



S&P INITIATES COVERAGE OF GFH WITH 'B' LONG-TERM ISSUER RATING AND STABLE OUTLOOK



Manama – 25 December 2019: GFH Financial Group (GFH) today announced that S&P Global Ratings has initiated coverage and assigned it with a 'B' long-term issuer credit rating with a stable outlook.

The rating comes in line with the GFH's success in reshaping its business model in order to become a fully diversified financial group.

The report looked at the Group's four distinct business segments that include: Investment Banking, where the agency made note of GFH's ability to achieve a stable pipeline of deals as well as its focus on undertaking income-generating transactions; Commercial Banking, via its subsidiary Khaleeji Commercial Bank (KHCB); Real Estate Development, where the Group is looking to transform and exit legacy assets, and Treasury and Proprietary Investments, a recently established and growing business line that manages the Group's liquidity and generates income.

The Group's financial position was also reviewed with the report considering GFH's capital and earnings as adequate and mentioned its improving ability to generate cash flows. The report further noted that the new Treasury function and some progress in KHCB activities would likely contribute to increasing income and would support the Group's headline margins. Looking at risk, the report underscored the Group's risk position as moderate and highlighted the geographic diversification of its real estate portfolio.



Commenting, Mr. Hisham Alrayes, CEO of GFH, said, “We’re pleased with the continued recognition from our ratings agencies and the market of the steady progress and ongoing development of our business. Our focus on diversification, income generation and exits from legacy assets has been demonstrated and is now understood by the market. We will continue to execute on our strategy with the aim of even further enhancing our results and delivering greater value to our shareholder and investors in the coming year.”

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About GFH Financial Group:

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.

For further information about GFH, please visit: www.gfh.com

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