CMP/DEC/2014/0003
6TH December 2014

Mr. Hassan Al Serkal
EVP, COO – Head of Operations Division
Market Operations Division
Dubai Financial Market
PO Box 9700
Dubai - United Arab Emirates

Dear Mr. Al Serkal,

Subject: Tunis Bay Project - Part of Phase I Joint Development

With reference to the subject, GFH would like to notify its shareholders and the markets about the progress in relation to GFH's Tunis Bay Project.

The Tunis Bay Project Company ("TBPC") has recently secured and signed a joint development agreement with a well-renowned French consortium led by the company Alliance International Holding, who holds a track record of community development and Golf Course Projects. Alongside TBPC, they will undertake the development of selected areas of Phase I of Tunis Bay project.

The designated joint venture will be for 269,703 sqm of land for development and would include the development of the Golf Course spreading over 800,032 sqm of land (including surrounding villas and apartment units for residents within Phase I). Construction is said to start by next year (2015).

Management evaluation of the potential effect of the deal:

The deal is expected to have positive impact on the Project.

Yours Sincerely,

Nabeel Mirza
Compliance Director & MLRO