

## **Frequently Asked Questions (“FAQ”) in relation to the proposed rights issue of Qatar First Bank (“QFB” or the “Bank”)**

### **1) What is the rights issue from QFB?**

It's the right given to the existing eligible shareholders of the Bank to subscribe for additional shares of the Bank in proportion to their ownership. The shareholders will have the opportunity to acquire the new shares to be issued by the Bank at a discount to the prevailing market price by exercising their rights.

### **2) What is the purpose of the rights issue and how will QFB use the proceeds?**

The proceeds from the rights issue will be deployed in the core operations of the Bank to support its growth, including the ability to underwrite larger part of the future products that the Bank will launch. Management of the Bank will deploy capital in investments that will support not only its returns but also the liquidity position of the Bank. The Bank expects that the funds will be utilized with an objective to generate attractive return on equity, however such returns are always subject to market conditions.

### **3) Am I an eligible shareholder?**

Shareholders who own QFB shares at close of business on a date to be approved in the EGM or a later date to be declared by the chairman of the Bank, will be the eligible shareholders.

### **4) What is the subscription price?**

The subscription price is the price that the rights owner will pay to acquire the new shares. The price will consist of a par value (QAR 1) and a premium, which will be approved by the EGM or at a later date will be determined by a person authorized by the shareholders. The subscription price will be at a discount to the prevailing market price.

### **5) What options do I as a shareholder of the Bank have in relation to the proposed rights issue?**

Once the rights issue is approved in the EGM and by the regulators, the eligible shareholders will receive the rights in their accounts to subscribe. The shareholders have the following options in relation to this issuance:

1. Sell the rights in the market during the trading period, hence transferring the right to acquire new shares to the purchaser of the rights
2. Submit a subscription application to acquire the new shares of the Bank by exercising the rights during the subscription period, or
3. Let the rights expire by not selling during the trading period and not exercising during the subscription period

#### **6) How can I sell the rights allocated to me or buy additional rights?**

Shareholders can buy or sell the rights of Bank in the market, similar to how they buy or sell any stock on Qatar Stock Exchange (“QSE”), during the trading period. This period will be before the subscription period and will be open for 10 working days (“Rights Trading Period”), during which the shareholders can either:

- 1) Sell the rights that were allocated to them by the Bank in proportion of their shareholding, or
- 2) Buy additional rights from the market

Investors who want to trade (buy/sell) the rights, must do so within the Rights Trading Period.

#### **7) How can I subscribe to buy new shares of the Bank?**

The Bank will circulate an invitation prior to the subscription period outlining the subscription dates, the subscription price (par + premium), the subscription process (including the name of the bank where the investors can subscribe) and other material information. The shareholders will be able to submit a subscription application, choosing to:

1. Subscribe to acquire a number of shares less than the number of rights owned
2. Subscribe to acquire a number of shares equal to the number of rights owned

#### **8) What is the impact on me if I do not subscribe to the rights issue in full and do not sell the rights in the market?**

If an eligible shareholder does not subscribe to acquire new shares in full and does not sell the rights in the market, the unsubscribed rights owned by him or her will expire. The Bank can sell the shares corresponding to these expired rights in the market at or above the subscription price, subject to a mechanism approved by the QFMA. If any amount in excess of the subscription price is received by the Bank upon the sale of these unsubscribed shares, this excess will be paid back to these eligible shareholders in proportion to their ownership of such expired rights.

If the Bank is not able to sell the unsubscribed shares in the market, such shares will not be included in the capital increase. The ownership of the shareholders who do not subscribe to the rights issue in full will be diluted.

**9) What is the timeline for the rights issue transaction?**

Detailed timeline for each of the steps will be as communicated by the Bank at a later stage.

**Disclaimer:**

The Bank is in discussions with the regulators and any updates in relation to the process will be promptly reflected in this FAQ