



CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the nine months ended 30 September 2022

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION As at 30 September 2022 / US\$ 000's	30 September 2022 (reviewed)	31 December 2021 (audited)	30 September 2021 (reviewed)
ASSETS			
Cash and bank balances	550,978	722,471	479,444
Treasury portfolio	3,749,371	3,090,049	2,726,882
Financing assets	1,473,711	1,311,002	1,275,680
Investment in real estate	1,270,291	1,905,598	1,851,407
Proprietary investments	1,108,063	211,514	172,148
Co-investments	135,334	171,877	135,813
Receivables and other assets	642,925	531,488	655,455
Property and equipment	73,679	139,687	138,134
Total Assets	9,004,352	8,083,686	7,434,963
LIABILITIES			
Clients' funds	84,010	216,762	132,610
Placements from financial, non-financial institutions and individuals	4,154,673	3,052,092	2,947,392
Customer current accounts	157,589	133,046	130,977
Term financing	1,957,119	1,750,667	1,311,877
Other liabilities	539,479	404,654	485,554
Total liabilities	6,892,870	5,557,221	5,008,410
Total equity of investment account holders	1,090,593	1,358,344	1,218,909
OWNERS' EQUITY			
Share capital	1,015,638	1,000,638	1,000,638
Treasury shares	(99,788)	(48,498)	(35,779)
Statutory reserve	27,970	27,970	24,058
Investment fair value reserve	(75,070)	(28,561)	(13,717)
Foreign currency translation reserve	-	(70,266)	(53,762)
Retained earnings	86,661	81,811	44,422
Share grant reserve	-	-	1,093
Total equity attributable to shareholders of the Bank	955,411	963,094	966,953
Non-controlling interests	65,478	205,027	240,691
Total owners' equity	1,020,889	1,168,121	1,207,644
Total liabilities, equity of investment account holders and owners' equity	9,004,352	8,083,686	7,434,963

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY for the nine months ended 30 September 2022 / (US\$ 000's)	Attributable to shareholders of the Bank							Non-controlling interests (NCI)	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	-	-	-	-	-	66,235	66,235	5,240	71,475
Transfer on reclassification from FVTE to amortised cost	-	-	-	41,320	-	-	41,320	-	41,320
Fair value changes during the period	-	-	-	(85,315)	-	-	(85,315)	(3,072)	(88,387)
Transfer to income statement on disposal of sukuk	-	-	-	(2,514)	-	-	(2,514)	-	(2,514)
Total recognised income and expense	-	-	-	(46,509)	-	66,235	19,726	2,168	21,894
Bonus shares issued	15,000	-	-	-	-	(15,000)	-	-	-
Dividend declared	-	-	-	-	-	(45,000)	(45,000)	-	(45,000)
Purchase of treasury shares	-	(83,177)	-	-	-	-	(83,177)	-	(83,177)
Transfer to zakah and charity fund	-	-	-	-	-	(1,483)	(1,483)	-	(1,483)
Sale of treasury shares	-	31,887	-	-	-	98	31,985	-	31,985
Transferred to income statement on deconsolidation of subsidiaries	-	-	-	-	70,266	-	70,266	-	70,266
Adjusted on deconsolidation of subsidiaries	-	-	-	-	-	-	-	(142,080)	(142,080)
Additional NCI on acquisition of subsidiary	-	-	-	-	-	-	-	363	363
Balance at 30 September 2022	1,015,638	(99,788)	27,970	(75,070)	-	86,661	955,411	65,478	1,020,889

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY for the nine months ended 30 September 2021 / (US\$ 000's)	Attributable to shareholders of the Bank							Non-controlling interests (NCI)	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	-	-	-	-	-	60,340	-	60,340	7,936	68,276
Fair value changes during the period	-	-	-	2,693	-	-	-	2,693	439	3,132
Transfer to income statement on disposal of sukuk	-	-	-	(22,003)	-	-	-	(22,003)	-	(22,003)
Total recognised income and expense	-	-	-	(19,310)	-	60,340	-	41,030	8,375	49,405
Bonus Shares	25,000	-	-	-	-	(25,000)	-	-	-	-
Dividends declared	-	-	-	-	-	(17,000)	-	(17,000)	-	(17,000)
Transfer to zakah and charity fund	-	-	-	-	-	(1,572)	-	(1,572)	(142)	(1,714)
Transfer to statutory reserve	-	-	4,510	-	-	(4,510)	-	-	-	-
Purchase of treasury shares	-	(26,777)	-	-	-	-	-	(26,777)	-	(26,777)
Sale of treasury shares	-	54,977	-	-	-	4,092	-	59,069	-	59,069
Foreign currency translation differences	-	-	-	-	(6,815)	-	-	(6,815)	(2,022)	(8,837)
Acquisition of NCI without a change in control	-	-	-	-	-	7,783	-	7,783	(38,253)	(30,470)
Balance at 30 September 2021	1,000,638	(35,779)	24,058	(13,717)	(53,762)	44,422	1,093	966,953	240,691	1,207,644

CONDENSED CONSOLIDATED INCOME STATEMENT for the nine months ended 30 September 2022 / US\$ 000's	Nine months ended		Three months ended	
	30 September 2022 (reviewed)	30 September 2021 (reviewed)	30 September 2022 (reviewed)	30 September 2021 (reviewed)
Investment banking income				
Asset management	5,885	2,354	2,301	755
Deal related income	67,838	55,786	26,324	22,648
	73,723	58,140	28,625	23,403
Commercial banking income				
Income from financing	68,435	58,842	25,460	19,058
Treasury and investment income	43,953	46,292	17,336	12,968
Fee and other income	2,979	4,021	1,019	1,765
Less: Return to investment account holders	(28,626)	(23,950)	(9,988)	(7,856)
Less: Finance expense	(28,285)	(26,716)	(12,230)	(9,159)
	58,456	58,489	21,597	16,776
Income from proprietary and co-investments				
Income from sale of assets	12,643	12,268	10,711	4,922
Leasing and operating income	13,859	4,135	6,594	2,001
Direct investment income, net	3,451	14,405	204	440
Share of profit from equity-accounted investees	19,281	(6)	8,781	(16)
Dividend from co-investments	24,583	10,445	8,718	5,433
	73,817	41,192	35,008	12,780
Treasury and other income				
Finance and treasury portfolio income, net	74,387	89,607	22,283	30,710
Other income, net	13,495	23,179	3,602	5,928
	87,882	112,786	25,885	36,638
Total income	293,878	270,607	111,115	89,597
Operating expenses	83,971	86,638	24,406	26,877
Finance expense	138,151	98,252	57,460	34,856
Impairment allowances	281	17,441	3,150	3,733
Total expenses	222,403	202,331	85,016	65,466
Profit for the period	71,475	68,276	26,099	24,131
Attributable to:				
Shareholders of the Bank	66,235	60,340	24,055	23,296
Non-controlling interests	5,240	7,936	2,044	835
	71,475	68,276	26,099	24,131
Earnings per share				
Basic and diluted earnings per share (US cents)	1.91	1.76	0.73	0.68

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS for the nine months ended 30 September 2022 / (US\$ 000's)	30 September 2022 (reviewed)	30 September 2021 (reviewed)
OPERATING ACTIVITIES		
Profit for the period	71,475	68,276
Adjustments for:		
Income from commercial banking	(43,135)	(45,959)
Income from proprietary investments	(73,817)	(24,789)
Income from dividend and gain on treasury investments	(77,273)	(129,189)
Foreign exchange (gain)	(9,911)	(1,505)
Finance expense	138,151	124,967
Impairment allowances	281	17,441
Depreciation and amortisation	1,317	3,533
	7,088	12,775
Changes in:		
Placements with financial institutions (original maturities of more than 3 months)	(270,415)	(96,339)
Financing assets	(162,709)	(8,414)
Other assets	(265,250)	(53,684)
CBB Reserve and restricted bank balance	(10,876)	(13,342)
Clients' funds	(132,752)	1,675
Placements from financial and non-financial institutions	1,102,581	529,392
Customer current accounts	24,543	(9,779)
Equity of investment account holders	(267,751)	61,916
Payables and accruals	99,160	20,516
Net cash generated from operating activities	123,619	444,716
INVESTING ACTIVITIES		
Payments for purchase of equipment	(443)	(1,054)
Purchase of proprietary investment securities, net	(44,662)	32,020
Purchase of treasury portfolio, net	(319,498)	(730,773)
Cash acquired on acquisition of a subsidiary	1,353	-
Proceeds from sale of investment in real estate	-	1,061
Cash paid on acquisition of a subsidiary	(9,205)	-
Dividends received from proprietary investments and co-investments	26,817	14,154
Advance paid for development of real estate	(8,367)	(6,688)
Net cash used in investing activities	(354,005)	(691,280)
FINANCING ACTIVITIES		
Financing liabilities, net	244,577	222,800
Finance expense paid	(134,724)	(116,618)
Purchase of GFH sukuk, net	(8,135)	-
Dividends paid	(44,651)	(17,485)
Purchase of treasury shares, net	(51,287)	28,200
Net cash generated from financing activities	5,780	116,897
Net decrease in cash and cash equivalents during the period	(224,606)	(129,667)
Cash and cash equivalents at 1 January	844,344	655,455
Cash and cash equivalents at 30 September	619,738	525,788
Cash and cash equivalents comprise:		
Cash and balances with banks (excluding CBB Reserve balance and restricted cash)	482,020	421,631
Placements with financial institutions (original maturities of 3 months or less)	137,718	104,157
	619,738	525,788

The Board of Directors approved the condensed consolidated interim financial information on 9 November 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 Interim Financial Statements of GFH Financial Group B.S.C. for the nine months ended 30 September 2022, which were reviewed by KPMG, who have expressed an Unqualified Opinion on 9 November 2022".