

GFH Financial Group

Another quarter of strong performance

Presentation to the Investors on Q1 2022 Results

12 May 2022



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GFH Group at a Glance

Regulated by:

CBB - Bahrain
DFSA - UAE
CMA - KSA

Dividends:

Regular dividend paying
from 2016, average of
~7% yield

Liquidity profile:

~USD 2.1 billion in
liquid assets as at Q1
2022

Returns:

Annualized ROE for
2022 at 7.2%

Listed on:

Bahrain Bourse
Bourse Kuwait
Dubai Financial Market

Assets & AUM:

~USD 15.5
billion

Credit Rating:

Fitch Ratings "B"
Standard & Poor's "B-"
Capital Intelligence
"BB-"

Regulatory:

CAR & liquidity ratios
above Regulatory
requirements

Continue to report strong results with 19% growth in Q1 22 shareholder profits

- **Shareholders' profit of \$19.1m ▲ 19%**
- **Consolidated profit of \$19.3m ▲ 0.1%**
- **Annualised ROE at 7.2%**

- 1 **Investment banking business 2 deals placed in Q1. Gross income from investment banking of \$24.7m**
- 2 **Higher contribution from KHCB, adding another \$8.6m in Q1 net profit to GFH profits**
- 3 **Higher contribution co-investment portfolio of the bank, largely on dividends from co-investments**
- 4 **Gross treasury income stable during Q1 2022. Treasury numbers were impacted by negative MTM during Q1 22**
- 5 **Standalone net debt to equity ratio at 1.02x compared to 1.00x in December 2021**
- 6 **Capital adequacy at 14.99%, LCR and NSFR above regulatory requirements**

Strong overall performance

\$m

Quarterly numbers	Q1 2022	Q1 2021	% change
Consolidated profit	19.3	19.3	0%
Shareholders profit	19.1	16.1	19%
Total income	90.8	90.4	0%
Operating expenses	31.3	32.2	-3%
Finance expenses	38.8	33.7	15%
Total assets (\$ bn)	8.1	8.1	0%
Total liabilities (\$ bn)	7.0	6.9	1%
Shareholders' equity (\$ bn)	1.0	0.9	11%
Quarterly return on Equity	1.8%	1.8%	
Earnings Per Share (US cents)	0.54	0.52	

	Q1 2022	YE 2021	Q1 2021
Book value per share (\$)	0.27	0.26	0.24
Average cost of funds	4.9%	4.9%	5.0%
Yield from liquid assets	6.4%	7.7%	9.1%
Price to Book	1.20x	1.21x	0.69x
Market capitalization (\$)	1,246m	1,227m	632m
Assets + AUM (\$)	15.5Bn	15Bn	12.2Bn

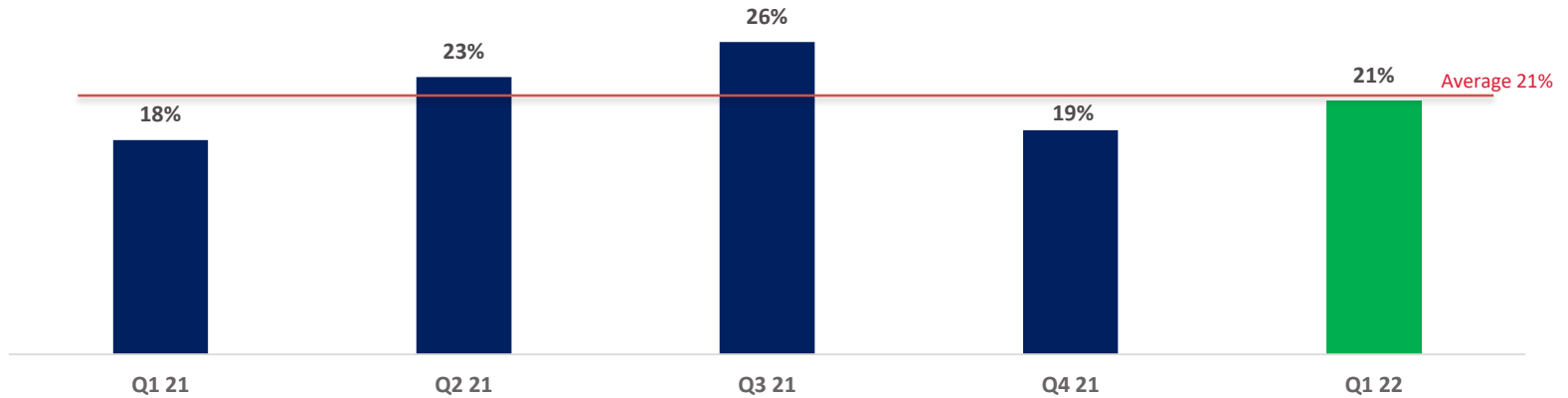
Increase in shareholders' profit by 19% compared to Q1 21

\$000s

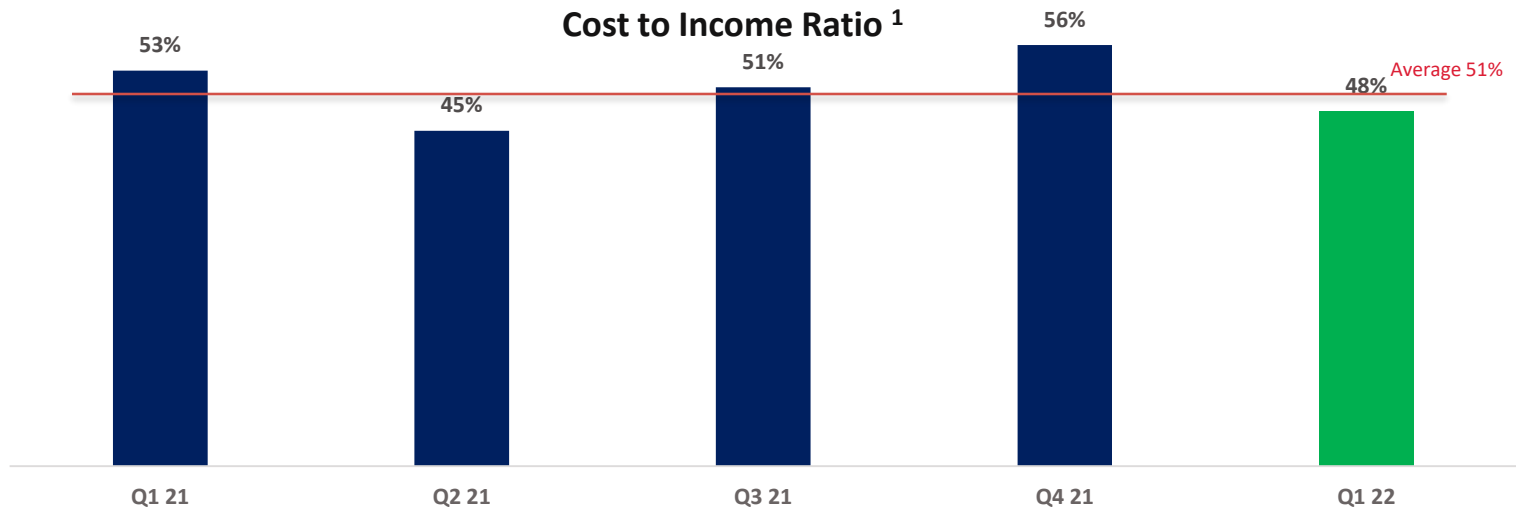
	Q1 2022	Q1 2021	% change
Investment banking income	24,679	17,590	40%
Commercial banking income	19,751	17,173	15%
Income from proprietary investments and co-investment	12,785	18,120	-29%
Treasury and other income	33,599	37,506	-10%
GROSS OPERATING INCOME	90,814	90,389	0%
Operating expenses	34,299	32,185	-7%
Finance expense	35,781	33,665	6%
Impairment allowances	1,385	5,200	-73%
TOTAL EXPENSES	71,465	71,050	1%
CONSOLIDATED PROFIT	19,349	19,339	0%
NCI	231	3,217	-93%
PROFIT TO SHAREHOLDERS	19,118	16,112	19%

Improved performance ratios

Net profit margins



Cost to Income Ratio ¹



¹ Excluding Treasury income, Finance expenses & MTM losses

Balance sheet snapshot

\$000s

	Mar 2022	Dec 2021	
ASSETS			
Cash and bank balances	544,481	722,471	
Treasury portfolio	3,161,058	3,089,925	
Financing assets	1,440,867	1,311,002	
Real estate investment	1,074,445	1,905,598	
Proprietary investment	1,165,305	211,638	
Co-Investments	119,368	171,877	
Receivables & prepayments	548,789	531,488	
Property and equipment	63,427	139,687	
TOTAL	8,117,740	8,083,686	
LIABILITIES			
Clients' funds	163,925	216,762	
Placements from FI & non-FI	2,759,348	3,052,092	
Customer current accounts	142,021	133,046	
Term financing	1,931,838	1,750,667	
Payables and accruals	625,728	404,654	
Total	5,622,860	5,557,221	
Equity of investment account holders	1,400,059	1,358,344	
EQUITY	1,035,022	963,094	
Non-controlling interests	59,799	205,027	
Total owners' equity	1,094,821	1,168,121	
TOTAL	8,117,740	8,083,686	

Thank You

