



GFH'S NET PROFIT ATTRIBUTABLE TO SHAREHOLDERS RISES 146.1% to US\$37.04 MILLION FOR FIRST HALF OF 2021



- Income for H1 2021 increases 23.5%
- Steady contributions delivered across all core business lines

Manama – 12th August 2021 – GFH Financial Group B.S.C (“GFH” or “the Group”) (Bahrain Bourse: GFH) today announced its financial results for the first six months of the year ended 30 June 2021 (“the period”).

The Group reported net profit attributable to shareholders of US\$20.92 million for the second quarter of the year up 109.8% when compared with US\$9.97 million for the second quarter of 2020. The increase reflects strong performance across business lines despite the ongoing impact worldwide of the COVID-19 pandemic. Earnings per share for second quarter was US cents 0.68 compared to US cents 0.30 for the comparative quarter of 2020. Total income for the second quarter of 2021 was US\$90.62 million compared to US\$77.07 million for the second quarter of 2020, a rise of 17.6%. Consolidated net profit for the second quarter was US\$24.81 million compared with US\$13.60 million in the second quarter of 2020, an increase of 82.3%. Major contributions for the second quarter of 2021 included income generated from the Group’s investment banking and placement activities, its financing portfolio and treasury income as well as higher contributions from its increased stake, acquired during the quarter, in Khaleeji Commercial Bank, the Group’s commercial banking subsidiary. Total expenses for the second quarter were US\$65.82 million compared to US\$63.46 million in the comparative period of 2020, an increase of 3.7%.

Net profit attributable to shareholders was US\$37.04 million for the first half of 2021 compared with US\$15.05 million in the first six months of 2020, an increase of 146.1%. Supporting growth for the first half of this year was increased treasury activities and stronger performance by the commercial banking subsidiary of the Group. Earnings per share for the period was US cents 1.21 compared to US cents 0.45 for the first six months of 2020. Total income for the first half of 2021 was US\$181.01 million versus US\$146.53 million for the 2020 period, an increase of 23.5%. The increase comes in line with solid performance and contributions across each of the Group’s core business activities.

Total equity attributable to shareholders was US\$0.94 billion at 30 June 2021 up 2.4% from US\$0.91 billion at year-end 2020. Total assets of the Group were US\$7.06 billion at 30 June 2021 compared with US\$6.59



billion at 31 December 2020, an increase of 7.1%. Consolidated net profit for the six-month period increased 116.5% to US\$44.15 million compared with US\$20.39 million in the first six months of 2020. Total Expenses for the period were US\$136.87 million up 8.5% from US\$126.14 million for the first six months of 2020.

Commenting, Mr. Jassim Alseddiqi, Chairman of GFH, said, “We’re very pleased with the Group’s strong results and performance for the first half of the year and the solid increases delivered in income generation and profits for the period. We have continued to show resilience in light of the ongoing challenges posed by the pandemic and are proud of the contributions and progress we have made across each of our business lines. During the period, we continued to source unique deals through our investment banking business in the US and Europe and successfully placed them with investors eager for diversification and opportunities for sound income generation. We also expanded our stake in our commercial banking subsidiary and continued to grow our treasury business. With our performance going from strength to strength, we are focused on delivering further growth and value creation for our stakeholders during the remainder of 2021.”

Mr. Hisham Alrayes, CEO of GFH, added, “Our results for the second quarter and first half of the year reflect the continued success of our strategy and focus on growth, diversification and expansion across core business lines and geographies for the Group. Supporting the strong increase in income were contributions from our commercial banking business, our investment banking as well as income related to financing and debt portfolios held by the Group. We also greatly benefited from the sale of equity investments and treasury income realized from Sukuks, notes and fixed income, a fast growing part of our business and a steady contributor to the vastly improved income and profitability delivered for the period. We look forward to building on our momentum in the forthcoming periods and maximizing the strong pipeline of opportunities we have in place.”

The Group’s financial results in full can be found at <https://www.bahrainbourse.com/> . Shares of GFH are traded under the ticker “GFH” on the Bahrain Bourse, Boursa Kuwait and Dubai Financial Market.

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About GFH Financial Group B.S.C.

GFH is one of the most recognised financial groups in the Gulf region. Its businesses include Asset Management, Wealth Management, Commercial Banking and Real Estate Development. The Group’s operations are focused in the GCC, North Africa and India. GFH is listed in Bahrain Bourse, Boursa Kuwait and Dubai Financial Market. For more information, please visit www.gfh.com

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