

GFH profit rises 13.97% to US\$102.86m



“Our agility and ability to deliver growth year after year continues to be rewarded and we are proud of the strong investor and market confidence in the Group. Having ended the year with positive momentum, we look forward to continuing to achieve greater value for our investors and shareholders in 2024 and beyond. We will continue to prudently grow our portfolio of investments and strategic assets across our key markets of focus in the region and internationally

GHAZI AL HAJERI, CHAIRMAN, GFH FINANCIAL GROUP



“During the quarter, we successfully closed three new strategic transactions in the healthcare and logistics sectors in Saudi Arabia, where we see enormous potential for value creation, and the opportunity to leverage positive macroeconomic trends. Across all we do, we are working to increase our contributions to sustainable growth and development of the sectors and markets in which we invest and for the benefit of all our stakeholders

HISHAM ALRAYES, CEO AND BOARD MEMBER, GFH FINANCIAL GROUP

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GFH Financial Group reported profits for its fourth quarter and full year 2023, thanks to contributions across the group's subsidiaries, associates, and investments. The group also recommended total cash dividend of 6.2% on par value (USD 0.0164 per share) for 2023, subject to approval by the General Assembly and regulators.

Q4 results

Quarterly net profit attributable to shareholders was US\$23.94 million versus US\$24.02m in the fourth quarter of 2022, a decrease of 0.32% resulting from lower contribution from the commercial banking subsidiary during the quarter. Earnings per share were US cents 0.69 compared with US cents 0.74 in the fourth quarter of 2022.

Highlights for Q4 and 12M 2023:

- Strong double-digit growth in income and enhanced profitability for 2023 supported by contributions across the Group's subsidiaries, associates, and investments.
- Continued momentum in investment banking throughout the year, including the successful close in Q4 of the Group's third US Medical Clinics portfolio, and new healthcare and logistics transactions in Saudi Arabia.
- Exits from several investments including the sale of the Group's first diversified US Student Portfolio acquired in 2021, delivering 10.4% ROI to GFH's investors.
- Partial exits from proprietary investments in Bahrain to strategic partners in AlAreen Park Hotel & Resort.
- Solid contributions from the Group's Treasury Investment Portfolio resulting in steady investment income (recurring and from mark-to-market gains).

Total income was US\$108.24m with sound contributions made from the Group's subsidiaries, and income from placements and fees of investment portfolios, and treasury activities. This is compared with US\$109.73m in the fourth quarter of 2022, a decrease of 1.36%.

Q4 consolidated net profit

was US\$24.18m compared with US\$26.23m in the fourth quarter of 2022, a decrease of 7.82%. Total expenses were US\$84.06m compared with US\$83.50m in the prior-year period, up 0.67%.

Full year results

Net profit attributable to shareholders was US\$102.86m

compared with US\$90.25m in 2022, an increase of 13.97%. The gain is attributed to growth in the investment banking business, contributions from the commercial banking subsidiary, proprietary income, as well as treasury activities. Earnings per share for the year was US cents 2.95 compared to US cents

2.65 for the full year 2022, an increase of 11.32%. Total income was US\$369.53m, up 24.10% from US\$297.76m for the previous year.

Consolidated net profit was US\$105.23m compared with US\$97.71m in 2022, an increase of 7.69%. Total expenses for the year were US\$264.30m com-

pared with US\$200.06m in 2022, an increase of 32.11%.

Total equity attributable to shareholders was US\$989.54m at 31 December 2023, down 0.71% from US\$996.60m at year-end 2022. Total assets of the Group increased by 13.93% to US\$11.12 billion at 31 December 2023 compared with US\$9.76 billion at 31 December 2022.

In line with the Group's strong results, the Board of Directors has recommended a total cash dividend of 6.2% on par value (US\$0.0164 per share), subject to approval by the General Assembly and regulators. Currently, GFH manages over US\$21 billion of assets and funds including a global portfolio of investments in logistics, healthcare, education and technology in the MENA region, Europe and North America.

For *seamless, quick & secure* online shopping

American Express Middle East expands online merchant acceptance network with Ottu

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American Express Middle East has announced an agreement with Ottu, a leading fintech company in the Middle East. Through this collaboration, American Express Card Members will get a seamless, quick and secure online shopping experience when they use their cards at thousands of Ottu's online merchants.

This agreement is aligned with American Express Middle East's commitment to increase the number of merchants that accept American Express and create opportunities for merchants to attract a broader customer base.

For merchants, this agreement will streamline the payment solution by facilitating the acceptance of American Express Cards without the need for additional hardware or complicated integration processes. Moreover, it will enable them to attract consumers and business from a global base of American Express Card Members – from Middle East and all around the world.

Graziela Martins, Vice President Merchant Business of



The deal signing

American Express Middle East, commented: "We are delighted to sign an agreement with Ottu as part of our commitment to expand our merchant acceptance network and enable our Card Members to use their cards more and more for everyday spend. This agreement will

enable new merchants to attract American Express Card Members from all around the world while providing them with a seamless and secure online shopping experience."

Talal Alawadhi, Ottu's CEO, expressed satisfaction with the agreement, emphasizing the

value created for current and future American Express Card Members. He sees the agreement between Ottu and American Express Middle East as a significant step in empowering businesses to innovate and create new opportunities.

OPEC sees strong oil demand growth in 2024

Vienna, Austria

The OPEC said yesterday it expects robust economic activity in China and air travel to drive strong global demand growth for oil this year.

Its outlook contrasts that of the International Energy Agency (IEA), which advises oil-consuming nations, which last month predicted that oil demand growth would halve on economic headwinds.

OPEC estimated global oil demand will grow by 2.2 million barrels per day (bpd) in 2024, whereas the IEA projected demand growth would decrease to 1.2 million bpd.

"This is reflecting the robust economic growth expected this year," OPEC said in its monthly report.

"Continued robust economic

activity in China, global air travel recovery and expected healthy petrochemical feedstock requirements will be key for oil demand growth in 2024." In terms of products, transport fuels are driving demand. Gasoline consumption is expected to "exceed" pre-pandemic levels, while jet fuel is projected to average "just below" the levels seen in 2019, according to OPEC.

Meanwhile, the IEA sees lacklustre global economy along with tighter fuel efficiency standards and growth in electric vehicles as limiting growth in demand for oil.

OPEC still cautioned that "inflation levels, monetary tightening measures and sovereign debt levels could weigh on global oil demand prospects in the current year."

Bitcoin breaks \$50,000 for first time since 2021

Hong Kong, China

Bitcoin spiked above \$50,000 Tuesday for the first time in more than two years as investors grow optimistic that US approval of broader trading in the unit will ramp up demand.

The cryptocurrency has enjoyed a strong run in recent months, fuelled by expectations US lawmakers would allow the creation of exchange-traded funds (ETFs)

that track the price and let the public invest in crypto without directly purchasing it.

After initially dropping in reaction to last month's green light by Washington, bitcoin has rallied about 25 percent since January 22.

That advance saw it hit as much as \$50,328, according to Bloomberg data, its highest level since late 2021.

And observers were optimistic about the outlook.