CMP/APR/2016/0023
30th April 2016

Mr. Hassan Al Serkal
EVP, COO – Head of Operations Division, Market Operations Division
Dubai Financial Market
P.O Box 9700
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Subject: Potential Collaboration between Eshraq Properties and GFH Financial Group

GFH would like to inform its shareholders and markets that it has signed a preliminary Letter of Intent addressed to Eshraq Properties, a listed Real Estate company in Abu Dhabi stock exchange. This letter was for a potential collaboration and for Eshraq to acquire certain GFH's real estate assets in exchange of shares in Eshraq Properties itself.

The terms of the agreement will be finalized once the proposition is approved by Eshraq's shareholders and detailed due diligence is done. The transaction will be subject to obtaining necessary regulatory approvals.

The shareholders of Eshraq are expected to vote on this agenda item in their next shareholders' meeting.

The impact of this arrangement on GFH's financials can be assessed once the terms of the agreement are finalized.

Yours Sincerely,

Nabeel Mirza
Compliance Director & MLRO