

Disclosure from Burgan Bank concerning the issuance of Lower Tier 2 Subordinated Bonds

Burgan Bank would like to advise that the bank have completed the issue of Lower Tier 2 Subordinated Bonds in the value of KD 100mn with final maturity period of ten years. The bonds are callable by BB after five years from the date of issue subject to prior official approvals. The bonds are to be issued in two tranches as follows:

- **“Fixed Rate Bonds”** in the amount of KD 41,100,000 at an interest rate of 5.65% per annum for the first five years from the issue date and 5.90% for the subsequent periods.

- **“Floating Rate Bonds”** in the amount of KD 58,900,000 at a floating interest rate of 3.90% above CBK discount rate over the first five years provided however that the floating rate shall never exceed 6.65%. The interest rate on this tranche shall rise over the subsequent periods to 4.15% above CBK discount rate provided that the total interest rate shall not exceed an average of 6.90%.