



GFH Financial Group Q1 2021 Earnings Presentation

20 May 2021



Important notice

The information set out in this presentation and subsequent webcast does not constitute a public offer for the purposes of any applicable law or an offer to sell or solicitation of any offer to purchase any securities or other financial instruments or any recommendation in respect of such securities or instruments.

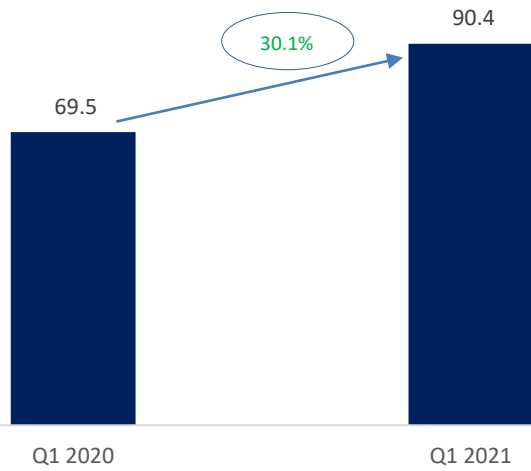
Forward-looking statements

This presentation and subsequent webcast may contain projections, estimates, forecasts, targets, opinions, prospects, results, returns and forward-looking statements with respect to the financial condition, results of operations, capital position and business of the Group (together, “Forward-Looking Statements”). Any such Forward-Looking Statements are not a reliable indicator of future performance, as they may involve significant assumptions and subjective judgments, which may or may not prove to be correct, and there can be no assurance that any of the matters set out in Forward-Looking Statements are attainable, will actually occur or will be realized or are complete or accurate. Forward-Looking Statements are statements about the future and are inherently uncertain and generally based on stated or implied assumptions. The assumptions may prove to be incorrect and involve known and unknown risks, uncertainties, contingencies and other important factors, many of which are outside the control of the Group. Actual achievements, results, performance or other future events or conditions may differ materially from those stated, implied and/or reflected in any Forward-Looking Statements due to a variety of risks, uncertainties and other factors (including without limitation those which are referable to general market conditions or regulatory changes). Any such Forward-Looking Statements are based on the beliefs, expectations and opinions of the Group at the date the statements are made, and the Group does not assume, and hereby disclaims, any obligation or duty to update them if circumstances or management’s beliefs, expectations or opinions should change. For these reasons, recipients should not place reliance on, and are cautioned about relying on, any Forward-Looking Statements.

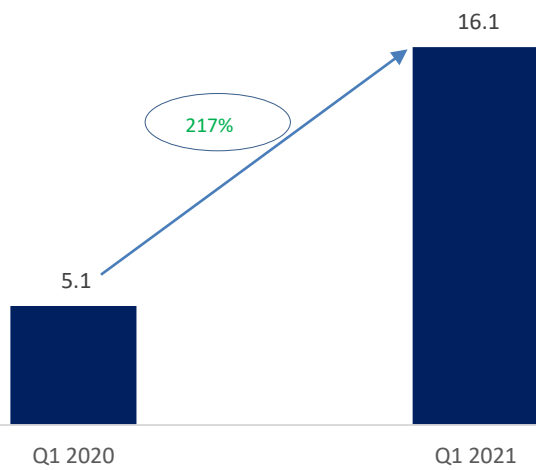




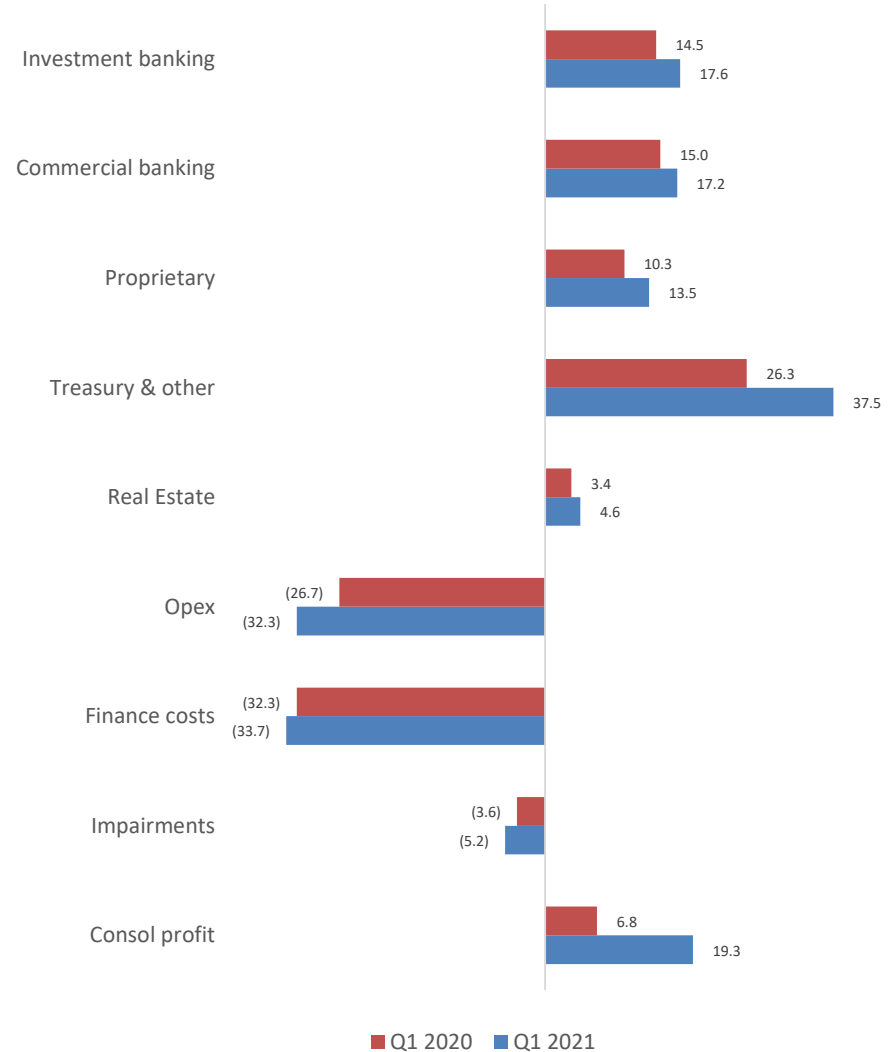
Revenue



Shareholders profit



Net profit by segment

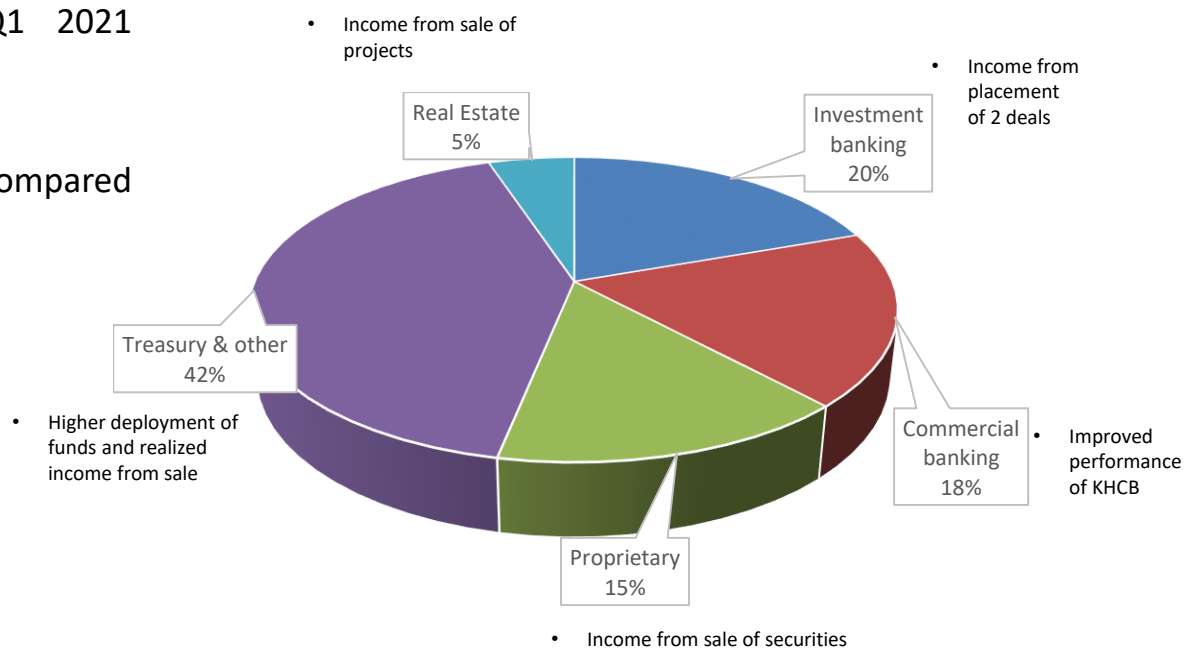


Financial summary

- Q1 2021 - Net profit attributable to shareholders of USD 16.1m compared with USD 5.1m for Q1 2020
- Q1 2021 - Consolidated net profit of USD 19.3m compared to USD 6.8m in Q1 2020
- Consolidated Revenues of USD 90.4m in Q1 2021 compared to USD 69.5m in Q1 2020
- Operating expenses of USD 32.2m in Q1 2021 compared to USD 26.7m in Q1 2020
- Finance expenses of USD 33.7m in Q1 2021 compared to USD 32.3m in Q1 2020

	Q1 2021	Q1 2020
Net Profit margin	17.8%	7.3%
EBITDA margin	55.1%	53.8%
EPS (USD cents)	0.53	0.15
Cost to Income ratio* <small>(consolidated)</small>	53%	53%
Return on Equity	1.8%	0.6%

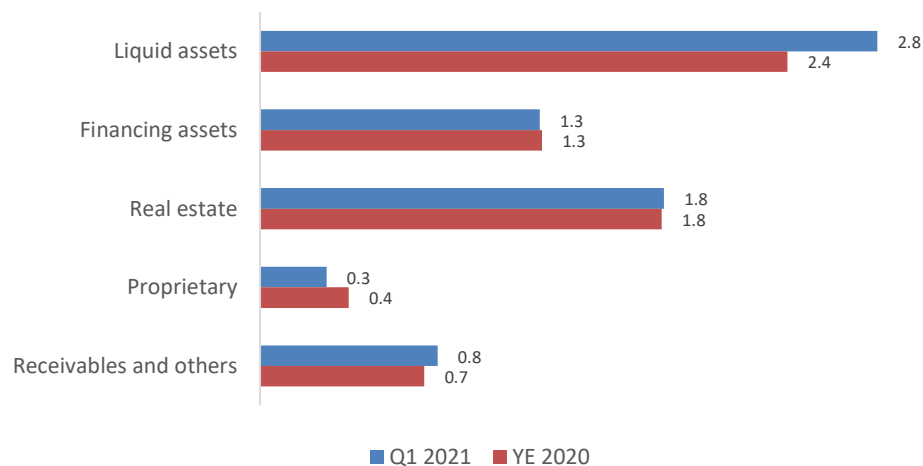
* Excluding Treasury income , Finance expenses & MTM losses



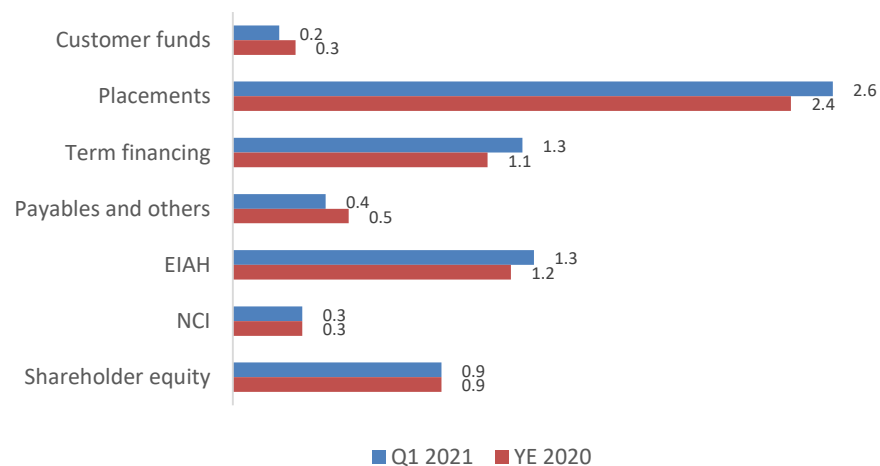
Financial summary

- Equity attributable to shareholders was at similar levels of USD 0.92 billion as at year-end 2020.
- Assets of the Group increased to USD 7.0 billion at 31 March 2021 compared to USD 6.6 billion at 31 December 2020, an increase of 10.8%.
- Money market funds increased to USD 1.67bn in Q1 2021 from USD 1.56bn in Q4 2020.
- Leverage on treasury portfolio increased from USD 511m in Q4 2020 to USD 629m in Q1 2021.

Assets




Liability and Equity



	Mar 2021	Dec 2020
Book value per share (AED)	0.91	0.91
Cost of money market funds	5.0%	5.0%
Yield from liquid assets	9.1%	8.3%
Debt to Equity Ratio	3.03x	2.73x
Net Debt to Equity Ratio**	2.28x	1.98x
Capital Adequacy Ratio	13.3%	13.5%

** Net debt represents debt less cash and placements.



Thank you
Q & A

Income statement



US\$000s

	Reviewed Q1 2021	Unreviewed Q1 2020
Investment banking income		
Asset management	805	838
Deal related income	16,785	13,613
	17,590	14,451
Commercial Banking Income	17,173	15,005
Income from proprietary and co-investments	13,542	10,331
Real Estate Income		
Development and sale	3,434	2,820
Rental and operating income	1,144	594
	4,578	3,414
Treasury and Other income		
Finance income	29,395	18,790
Fair value loss on treasury investments, net	255	-
Other income	7,857	7,467
	37,507	26,257
GROSS OPERATING INCOME	90,389	69,458
Operating Expenses - GFH	32,185	26,741
Finance Expenses	33,664	32,307
Provision for Impairment	5,200	3,629
TOTAL EXPENSES	71,050	62,677
PROFIT	19,339	6,781
NCI	3,217	1,700
PROFIT TO SHAREHOLDERS	16,122	5,081



Balance Sheet



US\$000s

	Reviewed	Audited
	Mar-21	Dec-20
ASSETS		
Cash and bank balances	805,917	536,502
Treasury portfolio	2,021,232	1,878,546
Financing assets	1,259,791	1,267,266
Real estate investment	1,820,683	1,812,315
Proprietary investment	174,474	216,108
Co-Investments	120,449	126,319
Receivables & prepayments	697,301	605,658
Property and equipments	143,223	144,149
Total	7,043,070	6,586,862
LIABILITIES		
Clients' funds	84,613	130,935
Placements from FI & non-FI	2,589,837	2,418,000
Customer current accounts	159,162	140,755
Term financing	1,253,204	1,089,077
Payables and accruals	420,796	465,038
Total	4,507,612	4,243,804
Equity of investment account holders	1,341,312	1,156,993
EQUITY	917,377	913,332
Non-controlling interests	276,769	272,733
Total owners' equity	1,194,145	1,186,065
Total liabilities, equity of investment account holders and owners' equity	7,043,070	6,586,862

