

QFB to recommend the approval of capital reduction through a Special Resolution in its EGM, scheduled to be held on April 22, 2019.

In an effort to meet listing requirements, offset accumulated losses and raise net asset valuations per share, Qatar First Bank's Board of Directors is proposing to reduce its authorized and paid up capital by 50%.

The capital reduction process will be in compliance with the Bank's Articles of Association as well as QFMA, QFCRA and QFC regulations, specifically article 30 of QFC's Companies Rules entitled "Reduction of Share Capital"

The process will essentially be a balance sheet transaction effected by means of an accounting adjustment all within the "Total Equity" section where the net Equity before and after the proposed Capital Reduction will remain unchanged.

The transaction will have no impact on the cash position or financial liquidity of the Bank.

The Shareholders' approval on the recommended capital reduction will be sought through a Special Resolution as defined in QFC's Companies Regulations and QFB's Articles of Association during the next EGM, which is scheduled to be held on April 22, 2019.

The recommended Capital Reduction will only take effect if a Special Resolution is obtained during the EGM and if the Regulatory Authorities do not contest.

If effected, the impact of the recommended Capital Reduction on the Bank's Capital will be as follows:

Item	Current Value	Value After Proposed Capital Reduction (As of Proposed Effective Date)	Change
Authorized share Capital	QAR 2,500,000,000	QAR 1,250,000,000	A decrease of 50%
Paid up Share Capital	QAR 2,000,000,000	QAR 1,000,000,000	A decrease of 50%

If the recommendation is effected, the Bank will modify its Articles of Association to reflect the changes accordingly.