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SUPPLEMENTARY PROSPECTUS

Pursuant to the Green Shoe Option, Issue of 20,000,000 Perpetual Additional Tier I Capital Instrument (Bonds) on a Private Placement basis, at a price of RO 1.000 per Bond

Subscription Period

SUBSCRIPTION OPENING DATE: 12 JUNE 2019

SUBSCRIPTION CLOSING DATE: 12 JUNE 2019

ISSUE MANAGER



**Investment Banking Division
Ahli Bank SAOG**

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Legal Advisor



**Said Al Shahry & Partners (SASLO),
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Registrar, Transfer Agent and Trustee



Muscat Clearing and Depository Co. SAOC
PO Box 952, PC 112, Ruwi, Sultanate of Oman
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COLLECTING BANK



This supplement prospectus ("Supplement") has been prepared in accordance with the applicable guidelines stipulated by the Capital Market Authority of Sultanate of Oman. This is an unofficial English version of the original Supplement prepared in Arabic and approved by the Capital Market Authority pursuant to Administrative Order No. خ/47/2019 dated **11 June 2019**. In the event of any conflict between the Arabic version and the English version, the Arabic version will prevail. This is a supplement to the base prospectus prepared in Arabic and approved by the Capital Market Authority pursuant to the Administrative Order No. خ/82/2018 dated **18 November 2018**. The Capital Market Authority (CMA) assumes no responsibility for the accuracy and adequacy of the statements and information contained in this Supplement nor shall it have any liability for any damage or loss resulting from the reliance upon or use of any part of the same by any person.

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SUPPLEMENTARY PROSPECTUS DATE [11 JUNE 2019]

Exercise of Green Shoe Option to issue and allot up to 20,000,000 additional Bonds

Opening **Date: 12 JUNE 2019**

Closing **Date : 12 JUNE 2019**

This supplement (the "**Supplement**") and its sections as set out below, each forms part of and is to be read in conjunction with, the base prospectus dated **18 November 2018** approved by the Capital Market Authority pursuant to the **Administrative Order No. ٤/82/2018** (the "**Prospectus**") in relation to Ahli Bank SAOG (in its capacity as the issuer) for the issuance of 54,000,000 perpetual additional tier 1 bonds with a green shoe option of an additional 20,000,000 bonds on a private placement basis.

This Supplement is made in connection with the exercise of, and the issuance of 20,000,000 additional bonds by the Issuer pursuant to, the green shoe option (the "**Green Shoe Option**") as set forth in the Prospectus.

This Supplement is supplemental to, and should be read in conjunction with, the Prospectus, and the documents incorporated by reference therein. Capitalised terms used in this Supplement but not defined herein shall have the meaning ascribed to them in the Prospectus.

The aggregate face amount of the Bonds will not exceed OMR 20,000,000 (the "**Offer Size**"). The Bonds are issued by Ahli Bank SAOG and will constitute direct, unsecured, unconditional and subordinated obligations of the Issuer as described in Condition 5.1 (*Status and Subordination*) of the Prospectus.

The amount of interest payable in respect of the Bonds (subject to Condition 5.3 (*Interest Restrictions*) and Conditions 5.4 (*Payments*) of the Prospectus) will be at the applicable Interest Rate from and including **13 June 2019** (the "**Issue Date**") to (but excluding) the First Call Date at a rate of [7.50%] (the "**Initial Interest Rate**") on the outstanding principal amount of the Bonds in accordance with Condition 5.2 (*Interest*) of the Prospectus. The rate of interest will reset on the First Call Date and on each fifth anniversary thereafter.

Payment on the Bonds will be made subject to any applicable laws, regulations and directives in place of payment assessed by the Sultanate of Oman or any authority therein or thereof having power to tax to the extent described under Condition 5.7 (*Taxation*) of the Prospectus.

The Bonds are perpetual obligations and have no fixed or final redemption or maturity date. The Issuer is not required to make any payment upon a Non-Payment Event or if the Issuer makes a Non-Payment Election under Condition 5.3 (*Interest Restrictions*) of the Prospectus. The Issuer may, subject to the prior written consent of the Central Bank of Oman and subject to Condition 5.4.4 (*Redemption*), redeem the Bonds in whole, but not in part on any date on or after the Issue Date, whether or not an Interest Payment Date, following the occurrence of a Capital Event or a Tax Event (each term defined in Condition 5.5 (*Write-down at the point of viability*)).

Please refer to the Prospectus under the sections entitled "Risk Factors Relating to The Bonds".

Application will be made to the Muscat Securities Market ("**MSM**") for listing and trading on the Bond and Sukuk Market of the MSM.

The Bonds will be issued in a dematerialized form and Muscat Clearing and Depository Company SAOC ("**MCDC**") will act as the Registrar to the Bonds and maintain a register setting out the names and address of the Bondholders and the number of Bonds held by them respectively.

The offer price shall be RO 1,000 per Bond and the minimum subscription amount for each Applicant shall be 100,000 bonds ("**Minimum Subscription**").

It is expected that, at the time of issue, the Bonds will be rated "BBB-" by Capital Intelligence Ratings Ltd (Rating date: 21 Feb 2019) and "BB+" by Fitch Ratings Inc (Rating date: 17 Jan 2018). A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time.

DEFINITIONS AND ABBREVIATIONS

- (a) Unless otherwise defined in this Supplement, capitalised terms used or referred in this Supplement shall have the meaning ascribed to them in the Prospectus.
- (b) The principles of construction (Interpretations) set out in the Prospectus shall effect as if set out in this Supplement.

Applicants	A person or entity who applies for the subscription of the Bonds pursuant to the terms of this Supplement and the Prospectus.
Call Date and First Call Date	<p>The First Call Date and every Interest Payment Date thereafter. Any Call will be exercised solely at the discretion of the Bank only after a minimum of 5 years from the Issue Date and only with the prior written approval of the CBO</p> <p>The First Call Date is 13 June 2024.</p>
Interest Payment Date	13 June and 13 December in each year, starting on 13 December 2019 (the next Business Day if either of the above two dates fall on a holiday).
Issue	<p>Issue of up to 20 million additional bonds on a private placement basis, at a price of RO 1.000 per Bond, pursuant to the Green Shoe Option as set forth in the Prospectus.</p> <p>This will be the continuation of our existing issuance of 54 million bonds completed on 17th December 2018 (out of total initial approved issue of up to 75 million).</p>
Issue Date	13 June 2019, the date of approval of the allotment of the Bonds by the CMA.
Issue Price	RO 1.000 per Bond.
Prospectus	<p>The Prospectus approved by the Capital Market Authority pursuant to the Administrative Order No. H/82/2018 dated 18 November 2018, for an aggregated amount of RO 75 million</p> <p>In its first issuance, 54 million bonds were completed on 17 December 2018 (out of total initial approved issue of up to 75 million).</p>

The Relevant Margin is shown in the following table against the tenor that is equal to the Reset Reference Tenor.

Relevant Margin

Tenor (years)	Applicable Margin
Five (5)	2.50%
Six (6)	2.25%
Seven (7)	2.00%

Supplement

This supplement prospectus is made in connection with the exercise of, and the issuance of 20,000,000 additional bonds by the Issuer pursuant to, the Green Shoe Option as set forth in the Prospectus as approved by the Capital Market Authority pursuant to the Administrative Order No. H/82/2018 dated 18 November 2018, for an aggregated amount of RO 75 million

In its first issuance, 54 million bonds were completed on 17 December 2018 (out of total initial approved issue of up to 75 million).

Terms

The terms and conditions of the issue of Bonds as set out in this Supplement.

SECTION 1- KEY TERMS OF THE ISSUE

Terms used herein shall be deemed to be defined as such for the purposes of Conditions set forth in the Prospectus dated 18 November 2018. This document constitutes the terms and conditions of the Bonds described herein ("**Terms**") and must be read in conjunction with the Prospectus.

Full information on the Issuer and the offer of the Bonds is only available on the basis of the combination of these Terms and the Prospectus.

(This is only a summary, please read the Prospectus in full before taking any investment decision)

Issuer	Ahli Bank SAOG ("the Bank")
Commercial Registration No.	1558560
Registered Office	PO Box 545, PC 116, Mina Al Fahal, Oman
Bank's Duration	Unlimited
Authorised Share Capital	RO 250 million divided into 2,500,000,000 Shares
Issued & Paid-up Capital	RO 157,110,235 divided into 1,571,102,349 Shares
Initial Interest Rate	7.5% per annum
Credit Rating of Issuer	Long term rating - Fitch: BB+ (Negative outlook) Capital Intelligence: BBB- (Stable outlook)
Instrument offered	Perpetual Subordinated Bonds - Additional Tier 1 Capital Instruments
Issue route	Private Placement as per CMA regulations
Size of the offer	Issue of up to 20 million additional bonds on a private placement basis, at a price of RO 1.000 per Bond This will be the continuation of our existing issuance of 54 million bonds completed on 17 th December 2018 (out of total initial approved issue of up to 75 million)
Denomination	Omani Rial (RO)
Nominal value	RO 1.000 per Bond
Offer price	RO 1.000 per Bond, comprising nominal value of RO 1.000, payable in full at the time of subscription.
Subscription Opening Date	12 June 2019
Subscription Closing Date	12 June 2019
Minimum and Maximum Subscription	Minimum Subscription - 100,000 bonds Maximum Subscription - 20,000,000 bonds
Eligible Applicants	The Bonds are offered on a private placement basis to select investors. In line with the regulations of the CBO, local banks are prohibited from investing in the Bonds. Neither the Bank nor a related entity over which it exercises control or significant influence can directly or indirectly purchase and own the Bonds, nor can the Bank directly or indirectly finance the ownership and purchase of the Bonds.

Issue Date and Allotment	<p>The Issue Date is 13 June 2019.</p> <p>The Bonds will be allotted on the Issue Date. Validity of the allotment shall be subject to the approval of all relevant authorities.</p> <p>If any investor(s) withdraws or does not subscribe to the full amount, the Board of Directors of the Bank shall allocate the unsubscribed Bonds to one or more of the other investors subject to their maximum bonds commitment.</p> <p>In the event the Bond Issue is not subscribed in full by the proposed Investors the Board of Directors may accept subscription only to the extent it is subscribed and accordingly the Bond issue size will be reduced.</p>
Refund of excess application money	<p>The refund of excess application amounts, if any, shall be made to the respective bank accounts of Applicants within fifteen (15) Business Days of the issue closure.</p>
Use of Proceeds	<p>To increase Bank's Additional Tier 1 Capital for the purpose of increasing its capital adequacy and for the general corporate purposes.</p>
Status of the Bonds	<p>The payment obligations of the Bank under the Bonds will:</p> <ul style="list-style-type: none"> a) constitute Tier 1 Capital of the Bank; b) constitute direct, unsecured, unconditional and subordinated obligations of the Bank that rank <i>pari passu</i> inter se the Bonds; c) rank subordinated to the claims of the Bank's depositors and general creditors and the holders of other subordinated debt / sukuk of the Bank; d) rank <i>pari passu</i> with Pari Passu Obligations and other perpetual subordinated bonds (Additional Tier 1 Capital Instruments); and e) rank in priority only to claims of the holders of Ordinary Shares and other Junior Obligations of the Bank. <p>The Bonds are not redeemable at the holder's initiative or without the written consent of CBO.</p> <p>The Bonds are not secured nor covered by a guarantee of the Bank or a related entity or other arrangement legally or economically enhancing the seniority of the claim vis-à-vis depositors, general creditors and holders of other subordinated debt of the Bank to which the obligations rank junior.</p> <p>Neither the Bank nor a related entity can directly or indirectly purchase and own the Bonds, nor can the Bank directly or indirectly finance the ownership and purchase of the Bonds.</p> <p>The Bonds are ranked in the manner described in Condition 5.1 of the Prospectus and these Terms.</p>
Interest Rate	<p>The interest rate on the Bond will be the Initial Interest Rate in respect of the period from the Issue Date to the First Call Date, and, in respect of each Reset Period thereafter, at the Reset Interest Rate.</p>
Interest Payment Date	<p>13 June and 13 December in each year, starting on 13 December 2019 (the next Business Day if it fall on a holiday).</p>
Reset Interest Rate	<p>The Interest Rate will be reset on the First Call Date and every fifth anniversary thereafter.</p>

	<p>Each Reset Interest Rate will be the aggregate of the Reset Reference Rate on the Determination Date as determined by the Bank and the Relevant Margin.</p> <p>The Reset Reference Rate is the average yield at which allotment is made (in case of GDB) or the yield to maturity / first call, calculated at the announced issue price (in case of Omani Rial sovereign debt issue) for the Reset Reference Bond.</p> <p>The Reset Reference Bond is the most recent Omani Rial GDB issued through auction or any other Omani Rial sovereign debt issued through auction or otherwise, in the immediate twelve (12) months preceding each Determination Date.</p> <p>The Reset Reference Tenor is the length of time in years, until the maturity date or First Call Date of the Reset Reference Bond.</p>
<p>Interest Restriction</p>	<p>If the Bank makes a Non-Payment Election or a Non-Payment Event occurs, the Bank shall not pay the corresponding Interest Amounts on the relevant Interest Payment Date and the Bank shall not have any obligation to make any subsequent payment in respect of any unpaid Interest Amount. In such circumstances, interest will not be cumulative and any interest which is not paid will not accumulate or compound and holders of the Bonds will have no right to receive such interest at any time, even if interest is paid on future interest payment date. It is further clarified that such non-payment of Interest Amounts by the Bank shall not constitute an event of default.</p> <p>Non-Payment Election: The Bank may in its sole discretion elect that Interest Amounts shall not be paid to holders of the Bonds on any Interest Payment Date (each a "Non-Payment Election"). For the avoidance of doubt, the Bank will have the right to otherwise use any Interest Amounts not paid to holders of the Bonds and such non-payment will not impose any restriction on the Bank other than as set out in Dividend and Redemption Restrictions.</p> <p>Non-Payment Event: If any of the following events occurs (each, a "Non-Payment Event"), Interest Amounts shall not be paid on any Interest Payment Date:</p> <ul style="list-style-type: none"> a) the interest amount payable, when aggregated with any distributions or amounts payable by the Bank on any Pari Passu Obligations, having the same dates in respect of payment of such distributions or amounts as, or otherwise due and payable on, the dates for payment of Interest Amounts, would exceed, on the relevant date for payment of such Interest Amounts, the Distributable Items; b) the Bank is, on that Interest Payment Date, in breach of the Applicable Regulatory Capital Requirements (including any payment restrictions due to a breach of capital buffers imposed on the Bank by the CBO) or payment of the relevant Interest Amount would cause it to be in breach thereof; or c) the CBO requires that the Interest Amount due on that Interest Payment Date shall not be paid. <p>Condition 5.3 (<i>Interest Restriction</i>) of the Prospectus will be applicable.</p>

<p>Dividend and Redemption Restriction</p>	<p>If any Interest Amount is not paid as a consequence of a Non-Payment Event or a Non-Payment Election (as the case may be), then, from the date of such Non-Payment Event or Non-Payment Election (the "Dividend Stopper Date"), the Bank will not, so long as any of the Bonds are outstanding:</p> <ul style="list-style-type: none"> a) declare or pay any distribution or dividend or make any other payment on, and will procure that no distribution or dividend or other payment is made on, the Ordinary Shares of the Bank (other than to the extent that any such distribution, dividend or other payment is declared before such Dividend Stopper Date); or b) pay interest, profit or any other distribution on any of its Other Common Equity Tier 1 Instruments or securities, ranking, as to the right of payment of dividend, distributions or similar payments, junior to or <i>pari passu</i> with the obligations (excluding securities the terms of which do not at the relevant time enable the Bank to defer or otherwise not to make such payment), only to the extent such restriction on payment or distribution is permitted under the Applicable Regulatory Capital Requirements; c) directly or indirectly redeem, purchase, cancel, reduce or otherwise acquire Ordinary Shares; or d) directly or indirectly redeem, purchase, cancel, reduce or otherwise acquire Other Common Equity Tier 1 Instruments or any securities issued by the Bank ranking, as to the right of repayment of capital, junior to or <i>pari passu</i> with the obligations (excluding securities the terms of which stipulate a mandatory redemption or conversion into equity), only to the extent such restriction on redemption, purchase, cancellation, reduction or acquisition is permitted under the Applicable Regulatory Capital Requirements, in each case unless or until one Interest Amount following the Dividend Stopper Date has been paid in full. <p>Condition 5.3.4 (<i>Dividend and Redemption Restriction</i>) of the Prospectus will be applicable.</p>
<p>Maturity/ Redemption of the Bonds</p>	<p>The Bonds are perpetual subordinated securities in respect of which there is no fixed or final redemption date or maturity date. Further, the Bonds do not have any step-up features or other incentives for the Bank to redeem the Bonds.</p> <p>The Bonds may be redeemed in whole but not in part, or the terms thereof may be varied by the Bank only in accordance with the provisions as set out below.</p> <p>In addition, on any date on or after the Issue Date, upon the occurrence of a Force Majeure event, all but not some, of the Bonds may be redeemed or the terms of the Bonds may be varied, in accordance with the "Variation" condition below.</p> <p>The redemption of the Bonds or variation of the conditions is subject to the following conditions:</p> <ul style="list-style-type: none"> a) the prior written consent of the CBO; and b) the requirement that, at the time when the relevant notice of redemption or variation is given and immediately following such redemption or variation (as applicable), the Bank is or will be (as the case may be) in compliance with the Applicable Regulatory Capital Requirements (in the case of (i) and (ii) above, except to the extent that the CBO no longer so requires). <p>Any repayment of principal shall be with the prior approval of CBO and the Bank shall not assume or create market expectations that the said approval will be given.</p> <p>Condition 5.4.4 (<i>Redemption</i>) of the Prospectus will be applicable.</p>

<p>Call Option</p>	<p>The Bank may, at the end of five years and every Interest Payment Date thereafter (each the "Call Date"), redeem all, but not some, of the Bonds at the nominal value, subject to the prior written approval of CBO. For the avoidance of doubt, the Bank shall not do anything which creates an expectation that the Bank's call option will be exercised.</p> <p>Furthermore, the Bank may redeem the Bonds on the Call Date(s) only when the called Bonds are replaced with capital of the same or better quality or the Bank demonstrates to the satisfaction of CBO that its capital position is and can be sustained above the capital adequacy and capital buffer requirements after the redemption of the Bonds.</p> <p>Condition 5.4.4(b) (<i>Bank's Call Option</i>) of the Prospectus will be applicable.</p>
<p>Variation</p>	<p>On any date on or after the Issue Date, upon the occurrence of a Tax Event or a Capital Event, all but not some, of the Bonds may be redeemed at nominal value or the terms of the Bonds may be varied.</p> <p>Capital Event is deemed to have occurred if the Bank is notified in writing by the CBO to the effect that the outstanding principal amount (or the amount that qualifies as regulatory capital, if some amount of the Bonds is held by the Bank or whose purchase is funded by the Bank) of the Bonds would cease to qualify, in part or full, for inclusion in the consolidated Tier 1 Capital of the Bank.</p> <p>Tax Event means on the occasion of the next payment due under the Bonds, the Bank has or will become obliged to pay additional amounts of tax, over and above the current withholding tax rate of 10%, if applicable (whether or not a Non-Payment Event has occurred or a Non-Payment Election has been made), as a result of any change in, or amendment to or interpretation of, the laws, published practice or regulations of Oman or any change in the application or interpretation of such laws or regulations, and such requirement cannot be avoided by the Bank taking reasonable measures available to it.</p> <p>Condition 5.5.3 (<i>Force Majeure</i>) of the Prospectus will be applicable.</p>
<p>Write Down (Non-Viability Event)</p>	<p>If a Non-Viability Event occurs, a write-down shall occur on the relevant Non-Viability Event Write-down Date (as defined).</p> <p>In such circumstances, the rights of the holders of the Bonds to payment of any amounts under or in respect of the Bonds shall, as the case may be, be cancelled or written-down permanently pro rata among the holders of the Bonds.</p> <p>A Non-Viability Event means that upon the occurrence of a trigger event, which is the earlier of</p> <ul style="list-style-type: none"> a) the CBO having notified the Bank in writing that it has determined that the Bank is, or will become, Non-Viable without a write-down; or b) a decision having been taken to make a public sector injection of capital or equivalent support, without which the Bank is, or will become Non-Viable, the Bonds shall be permanently written down

	<p>in whole or in part, as determined by the Bank in conjunction with the CBO in accordance with the capital regulations.</p> <p>For the avoidance of doubt, where the CBO has determined that a public sector injection of capital (or equivalent support) is required, the write-down will be full and permanent, and shall occur prior to any public sector injection of such capital or equivalent support.</p> <p>Non-Viable in respect of the Bank means:</p> <ul style="list-style-type: none"> a) insolvent, bankrupt, unable to pay a material part of its obligations as they fall due or unable to carry on its business; or b) any other event or circumstance which is specified as constituting non-viability by the CBO as is set out in the applicable banking regulations. <p>A write-down shall not constitute an Event of Default.</p> <p>Condition 5.5 (<i>Write-down at the point of Non-Viability</i>) of the Prospectus will be applicable.</p>
Form of the Bonds	The Bonds will be issued in dematerialised form and MCD will act as the Registrar to the Bonds and maintain a register setting out the names and addresses of the Bondholders and the number of Bonds held by them respectively. The administration of registration of transfers of Bonds shall also be maintained by MCD.
Listing of Bonds	Bonds shall be listed at the Muscat Securities Market (MSM).
Registrar, Transfer Agent and Trustee	Muscat Clearing and Depository Company SAOC (MCD) PO Box 952, PC 112, Ruwi, Oman Tel: +968 24822222, Fax: +968 24817491
Issue Manager	Ahli Bank SAOG - Investment Banking Department PO Box 545, PC 116, Mina Al Fahal, Oman Tel: +968 24577887, Fax: +968 24562120
Collecting Bank	Ahli Bank SAOG PO Box 545, PC 116, Mina Al Fahal, Oman Tel: +968 24577000, Fax: +968 24568001
Legal Advisor to the Issue	Said Al Shahry & Partners (SASLO), Advocates & Legal Consultants PO Box 1288, PC 112, Ruwi, Oman Tel: +968 24636999, Fax: +968 24636900
Statutory Auditors to the Issuer	Grant Thornton PO Box 57, PC 118, Muscat, Oman Tel: +968 24571320
Announcements	No party may make a press release, announcement or public statement about the issuance of the Bonds ("Issue") except with the consent of the other parties or as required by law or an applicable stock exchange.
Confidential Information	<p>No party shall disclose the confidential information of another party (which includes the information provided as part of the due diligence investigations and the Issue) to any other person or entity except:</p> <ul style="list-style-type: none"> a) with the consent of the party whose confidential information it is; b) as required by law or an applicable stock exchange; or c) to its professional advisers and employees for the purpose of due diligence, on the basis that they keep the information confidential.

Governing Law and Jurisdiction	<p>This Issue as well as the Bonds and any non-contractual obligations arising out of or in connection with the Bonds are governed by the laws of Oman and the parties hereby irrevocably submit to the exclusive jurisdiction of the Omani courts.</p>
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Purpose of the Terms

These Terms comprise of the terms and conditions required for the issue and admission of trading on the Bond and Sukuk Market of the MSM described herein of the issuance of up to RO 20,000,000 (Twenty million) additional bonds on a private placement basis.

Authorization of the issue

- The issue of the Bonds was authorized by the Shareholders of the Issuer at an extraordinary general meeting held on 26 June 2018.
- The issue of the Bonds was authorized by the Board of Directors at the Board of Directors Meeting held on 25 July 2018.
- The Central Bank of Oman's in-principle approval vide their letter ref. BSD/2019/BKUP/Ahli/189 dated 14 April 2019.
- The CMA has approved the issue and Prospectus vide its Administrative Decision No. H/82/2018 dated 18 November 2018, and the supplement prospectus was approved vide its Administrative Decision No. **H/47/2019** dated 11 June 2019.

SECTION 2 - TERMS OF THE BONDS

TERMS OF THE BONDS

1. The Issue

The Bonds will be issued by the Bank which is incorporated and registered as a Company in the Commercial Register maintained by the MOCI (C.R. No 1558560) and as a commercial bank in Oman. The Issue is governed and has been made pursuant to the Articles of the Bank and the Laws of Oman. Full information of the offer of the Bonds is only available on the basis of the combination of these Terms and the Prospectus.

(a) Nominal Value & Issue Price

Each Bond shall have a nominal value of RO 1.000 (Rial Omani One) and an Issue Price of RO 1.000 (Rial Omani One).

(b) Allotment and issue of Bonds

The allotment of Bonds will be made after the closing of subscription. Validity of the allotment shall be subject to the approval of all relevant authorities.

2. INTEREST

2.1 Initial Interest Rate

Subject to Condition 5.2 (*Interest*) and 5.3 (*Interest Restrictions*) of the Prospectus, the Bonds bear interest from (and including) the Issue Date to (but excluding) the First Call Date at a rate of 7.50 percent per annum (the "*Initial Interest Rate*") on the outstanding principal amount of the Bonds in accordance with the provisions of this Condition 5.2 of the Prospectus. The Interest Amount payable on each Interest Payment Date during the Initial Period shall be RO 37.5 per RO 1,000 in principal amount of the Bonds based on the six-month period from the Issue Date till the first Interest Payment Date on 13 December 2019 (the next Business Day if either the date fall on a holiday).

2.2 Interest Rate following the Initial Period (Reset)

Interest Rate of the Bonds will reset on the First Call Date and every fifth anniversary thereafter.

For the purpose of calculating payments of interest after the First Call Date, the interest rate will reset on each Interest Reset Date on the basis of the aggregate of the Reset Reference Rate and the Relevant Margin on the Determination Date, as determined by the Bank. For the avoidance of doubt, the reset shall apply to the Reset Reference Rate and not to the Relevant Margin.

The Relevant Margin is the amount shown in the table against the tenor that is equal to the Reset Reference Tenor. This is highlighted in the table below:

Tenor (years)	Applicable Margin
Five (5)	2.50%
Six (6)	2.25%
Seven (7)	2.00%

The Reset Reference Tenor is the length of time in years, until the maturity date or first call date of the Reset Reference Bond. The Reset Reference Bond is the most recent Omani Rial GDB issued through auction or any other Omani Rial sovereign debt issued through auction or otherwise, in the immediate twelve (12) months preceding each Determination Date.

The Reset Reference Rate is the average yield at which allotment is made (in case of GDB) or the yield to maturity / first call, calculated at the announced issue price (in case of Omani Rial sovereign debt issue) for the Reset Reference Bond.

In the event no Reset Reference Bond is available on account of no auction issue or bond issue in the immediate twelve (12) month period preceding any Determination Date, or there is no tenor matching the Reset Reference Tenor, then the existing Interest Rate will continue until the next Interest Reset Date.

The hypothetical scenario of Condition 5.2.2 of the Prospectus will be applicable to illustrate the calculation.

3 PAYMENTS

3. 1 INTEREST PAYMENT DATE

Interest payment will be made semi-annually, till the bonds are redeemed by the Issuer, by transfer to the Bondholder's bank account, as registered with MCD and provided to the Bank by MCD, on 13 June and 13 December in each year, starting on 13 December 2019. (the next Business Day if either of the dates fall on a holiday).

3.2 PAYMENTS SUBJECT TO LAWS

All payments are subject in all cases to: any applicable laws, regulations and directives in the place of payment, but without prejudice to the provisions of Condition 5.7 (*Taxation*) of the Prospectus; and any withholding or deduction required by the tax rules/ regulations and/ or the Laws of Oman.

4. SUBSCRIPTION PERIOD

The issue shall open for subscription on 12 June 2019 and shall close on 12 June 2019 with the end of the official business hours of the Collecting Bank.

5. PURPOSE OF THE ISSUE AND ISSUE EXPENSES

5.1 Purpose of the Issue and Use of Proceeds

To increase Bank's capital adequacy and for the general corporate purposes.

5.2 Estimated Issue Expenses

The details of the issue expenses estimates are given below:

Details	Expense (RO)
CMA Fee	2,000
MCD Fee	40,000
Marketing and translation expense	1,000
Issue Management Fee, Legal and audit fees	15,000
Contingency	2,000
Total estimated issue expenses	60,000

The issue expenses will be borne by the Issuer.

SECTION 3 – FINANCIAL HIGHLIGHTS

3.1 Financial Highlights

The summarized financial performance of the Bank (as per annual audited financial statements) for the past three years based on Section 8 (*Financial Highlights*), page 56 of the Prospectus is supplemented as below:

The complete financial statements are available on the Bank's website:

<http://ahlibank.om/investor-relations/financial-reports/> and on www.msm.gov.om.

Select Balance sheet data

In RO '000	31-Dec-18	31-Dec-17	31-Dec-16
Cash and balances with the Central Bank	153,406	116,628	140,343
Deposits and balances due from banks	24,027	16,569	30,772
Net loans and advances	1,870,677	1,634,458	1,522,106
Investment in securities	214,049	216,741	176,643
Other assets	28,231	30,186	29,790
Total assets	2,290,390	2,014,582	1,899,654
Due to banks	146,777	133,565	232,278
Customer Deposits	1,661,645	1,450,851	1,271,026
Share Capital	149,629	142,504	142,504
Total shareholders' funds(Including Tier 1 capital)	358,980	304,827	242,948
Book value per share (Baizas)	170.0	178.8	170.5

Income Statement

In RO '000	For the financial year ended		
	31-Dec-18	31-Dec-17	31-Dec-16
Net interest income	44,750	38,011	37,697
Net income from Islamic Financing and investments	7,304	6,588	7,035
Other operating income	10,099	10,360	8,840
Operating income	62,153	54,959	53,572
Impairment of loans and financing, net of recoveries & available for sale investments	(5,108)	(4,140)	(728)
Operating expenses	(21,869)	(19,421)	(19,216)
Profit before tax	33,793	31,398	33,628
Tax expense	(5,007)	(4,731)	(4,076)
Net profit	28,786	26,667	29,552
Earnings per share (Baizas)	19.0	18.7	20.7

Statement of Cash Flows

	2018 RO '000	2017 RO '000	2016 RO '000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year before taxation	33,793	31,398	33,628
Adjustments for:			
Depreciation	1,383	1,328	1,294
Loans and financing impairment, net of recoveries	5,108	3,571	152
Impairment on available for sale investments		569	576
End of service benefits provision	96	114	117
Loss on sale of property and equipment	-	8	-
(Gain) / loss on sale of investment	124	(554)	(53)
Operating profit before working capital changes	40,504	36,434	35,714
Decrease in due from banks	19,488	-	-
End of service benefits paid	(41)	(168)	(75)
Increase in loans & advances and financing	(246,749)	(115,923)	(4,206)
Net investment in held for trading investments	134,017	(48,732)	(30,268)
Decrease in due to banks	-	-	-
Decrease / (Increase) in other assets	2,742	(573)	5,288
(Decrease) / Increase in customers' deposits	210,794	179,825	(29,811)
(Decrease) / Increase in other liabilities	3,066	3,586	(2,243)
Cash (used in) / from operations	163,821	54,449	(25,601)
Tax paid	(4,704)	(4,026)	(2,834)
Net cash (used in) / from operating activities	159,117	50,423	(28,435)
CASH FLOWS FROM INVESTING ACTIVITIES			
(Increase) / Decrease in investment, net (excluding held for trading investments)	(135,312)	(22,719)	(5,451)
Purchase of property and equipment	(2,170)	(1,159)	(570)
Proceeds from sale of property and equipment	-	-	-
Net cash used in investing activities	(137,482)	(23,878)	(6,021)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase / (Decrease) in borrowed funds	(5,775)	7,700	1,925
Repayment of subordinated debt	-	(40,000)	-
Dividends paid	(14,250)	(14,250)	(14,250)
Proceeds from Tier 1 perpetual subordinated bond	54,000	50,000	-
Net cash (used in) / from financing activities	30,225	3,450	(12,325)
NET CHANGE IN CASH AND CASH EQUIVALENTS	51,860	29,995	(46,781)
Cash and cash equivalents at 1 January	83,807	53,812	100,593
CASH AND CASH EQUIVALENTS AT 31 DECEMBER (Refer below)	135,667	83,807	53,812
CASH AND CASH EQUIVALENTS COMPRISE OF THE FOLLOWING			
Cash and balances with Central Bank of Oman	152,881	116,103	139,818
Due from banks	24,027	16,569	30,772
Treasury bills with three months maturity	47,548	46,200	77,000
Due to banks	(88,789)	(95,065)	(193,778)
Cash and cash equivalents	135,667	83,807	53,812

Statement of Changes In Equity For The Year Ended 31 December 2018

Amounts in RO '000	Share capital	Legal reserve	General loan loss reserve	Subordinated debt reserve	Fair value reserve	Special reserve	Impairment reserve	Retained earnings	Total	Tier 1 Perpetual subordinated bond	Total Equity
At 1 January 2018	142,504	25,651	6,543	13,600	(122)	228	-	66,423	254,827	50,000	304,827
Impact of initial application of IFRS 9	-	-	(6,543)	-	(1,526)	-	1,082	1,526	(5,461)	-	(5,461)
Restated Balance at 1 January 2018	142,504	25,651	-	13,600	(1,648)	228	1,082	67,949	249,366	50,000	299,366
Total Comprehensive income for the year:											
Profit for the year	-	-	-	-	-	-	-	28,786	28,786	-	28,786
Other comprehensive income, net of tax	-	-	-	-	(5,211)	-	-	-	(5,211)	-	(5,211)
Total comprehensive income	-	-	-	-	(5,211)	228	-	28,786	23,575	-	23,575
Transfer to legal reserve	-	2,879	-	-	-	-	-	(2,879)	-	-	-
Transfer to impairment & Special reserve	-	-	-	-	-	1,699	6,592	(8,291)	-	-	-
Gain on sale of equity investment (FVOCI)	-	-	-	-	(26)	-	-	(26)	-	-	-
Technical write off of loans and advances	-	-	-	-	-	-	36	3	39	-	39
Interest paid on Tier 1 perpetual	-	-	-	-	-	-	-	(3,750)	(3,750)	-	(3,750)
Transfer from subordinated debt reserve*	-	-	-	5,000	-	-	-	(5,000)	-	-	-
	-	2,879	-	5,000	(26)	1,699	6,628	19,891	(3,711)	-	(3,711)
Transactions with owners recognised directly in equity											
Cash dividends paid	-	-	-	-	-	-	-	(14,250)	(14,250)	-	(14,250)
Issue of bonus shares	7,125	-	-	-	-	-	-	(7,125)	-	-	-
Total transactions with owners	-	-	-	-	-	-	-	(21,375)	(14,250)	-	(14,250)
Proceeds from Tier 1 perpetual subordinated bond	-	-	-	-	-	-	-	-	-	54,000	54,000
At 31 December 2018	149,629	28,530	6,543	13,600	(122)	228	7,710	55,469	254,980	104,000	358,980

Statement of Changes In Equity For The Year Ended 31 December 2017

Amounts in RO '000	Share capital	Legal reserve	General loan loss reserve	Subordinated debt reserve	Fair value reserve	Special reserve	Retained earnings	Total	Tier 1 Perpetual subordinated bond	Total Equity
At 1 January 2017	142,504	22,984	6,543	44,541	416	-	25,960	242,948	-	242,948
Total Comprehensive income for the year:										
Profit for the year	-	-	-	-	-	-	26,667	26,667	-	26,667
Other comprehensive income, net of tax	-	-	-	-	(538)	-	-	(538)	-	(538)
Transfer to Special reserve	-	-	-	-	-	228	(228)	-	-	-
Total comprehensive income	-	-	-	-	(538)	228	26,439	26,129	-	26,129
Transfer to legal reserve	-	2,667	-	-	-	-	(2,667)	-	-	-
Transfer from subordinated debt reserve*	-	-	-	(30,941)	-	-	30,941	-	-	-
	-	2,667	-	(30,941)	-	-	28,274	-	-	-
Transactions with owners recognised directly in equity										
Cash dividends paid	-	-	-	-	-	-	(14,250)	(14,250)	-	(14,250)
Total transactions with owners	-	-	-	-	-	-	(14,250)	(14,250)	-	(14,250)
Proceeds from Tier 1 perpetual subordinated bond	-	-	-	-	-	-	-	-	50,000	50,000
At 31 December 2017	142,504	25,651	6,543	13,600	(122)	228	66,423	254,827	50,000	304,827

Statement of Changes In Equity For The Year Ended 31 December 2016

Amounts in RO '000	Share capital	Legal reserve	General loan loss reserve	Subordinated debt reserve	Fair value reserve	Special reserve	Retained earnings	Total	Tier 1 Perpetual subordinated bond	Total Equity
At 1 January 2016	142,504	20,029	6,543	40,337	53	-	17,817	227,283	-	227,283
Total Comprehensive income for the year:										
Profit for the year	-	-	-	-	-	-	29,552	29,552	-	29,552
Other comprehensive income, net of tax	-	-	-	-	363	-	-	363	-	363
Total comprehensive income	-	-	-	-	363	-	29,552	29,915	-	29,915
Transfer to legal reserve	-	2,955	-	-	-	-	(2,955)	-	-	-
Transfer from subordinated debt reserve	-	-	-	4,204	-	-	(4,204)	-	-	-
	-	2,955	-	4,204	-	-	(7,159)	-	-	-
Transactions with owners recognised directly in equity										
Cash dividends paid	-	-	-	-	-	-	(14,250)	(14,250)	-	(14,250)
Total transactions with owners	-	-	-	-	-	-	(14,250)	(14,250)	-	(14,250)
At 31 December 2016	142,504	22,984	6,543	44,541	416	-	25,960	242,948	-	242,948

The complete financial statements are available on the Bank's website
<http://ahlibank.om/investor-relations/financial-reports/> and on www.msm.gov.om.

Financial Statement of the Bank (Unaudited) as of 31 March 2019

	31-Mar-19	31-Mar-18	Growth %
<i>All Figures RO in Millions</i>			
Loans & advances and Financing, net	1,963.75	1,769.11	11.0%
Total assets	2,386.38	2,111.68	13.0%
Customers' deposits	1,693.03	1,532.76	10.5%
Equity	351.14	291.34	20.5%
Operating income	17.12	14.93	14.7%
Operating expenses	6.59	5.71	15.4%
Profit for the period	7.41	7.05	5.1%

The complete financial statements are available on the Bank's website <http://ahlibank.om/investor-relations/financial-reports/> and on www.msm.gov.om.

3.2 Capital Adequacy

The principal objective of CBO's capital adequacy requirement is to ensure that an adequate level of capital is maintained to withstand any losses which may result from the risks in a bank's balance sheet, in particular credit risk. CBO's risk based capital adequacy framework is consistent with the international standards of the Bank of International Settlement (BIS).

CBO requires the banks registered in Oman to maintain capital adequacy of 11%. As per the Basel III guidelines issued by CBO, Capital Conservation Buffer shall be 2.5% of the total Risk Weighted Assets which was implemented from 1 January 2014 and will take full effect by 1 January 2019.

The ratio calculated in accordance with the CBO and BIS capital adequacy guidelines as per Basel III accord is as follows:

(RO '000')

	31-Dec-18	31-Dec-17	31-Dec-16
Common Equity Tier 1 (CET 1)	225,730	230,830	221,400
- Additional Tier 1	104,000	50,000	-
Tier I capital	329,730	280,830	221,400
Tier II capital	23,191	31,849	40,196
Total capital base	352,921	312,679	261,596
Risk weighted assets:			
Credit risk	1,850,818	1,639,809	1,563,083
Market risk	63,812	131,055	80,469
Operational risk	102,196	101,544	96,123
Total risk weighted assets	2,016,826	1,872,408	1,739,675
CET1 capital expressed as a % of total risk-weighted assets	11.19%	12.33%	12.73%
Total tier I capital expressed as a % of total risk-weighted assets	16.35%	15.00%	12.73%
Tier II capital expressed as a % of total risk-weighted assets	1.15%	1.70%	2.31%
Capital adequacy ratio	17.50%	16.70%	15.04%

Tier 1 capital consists of paid-up capital and reserves. Tier 2 capital consists of the collective provision made for the loan impairment on the performing portion of the loans and advances against the losses incurred but not identified and subordinated debt.

3.3 Information regarding previous bond issues

Instrument	: 5.55% Non-guaranteed bonds
Issued & Subscribed	: 6,000,000 bonds
Nominal Value	: RO 1.000
Date of issue	: 20 April, 2004
Called on	: 15 May, 2011
Instrument	: 5.50% subordinated bonds
Issued & Subscribed	: 35,000,000 bonds
Nominal Value	: RO 1.000
Date of issue	: 16 December, 2010
Called on	: 6 February, 2017
Instrument	: 7.50% Additional tier 1 subordinated perpetual
Issued & Subscribed	: 50,000,000 bonds
Nominal Value	: RO 1.000
Date of issue	: 11 October, 2017
Maturity Date	: Perpetual with a call option (First call date is on 22 October, 2022)
Instrument	: 7.50% Additional tier 1 subordinated perpetual
Issued & Subscribed	: 54,000,000 bonds
Nominal Value	: RO 1.000
Date of issue	: 17 December, 2018
Maturity Date	: Perpetual with a call option (First call date is on 17 December, 2023)

The Bank has serviced all the previously issued Bonds without any default in interest payments.

3.4 Litigations

There is no litigation against the Bank which could have a material adverse effect on the Bank's operations.

SECTION 4 - SHARE PRICE MOVEMENT AND DIVIDEND POLICY

The following table which illustrates the movement in the share price of the Bank since 2015 based on Section 12, page 66 of the Prospectus is supplemented as set out below: –

Share Price Movement (prices in RO)

Period	Opening Price	High Price	Low Price	Closing Price
2015				
Q1	0.245	0.245	0.178	0.217
Q2	0.215	0.228	0.205	0.215
Q3	0.213	0.224	0.190	0.200
Q4	0.198	0.207	0.180	0.196
2016				
Q1	0.193	0.194	0.169	0.180
Q2	0.178	0.187	0.168	0.180
Q3	0.190	0.194	0.178	0.194
Q4	0.190	0.200	0.180	0.196
2017				
Q1	0.190	0.206	0.180	0.190
Q2	0.190	0.190	0.170	0.170
Q3	0.170	0.175	0.160	0.166
Q4	0.166	0.175	0.160	0.173
2018				
Q1	0.173	0.173	0.150	0.150
Q2	0.150	0.163	0.150	0.163
Q3	0.160	0.163	0.150	0.150
Q4	0.150	0.150	0.145	0.146
2019				
Q1	0.145	0.145	0.123	0.126

Source- MSM

Dividend policy

The dividend details of the Company for the past years are given below:

Year	Cash dividend	Stock dividend
2013	7.5%	2.5%
2014	-	10%
2015	10%	-
2016	10%	-
2017	10%	5%
2018	10%	5%

SECTION 5 - SUBSCRIPTION CONDITIONS AND PROCEDURES

5.1 Eligibility for the subscription of Bonds

The subscription to the Bonds is being offered only to select investors on private placement basis.

5.1.1 Prohibitions with regard to the Applicants for subscription

The subscriber to the Bonds issued as mentioned hereunder shall not be permitted to participate in the subscription:

- Local Banks – In line with CBO regulations, Local Banks cannot invest in the Bonds.
- All applications made, that violate the above prohibition shall be rejected without further reference to the applicant.

Neither the Bank nor a related entity can directly or indirectly purchase and own the Bonds, nor can the Bank directly or indirectly finance the ownership and purchase of the Bonds.

5.2 Shareholder's (Investor) Number with MCD

1. Any person who subscribe to the Issue must have an investor account with MCD. Application forms for obtaining investor number may be obtained as follows:
 - Download from <https://www.mcd.gov.om/>
 - Office of MCD: PO Box 952, Ruwi, PC 112, Oman, Tel. +968 24822222, Fax. +968 24817491
 - Branch of MSM based in Salalah, Oman
 - Brokerages licensed by CMA
2. With regard to the investors who presently hold account with MCD, they should ensure that their account includes all their particulars such as full name, postal address, Civil ID number or passport, particulars of the bank account. Investors may update their particulars through the above-mentioned outlets.
3. All correspondence including notices and cheques shall be sent to the investors at the address recorded at MCD. Therefore, all Applicants shall verify the correctness of such addresses.
4. Each Applicant shall be required, after opening of the MCD account or updating of his particulars, to obtain from MCD, his correct shareholder number to be written in the Application Form. The Applicant himself shall be responsible for verification of the shareholder number furnished in the Application Form. Applications with incorrect shareholder number shall be rejected without contacting the applicant.

For more information on these procedures, please contact:

Muscat Clearing and Depository Company SAOC, PO Box 952, Ruwi, PC 112, Oman

Tel. +968 24822222, Fax. +968 24817491

<https://www.mcd.gov.om/>

5.3 Subscription Period and Price

1. Subscription for the Issue shall start on the **12 June 2019** and shall close on the **12 June 2019** with the end of the official working hours of the Collecting Bank. The entitlement to the Bond will lapse if valid subscription is not made during the Subscription Period. The Bank may extend the subscription closing date with the approval of CMA.
2. Issue price – RO 1.000 per Bond

5.4 Minimum and Maximum Application Size

The minimum number of Bonds for subscription is 100,000 and the maximum is 20,000,000.

5.5 Particulars of the Bank Account

1. Each Applicant shall be required to furnish the particulars of his bank account (Registered in the name of the Applicant). The Applicant shall not use the bank account number of any other person except in case of minor children only.
2. If the bank account of the Applicant is registered with a bank other than the one receiving the subscription, he shall be required to submit a document in evidence of correctness of the bank account particulars as provided for in the Application Form. This can be done by submitting any document from the Bank of the Applicant showing therein account number and name of the account holder like bank account statement or a letter or any document issued by the said Bank showing the said information. The Applicant shall ensure that the evidence submitted is readable in a clear manner and shows the required details. The Applicant need not submit any such evidence if his refund bank account is with the same collecting bank where he is submitting his application. In this case, the collecting bank shall verify and confirm the correctness of the Applicant's refund bank account through its specific system and procedure.
3. In accordance with the instructions issued by the CMA, the particulars of the refund bank account referred to above shall be recorded in the Registers of MCD and this account shall be used for refunds. Whereas, with regard to the Applicants who have their Bank Accounts registered presently in the Registers of MCD, the Bank Account Number provided in the Application Form would be used only for refunds under this Issue.

5.6 Documentation Required

1. Copy of valid Civil ID card / valid Resident Card or valid passport.
2. Proof of refund bank account given in the Application Form if Application Form is submitted in a Collecting Bank other than the one with whom the Applicant has his account.
3. Copy of a valid Power of Attorney duly endorsed by the competent legal authorities in the event the subscription is on behalf of another person (except for the subscription made by a father on behalf of his minor children).
4. In case of applications by non-individuals, which are signed by a person in his/her capacity as an authorized signatory, a copy of adequate and valid documentation should be attached.

5.7 Mode of subscription

1. The Applicant shall be responsible for furnishing all his particulars, ensuring correctness and validity of the information provided for in the Application Form. While emphasizing on it, the Collecting Bank has been instructed to accept only those applications forms that comply with all the requirements as provided for in the Application Form and this Supplement.
2. The Applicant shall be required, before submitting the Application Form, to peruse this Supplement and read the conditions and procedures governing the subscription with total care and importance.
3. The Applicant shall be required to fill in the Application Form for the subscription and furnish all his particulars including the Shareholder Number available with MCD, Civil Number/Passport Number and date of birth in case of minor children. The Applicant shall be required to submit the Application Form to the Collecting Bank along with the payment towards the Bonds and also ensure that all required documents are enclosed.
4. Payment of application money can be made by cash / cheque / bank transfer to the following account:
Ahli Bank AT1 Perpetual Bond Issue a/c
A/c no. 9010-920908-514
Ahli Bank SAOG
Swift Code (BIC) AUBOOMRUXXX
5. In case of payment through bank transfer, the Applicant is responsible for ensuring successful transfer of application money to the Collecting Bank within the subscription period and the transfer acknowledgement copy must be attached with Application Form.

5.8 Collecting bank

The Application Form shall be accepted only by the Collecting Bank during its official working hours only.

The Collecting Bank shall accept the Application Form only after confirmation of compliance of the procedure and requirements as provided for in this Supplement and the Laws of Oman. Hence, the Collecting Bank must instruct the Applicants to comply and fulfill all requirements that may appear in the application form before submission.

The Applicant shall be responsible for submission of his application form to the Collecting Bank before closing of the period for subscription. In this regard, the Collecting Bank shall have the right not to accept any application form that reaches it after the official working hours on subscription closing date.

5.9 Non-acceptance of the Applications Form

The Collecting Bank shall not accept the Application Form under the following circumstances:

1. If the Application Form does not bear the signature of the Applicant.
2. In case of failure to pay the value of the Bonds subscribed in accordance with the conditions provided for in this Supplement.
3. If the value of the Bonds subscribed is paid through a cheque and if the same is dishonored for whatever reason.
4. If the Application Form is not bearing the shareholder number, available with MCD.
5. If the MSM number furnished in the Application Form is noted to be incorrect.

6. If the Applicant submits more than one application in the same name, all of them shall be rejected.
7. If the supporting documents referred to in this Supplement are not enclosed with the Application Form.
8. If the Application Form does not contain all the particulars of the refund bank account of the Applicant.
9. If any particulars of the bank account given in the Application Form are noted to be incorrect.
10. If the particulars of the bank account provided for in the Application Form are found to be not relevant to the Applicant, except for the applications submitted in the name of minor children, who are allowed to use the particulars of the bank account held by their father.
11. In case of failure to have the Powers of Attorney attached with the Application Form as provided for in this Supplement in respect of the person who applies and signs on behalf of another person (except for the father who subscribes on behalf of his minor children).
12. If the Application Form has not complied with the legal and organizational requirements as provided for in this Supplement.
13. If the Application Form is not the original form sent by the Bank or a form which is not duly issued by the Issue Manager; or
14. If the Application Form is not complete or any information provided in it is found to be incorrect.

If the Collecting Bank observes, after receipt of the application form and before expiry of the time schedule prescribed for handing over of the applications in a final manner to the Issue Manager, that any application has not complied with the legal requirements as provided for in this Supplement, the Collecting Bank shall make due efforts for contacting the Applicant so as to correct the mistake detected. In case of failure to have the mistake corrected within the period referred to, the Collecting Bank receiving the subscription shall be required to return the application for the subscription together with the application money before expiry of the period specified for handing over of the applications to the Issue Manager.

5.10 Refusal / Rejection of Application Form

The Issue Manager may reject any application under any of the conditions referred to above, after securing the approval of the CMA and submission of a comprehensive report furnishing the details of the applications that are required to be rejected and reasons behind such rejections.

5.11 Enquiry & Complaints

The Applicants who intend to seek clarification or file complaints regarding issues related to the allotment or rejected applications or refund may contact the Branch of the Collecting Bank where the Application Form was submitted. In case of absence of any response from the Branch, the Applicant may contact the following person:

Mr. Habib Al Hamaid

Ahli Bank SAOG, PO Box 545, PC 116, Sultanate of Oman

Tel.: +968 24577200, Fax: +968 24568003, Email: Habib.AlHamaid@ahlibank.om

5.12 Allotment and Refund

The Bank will make efforts to complete the allotment of Bonds as per the timetable below, subject to the approval of all relevant authorities. No physical certificates will be issued for the Bonds allotted.

Refunds shall be made net of the bank charges and for refunds in foreign currency, as per the foreign exchange rate between RO and the currency of the respective country on the date such refund is made.

5.13 Proposed Timetable

ACTIVITY	DATE
Approval of Supplement Prospectus by CMA	11 June 2019
Date of commencement of subscription	12 June 2019
End of subscription period	12 June 2019
CMA approval for the Allotment and Issue Date	13 June 2019
Refund Date	13 June 2019
Listing and allotment: The new Bonds shall be allotted and the listed on the MSM within 15 Business Days of the Issue Closing Date.	On or before 27 June 2019

5.14 Listing & Trading

The Bonds shall be listed on MSM as per the laws and procedures prevailing on the date of listing application.

5.15 Responsibilities & Obligations

The Issue Manager, the Collecting Bank and the MCD shall abide by the responsibilities and duties specified under the Regulations issued by the CMA and shall comply with any other responsibilities and obligations set out in the agreements entered into between them and the issuer. The parties concerned shall be required to take remedial measures with regard to the damages arising from any negligence committed in the performance of the functions and responsibilities assigned to them. In such an event, the Issue Manager shall liaise with relevant authorities such as CMA and MSM for taking suitable steps and measures for repairing such damages.

SECTION 6 - UNDERTAKINGS

6.1 Issuing Company: Ahli Bank SAOG

The directors of Ahli Bank SAOG jointly and severally confirm that, to the best of their knowledge:

1. All the information provided in this Supplement is complete, correct and reasonable care has been taken so as to avoid omission of any important facts or information that would have made the expressions in this Supplement misleading.
2. That all the provisions set out in the Capital Market Law, CCL and the rules and regulations issued pursuant to them have been complied with.

Signed on behalf of the Board of Directors:

Name	Designation	Signature
Hamdan Ali Nasser Al Hinai	Chairman	
Anwar Hilal Hamdoon Al Jabri	Director	

7.2 Issue Manager: Investment Banking, Ahli Bank SAOG

In accordance with the responsibilities assigned to us pursuant to the Provisions laid down in Article 7 of the Executive Regulations of the Capital Market Law and Instructions issued by the Capital Market Authority, we have reviewed all the relevant documents and other material required for the preparation of this Supplement pertaining to the Issue of Bonds of **Ahli Bank SAOG**.

The Board of Directors of **Ahli Bank SAOG** shall bear the responsibility with regard to correctness of the information provided for in this Supplement, and they have confirmed not to have deleted any material information from it, omission of which would have made this Supplement misleading.

We confirm that we have taken necessary due care as required by the profession with regard to the Supplement that has been prepared under our supervision. On the basis of the review works referred to above and discussion with the issuer of the securities represented by the Bank, members of its Directors/founders, officers and other related parties and on the basis of the review carried out by us with these authorities concerned with regard to the subject matter of the Issue and contents of the documents submitted to us, we confirm the following:

1. We have taken necessary and reasonable care in ensuring that the information furnished to us by Ahli Bank SAOG and that contained in the Supplement are consistent with the facts available in the documents, material and other documents pertaining to the Issue.
2. On the basis of our perusal and information made available to us by the Bank, it is hereby confirmed that the Bank has neither concealed any fundamental information nor omitted any important information omission of which would have made the Supplement misleading.
3. The Supplement is consistent with all the rules and conditions governing the transparency as provided for in the Capital Market Law and applicable Specimen Prospectus available with the authority. Also noted to be in conformity with the CCL and the directives and decisions issued in this regard.
4. The data and information which have been presented in this Supplement in Arabic (with its unofficial translation in English) are correct, reasonable and adequate as per our perusal so as to assist the investor in taking an appropriate decision whether or not to invest in the Bonds offered in accordance with the rules and conditions governing the transparency.

For Issue Manager:

Sd/-

Investment Banking, Ahli Bank SAOG

7.3 Legal Advisor: SASLO

The Legal Advisor, whose name appears below, hereby confirms that all the procedures under this Supplement with regard to the Bond Issue are consistent and in conformity with the laws and regulations of Oman relevant to the activity of the Bank, the CCL, the Capital Market Law and their implementing regulations and directives, the requirement and rules for the issue of bonds issued by the CMA and the Articles and the resolutions of the general meeting of the Bank. The Bank has secured all the licenses and official approvals that are required to engage in the activities which are the subject matter of the Supplement.

SASLO