Al Salam Bank - Bahrain B.S.C.

Invitation to the Ordinary and Extraordinary General Assembly Meeting (1/2020)

مصرف السلام
Al Salam Bank
Bahrain البحرين

The Chairman of the Board of Directors of Al Salam Bank-Bahrain B.S.C (the "Bank") cordially invites the shareholders to attend the Bank's Ordinary and Extraordinary General Assembly Meeting, to be held on **Thursday, 19 March 2020**, at 10:00 a.m. and 11:00 a.m. respectively at Al Murjan Ballroom in Movenpick Hotel Bahrain, Kingdom of Bahrain. As per the requirements of the Commercial Companies Law, in the absence of a quorum on the first scheduled date, a second meeting will be scheduled on **Thursday, 26 March 2020** at the same venue and time; and in the absence of quorum on such second date a third meeting will be scheduled on **Sunday, 5 April 2020** at the same venue and time.

The Annual Ordinary General Assembly Meeting shall discuss the following Agenda:

1. To approve the minutes of the previous Annual General Meeting held on 20 March 2019.
2. To discuss and approve the Board of Directors' report on the Bank's activities for the year ended 31 December 2019.
3. To receive the Shari'a Supervisory Board's report for the year ended 31 December 2019.
4. To receive the external auditor's report on the consolidated financial statements of the Bank for the year ended 31 December 2019.
5. To discuss and approve the consolidated financial statements of the Bank for the year ended 31 December 2019.
6. To ratify and approve the operations and transactions carried out by the Bank during the year ended 31 December 2019 with any related parties or major shareholders of the Bank as presented in the notes (no. 30) to the consolidated financial statements.
7. To approve the recommendations of the Board of Directors with respect to the following appropriations of the net profit for the year ended 31 December 2019 (amounting to BD 21.1 million):
   a. Transfer of BD 2.109 million to statutory reserves.
   b. Distribution of 8% dividends of the paid-up share capital, equating to BD 17.727 million for the year ended 31 December 2019 to be equally distributed in cash dividends and bonus shares, to the Shareholders whose names are on the share register on 24 March 2020, as follows:
      i. 4% cash dividends equating to BD 8.863 million excluding treasury shares; and
      ii. 4% bonus shares equating to 88.634 million shares – i.e. (1 share for each 25 shares held).
      The dividends will be paid to the entitled Shareholders on 7 April 2020, the last day of trading with entitlement to dividend is 22 March 2020 and the first day of trading without entitlement to dividend is 23 March 2020.
   c. Transfer of the remaining balance of BD 1.258 million to retained earnings.
8. To approve the Board of Directors remuneration in the aggregate amount of BD 787 thousand for the year ended 31 December 2019, subject to the approval of the Ministry of Industry, Commerce and Tourism.
9. To present and discuss the Corporate Governance report for the year ended 31 December 2019, as required by the Central Bank of Bahrain
10. To absolve the Directors of the Board from liability for their actions as directors during the year ended 31 December 2019.
11. To appoint or reappoint the Shari'a Supervisory Board for the year ending 31 December 2020 and authorize the Board of Directors to determine their remuneration.
12. To appoint external auditors for the year ending 31 December 2020 and authorize the Board of Directors to determine their remuneration, subject to the approval of the Central Bank of Bahrain.
13. To discuss and approve any other matters that may arise as per Article 207 of the Commercial Companies' Law.

The Extraordinary General Assembly Meeting shall discuss the following Agenda:

1. To approve the previous minutes of Extraordinary General Meeting held on 20 March 2019.
2. To approve the amendment to Article 5 (Company's Capital) of the Memorandum and Articles of Association of the Bank to reflect the increase in the Bank's paid up share capital from BD 221,586,332 to BD 230,449,785 and issued shares from 2,215,863,320 shares to 2,304,497,853, resulted from the bonus shares of 88,634,533 shares as per the resolutions of the Annual General Meeting of the Bank on 19 March 2020.
3. To adopt an Amended and Restated Memorandum and Articles of Association for the Bank and to replace the Memorandum and Articles of Association of the Bank on incorporation and all amendments thereafter, to reflect items No. (2) above for amendment to Article 5 (Company's Capital), and to reflect the previsions of the Bahraini Commercial Companies Law and its amendments, and the Central Bank of Bahrain Law and its Implementation Regulations, subject to the approval of the Central Bank of Bahrain.
4. To authorize the Chairman of the Board of Directors, His Excellency Khaleefa Butti Bin Omair Bin Yousif Al Muhairi and/ or the Bank's Group Chief Executive Officer, Rafik Nayed and/ or Keypoint Business Services W.L.L. individually to sign the Amended and Restated Memorandum and Articles of Association of the Bank before the Notary Public in the Kingdom of Bahrain and submit the relevant documents related to the above mentioned resolutions to the concerned authorities.

Khaleefa Butti Bin Omair Al Muhairi
Chairman

Important notes to the shareholders:

1. Shareholders whose names are registered in the share register of the Bank on the date of the meeting are entitled to attend in person, or appoint in writing a proxy to attend the meeting and vote on behalf of such shareholder, provided such proxy is not a director or employee of the Bank (unless the proxy is a first degree relative of that shareholder).
2. For submission of proxy (**"Appointment Documents"**), the **"Submission Deadline"** shall mean receipt of the relevant documents by Al Salam Bank, 17th Floor, East Tower, World Trade Center, P.O. Box 18282, Manama, Kingdom of Bahrain, **no later than 24 hours before the scheduled meeting date.** Appointment Documents may be provided by hand delivery, post, or facsimile transmission (fax no.: +973 17131073) or by E-mail: investors@alsalambahrain.com provided the same are received prior to the Submission Deadline. Appointment Documents received after the Submission Deadline shall be invalid for the purposes of the meeting.
3. In the case of an institutional shareholder, the representative attending the meeting must submit the proxy signed by an authorized signatory of the relevant institutional shareholder. The proxy must be sealed by the institutional shareholder's stamp.
4. You can download the consolidated financial statements for the year ended 31 December 2019 and a copy of the proxy form from the Bank's website: www.alsalambahrain.com and Bahrain Bourse website: www.bahrainbourse.com
5. For any inquiry please contact the Investor Relations Department on: (+973) 17133399.