



# Invitation to Subscribe in the Capital Increase of The Commercial Bank (P.S.Q.C.)

The Board of Directors of the Commercial Bank (P.S.Q.C.) hereby invites its shareholders to subscribe to the new shares, by way of a rights issue, as approved by the Bank’s Extraordinary General Assembly meeting held on 16 November 2016. During the meeting, the Extraordinary General Assembly resolved to increase the issued share capital of the Bank form QAR3,266,292,100 to QAR 3,854,527,390 by way of offering 58,823,529 new ordinary shares for subscription to shareholders and holders of subscription rights in the proportion of 1 share for every 5.5 shares held (the **Rights Issue**) in accordance with the provisions of the Commercial Companies Law No (11) of 2015 and the Trading in Rights Issue Regulations (the **QFMA Regulations**) issued by the Qatar Financial Markets Authority (the **QFMA**).

Priority will be given to shareholders who are registered in the shareholders’ register with Qatar Central Securities Depository (QCSD) at close of trading on Thursday, 8 December 2016 and to Holders of Subscription Rights (as defined below). Shares will be offered at a price of (QAR 25.50) twenty-five Qatari Riyals and 50 Dirhams each (10 Qatari Riyals nominal value + 15.50 Qatari Riyals issue premium) according to the pricing mechanism set by Qatar Exchange and the competent authorities.

Trading Rights Issue will commence on Wednesday 14 December 2016 and end on Wednesday 28 December 2016.

Any person (natural or juristic) who has the right to subscribe to this Rights Issue under the QFMA Regulations (a **Holders of Subscription Rights**) is also entitled to subscribe for offered shares.

The subscription period for Shareholders and Holders of Subscription Rights will start on Sunday 8 January 2017 and shall end at 1:00pm on Sunday 22 January 2017 Doha local time.

General Information on the Bank

- Bank Name: The Commercial Bank (P.S.Q.C.)
- Head office: Doha, State of Qatar
- Listing Venue: Qatar Stock Exchange
- Current Capital: Three Billion Two Hundred and Sixty Six Million Two Hundred and Ninety Two Thousand and One Hundred Qatari Riyals (QAR3,266,292,100).
- Current Number of Shares: 326,629,210 shares
- Nominal Value of each Share: Ten Qatari Riyals (QAR10)
- Proposed capital increase: Five Hundred Eighty Eight Million Two Hundred Thirty Five Thousand Two Hundred and Ninety Qatari Riyals (QAR588,235,290)
- Purpose of capital increase: To increase the capital of the Bank to ensure compliance with the increasing capital adequacy ratio requirements of the QCB and to support the future growth of the Bank.
- Auditor: KPMG

## Details of Dividends Distributed in the Last Three Years:

Dividend paid for	2015	2014	2013
			QAR 000'
Cash	979,888	1,039,275	494,894
Bonus issue		296,936	494,892
	979,888	1,336,211	989,786
No. of shares 000'	326,629	296,936	247,446

# Terms and Conditions of this Prospectus (the Terms)

1. The number of new shares offered in the Rights Issue is 58,823,529 ordinary shares.

2. The share price is 25.50 Qatari Riyals each (10 Qatari Riyals nominal value + 15.50 Riyals issue premium).

3. Holders of Subscription Rights cannot reserve or pledge their subscription rights, or purchase their subscription rights through margin finance.

4. Shareholders will be those persons who are registered in the shareholders’ register with QCSD at the close of business on Thursday, 8 December 2016.

5. Shareholders cannot own more than 5% of the shares of the Bank with the exception of the Government of the State of Qatar, and any of its affiliated entities or institutions.

Trading Rights Issue

6. Trading of the right to subscribe to the shares of the Rights Issue will run from Wednesday 14 December 2016 and end on Wednesday 28 December 2016.

7. Subscription will start for Shareholders and Holders of Subscription Rights from Sunday 8 January 2017 and will close at 1:00 p.m. Doha Local Time on Sunday 22 January 2017.

8. Shareholders have the right to subscribe to any number of shares equivalent to (18.2%) of their existing shares (1 share for every 5.5 shares held). Shareholders may not request additional shares in addition to their aforementioned entitlement.

9. The right to subscribe shall be given to Holders of Subscription Rights as of the end of the trading of the right to subscribe to the shares of the Rights Issue period in accordance with paragraph 7 of these Terms.

Companies: an official extract of the commercial registration card and a copy of the Qatari ID card or passport of the authorised signatory and authenticated letter of authorisation from the company.

10. Holders of Subscription Rights: a copy of the documents proving their ownership of subscription rights.

11. The application forms and subscription amounts must be received by the Bank no later than 1:00 p.m. Doha Local Time Sunday, 22 January 2017 and applications received after this date will not be accepted.

12. The Bank has the right to reject wholly or partially any application in any of the following cases:

If the subscriber is not entitled to subscribe.

If the full value of the subscribed shares was not received by the closing date of subscription (including if the cheque or electronic transfer is rejected for any reason).

If multiple applications are received from the same subscriber, only the first application will be accepted.

If the application form is incomplete or incorrectly filled in.

If the identification documents or any of the required documents stated above in paragraph 12 of these Terms are not presented along with the application form.

If more than one debit instruction/fund transfer/cheque were submitted to pay a single subscription in respect of the same subscriber.

13. After submission of the subscription application to the Bank, the subscriber is not permitted to cancel their subscription to the Right Issue for any reason.
- Subscribing

14. Shareholders and Holders of Subscription Rights can authorise, by means of a written authorisation, another party to complete the subscription process on their behalf. An original copy of the written authorisation, together with the original copies of the Qatar ID cards of both the subscriber and the authorised party must be presented. The original application form must be signed by the subscriber.

15. Shareholders and Holders of Subscription Rights can subscribe to the Rights Issue by submitting a subscription application form along with the documents stated in paragraph 12 of these Terms, no later than 1:00 p.m. on Sunday 22 January 2017 Doha Local Time and subject to these Terms by any of the following means:

Applications can be submitted to any branch of the Bank in the State of Qatar. The Bank shall keep the original application form and return the stamped scanned copy to the subscriber. Applications shall not be accepted unless stamped by the Bank.

The application form is available on the Bank’s official website (www.cbq.qa) and Shareholders who are also customers of the Bank can subscribe online but are also required to submit an original copy of the application form either in person or by courier to: any branch of The Commercial Bank (P.S.Q.C.), Doha, Qatar.

16. Subscribers shall present the duly completed and signed original copy of the application form along with the following documents:

Individuals: a valid copy of their Qatari ID card or passport.

Minors: a valid copy of their Qatari ID card or passport or birth certificate indicating the personal number in addition to the Qatari ID card or passport of their guardian or trustee.
- Payment

17. Transferring funds via SWIFT to the benefit of The Commercial Bank (P.S.Q.C.) Rights Issue account for applied shares (to The Commercial Bank (P.S.Q.C.)

IBAN: QA90CBQA000000004014826205634

Swift: CBQAAQAQ

A. The remittance information in the SWIFT message(MT103) field (70) has to be populated with the following details:

Shareholder number (NIN).

Name of the shareholder.

Numbers of shares applied for.

To charge code in (field 71 A) from the SWIFT message (MT 103) shall be “OUR” (all transaction charges are to be borne by the applicant).

B. If funds are transferred through any other electronic channels such as (QATCH) please ensure that the details and conditions required for a SWIFT message as set out above are included with a remittance code of 12/SECU.

C. Any bank fees should be paid for separately by the subscriber and the amount remitted to the Bank should be equal to the exact value of the shares subscribed for.

D. Any transfer of funds received without full details of the subscriber will be returned to the remitting bank.

18. Restrictions on payment method:

A cheque may only be drawn on a local bank in Qatar on the date of submission.

Funds transferred must be received by the Bank no later than 1:00 p.m. Doha Local Time on Sunday, 22 January 2017.
- Share Allotment

19. Fractions of shares shall not be considered within the subscriber’s stake of shares; the subscriber’s stake of shares shall be a whole number, after omission of any resulting fractions. The Bank reserves the right to decide upon the allotment of any fractional shares.

20. If any subscriber subscribes for their pro rata entitlement or less, they shall be allotted all the number of shares that they subscribed for and paid.

21. Issued shares will be allocated to subscribers in accordance with the abovementioned item No. (19), but the Bank must receive the subscription applications and subscription funds in full on the specific dates.

22. In case the capital increase is not fully subscribed for by Shareholders or Holders of Subscription Rights, the QFMA Regulations shall be applied, without prejudice to the terms of the Commercial Companies Law No. (11) of 2015.
- Refund

23. The Shareholders and the Holders of Subscription Rights acknowledge and agree:

that the Bank shall not be responsible for any error in the data input by the subscriber or any malfunction in the operation of an electronic device; and

that all of the information and details entered on a subscription form are true and correct.
- Note

These Terms are subject to and shall be interpreted in accordance with the laws of the State of Qatar and the Qatar Courts shall have exclusive jurisdiction to hear disputes that may arise under these Terms. The Arabic language is the official language of this prospectus, and in the event of any contradiction between the Arabic and the English version, the Arabic version shall prevail. For more information, please call the Bank at Tel: (44495444), valid shareholders are kindly requested to verify their mailing address registered at the QCSD.
- Abdulla bin Ali bin Jabor Al Thani  
Chairman
- Yacoub Hobeika  
External Auditor : KPMG  
(Qatar Auditor’s Registry No. 289)