CMP/MAR/2018/0024
25th March 2018

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: GFH Exits Philadelphia Private School Investment

GFH Financial Group ("GFH") would like to inform its shareholders and the markets that its Dubai-based wholly-owned subsidiary, GFH Capital ("GCL"), and its strategic investors have agreed to sell their entire 70% stake in the Dubai-based Philadelphia Private School, which was acquired in October 2014. The buyer is a well-known businessman, Eng. Nashat Sahawaneh, who is the School's existing 30% shareholder.

It's worth noting that the School's market valuation reaches AED 133 million and that GFH Capital indirectly owns 9% of the School while strategic and other investors own 61%. Investors in the Fund made an overall return of 33 percent over the 3 year investment period. This transaction will be reflected in Q2-2018, and is expected to have relatively positive impact on the financial statements subject to the terms and conditions of the agreement.

GFH is unable to disclose any more information about the transaction due to confidentiality clauses of the agreement with the counterparty.

Yours Sincerely,

Nabeel Mirza
Senior Director Compliance & MLRO