

Minutes of the Annual General Meeting

United Arab Bank (P.J.S.C.) ("UAB")

Held on Monday 13 April 2020, at 4h00 p.m.

Virtually without personal attendance

Sharjah – United Arab Emirates

Pursuant to the invitation addressed by the Board of Directors to the Bank's shareholders and to the Central Bank, Securities and Commodities Authorities, Abu Dhabi Securities Exchange, and Economic Development Department of Sharjah Government, the UAB Annual General Meeting ("AGM") was held on Monday, 13 April 2020, virtually without personal attendance, at 04h00 p.m., in the virtual presence of the Members of the Board of Directors, UAB's Senior Management, External Auditors and representatives of the regulatory authorities, as listed below:

	Name	Position
Board Members	Sheikh Faisal Bin Sultan Bin Salem Al Qassimi	Chairman
	Sheikh Mohammed Bin Faisal Al Qassimi	Director
	Ms. Najla Al Midfa	Director
	Mr. Fahad Abdulrahman Badar	Director
	Mr. Rashed Al Ketbi	Director
UAB Senior Management	Mr. Ahmad Abu Eideh	Chief Executive Officer
	Mr. Sanjeev Dureja	Chief Financial Officer
	Mr. Paul Hewitt	Chief Audit Officer
Representative of the Emirates Securities and Commodities Authority (ESCA)	Mr. Abdul-Rahman Salim Mubarak	ESCA

Representative of Sharjah Economic Development Department	Hadeef Abdulla AlShamsi	SEDD
External Auditors	Yousef Al-Sayed Ahmad	EY
	Thomas Abraham	EY

Opening of Meeting and Quorum Validation:

The Chairman commenced with official deliberations by welcoming the Shareholders, representative of the Securities and Commodities Authority, representatives of Abu Dhabi Exchange, Economic Department, Al Tamimi & Co and External Auditors of the Bank (EY), as well as UAB Management and all virtually present attendees.

Appointment of Secretary and Vote Counters:

The shareholders approved the appointment of Mr. Ahmad Samarah as Secretary and Abu Dhabi Securities Exchange (ADX) as vote counters.

The Secretary took the floor and declared constitution of the quorum and read the agenda and attached reports as follows:

The Secretary announced that the present meeting is attended by a number of shareholders present in person and representing 359,807,105 shares, in addition to a number of proxies representing 1,269,255,406 shares. The total number of shares represented in the meeting is 1,629,062,511 shares, corresponding to %79 of the share capital of the Bank equal to AED 2,062,550,649

Presentation and Discussion of the items on the agenda:

I- Ordinary Items (*Quorum: 50% of the share capital; Vote: by absolute majority of the shares represented as per the Commercial Companies Law No. 2 of 2015*):

Item 1: To consider and approve the Board of Directors' Report on the Bank's activities and Financial Position

for the year ended 31 December 2019.

The Secretary read, on behalf of the Chairman, the report of the Board of Directors on the activities of the Bank and its financial position for the period ended 31.12.2019. The report included details on the Board proposal regarding the distribution of 2019 dividends. The report concluded with thanks to the Bank's management and employees and to the UAE government, Central Bank and regulatory authorities for their continued and valued support.

The shareholders attending the present AGA unanimously approved the Board of Directors Report on the activities of the Bank and its financial position for the period ended 31.12.2019. (Resolution No. AGA 01/2020)

Item 2: To consider and approve the external auditor's report on the Bank's Balance Sheet and Financial Position for the year ended 31 December 2019.

EY read the External Auditors' report summarizing the financial statements, the responsibility of the External Auditors and the Bank Management. He also briefed the opinion of the External Auditors, confirming it is in compliance with IFRS and added that based on the information that has been made available to them nothing has come to their attention which causes them to believe that the Group has contravened during the financial year ended 31 December 2019 any of the applicable provisions of the UAE Federal Law No. (2) of 2015 or in respect of the Bank, its Memorandum and Articles of Association which would materially affect its activities or its financial position as at 31 December 2019.

The shareholders attending the present AGA unanimously approved the Auditor's Report on the Bank's financial statements for the period ended 31.12.2019. (Resolution No. AGA 02/2020)

Item 3: To discuss and approve the Bank's Balance Sheet and Income Statement for the year ended 31 December 2019.

No questions were raised. The shareholders attending the present AGA unanimously approved the Consolidated Financial Statements for the year ended 31 December 2019, audited by EY, under their audit report presented to this present meeting. - (Resolution No. AGA 03/2020)

Item 4: To consider and approve the proposal of the Board of Directors regarding not to distribute dividend, whether in cash or script, for the year ended 31 December 2019.

The shareholders attending the present AGA unanimously approved not to distribute dividend for the year 2019. (Resolution No. AGA 04/2020)

Item 5: To consider and approve the proposal not to pay remuneration for the Board of Directors for 2019.

The shareholders attending the present AGA unanimously approved not to pay remuneration for the Board of Directors for 2019. (Resolution No. AGA 05/2020)

Item 6: Discharge the members of the Board of Directors for the year ended 31 December 2019 or to dismiss them and file a liability lawsuit against them, as the case may be.

The shareholders attending the present AGA resolved that the members of the Board of Directors are to be discharged from any liability for the period ended 31.12.2019, noting that the votes of the Board members were not counted under this item. (Resolution No. AGA 06/2020)

Item 7: To approve or abstain from granting a discharge or absolution of the External Auditors from their obligation or liability during the financial year ended 31 December 2019.

EY left the virtual meeting.

The shareholders attending the present AGA unanimously approved the discharge of the external auditors (EY) from any liability for the period ended 31.12.2019. (Resolution No. AGA 07/2020)

Item 8: To appoint the external auditors for the financial year 2020 and determine their fees

The Secretary stated that the Audit Committee, after evaluating the proposals obtained from M/s E&Y recommended to the Board of Directors the appointment of E&Y as auditors for the year 2020 with a fee of

AED750,000 (excluding pocket expenses and 5% VAT) .

With no further comments received on this item, the shareholders attending the present AGA unanimously approved the appointment of M/s Ernst & Young (E&Y) as External Auditors for the year 2020 and fixed their fees at AED 750,000 (excluding pocket expenses and 5% VAT) (Resolution No. AGA 08/2020)

Item 9: Authorize the Bank's Board members to participate in business in competition with the Bank as per Article 152 of the Commercial Companies Law No. 2 of 2015. The article was displayed in the presentation.

The shareholders attending the present AGA unanimously authorize the Bank's Board members to participate in business in competition with the Bank as per Article 152 of the Commercial Companies Law No. 2 of 2015. (Resolution No. AGA 09/2020)

Item 10: To approve the members of the Internal Sharia Control Committee (known as Sharia Board) which conducts Sharia control and supervision on all activities related to the Islamic Banking Department of the Bank.

The shareholders attending the present AGA unanimously approved the appointment of the members of the Internal Sharia Control Committee, being:

1. Doctor Ahmad Abdul Aziz Al Haddad.
2. Doctor Aziz Bin Farhan Al Enizi.
3. Doctor Mohamed Bin Ali Alqari.

(Resolution No. AGA 10/2020)

Item 11: Consider and approve the Annual Report of the Internal Sharia Supervisory Board.

The Head of the Bank's Islamic Banking Department (Mohamed EIDesouky) read the Annual Report of the Internal Sharia supervisory Board.

- A question was raised by Awni Mannaa / Proxy of Al Wathba Insurance: What is the ratio of Islamic interactions in comparison to the total interactions of the bank? Furthermore, what are the profits that were generated from such interactions?
- Answered by Mohamed EIDesouky: The ratio cannot be identified separately as the bank produces a cumulative report of operations. The bank is currently in the process of separating the Islamic interactions from traditional interactions which was presented to and approved by the Internal Sharia Supervisory Board of the bank.
- Mr. Awni asked for an approximation of the interactions, Mr. Mohamed mentioned that Islamic deposits represents 20% of the total bank deposit sum, and 5% of the total assets of the bank. When further asked by Mr. Awni about the calculation of Zakat, Mr. Mohamed confirmed that Zakat is the responsibility of the account holder rather than the bank.

The shareholders attending the present AGA unanimously approved the Annual Report of the Internal Sharia Supervisory Board. (Resolution No. AGA 11/2020)

II- Extraordinary Items (*Vote: 75% of the shares represented as per the Commercial Companies Law No. 2 of 2015*):

Item 1:

To approve the amendment of the Articles of Association of the Bank in line with Federal law no. 14 for 2018 and the Corporate Governance Regulations for Banks, subject to obtaining the required regulatory approvals; and to authorize the Board of Directors to implement the shareholders' resolution to amend the Articles of Association of the Bank

The shareholders attending the present AGA unanimously (100%) approved the amendment of the Articles of Association and authorize the Board of Directors to implement the shareholders' resolution to amend the

Articles of Association of the Bank

(Resolution No. AGA 12/2020)

Item 2:

With reference to the above item, to approve amending Article (6) of the Articles of Association of the Bank concerning the ownership in commercial banks by amending the Article to read that "the proportion of the ownership of UAE nationals shall not, at any time during the existence of the Company, fall below %60 (sixty) percent of the capital"

- Mr. Abdulrahman, ESCA representative, requested that a percentage to be added for vote representation

The shareholders attending the present AGA unanimously approved the amendment of the Article (6) of the Articles of Association of the Bank concerning the ownership in commercial banks by amending the Article to read that "the proportion of the ownership of UAE nationals shall not, at any time during the existence of the Company, fall below %60 (sixty) percent of the capital"

(Resolution No. AGA 13/2020)

Item 3:

Subject to obtaining necessary approvals from the authorities, to approve adjusting all the accumulated losses of AED 897.90 million as of 31 December 2019 against:

- 1) The Special reserves for an amount of AED422.10million
- 2) The Statutory reserve for an amount of AED475.80million

The shareholders attending the present AGA unanimously (100%) approved adjusting all the accumulated losses of AED 897.90 million as of 31 December 2019 against:

- 1) The Special reserves for an amount of AED422.10million
- 2) The Statutory reserve for an amount of AED475.80million

(Resolution No. AGA 14/2020)

Item 4:

To authorize the Chief Executive Officer or any one of the Board of Directors of the Bank to take all necessary actions in this regard.

The shareholders attending the present AGA unanimously (100%) To authorize the Chief Executive Officer or any one of the Board of Directors of the Bank to take all necessary actions in regards to item number 3 of the extraordinary items.

(Resolution No. AGA 15/2020)

Item 5:

To consider and approve the issuance of a non-convertible additional tier 1 instruments ("AT1") up to an amount of AED250million (or equivalent thereof in other currencies) for the purposes of strengthening the Bank's capital adequacy (such AT1, which may be listed or unlisted, shall include the terms and conditions required by the Central Bank of the United Arab Emirates including in respect of subordination, the discretion of the Bank to cancel interest payments as well as certain events resulting in a mandatory non-payment of interest to investors, and write-down provisions which are triggered in the event of non-viability)

The shareholders attending the present AGA unanimously approved (100%) the issuance of a non-convertible additional tier 1 instruments ("AT1") up to an amount of AED250million (or equivalent thereof in other currencies) for the purposes of strengthening the Bank's capital adequacy (such AT1, which may be listed or unlisted, shall include the terms and conditions required by the Central Bank of the United Arab Emirates including in respect of subordination, the discretion of the Bank to cancel interest payments as well as certain events resulting in a mandatory non-payment of interest to investors, and write-down provisions which are

triggered in the event of non-viability)

(Resolution No. AGA 16/2020)

Item 6:

To authorize the board of directors of the Bank to take all necessary actions to determine the timing (not to exceed one year from the date of the AGM), amount (not exceeding the approved amount above), structure and other terms and conditions of the AT1

The shareholders attending the present AGA unanimously approved (100%) To authorize the board of directors of the Bank to take all necessary actions to determine the timing (not to exceed one year from the date of the AGM), amount (not exceeding the approved amount above), structure and other terms and conditions of the AT1

(Resolution No. AGA 17/2020)

Item 7:

To consider and approve the establishment a debt programme for the issuance of bonds: medium term notes (Medium term debt instrument offered in the international markets), which the only security is the Bank's reputation and financial strength) up to a maximum amount of US\$1,000,000,000/- or the equivalent in other currencies as private placement or public issuance listed on international stock exchange, provided that the amount of any issuance thereunder complies with all applicable laws and requirements of the Securities and Commodities Authority and the Central Bank of the UAE.

The shareholders attending the present AGA unanimously approved (100%) the establishment a debt programme for the issuance of bonds: medium term notes (Medium term debt instrument offered in the

international markets), which the only security is the Bank's reputation and financial strength) up to a maximum amount of US\$1,000,000,000/- or the equivalent in other currencies as private placement or public issuance listed on international stock exchange, provided that the amount of any issuance thereunder complies with all applicable laws and requirements of the Securities and Commodities Authority and the Central Bank of the UAE.

(Resolution No. AGA 18/2020)

Item 8:

To consider and approve the inability of such debt instruments, in all cases mentioned above to be convertible into shares of the Bank and that such Approved Activities shall be achieved at a time (not exceeding one year from the date of the AGM) and in a manner to be determined by the Board of Directors, in compliance with all applicable laws and requirements of the Securities and Commodities Authority and the Central Bank of the UAE.

- A question was raised by Mr. Awni Mannaa / Proxy of Al Wathba Insurance: What is the strategy of the bank based on the results of the first quarter? Furthermore, is there an effect of the NMC exposures?
- Answered by the CEO Mr. Ahmad Mohammed AbuEideh: As for the beginning of the year, January and February were promising, as for March, we are still in the process to close the books with the external auditors. As for the NMC exposure, we have disclosed in the media and on ADX an exposure of ~ AED 135 Mn of which ~ AED 129 Mn funded and AED 5 Mn unfunded exposures. The client being with the bank since 2011, however, in the last 4 months, we have dropped the facilities used by the client by AED 80 to AED 100 Mn, thus yielding this result. The impact is undeniable, however, we are cooperating with the syndicate of banks with such exposures to reach a solution. We are still pending the assignment of the legal guardian on the group, and we hope that positive results will be yielded in the future. Quarter 1 may or may not be impacted by the exposure and the answer remains pending internal assessment by management.

The shareholders attending the present AGA unanimously approved (100%) the inability of such debt instruments, in all cases mentioned above to be convertible into shares of the Bank and that such Approved Activities shall be achieved at a time (not exceeding one year from the date of the AGM) and in a manner to be determined by the Board of Directors, in compliance with all applicable laws and requirements of the Securities and Commodities Authority and the Central Bank of the UAE.

(Resolution No. AGA 19/2020)

The Secretary, on behalf of the Chairman, concluded that all items on the agenda have been discussed and resolved upon noting that this year's Annual General Assembly has reached the end. He thanked the audience for their attention and attendance at this AGA meeting and officially closed the 2019 AGA at 5:20 PM.

Signed by:

Faisal Bin Sultan Bin Salem Al Qassimi

Chairman of the Board of Directors



ADX

Vote Counters

External Auditors

EY

TS. Hali Gopal
Thodla Harigopal

Ahmad Samarah

Secretary of the Meeting

