

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH JURISDICTION**

**FOR IMMEDIATE RELEASE**

**5 December 2019**

**RECOMMENDED CASH OFFER  
for  
BLME HOLDINGS PLC ("BLME")  
by  
BOUBYAN BANK K.S.C.P. ("BOUBYAN BANK")**

**Summary and highlights**

- The Board of Boubyan Bank and the BLME Independent Directors are pleased to announce that they have reached agreement on the terms of a recommended all cash offer by Boubyan Bank, for the entire issued and to be issued ordinary share capital of BLME (other than the BLME Shares already held by Boubyan Bank (or its associates) and treasury shares). The Acquisition is being effected by means of a contractual takeover offer under the Code and the TKO and within the meaning given to that term in Chapter 3 of Part 28 of the Companies Act.
- Boubyan Bank and its wholly-owned subsidiary, Boubyan Capital, currently hold a beneficial interest in 51,746,962 BLME Shares representing 27.91 per cent. of BLME's existing issued share capital (excluding treasury shares).
- Under the terms of the Acquisition, BLME Shareholders will be entitled to receive:

**For each BLME Share**

**US\$1.05 in cash**

- The Acquisition values the entire issued and to be issued ordinary share capital of BLME at approximately US\$212.1 million on a fully diluted basis. It values the BLME Shares not already held by Boubyan Bank (or its associates) at approximately US\$157.8 million on a fully diluted basis and represents a premium of approximately:
  - 141.1 per cent. to the volume weighted average purchase price of US\$0.44 per BLME Share pursuant to BLME's share repurchase programme carried out between 10 and 19 December 2018 (being the last period during which a significant volume of trading occurred); and
  - 75 per cent. to the Closing Price of US\$0.60 per BLME Share on 4 December 2019 (being the last Dubai Business Day before the date of this Announcement).
- The BLME Independent Directors, who have been so advised by Peel Hunt as to the financial terms of the Acquisition, unanimously consider the terms of the Acquisition to be fair and reasonable. In providing its advice to the BLME Independent Directors,

Peel Hunt has taken into account the commercial assessments of the BLME Independent Directors. Peel Hunt is providing independent financial advice to the BLME Independent Directors for the purposes of Rule 3 of the Code and Rule 2.7.2 of the TKO.

- Accordingly, the BLME Independent Directors unanimously intend to recommend that BLME Shareholders accept the Offer (or, if Boubyan Bank exercises its right to implement the Acquisition by way of a Scheme, vote, or procure votes, in favour of the Scheme and the relevant resolutions), as the BLME Independent Directors who hold BLME Shares have irrevocably undertaken to do in respect of their own holdings of 933,122 BLME Shares in aggregate (of which 933,120 are held beneficially), representing approximately 0.50 per cent. of the BLME Shares in issue on 4 December 2019 (being the last Dubai Business Day before the date of this Announcement).
- The BLME Non-Independent Directors have not participated in the decision to make the recommendation referred to above as Mr Al-Majed and Mr Ghandour hold senior management positions at Boubyan Bank or its subsidiaries. Mr Ghandour has, pursuant to a hard irrevocable undertaking, undertaken to accept, or procure the acceptance of, the Offer (or, if Boubyan Bank exercises its right to implement the Acquisition by way of a Scheme, vote, or procure votes, in favour of the Scheme and the relevant resolutions) in respect of his own beneficial holdings of 500,000 BLME Shares, representing approximately 0.27 per cent. of the BLME Shares in issue on 4 December 2019 (being the last Dubai Business Day before the date of this Announcement).
- In addition to the above, Boubyan Bank has received irrevocable undertakings from each of Third Private Equity Holding Company, KFH Private Equity Limited and Ibdar Capital B.S.C (c) to accept, or procure the acceptance of, the Offer (or, if Boubyan Bank exercises its right to implement the Acquisition by way of a Scheme, vote, or procure votes, in favour of the Scheme and the relevant resolutions) in respect of a total of 23,059,722 BLME Shares representing approximately 12.44 per cent. of the BLME Shares in issue on 4 December 2019 (being the last Dubai Business Day before the date of this Announcement).
- Further details of the irrevocable undertakings are set out in Appendix III to this Announcement.
- If, on or after the date of this Announcement, any dividend and/or other distribution and/or other return of capital is declared, made or paid or becomes payable in respect of the BLME Shares, Boubyan Bank reserves the right to reduce the consideration payable under the terms of the Acquisition for the BLME Shares by an amount up to the amount of such dividend and/or distribution and/or return of capital, in which case any reference in this Announcement to the consideration payable under the terms of the Acquisition will be deemed to be a reference to the consideration as so reduced.
- Boubyan Bank (Ticker: BOUBYAN) is an Islamic bank established in the state of Kuwait. Boubyan Bank was incorporated by Amiri Decree No. 88 published on 18 April 2004 as a Kuwaiti Public Shareholding Company and its shares have been listed on the Kuwait Stock Exchange (Boursa Kuwait) since 15 May 2006. Boubyan Bank provides a range of Sharia compliant financial services including personal banking, private banking and business banking to retail and corporate customers, primarily

located in the GCC region. As at 31 December 2018, the operating income of Boubyan Bank was KD139.7 million and total assets were KD4.3 billion. For more information please visit <https://boubyan.bankboubyan.com/en/>.

- The Acquisition is being implemented by means of a contractual takeover offer under the Code and the TKO, and within the meaning given to that term in Chapter 3 of Part 28 of the Companies Act.
- The Acquisition is subject to the Conditions and certain further terms set out in Appendix I to this Announcement and to the full terms and conditions which will be set out in the Offer Document, including receipt of the approval of the PRA in the UK.
- The Offer Document, containing full terms of the Offer and information on the acceptance procedure, together with the Form of Acceptance, is expected to be published within 21 days of this Announcement (or on such later date as may be agreed with the Panel and the DFSA). For further details, see paragraph 19 below.

Commenting on the Acquisition, Abdul-Salem Al-Saleh, Deputy Chief Executive Officer of Boubyan Bank, said:

*"As one of the market leading and fastest growing Kuwaiti based banks we have an increasing number of GCC clients who seek access to Sharia compliant UK wealth management opportunities. We believe that by consolidating our longstanding shareholding position in BLME we can further develop its business and drive the growth of both businesses."*

Commenting on the Acquisition, Michael Williams, Senior Independent Director of BLME, said:

*"We believe that the Offer is in the best interests of shareholders. Boubyan Bank will open up new geographic markets for BLME and access to its client base and products. Its strength and external credit rating will enable BLME to strengthen liquidity to support growth. It also provides shareholders with the opportunity to realise value at a 75 per cent. premium to the undisturbed share price."*

***This summary should be read in conjunction with, and is subject to, the full text of this Announcement (including its Appendices). The Acquisition is subject to the Conditions and certain further terms set out in Appendix I to this Announcement and to the full terms and conditions which will be set out in the Offer Document and Form of Acceptance to be sent to BLME Shareholders. Appendix II to this Announcement contains the sources and bases of certain information contained in this Announcement, Appendix III contains a summary of the irrevocable undertakings received in relation to the Acquisition and Appendix IV contains definitions of certain expressions used in this summary and in this Announcement.***

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Clifford Chance LLP are retained as legal adviser to Boubyan Bank. Travers Smith LLP are retained as legal adviser to BLME.

***Important notices***

*EY, which is authorised and regulated by the FCA in the United Kingdom, is acting exclusively for Boubyan Bank and for no one else in connection with the Acquisition and the contents of this Announcement and will not be responsible to anyone other than Boubyan Bank for providing the protections afforded to its clients or for providing advice in relation to the Acquisition, the contents of this Announcement or any other matters referred to in this Announcement.*

*Peel Hunt, which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for BLME and for no one else in connection with the Acquisition and/or any other matter referred to in this Announcement and will not be responsible to anyone other than BLME for providing the protections afforded to clients of Peel Hunt or for providing advice in relation to the Acquisition, the contents of this Announcement or any other matters referred to in this Announcement.*

***Further information***

*This Announcement is for information purposes only and is not intended to and does not constitute, or form part of, an offer to sell or an invitation to purchase any securities or the solicitation of an offer to buy, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, pursuant to the Acquisition or otherwise, nor shall there be any purchase, sale, issuance or exchange of securities or such solicitation in any jurisdiction in which such offer, solicitation, sale, issuance or exchange would be unlawful prior to the registration or qualification under the laws of such jurisdiction. The Acquisition, if implemented by way of an Offer, will be made solely by means of the Offer Document and the Form of Acceptance (or if the Acquisition is implemented by way of a Scheme, the Scheme Document), which will contain the full terms and Conditions of the Acquisition, including details of how to accept the Offer. Any acceptance or other response in relation to the Offer should be made only on the basis on the information contained in the Offer Document.*

*This Announcement has been prepared for the purpose of complying with English law, the Code, the applicable rules and regulations of the DFSA and the laws of the DIFC and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside of England and the DIFC.*

*BLME and Boubyan Bank urge BLME Shareholders to read the Offer Document once it has been dispatched, as it will contain important information relating to the Acquisition.*

### **Overseas Shareholders**

*The release, publication or distribution of this Announcement in or into certain jurisdictions other than the United Kingdom, the DIFC, the United Arab Emirates, the Kingdom of Bahrain, Kuwait or Qatar may be restricted by law. Persons who are not resident in the United Kingdom, the DIFC, the United Arab Emirates, the Kingdom of Bahrain, Kuwait or Qatar or who are subject to the laws of other jurisdictions should inform themselves of, and observe, any applicable legal and regulatory requirements. In particular the ability of persons who are not resident in the United Kingdom, the DIFC, the United Arab Emirates, the Kingdom of Bahrain, Kuwait or Qatar, to accept, or to procure the acceptance of, the Offer, may be affected by the laws of the relevant jurisdiction in which they are located. Further details in relation to the Overseas Shareholders will be contained in the Offer Document. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person.*

*Unless otherwise determined by Boubyan Bank or required by the Code or the TKO (and permitted by applicable law and regulation), the Acquisition is not being communicated, and will not be communicated, directly or indirectly, in or into, or by use of mails of or any means or instrumentality (including, but not limited to, by mail, telephonically or electronically by way of internet or otherwise) of interstate or foreign commerce of, or by any facilities of a national, state or securities exchange of, any Restricted Jurisdiction and will not be capable of acceptance by any such use, means, instrumentality or facility or from within such Restricted Jurisdiction. Accordingly, unless otherwise determined by Boubyan Bank or required by the Code or the TKO and permitted by applicable law and regulation, copies of this Announcement are not being, and must not be, directly or indirectly mailed, transmitted or otherwise forwarded, distributed or sent in, into or from any Restricted Jurisdiction. Accordingly, any person (including, without limitation, any custodian, nominee or trustee) who would, or otherwise intends to, or who may have a contractual or legal obligation to, forward this Announcement and/or the accompanying document(s) to any jurisdiction outside the United Kingdom, the DIFC, the United Arab Emirates, the Kingdom of Bahrain, Kuwait or Qatar should inform themselves of, and observe, these restrictions and must not, directly or indirectly, mail, send or otherwise forward or distribute them in, into or from any Restricted Jurisdiction. Doing so may render any purported acceptance of the Offer invalid.*

### **Forward looking statements**

*This Announcement (including information incorporated by reference in this Announcement), oral statements made regarding the Acquisition, and other information published by Boubyan Bank and BLME contains statements about Boubyan Bank and BLME that are or may be deemed to be "forward looking statements". These statements are prospective in nature and*

*are not based on historical facts, but rather based on the current expectations of the management of Boubyan Bank and BLME about future events, and are naturally subject to uncertainty and changes in circumstances. The forward looking statements contained in this Announcement include statements relating to the financial position, business strategy or plans for future operations of, and the expected effects or potential synergies of the Acquisition on, BLME and the Wider BLME Group, the expected timing and scope of the Acquisition and other statements other than historical facts. Without limitation, any statements preceded or followed by or that include the words "targets", "plans", "believes", "expects", "aims", "intends", "will", "may", "should", "would", "could", "anticipates", "estimates", "projects", "strategy" or words or terms of similar substance or the negative thereof are forward looking statements.*

*Such forward looking statements are not guarantees of future performance. By their nature, because they relate to events and depend on circumstances that will occur in the future, such forward looking statements involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results and developments to differ materially from those projected or implied in any forward looking statements. These factors include, but are not limited to, the satisfaction of the Conditions to the Acquisition, as well as additional factors, such as changes in political and economic conditions, changes in the level of capital investment, retention of key employees, changes in customer habits, success of business and operating initiatives and restructuring objectives, impact of any acquisitions or similar transactions, competitive product and pricing measures, changes in the regulatory environment, fluctuations of interest and exchange rates and the outcome of any litigation. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward looking statements, which speak only as of the date hereof. Each of Boubyan Bank and BLME disclaims any obligation to update publicly or revise any forward looking or other statements contained herein, whether as a result of new information, future events or otherwise, except as required by applicable law.*

#### ***No profit forecasts or profit estimates***

*No statement in this Announcement is intended as a profit forecast or profit estimate for any period and no statement in this Announcement should be interpreted to mean that earnings or earnings per share for Boubyan Bank or BLME for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Boubyan Bank or BLME.*

#### ***Dealing and Opening Position Disclosure Requirements of the Code***

*Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10<sup>th</sup> UK Business Day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10<sup>th</sup>*

*UK Business Day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.*

*Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the UK Business Day following the date of the relevant dealing.*

*If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.*

*Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).*

*Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at <http://www.thetakeoverpanel.org.uk/>, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.*

*The Panel has granted BLME a dispensation from the requirement under the Code that announcements relating to the Acquisition, including any disclosures under Rule 8 of the Code, must be published via a Regulatory Information Service in the United Kingdom. However, the Panel has ruled that any disclosures under Rule 8 of the Code must instead be published via a Regulatory Announcement Service in Dubai in the same manner as a market disclosure required under Rule 4.7.1 of the MKT. BLME is also required to publish such announcements on BLME's website. Therefore, any opening position disclosures and dealing disclosures required under Rule 8 of the Code must be published via a Regulatory Announcement Service in Dubai and then sent to BLME by email to the Company Secretary at [shareholders@blme.com](mailto:shareholders@blme.com) for publishing on BLME's website at <https://www.blme.com/>. A copy of such opening position disclosures and dealing disclosures must also be sent to the Panel's Market Surveillance Unit by email to [monitoring@disclosure.org.uk](mailto:monitoring@disclosure.org.uk) or by fax to +44 (0)20 7236 7013.*

### ***Information relating to BLME Shareholders***

*Please be aware that addresses, electronic addresses and certain other information provided by BLME Shareholders, persons with information rights and other relevant persons for the*

*receipt of communications from BLME may be provided to Boubyan Bank during the Offer Period as required under Section 4 of Appendix 4 to the Code to comply with Rule 2.11(c) of the Code.*

### ***Publication on website and hard copies***

*This Announcement and the documents required to be published pursuant to Rule 26 of the Code and Rule 2.6 of the TKO will be available free of charge, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on BLME's website at <https://www.blme.com/> and Boubyan Bank's website at <https://boubyan.bankboubyan.com/en/> no later than 12.00 noon (London time) on the UK Business Day following this Announcement.*

*Neither the content of any website referred to in this Announcement nor the content of any website accessible from hyperlinks is incorporated into, or forms part of, this Announcement.*

*BLME Shareholders may request a hard copy of this Announcement by contacting BLME's registrar, Link Market Services (EMEA) Limited, during business hours on +971 4 401 9983 or at Office No. 35, Level 15, The Gate Building, Dubai International Finance Centre, Dubai, United Arab Emirates / EY on +44 (0) 207 951 2000. You may also request that all future documents, announcements and information to be sent to you in relation to the Acquisition should be in hard copy form.*

### ***Rounding***

*Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.*



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**5 December 2019**

**RECOMMENDED CASH OFFER  
for  
BLME HOLDINGS PLC ("BLME")  
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BOUBYAN BANK K.S.C.P. ("BOUBYAN BANK")**

**1. Introduction**

The Board of Boubyan Bank and the BLME Independent Directors are pleased to announce that they have reached agreement on the terms of a recommended all cash offer by Boubyan Bank, for the entire issued and to be issued ordinary share capital of BLME (other than the BLME Shares already held by Boubyan Bank (or its associates) and treasury shares). The Acquisition is being effected by means of a contractual takeover offer under the Code and the TKO and within the meaning given to that term in Chapter 3 of Part 28 of the Companies Act.

Boubyan Bank and its wholly-owned subsidiary, Boubyan Capital, currently hold a beneficial interest in 51,746,962 BLME Shares representing 27.91 per cent. of BLME's existing issued share capital (excluding treasury shares).

**2. The Acquisition**

Under the terms of the Acquisition, which is subject to the Conditions and certain further terms set out in Appendix I to this Announcement and as will be set out in the Offer Document, BLME Shareholders will be entitled to receive:

<b>For each BLME Share</b>	<b>US\$1.05 in cash</b>
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The Acquisition values the entire issued and to be issued ordinary share capital of BLME at approximately US\$212.1 million on a fully diluted basis. It values the BLME Shares not already held by Boubyan Bank at approximately US\$157.8 million on a fully diluted basis and represents a premium of approximately:

- 141.1 per cent. to the volume weighted average purchase price of US\$0.44 per BLME Share pursuant to BLME's share repurchase programme carried out between 10 and 19 December 2018 (being the last period during which a significant volume of trading occurred); and
- 75 per cent. to the Closing Price of US\$0.60 per BLME Share on 4 December 2019 (being the last Dubai Business Day before the date of this Announcement).

### 3. **Background to and reasons for the Acquisition**

Boubyan Bank has been a long-term shareholder of the Subsidiary since its incorporation in August 2006 and of BLME following the sanctioning of the scheme of arrangement in respect of the Subsidiary in October 2013, and is BLME's largest shareholder.

In recent years BLME has renewed its strategy, achieving profitability for the last two years through its focus on the bank's wealth management offering and de-risking of its balance sheet. The Boubyan Bank Directors believe Boubyan Bank is well positioned to support BLME through its next phase of growth by providing access to Boubyan Bank's extensive GCC client base.

The UK has long been regarded as the key investment destination, outside of the GCC, for Boubyan Bank's customer base. Boubyan Bank believes that the Acquisition will enable Boubyan Bank to provide its existing and future clients with additional Sharia compliant UK service offerings, particularly wealth management opportunities, and, where appropriate, consider deploying its award-winning digital capabilities in BLME's business.

### 4. **Recommendation**

The BLME Independent Directors, who have been so advised by Peel Hunt as to the financial terms of the Acquisition, unanimously consider the terms of the Acquisition to be fair and reasonable. In providing its advice to the BLME Independent Directors, Peel Hunt has taken into account the commercial assessments of the BLME Independent Directors. Peel Hunt is providing independent financial advice to the BLME Independent Directors for the purposes of Rule 3 of the Code and Rule 2.7.2 of the TKO.

Accordingly, the BLME Independent Directors unanimously intend to recommend that BLME Shareholders accept the Offer (or, if Boubyan Bank exercises its right to implement the Acquisition by way of a Scheme, vote, or procure votes, in favour of the Scheme and the relevant resolutions), as the BLME Independent Directors who hold BLME Shares have irrevocably undertaken to do in respect of their own holdings of 933,122 BLME Shares in aggregate (of which 933,120 are held beneficially), representing approximately 0.50 per cent. of the BLME Shares in issue on 4 December 2019 (being the last Dubai Business Day before the date of this Announcement).

The BLME Non-Independent Directors have not participated in the decision to make the recommendation referred to above as Mr Al-Majed and Mr Ghandour hold senior management positions at Boubyan Bank or its subsidiaries. Mr Ghandour has, pursuant to a hard irrevocable undertaking, undertaken to accept, or procure the acceptance of, the Offer (or, if Boubyan Bank exercises its right to implement the Acquisition by way of a Scheme, vote, or procure votes, in favour of the Scheme and the relevant resolutions), in respect of his own beneficial holdings of 500,000 BLME Shares, representing approximately 0.27 per cent. of the BLME Shares in issue on 4 December 2019 (being the last Dubai Business Day before the date of this Announcement).

## 5. **Background to and reasons for the Recommendation**

Over the last three years, BLME has made significant progress under a new management team:

- Profitability has improved and the customer asset base has been rebalanced within a more conservative risk appetite.
- The funding base has diversified, with less reliance on wholesale funding and a broader mix of depositors.
- The growth of the business has been focussed increasingly on wealth management clients emanating from the GCC and products have been developed to meet their needs. BLME has successfully developed financing and investment products for its clients.
- BLME's Dubai office has been upgraded to a branch and this has been the hub for further development of the GCC business. BLME sees opportunities in the GCC regions and scope for significant expansion.

Despite this progress, the BLME Independent Directors also recognise the challenges of accessing future capital to fund BLME's strategy and continuing the pace of development. The Acquisition is therefore expected to have the following benefits:

- Access to the existing client network, reputation, products and funding of Boubyan Bank should enable BLME to provide a wider range of services to the growing number of GCC based customers and to attract new clients.
- Scope for synergies through use of Boubyan Bank's infrastructure.
- The potential availability of less expensive funding for BLME. Boubyan Bank's strong credit rating should broaden the range of funding sources for BLME and produce a reduced cost which will translate to improved margins and reduce BLME's reliance on retail deposits.
- Securing capital support from the larger well-funded Boubyan Bank. The residential mortgage, commercial financing and leasing businesses have recently seen strong demand and potential for growth within BLME's risk appetite. Such growth would be accelerated by access to Boubyan Bank's capital.

The BLME Independent Directors believe that the Offer Price fairly reflects the value of BLME's business today and its prospects as a standalone entity. Boubyan Bank is highly complementary as an acquirer, knowing the BLME business well, having been an investor since inception. The BLME Independent Directors consider that its plans for growing the BLME business are credible and offer an immediate opportunity to move BLME into its next phase of growth.

The BLME Independent Directors considered the current large shareholding of Boubyan Bank in BLME, together with Boubyan Bank's two representatives on the board of BLME. In the view of the BLME Independent Directors, this gives Boubyan Bank scope to contribute meaningfully to the Board in relation to BLME's strategic

discussions, including in relation to alternative routes to create value for BLME Shareholders.

The BLME Independent Directors have also considered the lack of liquidity in BLME Shares despite their listing on NASDAQ Dubai. The BLME Independent Directors further acknowledge the desire of many BLME Shareholders for a liquidity event. The Acquisition presents an opportunity for all BLME Shareholders to realise value at a 75 per cent. premium to the Closing Price on the last practicable date prior to the date of this Announcement and a 141.1 per cent. premium to the volume weighted average purchase price of US\$0.44 per BLME Share pursuant to BLME's share repurchase programme carried out between 10 and 19 December 2018 (being the last period during which significant volume of trading occurred).

The BLME Independent Directors have further considered the likelihood of Boubyan Bank acquiring majority control of BLME at the Offer Price in the light of Boubyan Bank's current shareholding, the announced level of shareholder support for the Acquisition and the additional demand across BLME's shareholders for a liquidity event. With statutory control, Boubyan Bank will have substantive control of BLME, including the ability to pursue a potential delisting of the BLME Shares from NASDAQ Dubai, as Boubyan Bank has stated is its intention. In forming their views on the Acquisition, the BLME Independent Directors have therefore taken into consideration the possibility of BLME Shareholders becoming shareholders of a controlled, unlisted entity.

Accordingly, the BLME Independent Directors unanimously intend to recommend the Acquisition to BLME Shareholders, as set out in paragraph 4 above.

## **6. Irrevocable undertakings**

In addition to the irrevocable undertakings from the BLME Independent Directors and the BLME Non-Independent Directors set out in paragraph 4 above, Boubyan Bank has received irrevocable undertakings from each of Third Private Equity Holding Company, KFH Private Equity Limited and Ibdar Capital B.S.C (c) to accept, or procure the acceptance of, the Offer (or, if Boubyan Bank exercises its right to implement the Acquisition by way of a Scheme, vote, or procure votes, in favour of the Scheme and the relevant resolutions) in respect of a total of 23,059,722 BLME Shares representing approximately 12.44 per cent. of the BLME Shares in issue on 4 December 2019 (being the last Dubai Business Day before the date of this Announcement).

Further details of the irrevocable undertakings are set out in Appendix III to this Announcement.

## **7. Information on Boubyan Bank**

Boubyan Bank (Ticker: BOUBYAN) is an Islamic bank established in the state of Kuwait. Boubyan Bank was incorporated by Amiri Decree No. 88 published on 18 April 2004 as a Kuwaiti Public Shareholding Company and its shares have been listed on the Kuwait Stock Exchange (Boursa Kuwait) since 15 May 2006. Boubyan Bank provides a range of Sharia compliant financial services, including personal banking, private banking and business banking to retail and corporate customers, primarily located in the GCC region and has been ranked as the best private sector institution in

Kuwait for customer service. Boubyan Bank is the Islamic banking subsidiary of National Bank of Kuwait (the largest banking group in Kuwait in terms of assets, customer deposits and customer loans and advances).

Boubyan Bank is the fifth largest bank and the second largest Islamic bank in Kuwait, in terms of total assets, and is one of the fastest growing banks in Kuwait, with total assets growing at a compound annual growth rate of 15 per cent. during the five years ended 31 December 2018. Operating income grew by 11 per cent. to KD139.7million in 2018, driven by growth in business volumes, which result from an expanding branch network and investments in digital transformations. Boubyan Bank's continued growth is a result of the implementation of the bank's strategy, which focuses on target customer segments, enhancing the bank's digital offering and investing in human resources. Boubyan Bank remains adequately capitalised with a capital adequacy ratio of 20.4 per cent. as of 30 September 2019.

For more information, please visit <https://boubyan.bankboubyan.com/en/>. Further details in relation to Boubyan Bank will be contained in the Offer Document.

## 8. **Information on BLME**

The Subsidiary was incorporated in August 2006 and became part of the BLME Group following a scheme of arrangement in October 2013. Headquartered in London, with regional offices in Dubai and Manchester, BLME is a public company whose shares have been admitted to trading on NASDAQ Dubai since 8 October 2013. The bank is currently one of Europe's largest independent Sharia compliant banks, providing a range of services to businesses and individuals primarily with links to the GCC region, including wealth management, commercial finance and treasury services. Key product offerings include Sharia compliant mortgages, investment and finance solutions, specialist finance, leasing, trade finance and foreign exchange and hedging services.

Over the last two years BLME has improved its financial performance by achieving profitability and investing in less risky assets. BLME's turnaround is a direct result of the bank's renewed strategy to focus on building the wealth management offering and de-risking its balance sheet. For the financial year ended 31 December 2018 BLME generated a net operating income of £42.5 million and profit after tax of £11.2 million.

Further information is available at <https://www.blme.com>.

## 9. **Directors, management, employees, pensions, research and development and locations**

Boubyan Bank greatly values the skills, knowledge and expertise of BLME's existing management and employees. Boubyan Bank does not, therefore, expect to make a material change in the balance of skills and functions of the employees and management of BLME (save for the proposed changes to the BLME board described below) nor does Boubyan Bank intend to initiate any material headcount reductions within the current BLME organisation as a result of the Acquisition (save for existing management's efficiency programmes).

Boubyan Bank confirms that, following completion of the Acquisition, the existing contractual and statutory employment rights, including in relation to pensions

(including the accrual of benefits for existing members, and the admission of new members), of all BLME management and employees will be fully safeguarded in accordance with applicable law. Boubyan Bank does not intend to make any material change to the conditions of employment. BLME does not have any defined benefit pension schemes.

Boubyan Bank intends to ensure that BLME continues to operate with the highest standards of governance post Acquisition. To ensure that the optimal Board structure and composition is in place to support BLME's future growth, after completion of the Acquisition, Boubyan Bank intends to commission a third party review of the governance structure of BLME and composition of the BLME board. Subject to the recommendations coming out of this review, and obtaining PRA approval, Boubyan Bank intends to nominate Abdul-Salam Al-Saleh (Deputy Chief Executive Officer of Boubyan Bank) and Maged Fanous (Chief Risk Officer of Boubyan Bank) as additional directors on the board of BLME.

Following the Acquisition, Boubyan Bank intends that BLME will continue to operate as a standalone group within the wider Boubyan Bank business. Boubyan Bank does not intend to make any material changes to the location of BLME's headquarters, headquarter functions, operations and places of business, save that Boubyan Bank may, if it considers appropriate following completion of the Acquisition, open an additional location in the West End of London for the purposes of servicing Boubyan Bank's wealth management clients.

No material changes are anticipated by Boubyan Bank with respect to the redeployment of BLME's fixed asset base.

BLME has no research and development functions and accordingly Boubyan Bank has no intention in this regard.

BLME Shares are currently admitted to trading on NASDAQ Dubai. As set out in paragraph 15, Boubyan Bank intends to consider, should it by virtue of its shareholdings and acceptances of its Offer have acquired, or agreed to acquire, issued share capital equal to, or greater than, 50 per cent. of the BLME Shares, that BLME may make an application to the appropriate authorities for the cancellation of the trading in BLME Shares on NASDAQ Dubai and the delisting of the BLME Shares from the Official List of Securities of the DFSA, subject to the applicable rules and requirements of the DFSA and NASDAQ Dubai.

None of the statements in this paragraph 9 are "post-offer undertakings" for the purposes of Rule 19.5 of the Code.

#### 10. **BLME Share Plans**

Participants in the BLME Share Plans will be contacted regarding the effect of the Acquisition on their rights under the BLME Share Plans and appropriate proposals, where required, will be made to such participants in due course.

## 11. **Financing**

The cash consideration payable by Boubyan Bank pursuant to the Acquisition will be funded from Boubyan Bank's existing cash resources. EY is satisfied that sufficient resources are available to Boubyan Bank to enable it to satisfy in full the cash consideration payable to BLME Shareholders under the terms of the Acquisition.

## 12. **Offer-related Arrangements**

### *Confidentiality Agreement*

Boubyan Bank and BLME entered into a confidentiality agreement on 12 June 2019 (the "**Confidentiality Agreement**") pursuant to which Boubyan Bank has undertaken to: (i) keep confidential and proprietary information relating to BLME provided to it in connection with the Acquisition by BLME or its advisers (the "**Confidential Information**") confidential and not disclose it to anyone except for certain permitted purposes; (ii) ensure that all Confidential Information is kept safely and securely; (iii) use the Confidential Information only for purposes in relation to the Acquisition; and (iv) inform BLME, to the extent permitted by law, if any disclosure of the Confidential Information is required by law and the basis on which such disclosure is required.

These confidentiality obligations will remain in force until 12 June 2021.

The Confidentiality Agreement also contains restrictions on Boubyan Bank soliciting, endeavouring to entice away or employing the directors or employees of BLME or its affiliates subject to customary exceptions.

## 13. **Structure of the Acquisition**

The Acquisition is being effected by means of a contractual takeover offer under the Code and the TKO and within the meaning given to that term in Chapter 3 of Part 28 of the Companies Act. Boubyan Bank reserves the right to elect to implement the Acquisition by way of a Scheme (with the consent of the Panel, and following consultation with the DFSA).

BLME Shares will be acquired by Boubyan Bank pursuant to the Offer fully paid with full title guarantee and free from all liens, equitable interests, charges, encumbrances, rights of pre-emption and any other third party rights or interests of any nature whatsoever and together with all rights attaching to them as at the date of this Announcement or subsequently attaching or accruing to them, including the right to receive and retain, in full, all dividends and other distributions (if any) announced, declared, made, paid or payable, or any other return of capital made, with a record date falling on or after the date on which the Offer becomes or is declared unconditional in all respects.

The Offer Document, containing full terms of the Offer and information on the acceptance procedure, together with the Form of Acceptance, will specify the actions to be taken by BLME Shareholders in connection with the Acquisition. It is expected that the Offer Document will be dispatched to BLME Shareholders within 21 days of this Announcement (or such later date as may be agreed with the Panel and the DFSA). For further details, see paragraph 19 below.

BLME Shareholders are urged to read the Offer Document and the accompanying Form of Acceptance because they will contain important information.

#### 14. **Conditions to the Acquisition**

The Acquisition is subject to the Conditions and certain further terms set out in Appendix I to this Announcement and to the full terms and conditions as set out in the Offer Document, including, amongst others:

- valid acceptances of the Offer being received in respect of BLME Shares, which, taken together with Boubyan Bank's shareholdings and all other BLME Shares which Boubyan Bank (and/or its nominee(s)) acquires or agrees to acquire (whether pursuant to the Offer or otherwise), carry in aggregate not less than 75 per cent. of the voting rights normally exercisable at a general meeting of BLME, as set out in paragraph 1 of Part A of Appendix I to this Announcement; and
- receipt of approval from the PRA in the UK.

Should the Offer become unconditional as to acceptances, unless with the consent of the Panel and following consultation with the DFSA, any BLME Shareholders who have accepted the Offer will be unable to withdraw their acceptance unless and until the Offer subsequently lapses.

#### 15. **Cancellation of listing, squeeze-out and re-registration**

If Boubyan Bank receives acceptances under the Offer in respect of, and/or otherwise acquires, 90 per cent. or more of the BLME Shares by nominal value and voting rights attaching to such shares to which the Offer relates and the Offer has become or been declared unconditional in all respects, Boubyan Bank intends to consider exercising its rights pursuant to the provisions of Chapter 3 of Part 28 of the Companies Act to acquire compulsorily the remaining BLME Shares in respect of which the Offer has not been accepted on the same terms as the Offer.

After the Offer becomes or is declared unconditional in all respects, Boubyan Bank intends to consider the making of an application by BLME for cancellation of the trading in BLME Shares on NASDAQ Dubai and the delisting of the BLME Shares from the Official List of Securities of the DFSA, subject to the applicable rules and requirements of the DFSA and NASDAQ Dubai.

It is also intended that, following the Offer becoming unconditional in all respects and after BLME Shares are delisted, provided that Boubyan Bank has by virtue of its shareholdings and acceptances of its Offer acquired, or agreed to acquire, issued share capital carrying at least 75 per cent. of the voting rights of BLME, Boubyan Bank will consider re-registering BLME as a private limited company.

Such cancellation and re-registration would significantly reduce the potential liquidity and marketability of any BLME Shares in respect of which the Offer has not been accepted at that time and their value may be affected as a consequence.

Following the Offer becoming, or being declared, unconditional in all respects and subject to the cancellation of the trading in BLME Shares on NASDAQ Dubai, the



delisting of the BLME Shares from the Official List of Securities of the DFSA and re-registration of BLME as a private limited company, any remaining BLME Shareholders (unless their BLME Shares are acquired by Boubyan Bank pursuant to the provisions of Chapter 3 of Part 28 of the Companies Act) would become minority shareholders in a majority controlled unlisted company and may therefore be unable to sell their BLME Shares. There can be no certainty that BLME would pay any further dividends or other distributions or that such minority BLME Shareholders would again be offered an opportunity to sell their BLME Shares on terms which are equivalent to or no less advantageous than those under the Offer.

#### 16. Disclosure of interests in BLME Shares

As at the close of business on 4 December 2019 (being the last practicable date prior to the date of this Announcement) Boubyan Bank was the beneficial holder of 38,749,861 BLME Shares and Boubyan Capital, a wholly-owned subsidiary of Boubyan Bank, was the beneficial holder of 12,997,101 BLME Shares, representing, in aggregate, 27.91 per cent. of BLME's issued share capital (excluding treasury shares).

As at the close of business on 4 December 2019 (being the last practicable date prior to the date of this Announcement), the Boubyan Bank Directors set out below were beneficially interested in the following BLME Shares:

<i>Name</i>	<i>Number of BLME Shares</i>	<i>Percentage of BLME's issued ordinary share capital (excluding treasury shares)</i>	<i>Nature of interest</i>
Adel Abdul Wahab Al-Majed	1,000,000	0.54%	Beneficial interest

As at close of business on 4 December 2019 (being the last practicable date prior to the date of this Announcement), Boubyan Bank and persons acting in concert with Boubyan Bank are party to the following financial collateral arrangements in respect of relevant securities of BLME:

<i>Name</i>	<i>Details of financial collateral arrangements</i>
Boubyan Bank and Boubyan Bank in its capacity as manager of Boubyan Financial Fund (under liquidation)	Boubyan Bank has a security interest over 3,552,206 BLME Shares pursuant to facilities granted by Boubyan Bank and one of its affiliates to their customers in the normal course of business. Upon certain default events occurring under such facilities, Boubyan Bank will have a right of use in respect of such BLME Shares.

Save as disclosed in this Announcement, as at the close of business on 4 December 2019 (being the last practicable date prior to the date of this Announcement) neither Boubyan Bank, nor any of its directors, nor, so far as Boubyan Bank is aware, any person acting in concert (within the meaning of the Code or the TKO) with it for the purposes of the Acquisition (i) had any interest in or right to subscribe for or had borrowed or lent any BLME Shares or securities convertible or exchangeable into

BLME Shares, or (ii) had any short positions in respect of Relevant Securities of BLME (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery, or (iii) has borrowed or lent any Relevant Securities of BLME (including, for these purposes, any financial collateral arrangements of the kind referred to in Note 4 on Rule 4.6 of the Code) save for any borrowed shares which have been either on-lent or resold, or (iv) is a party to any dealing arrangement of the kind referred to in Note 11 on the definition of acting in concert in the Code.

**17. Dividends**

If, on or after the date of this Announcement, any dividend and/or other distribution and/or other return of capital is declared, made or paid or becomes payable in respect of the BLME Shares, Boubyan Bank reserves the right to reduce the consideration payable under the terms of the Acquisition for the BLME Shares by an amount up to the amount of such dividend and/or distribution and/or return of capital, in which case any reference in this Announcement or in the Offer Document to the consideration payable under the terms of the Acquisition will be deemed to be a reference to the consideration as so reduced.

**18. General**

The Acquisition is subject to the Conditions and certain further terms set out in Appendix I to this Announcement and to the full terms and conditions which will be set out in the Offer Document. Appendix II to this Announcement contains the sources and bases of certain information contained in this Announcement, Appendix III contains a summary of the irrevocable undertakings received in relation to the Acquisition and Appendix IV contains definitions of certain expressions used in the summary and in this Announcement.

Boubyan Bank reserves the right, subject to the prior consent of the Panel, and following consultation with the DFSA, to elect to implement the Acquisition by way of a Scheme. In such an event, such Scheme will be implemented on the same terms (subject to appropriate amendments as described in Appendix I), so far as applicable, as those which would apply to the Offer.

EY has given and not withdrawn its consent to the publication of this Announcement with the inclusion herein of the references to its name in the form and context in which it appears.

Peel Hunt has given and not withdrawn its consent to the publication of this Announcement with the inclusion herein of the references to its name and its advice to the BLME Independent Directors in the form and context in which it appears.

The Acquisition is governed by English law, the applicable rules and regulations of the DFSA and the laws of the DIFC and is subject to the jurisdiction of the courts of England and Wales. The Acquisition is subject to the applicable requirements of the Code, the TKO, the Panel, the DFSA and NASDAQ Dubai.

## 19. **The Offer Document and acceptance of the Offer**

The Offer Document containing full terms and Conditions of the Offer is expected to be published and posted to the BLME Shareholders within 21 days of this Announcement (or on such later date as may be agreed with the Panel and the DFSA), together with the Form of Acceptance.

The Offer Document and the Form of Acceptance will include full details of the Acquisition and the expected timetable, and will specify the actions to be taken by BLME Shareholders in connection with the Acquisition.

Subject to certain restrictions relating to persons resident in Restricted Jurisdictions, the Offer Document will also be made available on BLME's website at <https://www.blme.com/> and Boubyan Bank's website at <https://boubyan.bankboubyan.com/en/>.

## 20. **Documents available on website**

Copies of the following documents will be made available, subject to certain restrictions relating to persons resident in any Restricted Jurisdiction, on both BLME's website at <https://www.blme.com/> and Boubyan Bank's website at <https://boubyan.bankboubyan.com/en/> by no later than 12.00 noon (London time) on the UK Business Day following this Announcement until the end of the Offer (including any related competition reference period):

- (a) this Announcement;
- (b) the Confidentiality Agreement; and
- (c) the irrevocable undertakings referred to in paragraphs 4 and 6 above.

The content of the websites referred to in this Announcement is not incorporated into and does not form part of this Announcement.

### **Enquiries:**

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Duncan Littlejohns

Clifford Chance LLP are retained as legal adviser to Boubyan Bank. Travers Smith LLP are retained as legal adviser to BLME.

### ***Important notices***

*EY, which is authorised and regulated by the FCA in the United Kingdom, is acting exclusively for Boubyan Bank and for no one else in connection with the Acquisition and the contents of this Announcement and will not be responsible to anyone other than Boubyan Bank for providing the protections afforded to its clients or for providing advice in relation to the Acquisition, the contents of this Announcement or any other matters referred to in this Announcement.*

*Peel Hunt, which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for BLME and for no one else in connection with the Acquisition and/or any other matter referred to in this Announcement and will not be responsible to anyone other than BLME for providing the protections afforded to clients of Peel Hunt or for providing advice in relation to the Acquisition, the contents of this Announcement or any other matters referred to in this Announcement.*

### ***Further information***

*This Announcement is for information purposes only and is not intended to and does not constitute, or form part of, an offer to sell or an invitation to purchase any securities or the solicitation of an offer to buy, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, pursuant to the Acquisition or otherwise, nor shall there be any purchase, sale, issuance or exchange of securities or such solicitation in any jurisdiction in which such offer, solicitation, sale, issuance or exchange would be unlawful prior to the registration or qualification under the laws of such jurisdiction. The Acquisition, if implemented by way of an Offer, will be made solely by means of the Offer Document and the Form of Acceptance (or if the Acquisition is implemented by way of a Scheme, the Scheme Document), which will contain the full terms and Conditions of the Acquisition, including details of how to accept the Offer. Any acceptance or other response in relation to the Offer should be made only on the basis on the information contained in the Offer Document.*

*This Announcement has been prepared for the purpose of complying with English law, the Code, the applicable rules and regulations of the DFSA and the laws of the DIFC and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside of England and the DIFC.*

*BLME and Boubyan Bank urge BLME Shareholders to read the Offer Document once it has been dispatched, as it will contain important information relating to the Acquisition.*

## **Overseas Shareholders**

*The release, publication or distribution of this Announcement in or into certain jurisdictions other than the United Kingdom, the DIFC, the United Arab Emirates, the Kingdom of Bahrain, Kuwait or Qatar may be restricted by law. Persons who are not resident in the United Kingdom, the DIFC, the United Arab Emirates, the Kingdom of Bahrain, Kuwait or Qatar or who are subject to the laws of other jurisdictions should inform themselves of, and observe, any applicable legal and regulatory requirements. In particular the ability of persons who are not resident in the United Kingdom, the DIFC, the United Arab Emirates, the Kingdom of Bahrain, Kuwait or Qatar, to accept, or to procure the acceptance of, the Offer, may be affected by the laws of the relevant jurisdiction in which they are located. Further details in relation to the Overseas Shareholders will be contained in the Offer Document. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person..*

*Unless otherwise determined by Boubyan Bank or required by the Code or the TKO (and permitted by applicable law and regulation), the Acquisition is not being communicated, and will not be communicated, directly or indirectly, in or into, or by use of mails of or any means or instrumentality (including, but not limited to, by mail, telephonically or electronically by way of internet or otherwise) of interstate or foreign commerce of, or by any facilities of a national, state or securities exchange of, any Restricted Jurisdiction and will not be capable of acceptance by any such use, means, instrumentality or facility or from within such Restricted Jurisdiction. Accordingly, unless otherwise determined by Boubyan Bank or required by the Code or the TKO and permitted by applicable law and regulation, copies of this Announcement are not being, and must not be, directly or indirectly mailed, transmitted or otherwise forwarded, distributed or sent in, into or from any Restricted Jurisdiction. Accordingly, any person (including, without limitation, any custodian, nominee or trustee) who would, or otherwise intends to, or who may have a contractual or legal obligation to, forward this Announcement and/or the accompanying document(s) to any jurisdiction outside the United Kingdom, the DIFC, the United Arab Emirates, the Kingdom of Bahrain, Kuwait or Qatar should inform themselves of, and observe, these restrictions and must not, directly or indirectly, mail, send or otherwise forward or distribute them in, into or from any Restricted Jurisdiction. Doing so may render any purported acceptance of the Offer invalid.*

## **Forward looking statements**

*This Announcement (including information incorporated by reference in this Announcement), oral statements made regarding the Acquisition, and other information published by Boubyan Bank and BLME contains statements about Boubyan Bank and BLME that are or may be deemed to be "forward looking statements". These statements are prospective in nature and are not based on historical facts, but rather based on the current expectations of the management of Boubyan Bank and BLME about future events, and are naturally subject to uncertainty and changes in circumstances. The forward looking statements contained in this Announcement include statements relating to the financial position, business strategy or plans for future operations of, and the expected effects or potential synergies of the Acquisition on, BLME and the Wider BLME Group, the expected timing and scope of the Acquisition and other statements other than historical facts. Without limitation, any statements preceded or followed by or that include the words "targets", "plans", "believes", "expects", "aims", "intends", "will",*

*"may", "should", "would", "could", "anticipates", "estimates", "projects", "strategy" or words or terms of similar substance or the negative thereof are forward looking statements.*

*Such forward looking statements are not guarantees of future performance. By their nature, because they relate to events and depend on circumstances that will occur in the future, such forward looking statements involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results and developments to differ materially from those projected or implied in any forward looking statements. These factors include, but are not limited to, the satisfaction of the Conditions to the Acquisition, as well as additional factors, such as changes in political and economic conditions, changes in the level of capital investment, retention of key employees, changes in customer habits, success of business and operating initiatives and restructuring objectives, impact of any acquisitions or similar transactions, competitive product and pricing measures, changes in the regulatory environment, fluctuations of interest and exchange rates and the outcome of any litigation. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward looking statements, which speak only as of the date hereof. Each of Boubyan Bank and BLME disclaims any obligation to update publicly or revise any forward looking or other statements contained herein, whether as a result of new information, future events or otherwise, except as required by applicable law.*

#### ***No profit forecasts or profit estimates***

*No statement in this Announcement is intended as a profit forecast or profit estimate for any period and no statement in this Announcement should be interpreted to mean that earnings or earnings per share for Boubyan Bank or BLME for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Boubyan Bank or BLME.*

#### ***Dealing and Opening Position Disclosure Requirements of the Code***

*Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th UK Business Day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th UK Business Day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.*

*Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the*

*offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the business day following the date of the relevant dealing.*

*If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.*

*Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).*

*Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at <http://www.thetakeoverpanel.org.uk/>, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.*

*The Panel has granted BLME a dispensation from the requirement under the Code that announcements relating to the Acquisition, including any disclosures under Rule 8 of the Code, must be published via a Regulatory Information Service in the United Kingdom. However, the Panel has ruled that any disclosures under Rule 8 of the Code must instead be published via a Regulatory Announcement Service in Dubai in the same manner as a market disclosure required under Rule 4.7.1 of the Markets Rules of the DFSA. BLME is also required to publish such announcements on BLME's website. Therefore, any Opening Position Disclosures and Dealing Disclosures required under Rule 8 of the Code must be published via a Regulatory Announcement Service in Dubai and then sent to BLME by email to the Company Secretary at [shareholders@blme.com](mailto:shareholders@blme.com) for publishing on BLME's website at <https://www.blme.com/>. A copy of such opening position disclosures and dealing disclosures must also be sent to the Panel's Market Surveillance Unit by email to [monitoring@disclosure.org.uk](mailto:monitoring@disclosure.org.uk) or by fax to +44 (0)20 7236 7013.*

### ***Information relating to BLME Shareholders***

*Please be aware that addresses, electronic addresses and certain other information provided by BLME Shareholders, persons with information rights and other relevant persons for the receipt of communications from BLME may be provided to Boubyan Bank during the Offer Period as required under Section 4 of Appendix 4 to the Code to comply with Rule 2.11(c) of the Code.*

### ***Publication on website and hard copies***

*This Announcement and the documents required to be published pursuant to Rule 26 of the Code and Rule 2.6 of the TKO will be available free of charge, subject to certain restrictions*

*relating to persons resident in Restricted Jurisdictions, on BLME's website at <https://www.blme.com/> and Boubyan Bank's website at <https://boubyan.bankboubyan.com/en/> by no later than 12.00 noon (London time) on the UK Business Day following this Announcement.*

*Neither the content of any website referred to in this Announcement nor the content of any website accessible from hyperlinks is incorporated into, or forms part of, this Announcement.*

*BLME Shareholders may request a hard copy of this Announcement by contacting BLME's registrars, Link Market Services (EMEA) Limited, during business hours on +971 4 401 9983 or at Office No. 35, Level 15, The Gate Building, Dubai International Finance Centre, Dubai, United Arab Emirates / EY on +44 (0) 207 951 2000. You may also request that all future documents, announcements and information to be sent to you in relation to the Acquisition should be in hard copy form.*

### ***Rounding***

*Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.*



## APPENDIX I

### CONDITIONS AND FURTHER TERMS OF THE ACQUISITION

#### A Conditions to the Acquisition

The Acquisition is conditional upon:

##### Acceptance Condition

1. Valid acceptances of the Offer being received (and not, where permitted, withdrawn) by no later than 1.00 p.m. (London time) on the first closing date of the Offer as specified in the Offer Document (or such later time(s) and/or date(s) as Boubyan Bank may, in accordance with the Code and the TKO or with the consent of the Panel and the DFSA, decide) in respect of BLME Shares which, taken together with Boubyan Bank's shareholdings and all other BLME Shares which Boubyan Bank (and/or its nominee(s)) acquires or agrees to acquire (whether pursuant to the Offer or otherwise), carry in aggregate not less than 75 per cent. (or such lesser percentage as Boubyan Bank may decide) of the voting rights then normally exercisable at a general meeting of BLME, provided that this Condition will not be satisfied unless Boubyan Bank and/or any of its wholly-owned subsidiaries shall, by virtue of its shareholdings and acceptances of its Offer have acquired, or agreed to acquire (whether pursuant to the Offer or otherwise), directly or indirectly, BLME Shares carrying in aggregate more than 50 per cent. of the voting rights then normally exercisable at a general meeting of BLME;

For the purposes of this Condition:

- (a) except to the extent otherwise agreed by the Panel and the DFSA, BLME Shares which have been unconditionally allotted but not issued before the Offer becomes or is declared unconditional as to acceptances, whether pursuant to the exercise of any outstanding subscription or conversion rights or otherwise, shall be deemed to carry the voting rights they will carry upon issue; and
- (b) all percentages of voting rights and share capital are to be calculated by reference to the percentage held and in issue outside treasury;

##### Regulatory approvals

2. the PRA giving notice in writing pursuant to section 189(4)(a) of FSMA, in terms reasonably satisfactory to Boubyan Bank, of its approval (or being treated as having given such approval under section 189(6) of FSMA) in respect of each person (whether or not a member of the Wider Boubyan Bank Group) who will acquire control or (if applicable) increase control over (as defined in sections 181 and 182 of FSMA) any member of the Wider BLME Group which is a PRA-authorized person, in each case within the meaning of Part XII of FSMA and which in either case would result from implementation of the Acquisition and the PRA not having cancelled or varied, and not having notified (or intimated that it may notify) any proposal to cancel or vary, any permission (within the meaning of FSMA) held by any such authorised person as at the date of this Announcement;

### **General Third Party clearances**

3. All notifications to and filings with, Third Parties which are necessary or are reasonably considered appropriate by Boubyan Bank having been made, all appropriate waiting and other time periods (including any extensions of such waiting and other time periods) under any applicable legislation or regulation of any relevant jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory or regulatory obligations in any relevant jurisdiction having been complied with in each case in connection with the Acquisition or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, BLME or any other member of the Wider BLME Group by any member of the Wider Boubyan Bank Group or the carrying on by any member of the Wider BLME Group of any material aspect of its business;
4. No Third Party having intervened and there not continuing to be outstanding any statute, regulation or order of any Third Party in each case which is or is likely to be material in the context of the Wider Boubyan Bank Group or Wider BLME Group or the Acquisition which would or might reasonably be expected to:
  - (a) make the Acquisition or, in each case, its implementation or the acquisition or proposed acquisition by Boubyan Bank or any member of the Wider Boubyan Bank Group of any shares or other securities in, or control or management of, BLME or any member of the Wider BLME Group void, illegal or unenforceable in any jurisdiction, or otherwise directly or indirectly materially restrain, prevent, prohibit, restrict or delay the same or impose additional material conditions or obligations with respect to the Acquisition or such acquisition, or otherwise materially impede, challenge or interfere with the Acquisition or such acquisition, or require material amendment to the terms of the Acquisition or the acquisition or proposed acquisition of any BLME Shares or the acquisition of control or management of BLME or the Wider BLME Group by Boubyan Bank or any member of the Wider Boubyan Bank Group;
  - (b) materially limit or delay, or impose any material limitations on, the ability of any member of the Wider Boubyan Bank Group or any member of the Wider BLME Group to acquire or to hold or to exercise effectively, directly or indirectly, all or any rights of ownership in respect of shares or other securities in, or to exercise voting or management control over, any member of the Wider BLME Group or any member of the Wider Boubyan Bank Group;
  - (c) require, prevent or materially delay the divestiture or materially alter the terms envisaged for any proposed divestiture by any member of the Wider Boubyan Bank Group of any shares or other securities in BLME;
  - (d) require, prevent or materially delay the divestiture or alter the terms envisaged for any proposed divestiture by any member of the Wider Boubyan Bank Group or by any member of the Wider BLME Group of all or any portion of their respective businesses, assets or properties or materially limit the ability of any of them to conduct any of their respective businesses or to own or control any of their respective assets or properties or any part thereof;
  - (e) except pursuant to the implementation of the Offer, require any member of the Wider Boubyan Bank Group or of the Wider BLME Group to acquire, or to

offer to acquire, any shares or other securities (or the equivalent) in any member of either group owned by any Third Party;

- (f) materially limit the ability of any member of the Wider Boubyan Bank Group or of the Wider BLME Group to conduct or integrate or co-ordinate its business, or any part of it, with the businesses or any part of the businesses of any other member of the Wider Boubyan Bank Group or of the Wider BLME Group;
- (g) result in any member of the Wider BLME Group or the Wider Boubyan Bank Group ceasing to be able to carry on business under any name under which it presently does so; or
- (h) otherwise materially adversely affect any or all of the business, assets, profits, financial or trading position or prospects of any member of the Wider BLME Group or of the Wider Boubyan Bank Group,

and all applicable waiting and other time periods (including any extensions thereof) during which any such Third Party could intervene under the laws of any relevant jurisdiction having expired, lapsed or been terminated;

5. All Authorisations which are necessary or are reasonably considered necessary or appropriate by Boubyan Bank in any relevant jurisdiction for or in respect of the Offer or Acquisition or proposed acquisition of any shares or other securities in, or control or management of, BLME or any other member of the Wider BLME Group by any member of the Wider Boubyan Bank Group or the carrying on by any member of the Wider BLME Group of its business having been obtained, in terms and in a form reasonably satisfactory to Boubyan Bank, from all appropriate Third Parties or from any persons or bodies with whom any member of the Wider BLME Group has entered into contractual arrangements in each case where the absence of such Authorisation would have a material adverse effect on the BLME Group taken as a whole and all such Authorisations remaining in full force and effect and there being no notice or intimation of any intention to revoke, suspend, restrict, modify or not to renew any of the same;

**Certain matters arising as a result of any arrangement, agreement etc.**

6. Since 31 December 2018 and except as Disclosed, there being no provision of any arrangement, agreement, licence, permit, franchise or other instrument to which any member of the Wider BLME Group is a party, or by or to which any such member or any of its assets is or are or may be bound, entitled or subject or any circumstance, which, in each case as a consequence of the Acquisition or the acquisition or proposed acquisition of any shares or other securities in, or control of, BLME or any other member of the Wider BLME Group by any member of the Wider Boubyan Bank Group or otherwise, could or might reasonably be expected to result in, (in any case to an extent which is or would be material in the context of the Wider BLME Group taken as a whole):
  - (a) any monies borrowed by or any other indebtedness or liabilities (actual or contingent) of, or any grant available to, any member of the Wider BLME Group being or becoming repayable or capable of being declared repayable immediately or prior to its stated maturity date or repayment date or the ability of any member of the Wider BLME Group to borrow monies or incur any

indebtedness being withdrawn or inhibited or becoming capable of being withdrawn or inhibited;

- (b) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property, assets or interests of any member of the Wider BLME Group or any such mortgage, charge or other security interest (wherever created, arising or having arisen) becoming enforceable;
- (c) any such arrangement, agreement, licence, permit, franchise or instrument, or the rights, liabilities, obligations or interests of any member of the Wider BLME Group thereunder, being, or becoming capable of being, terminated or adversely modified or affected or any adverse action being taken or any obligation or liability arising thereunder;
- (d) any asset or interest of any member of the Wider BLME Group being or falling to be disposed of or charged or ceasing to be available to any member of the Wider BLME Group or any right arising under which any such asset or interest could be required to be disposed of or could cease to be available to any member of the Wider BLME Group otherwise than in the ordinary course of business;
- (e) any member of the Wider BLME Group ceasing to be able to carry on business under any name under which it presently does so;
- (f) the creation of material liabilities (actual or contingent) by any member of the Wider BLME Group other than in the ordinary course of business;
- (g) the rights, liabilities, obligations or interests of any member of the Wider BLME Group under any such arrangement, agreement, licence, permit, franchise or other instrument or the interests or business of any such member in or with any other person, firm, company or body (or any arrangement or arrangements relating to any such interests or business) being terminated or adversely modified or affected; or
- (h) the financial or trading position or the prospects or the value of any member of the Wider BLME Group being prejudiced or adversely affected,

and no event having occurred which, under any provision of any such arrangement, agreement, licence, permit or other instrument, could result in any of the events or circumstances which are referred to in paragraphs (a) to (h) of this Condition 6 in any case to an extent which is or would be material in the context of the BLME Group taken as a whole;

7. Since 31 December 2018 and except as Disclosed, no member of the Wider BLME Group having:

- (a) purchased or redeemed or repaid any of its own shares or other securities or reduced or made any other change to any part of its share capital to an extent which (other than in the case of BLME) is material in the context of the BLME Group taken as a whole;

- (b) recommended, declared, paid or made any dividend or other distribution whether payable in cash or otherwise or made any bonus issue (other than to BLME or a wholly-owned subsidiary of BLME);
- (c) except as between BLME and its wholly-owned subsidiaries or between such wholly-owned subsidiaries made or authorised any change in its loan capital;
- (d) (other than any acquisition or disposal in the ordinary course of business or a transaction between BLME and a wholly-owned subsidiary of BLME or between such wholly-owned subsidiaries) merged with, demerged or acquired any body corporate, partnership or business or acquired or disposed of or transferred, mortgaged, charged or created any security interest over any assets or any right, title or interest in any assets (including shares in any undertaking and trade investments) or authorised the same (in each case to an extent which is material in the context of the BLME Group taken as a whole);
- (e) issued or authorised the issue of, or made any change in or to, any debentures or (except in the ordinary course of business or except as between BLME and its wholly-owned subsidiaries or between such wholly-owned subsidiaries) incurred or increased any indebtedness or liability (actual or contingent) which in any case is material in the context of the BLME Group taken as a whole;
- (f) entered into, varied, or authorised any agreement, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) which:
  - (i) is of a long term, onerous or unusual nature or magnitude or which could involve an obligation of such nature or magnitude; or
  - (ii) could restrict the business of any member of the Wider BLME Group; or
  - (iii) is other than in the ordinary course of business,
 and which in any case is material in the context of the BLME Group taken as a whole;
- (g) except as between BLME and its wholly-owned subsidiaries or between such wholly-owned subsidiaries entered into, implemented, effected or authorised any merger, demerger, reconstruction, amalgamation, scheme, commitment or other transaction or arrangement in respect of itself or another member of the Wider BLME Group otherwise than in the ordinary course of business which in any case is material in the context of the BLME Group taken as a whole;
- (h) before the date of this Announcement, entered into or varied the terms of, any contract, agreement or arrangement with any of the directors or senior executives of any member of the Wider BLME Group;
- (i) taken any corporate action or had any legal proceedings instituted or threatened against it or petition presented or order made for its winding-up (voluntarily or otherwise), dissolution or reorganisation or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of all or any material part of its assets and revenues or any analogous proceedings in any

jurisdiction or appointed any analogous person in any jurisdiction which in any case is material in the context of the BLME Group taken as a whole;

- (j) been unable, or admitted in writing that it is unable, to pay its debts or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business;
- (k) waived or compromised any claim, otherwise than in the ordinary course of business, which is material in the context of the BLME Group taken as a whole;
- (l) made any alteration to its memorandum or articles of association which is material in the context of the Acquisition;
- (m) made or agreed or consented to:
  - (i) any material change to:
    - (A) the terms of the trust deeds constituting the pension scheme(s) established for its directors, employees or their dependants; or
    - (B) the contributions payable to any such scheme(s) or to the benefits which accrue or to the pensions which are payable thereunder; or
    - (C) the basis on which qualification for, or accrual or entitlement to such benefits or pensions are calculated or determined; or
    - (D) the basis upon which the liabilities (including pensions) of such pension schemes are funded, valued or made,in each case, which has an effect that is material in the context of the BLME Group taken as a whole, or
  - (ii) any change to the trustees including the appointment of a trust corporation;
- (n) save as fairly disclosed by any member of the BLME Group or any of its professional advisers, including any of its legal advisers and any of its financial advisers, to a member of the Boubyan Bank Group or any of its professional advisers, including any of its legal advisers and any of its financial advisers, before the date of this Announcement, entered into or varied the terms of, or made any offer (which remains open for acceptance) to enter into or vary to a material extent the terms of any contract, service agreement, commitment or arrangement with any director or senior executive of any member of the Wider BLME Group, except for (in each case) salary increases, bonuses or variations of terms in the ordinary course;
- (o) before the date of this Announcement, proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme, employee ownership plan or other benefit relating to the employment or termination of employment

of any person employed by the Wider BLME Group in a manner which is material in the context of the BLME Group taken as a whole; or

- (p) entered into any agreement, commitment or arrangement or passed any resolution or made any offer (which remains open for acceptance) or proposed or announced any intention with respect to any of the transactions, matters or events referred to in this Condition 7;

**No adverse change, litigation or regulatory enquiry**

8. Since 31 December 2018 and except as Disclosed:

- (a) there having been no adverse change or deterioration in the business, assets, financial or trading positions or profit or prospects of any member of the Wider BLME Group which in any case is material in the context of the BLME Group taken as a whole, save in consequence of the Acquisition or of the process leading to the Acquisition;
- (b) no contingent or other liability of any member of the Wider BLME Group having arisen or become apparent or increased which in any case is material in the context of the BLME Group taken as a whole;
- (c) no litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the Wider BLME Group is or may become a party (whether as claimant, defendant or otherwise) having been threatened, announced, implemented or instituted by or against or remaining outstanding against or in respect of any member of the Wider BLME Group which in any case would be likely to have a material adverse effect in the context of the BLME Group taken as a whole;
- (d) (other than as a result of the Acquisition) no enquiry or investigation by, or complaint or reference to, any Third Party having been threatened, announced, implemented, instituted by or against or remaining outstanding against or in respect of any member of the Wider BLME Group which in any case might reasonably be expected to have an adverse effect that is material in the context of the BLME Group taken as a whole;
- (e) other than with the consent of Boubyan Bank, no action having been taken or proposed by any member of the Wider BLME Group, or having been approved by BLME Shareholders or consented to by the Panel, which falls or would fall within or under Rule 21.1 of the Code or which otherwise is or would be materially inconsistent with the implementation by Boubyan Bank of the Acquisition on the basis contemplated as at the date of this Announcement; and
- (f) no member of the Wider BLME Group having conducted its business in breach of any applicable laws and regulations which in any case is material in the context of the BLME Group taken as a whole;

## **No discovery of certain matters**

9. Boubyan Bank not having discovered:

- (a) that any financial or business or other information concerning the Wider BLME Group disclosed at any time by or on behalf of any member of the Wider BLME Group, whether publicly, to any member of the Wider Boubyan Bank Group or to any of their advisers or otherwise, is misleading or contains any misrepresentation of fact or omits to state a fact necessary to make any information contained therein not misleading to an extent which in any case is material in the context of the BLME Group taken as a whole;
- (b) that any member of the Wider BLME Group is subject to any liability (actual or contingent) which is not disclosed in BLME's 2018 Annual Report and Accounts and which in any case is material in the context of the BLME Group taken as a whole; or
- (c) any information which affects the import of any information disclosed at any time by or on behalf of any member of the Wider BLME Group to an extent which is material in the context of the BLME Group taken as a whole;

## **Anti-corruption, sanctions and criminal property**

10. Boubyan Bank not having discovered that:

- (a) (i) any past or present member, director, officer or employee of the Wider BLME Group is or has at any time engaged in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977, Part 3 of the Criminal Finances Act 2017 or any other anti-corruption or anti-tax evasion legislation applicable to the Wider BLME Group or (ii) any person that performs or has performed services for or on behalf of the Wider BLME Group is or has at any time engaged in any activity, practice or conduct in connection with the performance of such services which would constitute an offence under the Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977, Part 3 of the Criminal Finances Act 2017 or any other applicable anti-corruption or anti-tax evasion legislation; or
- (b) any asset of any member of the Wider BLME Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition); or
- (c) any past or present member, director, officer or employee of the BLME Group, or any other person for whom any such person may be liable or responsible, has engaged in any business with, made any investments in, made any funds or assets available to or received any funds or assets from: (i) any government, entity or individual in respect of which US or European Union persons, or persons operating in those territories, are prohibited from engaging in activities or doing business, or from receiving or making available funds or economic resources, by US or European Union laws or regulations, including the economic sanctions administered by the United States Office of Foreign Assets Control, or HM Treasury & Customs; or (ii) any government, entity or



individual targeted by any of the economic sanctions of the United Nations, the United States, the European Union or any of its member states; or

- (d) a member of the BLME Group has engaged in any transaction which would cause Boubyan Bank to be in breach of any law or regulation upon its acquisition of BLME, including the economic sanctions of the United States Office of Foreign Assets Control, or HM Treasury & Customs, or any government, entity or individual targeted by any of the economic sanctions of the United Nations, the United States, the European Union or any of its member states.

For the purpose of these Conditions:

- (i) "Third Party" means any central bank, government, government department or governmental, quasi-governmental, supranational, statutory, regulatory, environmental or investigative body, authority (including any national or supranational anti-trust or merger control authority), court, trade agency, association, institution or professional or environmental body or any other person or body whatsoever in any relevant jurisdiction, including, for the avoidance of doubt, the Panel and the DFSA;
- (ii) a Third Party shall be regarded as having "intervened" if it has decided to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference or made, proposed or enacted any statute, regulation, decision or order or taken any measures or other steps or required any action to be taken or information to be provided or otherwise having done anything and "intervene" shall be construed accordingly; and
- (iii) "Authorisations" means authorisations, orders, grants, recognitions, determinations, certificates, confirmations, consents, licences, clearances, provisions and approvals, in each case, of a Third Party.

## **B Waiver and invocation of the Conditions**

Subject to the requirements of the Panel and the DFSA, Boubyan Bank reserves the right in its sole discretion to waive in whole or in part, all or any of the Conditions in Part A above, except for Conditions 1 and 2 which cannot be waived.

Conditions 2 to 10 inclusive in Part A above must be satisfied as at, or (if capable of waiver) waived on or before, midnight (London time) on the 21st calendar day after the later of: (i) the first closing date of the Offer; and (ii) the date on which Condition 1 is fulfilled (or, in each case, such later date as the Panel and the DFSA may agree), failing which the Offer will lapse.

Boubyan Bank shall be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or to treat as fulfilled any of the Conditions in Part A above by a date earlier than the latest date specified above for the fulfilment of that Condition, notwithstanding that the other Conditions may at such earlier date have been waived or

fulfilled and that there are, at such earlier date, no circumstances indicating that any Condition may not be capable of fulfilment.

### **C Implementation by way of a Scheme**

Boubyan Bank reserves the right to elect to implement the acquisition of BLME by way of a court-approved scheme of arrangement in accordance with Part 26 of the Companies Act, subject to the Panel's consent and following consultation with the DFSA. In such event, the Scheme will be implemented on the same terms and conditions, so far as applicable, as those which would apply to the Offer subject to appropriate amendments. In particular, Condition 1 in Part A above would not apply, and would be replaced with:

- (a) approval of the Scheme at the Court Meeting (or any adjournment thereof provided that the Court Meeting may not be adjourned beyond the 22nd day after the expected date of the Court Meeting to be set out in the Scheme Document in due course or such later date (if any) as Boubyan Bank and BLME may agree) by a majority in number of the BLME Shareholders present and voting either in person or by proxy representing three-quarters or more in value of the BLME Shares held by those BLME Shareholders;
- (b) all resolutions in connection with or required to approve and implement the Scheme, as set out in the relevant notice of the general meeting of the BLME Shareholders, being duly passed by the requisite majority at such general meeting (or any adjournment thereof, provided that such general meeting may not be adjourned beyond the 22nd day after the expected date of the relevant general meeting to be set out in the Scheme Document in due course or such later date (if any) as Boubyan Bank and BLME may agree); and
- (c) the sanction of the Scheme by the Court without modification or with modification on terms acceptable to Boubyan Bank and BLME, provided that the Scheme court hearing may not be adjourned beyond the 22nd day after the expected date of the Scheme court hearing to be set out in the Scheme Document in due course (or such later date (if any) as Boubyan Bank and BLME may agree) and the delivery of a copy of the order of the Court sanctioning the Scheme to the Registrar of Companies.

### **D Certain further terms of the Acquisition**

If the Offer lapses, it will cease to be capable of further acceptance and persons accepting the Offer and Boubyan Bank will cease to be bound by acceptances submitted on or before the time when the Offer lapses.

If the Panel or the DFSA requires Boubyan Bank to make an offer or offers for any BLME Shares under the provisions of Rule 9 of the Code or Rule 4 of the TKO, Boubyan Bank may make such alterations to the Conditions as are necessary to comply with the provisions of that Rule.

Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.

BLME Shares will be acquired by Boubyan Bank pursuant to the Offer fully paid with full title guarantee and free from all liens, equitable interests, charges, encumbrances, rights of pre-emption and any other third party rights or interests of any nature whatsoever and together with all rights attaching to them as at the date of this Announcement or subsequently attaching or accruing to them, including the right to receive and retain, in full, all dividends and other distributions (if any) announced, declared, made, paid or payable, or any other return of capital made, with a record date falling on or after the date on which the Offer becomes or is declared unconditional in all respects.

If, on or after the date of this Announcement, any dividend and/or other distribution and/or other return of capital is declared, made or paid or becomes payable in respect of the BLME Shares, Boubyan Bank reserves the right (without prejudice to any right of Boubyan Bank to invoke Condition 7(b) in Part A of this Appendix I), to reduce the consideration payable under the terms of the Acquisition of the BLME Shares by an amount up to the amount of such dividend and/or distribution and/or return of capital, in which case any reference in this Announcement or in the Offer Document to the consideration payable under the terms of the Acquisition will be deemed to be a reference to the consideration as so reduced. To the extent that any such dividend and/or distribution and/or other return of capital is declared, made or paid or is payable and it is: (i) transferred pursuant to the Acquisition on a basis which entitles Boubyan Bank to receive the dividend or distribution and to retain it; or (ii) cancelled, the consideration payable under the terms of the Acquisition will not be subject to change in accordance with this paragraph. Any exercise by Boubyan Bank of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the Acquisition.

The Acquisition is subject, *inter alia*, to the Conditions and certain further terms which are set out in this Appendix and those terms which will be set out in the Offer Document and such further terms as may be required to comply with the NASDAQ Dubai rules, the provisions of the Code, the TKO.

The availability of the Offer to persons not resident in the United Kingdom, the DIFC, the United Arab Emirates, the Kingdom of Bahrain, Kuwait or Qatar may be affected by the laws of the relevant jurisdiction. Any persons who are subject to the laws of any jurisdiction other than the United Kingdom, the DIFC, the United Arab Emirates, the Kingdom of Bahrain, Kuwait or Qatar should inform themselves about and observe any applicable requirements. Further information in relation to Overseas Shareholders is contained in the Offer Document.

This Announcement and any rights or liabilities arising hereunder, and the Acquisition will be governed by English law, the applicable rules and regulations of the DFSA and the laws of the DIFC and be subject to the jurisdiction of the courts of England and Wales. The Acquisition will be subject to the applicable requirements of the Code, the TKO, the Panel, the DFSA and NASDAQ Dubai.

## APPENDIX II

### SOURCES OF INFORMATION AND BASES OF CALCULATION

- (a) As at close of business on 4 December 2019, being the last Dubai Business Day prior to the date of this Announcement, BLME had 185,376,317 BLME Shares (being ordinary shares outside treasury) in issue.
- (b) The value of the Acquisition on a fully diluted basis has been calculated on the basis of:
  - (i) 185,376,317 BLME Shares in issue on 4 December 2019;
  - (ii) plus a maximum of 18,815,220 BLME Shares that may be issued pursuant to the BLME Share Plans (based on "in the money" options); and
  - (iii) less 2,192,029 BLME Shares held by the BLME Employee Benefit Trust for the purposes of the BLME Share Plans.
- (c) Unless otherwise stated, the financial information on BLME is extracted from BLME's 2018 Annual Report and Accounts.
- (d) Unless otherwise stated, the financial information on Boubyan Bank is extracted from Boubyan Bank's 2018 Annual Report and Accounts.
- (e) The Closing Prices are taken from the NASDAQ Dubai equities market data available at <https://www.nasdaqdubai.com>.
- (f) Volume-weighted average prices have been derived from NASDAQ Dubai and have been rounded to the nearest two decimal places.

## APPENDIX III

### IRREVOCABLE UNDERTAKINGS

#### 1. BLME Independent Directors

The following BLME Independent Directors have given irrevocable undertakings confirming their intention to accept, or procure the acceptance of, the Offer (or, if with the consent of the Panel, and following consultation with the DFSA, Boubyan Bank exercises its right to implement the Acquisition by way of a Scheme, vote, or procure votes, in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the relevant general meeting of BLME Shareholders).

<b>Name</b>	<b>Number of BLME Shares in respect of which an irrevocable undertaking was given</b>	<b>Percentage of BLME's issued ordinary share capital (excluding treasury shares)</b>
Giles Cunningham	813,121	0.439%
Christopher Power	30,001	0.016%
Calum Thomson	30,000	0.016%
David Williams	30,000	0.016%
Michael Williams	30,000	0.016%
<b>Total</b>	<b>933,122</b>	<b>0.503%</b>

The irrevocable undertakings referred to in paragraph 1 above cease to be binding on the earlier of the following occurrences:

- (a) the Offer Document is not sent to BLME Shareholders within 21 days (or such longer period as the Panel and the DFSA may agree) after the date of this Announcement; or
- (b) the Offer lapses or is withdrawn.

#### 2. BLME Non-Independent Directors

The following BLME Non-Independent Director has given an irrevocable undertaking confirming his intention to accept, or procure the acceptance of, the Offer (or, if with the consent of the Panel, and following consultation with the DFSA, Boubyan Bank exercises its right to implement the Acquisition by way of a Scheme, vote, or procure votes, in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the relevant general meeting of BLME Shareholders).

<b>Name</b>	<b>Number of BLME Shares in respect of which an irrevocable undertaking was given</b>	<b>Percentage of BLME's issued ordinary share capital (excluding treasury shares)</b>
Jabra Ghandour	500,000	0.27%

The irrevocable undertaking referred to in paragraph 2 above ceases to be binding on the earlier of the following occurrences:

- (a) the Offer Document is not sent to BLME Shareholders within 21 days (or such longer period as the Panel and the DFSA may agree) after the date of this Announcement; or
- (b) the Offer lapses or is withdrawn.

### 3. **BLME Shareholders irrevocable undertakings**

Boubyan Bank has received irrevocable undertakings from Third Private Equity Holding Company, Ibdar Capital B.S.C (c) and KFH Private Equity Limited in respect of the following number of BLME Shares, confirming their intention to accept, or procure the acceptance of, the Offer (or, if, with the consent of the Panel, and following consultation with the DFSA, Boubyan Bank exercises its right to implement the Acquisition by way of a Scheme, vote, or procure votes, in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the relevant general meeting of BLME Shareholders).

<b>Name</b>	<b>Number of BLME Shares in respect of which an irrevocable undertaking was given</b>	<b>Percentage of BLME's issued ordinary share capital (excluding treasury shares)</b>
Third Private Equity Holding Company	9,469,861	5.11%
Ibdar Capital B.S.C (c)	9,469,861	5.11%
KFH Private Equity Limited	4,120,000	2.22%
<b>Total</b>	<b>23,059,722</b>	<b>12.44%</b>

The irrevocable undertakings referred to in paragraph 3 above cease to be binding on the earlier of the following occurrences:

- (a) the Offer Document is not sent to BLME shareholders within 21 days (or such longer period as the Panel and the DFSA may agree) after the date of this Announcement; or
- (b) the Offer lapses or is withdrawn.

## APPENDIX IV

### DEFINITIONS

The following definitions apply throughout this Announcement unless the context requires otherwise:

<b>"Acquisition"</b>	means the acquisition of the entire issued and to be issued ordinary share capital of BLME by Boubyan Bank (other than the BLME Shares already held by Boubyan Bank (or its associates) and treasury shares), to be implemented by way of the Offer as described in this Announcement and to be set out in the Offer Document (or, if Boubyan Bank so elects and subject to the consent of the Panel, and following consultation with the DFSA, by way of a Scheme) (and, where the context so requires, any subsequent revision, variation, extension or renewal of such acquisition and includes any election or alternative (if applicable) available in connection with it);
<b>"Announcement"</b>	this announcement made in accordance with Rule 2.7 of the Code and Rule 2.4 of the TKO;
<b>"BLME"</b>	BLME Holdings plc;
<b>"BLME's 2018 Annual Report and Accounts"</b>	the annual report and accounts of BLME for the financial year ended 31 December 2018;
<b>"BLME Directors"</b>	the directors of BLME;
<b>"BLME Group"</b>	BLME and its subsidiary undertakings and, where the context permits, each of them;
<b>"BLME Independent Directors"</b>	the directors of BLME other than Adel Abdul Wahab Al-Majed and Jabra Ghandour;
<b>"BLME Non-Independent Directors"</b>	Adel Abdul Wahab Al-Majed and Jabra Ghandour;
<b>"BLME Share Plans"</b>	the BLME Approved Share Option Plan 2013, the BLME Unapproved Share Option Plan 2013 and the BLME Deferred Annual Bonus Plan 2013;
<b>"BLME Shareholders"</b>	the holders of BLME Shares;
<b>"BLME Shares"</b>	the existing unconditionally allotted or issued and fully paid ordinary shares of 25 pence each in the capital of BLME and any further such ordinary shares which are unconditionally allotted or issued before the date on which the Offer closes (or such earlier date or dates, not being earlier than the date on which the Offer becomes



	unconditional as to acceptances or, if later, the first closing date of the Offer, as Boubyan Bank may decide) but excluding in both cases any such shares held or which become held in treasury;
<b>"Board" or "board"</b>	the board of directors of the relevant company;
<b>"Boubyan Bank"</b>	Boubyan Bank K.S.C.P.;
<b>"Boubyan Bank's 2018 Annual Report and Accounts"</b>	the annual report and accounts of Boubyan Bank for the financial year ended 31 December 2018;
<b>"Boubyan Bank Directors"</b>	the directors of Boubyan Bank;
<b>"Boubyan Bank Group"</b>	Boubyan Bank and its subsidiary undertakings and where the context permits, each of them;
<b>"Boubyan Capital"</b>	Boubyan Capital Investment Company;
<b>"Closing Price"</b>	the closing price of a BLME Share as derived from the NASDAQ Dubai equities market data available at <a href="https://www.nasdaqdubai.com/">https://www.nasdaqdubai.com/</a> on any particular date and calculated in accordance with Appendix 1 to the Nasdaq Dubai Trading Manual for Equities;
<b>"Code"</b>	the City Code on Takeovers and Mergers of the United Kingdom;
<b>"Companies Act"</b>	the Companies Act 2006 of the United Kingdom, as amended;
<b>"Conditions"</b>	the conditions to the implementation of the Acquisition, as set out in Part A of Appendix I to this Announcement and to be set out in the Offer Document;
<b>"Confidentiality Agreement"</b>	the confidentiality agreement entered into between BLME and Boubyan Bank on 12 June 2019;
<b>"Court"</b>	the High Court of Justice in England and Wales;
<b>"Court Meeting"</b>	if Boubyan Bank elects to effect the Acquisition by means of a Scheme, the meeting(s) of the BLME scheme shareholders (or any class thereof) to be convened by order of the Court pursuant to section 896 of the Companies Act, notice of which will be set out in the Scheme Document, for the purpose of approving the Scheme, including any adjournment thereof;

<b>"Dealing Disclosure"</b>	an announcement pursuant to Rule 8 of the Code containing details of dealings in interests in relevant securities of a party to an offer;
<b>"DFSA"</b>	Dubai Financial Services Authority;
<b>"DIFC"</b>	Dubai International Financial Centre
<b>"Disclosed"</b>	the information disclosed by or on behalf of BLME in BLME's 2018 Annual Report and Accounts, the Announcement or the data room made available to Boubyan Bank in connection with the Acquisition prior to the date of the Announcement or as publicly announced by BLME prior to the date of the Announcement by the delivery of an announcement to a Regulatory Announcement Service;
<b>"Dubai Business Day"</b>	a day (other than Fridays, Saturdays and public holidays in the Emirate of Dubai) on which banks are open for business in the Emirate of Dubai;
<b>"EY"</b>	Ernst & Young LLP;
<b>"Financial Conduct Authority" or "FCA"</b>	the Financial Conduct Authority in its capacity as the competent authority for the purposes of Part VI of the FSMA;
<b>"Form of Acceptance"</b>	the form of acceptance and authority for use by BLME Shareholders in connection with the Offer;
<b>"FSMA"</b>	the Financial Services and Markets Act 2000 (as amended from time to time);
<b>"GCC"</b>	The Gulf Cooperation Council;
<b>"MKT"</b>	the Market Rules module of the DFSA Rulebook;
<b>"NASDAQ Dubai"</b>	NASDAQ Dubai Stock Exchange;
<b>"Offer"</b>	the offer as described in this Announcement and to be made by Boubyan Bank by way of a takeover offer as defined in Chapter 3 of Part 28 of the Companies Act to acquire the entire issued and to be issued ordinary share capital of BLME (other than the BLME Shares already held by Boubyan Bank (or its associates) and treasury shares) on the terms and subject to the Conditions set out in Appendix I to this Announcement and as set out in the Offer Document and the Form of Acceptance (and, where the context admits, any subsequent revision, variation, extension or renewal of such offer, including

	any revision, variation, extension or renewal of such offer);
<b>"Offer Document"</b>	the document to be sent to (among others) BLME Shareholders containing and setting out, amongst other things, the full terms and Conditions of the Offer;
<b>"Offer Period"</b>	the offer period (as defined by the Code) relating to BLME, which commenced on 1 December 2019;
<b>"Offer Price"</b>	the cash consideration of US\$1.05 per BLME Share;
<b>"Official List of Securities"</b>	a list of securities maintained by the DFSA in accordance with DIFC Law No. 1 of 2012 (the Markets Law);
<b>"Opening Position Disclosure"</b>	has the same meaning as in Rule 8 of the Code;
<b>"Overseas Shareholders"</b>	BLME Shareholders (or nominees of, or custodians or trustees for BLME Shareholders) not resident in, or nationals or citizens of, the United Kingdom, the DIFC, the United Arab Emirates, the Kingdom of Bahrain, Kuwait or Qatar;
<b>"Panel"</b>	the Panel on Takeovers and Mergers of the United Kingdom;
<b>"Peel Hunt"</b>	Peel Hunt LLP;
<b>"PRA"</b>	the Prudential Regulation Authority or its successor from time to time;
<b>"Registrar of Companies"</b>	the Registrar of Companies in England and Wales;
<b>"Regulatory Announcement Service"</b>	any service approved from time to time by the DFSA for the purposes of making market disclosure of information pursuant to Rule 4.7.1(c) of the MKT;
<b>"Regulatory Information Service"</b>	any information service authorised from time to time by the FCA for the purpose of disseminating regulatory announcements;
<b>"Relevant Securities"</b>	relevant securities (as defined in the Code);
<b>"Restricted Jurisdiction"</b>	any jurisdiction where, in the reasonable opinion of Boubyan Bank, local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure for Boubyan Bank if the Acquisition is made, or information concerning the Acquisition is sent or made available to BLME Shareholders in that jurisdiction;

<b>"Scheme"</b>	if (with the consent of the Panel, and following consultation with the DFSA) Boubyan Bank elects to effect the Acquisition by way of a scheme of arrangement under Part 26 of the Companies Act, the scheme of arrangement between BLME and the BLME Shareholders in relation to the acquisition by Boubyan Bank, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by BLME and Boubyan Bank;
<b>"Scheme Document"</b>	if Boubyan Bank elects to effect the Acquisition by means of a Scheme, the document to be sent to (among others) BLME Shareholders containing and setting out, amongst other things, the full terms and conditions of the Scheme and containing the notices convening the Court Meeting and general meeting of BLME Shareholders;
<b>"Significant Interest"</b>	in relation to an undertaking, a direct or indirect interest of 20 per cent. or more of the total voting rights conferred by the equity share capital (as defined in section 548 of the Companies Act) of such undertaking;
<b>"Subsidiary"</b>	Bank of London and the Middle East plc, incorporated in England and Wales with registered number 05897786;
<b>"TKO"</b>	the Takeover Rules Module of the DFSA Rulebook;
<b>"treasury shares"</b>	any shares held by a company as treasury shares;
<b>"UAE"</b>	the United Arab Emirates;
<b>"UK Business Day"</b>	a day (other than Saturdays, Sundays and public holidays in the UK) on which banks are open for business in the City of London;
<b>"United Kingdom" or "UK"</b>	the United Kingdom of Great Britain and Northern Ireland;
<b>"United States" or "US"</b>	the United States of America, its territories and possessions, any state of the United States of America, the District of Columbia and all other areas subject to its jurisdiction and any political sub-division thereof;
<b>"Wider BLME Group"</b>	BLME and the subsidiaries and subsidiary undertakings of BLME and associated undertakings (including any joint venture, partnership, firm or company in which any member of the BLME Group is interested or any undertaking in which BLME and such undertakings

(aggregating their interests) have a Significant Interest);  
and

**"Wider Boubyan Bank Group"**

Boubyan Bank and the subsidiaries and subsidiary undertakings of Boubyan Bank and associated undertakings (including any joint venture, partnership, firm or company in which any member of the Boubyan Bank Group is interested or any undertaking in which Boubyan Bank and such undertakings (aggregating their interests) have a Significant Interest).

For the purposes of this Announcement, "**subsidiary**", "**subsidiary undertaking**", "**undertaking**" and "**associated undertaking**" have the respective meanings given thereto by the Companies Act.

All references to "**dollar**", "**US dollar**", "**USD**", "**\$**", "**US\$**", "**cents**", "**cent**" and "**c**" are to the lawful currency of the United States.

All references to "**KDI**" are to the lawful currency of Kuwait.

All references to "**pounds**", "**pounds Sterling**", "**Sterling**", "**GBP**", "**£**", "**pence**", "**penny**" and "**p**" are to the lawful currency of the United Kingdom.

References to an enactment include references to that enactment as amended, replaced, consolidated or re-enacted by or under any other enactment before or after the date of this announcement.

All the times referred to in this Announcement are London times unless otherwise stated.

References to the singular include the plural and vice versa.