



CMP/FEB/2020/0030

26th February 2020

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: Clarification on Previous Disclosure

With reference to previous notification issued on 8th February 2020 pertaining to the acquisition of a Diversified US Hospitality Portfolio, and in line with the request of the Central Bank of Bahrain and the Securities & Commodities Authority of the UAE, attached are additional details regarding the acquisition.

Yours Sincerely,

A handwritten signature in blue ink, appearing to read 'Mariam Jowhary', enclosed in a blue ink scribble.

Mariam Jowhary

Head of Compliance & AML



Note: This form is a subsequent disclosure of the Group's disclosure that was published on the website of Bahrain Bourse, Boursa Kuwait and Dubai Financial Market on February 8, 2020.

Date.	26 February 2020
Name of the Listed Company.	GFH Financial Group BSc
Specify the type of transaction:	Acquisition
Determine the type of asset to be acquired, disposed, leased or mortgaged (examples: investments, companies, factories, real estate, securities, etc.) and describe the activity of the underlying asset.	Real Estate; Hospitality
Total value of acquisition / dispose / mortgage / lease transaction.	US\$ 247 million
Reasons for executing the transaction, its expected effects on the company and its operations, and the rights of its shareholders.	As part of normal business.
Determine the parties to the transaction / deal.	GFH Financial Group 93% Arbor Lodging Partners (JV Partner); 7%
Determine whether the transaction / deal is associated to related parties, and specify the nature of the relationship, if any.	N/A
The date of signing the transaction / deal.	October 23 rd 2019 (Negotiations Started)
Transaction / deal execution date.	January 31 st 2020
Expected closing date.	January 31 st 2020
The expected financial impact of the transaction(s) on the business results and the financial position of the listed company.	It is expected to have a positive financial impact.
Determine the financial period or quarter in which the financial impact of the transaction(s) will appear on the listed company.	H1 2020
A statement of the value of the cash inflows and outflows of cash generated by these assets "the subject of the transaction(s) or deals". That is during the last two fiscal years and during the interim period (first, second or third quarter) which precedes the acquisition / dispose / mortgage / leasing transaction. The statement should be approved by an auditor accredited to the authority.	Portfolio acquired was a sub-set of Seller's large hotels portfolio and audited financial statements of the specific portfolio are not available.

The Name of the Authorized Signatory	Mariam Jowhary
Designation	Head of Compliance and AML
Signature and Date	 26 February 2020
Company's Seal	