



CMP/DEC/2016/0005

12<sup>th</sup> December 2016

**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: APICORP Invests in Bahrain's Falcon Cement Company, GFH's Associate Company**

GFH Financial Group ("GFH") would like to inform its shareholders and the markets that Arab Petroleum Investments Corporation ("APICORP") has acquired a 30% stake in Bahrain's Falcon Cement Company ("FCC"), a company 70% owned by GFH and its investors.

APICORP is a multilateral development bank established in 1975 by the 10 member states of the Organization of Arab Petroleum Exporting Countries (OAPEC).

FCC is one of the largest and only integrated cement producer in Bahrain. The closed joint stock company provides cement used in large scale projects for public and private customers primarily in the Kingdom. FCC has a current capacity of 1000 tons per day ("tpd") and is in the advanced stages to double this production to 2400 tpd by 2017.

This deal will have a positive impact on GFH's cash flow and financial results for Q4-2016.

Yours Sincerely,

A handwritten signature in blue ink, appearing to read "Nabeel Mirza", enclosed within a blue rectangular box.

**Nabeel Mirza**

Compliance Director & MLRO