

FITCH AFFIRMS GFH RATING AT 'B' AND MAINTAINS OUTLOOK AS STABLE



Manama, 30 June 2019: GFH Financial Group (GFH) announced today that Fitch Ratings, the international credit rating agency, has affirmed its Long-and Short-Term Issuer Default Rating (IDR) at 'B' with the Outlook on the Long-Term IDR as Stable.

The affirmation of the Group's ratings was reported by Fitch as taking into account management's aim to reshape GFH's business model towards a greater focus on fee generation and lower-risk, lower-return investments and shareholders' support.

In addition the ratings reflect the Group's achievement in 2018 of a third successive year of material net income. GFH's 2018 consolidated profit of US\$115 million represented an 11% increase on 2017. Fitch also went on to cite GFH's capitalisation as sound relative to the rating level, supported by regulatory oversight from the Central Bank of Bahrain.

The report also cited as positive the increase in 2018 of GFH' proportion of liquid assets as it significantly grew its money market activities. It also took note that this trend has continued in 1Q19, with income from treasury activities now a separately reported line on the Group's income statement.

Commenting, Mr. Hisham Alrayes, CEO of GFH said, "We're pleased once again with Fitch's affirmation of GFH's ratings and of the agency's continued recognition of the strong and steady progress GFH is delivering across our business. Notably, Fitch continues to take a positive view of the shift in our investment strategy and approach and of the consistent growth and strengthening financial performance and profitability that has been achieved over the past several years. We are proud of these results and of the marked improvements we continue to make in diversifying the business and securing strong income generation for the benefit of our shareholders and investors. We are looking to keep building on this momentum and to delivering even stronger results and performance as we go forward in 2019 and beyond."



About GFH Financial Group B.S.C.:

GFH is one of the most recognized financial groups in the gulf region that includes: Asset Management, Wealth Management, Commercial Banking and Real Estate Development. The group operations are focused in the GCC, North Africa and India. GFH is listed in Bahrain Bourse, Kuwait Stock Exchange and Dubai Financial Market.

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