CMP/MAR/2019/0042
31st 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: GFH's Industrial Portfolio Company 'BALEXCO' Announces Successful Joint Venture Exit for 35 Million Euros

GFH Financial Group would like to inform its shareholders and the markets that Bahrain Aluminum Extrusion Company BSC ("Balexco"), one of the Group's industrial portfolio companies, has signed an agreement to sell its 50 percent stake in Technal Middle East W.L.L. ("TME") to Hydro Extruded Solutions AS, the 50 percent joint venture partner with whom Balexco established TME in 2000.

The agreed enterprise value for sale of the 50 percent stake in TME is EUR 35 million. The transaction is expected to close in the second quarter of 2019, subject to regulatory approvals.

Yours Sincerely,

Nabeel Mirza
Head of Compliance