



**United Arab Bank PJSC** (the “Bank” or “Company”) hereby invites its shareholders to subscribe for new shares, by way of a rights issue, as approved by the General Assembly of the Bank and the Securities and Commodities Authority (the “Authority”). The Bank has obtained the approval of the UAE Central Bank on the Rights Issue.

#### **I- Resolution of the General Assembly:**

On 15 January 2018, the general assembly of the Bank, through a special resolution, authorized the increase in the Bank's issued share capital by way of a rights issue (the “Rights Issue”).

#### **II- Rights issue:**

The Rights Issue will be in respect of 687,516,883 (six hundred eighty seven million five hundred sixteen thousand and eight hundred eighty three) newly issued Shares (the “New Shares”), to be issued at an issue price of AED 1 (the “Issue Price”).

The issuance of the New Shares pursuant to the Rights Issue will increase the Bank's issued share capital to 2,062,550,649 Dirhams (two billion and sixty two million and five hundred fifty thousand and six hundred forty nine AED), divided into 2,062,550,649 (two billion and sixty two million and five hundred fifty thousand and six hundred forty nine) shares.

#### **III- General information on the Bank:**

- Company Name: United Arab Bank PJSC
- Date and Registration Number with the Authority: Registered under Number (5) on 2 January 2005
- Head office: Al Sharjah, United Arab Emirates
- Purpose of the Bank: Commercial Bank
- Current Capital: 1,375,033,766 (one billion three hundred seventy five million thirty three thousand and seven hundred sixty six AED)
- Current Number of Shares: 1,375,033,766 shares (one billion three hundred seventy five million thirty three thousand and seven hundred sixty six shares) (the "Shares")
- Listing Venue: Abu Dhabi Securities Exchange (the “ADX”)
- Nominal Value of each Share: One Dirham (1 AED)
- Subscription Manager: Emirates NBD Capital
- Auditor: Price Waterhouse Coopers
- Lead Receiving bank: Emirates NBD PJSC and its branches listed below
- Receiving Bank: UAB and its branches listed below
- Legal Counsel: Al Tamimi & Company

#### **IV. Purpose and funding of the rights issue:**

The Bank intends to use the net proceeds from the Rights Issue in order to strengthen the capital base of the Bank and to comply with the Central Bank capital adequacy requirements.

#### **V. Subscription Conditions:**

- The Rights Issue will be conducted through the issue of tradable securities (the "Rights" and each a "Right") pursuant to the Decree of the Authority's Chairman of the Board No. (11/R.M) of 2016 (the "Decree") to registered shareholders of the Bank (the " Shareholders" and each a " Shareholder") as at the close of business of the ADX on Sunday 11 February 2018 (the “Eligibility Date”) in the amount of 1 Rights for every 2 Shares held on such date.
- The number of Rights will be rounded down to the nearest whole number of Rights and Shareholders will not receive a Right in respect of the fraction of any Rights, with such Rights being deposited into the clearing account or brokerage account of each Shareholder where his or her existing Shares are held within one day of the Eligibility Date. Shareholders, who hold Rights to subscribe for New Shares but do not wish to exercise their Rights, may sell their Rights to other investors via brokers registered and licensed by the ADX.



- **Trading in the Rights:** The ADX will coordinate with brokerage firms to add the balance of the Shareholders' Rights in the amount of 1 Rights for every 2 Shares held on the Eligibility Date to their respective accounts maintained by the respective brokerage firm. This will allow the Shareholders of the Bank to trade their Rights - selling or buying - within the below period (the "Trading Period"):
  - **First day of trading the Rights on ADX:** Tuesday 13 February 2018
  - **Last day of trading the Rights on ADX:** Tuesday 27 February 2018
- **Subscription period:** Subscription for the New Shares will take place within the below period (the "Subscription Period"). During the Subscription Period, the holders of Rights which includes Shareholders and any persons who purchased the Rights during the Trading Period (the "Eligible Persons" and each an "Eligible Person") will be allowed to exercise their Rights to subscribe for the New Shares at the Issue Price.
  - **Subscription Opening Date:** Wednesday 21 February 2018
  - **Subscription Closing Date:** Wednesday 7 March 2018

- **Subscription for additional shares:**

Pursuant to Article 8 of the Decree, in addition to exercising their Rights to subscribe for one New Share for each Right held, Eligible Persons will also be allowed to apply for additional New Shares ("Additional New Shares"), which will be allocated in the event that any unsubscribed for New Shares remain, either as a result of the consolidation of the unallocated fractional entitlements to New Shares, or the failure by Eligible Persons to exercise their Rights to subscribe for New Shares.

The Additional New Shares will be allocated, on a pro rata basis, to the Eligible Persons who subscribed for such Additional New Shares, based on the number of Additional New Shares requested by such Eligible Persons. If any unsubscribed New Shares still remain after the allocation of the Additional New Shares to the Eligible Persons who had subscribed for such Additional New Shares (the "Public Shares"), the Public Shares may be offered for sale through a public offering (the persons subscribing for the Public Shares being referred to as the "Public Subscribers") unless the Bank's Board of Directors resolves to fix the increased amount to the amount which has been actually subscribed for.

- **Ownership limitations:** 51% of the issued share capital of the Bank must be owned by UAE nationals.
- **Subscription applications:** Subscription applications are available at the branches of the Receiving Bank listed below.
- **Share price or Issue Price:** Each of the New Shares will be issued at a price of one Dirham (1 AED) only.
- **Payment percentage:** The total value of the subscribed for New Shares shall be paid upon submitting the subscription application.
- **Method of payment:** By a manager's cheque to the order of the Bank, or by debiting the account of the Eligible Person with the Receiving Bank.
- **Receiving bank:** Subscriptions shall be received by the Receiving Bank through its branches listed below.
- **Refunds:** Refunds will be given to holders of Rights who did not receive the number of New Shares that they subscribed for. Refunds shall be completed no later than 5 business day from the date of allocation of the New Shares to the subscribers.



#### VI. Allotment Policy:

The allotment of the New Shares will be as follows, following the same chronological order:

- First, to the Eligible Persons in an amount equal to the number of New Shares for which they have subscribed, to the extent that such number is equal to or less than the number of Rights they respectively hold at the end of the Rights Trading Period.
- Second, to the extent that any New Shares remain unsubscribed thereafter, to the Eligible Persons in an amount equal to the number of Additional New Shares for which they have subscribed for in excess of the number of Rights they respectively hold.

The allocation of Additional New Shares to the Eligible Persons after allocations to the Eligible Persons who have subscribed for a number of New Shares equal to or less than the number of Rights they hold will be on a pro rata basis, scaled back (if necessary) in accordance with the proportion that the number of Additional New Shares requested by the subscriber represents to the total number of Additional New Shares requested by all Eligible Persons who subscribed for such Additional New Shares. There is, therefore, no guarantee that the Eligible Persons applying for Additional New Shares will receive the number of Additional New Shares applied for. No Eligible Person will receive more New Shares than they have subscribed for during the Subscription Period.

- Third, to the extent that the amount of the capital increase have not been subscribed in full, it is the right of the Bank's Board of Directors to resolve to fix the Bank's share capital to the amount which has been subscribed for, after having obtained the Authority's approval regarding the same.
- Fourth, the shareholder, together with his minor sons and associated group, whose shareholding in the issued share capital shall exceed 30% as a result of their participation in the rights issue through the relevant financial market, should first obtain the prior approval of SCA in this regard in accordance with the relevant rules and regulations.

#### VII. Required documents for subscribers:

Subscribers shall submit the following documents, along with their subscription applications:

##### 1- For individuals who are UAE nationals or nationals of any other country:

- The original and a copy of a valid passport or Emirates identity card for Emirati citizen; and
- In the event that the signatory is different from the subscriber:
  - the duly notarised power of attorney held by that signatory or a certified copy by UAE-regulated persons/bodies, such as a notary public, or as otherwise duly regulated in the relevant country;
  - the original passport of the signatory for verification of signature and a copy of the original passport; and
  - the original passport of the subscriber for verification of signature and a copy of the original passport.
- In case the signatory is a guardian of a minor, the following will be submitted:
  - original and copy of the guardian's passport for verification of signature;
  - original and copy of the minor's passport; and
  - if the guardian is appointed by the court, original and copy of the guardianship deed attested by the court and other competent authorities (e.g. notary public).

##### 2- Corporate bodies including banks, financial institutions, investment funds and other companies and establishments (i.e. juridical persons):

- Juridical Persons registered in the United Arab Emirates: the original and a copy of a trade licence or commercial registration for verification or a certified copy by one of the following UAE-regulated persons or bodies; a notary public or as otherwise duly regulated in the country;
- the original and a copy of a trade licence or commercial registration for verification or a certified copy by one of the following UAE-regulated persons or bodies; a notary public or as otherwise duly regulated in the country;



- the original and a copy of the document that authorizes the signatory to sign on behalf of the subscriber and to represent the subscriber, to submit the application, and to accept the terms and conditions of the Rights Issue; and
- the original and a copy of the passport of the signatory.

### 3- Foreign corporate bodies:

- Copy of a trade licence or commercial registration certified by one of the following UAE-regulated persons or bodies; a notary public or as otherwise duly regulated in the country;
- Certified Copy of the document that authorizes the signatory to sign on behalf of the subscriber and to represent the subscriber, to submit the application, and to accept the terms and conditions of the Rights Issue and the subscription application;
- Copy of the passport of the signatory; and
- Any other documents or certifications might be required by the Lead Receiving Bank and/or the Receiving Bank.

### VIII. Procedures of subscription:

The subscription application must be submitted by Eligible Persons to any participating branch of the Receiving Banks listed below and the Eligible Person's bank account number must be provided, together with the payment for the amount it wishes to use to purchase or subscribe for the New Shares, which is to be paid in one of the following ways:

- certified bank cheque (manager's cheque) drawn on a bank licensed and operating in the UAE, in favour of "United Arab Bank PJSC Rights Issue";
- debiting the Eligible Person's account with the Receiving Bank;
- transfer from licensed operated Bank in the UAE; or
- electronic subscriptions.

The subscription amount may not be paid or accepted by the Receiving Bank using any of the following methods:

- in cash;
- cheques that are not certified; or
- any other mode of payment other than mentioned above.

### Important dates relevant to the methods of payment of the subscription amounts:

- Subscription amounts paid by certified bank cheque (manager's cheque) must be submitted by or before 12pm on Monday 5 March 2018.
- Subscription applications received through FTS must be made by or before 12pm on Tuesday 6 March 2018.

### IX. Investor Relations:

For any queries, please contact our Investors Relations Officer, Mr. Wael Zahnan or the Lead Receiving Bank, Emirates NBD on the contact details provided below.

### X. Important dates:

- Date of publication of the invitation to subscribe for New Shares by way of Rights Issue: Tuesday 16 January 2018
- Eligibility Date of Rights (record date): Sunday 11 February 2018 for the registered shareholders of the Company on this date.
- First day of trading in Rights on the ADX: Tuesday 13 February 2018
- Last day of trading in Rights on the ADX: Tuesday 27 February 2018
- Subscription Opening Date: Wednesday 21 February 2018
- Subscription Closing Date: Wednesday 7 March 2018
- Date of finalizing the allocation: Monday 12 March 2018
- Date of finalizing the refund process: Thursday 15 March 2018

Important Note: If the last day for subscription occurs on an official holiday, the Subscription Period shall be extended to the following business day.



البنك العربي المتحد  
UNITED ARAB BANK

## UNITED ARAB BANK PJSC INVITATION TO THE SHAREHOLDERS TO SUBSCRIBE FOR NEW SHARES

### NAME OF PARTICIPANTS IN THE RIGHTS ISSUE

#### SUBSCRIPTION MANAGER

Emirates NBD PJSC  
P.O. Box 777  
Dubai  
United Arab Emirates

#### LEAD RECEIVING BANK

Emirates NBD PJSC  
Tel.: 04-316 0066  
P.O. Box 777  
Dubai  
United Arab Emirates

#### RECEIVING BANK

United Arab Bank  
Tel.: +971 6 5075 333  
P.O. Box 25022  
Sharjah  
United Arab Emirates

#### LEGAL ADVISOR TO THE COMPANY

Al Tamimi & Company  
6th Floor, Building 4 East  
Dubai International Financial Centre  
P.O. Box 9275  
Dubai  
United Arab Emirates

#### INVESTOR RELATIONS CONTACT

Wael Zahnan  
Tel.: +971 6 5075 333  
wael.zahnan@uab.ae  
P.O. Box 25022  
Sharjah  
United Arab Emirates

### PARTICIPATING BRANCHES OF THE LEAD RECEIVING BANK

#### Emirates NBD Bank

AREA	BRANCH	ADDRESS	TELEPHONE
Deira	Group Head Office Branch	Ground Floor ENBD Building , Opposite Economic and Land Dept	+971 4 316 00 66
New Dubai	Jumeirah Branch Sharjah Al Taawun Branch	Al Wasl Street Taawun 3, Bldg # p-92, Shop #1, Al Taawun Street - Sharjah	+971 4 316 00 66 +971 4 316 00 66
Abu Dhabi	Abu Dhabi Main Branch	Al Neem Tower, Khalifa St	+971 4 316 00 66

### PARTICIPATING BRANCHES OF THE RECEIVING BANK

#### United Arab Bank

AREA	BRANCH	ADDRESS	TELEPHONE
Abu Dhabi Area	Gibca Branch	Sheikh Faisal al Qasmi Building – Gibca , Sh. Khalifa Street, Abu Dhabi	+971 2 613 02 35
Sharjah Area	Corniche Branch	Al Mohannad Tower, Buhaira Corniche, Sharjah	+971 6 519 51 33
Dubai Area	Deira Branch	Al Salemiyah Tower, Ground floor, Baniyas Street. Deira , Dubai	+971 4 207 92 44
Dubai Area	Al Quoz Branch	Reemas Building Ground Floor, Al Quoz First Area, Sh. Zayed Road	+971 4 309 26 32