CMP/DEC/2015/0017
28th December 2015

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: Complementary Announcement to Announcement Dated 26th December 2015

Reference is made to GFH Financial Group's ("GFH") market announcement dated 26th December 2015 regarding the recommendation to be presented to its Board of Directors to reconsider its earlier resolution to de-list from Kuwait Stock Exchange (KSE). Accordingly, as per the request of the Capital Markets Authority-Kuwait (CMA), GFH would like to clarify to its shareholders and the markets details of the reasons for such recommendation, as following:

1. Issuance of new amendments to the Implementing Regulations of the CMA pertaining to Disclosure and Transparency, as per Resolution No. 72 of 2015.

2. The new regulations have resolved many of the shortfalls of the preceding regulations on disclosure and transparency, including those which were conflicting with GFH's other regulators' requirements.

3. The amended regulations allow listed companies to postpone the disclosure of material information without obtaining CMA's prior approval, until a binding agreement has been reached in respect of the transaction or process, if such information might cause harm to the confidentiality of the negotiations or initial procedures for the transaction to be carried out.

4. The preceding CMA regulations required the disclosure of the financial impact of any material information (or transaction/contract). Accordingly, the amended regulations have eliminated this requirement in cases where the impact cannot be measured or anticipated, or where the disclosure might cause harm to the listed company. In such case, the listed company shall provide the CMA with its justifications in respect of such cases.

5. In case where a disclosure/announcement takes place during public holidays in Kuwait, the foreign listed company is no longer required to publish the disclosure in two daily local newspapers. The disclosure shall rather take place 15 minutes prior to the commencement of the next trading session.

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Accordingly, all of the above regulatory enhancements and other amendments are reasons for the recommendation which will be presented to the Board of Directors to reconsider its previous resolution to de-list from KSE.

GFH shall inform the shareholders and markets of the Board's decision, in acceptance or rejection of the recommendation, in due course.

Yours Sincerely,

Nabeel Mirza
Compliance Director & MLRO