

## **Emirates Investment Bank PJSC**

### **Invitation to the Shareholders to subscribe for New Shares in a Rights Issue**

Emirates Investment Bank PJSC ("EIBank" or the "Company") hereby invites its Shareholders to subscribe for new shares, by way of a rights issue, as approved by the General Assembly of the Company held on 24 March 2023, the Central Bank of the United Arab Emirates (the "UAE Central Bank"), and the Securities and Commodities Authority (the "Authority").

#### **1. Decision of the Increase:**

On 23 January 2023, the Board of Directors of the Company resolved to increase the issued share capital of the Company by an amount of AED 650,000,000 by way of a rights issue (the "Rights Issue"), by creating 6,500,000 new shares (the "New Shares" and each a "New Share") at an issue price of AED 100 per New Share (the "Issue Price") reflecting the nominal value of AED 100 per New Share.

Thereafter, the aforementioned decision of the Board of Directors was presented to the General Assembly of the Company, which in its meeting held on 24 March 2023 resolved to increase the Company's issued share capital from AED 350,000,000 to AED 1,000,000,000 by way of a rights issue of AED 650,000,000 offered to the existing shareholders of EIBank without offering them for public subscription, and authorised the Board of Directors of the Company to determine the date and terms of, and to take all necessary steps to implement, the increase of the Company's share capital.

#### **2. Amount of Share Capital Increase and Issue Price:**

The Rights Issue will increase the share capital of the Company by AED 650,000,000 (the "Capital Increase") from AED 350,000,000 up to AED 1,000,000,000 by creating 6,500,000 New Shares. The New Shares will be issued at the Issue Price, reflecting the nominal value of AED 100 per New Share. This represents a discount of 4.58% per cent. to the price of each of the Company's shares on the Dubai Financial Market ("DFM") at the close of business on 29 March 2023.

#### **3. General Information on the Company and the Rights Issue:**

- **Company Name:** Emirates Investment Bank PJSC
- **Registration Number and Date with the Competent Authority:** 219197 issued on 10 March 1976.
- **Head office:** Dubai, UAE.
- **Purpose of the Company:** The Company is licensed as an Investment Bank under an Investment Bank License issued by the UAE Central Bank on 11 August 2010. On 23 June 2022, the Company applied to the UAE Central Bank for a Restricted Bank License to undertake licensed financial activities as will be approved by the UAE Central Bank under the Restricted Banks License Regulation (UAE Central Bank Circular 32/2022). The activities of the Company are conducted in accordance with the provisions of its articles of association (as may be amended from time to time).
- **Current Share Capital:** AED 350,000,000.
- **Current Number of Shares:** 3,500,000 shares.
- **Listing Venue:** DFM.
- **Nominal Value of each Share:** AED 100.
- **Purpose of capital increase:** The Company intends to use the net proceeds raised from the Rights Issue to satisfy the minimum issued share capital requirement of AED 1,000,000,000 stipulated by the UAE Central Bank Circular 23/2022, to obtain the license all investment banks and wholesale banks in the UAE were mandated by the UAE Central Bank to procure (the "Restricted Banking License").
- **Auditor:** PriceWaterhouseCoopers.
- **Lead Manager and Bookrunner:** Emirates NBD Capital PSC.
- **Sole Receiving Bank:** Emirates NBD Bank PJSC.

#### **4. Subscription Conditions:**

- **Right to Subscribe:**

The Rights Issue will be conducted through the issue of tradable securities (the "Rights" and each a "Right") pursuant to the Federal Decree Law No. 32 of 2021 concerning Commercial Companies to registered shareholders of the Company (the "Shareholders" and each a "Shareholder") as at the close of business of the DFM on 21 April 2023 (the "Eligibility Date") in the amount of 1.8571 Right for every one (1) share held on such date. In order to receive Rights on the Eligibility Date, shareholders must ensure that they execute any purchase orders for shares at least two days prior to the Eligibility Date, i.e. on or before 19 April 2023 to allow for the settlement of trades on the DFM (which operates on a T+2 basis).

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 such 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 DFM.

- **Trading in the Rights Issue:**

The DFM will coordinate with brokerage firms to add the balance of the Shareholders' Rights in the amount of 1.8571 Right for every one (1) share held on the Eligibility Date to their respective accounts maintained by the respective brokerage firms. This will allow Shareholders to trade their Rights, whether to sell some or all of their Rights or to buy additional Rights, within the below period (the "Trading Period"):

- **First day of trading the Rights on DFM:** 24 April 2023
- **Last day of trading the Rights on DFM:** 5 May 2023

- **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 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:** 1 May 2023
- **Subscription Closing Date:** 12 May 2023

- **Subscription for Additional New Shares:**

- Eligible Persons may apply for additional New Shares (the "Additional New Shares"), which will be allocated in the event that any unsubscribed 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 in full to subscribe for New Shares.
- Additional New Shares will be allocated, on a *pro rata* basis, to those 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, AI Futtaim Private Company LLC ("AI Futtaim LLC"), in its capacity as the largest shareholder in the Company, has agreed to subscribe for such unsubscribed New Shares.

- **Ownership limitations:** 60% of the issued share capital of the Company must be owned by nationals of the UAE.
- **Dividends:** The New Shares will rank *pari passu* with the Company's existing shares including the right to receive all future dividends and other distributions declared, made or paid after the Eligibility Date, including any dividends to be approved and paid in respect of EIBank's financial year ending 31 December 2023.
- **Subscription applications:** Subscription applications are available at any of the branches of the Sole Receiving Bank listed below.
- **Issue Price:** The New Shares will be issued at an issue price of AED 100 per New Share, reflecting the nominal value of AED 100 per New Share.
- **Timing of payment:** The total subscription amount of the New Shares subscribed for shall be paid upon submitting the subscription application.
- **Methods of payment:** Either through (i) a certified bank cheque ("Manager's Cheque") drawn on a bank licensed and operating in the United Arab Emirates, in favour of the "Emirates Investment Bank PJSC Rights Issue", or (ii) debiting the account of the Eligible Person with the Sole Receiving Bank; or (iii) UAE Central Bank Fund Transfer ("FTS") mode.
- **Sole Receiving Bank:** Subscriptions shall be received by the Sole Receiving Bank through any of its branches listed below.
- **Refunds:** Refunds will be given to holders of Rights who did not receive the number of New Shares for which they subscribed. Refunds shall be completed no later than five business days from the date of allocation of the New Shares.

The amount to be refunded (i) shall be returned to the relevant Eligible Person's bank account with the Sole Receiving Bank or (ii) if payment of the subscription amount was made by Manager's Cheque, by sending a cheque to the relevant Eligible Person at the address stated in the subscription application or (iii) if payment was made via FTS mode, it shall be returned to the relevant Eligible Person via FTS mode.

## 5. Allotment Policy

The allotment of the New Shares will be as stated, and in the same order of priority, below:

- **First,** to Eligible Persons who subscribe for New Shares in an amount equal to the number of New Shares for which they have applied, 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 Eligible Persons who subscribe for Additional New Shares in an amount equal to the number of Additional New Shares for which they have applied in excess of the number of Rights they respectively hold.
- **Third,** 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, AI Futtaim LLC, in its capacity as the largest shareholder in the Company, has agreed to subscribe for such unsubscribed New Shares.

The allocation of Additional New Shares to Eligible Persons who have subscribed for Additional New Shares will be allocated after allocations to 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 Eligible Person represents to the total number of Additional New Shares requested by all Eligible Persons who subscribed for Additional New Shares. There is, therefore, no guarantee that Eligible Persons applying for Additional New Shares will receive the number of Additional New Shares for which they applied. No Eligible Person will receive more New Shares than the number for which they subscribed during the Subscription Period.

#### 6. Required Documents for Subscribers:

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

##### A. For individuals who are UAE nationals, UAE residents, or nationals of any other country:

- Eligible Persons should have:
  - a) a valid and updated National Investor Number (NIN) at DFM;
  - b) an original and photocopy of his/her Emirates ID or Passport; and
  - c) the Eligible Person can be present physically at any of the branches of the Sole Receiving Bank listed in paragraph 11 below to subscribe and sign the application. The Eligible Person can send a representative to any of the branches of the Sole Receiving Bank listed in paragraph 11 below to subscribe on their behalf; the representative will sign the application form as the bearer of the Eligible Person. In the case of an applicant who is a representative of the Eligible Person, the representative must provide an original and a photocopy of the special power of attorney certified by a licensed bank in the UAE.

##### B. For applications where the method of payment is:

- **Direct debit:** the account holder or authorised signatory should be physically present at any of the branches of the Sole Receiving Bank listed in paragraph 11 below to authorise the transaction.
- **Manager's Cheque:** the Eligible Person or the representative of the Eligible Person can provide the Manager's Cheque at any of the branches of the Sole Receiving Bank listed in paragraph 11 below with no further documentation.

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

- Eligible Persons should have an updated National Investor Number (NIN) at DFM; and
- the corporate body representing the Eligible Person can send a representative to any of the branches of the Sole Receiving Bank listed in paragraph 11 below to subscribe on behalf of the Eligible Person; the representative will sign the application form on behalf of the Eligible Person, submit a copy of his/her valid Emirates ID along with the trade license of the corporate body and a copy of the Board Resolution allowing the entity to participate in the Rights Issue.

##### D. For applications where the method of payment is:

- **Direct Debit:** the authorised signatory on the account should be physically present at any of the branches of the Sole Receiving Bank listed in paragraph 11 below to authorise the transaction.
- **Manager's Cheque:** the representative of the corporate body can provide the Manager's Cheque at any of the branches of the Sole Receiving Bank listed in paragraph 11 below with no further documentation.

For more information about the required documents for Eligible Persons, please see the FAQs published on the Company's website.

#### 7. Procedures of subscription:

The subscription application must be submitted by Eligible Persons to any of the branches of the Sole Receiving Bank listed in paragraph 11 below and the Eligible Person's bank account number must be provided, together with the payment for the amount to be used to purchase or subscribe for the New Shares, which is to be paid in one of the following ways:

- Manager's Cheque drawn on a bank licensed and operating in the UAE, in favour of the **Emirates Investment Bank PJSC Rights Issue**;
- Debiting the Eligible Person's account with the Sole Receiving Bank; or
- FTS mode.

Eligible Persons choosing the FTS mode will be required to provide their updated National Investor Number (NIN) at the DFM along with the value of New Shares subscribed for, Broker Name and mobile number in the special instructions field.

The DFM website ([www.dfm.ae](http://www.dfm.ae)) will be available for online applicants, who have an updated National Investor Number (NIN) at the DFM and registered DFM eServices on the DFM website ([www.dfm.ae](http://www.dfm.ae)) and holding a valid iVESTOR Card, or by debiting the Eligible Person's bank account via Central Bank Payment Gateway, to submit electronic subscriptions to the Sole Receiving Bank. The Sole Receiving Bank shall have its own electronic channels (such as online internet banking applications, ATMs, etc.) which shall be interfaced with the DFM system. Submitting the electronic subscription form will be deemed an acceptance by the

applicant (and, if not the Eligible Person, on behalf of the Eligible Person) of the terms and conditions of this invitation to Shareholders and authorisation for the iVESTOR Card issuing bank and the Sole Receiving Bank to pay the total subscription amount by debiting the amount from the respective iVESTOR Card or the bank account of the Eligible Person and transferring the same to the bank account in favour of "**Emirates Investment Bank PJSC Rights Issue**" held at the Sole Receiving Bank, as detailed in the subscription application. The submission of an electronic subscription application will be deemed sufficient for the purposes of fulfilling the identification requirements and, accordingly, the supporting documentation in relation to applications set out above will not apply to electronic applications.

The subscription amount may not be paid or accepted by the Sole 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 Manager's Cheque must be submitted on or before 10 May 2023, that is two days before the end of the Subscription Period.
- Subscription applications received through FTS must be made on or before 11 May 2023, being one day before the end of the Subscription Period.
- Subscription by debiting the Eligible Person's account with the Sole Receiving Bank must be done on or before 12 May 2023, being the last day of the Subscription Period, at any of the branches of the Sole Receiving Bank listed in paragraph 11 below.

**8. Contact Centre:**

For any queries, please contact: Lead Manager and Bookrunner's call centre at +971 4 316 0066.

**9. Important Dates:**

- **Date of publication of the invitation to subscribe for New Shares by way of Rights Issue:** 31 March 2023
- **Eligibility Date of Rights\*:** 21 April 2023
- **First day of trading the Rights on the DFM:** 24 April 2023
- **Last day of trading the Rights on the DFM:** 5 May 2023
- **Subscription Opening Date:** 1 May 2023
- **Subscription Closing Date:** 12 May 2023
- **Date of allocation:** 17 May 2023
- **Refund date:** On 19 May 2023
- **Commencement of Dealings in the New Shares:** On 22 May 2023

\* In order to receive Rights on the Eligibility Date, investors must ensure that they execute any purchase orders for shares at least two days prior to the Eligibility Date, i.e. on or before 19 April 2023, to allow for the settlement of trades on the DFM (which operates on a T+2 basis).

**Important Note:** The dates for the Rights Issue set out in this Invitation are expected dates and are subject to change, including if any date falls on an official holiday in the UAE. In such circumstances, details of the new dates will be notified to investors in two UAE daily Arabic language newspapers and on EIBank's website ([www.eibank.com](http://www.eibank.com)).

**10. Sole Receiving Bank:**

Emirates NBD Bank PJSC

**11. Participating Branches:**

EMIRATES NBD BANK PJSC			
AREA	BRANCH	ADDRESS	TEL
Dubai	Group Head Office Branch	Ground Floor, Emirates NBD Group Head Office, Baniyas Road, Deira, Dubai	+971 4 316 00 66

**Participants:**

**Lead Manager and Bookrunner**

*Emirates NBD Capital PSC*

**Sole Receiving Bank**

*Emirates NBD Bank PJSC*



**Legal Adviser**

*Al Tamimi & Company*

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AL TAMIMI & CO.