



CMP/OCT/2016/0011
19th October 2016

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

Subject: Results of GFH's Board Meeting Held on 19th October 2016

GFH Financial Group ("GFH") would like to inform the shareholders and the markets that its Board of Directors has met today, Wednesday 19th October 2016 at 2:00 p.m. Bahrain time, to discuss the proposed settlements with counterparties and finalize the claims pertaining to GFH's awarded and pending lawsuits.

Accordingly, the Board has resolved to approve the proposed settlements with assets of an estimated value ranging between USD350 to USD 450 million, subject to the counterparties' fulfillment of their obligations under the settlement agreements and GFH's collection of the assets. It is to be noted that the estimated value of the assets is preliminary and it is subject to the external auditors' procedures and the relevant regulatory approvals before being recorded in GFH's financial statements.

The recoveries, once realized, will have a positive impact on GFH's financials for Q4-2016.

GFH is unable to disclose any more information about the settlements or the referred lawsuits due to the confidentiality of the agreements with the counterparties until successful completion of the settlements.

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'Nabeel Mirza', written over a light grey circular background.

Nabeel Mirza
Compliance Director & MLRO