



CMP/MAR/2019/0006

4th March 2019

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: Extraordinary General Meeting & Annual General Assembly Meeting for the
Financial Year 2018**

With reference to the Ordinary and Extraordinary General Meetings agenda which was published on Thursday 28th February 2019, we would like to notify the shareholders that there have been amendments to item 2 of the Extraordinary General Meeting Agenda and Paragraphs 'c' and 'd' under Item 6 of the Ordinary General Meeting Agenda.

Attached is the updated Ordinary and Extraordinary General Meetings Agenda.

Yours Sincerely,

A handwritten signature in blue ink, appearing to read 'Nabeel Mirza', enclosed within a blue oval.

Nabeel Mirza

Senior Director Compliance & MLRO

Notice

With reference to the Ordinary and Extraordinary General Meetings agenda which was published on Thursday 28th February 2019, we would like to notify the shareholders that there have been amendments to item 2 of the Extraordinary General Meeting Agenda and Paragraphs 'c' and 'd' under item 6 of the Ordinary General Meeting Agenda.

Ordinary & Extraordinary General Meetings For the financial year Ended 31 December 2018



The Board of Directors of GFH Financial Group BSC is pleased to invite the esteemed shareholders of GFH to attend the Ordinary and Extraordinary General Meetings of the group, to be held on Thursday 21st March, 2019, at 10.00am at Bahrain Financial Harbour, East Tower - 28th Floor, to discuss and approve the following agenda. If the required legal quorum is not available, a second meeting will be held on Thursday 28th March, 2019, or a third meeting, if required, will be held on Thursday 4th April, 2019 at the same time and place.

Agenda of the Extraordinary General Meeting:

1. To approve the minutes of the previous meeting held on 27th March 2018.
2. To approve the Board of Directors' recommendation for the extinguishment of 207,547,170 treasury shares held by the bank as on the record date with the exception of 20 million treasury shares to be reserved for market making/liquidity activities, subject to obtaining the approval of the relevant authorities.
3. To approve the amendments to the Memorandum and Articles of Association of GFH with respect to cancellation of treasury shares.
4. To authorize the CEO or the person acting on his behalf to take all necessary action to implement the above and to sign the amendment to the Memorandum and Articles of Association of GFH on behalf of the shareholders before the Notary Public in the Kingdom of Bahrain.

Agenda of the Ordinary General Meeting:

1. To approve the minutes of the previous meeting held on 27th March, 2018.
2. To discuss and approve the Board of Directors' report on GFH's business activities for the year ended 31st December 2018.
3. To listen to the Sharia Supervisory Board's report on GFH's business activities for the year ended 31st December 2018.
4. To listen to the external auditor's report on the financial year ended 31st December 2018.
5. To discuss and approve the consolidated financial statements of the financial year ended 31st December 2018.
6. To approve the Board of Directors' recommendation to allocate the net profit of the year 2018 as follows:
 - a) To transfer an amount of US\$11,408,000 to the statutory reserve;
 - b) To allocate an amount of US\$1,000,000 to charity activities and civil society organisations, in addition to US\$941,000 for Zakat Fund;
 - c) To distribute cash dividends within 10 days from the date of the AGM

at 3.34% of the nominal value of the ordinary shares at US\$0.0087 per share, equating to a total amount of about US\$30,000,000 (excluding the treasury shares), as per the shareholders register on the date of the meeting, subject to obtaining the approval of the relevant authorities.

- d) To approve the Board of Directors' recommendation to distribute bonus shares equating to USD 55 million in value to the shareholders as on the record date at rate of 5.97% of par value at 1 share for every 16.74 shares held (excluding the extinguished 207,547,170 treasury shares), subject to obtaining the approval of the relevant authorities.
 - e) To transfer an amount of US\$36,195,000 as retained earnings for the next year.
- 7) To approve the Board of Directors' recommendation to approve an amount of US\$3,500,000 as remuneration for the members of the Board of Directors.
 - 8) To discuss and approve the corporate governance report for the financial year ended 31st December 2018, and GFH's compliance with all requirements of the Ministry of Industry, Commerce and Tourism, as well as the CBB requirements in this regard.
 - 9) To authorize the Board of Directors to take all the resolutions, approvals and authorization of all transactions concluded during the ended financial year with any related parties or major shareholders of GFH, as indicated in the Board of Directors' Report and note 27 in the financial statements, pursuant to the provisions of Article (189) of Bahrain's Commercial Companies Law.
 - 10) To release the members of the Board from liability in respect of their acts for the financial year ended 31 December 2018.
 - 11) To approve the appointment/reappointment of the external auditors of GFH for the year 2019 and authorize the Board of Directors to fix their fees, subject to obtaining the CBB's approval.
 12. To approve the appointment of Mr. Amro Saad Al Menhali as an Independent Board member to replace Mr. Kamal Bahamdan for the remaining term of the existing Board (2017 - 2019).
 13. To approve the amendment to the Memorandum and Articles of Association of GFH with regard to increasing the issued capital of GFH through issuing bonus shares.
 14. To discuss any other matters in accordance with Article 207 of the Commercial Companies Law.

Jassim Mohamed Alseddqi
Chairman

Important Notice to shareholders:

- The financial statements for the year ended 31st December 2018 and Proxy Forms are available on GFH's website at www.gfh.com, or they can alternatively be requested directly from the Group or the Share Registrar.
- Each shareholder whose name is recorded in the company's shareholders register on the date of the meeting may attend the meeting in person or may appoint another person in writing to attend the meeting and vote on his behalf, noting that such person shall not be the Chairman, a Board member or an employee of the Group.
- If the shareholder is a company, the representative who will attend the meeting shall present the authorization letter issued by the authorized person in the company and sealed by the company's seal. The authorization letter shall be submitted prior to the deadline for depositing proxies.
- Proxy Forms shall be deposited at least 24 hours prior to the fixed time of the meeting, as indicated below, ensuring that they will be received on time. Proxy Forms received after the fixed time will be considered invalid for the purpose of the meeting.
 - o Delivery by hand at the Bank's premises, by fax at +973 17911380, or e-mail at iservices@gfh.com.
 - o For shareholders in Kuwait : Kuwait Clearing Company, P.O. Box 22077, Kuwait. Fax No. +965 2469457.
 - o For shareholders in other countries: Karvy Computershare W.L.L., P.O. Box 514, Manama, Kingdom of Bahrain. Fax No. +973 17212055

For any enquiries, please contact Investors Relation Department on +973 17538787