



GFH SIGNS US\$100 MILLION REAL ESTATE EXIT DEAL WITH TERRA



- *Continues progress on planned exits from legacy real estate portfolio*
- *Proceeds to support profit distribution to shareholders and investment growth*

Manama, Bahrain – 13 February 2019: GFH Financial Group (“GFH” or “the Group”) today announced the signing of a US\$100 million real estate divestment as part of its previously announced US\$ 1 billion in exits from its existing real estate portfolio. The transaction was signed with an SPV owned by Terra Real Estate Investments LLC (“Terra”), with an instrumental support from ADFG. The deal will see Terra acquire US\$40 million worth of real estate accounting for 72% of GFH’s landmark Harbour Row Residence in Bahrain and US\$60 million of the Group’s real estate development project in Morocco. This transaction is expected to positively impact the Group’s first quarter 2019 results.

This deal comes as part of a planned exit from GFH’s legacy real estate portfolio to be undertaken over the next five years, with proceeds of the deals expected to support profit distribution and the growth strategy of the Group.

Commenting on the exit, Mr. Hisham Alrayes, CEO of GFH, said “We are pleased to announce this transaction in line with GFH’s focus and strategy to achieve strategic exits that can continue to enhance and support our ability to deliver strong returns to shareholders in our real estate investments. I would like to thank ADFG for their instrumental support in the undertaking of this transaction. We are committed to achieving a series of further exits from our real estate portfolio to allow the Group to minimize and reduce our overall real estate exposure. Such planned exits are aimed to realign all assets classes to have a balanced contributions to GFH’s operations and income generation.”

Mr. Mustafa Kheriba, Chief Operating Officer of ADFG, added, “ADFG is pleased to make this acquisition of high quality real estate assets from GFH in the regional markets of the GCC and



North Africa. We are building sound and diverse real estate portfolio, both in the region and internationally, and will continue to seek out other opportunities to acquire quality assets of this nature.”

-Ends-

About GFH Financial Group B.S.C

GFH is one of the most recognized financial groups in the Gulf region. Its businesses include Asset Management, Wealth Management, Commercial Banking and Real Estate Development. The Group’s operations are focused in the GCC, North Africa and India. GFH is listed in Bahrain Bourse, Kuwait Stock Exchange and Dubai Financial Market. For more information, please visit www.gfh.com.

Media inquiries can be directed to:

GFH Financial Group

Nawal Al Naji
Tel: +973 17538538
Email: nalnaji@gfh.com

FinMark Communications

Zahraa Taher
Tel: +973 39630997
Email: ztaher@finmarkcoms.com