue by the Board on 26th February 2025

Bashar Mohamed Ebrahim Almutawa
Chairman of the Board

Ahmed Abdulrahman
Acting CEO and Vice Chairman

Note: "These financial statements have been reviewed by KPMG who have issued a disclaimer of opinion due to the significance of certain matters for which they could not obtain sufficient appropriate audit evidence."

CONSOLIDATED STATEMENT OF CHANGES IN OWNER'S EQUITY For the year ended 31 December 2024

	Share capital	Statutory reserve	Investment fair value reserve	Accumulated losses	Equity attributable to shareholders	Subordinated mudharaba AT1	USD '000
Balance at 1 January 2024	1,005	5,441	45	(29,252)	(22,761)	22,803	42
Profit for the year	-	-	-	2,488	2,488	-	2,488
Subordinated Mudharaba (AT1)	-	-	-	-	-	3,063	3,063
Subordinated Mudharaba (AT1) 2% profit capitalised	-	-	-	-	-	390	390
Adjustment of reserve with accumulated losses	-	(5,441)	-	5,441	-	-	-
Transfer of 10% profits to statutory reserve	-	249	-	(249)	-	-	-
Transfer to statement of income on exit of investment	-	-	(45)	-	(45)	-	(45)
Profit distribution attributable to Subordinated Mudharaba (AT1)	-	-	-	(1,170)	(1,170)	-	(1,170)
Balance at 31 December 2024	1,005	249	-	(22,742)	(21,488)	26,256	4,768
Balance at 1 January 2023	1,005	5,441	537	(23,258)	(16,275)	-	(16,275)
Loss for the year	-	-	-	(5,535)	(5,535)	-	(5,535)
Subordinated Mudharaba (AT1)	-	-	-	-	-	22,803	22,803
Transfer to statement of income on exit of investment	-	-	(537)	-	(537)	-	(537)
Subordinated Mudharaba (AT1) issuance cost	-	-	-	(459)	(459)	-	(459)
Fair value changes on equity-type investments at fair value through equity	-	-	45	-	45	-	45
Balance at 31 December 2023	1,005	5,441	45	(29,252)	(22,761)	22,803	42