



CMP/AUG/2016/0019
21st August 2016

Mr. Hassan Al Serkal

EVP, COO – Head of Operations Division, Market Operations Division
Dubai Financial Market
P.O Box 9700
Dubai - United Arab Emirates

Dear Mr. Al Serkal,

Subject: GFH signs MOU with Bank Al Khair

GFH would like to inform its shareholders and the markets that it has signed Memorandum of Understanding ('MOU') with Bank Al Khair ("BAK") for a potential acquisition of BAK majority shareholding. This transaction is subject to:

- I. Board of Directors/shareholders' approval
- II. Completion of Due Diligence
- III. Agreeing on acquisition structure
- IV. Regulatory approvals

GFH believes that the acquisition of BAK will create a larger financial group having banking operations within GCC, UK, Malaysia, Turkey, Pakistan and India.

The acquisition is expected to impact favourably on shareholders of the combined entity. However, the impact of the deal on GFH's financial position cannot be measured at the moment, as it is subject to the finalization of the deal.

Further developments of the acquisition shall be announced based on transaction progress.

Yours Sincerely,

A handwritten signature in blue ink, enclosed within a blue rectangular box. The signature is stylized and appears to read 'Nabeel Mirza'.

Nabeel Mirza

Compliance Director & MLRO