



**Rights Offering - Summary of Offering Circular**

Issue of up to 242,003,326 Ordinary Shares of a Nominal Value of USD 0.25 each, at an Issue Price of USD 0.25 per share on 'Rights Offering' basis to existing Shareholders' of the Bank as on the Record Date (which amounts to up to US\$ 60,500,831.50).

**THE CENTRAL BANK OF BAHRAIN AND THE BAHRAIN BOURSE ASSUME NO RESPONSIBILITY FOR THE ACCURACY AND COMPLETENESS OF THE STATEMENTS AND INFORMATION CONTAINED IN THIS ANNOUNCEMENT AND EXPRESSLY DISCLAIM ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS ANNOUNCEMENT**

**Directors' declaration:**

The Directors of Bahrain Middle East Bank B.S.C. accept responsibility for the information contained in this announcement. To the best of the knowledge and belief of the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this announcement is in accordance with the facts and contains no omissions likely to affect the importance and completeness of this announcement.

The following information has been extracted from the Offering Circular issued in relation to the Offering of the Ordinary Shares of the Bank to all the existing Shareholders of Bahrain Middle East Bank B.S.C. ("BMB" or "the Bank" or "the Issuer") on the Record Date, which will be available at the designated branch of the Receiving Bank and the Issuer on the Opening Date. This summary does not purport to be a complete summary of the information contained in the Offering Circular. Persons interested in applying for the Ordinary Shares should read the Offering Circular and Application Form in full. Words and phrases defined in the Offering Circular and Application Form shall have the same meanings where used herein, unless the context otherwise requires.

The Board of Directors of BMB invites all existing Shareholders registered in the Bank's Ordinary Share Register on the Record Date to apply to subscribe for up to 242,003,326 Ordinary Shares at an Offer Price of USD 0.25 each with Nominal Value of USD 0.25 per share based on a rights privileged subscription. Application Forms will be available at the designated branch of the Receiving Bank and the Issuer. The Offering will open for subscription on 3/12/2017 and will close on 19/12/2017.

**Issuer and Advisors**

Issuer & Issue Manager: Bahrain Middle East Bank B.S.C.  
 Receiving Bank: Al Salam Bank Bahrain B.S.C.  
 Auditor: Ernst & Young – Bahrain  
 Legal Advisors: Zeenat Al Mansoori & Associates  
 Issue Registrar: Bahrain Clear

**Timetable of Offer**

Record Date	29/11/2017
Offering Period	3/12/2017 to 19/12/2017
Opening Date of the Offering Period	3/12/2017
Closing Date of the Offering Period	19/12/2017
Subscription results & allotment basis announcement date	21/12/2017
CBB Approval on Allotment Statement and Shareholders List	24/12/2017
Allotment Date	26/12/2017
Distribution of Refunds Date	27/12/2017
Commencement of Trading on licensed exchange	2/1/2018



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### Summary of Offer:

**Issuer:** Bahrain Middle East Bank B.S.C., incorporated in the Kingdom of Bahrain under a commercial registration no. 12266 and to which this Offering pertains. The Bank is licensed and regulated by the CBB as a Conventional Wholesale Bank under license no. WBS/023. The Ordinary Shares of the Bank are listed on the Bahrain Bourse under ticker 'BMB'.

**Offering or Rights Offer:** The Issuance of up to 242,003,326 new Ordinary Shares each with a Nominal Value of USD 0.25 per share to existing Shareholders of the Bank as on the Record Date. Existing Shareholders have the right to purchase 1 Ordinary Share for each Ordinary Share held as on the Record Date.

**Authorized Share Capital:** As of date of this Announcement, the Bank had Authorized Share Capital of USD 500,000,000 comprising 2,000,000,000 Ordinary Shares of USD 0.25 each as authorized to issue in accordance with the Memorandum and Articles of Association.

**Issued and Paid-up Share Capital prior to this Offering:** As of date, the Bank had Issued and Paid up Share Capital amounting to USD 60,500,831.50 comprising of 242,003,326 Ordinary Shares each at a Nominal Value of USD 0.25 per share.

**Entitlement to this Offering and Renunciation Rights:** This Offer is open to all Shareholders registered in the Bank's Ordinary Share Register on the Record Date. Each Shareholder shall be entitled to purchase 1 Ordinary Share for each Ordinary Shares held as at the Record Date. Shareholders may however make an application for the Ordinary Shares in excess of or lower than their entitlement.

The Shareholders entitled to participate in this Offering may accept all or a part of their entitlement. Their right to the Ordinary Shares being offered through this Offering is renounceable, which enables the Shareholders who do not wish to take up some or all the Ordinary Shares being offered through this Document to renounce those Ordinary Shares in favor of others. Such renunciation shall however be made during the Subscription Period only.

**Issue Price:** The Issue Price for the Ordinary Shares offered through this Offering is USD 0.25 which is equivalent to the Nominal value of the shares (USD 0.25). The Issue Price is net of any bank or related charges which shall be borne by the applicant.

**Basis of Allotment:** The Applicants shall first be allotted to the extent of their entitlement or the number of Ordinary Shares applied for - whichever is lower. The remaining Ordinary Shares, if any, will be allotted to Applicants who have applied for Ordinary Shares in excess of their original entitlement. Such unsubscribed amount shall be allotted amongst such Shareholders pro-rata to their holding as on Record Date.

**Commitment to Subscribe:** AN Investment W.L.L. has made a written commitment to the Central Bank of Bahrain to subscribe to no less than \$39,499,168.50 of the ordinary shares available in this offer.

**Announcement of allotment basis and subscription results:** The results of the subscription and confirmation of the basis of Allotment will be published in two (2) local newspapers in the Kingdom of Bahrain within two (2) calendar days of the Closing Date. The decision of the Issuer in this respect will be final and binding on all parties. Allotment of the Shares is expected to be completed by the Allotment Date.

**Distribution and Refund:** On the Distribution Date, the Applicants shall collect their Allotment Notice from the



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Issue Registrar. Any refunds shall be for the excess Subscription Amounts as paid by the Applicant and for which Ordinary Shares were not allotted. The refunds shall be made in USD only. All refunds distributed by the Issue Registrar will be made after deduction of bank charges and other similar deductions and will not include profit accrued on such funds, if any.

**Listing of Ordinary Shares offered:** Following completion of this Offering, an application will be made to the Bahrain Bourse to list the Ordinary Shares being offered.

**Shareholder Rights:** The Ordinary Shares issued through this Offering will rank pari passu with all other Ordinary Shares of the Bank including in respect to entitlement of dividend. Each Shareholder will be entitled to attend and vote at the General Assembly of the Bank.

**Use of Proceeds:** The Bank has embarked on a new growth strategy and the proceeds from the Offering will be used for implementing this strategy. In addition, the proceeds will also be used for augmenting the capital base of the Bank and improving regulatory ratios.

**Principal Risk Factors:** There can be no assurance that the Bank will pay / continue to pay dividends. The Bank's business could be exposed to certain risks that are beyond the control of the Board of Directors or the management which could potentially affect its operating and the financial performance.

### **General Information about the Bank:**

Established on 23 March 1982, Bahrain Middle East Bank B.S.C., incorporated in the Kingdom of Bahrain under a commercial registration no. 12266. The Bank is licensed and regulated by the Central Bank of Bahrain as a Conventional Wholesale Bank under license no. WBS/023. Operations are conducted from a single office situated at:

BMB Centre  
Diplomatic Area, Manama, Kingdom of Bahrain  
P O Box 797

### **Board of Directors as of the date of this Announcement:**

The following are the current members of the Bank's Board of Directors: Mr. Wilson Benjamin (Chairman), Mr. Murat Solak (Vice Chairman), Mr. Ebrahim Bu Hendi (Director), Prof. Awadh Al Enezi (Director), Mr. Jawad Jaafer (Director), Mr. Karunaker Nampalli (Director), Mr. John Abraham (Director) and Mr. Govindan Swaminathan (Director).

### **How to Apply:**

Applicants should submit to the Receiving Bank a duly signed and completed Application Form together with cleared funds in the amount of subscription. The subscription currency is USD. Remittance shall be made to the designated bank account with the Receiving Bank by wire transfer in USD. No other modes of payment shall be accepted.



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Applicants are responsible for ensuring that the Subscription Amounts are remitted to the designated account with the Receiving Bank on or before the Closing Date. Applicants transferring money into the designated account should present a copy of the wire transfer order along with the Application Form. All charges such as wire transfer charges, subscription application processing fees, collection charges, foreign currency conversion charges, special clearing charges and any other charges shall be borne by the Applicant. Applicants will receive a receipt of acknowledgement from the Receiving Bank on submission of their Application Form. No profit shall accrue or be payable to Applicants in respect of Subscription Amounts collected by the Receiving Bank regardless of whether such amounts are returned to the Applicant in whole or part. For more information, please refer to the Offering Circular available at the Receiving Bank.

### Other important details:

The Subscription Period commences in Bahrain on the Opening Date, which is 3/12/2017, and closes at closing on Banking Business Hours on the Closing Date, which is 19/12/2017. Applicants may apply to subscribe for the Ordinary Shares at the Receiving Bank during normal business hours in Bahrain.

Please note that there will be no halt of trading of shares on the Bahrain Bourse at any time before and during the Subscription Period.

Copies of the Offering Circular and the Application Form can be collected from the designated branch of the Receiving Bank or from the Issuer.

Applicants need to present all necessary identification as stated in the Offering Circular and on the Application Form to fulfill "Know Your Customer" requirements and have their application considered for acceptance.

### For and On Behalf of the Board of Directors of Bahrain Middle East Bank B.S.C.:

Mr. Murat Solak, Vice-Chairman

26/11/2017

#### Receiving Bank:

Al Salam Bank Bahrain  
B.S.C.



#### Legal Advisor:

Zeenat Al Mansoori &  
Associates



#### Issue Registrar:

Bahrain Clear



#### Auditor:

Ernst & Young

