



CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the three months ended 31 March 2022

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION As at 31 March 2022 / US\$ 000's	31 March 2022 (reviewed)	31 December 2021 (audited)	31 March 2021 (reviewed)
ASSETS			
Cash and bank balances	544,481	722,471	805,917
Treasury portfolio	3,161,058	3,089,925	2,021,232
Financing assets	1,440,867	1,311,002	1,259,791
Investment in real estate	1,074,445	1,905,598	1,820,683
Proprietary investments	1,165,305	211,638	174,474
Co-investments	119,368	171,877	120,449
Receivables and other assets	548,789	531,488	697,301
Property and equipment	63,427	139,687	143,223
Total Assets	8,117,740	8,083,686	7,043,070
LIABILITIES			
Clients' funds	163,925	216,762	84,613
Placements from financial, non-financial institutions and individuals	2,759,348	3,052,092	2,589,838
Customer current accounts	142,021	133,046	159,162
Term financing	1,931,838	1,750,667	1,253,204
Other liabilities	625,728	404,654	420,795
Total liabilities	5,622,860	5,557,221	4,507,612
Total equity of investment account holders	1,400,059	1,358,344	1,341,312
OWNERS' EQUITY			
Share capital	1,000,638	1,000,638	975,638
Treasury shares	(62,933)	(48,498)	(65,623)
Statutory reserve	27,970	27,970	19,548
Investment fair value reserve	(31,703)	(28,561)	(7,176)
Foreign currency translation reserve	-	(70,266)	(42,777)
Retained earnings	101,050	81,811	36,674
Share grant reserve	-	-	1,093
Total equity attributable to shareholders of the Bank	1,035,022	963,094	917,377
Non-controlling interests	59,799	205,027	276,769
Total owners' equity	1,094,821	1,168,121	1,194,146
Total liabilities, equity of investment account holders and owners' equity	8,117,740	8,083,686	7,043,070

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY for the three months ended 31 March 2022 / (US\$ 000's)	Attributable to shareholders of the Bank							Non-controlling interests	Total owners' equity
	Share capital	Treasury shares	Statutory reserve	Investment fair value reserve	Foreign currency translation reserve	Retained earnings	Total		
Balance at 1 January 2022	1,000,638	(48,498)	27,970	(28,561)	(70,266)	81,811	963,094	205,027	1,168,121
Profit for the period	-	-	-	-	-	19,118	19,118	231	19,349
Transfer on reclassification from FVTE to amortised cost	-	-	-	41,320	-	-	41,320	-	41,320
Fair value changes during the period	-	-	-	(42,889)	-	-	(42,889)	(4,165)	(47,054)
Transfer to income statement on disposal of sukuk	-	-	-	(1,573)	-	-	(1,573)	-	(1,573)
Total recognised income and expense	-	-	-	(3,142)	-	19,118	15,976	(3,934)	12,042
Purchase of treasury shares	-	(23,942)	-	-	-	-	(23,942)	-	(23,942)
Sale of treasury shares	-	9,507	-	-	-	121	9,628	-	9,628
Transferred to income statement on deconsolidation of subsidiaries	-	-	-	-	70,266	-	70,266	-	70,266
Adjusted on deconsolidation of subsidiaries	-	-	-	-	-	-	-	(141,294)	(141,294)
Balance at 31 March 2022	1,000,638	(62,933)	27,970	(31,703)	-	101,050	1,035,022	59,799	1,094,821

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY for the three months ended 31 March 2021 / (US\$ 000's)	Attributable to shareholders of the Bank							Non-controlling interests	Total owners' equity	
	Share capital	Treasury shares	Statutory reserve	Investment fair value reserve	Foreign currency translation reserve	Retained earnings	Share grant reserve			Total
Balance at 1 January 2021 (as previously reported)	975,638	(63,979)	19,548	5,593	(46,947)	22,385	1,093	913,331	272,733	1,186,064
Effect of adoption of FAS 32	-	-	-	-	-	(2,096)	-	(2,096)	-	(2,096)
Balance at 1 January 2021 (restated)	975,638	(63,979)	19,548	5,593	(46,947)	20,289	1,093	911,235	272,733	1,183,968
Profit for the period	-	-	-	-	-	16,122	-	16,122	3,217	19,339
Fair value changes during the period	-	-	-	(4,479)	-	-	-	(4,479)	358	(4,121)
Transfer to income statement on disposal of sukuk	-	-	-	(8,290)	-	-	-	(8,290)	-	(8,290)
Total recognised income and expense	-	-	-	(12,769)	-	16,122	-	3,353	3,575	6,928
Transfer to zakah and charity fund (subsidiaries)	-	-	-	-	-	(338)	-	(338)	(272)	(610)
Purchase of treasury shares	-	(23,824)	-	-	-	-	-	(23,824)	-	(23,824)
Sale of treasury shares	-	22,180	-	-	-	601	-	22,781	-	22,781
Foreign currency translation differences	-	-	-	-	4,170	-	-	4,170	733	4,903
Balance at 31 March 2021	975,638	(65,623)	19,548	(7,176)	(42,777)	36,674	1,093	917,377	276,769	1,194,146

CONDENSED CONSOLIDATED INCOME STATEMENT for the three months ended 31 March 2022 / US\$ 000's	Three months ended	
	31 March 2022 (reviewed)	31 March 2021 (reviewed)
Investment banking income		
Asset management	989	805
Deal related income	23,690	16,785
	24,679	17,590
Commercial banking income		
Income from financing	21,228	21,658
Treasury and investment income	11,795	10,814
Fee and other income	3,323	1,556
Less: Return to investment account holders	(8,515)	(8,289)
Less: Finance expense	(8,080)	(8,566)
	19,751	17,173
Income from proprietary and co-investments		
Income from sale of real estate assets	1,932	3,434
Leasing and operating income	1,128	1,144
Direct investment income, net	2,490	9,852
Income from co-investments	7,235	3,690
	12,785	18,120
Treasury and other income		
Finance and treasury portfolio income, net	25,624	29,650
Other income, net	7,975	7,856
	33,599	37,506
Total income	90,814	90,389
Operating expenses	34,299	32,185
Finance expense	35,781	33,665
Impairment allowances	1,385	5,200
Total expenses	71,465	71,050
Profit for the period	19,349	19,339
Attributable to:		
Shareholders of the Bank	19,118	16,122
Non-controlling interests	231	3,217
	19,349	19,339
Earnings per share		
Basic and diluted earnings per share (US cents)	0.54	0.52

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS for the three months ended 31 March 2022 / (US\$ 000's)	31 March 2022 (reviewed)	31 March 2021 (reviewed)
OPERATING ACTIVITIES		
Profit for the period	19,349	19,339
Adjustments for:		
Income from commercial banking	(11,692)	(10,648)
Income from proprietary investments	(9,725)	(13,542)
Income from dividend and loss on treasury investments	(36,659)	(22,084)
Foreign exchange gain	(443)	(925)
Finance expense	38,812	42,230
Impairment allowances	1,385	5,200
Depreciation and amortisation	397	1,147
	1,424	20,717
Changes in:		
Placements with financial institutions (original maturities of more than 3 months)	-	(97,237)
Financing assets	(63,606)	7,475
Other assets	(35,359)	(44,701)
CBB Reserve and restricted bank balance	233	(21,766)
Clients' funds	(52,837)	(46,322)
Customer current accounts	5,581	18,407
Equity of investment account holders	41,715	184,319
Payables and accruals	221,072	(44,242)
Net cash from / (used) in operating activities	118,223	(23,350)
INVESTING ACTIVITIES		
Payments for purchase of equipment	-	(195)
Proceeds from sale of proprietary investment securities, net	(31,771)	27,253
Purchase of treasury portfolio, net	(201,439)	(142,151)
Proceeds from sale of investment in real estate	660	200
Dividends received from proprietary investments and co-investments	7,657	3,758
Advance paid for development of real estate	(1,106)	(15,681)
Net cash used in investing activities	(225,999)	(126,816)
FINANCING ACTIVITIES		
Financing liabilities, net	200,975	164,128
Finance expense paid	(60,080)	(41,446)
Placements from financial and non-financial institutions	(292,744)	173,482
Dividends paid	(114)	(73)
Purchase of treasury shares, net	(14,434)	(1,644)
Net cash (used) in / from financing activities	(166,397)	294,447
Net (decreased) increase in cash and cash equivalents during the period	(274,173)	144,281
Cash and cash equivalents at 1 January	844,344	655,455
Cash and cash equivalents at 31 March *	570,171	799,736
Cash and cash equivalents comprise:		
Cash and balances with banks (excluding CBB Reserve balance and restricted cash)	486,630	738,916
Placements with financial institutions (original maturities of 3 months or less)	83,541	60,820
	570,171	799,736

* net of expected credit loss of US\$ 49 thousands (31 March 2021: US\$ 55 thousand).

The Board of Directors approved the condensed consolidated interim financial information on 11 May 2022 and signed on its behalf by:

Ghazi Faisal Ebrahim Alhajeri
Chairman

Hisham Alrayes
Chief Executive Officer & Board Member

"The above Condensed Consolidated Statement of Financial Position, Income Statement, Statement of Cash Flows and the Changes in Owners' Equity have been extracted from Condensed Consolidated Financial Statements of GFH Financial Group B.S.C. for the three months ended 31 March 2022, which were reviewed by KPMG, who have expressed an Unqualified Opinion on 11 May 2022".