



GFH AGM APPROVES DISTRIBUTION OF US\$30 MILLION CASH DIVIDEND TO SHAREHOLDERS



Manama, Bahrain – 6th April 2020: GFH Financial Group (“GFH” or “the Group”) today announced the conclusion of its Annual General Meeting (AGM) for the financial year ended 31st December 2019. Held virtually, shareholders approved the distribution of cash dividends at a rate of 3.34% of the nominal value of the Group’s ordinary shares for a total amount of US\$30 million (equating to US\$0.0089 per share). The Board of Directors had initially recommended the distribution of US\$50 million of cash dividends, however, in light of the current market environment and in line with similar actions taken by other financial institutions regionally and around the world, shareholders requested and agreed, and management concurred with, the distribution of US\$30 million in cash dividends.

Shareholders reviewed and ratified minutes from the previous Ordinary General Meeting held on 29th December 2019 and discussed and approved the Board of Directors’ Report on business activities as well as the Group’s consolidated financial statements for 2019, which saw an increase in revenues of 17.3% for the year supported by ongoing diversification and progress in the Group’s core investment banking business and increased contributions from real estate activities and its growing treasury business.

Reports from the Group’s external auditors, Shari’a Supervisory Board and Corporate Governance report, ensuring GFH’s compliance with requirements issued by the Ministry of Industry, Commerce and Tourism and the Central Bank of Bahrain, were also approved by the assembly along with the reappointment of the Group’s external auditors for the year 2020.

Board of Directors’ recommendations were also approved for the allocation of US\$8.01 million to the statutory reserve, US\$500,000 for charity activities in addition to an allocation of US\$568,000 to the Zakat Fund. The transfer of US\$41 million as retained earnings for the next year was also approved as were recommendation to allocate US\$2.2 million as remuneration for



members of the Board of Directors, in addition to other agenda items relating to authorizing the Board to take all the resolutions, approvals and authorization for transactions concluded during the 2019 financial year and releasing them from liability for the same period.

The Group postponed for a six month period the previously planned election of 10 board members for the next three years from 2020 to 2022, due to the inability to hold a secret ballot electronically.

Commenting, Mr. Jassim Alseddiqi, Chairman of GFH, said, "We are pleased with the Group's 2019 results and whilst 2020 is posing challenges for all financial institutions, we are confident that the strong foundations and reputation that GFH has built throughout the years will enable us to effectively navigate these difficult times and, God willing, that all mankind will safely overcome this unprecedented period. I would like to thank our shareholders for their continued support and look forward to seeing the Group go from strength to strength as the markets and global situation normalises."

Mr. Hisham Alrayes, CEO of GFH, who was presiding over the AGM digitally, added, "We are happy to announce another year of sound returns and thank our shareholders for their request to decrease the cash dividend to US\$30 million, a move aimed at supporting the Group's continued ability report solid results despite the challenging market conditions created by the decrease in oil prices and the impact of the coronavirus outbreak on the regional and global markets. With a strong strategy and well diversified streams of income, in addition to the success of our recent Sukuk issuance, GFH continues to be resilient and well positioned to execute our next phase of growth. Over the coming two to four months, we hope to see improvements in market conditions and remain focused and committed to ongoing progress and value creation across the business for the benefit of our investors, shareholders and economies in which we operate."

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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, Kuwait Stock Exchange and Dubai Financial Market. For more information, please visit www.gfh.com

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