

BLME Holdings plc¹ 2016 Annual Financial Results

London, 16 March 2017– BLME Holdings plc announces 2016 annual financial results.

	2016	2015
Total assets	£1 billion (\$1.3 billion ²)	£1.3 billion (\$1.9 billion ³)
Total operating income	£46.9 million (\$57.9 million)	£63.3 million (\$93.4 million)
Operating (loss)/profit before impairment charges and loss on disposal of group company	-£1.3 million (-\$1.6 million)	£12.3 million (\$18.1 million)
Net operating loss before tax	-£18.9 million (-\$23.3 million)	-£8.4 million (-\$12.4 million)
Loss for the year	-£21.4 million (-\$26.4 million)	-£6.9 million (-\$10.2 million)

Adel Al Majed, Chairman of BLME, commented on the results:

“Although disappointed with the 2016 financial results I am encouraged by the progress that has been made during 2016 in transforming BLME into a simpler and more efficient bank. This progress is not yet reflected in BLME’s financial results but the work has created a platform for sustainable growth in the future.”

“In November 2016 Giles Cunningham took over from Jabra Ghandour as Chief Executive Officer. We thank Jabra for his contribution during his tenure as CEO. Jabra remains on the Board as a Non-Executive Director and developing new business for Wealth Management by leveraging his extensive network across the GCC and MENA.” **Continued Adel Al Majed.**

Giles Cunningham, CEO of BLME, commented on the results:

“We are focussed on finalising the legacy issues and implementing our strategy and creating a more efficient operating model. I am confident in BLME’s ability to deliver sustainable results and grow our business in the medium and long term through the provision of competitive financial products to our target markets.”

Cunningham added: “Since my arrival at BLME I have been encouraged by the passion and drive of the team and am confident that as a Group we will deliver on the strategy and return to profitable growth.”

¹ In this press release, the expression “the Company” refers to BLME Holdings plc which is the ultimate parent company of the BLME Group and is listed on Nasdaq Dubai. The expression “BLME”, “the Group” or “the BLME Group” refers to BLME Holdings plc and its subsidiaries.

² For ease of reference, we have quoted US dollar amounts for pro forma information purposes. For 2016 the closing exchange rate as a 31st December of \$1.2358 was used. (2015: \$1.4747)

Results overview

In 2016 the Group made a loss after tax of £21.4 million due to variety of factors including a total impairment charge of £15.8 million, a deferred tax write off of £3.1 million and a £1.7 million loss on disposal of a group company after a decision to not continue our relationship with Renaissance Asset Finance Limited which resulted in deconsolidation of the asset. Almost three quarters of BLME's specific impairment charges relate to transactions originated between 2007 and 2011 in business lines that the Bank has since exited such as Acquisition Finance or is in the process of managing exposures down such as property development finance.

As a consequence of the Bank proactively exiting non-core and higher risk business activities, operating income has decreased from £63.3 million in 2015 to £46.9 million in 2016. By leveraging our distribution networks and with active support from key shareholders BLME's new business pipeline is much improved and we expect to see the benefits of this pipeline start to flow through in 2017. In 2016 Total Assets have contracted, driven by our lower risk model, though stabilised at £1 billion compared to £1.3 billion in 2015.

Strategy

BLME aims to become the preferred Sharia'a compliant wealth management provider in the UK for high net worth individuals in the GCC region. The Bank will continue to leverage its reputation and network in the UK and GCC to offer Real Estate and Lease finance to businesses and individuals.

In order to meet the needs of BLME customers, several new products are in development and will be launched over the course of 2017. Our ongoing approach is to collaborate with our customers to identify and fill gaps in our product and service offering.

Corporate Governance

The Bank's financial performance continues to reflect the impact of legacy issues, both transactional and operational. In response to the challenges created by the issues over the past 18 months a full review of our risk management framework and operations has been completed. The Bank has enhanced risk management through improved processes, new policies and procedures and targeted recruitment, including a new Chief Risk Officer.

For a full copy of BLME's 2016

Financial Results go to: <http://www.blme.com/#/page/financial-information>

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NOTES TO EDITORS

Statutory accounts

The information in this press release does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. The statutory accounts for the year ended 31 December 2016 will be delivered to the Registrar of Companies in England and Wales in accordance with section 447 of the Companies Act 2006. The auditors have reported on those accounts. The report was unqualified; did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying the report; and did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

The full 2016 Financial Statements are available <http://www.blme.com/#/page/financial-information>

About BLME

BLME is an independent wholesale Sharia'a compliant bank based in London. BLME received FSA authorisation in July 2007 and is the largest of its peers in Europe. Led by a management team that brings together a combination of experienced international bankers and leading experts in Islamic finance, BLME has three key business areas: Wealth Management, Corporate Banking and Treasury.

Website: www.blme.com