CMP/MAR/2019/0040
28th 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

GFH Financial Group would like to advise its shareholders and the markets that the Extraordinary General Meeting & Annual General Assembly Meeting for the Financial Year 2018, were held today, Thursday 28th March 2019. The quorum met today was 48.96%.

Attached are the results of the meetings.

Yours Sincerely,

Nabeel Mirza
Head of Compliance

gfh

Results of GFH's Extraordinary General Meeting & Annual General Assembly Meeting for the Financial Year 2018

a) Extraordinary General Meeting:

1. Approved the minutes of the previous meeting held on 27th March 2018.

2. Approved the Board of Directors' recommendation for the extinguishment of 207,547,170 treasury shares held by the bank as per the shareholders register on the date of the meeting (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. Approved the amendments to the Memorandum and Articles of Association of GFH with respect to cancellation of treasury shares.

4. Authorized 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.

b) Ordinary General Meeting:

1. Approved the minutes of the previous meeting held on 27th March 2018.

2. Discussed and approved the Board of Directors' report on GFH's business activities for the year ended 31st December 2018.

3. Discussed the Sharia Supervisory Board's report on GFH's business activities for the year ended 31st December 2018.

4. Discussed the external auditor's report on the financial year ended 31st December 2018.

5. Discussed and approved the consolidated financial statements of the financial year ended 31st December 2018.

6. Approved the Board of Directors' recommendation to allocate the net profit of the year 2018 as per the below:
   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 (record date).

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 the approval of the relevant authority.
e) To transfer an amount of US$36,195,000 as retained earnings for the next year.

7. Approved the Board of Directors' recommendation to allocate an amount of US$3,500,000 as remuneration for the members of the Board of Directors.

8. Discussed and approved the corporate governance report for the financial year ended 31st December 2018, and GFH's compliance with all the requirements of the Ministry of Industry, Commerce and Tourism as well as the CBB requirements in this regard.

9. Authorized the Board of Directors to take all the resolutions, approvals and authorizations of all transactions concluded during the ended financial year with 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. The members of the Board were released from liability in respect of their acts for the financial year ended 31st December 2018.

11. Approved the appointment/reappointment of the external auditors of GFH for the year 2019 and authorized the Board of Directors to fix their fees.

12. Approved 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. Approved 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. Authorized 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.