

UGB Announces Details of the Reorganization

Bahrain, 12 September 2017– United Gulf Bank B.S.C, (“UGB”), a conventional wholesale banking licensee from the Central Bank of Bahrain, and listed on the Bahrain Bourse had earlier announced an extra ordinary general meeting to be held on 25 September 2017, to approve the proposed corporate reorganization of UGB, including approval of an offer received from United Gulf Holding Company B.S.C. (“UGHC”), for the purchase of 100% share capital of UGB (net of treasury shares), in consideration for newly issued shares of UGHC at an exchange ratio of one newly issued UGHC share for every two UGB shares, subject to fulfilment of certain conditions and regulatory approvals (the “Offer”).

The Offer is part of corporate reorganization plan of UGB which has been approved in principle by the CBB, whereby its regulated banking activities will be segregated from its non-regulated services. Moreover, as part of the reorganization, UGHC will be listed on Bahrain Bourse and UGB will be delisted and converted into a closed shareholding company, once UGHC acquires 100% shareholding of UGB.

UGHC is a Bahraini Shareholding Company (Public), recently incorporated in the Kingdom of Bahrain by the majority shareholders of UGB for corporate reorganisation. Details on the Offer and the proposed reorganization are available in the Board Circular posted on UGB website: www.ugbbh.com

Shareholders whose names appear in the UGB share register on the “Record Date” will be eligible to consider and accept the Offer. 14 September 2017, will be the Record Date, for the purpose of determining the shareholders entitled to consider and accept the Offer. The trading in the UGB shares will be suspended on the Bahrain Bourse at the end of the trading hours on the Record Date. The period for acceptance of the Offer will start from the 15th September 2017 and will close on 25th September 2017 at the end of the EGM.

Any vote casted at EGM by the shareholder of UGB in acceptance of the Offer or on submission of their unconditional and irrevocable intention to accept the Offer through the use of an acceptance form which will be made available by UGB (on the websites of UGB and Bahrain Bourse), or by otherwise manifesting the intention to accept the Offer in form and substance satisfactory to UGB, will be considered a valid acceptance for the purpose of this Offer.

Copies of the following documents will be made available for inspection at the registered office of UGB at UGB Tower, Building 440, Road 1705, Diplomatic Area during normal office hours for the period for which the Offer remains open for acceptance:

- a) the Memorandum and Articles of Association of UGB;
- b) the annual reports of the UGB for FY 2014, 2015 and FY 2016;
- c) the Board Circular
- d) the Notice of Call of the EGM

- e) the acceptance form or any other document evidencing an irrevocable commitment or a letter of intent which has been procured by UGHC or UGB (as appropriate) or any of their respective associates
- f) the confirmation by the expert appointed pursuant to the Article 99 of the Commercial Companies Law of the value of UGB Shares to be received in consideration for the subscription and issue of the new shares.

Key time lines as detailed in Board Circular are as follows:

Record Date	14 September 2017
Offer Opening Date	15 September 2017
EGM Date	25 September 2017
Offer Closing Date	25 September 2017
Delisting of UGB Date	28 September 2017*
Listing of UGHC Date	28 September 2017*

**Please note that stated dates for Share Swap, Delisting of UGB shares and Listing of UGHC shares may vary based on any additional or currently unknown procedural requirements.*

-ENDS -

About UGB:

UGB is the merchant banking subsidiary of KIPCO Group. Its proprietary investments include assets in commercial banking, real estate, private equity, and quoted securities. As of 30 June 2017 assets under management exceeded US\$ 9.9 billion (31 December 2016: US\$ 10.0 billion).

UGB's core subsidiaries and associates include: Burgan Bank, KAMCO Investment Company (KAMCO), FIMBank p.l.c, North Africa Holding Company, United Gulf Financial Services – North Africa, Takaful Savings & Pension Company, United Capital Transport Company and United Real Estate Company.

UGB and its subsidiary KAMCO have a proven track record of successfully completing more than 60 investment banking transactions for its clients since 2001 with an aggregate value of over US\$ 10 billion including corporate finance, advisory, new issue placement and underwriting, corporate restructuring, bond issuance and merger and acquisition.

For further information:

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