

PROSPECTUS

Dated 3 June 2014

FIMBank p.l.c.

a public limited liability company registered under the laws of Malta with company registration number C17003 and having its registered office at Mercury Tower, The Exchange Financial & Business Centre, Elia Zammit Street, St. Julians, STJ 3155, Malta

16 for 41 Rights Issue of 77,009,494 New Ordinary Shares at USD0.65 per New Ordinary Share

And in the event of Lapsed Rights: An Intermediaries Offer

THE LISTING AUTHORITY HAS AUTHORISED THE ADMISSIBILITY OF THE NEW ORDINARY SHARES AS A LISTED FINANCIAL INSTRUMENT. THIS MEANS THAT THE SAID INSTRUMENTS ARE IN COMPLIANCE WITH THE REQUIREMENTS AND CONDITIONS SET OUT IN THE LISTING RULES. IN PROVIDING THIS AUTHORISATION, THE LISTING AUTHORITY DOES NOT GIVE ANY CERTIFICATION REGARDING THE POTENTIAL RISKS IN INVESTING IN THE SAID INSTRUMENT, AND SUCH AUTHORISATION SHOULD NOT BE DEEMED OR BE CONSTRUED AS A REPRESENTATION OR WARRANTY AS TO THE SAFETY OF INVESTING IN SUCH INSTRUMENT.

THE LISTING AUTHORITY ACCEPTS NO RESPONSIBILITY FOR THE CONTENTS OF THE PROSPECTUS, MAKES NO REPRESENTATIONS AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THE PROSPECTUS INCLUDING ANY LOSSES INCURRED BY INVESTING IN THESE SECURITIES.

A PROSPECTIVE INVESTOR SHOULD ALWAYS SEEK INDEPENDENT FINANCIAL ADVICE BEFORE DECIDING TO INVEST IN ANY LISTED FINANCIAL INSTRUMENTS. A PROSPECTIVE INVESTOR SHOULD BE AWARE OF THE POTENTIAL RISKS IN INVESTING IN THE SECURITIES OF AN ISSUER AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION AND CONSULTATION WITH HIS OR HER OWN INDEPENDENT FINANCIAL ADVISER.

Legal Counsel

GANADO
ADVOCATES

Sponsor, Manager and Registrar

 **RIZZO FARRUGIA**
YOUR INVESTMENT CONSULTANTS

Important Information

THIS PROSPECTUS IS TO BE READ AND CONSTRUED IN CONJUNCTION WITH ANY AND ALL DOCUMENTS WHICH ARE DEEMED TO BE INCORPORATED HEREIN BY REFERENCE (SEE SECTION 19 ENTITLED "REFERENCE DOCUMENTS"). THIS PROSPECTUS SHALL BE READ AND CONSTRUED ON THE BASIS THAT SUCH DOCUMENTS ARE INCORPORATED AND FORM PART OF THIS PROSPECTUS.

THE ISSUER CONFIRMS THAT THIS PROSPECTUS CONTAINS ALL INFORMATION WITH RESPECT TO THE ISSUER AND THE RIGHTS WHICH IS MATERIAL IN THE CONTEXT OF THIS RIGHTS ISSUE AND THE INTERMEDIARIES OFFER; THAT THE INFORMATION CONTAINED HEREIN IN RESPECT OF THE ISSUER AND THE RIGHTS IS ACCURATE IN ALL MATERIAL RESPECTS AND IS NOT MISLEADING; THAT ANY OPINIONS AND INTENTIONS EXPRESSED HEREIN ARE HONESTLY HELD AND BASED ON REASONABLE ASSUMPTIONS; THAT THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH WOULD MAKE ANY STATEMENT, WHETHER FACT OR OPINION, IN THIS PROSPECTUS MISLEADING IN ANY MATERIAL RESPECT; AND THAT ALL REASONABLE ENQUIRIES HAVE BEEN MADE TO ASCERTAIN ALL FACTS AND TO VERIFY THE ACCURACY OF ALL STATEMENTS CONTAINED HEREIN.

THE DIRECTORS OF THE ISSUER CONFIRM THAT WHERE INFORMATION INCLUDED IN THIS PROSPECTUS HAS BEEN SOURCED FROM A THIRD PARTY, SUCH INFORMATION HAS BEEN ACCURATELY REPRODUCED AND AS FAR AS THE DIRECTORS OF THE ISSUER ARE AWARE AND ARE ABLE TO ASCERTAIN FROM INFORMATION PUBLISHED BY THAT THIRD PARTY, NO FACTS HAVE BEEN OMITTED WHICH WOULD RENDER THE REPRODUCED INFORMATION INACCURATE OR MISLEADING.

THE LISTING AUTHORITY ACCEPTS NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATIONS AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS.

NO PERSON HAS BEEN AUTHORISED TO GIVE ANY INFORMATION, ISSUE ANY ADVERTISEMENT OR MAKE ANY REPRESENTATION WHICH IS NOT CONTAINED OR CONSISTENT WITH THIS PROSPECTUS OR ANY OTHER DOCUMENT ENTERED INTO IN RELATION TO THE RIGHTS ISSUE OR THE INTERMEDIARIES OFFER AND, IF GIVEN OR MADE, SUCH INFORMATION, ADVERTISEMENT OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED BY THE ISSUER.

THE CONTENTS OF THE ISSUER'S WEBSITE OR ANY WEBSITE DIRECTLY OR INDIRECTLY LINKED TO THE ISSUER'S WEBSITE DO NOT FORM PART OF THIS PROSPECTUS. ACCORDINGLY NO RELIANCE OUGHT TO BE MADE BY ANY INVESTOR ON ANY INFORMATION OR OTHER DATA CONTAINED IN SUCH WEBSITES AS THE BASIS FOR A DECISION TO INVEST IN ANY RIGHTS UNDER THIS RIGHTS ISSUE OR THE INTERMEDIARIES OFFER.

NONE OF THE ADVISERS OR ANY PERSON MENTIONED IN THIS PROSPECTUS, OTHER THAN THE ISSUER, IS RESPONSIBLE FOR THE INFORMATION CONTAINED IN THIS PROSPECTUS OR ANY SUPPLEMENT THEREOF OR ANY REFERENCE DOCUMENTS, AND ACCORDINGLY, TO THE EXTENT PERMITTED BY THE LAWS OF ANY RELEVANT JURISDICTION, NONE OF THESE PERSONS ACCEPTS ANY RESPONSIBILITY AS TO THE ACCURACY AND COMPLETENESS OF THE INFORMATION CONTAINED IN ANY OF THESE DOCUMENTS.

ALL THE ADVISERS TO THE ISSUER HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER IN RELATION TO THIS PROSPECTUS AND HAVE NO CONTRACTUAL, FIDUCIARY OR OTHER OBLIGATION OR RESPONSIBILITY TOWARDS ANY OTHER PERSON AND WILL ACCORDINGLY NOT BE RESPONSIBLE TO ANY INVESTOR OR ANY OTHER PERSON WHOMSOEVER IN RELATION TO THE CONTENTS OF AND ANY INFORMATION CONTAINED IN THE PROSPECTUS, ITS COMPLETENESS OR ACCURACY OR ANY OTHER STATEMENT MADE IN CONNECTION THEREWITH. EACH PERSON RECEIVING THIS PROSPECTUS ACKNOWLEDGES THAT SUCH PERSON HAS NOT RELIED ON ANY OF THE ADVISERS IN CONNECTION WITH ITS INVESTIGATION OF THE ACCURACY OF SUCH INFORMATION OR ITS INVESTMENT DECISION AND EACH PERSON MUST RELY ON ITS OWN EXAMINATION OF THE RIGHTS ISSUE AND THE INTERMEDIARIES OFFER.

IT IS THE RESPONSIBILITY OF ANY PERSON IN POSSESSION OF THIS DOCUMENT TO INFORM THEMSELVES OF AND TO OBSERVE AND COMPLY WITH, ALL APPLICABLE LAW AND REGULATIONS OF ANY RELEVANT JURISDICTION. APPLICANTS MUST RELY ON THEIR OWN LEGAL ADVISERS, ACCOUNTANTS AND OTHER FINANCIAL ADVISERS AS TO LEGAL, TAX, INVESTMENT OR ANY OTHER RELATED MATTERS CONCERNING THE RIGHTS ISSUE AND THE INTERMEDIARIES OFFER.

THIS PROSPECTUS, THE PROVISIONAL ALLOTMENT LETTERS AND ALL REFERENCE DOCUMENTS SHOULD BE READ IN THEIR ENTIRETY BY INVESTORS BEFORE DECIDING WHETHER TO EXERCISE ANY RIGHTS TO WHICH THEY MAY BE ENTITLED.

THIS PROSPECTUS AND ANY REFERENCE DOCUMENTS DO NOT CONSTITUTE, AND MAY NOT BE USED FOR THE PURPOSES OF AN OFFER, INVITATION OR SOLICITATION TO ANYONE IN ANY JURISDICTION A) IN WHICH SUCH OFFER, INVITATION OR SOLICITATION IS NOT AUTHORISED OR B) IN WHICH ANY PERSON MAKING SUCH OFFER, INVITATION OR SOLICITATION

IS NOT QUALIFIED TO DO SO OR C) TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER, INVITATION OR SOLICITATION. THE DISTRIBUTION OF THIS PROSPECTUS AND ANY REFERENCE DOCUMENTS IN CERTAIN JURISDICTIONS MAY BE RESTRICTED AND ACCORDINGLY PERSONS INTO WHOSE POSSESSION IT IS RECEIVED ARE REQUIRED TO INFORM THEMSELVES ABOUT, AND TO OBSERVE, SUCH RESTRICTIONS.

THE RIGHTS WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED. SUBJECT TO CERTAIN EXCEPTIONS, THE RIGHTS MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO U.S. PERSONS. FURTHERMORE, IN RELATION TO EACH MEMBER STATE OF THE EUROPEAN ECONOMIC AREA (OTHER THAN MALTA), THE RIGHTS MAY ONLY BE OFFERED, SOLD OR DELIVERED TO, SUBJECT TO CERTAIN EXCEPTIONS AND ACCEPTED BY "QUALIFIED INVESTORS" (AS DEFINED IN THE PROSPECTUS DIRECTIVE) OR IN OTHER CIRCUMSTANCES FALLING WITHIN ARTICLE 3(2) OF THE PROSPECTUS DIRECTIVE. IN ALL CASES THE MAKING OF THE OFFER OF RIGHTS IN SUCH CIRCUMSTANCES SHALL NOT REQUIRE THE PUBLICATION BY THE ISSUER OR ANY OTHER PERSON OF A PROSPECTUS PURSUANT TO ARTICLE 3 OF THE PROSPECTUS DIRECTIVE.

THE SHARES ISSUED AS A RESULT OF THE EXERCISE OF THE RIGHTS UNDER THIS RIGHTS ISSUE MAY BE LISTED AND TRADED ON THE REGULATED MARKET OF THE MALTA STOCK EXCHANGE. THE MALTA STOCK EXCHANGE'S REGULATED MARKET IS A REGULATED MARKET FOR THE PURPOSES OF DIRECTIVE 2004/39/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 21 APRIL 2004 ON MARKETS IN FINANCIAL INSTRUMENTS AMENDING COUNCIL DIRECTIVES 85/611/EEC AND 93/6/EEC AND DIRECTIVE 2000/12/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL AND REPEALING COUNCIL DIRECTIVE 93/22/EEC.

THE VALUE OF INVESTMENTS CAN RISE OR FALL AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. IF YOU NEED ADVICE WITH RESPECT TO THE RIGHTS ISSUE OR THE INTERMEDIARIES OFFER YOU SHOULD CONSULT A LICENSED INVESTMENT ADVISER LICENSED UNDER THE INVESTMENT SERVICES ACT.

STATEMENTS MADE IN THIS DOCUMENT ARE, EXCEPT WHERE OTHERWISE STATED, BASED ON THE LAW AND PRACTICE CURRENTLY IN FORCE IN MALTA AND ARE SUBJECT TO CHANGES THERETO.

APPLICATION HAS BEEN MADE TO THE LISTING AUTHORITY FOR THE APPROVAL OF THE PROSPECTUS. THE LAPSED RIGHTS FORMING PART OF THE INTERMEDIARIES OFFER WILL NOT BE ADMITTED TO TRADING ON A REGULATED MARKET, HOWEVER APPLICATION WILL BE MADE TO THE MALTA STOCK EXCHANGE FOR SHARES ISSUED AS A RESULT OF THE EXERCISE OF ANY RIGHTS UNDER THE RIGHTS ISSUE TO BE LISTED AND TRADED ON THE OFFICIAL LIST OF THE MALTA STOCK EXCHANGE AND FOR DEALINGS TO COMMENCE ONCE THE NEW ORDINARY SHARES ARE AUTHORISED AS ADMISSIBLE TO LISTING BY THE LISTING AUTHORITY.

THIS PROSPECTUS CAN ONLY BE USED FOR THE PURPOSES FOR WHICH IT HAS BEEN PUBLISHED.

Forward-Looking Statements

THIS DOCUMENT INCLUDES STATEMENTS THAT ARE, OR MAY BE DEEMED TO BE, "FORWARD-LOOKING STATEMENTS". THESE FORWARD-LOOKING STATEMENTS CAN BE IDENTIFIED BY THE USE OF FORWARD-LOOKING TERMINOLOGY, INCLUDING THE TERMS "BELIEVES", "ESTIMATES", "ANTICIPATES", "EXPECTS", "INTENDS", "MAY", "WILL", OR "SHOULD" OR, IN EACH CASE, THEIR NEGATIVE OR OTHER VARIATIONS OR COMPARABLE TERMINOLOGY. THESE FORWARD-LOOKING STATEMENTS RELATE TO MATTERS THAT ARE NOT HISTORICAL FACTS. THEY APPEAR IN A NUMBER OF PLACES THROUGHOUT THIS DOCUMENT AND INCLUDE STATEMENTS REGARDING THE INTENTIONS, BELIEFS OR CURRENT EXPECTATIONS OF THE ISSUER AND/OR THE DIRECTORS CONCERNING, AMONGST OTHER THINGS, THE ISSUER'S ROLE WITHIN THE ISSUER'S GROUP, OPERATIONS, FINANCIAL CONDITION, LIQUIDITY AND DIVIDEND POLICY OF THE ISSUER. THERE CAN BE NO ASSURANCE THAT THE RESULTS AND EVENTS CONTEMPLATED BY THE FORWARD-LOOKING STATEMENTS CONTAINED IN THIS PROSPECTUS WILL OCCUR.

BY THEIR NATURE, FORWARD-LOOKING STATEMENTS INVOLVE RISKS AND UNCERTAINTIES BECAUSE THEY RELATE TO EVENTS AND DEPEND ON CIRCUMSTANCES THAT MAY OR MAY NOT OCCUR IN THE FUTURE. FORWARD-LOOKING STATEMENTS ARE NOT GUARANTEES OF FUTURE PERFORMANCE AND SHOULD THEREFORE NOT BE CONSTRUED AS SUCH. THE ISSUER'S ACTUAL RESULTS OF OPERATIONS, FINANCIAL CONDITION, LIQUIDITY, DIVIDEND POLICY AND THE DEVELOPMENT OF ITS STRATEGY MAY DIFFER MATERIALLY FROM THE IMPRESSION CREATED BY THE FORWARD-LOOKING STATEMENTS CONTAINED IN THIS DOCUMENT. IN ADDITION, EVEN IF THE RESULTS OF OPERATIONS, FINANCIAL CONDITION, LIQUIDITY AND DIVIDEND POLICY OF THE ISSUER ARE CONSISTENT WITH THE FORWARD-LOOKING STATEMENTS CONTAINED IN THIS DOCUMENT, THOSE RESULTS OR DEVELOPMENTS MAY NOT BE INDICATIVE OF RESULTS OR DEVELOPMENTS IN SUBSEQUENT PERIODS. IMPORTANT FACTORS THAT MAY CAUSE THESE DIFFERENCES INCLUDE, BUT ARE NOT LIMITED TO, CHANGES IN ECONOMIC CONDITIONS GENERALLY, LEGISLATIVE/REGULATORY CHANGES, CHANGES IN TAXATION REGIMES, THE AVAILABILITY AND COST OF CAPITAL FOR FUTURE INVESTMENTS AND THE AVAILABILITY OF SUITABLE FINANCING.

APPLICANTS ARE ADVISED TO READ THIS PROSPECTUS IN ITS ENTIRETY TOGETHER WITH THE REFERENCE DOCUMENTS, AND IN PARTICULAR, THE HEADING OF EACH SECTION OR ANY PART THEREOF ENTITLED "RISK FACTORS" FOR A FURTHER DISCUSSION

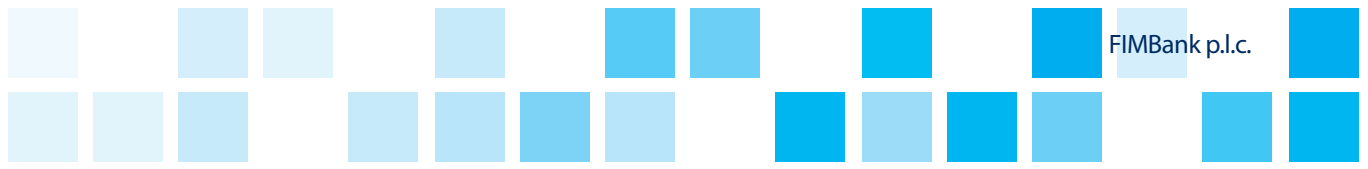


OF THE FACTORS THAT COULD AFFECT THE ISSUER'S FUTURE PERFORMANCE. IN LIGHT OF THESE RISKS, UNCERTAINTIES AND ASSUMPTIONS, THE EVENTS DESCRIBED IN THE FORWARD-LOOKING STATEMENTS IN THIS DOCUMENT MAY NOT OCCUR. ALL FORWARD-LOOKING STATEMENTS CONTAINED IN THIS DOCUMENT ARE MADE ONLY AS AT THE DATE HEREOF. SUBJECT TO ITS LEGAL AND REGULATORY OBLIGATIONS (INCLUDING UNDER THE LISTING RULES), THE ISSUER AND ITS DIRECTORS EXPRESSLY DISCLAIM ANY OBLIGATIONS TO UPDATE OR REVISE ANY FORWARD-LOOKING STATEMENT CONTAINED HEREIN TO REFLECT ANY CHANGE IN EXPECTATIONS WITH REGARD THERETO OR ANY CHANGE IN EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH ANY STATEMENT IS BASED.

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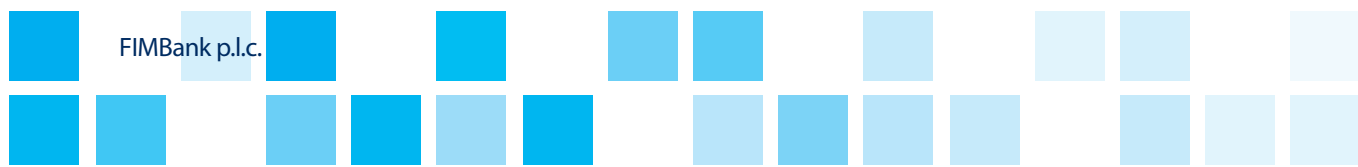
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Definitions

In addition to the defined terms used in the section of this Prospectus entitled “*Terms and Conditions of the Rights Issue and the Intermediaries Offer*”, the following words and expressions shall bear the following meanings, except where the context otherwise requires:

Advisers	the Advisers to the Issuer whose name and addresses are set out under the heading “Advisers” in section 3.1 of this Prospectus;
Applicant	a person whose name, or persons whose names in the case of joint applicants, appear in the registration details of a Provisional Allotment Letter;
Banking Act	the Banking Act, Cap. 371 of the laws of Malta;
Burgan Bank	Burgan Bank S.A.K., a public shareholding company incorporated in the State of Kuwait by Amiri Decree dated 27 December 1975, listed on the Kuwait Stock Exchange, registered as a Bank with the Central Bank of Kuwait and having its registered address at P.O. Box 5389, Safat 12170, State of Kuwait;
Business Day	any day between Monday and Friday (both days included) on which commercial banks in Malta settle payments and are open for normal banking business;
Central Securities Depository or CSD	the central registration system for dematerialised financial instruments operated by the MSE and authorised in terms of the Financial Markets Act;
Civil Code	the Civil Code, Cap. 16 of the laws of Malta;
Collecting Agents	the Financial Intermediaries and the Issuer, as listed in Annex I;
Collecting Agent and Intermediaries Offer Agreements	the agreements dated on or about the date of this Prospectus entered into by and between the Issuer, the Registrar and each of the Collecting Agents separately;
Companies Act	the Companies Act, Cap. 386 of the laws of Malta;
Eligible Shareholders	FIMBank’s Shareholders on the register of the Central Securities Depository as at close of trading on the Record Date and their transferee(s);
Excluded Territories and each an Excluded Territory	United States of America, Canada, Japan, the Republic of South Africa and any jurisdiction where the extension into or availability of the Rights Issue would breach any applicable law;
Existing Ordinary Shares	the 197,335,705 Ordinary Shares issued by FIMBank as at the date of this Prospectus;
EUR, Euro or €	means the lawful currency for the time being of the Eurozone;
FIMBank	FIMBank p.l.c., a public limited liability company registered in Malta and bearing company registration number C17003, having its registered office at Mercury Tower, The Exchange Financial & Business Centre, Elia Zammit Street, St. Julians STJ 3155, Malta;
FIMBank’s Group or the Group	the group of companies the ultimate holding company of which, as at the date of the Prospectus, is FIMBank p.l.c.;
Financial Intermediaries	the licensed members of the Malta Stock Exchange authorised to conduct investment services business by the Malta Financial Services Authority;
Financial Institutions Act	the Financial Institutions Act, Cap. 376 of the laws of Malta;
Financial Markets Act	the Financial Markets Act, Cap. 345 of the laws of Malta;
Income Tax Act	the Income Tax Act, Cap. 123 of the laws of Malta;
Intermediaries Offer	in the event of Lapsed Rights, the invitation to offer made by the Issuer to Financial Intermediaries to make an offer for such Lapsed Rights for their own account or for the



	account of their clients, provided that such offers may only be made through and by Financial Intermediaries during the Lapsed Rights Offer Period;
Investment Services Act	the Investment Services Act, Cap. 370 of the laws of Malta;
Issuer or Company	FIMBank;
KIPCO	Kuwait Projects Company Holding K.S.C.;
KIPCO Group	the group of companies the ultimate holding company of which, as at the date of the Prospectus, is KIPCO;
Lapsed Rights	rights to New Ordinary Shares not validly taken up by the Eligible Shareholders by the expiry of the Offer Period;
Lapsed Rights Offer Period	the period between 8.30a.m. on 8 July 2014 and 5:00p.m. on 15 July 2014;
Listing Authority	the Malta Financial Services Authority, appointed as Listing Authority for the purposes of the Financial Markets Act;
Listing Rules	the Listing Rules issued by the Listing Authority;
Malta Financial Services Authority Act	the Malta Financial Services Authority Act, Cap. 330 of the laws of Malta;
Malta Stock Exchange or MSE	Malta Stock Exchange p.l.c., as originally constituted by the Financial Markets Act, bearing company registration number C 42525 and having its registered office at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta;
Memorandum and Articles of Association	the memorandum and articles of association of the Issuer in force at the time of publication of the Prospectus;
MFSA	Malta Financial Services Authority as established under the Malta Financial Services Authority Act;
New Ordinary Shares	77,009,494 New Ordinary Shares to be issued pursuant to the Rights Issue;
Offer	the invitation to subscribe for Rights to New Ordinary Shares as contained in this Prospectus and, where the context so requires, also the Intermediaries Offer;
Offer Period	the period between 8.30a.m. on the 10 June 2014 and 10.00a.m. on the 25 June 2014 during which the Rights to the New Ordinary Shares are on offer for subscription;
Official List	the list prepared and published by the Malta Stock Exchange, containing information of the current or most recent prices of all listed securities, together with such other information as the Exchange may consider appropriate to include therein;
Ordinary Shares or Shares	the ordinary shares of nominal value of US\$ 0.50 each in the capital of the Issuer;
Overseas Shareholder(s)	Eligible Shareholder(s) with registered address in, or who are citizen(s) in, or resident(s) of, countries other than Malta;
Prospectus	this document in its entirety including the Summary and Reference Documents;
Prospectus Directive	Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC, and as amended by Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010 and as supplemented by Commission Delegated Regulation (EU) No 1392/2014 of 15 April 2014 and as may be further amended from time to time;
Prospectus Regulation	Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive as amended by Commission Delegated Regulation (EU) No 486/2012 of 30 March 2012, Commission Delegated Regulation (EU) No 862/2012 of 4 June 2012, Commission



	Delegated Regulation (EU) No 759/2013 of 30 April 2013 and Commission Delegated Regulation (EU) 382/2014 of 7 March 2014 as may be further amended from time to time;
Provisional Allotment Letter or PAL	the document of title issued to Eligible Shareholders by the Issuer in respect of the Rights to New Ordinary Shares, pursuant to the Rights Issue;
Record Date	21 May 2014;
Reference Documents	the documents listed in section 19 under the heading " <i>Reference Documents</i> ";
Registrar	Rizzo, Farrugia & Co. (Stockbrokers) Ltd. of Airways House, Third Floor, High Street, Sliema SLM 1549, Malta;
Registrar's Account	the bank account in the name of the Registrar as shall be communicated to the Collecting Agents for the purpose of this Rights Issue and the intermediaries offer;
Regulated Market	the regulated market in terms of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments amending Council Directives 85/611/EEC and 93/6/EEC and Directive 2000/12/EC of the European Parliament and of the Council and repealing Council Directive 93/22/EEC and operated by the MSE;
Rights	the entitlements in nil paid form to acquire the New Ordinary Shares subject to the payment of the Share Offer Price;
Rights Issue or Issue	the proposed issue by way of Rights to the New Ordinary Shares to Eligible Shareholders as described in this Prospectus and, where the context so requires, shall also include the Lapsed Rights;
Share Offer Price	US\$ 0.65 per Share;
Shareholders or Ordinary Shareholders	holders of Ordinary Shares of the Issuer;
Subscription Agreements	the separate agreements entered into between the Company and Burgan Bank and UGB dated 18 May 2014 and 19 May 2014 respectively whereby each of UGB and Burgan Bank has undertaken to exercise its rights to subscribe to the New Ordinary Shares it is entitled to under the Rights Issue;
Subsidiaries	any company the ultimate holding company of which, as at the date of the Prospectus, is FIMBank including without limitation the Subsidiaries set out in section 4.4.1 of this Prospectus;
Summary	the summary of the Prospectus, as the same is contained in the section of the Prospectus named " <i>Summary</i> " and as the same may be amended, supplemented and updated from time to time;
Terms and Conditions	the Terms and Conditions set out under the heading " <i>Terms and Conditions of the Rights Issue and the Intermediaries Offer</i> " in section 26 of this Prospectus;
TIB or Underwriter	Tunis International Bank S.A., a fully licensed banking corporation under the supervision of the Central Bank of Tunisia organised and validly existing under the laws of the Tunisian Republic under registration number V111032 1996 and whose registered address is at 18 Avenue des Etats Unis d'Amerique P.O. Box 81, Le Belvedere, 1002-Tunis, Tunisia. TIB is a member of the KIPCO Group;
UGB	United Gulf Bank B.S.C., a joint stock company incorporated in the Kingdom of Bahrain in 1980, under Commercial Registration number 10550, listed on the Bahrain Bourse and operating in the Kingdom of Bahrain under a Wholesale Banking License issued by the Central Bank of Bahrain;
Underwriting Agreement	the agreement dated 16 May 2014 entered into between the Issuer and TIB for the provision of underwriting services in relation to the Rights Issue;
USD, United States Dollars or US\$	the lawful currency for the time being of the United States of America.

SUMMARY

This Summary is issued in accordance with the provisions of Chapter 4 of the Listing Rules issued by the Listing Authority and in accordance with the provisions of Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements, as amended by Commission Delegated Regulation (EU) No 486/2012 of the 30 March 2012 amending the Regulation as regards the format and content of the prospectus, the base prospectus, the summary and the final terms as regards the disclosure requirements and as further amended by Commission delegated Regulation (EU) No 862/2012 of 4 June 2012 as regards information on the consent to use of the prospectus, information on underlying indexes and the requirement for a report prepared by independent accountants or auditors, Commission Delegated Regulation (EU) No 759/2013 amending Regulation (EC) No 809/2004 as regards the disclosure requirements for convertible and exchangeable debt securities and Commission Delegated Regulation (EU) No 382/2014 of 7 March 2014 supplementing Directive 2003/71/EC of the European Parliament and of the Council with regard to regulatory technical standards for publication of supplements to the prospectus. This summary should be read as an introduction to the Prospectus.

Summaries are made up of disclosure requirements known as “Elements”. These Elements are numbered in Sections A – E. This Summary contains all the Elements required to be included in a summary for the Notes and the Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in a summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element should be included in the summary explaining why it is not applicable.

Section A – Introduction and Warnings

Element	Disclosure Requirement	Disclosure
A.1	Warning	<p>Prospective investors are hereby warned that:</p> <ol style="list-style-type: none"> i. This Summary is being provided to convey the essential characteristics and risks associated with the Issuer and the securities being offered pursuant to this document. This part is merely a Summary and therefore should only be read as an introduction to the Prospectus. It is not and does not purport to be exhaustive and investors are warned that they should not rely on the information contained in this Summary in making a decision as to whether to invest in the securities described in this document. Any decision to invest in the securities should be based on consideration of the Prospectus as a whole by the investor; ii. Where a claim relating to the information contained in the prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the prospectus before the legal proceedings are initiated; and iii. Civil liability attaches only to those persons who have tabled the Summary including any translation thereof and who applied for its notification, but only if the Summary, when read together with the other parts of the Prospectus, is misleading, inaccurate or inconsistent; or does not provide key information in order to aid investors when considering whether to invest in such securities.
A.2	Any consents to and conditions regarding use of this Prospectus	Not applicable. No consent has been given by the Company or any person responsible for drawing up this Prospectus to use this Prospectus for subsequent sale or final placement of securities by financial intermediaries.



Section B – Issuer

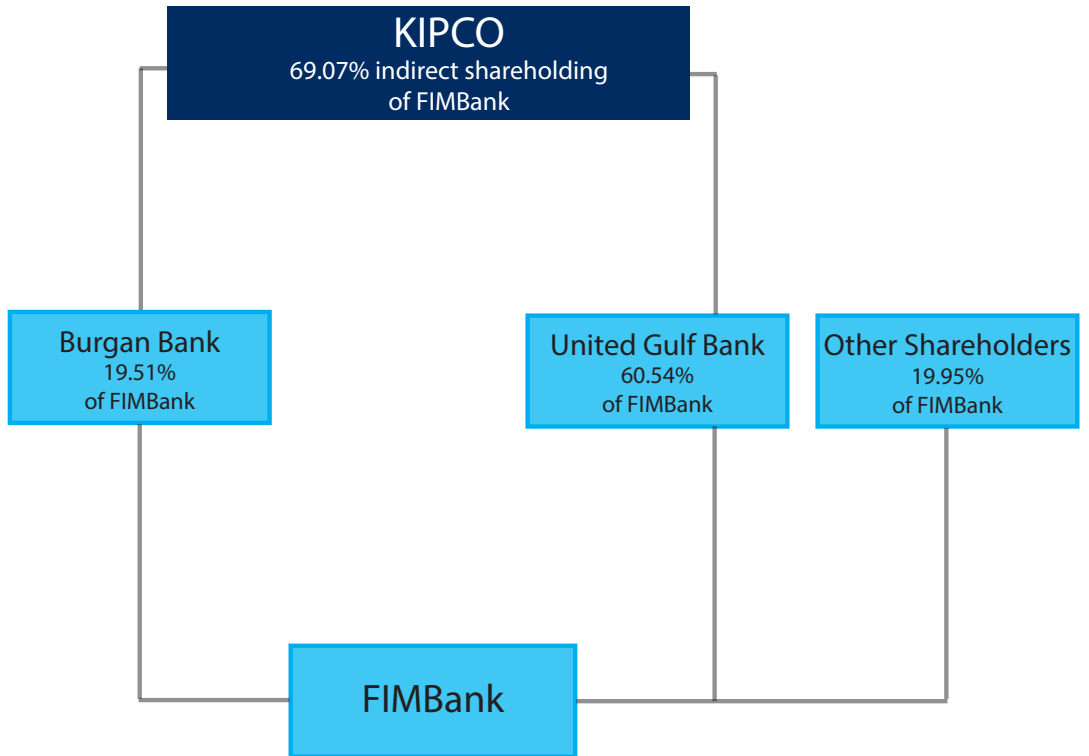
Element	Disclosure Requirement	Disclosure
B.1	Legal name Commercial name	FIMBank p.l.c. FIMBank
B.2	Domicile and legal form of the issuer	The Issuer is a Maltese public limited company, incorporated in Malta with company registration number C17003 and operating under the Companies Act (Cap. 386 of the laws of Malta). The Issuer is domiciled in Malta. The registered office of the Issuer is at Mercury Tower, The Exchange Financial and Business Centre, Elia Zammit Street, St. Julians STJ 3155, Malta.
B.3	Nature of the issuer's current operations and its principal activities	<p>The Issuer's main principal activity continues to be the provision of short-term international transfer finance to corporate traders and to act as an intermediary to other financial institutions for international settlement, forfaiting, factoring and loan syndications.</p> <p>The Group sources and generates business from various countries and regions, always with a focus on emerging markets. While Europe remains a main centre where business is arranged or originated, principal revenue is derived from Sub-Sahara Africa (SSA), the Middle East and North Africa (MENA) and the Commonwealth of Independent States (CIS). These, together with Latin America, are also the markets where focus is made on developing factoring activities. Ship financing business is mainly arranged from the Group's Dubai offices.</p>
B.4a	Significant recent trends	<p>Following a difficult 2013 marked by some fairly significant impairment events in the Issuer and London Forfaiting Company, the first months of 2014 have seen the FIMBank Group integrating more into the KIPCO Group, looking for new business ideas and securing better funding opportunities from its shareholders. Other important developments that have been taking place include the increase to 79% of the Group's holding in India Factoring and Finance Solutions Private Limited and to 80% of the holding in CIS Factors Holding B.V., which owns 100% of FactorRus L.L.C. These investments consolidate the FIMBank Group's exposure to factoring in these markets and are part of the plan to obtain shareholder control in key ventures. FIMBank is also in the process of opening a branch in Athens, Greece, offering mainly factoring to corporate clients while Dubai is being looked at as a test ground for initiating the offering of leasing services later in the year. Critical to the development of the FIMBank Group will be its ability to maintain strong capital ratios and enhance its credit rating and the rights issues approved by the Annual General Meeting on 8 May 2014 are steps in that direction.</p> <p>The period under review is again being marked by good operating results in the main Group component entities and mixed signals from the associated factoring entities. Revenue levels, both in terms of interest spread and fee income, are better than the same period in 2013 however impairments are once more impacting the performance in Russia while the outlook for Egypt remains cautious. Impairment levels at London Forfaiting Company are also under watch in view of economic tensions in certain markets where the entity is active. Across the Group, including in the Issuer, recovery efforts of impairments taken in 2013 continue but have so far not yielded the desired results.</p>



B.5 Group description

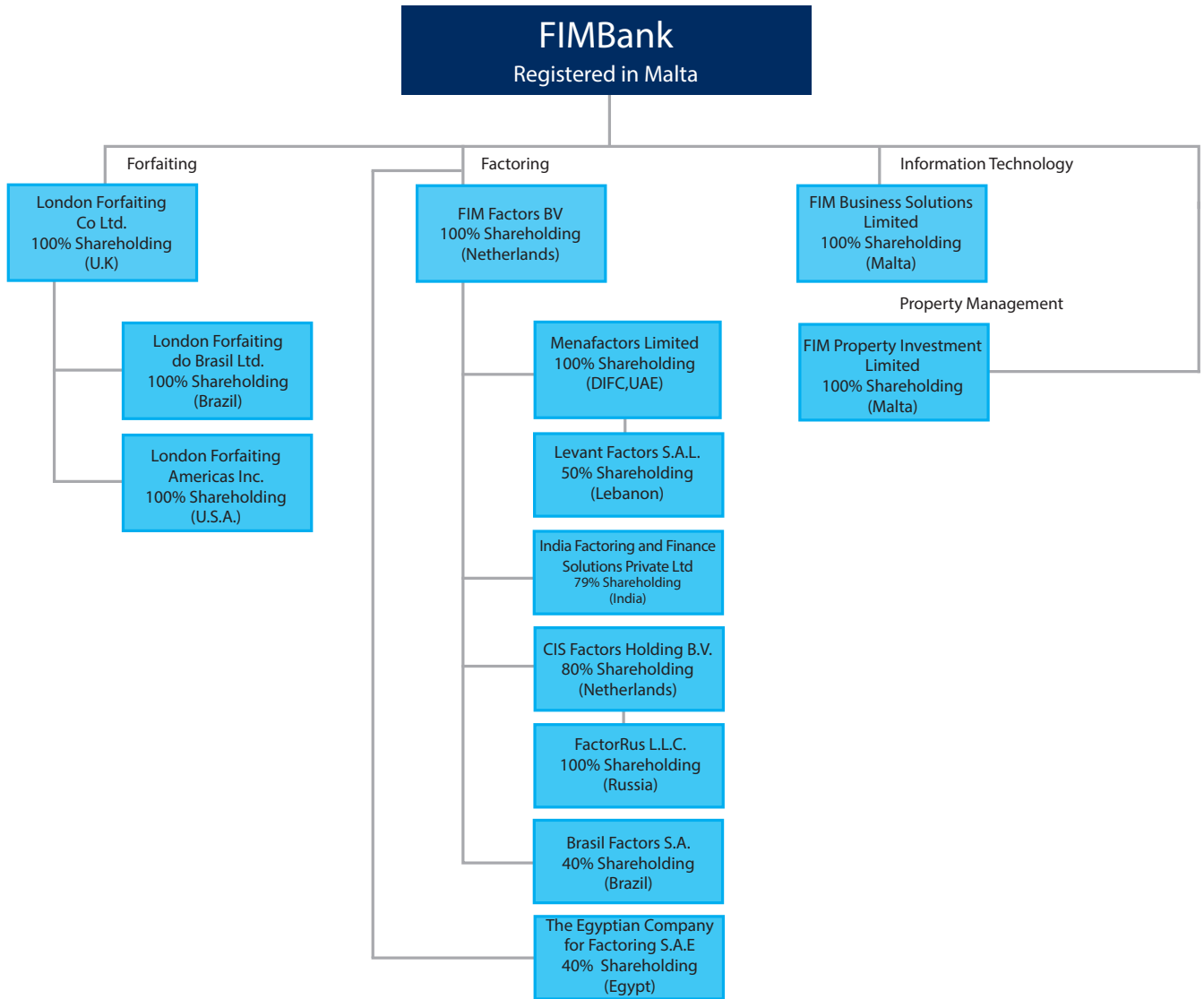
As a result of the fact that UGB and Burgan Bank have obtained a controlling interest in FIMBank and increased their aggregate shareholding to 80.05% FIMBank now forms part of the KIPCO Group.

The KIPCO Group is one of the largest diversified holding companies in the Middle East and North Africa, with consolidated assets of USD 30.5 billion. The Group has significant ownership interests in a portfolio of over 60 companies operating across 24 countries, with commercial interests ranging from financial services, media, real estate and manufacturing. Through its core companies, subsidiaries and affiliates, KIPCO also has interests in the education and medical sectors.





The Issuer together with its subsidiaries and associate entities forms part of the FIMBank Group:



B.6 Major shareholders

As at the Record Date, the Company had been notified that the following persons held directly or indirectly 5% or more of the voting rights of the Company:

	Number of Ordinary Shares	Percentage of Issuer's Share Capital
United Gulf Bank B.S.C.	119,476,459	60.54%
Burgan Bank S.A.K.	38,500,000	19.51%

None of the Shareholders referred to above has different voting rights from any other holder of Ordinary Shares in respect of any Ordinary Shares held by them.

B.7 Key financial information and narrative description of significant changes to financial condition and operating results of the Group during or subsequent to the period covered by the historical financial information

The selected historical financial information set out below relating to the Company has been extracted without material adjustment from the Company's historical financial information that is referred to in section 16 "Financial Information" of this Prospectus and incorporated by reference in this Prospectus:

Statements of Financial Position

	2013 USD	2012 USD	2011 USD
ASSETS			
Balances with the Central Bank of Malta, Treasury Bills and cash	69,707,225	20,831,547	11,220,465
Trading assets	272,831,977	245,061,077	230,286,337
Derivative assets held for risk management	828,234	893,552	1,844,035
Financial assets designated at fair value through profit or loss	17,700,000	55,589,393	41,320,260
Loans and advances to banks	337,975,471	396,320,420	417,884,197
Loans and advances to customers	417,469,537	329,330,290	245,186,411
Investments available-for-sale	26,476,204	92,742	92,742
Investments held-to-maturity	6,783,621	-	-
Investments in equity accounted investees	22,276,790	27,810,254	22,501,596
Investments in subsidiaries	-	-	-
Property and equipment	39,006,893	34,790,467	26,033,673
Intangible assets	1,342,722	1,335,559	1,573,025
Current tax assets	2,064,313	1,416,225	448,583
Deferred taxation	13,243,752	11,196,161	11,205,891
Other assets	4,992,409	3,925,264	3,507,147
Prepayments and accrued income	3,067,655	1,815,224	4,668,122
Total assets	1,235,766,803	1,130,408,175	1,017,772,484
LIABILITIES AND EQUITY			
Liabilities			
Derivative liabilities held for risk management	506,477	791,622	4,722,154
Amounts owed to banks	603,452,860	431,841,922	365,202,188
Amounts owed to customers	431,686,766	454,857,480	411,565,369
Debt securities in issue	35,498,006	51,956,119	50,554,467
Subordinated debt	-	40,122,813	41,162,938
Provisions	1,360,910	3,034,789	3,010,366
Other liabilities	368,017	409,346	94,392
Accruals and deferred income	14,137,625	16,753,818	16,731,411
Total liabilities	1,087,010,661	999,767,909	893,043,285
Equity			
Share capital	89,599,085	71,471,801	68,318,160
Share premium	19,820,564	8,028,945	10,474,390
Reserve for general banking risks	80,893	-	-
Currency translation reserve	(6,397,892)	(3,832,562)	(2,974,934)
Fair value reserve	159,362	(97,470)	(97,470)
Other reserve	2,681,041	10,463,255	12,442,022
Retained earnings	42,813,089	44,606,297	36,567,031
Total equity	148,756,142	130,640,266	124,729,199
Total liabilities and equity	1,235,766,803	1,130,408,175	1,017,772,484
MEMORANDUM ITEMS			
Contingent liabilities	25,658,655	73,271,995	66,848,581
Commitments	269,423,193	205,344,075	163,711,561

Income Statements

	2013 USD	2012 USD	2011 USD
Interest income	35,756,117	30,177,040	29,178,828
Interest expense	(19,814,462)	(17,201,281)	(15,667,074)
Net interest income	15,941,655	12,975,759	13,511,754
Fee and commission income	25,528,149	23,169,507	20,750,013
Fee and commission expense	(2,635,107)	(2,471,295)	(2,151,053)
Net fee and commission income	22,893,042	20,698,212	18,598,960
Net trading results	(8,132,249)	(4,875,179)	2,716,444
Net gain from other financial instruments carried at fair value	2,749,361	11,225,546	2,644,387
Dividend income	691	699	-
Other operating income	18,582	15,795	57,809
Operating income before net impairment	33,471,082	40,040,832	37,529,354
Net impairment loss on financial assets	(6,546,151)	(1,323,275)	(132,026)
Operating income	26,924,931	38,717,557	37,397,328
Administrative expenses	(27,462,659)	(27,003,171)	(27,765,367)
Depreciation and amortisation	(2,208,349)	(1,481,903)	(1,158,502)
Provisions	(676,921)	-	-
Total operating expenses	(30,347,929)	(28,485,074)	(28,923,869)
Operating (loss)/profit	(3,422,998)	10,232,483	8,473,459
Share of loss of equity accounted investees (net of tax)	(2,977,398)	(1,390,319)	(191,956)
(Loss)/profit before tax	(6,400,396)	8,842,164	8,281,503
Taxation	2,184,987	(43,631)	845,276
(Loss)/profit for the year	(4,215,409)	8,798,533	9,126,779
Basic earnings per share	(2.66c)	6.17c	6.45c
Diluted earnings per share	(2.65c)	6.17c	6.45c

Review of year 2013

Prior to impairment losses, marked-to-market adjustments and share of equity results, the Group improved its operating performance by 13%, from USD36.68 million to USD41.60 million. Net interest income increased by 23% to USD15.94 million. In a similar trend, net fee and commission income increased by 11% to USD22.89 million. Net income from foreign currency operations deteriorated by 8% to USD2.75 million. Net impairment losses increased from USD1.32 million to USD6.55 million. Net losses from trading assets and other financial instruments resulted in a loss of USD8.13 million, compared to a profit of USD3.36 million in 2012. The Group's factoring entities accounted through the equity method yielded a net share of loss of USD2.98 million compared to a net loss of USD1.40 million in 2012.



Operating expenses for the six months under review increased by 7% from USD28.49 million in 2012 to USD30.35 million, largely reflecting the depreciation on the Group's head office building which became operational as from 1 July 2012.

At 31 December 2013, total consolidated assets stood at USD1.24 billion, an increase of 9% over the USD1.13 billion reported at end 2012. The Group's exposure to Malta Government treasury bills increased to USD62 million from USD13 million in December 2012. As a result, loans and advances to banks decreased by 15% while loans and advances to customers increased by 27% when compared to the levels at 31 December 2012 as a result of improved volumes. The Group's trading assets, made up of LFC's forfaiting portfolio, increased by 11% over 2012 to USD273 million. The value of investments in equity accounted investees decreased by 20% reflecting the share of losses sourced from such entities as well as negative currency translation mainly from Indian Rupees and Brazilian Real to US Dollars.

Total consolidated liabilities as at 31 December 2013 stood at USD1.09 billion, an increase of 9% over end-2012. During the year under review, the Bank settled USD81 million worth of debt securities, through the early-redemption of its 7% 2012-2019 subordinated bonds as well as the maturity of the 4.25% Bonds issued in 2010. This funding was compensated by an increase of 40% in amounts owed to banks, from USD432 million to USD603 million, largely reflecting the USD150 million facility from Burgan Bank S.A.K. amounts owed to customers decreased by 5% to USD432 million, as a result of lower callable cash and collateral deposits held by business clients.

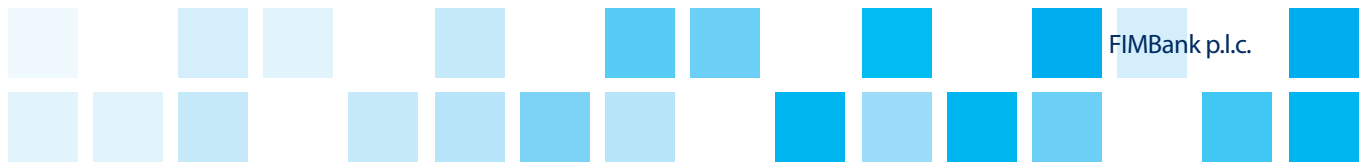
Group equity stood at USD149 million, up by USD18 million from the equity level of 31 December 2012, reflecting in large the USD30 million new equity invested by UGB during the second half of 2013 compensated by the negative performance for the year as well as the cash dividend paid in May 2013 and currency translation losses on equity accounted entities.

Review of year 2012

The Group's operating income increased by 4% over the same period in 2011, from USD37.4 million to USD38.7 million. Net interest income decreased by 4% with net interest margin of 43% of gross interest income. To the contrary, net fees and commissions increased by 11% as a result of improved documentary credit volumes across all Group entities. The Group also reported an increase in net trading income and net gains from other financial instruments, which when taken together yielded an improved result of USD1 million, from USD5.4 million to USD6.4 million. Net impairment losses amounted to USD1.3 million, an increase of USD1.2 million from 2011, mainly due to a charge in general provisions resulting from a growing business portfolio.

Group operating expenses remained fairly in line with 2011, with a decrease of 2% to USD28.5 million, driven by lower administrative costs (including staff costs) and compensated by an increase in depreciation as a result of new depreciation charges on own property. The Group's associated entities returned a net loss of USD1.4 million, comparing negatively with 2011 net losses of USD0.2 million, as a result of negative returns from all main associated entities.

Total consolidated assets as at 31 December 2012 stood at USD1.13 billion, an increase of 11% over end-2011 figures. Loans and advances to customers registered the largest increase of USD84 million, an increase of 34%. Trading assets, mainly made up of LFC's forfaiting portfolio, increased by USD15 million to USD245 million. A notable increase of USD14 million (35%) was also registered in financial assets carried at fair value. Loans and advances to Banks decreased by USD22 million, a decrease of 5% over end-2011. Investments in equity-accounted investees increased by 24% (USD5.3 million) to USD27.8 million, an increase mainly attributable to new



equity investments in India and Egypt, compensated by recognised share of losses and a loss on currency translation.

Total consolidated liabilities as at financial reporting date stood at USD1 billion, up by 12% from USD893 million on 2011. Significant increases were recorded in amounts owed to banks, increasing by 18% (USD66 million) and in amounts owed to customer of 11% (USD43 million). Movement in the Group's debt securities and subordinated debt largely reflects the currency fluctuations in the Euro-denominated 7% and 4.25% Bonds. During 2012, LFC continued developing its own funding resources through issues of promissory notes and the Bank also redeemed part of the IFC subordinated loan in line with the loan agreement.

Group equity as at 31 December 2012 stood at USD131 million, up by 5% when compared to the equity levels reported at 31 December 2011, reflecting the profit performance for the year as well as the equity retention resulting from the scrip dividend approved in May. Consolidated Basle II Capital Adequacy ratio of 16.4% (2011 – 19.3%), remained very strong and well above the regulatory minimum of 8%. Liquidity, with daily ratios averaging 50% during 2012, was prudently and consistently maintained above the 30% minimum regulatory requirement.

Review of year 2011

The Group's operating income after net impairment increased by 16% over the same period in 2010, from USD32.24 million to USD37.40 million. Net interest income increased by 4% with net interest margin of 46% of gross interest income. Net fees and commission decreased by 4%. This decrease was compensated by an increase in net profits from the Group's forfeiting assets of USD1.63 million. The Group also reported net realised and unrealised foreign exchange profits of USD0.54 million. These were coupled by realised gains on derivative instruments used in hedging the Group's currency exposures, which amounted to USD3.69 million. Losses on other financial assets carried at fair value, namely marked-to-market losses on the Bank's trading book, amounted to USD1.05 million. Net impairment losses amounted to USD0.13 million, well below the levels reported for 2010.

Group operating expenses amounted to USD28.92 million, a 16% increase over the levels for the same period in 2010. The Group's associated entities returned a net loss of USD0.19 million, comparing favourably with 2010 net losses of USD1.0 million.

Total consolidated assets as at 31 December 2011 exceeded the USD1 billion mark and stood at USD1,018 million, an increase of 18% over end-2010 figures. Loans and advances to Banks saw the largest increase of USD91 million, an increase of 28%. Trading assets, mainly made up of LFC's forfeiting portfolio, increased by USD27 million to USD230 million. Loans and advances to customers increased by USD22 million, an increase of 10% over end-2010. Financial assets carried at fair value stood at USD41 million at year-end, a decrease of 9% when compared to the levels reported in 2010. Investments in equity-accounted investees increased by 47% (USD7 million) to USD23 million, an increase mainly attributable to new equity investment in Brazil and fresh injections of equity in India Factoring.

Total consolidated liabilities as at financial reporting date stood at USD893 million, up by 21% (USD153 million) on 2010. Significant increases were recorded in Amounts owed to customers, increasing by 41% (USD120 million). Amounts owed to banks stood at USD365 million as at 31 December 2011, increasing by USD33 million (10%) over end-2010. During 2011, LFC continued developing its own funding resources through issues of promissory notes and the Bank also redeemed part of the IFC subordinated loan in line with the loan agreement.

Group equity as at 31 December 2011 stood at USD125 million, up by 3% when compared

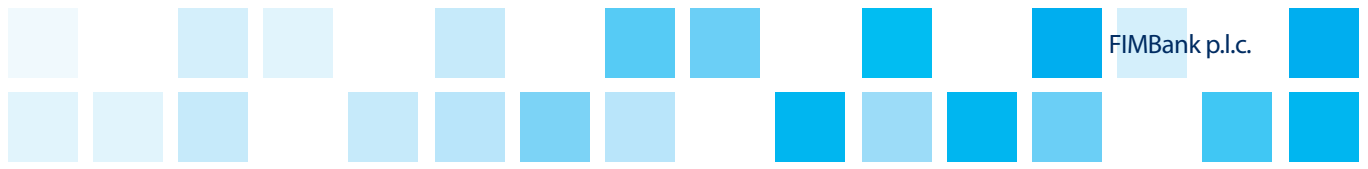


to the equity levels reported at 31 December 2010, reflecting the profit performance for the year as well as the equity retention resulting from the scrip dividend approved in May. Consolidated Basle II capital adequacy ratio of 19.3% (2010 – 20.6%), remained very strong and well above the regulatory minimum of 8%. Liquidity, with ratios averaging 53% during 2011, was prudently and consistently maintained above the 30% minimum regulatory requirement.

B.8	Key proforma financial information	Not applicable: No key proforma financial information has been published in this Prospectus.
B.9	Profit forecast or estimate	Not applicable: No profit forecast or estimate made.
B.10	Description of the nature of any qualifications in the audit report on the historical financial information	Not applicable: There are no qualifications to the audit report on the historical financial information.
B.11	Issuer's working capital	The Issuer is of the opinion that the working capital available to the Issuer is sufficient for its business requirements over the coming twelve months of operations.

Section C – Securities

Element	Disclosure Requirement	Disclosure
C.1	Type and class of securities	<p>Ordinary shares having a nominal value of USD0.50 each. The Issuer has no other classes of shares.</p> <p>When admitted to trading on the Official List of the Malta Stock Exchange, the New Ordinary Shares will be registered with the Issuer's existing ISIN number being MT0000180100.</p>
C.2	Currency	United States Dollars.
C.3	Number of shares issued	On the Record Date the Company had 197,335,705 Ordinary Shares of USD 0.50 each (fully paid) and the nominal share capital of the Company amounted to USD 98,667,853.
C.4	Description of the rights attached to the shares	The New Ordinary Shares will, when issued and fully paid, rank equally in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions made, paid or declared after the date of issue of the New Ordinary Shares.
C.5	Description of any restrictions on the free transferability of the securities	There are no restrictions on the free transferability of the Ordinary Shares.
C.6	Admission	Application will be made to the Malta Stock Exchange for Shares issued as a result of the exercise of any Rights under the Rights Issue to be listed and traded on the Official List of the Malta Stock Exchange and for dealings to commence once the New Ordinary Shares are authorised as Admissible to Listing by the Listing Authority, which is anticipated to be on or around the 4 July 2014.
C.7	Dividend policy	The Issuer's policy on dividend distributions has been one aimed at balancing payouts from cash profits with prudent retentions. It is also guided by the observance of provisions and covenants in loan agreements which invariably require any proposed payment or distribution to be made out of net income of the current financial year, excluding any amount resulting from the revaluation of any of the Issuer's assets, while ensuring that no event of de-



fault or potential event of default has occurred or is then continuing. Since 2014, dividend policy is also influenced by the impact of revised MFSA Banking Rule 09, which requires the build-up of a Reserve for General Banking Risks calculated as a percentage of non-performing facilities. This Reserve is required to be funded from planned dividends and may consequently affect the level of future distributions.

For information on risks related to the Issuer's ability to pay dividends see D.3 of this summary.

Section D – Risks

Element	Disclosure Requirement	Disclosure
D.1	Key information on the key risks that are specific to the issuer	<p>World Economy and Cross-Border Trade: The success of the Group's activities is connected to the overall performance of international trade in the global economy and in particular to the level of cross-border trade between countries at varying stages of economic development and which may not yet have achieved the level of political stability of countries members of the OECD.</p> <p>Credit and Concentration Risk: The Group is exposed to the risk of loss if any of its customers, clients or market counterparties fails to fulfil its contractual obligations. The Group is also exposed to the risk which may arise because of lack of diversification in business which may lead to excessive exposures or concentrations in one counterparty or geographical area.</p> <p>Country and Transfer Risk: The Group is also exposed to risks associated with the economic, social and political environment of the home country of the borrowers to which it provides banking services. The Group may also be exposed to currency risk when a borrower's obligation is not denominated in his local currency.</p> <p>Foreign Exchange Risk: The Group is exposed to foreign exchange risks which include the monetary assets of the liability of the Group that are not denominated in the functional currency of the Group.</p> <p>Settlement Risk: The Issuer faces settlement risk due to the fact that few financial transactions are settled simultaneously or on a same day basis. Consequently, the Issuer could suffer a loss if the counterparty fails to deliver on settlement date.</p> <p>Interest Rate Risk: The Group is exposed to movements in interest rates. The risk impacts the earnings of the Group as a result of changes in the economic value of its assets, liability and off-balance sheet instruments.</p> <p>Liquidity Risk: The Issuer may be unable to meet its obligations as they become due because of an inability to liquidate assets or obtain adequate funding or that it cannot easily unwind or offset specific exposures without significantly lowering market prices because of inadequate market depth or market disruptions.</p> <p>Operational Risk: The Group's activities are exposed to the potential that inadequate information systems, operations problems, breaches in internal controls, fraud, or unforeseen catastrophes will result in unexpected losses.</p> <p>IT Risk: The Group is exposed to risks which may arise from inadequate information technology and processing, inappropriate IT strategy and policy or inadequate use of the Group's IT.</p>



D.3 Key information on the key risks that are specific to the securities

Legal Risk: The Group is subject to legal risks which arise from the possibility that unenforceable contracts, lawsuits, or adverse judgements can disrupt or otherwise negatively affect the operations or condition of the Issuer.

Reputational Risk: Negative publicity regarding the Issuer’s business practices, whether true or not, could be particularly damaging for the Issuer since the nature of its business requires maintaining the confidence of depositors, creditors, regulatory authorities and of the general marketplace.

Strategic and Business Risk: Improper strategic choices or the actual implementation of strategic decisions can have a serious and significant impact on prospective profit and capital results.

External Factors: The Group’s performance may be adversely affected by external factors beyond the Issuer’s control.

Issuer’s Solvency: Shareholders assume the credit risk of FIMBank as the Issuer of the Shares.

Funding Risk: Funding risk is the risk that the Group may not be able to achieve its business plans due to: being unable to maintain appropriate capital ratios; failing to manage its liquidity and funding risk sufficiently; or the impact of changes in foreign exchange rates on capital ratios and/or adverse changes in interest rate curves impacting structural hedges of non-interest bearing assets/ liabilities.

Credit Rating Risk: The Issuer is subject to the risks of downgrading of credit ratings.

Risks Associated to Majority Shareholder: The Issuer’s major shareholders form part of the same group. Such dependency highlights the risk of ‘contagion’ if the KIPCO Group were to find itself in financial difficulties.

Dividend risk: FIMBank’s ability to pay dividends and its ability to receive distributions from its investments in other entities is subject to applicable local laws. In addition, other restrictions, including regulatory requirements, capital and leverage requirements, statutory reserves, financial and operation performance and applicable tax laws may restrict its ability to pay dividends.

Share price fluctuation risk: The market price of the Ordinary Shares could be subject to significant fluctuations due to a change in sentiment in market regarding the Ordinary Shares and/or securities of other financial institutions.

Dilution risk: Eligible Shareholders who do not (or who are not permitted to) subscribe for their full entitlement to New Ordinary Shares in the Rights Issue will experience dilution in their ownership of the Issuer.

Securities law risk: Securities laws of certain jurisdictions may restrict Shareholders in exercising the rights attaching to their Ordinary Shares and participating in the Rights Issue.

Section E – Offer

Element	Disclosure Requirement	Disclosure
E.1	Net proceeds and costs of issue	The net proceeds of the Rights Issue (assuming take up in full of all New Ordinary Shares) are expected to be approximately USD49.456 million (net of expenses). The total costs, charges and expenses payable by the Company in connection with the Rights Issue are



not expected to exceed USD600,000. No expenses will be charged by the Company to the purchasers of the New Ordinary Shares.

E.2a	Reasons for offer and use of proceeds	<p>The net proceeds of USD49.456million (net of expenses) from the issue of New Ordinary Shares will be used by the Issuer to support the general growth of the Group as well as its diversification strategies into new products, markets and ventures. The proceeds of the New Ordinary Shares will constitute Common Equity Tier I capital forming part of the Issuer's Own Funds in terms of the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012.</p>
E.3	Terms and conditions of the Rights Issue and the Intermediaries Offer	<p>The Rights Issue is being made to all Shareholders on the register of members of the Company at the close of business on the Record Date. Pursuant to the Rights Issue, the Company is proposing to offer 77,009,494 New Ordinary Shares by way of Rights to Eligible Shareholders at the Share Offer Price of USD0.65 per New Ordinary Share payable in full on acceptance by no later than 10.00 a.m. on 25th June 2014. The Share Offer Price represents a discount of <i>circa</i> 16% to the Closing Price of USD0.77 on the Record Date.</p> <p>The Rights Issue will be made on the basis of 16 New Ordinary Shares for every 41 Existing Ordinary Shares registered in the name of each Eligible Shareholder at the close of business on the Record Date (and so in proportion for any other number of Existing Ordinary Shares then registered in the name of such Eligible Shareholder). Entitlements to New Ordinary Shares will be rounded up to the nearest whole number.</p> <p>The allotment of New Ordinary Shares pursuant to the Rights Issue is conditional upon a minimum of forty million United States Dollars (USD40,000,000) in New Ordinary Shares being subscribed for and raised by the Company in cash pursuant to the Rights Issue (but excluding for the avoidance of doubt any New Ordinary Shares subscribed for under the Intermediaries Offer or pursuant to the Underwriting Agreement).</p> <p>The offer of New Ordinary Shares and the Rights Issue will not be made in the Excluded Territories being United States of America, Canada, Japan, the Republic of South Africa and any jurisdiction where the extension into or availability of the Rights Issue would breach any applicable law.</p>
E.4	Material interests	Not applicable. There are no interests, known to the Company, material to the issue of the New Ordinary Shares or which are conflicting interests.
E.5	Name of person selling securities	Not applicable. The Rights Issue comprises an offer of New Ordinary Shares to be issued by the Company
	Lock-up Agreements	Not applicable. There are no lock-up agreements being entered into for the purpose of this Prospectus.
E.6	Dilution resulting from the Rights Issue	Eligible Shareholders who do not take up any of their rights to subscribe for the New Ordinary Shares will suffer an immediate dilution of 28% in their interests in the Company in the event that all New Ordinary Shares are issued.
E.7	Estimated expenses charged to the investor by the Issuer	Not applicable. No expenses will be charged to the investor by the Issuer.

1. RISK FACTORS

1.1 GENERAL

An investment in the Rights to be issued by the Issuer involves certain risks. The following risks are those identified by the Issuer as at the date of the Prospectus. Prospective investors should consider carefully, together with their independent financial and other professional advisers, the following risk factors and other investment considerations as well as all the other information contained in this Prospectus and Reference Documents before deciding to make an investment in the Issuer and the Rights.

Some of these risks are subject to contingencies that may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingencies occurring. The sequence in which the risks below are listed is not intended to be indicative of any order of probability of a particular cause of loss arising or of the extent of that loss should it arise.

Should any of the risks described below materialise, they could have a serious adverse effect on the Issuer's financial results and trading prospects.

The risks and uncertainties discussed below may not be the only ones that the Issuer faces. Additional risks and uncertainties, including those the Directors of the Issuer may not currently be aware of, could well result in a material impact on the financial condition and operational performance of the Issuer. Accordingly, prospective investors should make their own independent evaluation of all risk factors, and should consider all other sections in the Prospectus before investing in the Rights. In addition, prospective investors ought to be aware that risk may be amplified due to a combination of risk factors.

1.2 FORWARD-LOOKING STATEMENTS

This document contains forward-looking statements. No assurance can be given that future results or expectations covered by such forward-looking statements will be achieved. These statements by their nature involve substantial risks and uncertainties, certain of which are beyond the Issuer's control.

1.3 RISKS RELATING TO THE ISSUER

The risk factors associated with the banking industry are multiple and varied. Exposure to credit risk, liquidity risk, interest rate risk and foreign currency risk arises in the normal course of the Issuer's and Group's business. As the Group is mainly engaged in trade finance business, control over contingent liabilities and commitments is fundamental since the risks involved are the same as with on-balance sheet items.

1.3.1 World Economy and Cross-Border Trade

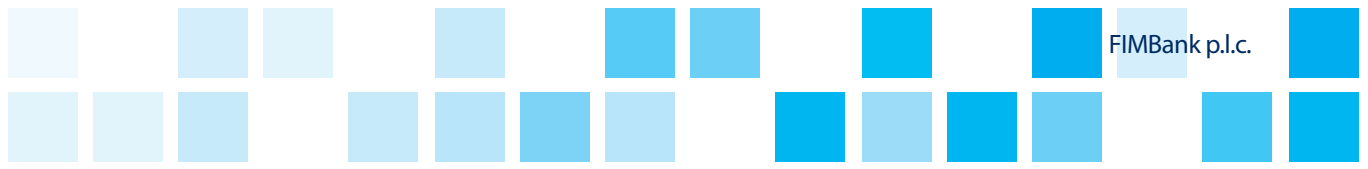
The success of the Group's activities is connected to the overall performance of international trade in the global economy, and in particular to the level of cross-border trade between countries at varying stages of their economic development, and which may not yet have achieved the level of political stability of countries members of the Organisation for Economic Cooperation and Development (OECD).

The major part of the Group's trade finance activities relates to essential goods. Trade in essential goods is the livelihood of all nations, it extends across borders and markets and its importance is generally well-recognised. However, trade flows may be disrupted due to political strife and other factors, such as economic sanctions, embargoes and similar restrictive measures. Trade flows may also be affected by market downturns in supply and demand, whether cyclical, economic or seasonal, that may impact significantly on the business.

1.3.2 Credit and Concentration Risk

Credit risk is the risk that one party to a financial transaction might fail to discharge an obligation and cause the other party to incur a financial loss. The Group finances international trade in many countries worldwide, especially emerging markets, which in turn entails an exposure to sovereign, bank and corporate credit risk respectively. Credit risk is not only akin to loans but also to other on- and off-balance sheet exposures such as letters of credit, guarantees, acceptances and money market operations.

Concentration risk, which may occur both at the level of the Issuer as well as the level of the Group, may arise because of lack of diversification in business that may lead to excessive exposures or concentration in one counterparty or group of connected counterparties. Furthermore, concentration risk may also arise in terms of geographies, regions, countries, industries, products, counterparties or for connectivity or inter-relationships that may exist between them.



1.3.3 Country and Transfer Risk

In addition to the counterparty credit risk inherent in lending, international lending also includes country risk, which refers to risks associated with the economic, social and political environment of the borrower's home country. A component of country risk is transfer risk which arises when a borrower's obligation is not denominated in his local currency. The currency of the obligation may become unavailable to the borrower regardless of its particular condition.

As the Group carries out activities with counterparties in emerging markets, there are certain risk factors which are peculiar to such activities and which require careful consideration by prospective investors since they are not usually associated with activities in more developed markets. Such exposure relates to the risks of major political and economic changes including but not limited to, higher price volatility, the effect of exchange control regulations and the risks of expropriation, nationalisation and/or confiscation of assets. The ineffectiveness of the legal and judicial systems in some of the emerging markets, including those in which the Group may be carrying out activities, may pose difficulties for the Group in preserving its legal rights.

Since the success of the Group depends on a good understanding of the markets and countries where it does (or proposes to develop) business, an inability to monitor those countries closely, whether because of lack of reliable market information, an interruption in communication flows, an incapacity to visit those countries regularly, or otherwise, raises the country risk to varying extents.

1.3.4 Currency Risk

The Group is also exposed to foreign exchange risk. These exposures include the monetary assets and monetary liabilities of the Group that are not denominated in the functional currency of the Group. Transactional exposures give rise to foreign currency gains and losses that are recognised in the income statement.

1.3.5 Settlement Risk

The Group faces settlement risk due to the fact that few financial transactions are settled simultaneously or on a same day basis. Consequently, the Group could suffer a loss if the counter-party fails to deliver on settlement date.

1.3.6 Interest Rate Risk

Interest rate risk refers to the exposure of the Group's financial instruments to movements in interest rates. The risk impacts the earnings of the Group as a result of changes in the economic value of its assets, liabilities and off-balance sheet instruments. The Group's operations are subject to interest rate fluctuations to the extent that interest-earning assets and interest-bearing liabilities mature or re-price at different times or at different amounts.

1.3.7 Liquidity Risk

Liquidity risk arises in the general funding of the Group's activities and the management of positions. It is the risk that the Group may be unable to meet its obligations as they become due because of an inability to liquidate assets or obtain adequate funding (referred to as "funding liquidity risk") or that it cannot easily liquidate an asset or offset specific exposures in an appropriate time-frame without significantly lowering market prices because of inadequate market depth or market disruptions ("market liquidity risk").

1.3.8 Operational Risk

Operational risk arises from the potential that inadequate information systems, operational problems, breaches in internal controls, fraud, or unforeseen catastrophes will result in unexpected losses. The Group's activities are subject to operational risk, including but not limited to breakdowns in internal controls and corporate governance. Such breakdowns can lead to financial losses through error, fraud, or failure to perform in a timely manner and may cause the interests of the Group to be compromised particularly if insurance or contingency plans fail to mitigate the risk or loss.

1.3.9 IT Risk

Information technology risk may arise from inadequate information technology systems and processes, inappropriate IT strategy and policy or inadequate use of the Group's IT. The Group is subject to various forms of threats that could impact any or all of its IT systems and operations.



1.3.10 Legal Risk

The Group is subject to various forms of legal risk. Legal risks arise from the possibility that unenforceable contracts, lawsuits, or adverse judgments can disrupt or otherwise negatively affect the operations or condition of the Group.

The Group carries on business in various parts of the world and under different legal systems. The Group is particularly susceptible to legal risks when entering structured transactions in some of the emerging markets in which it is dealing and when its legal rights might be susceptible to non-enforcement because of uncertainties of the local legal and judicial system.

1.3.11 Reputational Risk

Reputational risk is the risk that negative publicity regarding the Group's business practices, whether true or not, will cause a decline in the customer base, costly litigation, or revenue reductions. Reputational risk could be particularly damaging for the Group since the nature of its business requires maintaining the confidence of depositors, creditors, regulatory authorities and of the general marketplace.

Reputational risk arises from operational failures, failure to comply with relevant laws and regulations - especially Anti-Money Laundering ("AML") and Anti-Terrorism Financing ("ATF") - regulations or from other sources, including acts or omissions of misconduct on the part of its Directors and/or officers and/or representatives overseas, even in matters which are unrelated to their mandate or position within the Group. Of particular relevance to the Group's business model is the typology of transactions and clients which pose a higher risk compared to others. These include Politically Exposed Persons ("PEPs"), clients and transactions deriving from a non-compliant jurisdiction and correspondent banking. The impact to the Group for non-compliance with the applicable regulations can be substantial and can include enhanced supervisory monitoring, enforcement actions, monetary penalties and regulatory sanctions.

1.3.12 Strategic and Business Risk

Strategic risk is the risk associated with the future business plans and strategies of the Group. Improper strategic choices or the actual implementation of strategic decisions, as well as lack of responsiveness to changes in the economic environment, can have a serious and significant impact on prospective financial results. As the Group is mainly engaged in trade finance business, this risk category is intimately connected with the overall performance of international trade in the global economy, and in particular to the level of cross-border trade between countries and in markets that are typically in the developing stages of their economic development and political stability. Closely linked with the above, business risk is the risk associated with the particular business and operating circumstances of the Group, and is more within the control of decisions taken by management but which nevertheless can have a significant impact on operating and business results.

1.3.13 External Factors

The Group's overall performance and results may also be adversely affected by external factors beyond the Group's control. These include changes in economic conditions, business cycles, volatility in financial markets and increased competitive pressure in the financial services sector.

1.3.14 Issuer's Solvency

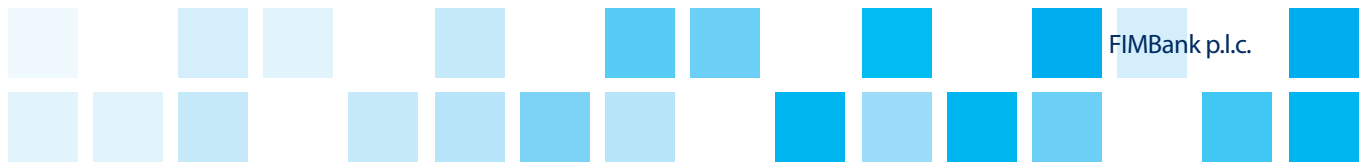
The Shareholders assume the credit risk of FIMBank as the Issuer of the Shares. In the case of insolvency of the Issuer, the Shareholders may suffer direct and materially adverse consequences, including loss of their entire investment.

1.3.15 Funding Risk

Funding risk is the risk that the Group may not be able to achieve its business plans due to: being unable to maintain appropriate capital ratios (capital risk); failing to manage its liquidity and funding risk sufficiently (liquidity risk); or the impact of changes in foreign exchange rates on capital ratios and/or adverse changes in interest rate curves impacting structural hedges of non-interest bearing assets/ liabilities (structural risk).

1.3.16 Credit Rating Risk

The Group relies on leading global credit rating agencies ("Rating Agencies") for its risk assessment purposes. Rating Agencies publish their independent opinions on the creditworthiness of debt issuers, in terms of both their ability and willingness to honour financial commitments on a timely basis. Given its substantial international business, the Group focuses primarily on the long-term ratings assigned by Rating Agencies to the obligations of the Group's clients, which ratings indicate the probability of the debt repayments due to the Group. Rating Agencies do not assume any direct



responsibility to lenders or investors for the ratings they assign to particular entities or obligations. Moreover, credit ratings are subject to downgrading or removal and foreign currency ratings tend to experience more volatility than those relating to obligations denominated in the rated entity's own currency.

1.3.17 Risks Associated to Majority Shareholder

The Issuer's major shareholders are Burgan Bank and UGB, two financial institutions members of the KIPCO Group. With the KIPCO entities as the major shareholders of the Issuer, there could possibly be a higher dependency on one large shareholder, whether for capital or funding, which always highlights the risk of 'contagion' if that shareholder were to find itself in financial difficulties.

1.4 RISKS RELATING TO THE SECURITIES

1.4.1 Currency Risk

Investors should also be aware that any investment in Shares of the Issuer shall be denominated in US Dollars. This involves certain risks on the part of the investor, in particular exchange rate fluctuations that may affect the realisation of the original investment of the investor who may use a different currency to calculate the value of the investments.

1.4.2 Dividend Risk

As a matter of Maltese law, a company can only pay dividends to the extent that it has distributable reserves and sufficient cash available for this purpose. The Issuer's ability to pay dividends in the future is affected by a number of factors, principally its ability to generate and receive income for such purposes, directly or indirectly, from its operating subsidiaries and associates. The ability of these entities to pay dividends and the Issuer's ability to receive such distributions is subject to applicable local laws and other restrictions, including their respective regulatory, capital and leverage requirements, statutory reserves, financial and operating performance and applicable tax laws. These laws and restrictions could limit the payment of dividends and distributions to the Issuer by its subsidiaries and associates, which could in turn restrict the Issuer's ability to fund other operations or to pay a dividend to holders of the existing Ordinary Shares or the New Ordinary Shares.

1.4.3 Share Price Fluctuation Risk

The market price of the New Ordinary Shares and/or the Ordinary Shares could be subject to significant fluctuations due to a change in sentiment in the market regarding the New Ordinary Shares, the Ordinary Shares and/or securities of other financial institutions. The fluctuations could result from national and global economic and financial conditions, the market's response to the Rights Issue, market perceptions of Issuer and various other factors and events.

1.4.4 Dilution Risk

If a Shareholder does not take up the offer of New Ordinary Shares in the Rights Issue, his proportionate ownership and voting interests in the Issuer will be reduced and the percentage that the Shares will represent of the total share capital of the Issuer will be reduced accordingly. Even if a Shareholder elects to transfer the unexercised Rights, or such Rights are sold on his behalf, the consideration he receives may not be sufficient to compensate him fully for the dilution of his percentage ownership of the Issuer's share capital that may be caused as a result of the Rights Issue.

1.4.5 Securities Law Risk

Securities laws of certain jurisdictions may restrict the Issuer's ability to allow participation by Shareholders in the Rights Issue. Securities laws of certain other jurisdictions may restrict the Issuer's ability to allow participation by Shareholders in such jurisdictions in any future issue of shares carried out by the Issuer. Eligible Shareholders who have a registered address in or who are resident in, or who are citizens of countries other than Malta, should consult their professional advisers as to whether they require any governmental or other consent or need to observe any other formalities to enable them to participate in the Rights Issue.

2. PERSONS RESPONSIBLE

Each and all of the Directors whose names appear in section 12.1 of this Prospectus, are the persons responsible for the information contained in this Prospectus. To the best of the knowledge and belief of the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is in accordance with the facts and contains no omission likely to affect its import. The Directors accept responsibility accordingly.



3. ADVISERS AND STATUTORY AUDITORS

3.1 ADVISERS

Legal Counsel

GANADO Advocates
171, Old Bakery Street
Valletta VLT 1455
Malta

Sponsor, Manager and Registrar

Rizzo, Farrugia & Co. (Stockbrokers) Ltd.
Airways House, Third Floor
High Street
Sliema SLM 1549
Malta

Rizzo, Farrugia & Co (Stockbrokers) Ltd. holds a Category 3 license issued by the Malta Financial Services Authority and is a member of the Malta Stock Exchange.

3.2 STATUTORY AUDITORS

KPMG

Portico Building, Triq Marina
Pieta' PTA 9044
Malta

KPMG is a firm of certified public accountants, holding a warrant to practice the profession of accountant and a practising certificate to act as auditors in terms of the Accountancy Profession Act (Cap. 281 of the laws of Malta).

4. INFORMATION ABOUT THE ISSUER

4.1 HISTORY AND DEVELOPMENT OF THE ISSUER

The Issuer is registered and domiciled in Malta as a public limited liability company under registration number C17003 and with its registered office at Mercury Tower, The Exchange Financial & Business Centre, Elia Zammit Street, St. Julians, STJ 3155, Malta. It was incorporated on 8 November 1994 as First International Merchant Bank Limited for an unlimited duration under the Commercial Partnerships Ordinance, 1962 (Cap. 168, laws of Malta), and with effect from 31 December 1997 complied with the Companies Act under which it is currently regulated.

The status of the Issuer was changed from a private limited liability company to that of a public limited liability company (p.l.c.) on 28 April 2001. The Issuer's ordinary shares were then offered to the public and admitted to the Official List of the Malta Stock Exchange on 22 June 2001. The Issuer changed its name from First International Merchant Bank p.l.c. to FIMBank p.l.c. on 13 May 2005. Wholesale revisions were made to the Issuer's Memorandum and Articles of Association in 2006 and 2009 and were approved by the members at the annual general meetings of both those years.

Since 2003, the Issuer has increased its issued share capital on a number of occasions through:

- a. rights issues (2003 and 2007);
- b. capitalisation (bonus) issues (2005, 2008, 2012 and 2014);
- c. scrip dividend between 2005 and 2012; and
- d. issues of shares to eligible employees on exercise of options.

On the 20 June 2013, an important milestone for the Group saw a joint acquisition by Kuwait-licensed Burgan Bank and Bahrain-licensed United Gulf Bank of 37.65% of the Issuer's capital at the time through an outright acquisition of Massaleh Investments KSCC's interest in FIMBank.

UGB and FIMBank have also entered into a US\$ 60,000,000 convertible loan agreement wherein UGB may convert the loan amount or parts of it, into FIMBank shares. On the 29 July 2013, UGB converted the first tranche of the loan amounting to US\$ 30,000,000 and accrued interest into 36,254,567 Shares. The convertible loan agreement has been terminated with effect from 22 May 2014 and as a consequence, UGB will no longer be entitled to convert the second tranche of the loan.

Another important milestone for the Group took place in December 2013, when UGB and Burgan Bank launched a joint voluntary bid for all the shares in the Company. On 28 January 2014, the Bank announced that as a result of the joint voluntary bid, UGB and Burgan Bank obtained a controlling interest in FIMBank and increased their aggregate shareholding

to 80.14%. UGB increased its shareholding in the Company to 60.61% of all issued shares in FIMBank whereas Burgan Bank retained its shareholding at 19.53%. Both entities are ultimately controlled by KIPCO and consequently FIMBank now forms part of the KIPCO Group.

As a result of the joint voluntary bid, the proportion of the class or ordinary shares admitted to listing on the MSE in the hands of the public has fallen below the required minimum of 25% of the total issued share capital. As announced on 21 May, 2014, the Bank has been informed that the Listing Authority has accepted the Bank's request to remain listed on the MSE notwithstanding that the proportion shares in the hands of the public has fallen below 25%. Furthermore, the Listing Authority has also indicated that should the level of shares in the hands of the public decrease to 17% as a result of this Rights Issue and the Intermediaries Offer, this will not prejudice the Bank's listing on the MSE.

This approval is subject to the following conditions:

- i. the Listing Authority expects that the Issuer targets the restoration of the shares in public hands to the level of 25% at the first practical opportunity; and
- ii. the acceptance of the lower threshold is without prejudice to any further measures that the Listing Authority may generally take with regards listed companies achieving the free float threshold set in Listing Rule 3.26.

The Issuer may be contacted on telephone: +356 23280171 (Company Secretary), facsimile: +356 23280107, email: csec@fimbank.com, or through the website: www.fimbank.com.

4.2 CREDIT INSTITUTION LICENCE

On 11 July 1994, the Issuer was granted a licence by the Ministry of Finance to carry on the business of banking as a 'financial institution' operating initially with non-residents subject to such conditions as may from time to time be imposed under Article 4(6)(c) of the Banking Act, 1970 (now repealed). This licence has now been superseded and the Issuer is now licensed by the MFSA as a credit institution under the Banking Act. Additional to the business of banking, the Issuer is also licensed, in terms of its current licence dated 4 April 2014, to carry out the following additional activities listed in the Banking Act (Schedule 2) namely:

- financial leasing;
- payment services as defined in the Financial Institutions Act;
- issuing and administering other means of payment (travellers' cheques and bankers' drafts and similar instruments);
- guarantees and commitments;
- trading for own account in:
 - (a) money market instruments;
 - (b) foreign exchange;
 - (c) financial futures and options;
 - (d) exchange and interest-rate instruments; and
 - (e) transferable securities;
- participation in securities issues and the provision of services related to such issues;
- advice to undertakings on capital structure, industrial strategy and related questions and advice as well as services relating to mergers and the purchase of undertakings;
- safekeeping and administration of securities; and
- credit reference services.

4.3 CREDIT RATING

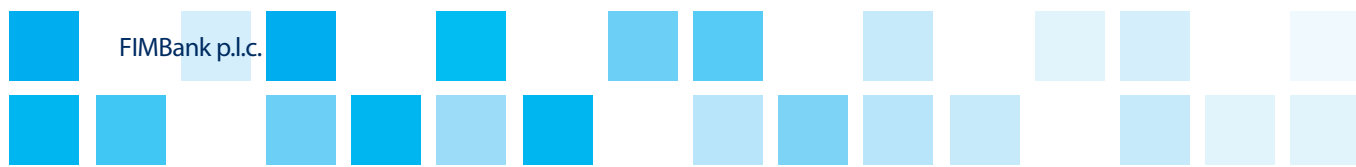
In February 2014, Fitch reaffirmed its long-term rating for FIMBank at BB, Outlook Stable.

4.4 SUBSIDIARIES AND ASSOCIATES

4.4.1 Subsidiaries

4.4.1.1 London Forfaiting Company Limited

The Issuer owns 100% of the issued share capital of London Forfaiting Company Limited ("LFC"), a company incorporated in England and Wales in 1984. LFC provides international trade finance services (with particular focus on forfaiting business) through an international network of offices. Some of these offices have distinct corporate status in the various jurisdictions where they are providing the service. LFC's activities include the trading of bills of exchange, promissory notes, loans, deferred payment letters of credit and the provisions of other financial facilities to companies and banks.



4.4.1.2 MENAFACTORS Limited

MENAFACTORS Limited (“Menafactors”) is incorporated in the United Arab Emirates and is licensed and regulated by the Dubai Financial Services Authority to provide international factoring and forfaiting services in the Gulf and MENA region. Menafactors has recently set up an agency in Kuwait. The Bank’s holding in Menafactors is through FIMFactors who holds 100% of the issued share capital of Menafactors. Menafactors, in turn, holds 50% in Levant Factors S.A.L. (“Levant Factors”), a company registered in Lebanon.

4.4.1.3 FIMFactors BV

The Issuer incorporated FIMFactors BV (“FIMFactors”) under the laws of the Netherlands and owns 100% of its issued share capital.

FIMFactors BV serves as a corporate vehicle for the Issuer’s holdings of factoring joint ventures and associated companies. It currently holds the shareholding of MENAFACTORS Limited, India Factoring and Finance Solutions Private Limited, BRASILFACTORS S.A. and CIS Factors Holdings BV.

4.4.1.4 FIM Business Solutions Limited

The Issuer owns 100% of the issued share capital of FIM Business Solutions Limited (“FBS”), a limited liability company registered under the laws of Malta. FBS has as its primary purpose the provision of information technology and support services to the Group and its associated company, to correspondent banks as well as to third party factoring services providers.

4.4.1.5 FIM Property Investment Limited

The Issuer owns 100% of the issued share capital of FIM Property Investment Limited (“FPI”), a limited liability company registered under the laws of Malta. FPI owns and manages FIMBank’s head office in Malta. FPI is responsible for the day-to-day management of the building and leasing, if any, of space for commercial purposes.

4.4.1.6 India Factoring and Finance Solutions Private Limited

The Issuer, through FIMFactors, incorporated India Factoring and Finance Solutions Private Limited (“India Factoring”) in Mumbai, India, in November 2009. Upon incorporation, FIMFactors held 49% of the issued share capital of India Factoring with the other shareholders being, the country’s second largest public sector bank, Punjab National Bank (30% shareholding), a leading Italian factoring bank, Banca IFIS (10% shareholding) and Blend Financial Services Limited (1% shareholding). Key management personnel that were recruited have been incentivised by giving them a stake of 10% in India Factoring (through India Factoring Employee Welfare Trust). India Factoring is licensed and regulated by the Reserve Bank of India to provide factoring, forfaiting and trade finance related activities in India.

With effect from 31 March 2014, FIMFactors acquired the 30% shareholding in India Factoring held by Punjab National Bank. As a result of this transaction FIMBank now holds 79% of the issued share capital of India Factoring.

4.4.1.7 CIS Factors Holdings BV

The Issuer, through FIMFactors, incorporated CIS Factors Holdings BV (“CIS Factors”) in November 2009 under the laws of the Netherlands with the objective of serving as an investment vehicle for a factoring company, FactorRus L.L.C., incorporated under the laws of the Russian Federation which provides factoring services in Russia. Upon incorporation, FIMFactors held 40% of the issued share capital of CIS Factors with the other shareholders being Joint Stock Bank Transcapitalbank of Moscow (“Transcapitalbank”) and the International Finance Corporation (“IFC”) holding 40% and 20% respectively. With effect from the 18 February 2014, FIMFactors has now acquired the 40% shareholding of Transcapital Bank and as a result now holds 80% of the issued share capital of CIS Factors. The Issuer, through FIMFactors is currently considering the dissolution of CIS Factors.

4.4.2 Associates

4.4.2.1 The Egyptian Company for Factoring S.A.E.

The Issuer incorporated The Egyptian Company for Factoring S.A.E. (“Egypt Factors”), in Egypt’s Public Free Zone Nasr City on 13 November 2006 together with Commercial International Bank (“CIB”) and IFC. The Issuer holds 40% of the issued share capital of Egypt Factors, with CIB and IFC holding 40% and 20% respectively. Egypt Factors is active in providing international factoring and forfaiting services to Egyptians.



4.4.2.2 BRASILFactors S.A.

BRASILFactors S.A. (“Brasilmfactors”) is a company incorporated in São Paolo, Brazil, focusing on factoring services and forfaiting, with small and medium-sized companies being its target market. The Issuer, through FIMFactors BV, has a 40% holding in the company, with the other shareholders being Banco Industrial e Comercial S.A. and the IFC, each holding 40% and 20% respectively.

4.5 LATEST UPDATES

Other than the investments mentioned in 4.4.1.6 and 4.4.1.7 above in relation to India Factoring and Finance Solutions Private Limited and CIS Factors Holdings BV, since the issue of the Group’s audited financial statements for the year ended 31st December 2013, FIMBank has also announced on 2 January 2014, that it has entered into an agreement with the current shareholders of PRVI Faktor, a Slovenian factoring services and finance company with operations in Central Eastern Europe and South East Europe, in virtue of which the Issuer has undertaken to acquire 40% of the participating interests in PRVI Faktor subject to the satisfaction of certain conditions which include competition clearance and regulatory consents. The agreement includes a call option in favour of FIMBank in terms of which FIMBank will have the right to increase its participating interest in the Company to 60%. Furthermore, in the event that FIMBank exercises such an option, the existing shareholder of PRVI Faktor will have the right to sell all or some of their remaining participating interest within two years from the exercise of the call option by FIMBank which may result in FIMBank increasing its holding in PRVI Faktor to 100%.

The subscription and acquisition of PRVI Faktor will not be made through any external lending made specifically for the purpose.

Other than the above, there are no other principal future investments on which the Issuer has already made any firm commitments.

5. SELECTED FINANCIAL INFORMATION

The Group’s audited financial statements for the years ended 31 December 2013, 2012 and 2011, which are available as described in section 19 “Reference Documents”, contain historical financial information which is required to be included in this Prospectus.

The table below sets out the various sections of the respective audited financial statements referred to above which are incorporated by reference into this Prospectus so as to provide the required information:

Information incorporated by reference in this prospectus	Page number in reference document		
	Financial year ended 31 December 2013	Financial year ended 31 December 2012	Financial year ended 31 December 2012
Consolidated Statements of Financial Position	36	36	36
Consolidated Statements of Changes in Equity	38	38	38
Consolidated Income Statements	40	40	40
Consolidated Statements of Comprehensive Income	41	41	41
Consolidated Statements of Cash Flows	42	42	42
Consolidated Notes to the Financial Statements	44 to 119	44 to 112	44 to 111
Report of the Independent Auditors	121	114	113



6. BUSINESS OVERVIEW

6.1 DESCRIPTION OF THE ISSUER'S PRINCIPAL ACTIVITIES

The Issuer is licensed by the MFSA under the Banking Act as a credit institution and is authorised to provide full banking services in all currencies.

The Issuer's main principal activity continues to be the provision of short-term international trade finance to corporate traders and to act as an intermediary to other financial institutions for international settlements, and forfaiting, factoring and loan syndications, through its head office in Malta as well as its representative offices in London and the Dubai International Financial Centre. The Issuer is also currently in the process of opening a branch in Greece.

The Issuer is a specialist in documentary credit related operations including but not limited to the opening and negotiating of documentary letters of credit, the issue of performance bonds and bank guarantees, discounting bills of exchange, promissory notes and other negotiable instruments. Since its inception the Issuer has also been a specialist in trade finance products which include commodity transfer finance, structured commodity finance, forfaiting and factoring. In recent years the Issuer has been actively developing factoring as one of its mainline business segments, both within FIMBank but especially through a strategy to develop an international network of factoring joint-venture undertakings mainly in emerging markets.

The Group is supervised on a solo and consolidated basis by the MFSA, whilst Menafactors and FIMBank's branch in Dubai are licensed and regulated by the Dubai Financial Services Authority.

6.2 PRINCIPAL MARKETS

In line with the nature of its international trade finance business, the Group is active through a network of representative offices, branches and subsidiaries. These enable the Group to source and generate business from various countries and regions, always with a focus on emerging markets. A typical transaction could include a trader in Europe, buying commodities from a supplier in Asia, selling the same commodity to a client in Africa. This is the cross-border nature of international trade, thus markets where business is carried out can be diverse. While Europe remains a main centre where business is arranged or originated, principal revenue is derived from Sub-Sahara Africa (SSA), the Middle East and North Africa (MENA) and the Commonwealth of Independent States (CIS). These, together with Latin America, are also the markets where focus is made on developing factoring activities. Ship financing business is mainly arranged from the Group's Dubai offices.

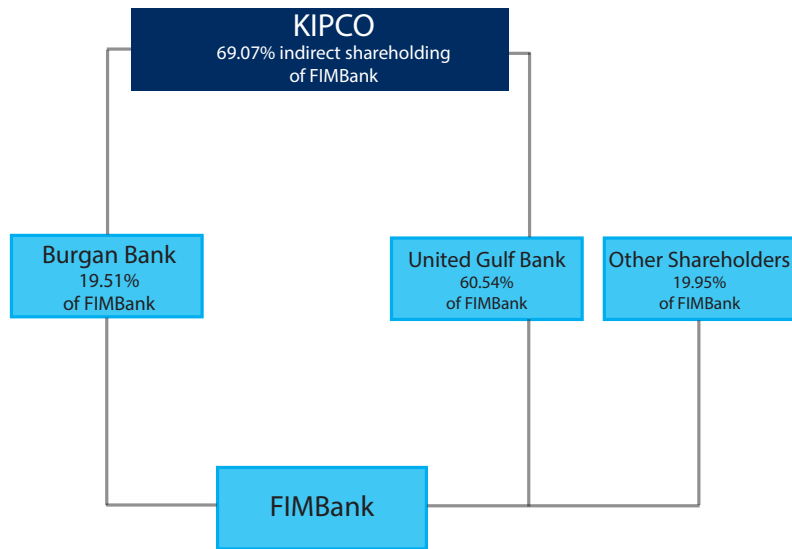
The integration of the Issuer's Group into the KIPCO Group is not envisaged to change the product offering of FIMBank, however the Issuer is expected to benefit from the footprint of the new shareholders by offer its existing products and services particularly its expertise in trade finance.

7. ORGANISATIONAL STRUCTURE

7.1 KIPCO GROUP

As a result of the fact that UGB and Burgan Bank have obtained a controlling interest in FIMBank and increased their aggregate shareholding to 80.05%, FIMBank now forms part of the KIPCO Group.

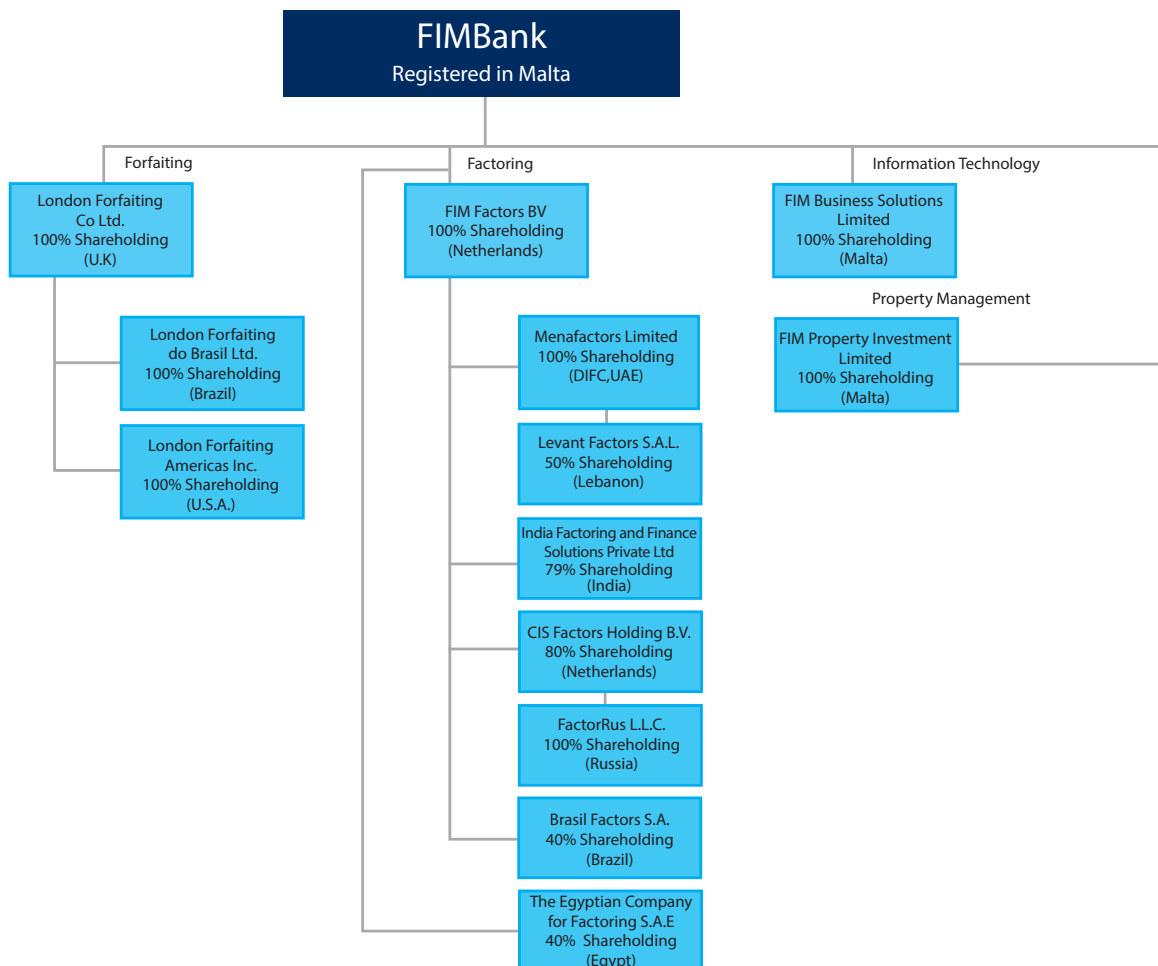
The KIPCO Group is one of the largest diversified holding companies in the Middle East and North Africa, with consolidated assets of USD 30.5 billion. The Group has significant ownership interests in a portfolio of over 60 companies operating across 24 countries, with commercial interests ranging from financial services, media, real estate and manufacturing. Through its core companies, subsidiaries and affiliates, KIPCO also has interests in the education and medical sectors.



7.2 FIMBANK GROUP

The FIMBank Group is composed of the Issuer and its Subsidiaries, LFC, FIMFactors, FBS, FPI, India Factoring and CIS Factors. LFC is itself a parent of a number of Subsidiaries as shown hereunder whilst FIMFactors is the parent of a wholly owned subsidiary Menafactors Limited. The Group also holds a significant interest in the associated entities, namely, Egypt Factors (40% holding), Levant Factors (50% holding) and Brasilfactors (40% holding).

Both the Issuer and the Group are supervised on a “solo” and “consolidated” basis in terms of Banking Rule 10 “Supervision on a Consolidated Basis of Credit Institutions authorised under the Banking Act 1994”.



8. PROPERTY, PLANT AND EQUIPMENT

8.1 THE GROUP HEADQUARTERS

The investment property of the Group comprises, *inter alia*, the building at The Exchange Financial & Business Centre, St. Julians, Malta. The building, known as Mercury Tower, has been developed to act as FIMBank's Group head office as well as to be leased to third parties. The asset was brought into use on 30 June 2012 and is hypothecated in favour of a third party bank.

8.2 OTHER PROPERTY

FIMBank, through its subsidiary Menafactors, also owns property situated in Dubai, United Arab Emirates. FIMBank, through its wholly owned subsidiary LFC, leases property situated in London, United Kingdom.

9. OPERATING AND FINANCIAL REVIEW AND CAPITAL RESOURCES

The following should be read in conjunction with the financial information on the Issuer referred to in section 5 "Selected Financial Information" of this Prospectus. The financial information included or incorporated by reference into this section has been extracted without material adjustment from the financial information referred to in section 5 "Selected Financial Information" of this Prospectus (which has been incorporated by reference into this Prospectus) or has been extracted without material adjustment from the Issuer's accounting records which formed the underlying basis of the financial information referred to in section 5 "Selected Financial Information" (which has been incorporated by reference into this Prospectus).

9.1 RESULTS OF OPERATIONS

The table below sets out sections from the annual report and audited financial statements which contain information in respect of the Issuer's operating and financial review incorporated by reference into, and forming part of, this Prospectus.

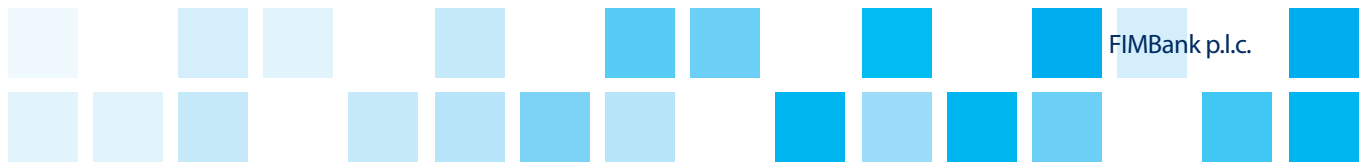
Information incorporated by reference in this Prospectus	Page number in reference document		
	Financial year ended 31 December 2013	Financial year ended 31 December 2012	Financial year ended 31 December 2011
Review of performance – income statement	18	19	18
Review of performance – financial position	19	19	19
Financial risk review – credit risk	59	57	57
Financial risk review – liquidity risk	65	62	62
Financial risk review – market risk	69	66	66
Capital management and regulatory capital	77	74	74
Information by business segment	90	81	81
Equity	113	107	107
Commitments	115	109	109
Cash and cash equivalents	116	110	109

9.2 CASH FLOW ANALYSIS

The following table shows the cash flow analysis of the Issuer for the years ended 31 December 2011, 31 December 2012 and 31 December 2013.

	Financial year ended 31 December 2013	Financial year ended 31 December 2012	Financial year ended 31 December 2011
Net cash from operating activities	(66,423,187)	85,971,867	65,960,801
Net cash from investing activities	(32,420,999)	(17,556,245)	(20,642,210)
Net cash from financing activities	(35,165,815)	(3,137,588)	(8,966,029)
(Decrease)/increase in cash and cash equivalents	(134,010,001)	65,278,034	36,352,562
Cash and cash equivalents at beginning of year	127,760,024	62,481,990	26,129,428
Cash and cash equivalents at end of year	(6,249,977)	127,760,024	62,481,990

Net cash from operating activities is derived primarily from the principal revenue generating activities of the Group, such as net interest and fee income, foreign exchange results and operating costs paid to employees and suppliers. Cash flows from operating activities include the cash effect of loans and advances, financial investments, and amounts owed to customers and banks.



Net cash from investing activities represent the extent to which expenditures have been made for resources intended to generate future income and cash flows, such as through the purchase of available-for-sale investments, property and equipment, intangible assets and investments in equity accounted investees.

Net cash from financing activities represent the cash flows associated with the raising and repayment of finance and other flows associated with the financing of the Issuer's operations, such as the cash proceeds from the issue of share capital, net proceeds from debt issuances, and cash dividends paid to equity shareholders.

Cash and cash equivalents include cash on hand, treasury bills, unrestricted balances held with the central banks and highly liquid financial assets with original maturities of less than three months that are subject to insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments. Loans and advances to banks and amounts owed to banks that are repayable on demand or have a contractual maturity of three months or less and which form an integral part of the Group's cash management are included as a component of cash and cash equivalents.

10. TREND INFORMATION

Following a difficult 2013 marked by some fairly significant impairment events in the Issuer and London Forfaiting Company, the first months of 2014 have seen the FIMBank Group integrating more into the KIPCO Group, looking for new business ideas and securing better funding opportunities from its shareholders. Other important developments that have been taking place include the increase to 79% of the Group's holding in India Factoring and Finance Solutions Private Limited and to 80% of the holding in CIS Factors Holding B.V., which owns 100% of FactorRus L.L.C. These investments consolidate the FIMBank Group's exposure to factoring in these markets and are part of the plan to obtain shareholder control in key ventures. FIMBank is also in the process of opening a branch in Athens, Greece, offering mainly factoring to corporate clients while Dubai is being looked at as a test ground for initiating the offering of leasing services later in the year. Additionally, in line with FIMBank's focus for expansions of its operations, FIMBank has initiated discussions with counterparties in Latin America (in particular Chile). Critical to the development of the FIMBank Group will be its ability to maintain strong capital ratios and enhance its credit rating and the rights issues approved by the annual general meeting on 8 May 2014 are steps in that direction.

The period under review is again being marked by good operating results in the main Group component entities and mixed signals from the associated factoring entities. Revenue levels, both in terms of interest spread and fee income, are better than the same period in 2013 however impairments are once more impacting the performance in Russia while the outlook for Egypt remains cautious. Impairment levels at London Forfaiting Company are also under watch in view of economic tensions in certain markets where the entity is active. Across the Group, including in the Issuer, recovery efforts of impairments taken in 2013 continue but have so far not yielded the desired results.

11. PROFIT FORECASTS OR ESTIMATES

The Prospectus does not contain any profit forecast or estimates.

12. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

12.1 THE BOARD

As at the date of this Prospectus, the Board of Directors of the Issuer is composed of the persons detailed in section 12.1.1 below. Their business address is that of the Issuer. Except for their involvement in any Board Committee as may be described later in this document, all Directors hold office in a non-executive capacity.

The Directors of the Issuer as at the date of this Prospectus and their respective first date of appointment to the Board are as follows:

Director	Year when first appointed
John C. Grech (Chairman)	2004
Rogers David LeBaron	2006
Masaud M. J. Hayat	2013
Fakih Ahmed Mohamed	2013
Adrian Alejandro Gostuski	2013
Eduardo Eguren Linsen	2013
Majed Essa Al-Ajeel	2013
Rabih Soukarieh	2013

The current term of office of the Directors listed below has commenced on the 8 May 2014 and shall end at the closure of the next annual general meeting as per the provisions of the Articles of Association of the Issuer.



12.1.1 Curriculum Vitae of the Directors

Dr. John C. Grech, (Chairman)

Dr. John C. Grech is a Maltese National. He graduated from the University of Malta in 1978, obtained a Ph.D. in International Economics from the Graduate Institute for International Studies of the University of Geneva. He served as Chairman of the Bank of Valletta Group, Middle Sea Valletta Life Assurance Limited, the Malta Tourism Authority and as President of the Mediterranean Bank Network. He is currently the Chairman of the Board of Mizzi Organisation Finance p.l.c., Chairman and Managing Director of EMCS Investments Limited, Chairman of MelitaUnipol Insurance Agency Limited, Chairman of Central Cement Limited and Chairman of Class Company Limited. Dr Grech is also a Director of EMCSI Holdings Limited and MelitaUnipol Brokers Limited.

Masaud M.J. Hayat, (Vice-Chairman)

Masaud M.J. Hayat is a Kuwaiti National. He obtained the Bachelor of Science (Economics) from the University of Kuwait and a Diploma in Banking from the Institute of Banking Studies in Kuwait. Between 1998 and 2010 he was the Chairman of KIPCO in Kuwait. Mr. Hayat currently holds the position of Chief Executive Officer – Banking at KIPCO, which is one of the largest diversified holding companies in the Middle East and North Africa with holdings in commercial banking, investment banking, asset management, insurance, media, real estate and manufacturing.

Majed Essa Al-Ajeel,

Majed Essa Ahmed Al-Ajeel is a Kuwaiti National. He obtained a Bachelor of Science and a Master Degree from the Catholic University of America in Washington, DC. Mr Al-Ajeel was appointed as Vice Chairman of Burgan Bank in 2007, where he was promoted to Chairman in 2010 till the present day. Mr Al-Ajeel is a board member in Burgan Bank Turki since 2013. Mr Al-Ajeel also currently is Vice Chairman of Kuwait Banks Association and Board member of the Kuwait's Institute of Banking Studies since 2010.

Eduardo Eguren Linsen,

Eduardo Eguren Linsen is a Uruguay National. He is a Chartered Accountant and has obtained the Bachelor of Administration from the University of the Republic of Uruguay – Faculty of Economic Sciences and Administration. He served as Chief Financial Officer at Citi Bank, Latin America and Mexico and also as Chief Operating Officer with Barclays' Global Retail and Commercial Banking Unit in London, following which he occupied the position of Chief Executive Officer with the same Barclays Bank, London. Currently he is the Chief Executive Officer of Burgan Bank, Kuwait which he joined in 2010.

Adrian Alejandro Gostuski,

Adrian Alejandro Gostuski is a French National. He obtained an MBA and CPA from the University of Buenos Aires, Argentina. He occupied the positions of Managing Director and Chief Financial Officer at Banco Nacional De Mexico - Corporate Bank Latin America, Mexico. He joined Barclays Bank, London in 2008 as Chief Financial Officer – Operations & Technology, Global Retail Bank. Mr Gostuski joined Burgan Bank as Group Chief Operating Officer and is presently a Director at Burgan Bank, Turkey.

Rabih Soukarieh,

Rabih Soukarieh is a Lebanese National. He holds a Master of Business Administration from Northeastern University, Boston and a Bachelor of Science from Indiana University, USA. He is the Chief Executive Officer of United Gulf Bank having held a number of senior executive positions within the bank and other KIPCO subsidiaries over the last ten years. In addition, Mr. Rabih Soukarieh is a director and member of the Executive Committee of Tunis International Bank, Tunisia; Gulf Bank Algeria, Algeria and North Africa Holding Company, Kuwait. He is also a director and member of the Investment Committee of United Gulf Financial Services Company NA, a director and Senior Executive Officer of Millenium Private Equity and a director of Hannibal Leasing Company, Virgin Mobile Middle East, International Innovative Technologies and Saidal Nora Manufacturing. Mr. Soukarieh also occupied the post of director of Wataniya Telecom Algeria between 2007 and 2011 and the post of director of Kuwait Energy Company between 2010 and 2011.

Mohamed Fakh

Mohamed Fakh Ahmed is a Tunisian National. He graduated from the University of Law, Political Economic Studies of Tunisia and holds a Diploma of Higher Management Studies from the Higher Institute of Management of Tunisia (Institut Supérieur de Gestion de Tunis). Mr. Fakh is the Deputy Chairman and Managing Director of Tunis International Bank and Member of the Executive Committee. In addition to his current position at Tunis International Bank, he also serves as: Board and Executive Committee Member of Gulf Bank Algeria, Algiers, Chairman of UGFS – North Africa, Tunisia (Asset Management Company); Chairman of SACEM Industries, Tunisia (A leading electrical distribution transformer manufacturer in Tunisia); Chairman of the Board Audit Committee of Ooredoo, Tunisia (Mobile provider); Board Member of Hannibal Lease, Tunisia (A Leasing Company); Board and Risk Committee Member of FIMBank plc, Malta; and Board Member at London Forfaiting, United Kingdom.

Rogers Le Baron

Rogers D. LeBaron is a national of USA and the UK. He was a Director of Financial Institutions in the European Bank for Reconstruction and Development in London from 1996 until 2004.

A list of all current and past directorships of Board members is set out in Annex III of this Prospectus.

12.1.2 Private Interests held and Potential Conflicts of Interest

The number of shares in the Bank held directly in the name of the current Directors as at the Record Date is as follows:

Dr. John C. Grech * (Chairman)	633,322
Masaud M.J. Hayat *	Nil
Majed Essa Ahmed Al-Ajeel *	Nil
Eduardo Eguren Linsen*	Nil
Adrian Alejandro Gostuski *	Nil
Rabih Soukarieh *	Nil
Mohamed Fakih *	Nil
Rogers David LeBaron	Nil

Aside from these direct interests in the shareholding of the Bank, the directors marked above with an * are considered to be associated with companies that hold a beneficial interest in the Bank's shareholding.

Dr. John C. Grech holds the position of director of EMCS Investments Limited, EMCSI Holdings Limited, MelitaUnipol Insurance Agency Limited and MelitaUnipol Brokers Limited, all of which are shareholders in FIMBank.

Messrs. Eduardo Eguren Linsen and Adrian Alejandro Gostuski hold senior management positions with Burgan Bank. Mr. Rabih Soukarieh holds a senior management position with UGB. Mr. Masaud M.J. Hayat holds a senior management position with KIPCO.

Mr. Majed Essa Ahmed Al-Ajeel holds the position of Chairman of Burgan Bank whilst Mr. Mohamed Fakih holds the position of Deputy Chairman of TIB.

In view of the above roles and position, the above-mentioned Directors may be subject to conflicts of potentially diverging interests of the shareholders they are associated with and their position as Directors of FIMBank.

No shareholder is entitled to any automatic right to nominate or appoint a director on the Board.

Insofar as executive management is concerned, as at Record Date the number of Shares and share options held directly by the members of executive management were as follows:

Executive	Shares	Share options
Margrith Lütschg-Emmenegger	-	264,160
Armin Eckermann	-	72,800
Marcel Cassar	116,625	57,200
Simon Lay	-	140,400
Silvio Mifsud	68,506	108,160
Ivan Fsadni	-	75,920
Aly Siby	-	87,360
Michael Davis	-	20,800

The above disclosed shareholdings and associations with companies holding a direct or indirect interest in FIMBank may give rise to conflicts of interests which are managed by the Issuer in terms of section 12.1.3 below. Other than the above private interests and conflicts of interest, the Issuer is not aware of any other facts and circumstances which may give rise to conflicts of interest or potential conflicts of interest.

12.1.3 Managing Conflicts of Interests

While the overall tone for instilling a strong culture about the proper management of conflicts of interest is set at the top, situations of potential conflicts of interest with Board members are in the first instance specifically regulated by the Companies Act and by clauses 119 and 120 of FIMBank's Articles of Association. In terms of the Articles of Association, whenever a conflict of interest situation, real or potential, arises in connection with any matter, the interest has to be declared. In particular, the Director concerned refrains from taking part in proceedings relating to the matter and his vote is excluded from the count of the decision. The minutes of Board meetings, as well as those of Board Committees, invariably include a suitable record of such declaration and of the action taken by the individual Director concerned. Similar arrangements apply to management in the course of the conduct of their duties at Board Committees. Furthermore, where Directors and management have related party involvements, these are reported and it is an integral part of the Audit Committee's terms of reference to provide oversight on related party transactions.



12.1.4 Loans to Directors

As at the date of this Prospectus, there are no loans outstanding by the Issuer to any of its Directors, or any guarantees issued for their benefit by the Issuer.

12.2 BOARD COMMITTEES

FIMBank's Articles of Association establish that the Directors may delegate certain powers, authorities and discretions to any person and/or Committee appointed by them. The composition of such Committees, as well as the participation of Directors on them, is decided upon by the Board. It has been the practice that all such Board Committees include at least one Director.

Accordingly, the Board has established the following committees:

- Executive Committee
- Audit Committee
- Board Risk Committee
- Asset-Liability Committee
- Compensation Committee
- Credit Committee
- Governance Committee

The Bank has so far opted not to constitute a Nominations Committee.

12.2.1 Executive Committee

The Executive Committee acts as the highest delegated authority by the Board in overseeing the activities and management of the Group and approving limits beyond the powers of the other Committees. The Executive Committee's terms of reference are included in the Executive Committee Charter.

The members of the Executive Committee are:

Margrith Lütschg-Emmenegger (Chairman)
John C. Grech
Rabih Soukarieh
Armin Eckermann
Marcel Cassar
Simon Lay
Ivan Fsadni
Michael Davis

12.2.2 Audit Committee

The Audit Committee assists the Board in fulfilling its supervisory and monitoring responsibilities, according to detailed terms of reference included in the Audit Committee Charter and which reflect the recent requirements of the Listing Rules as well as current best practices and recommendations of good corporate governance. The terms of reference of the Audit Committee, as detailed in the Audit Committee Charter, include:

- a) the monitoring of the financial reporting process, including the audit of the annual and consolidated accounts;
- b) the monitoring of the effectiveness of the Group's internal control, internal audit, compliance and risk management systems;
- c) the maintenance of communication on such matters between the Board, Management, the external Auditors, the Internal Auditors and the Compliance function;
- d) the monitoring and reviewing of the external Auditor's independence, and in particular, the provision of additional services to the Issuer;
- e) the monitoring and reviewing of proposed transactions by the Group with related parties; and
- f) the performance of the Group's Internal Audit and Compliance functions.

The Audit Committee also considers the arm's length nature of related party transactions, vets and approves them.

The terms of reference of both the Audit Committee and the Head of Internal Audit clearly stipulate their independence from other Board Committees and management, and such independence is also acknowledged by external regulatory verification. The Head of Internal Audit has direct access to the Audit Committee Chairman at all times, attends all meetings and acts as secretary to the Audit Committee. The Head of Compliance also has direct access to the Audit Committee Chairman and attends all meetings.



The members of the Audit Committee are:

Rogers David LeBaron (Chairman)
Eduardo Eguren Linsen
Majed Essa Ahmed Al-Ajeel

Mr Rogers LeBaron, was appointed as Audit Committee Chairman from 2 May 2013 and the designated independent and competent member in auditing as at to date. Mr Rogers LeBaron was a Director of Financial Institutions in the European Bank for Reconstruction and Development in London from 1996 until 2004 and subsequently held the position of Principal Financial Advisor, Global Financial Markets Department within the IFC.

The Audit Committee normally requests members of Management to attend its meetings.

12.2.3 Board Risk Committee

The Board Risk Committee is responsible for overseeing the Group's risk management strategy, systems and policies, and for recommending country limits for approving by the Board of Directors. The Board Risk Committee is also responsible for the oversight of operational and legal risk matters.

The Board Risk Committee members are:

Adrian Alejandro Gostuski (Chairman)
Rabih Soukarieh
Fakih Ahmed Mohamed

12.2.4 Asset-Liability Committee

The Asset-Liability Committee ("ALCO") is responsible for establishing appropriate asset and liability management policies, monitoring their application and reviewing financial information on the basis of which investment and funding decisions are taken.

The ALCO is made up only of members forming part of the management team and the members are namely:

Margrith Lütschg-Emmenegger (Chairperson)
Armin Eckermann
Marcel Cassar
Carmelo Occhipinti

In addition, the Chief Risk Officer, the Head of International and Group Coordination, the Head of Treasury and the Head of Finance, are non-voting members of the ALCO and attend all meetings.

12.2.5 Credit Committee

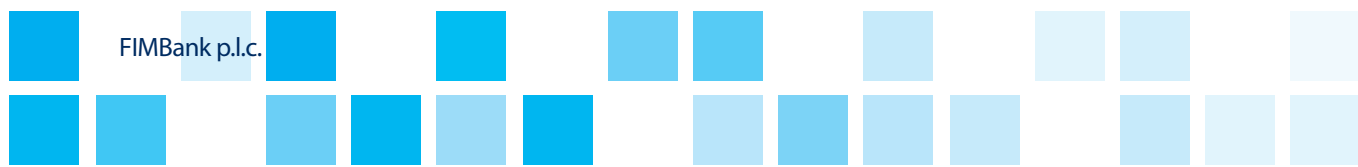
The Credit Committee ("CC") is a Committee appointed by the Board of Directors of FIMBank. The CC is directly responsible and accountable to the Board. The Board may delegate any of its authorities and powers in relation to the CC to the Board Risk Committee (BRC). The CC's main powers and duties are to:

- Review credit applications and approve credit limits and specific transactions, up to the legal lending limit of the Bank and within the guidelines specified in the Group's credit policy procedures;
- Recommend credit limits to the BRC or the Board for approval, as the case may be, when this is required according to the Bank's credit policy procedures; in particular, the CC will analyse and recommend country limits for approval by the Board;
- Inform and recommend about other risk (including but not limited to market, liquidity, operational and reputational risk) when this is deemed relevant for the credit decisions to be taken by the CC.

The Credit Committee members are:

John C. Grech (Chairman)
Rabih Soukarieh
Fakih Ahmed Mohamed
Margrith Lütschg-Emmenegger
Armin Eckermann
Marcel Cassar
Simon Lay
Michael Davis

In addition, the Head of Legal attends all meetings and the Chief Risk Officer, is a non-voting member of the CC.



12.2.6 Compensation Committee

The Compensation Committee is responsible for reviewing and making decisions on the Board of Directors' remuneration and that of the senior executives.

The Committee is now composed of:

Masaud M.J. Hayat (Chairman)
Rogers LeBaron
Majed Essa Ahmed Al-Ajeel
Dr. John C. Grech.

The Compensation Committee has the role of making recommendations on the Board of Directors' remuneration. The guiding principle is that the remuneration and other terms of employment for the Directors shall be competitive to ensure that the Group attracts and retains outstanding individuals of integrity, calibre, credibility and who have the necessary skills and experience to bring an independent judgement to bear on the issues of strategy, performance and resources for the success of the group.

The annual general meeting of shareholders approves the maximum annual aggregate remuneration which the Directors may receive for the holding of their office. At the annual general meeting of 8 May 2014, the shareholders approved the maximum aggregate emolument of the Directors of the Issuer for the financial year ending 31 December 2014 at USD 350,000. No Director, in his capacity as a Director of the Bank, is entitled to profit sharing, share options or pension benefits. The fees paid to Directors for sitting on the Board and on any Board Committee for the financial year ending 31 December 2013 amounted to USD 306,526.

12.2.7 Governance Committee

The Governance Committee was set-up in May 2013. The purpose of such Committee is to review the bank's internal delegations, policies and procedures to ensure compliance with legislative and regulatory requirements and alignment to industry best practice.

The Governance Committee also serves as the Evaluation Committee, a Committee created to evaluate the performance of Directors.

The Governance Committee members are:

Majed Essa Al-Ajeel (Chairman)
John C. Grech
Margrith Lüttschg-Emmenegger

12.3 MANAGEMENT

As at the date of this Prospectus, the executive management of both the Issuer and the Group is composed of the following:

Margrith Lüttschg-Emmenegger, President

Swiss and British national. Educated in Switzerland, she has worked in trade finance with a special focus on factoring and forfaiting with Barclays Bank and Midland Bank Aval in London before joining West Merchant Bank (now WestLB A.G.) where she had global responsibility for forfaiting/factoring within the group. Mrs. Lüttschg joined the Issuer in April 2003 as Executive Vice President and was appointed President on 1 September 2004. Mrs. Lüttschg sits on Board Committees as shown in section 12.2 above, and holds directorships in most of the Issuer's subsidiaries and joint ventures.

Armin Eckermann, Deputy to the President, Senior Executive Vice President and Head of Trade Finance Group

German national. Dr. Eckermann holds a Ph.D. and a Masters of Science in Economics from the University of Illinois at Urbana-Champaign, USA. He joined the Issuer in November 2008 to head the Banking Business of the Group. In this function, he leads a team of international and local experts servicing corporate clients, institutional and financial clients as well as ship financing and all core banking activities of the Group. Previously held positions with Standard Bank, London and WestLB in Düsseldorf, Germany and in South America. Dr. Eckermann sits on Board Committees as shown in section 12.2 above.

Marcel Cassar, First Executive Vice President and Chief Financial Officer

Maltese national. Certified public accountant, fellow of the Malta Institute of Accountants, MBA from the University of Wales and Manchester Business School. He joined the Issuer in October 2004 and is responsible for Finance and Corporate Finance. Previously held positions with Price Waterhouse, the MFSA, was General Manager at Lombard Bank Malta p.l.c. between 1996 and 2004. Mr. Cassar has been serving on committees and working groups active in the development of Malta's international financial services industry, including of the Malta Institute of Accountants, the Accountancy Board and the Malta Bankers' Association. He sits on the Brussels-based Banking Supervision Committee of the European Banking Federation and is a lecturer and examiner at the University of Malta. Mr. Cassar is also a Council Member of The Strickland Foundation. He has made academic and conference contributions in the areas of bank financial management, banking policy and regulation. Mr. Cassar sits on Board Committees as shown in section 12.2 above.

Simon Lay, First Executive Vice President and Managing Director, London Forfeiting Company Ltd

British national. Mr Lay started his career in 1976 with the Midland Bank/HSBC Banking Group where he worked in a variety of trade finance, corporate finance, marketing and credit analysis roles. He was later responsible for running HSBC's forfeiting subsidiary, Midland Bank Aval. Mr Lay then joined LFC in 1991 to expand its operations in the Americas, the Middle East & Turkey. He was later appointed to the Main Board of this UK listed company, with a wide range of responsibilities. Following the acquisition of LFC by FIMBank in 2003, Mr Lay was appointed Managing Director in January 2006 with global responsibility for the business activities of the company, including its overseas branches and subsidiaries. Mr. Lay sits on Board Committees as shown in section 12.2 above.

Silvio Mifsud, Executive Vice President and Chief Information Officer

Maltese national. An Honours graduate of the University of Malta in Business Management, he holds directorships in two FIMBank subsidiaries, namely FIM Business Solutions Ltd and FIM Property Investment Ltd. He joined the Issuer in April 1998 as Head of Information Technology and is now responsible for the Group's IT and Administration departments covering all IT systems, communications, messaging, SWIFT, insurances, premises administration, procurement and security. Previously held positions with Bank of Valletta p.l.c. and headed the foreign department of Bank of Valletta International Limited.

Ivan Fsadni, Executive Vice President and Chief Risk Officer

Maltese national. Mr. Fsadni is a certified public accountant (CPA) licensed to practice in Malta, a fellow of the Malta Institute of Accountants (MIA), a member of the Malta Institute of Management (MIM) and a Certified Information Systems Auditor. Mr. Fsadni held positions in Bank of Valletta prior to joining the Issuer, and had his own private practice as CPA. Before taking the position as Chief Risk Officer in March 2013, he was the Group's Head of Internal Audit for 12 years. Currently he is responsible for the Group's risk control functions and monitoring of the risk management framework across the entire organization. Mr. Fsadni attends the Risk Committee meetings.

Aly Siby, Executive Vice President and Head of International & Group Coordination

Aly Siby has a Masters Degree in Economics and a 'Diplôme D'Etudes Approfondies' from the University of Rennes I, France as well as a Master of Business Administration degree from the University of Rochester, New York, USA. Mr. Siby started his banking career as financial analyst specialising in the oil industry at Banque Trad Credit Lyonnais, in Paris, France, subsequently moving on to a managerial position in the soft commodities department of Credit Lyonnais. He then took up a senior position within the corporate and correspondent banking department at Banque Belgoise. Mr. Siby joined FIMBank in 2006 with a mandate to develop the Bank's activities with all correspondents and predominantly those located in the African continent. In 2011 he was promoted to Head of Corporate and Institutional Banking and a year later also assumed responsibility for the deposit taking activities, heading the newly restructured Financial Institutions & Deposits department. In September 2013, he was promoted to Executive Vice President and currently heads the Bank's International & Group Coordination department.

Michael Davis, Executive Vice President, Chief Operating Officer & MLRO

Michael Davis began his banking career in the UK in 1986. He was EMEA Head of Compliance for the Macquarie Group based in London. During his 11 years at Macquarie he was responsible for setting up Macquarie's compliance infrastructure throughout the region during a period of extraordinary growth from 45 members of staff in 2000 to over 1500 in 2011. He joined FIMBank in July 2011 as Group Head of Compliance and MLRO. He has also played active roles on various industry association committees in the UK specializing in compliance and regulatory issues. Mr. Davis is a skilled trainer in compliance and anti-money laundering matters and has been an examiner for the Futures and Options Association Diploma in Compliance in the UK. In September 2013, Mr. Davis was appointed Chief Operating Officer and was delegated responsibility for the oversight of operations and technology functions of the Group.

The business address of the Executive Management is that of the Issuer.

Executive management are bound by the Issuer's compliance manual, which enforces upon employees to disclose any conflicts of interest to the Group's compliance department which will take reasonable steps to manage accordingly.



12.4 REMUNERATION OF DIRECTORS AND EXECUTIVE MANAGEMENT

The annual general meeting of shareholders approves the maximum annual aggregate remuneration which the Directors may receive for the holding of their office. For the 2014 financial year the maximum aggregate emoluments of the Directors was fixed at USD350,000.

None of the Directors is on a contract of service with the Issuer or the Group. No Director is entitled to profit sharing, share options or pension benefits from the Issuer or the Group. The members of the executive management are employed under an indefinite contract of service.

The methodology for the remuneration of Directors was amended in May 2012. Apart from a fixed annual emolument, Directors are also remunerated depending upon which committee they sit on.

For Senior Executives, namely the President and the Executive Vice Presidents, the remuneration package ensures the right qualities and skills for the proper management of the Group as well as the proper execution of the strategy devised by the Board of Directors. In addition to salaries and bonuses, the Issuer also provides non-cash benefits to the President and the Executive Vice-Presidents including health insurance, participation in executive share option schemes and participation in a private retirement plan established by the Issuer, which benefits are commensurate with the position occupied.

For 2013, the total emoluments received by Senior Executives were:

	USD
Fixed remuneration	1,874,801
Variable remuneration	644,556
Executive share options	NIL
Expenses/fringe benefits	141,983

None of the members of the administrative, management or supervisory bodies of the Issuer have service contracts with the Issuer or any of its Subsidiaries which provide for benefits upon termination of employment.

12.5 CORPORATE GOVERNANCE

The Board firmly believes that strong corporate governance permits the Issuer and the Group to benefit from greater transparency in its activities as well as in its relations with the market, thereby enhancing integrity and confidence. Although principles set out in the 'Code of Principles of Good Corporate Governance' published as Appendix 5.1 to Chapter 5 of the Listing Rules ("the Principles") are not mandatory, the MFSA has recommended that listed entities endeavour to adopt such Principles. The Issuer has considered this to be in the best interests of the shareholders because they commit the Directors, Management and employees of the Bank to internationally recognised standards of corporate governance and as a result complies with the majority of the Principles.

Whilst the Issuer complies with the majority of the recommendations set out in the Principles, there are some areas of non-compliance, which are disclosed in the 2013 Annual Report under the heading 'Statement of Compliance with the Principles of Good Corporate Governance' which is being incorporated by reference into this Prospectus.

12.6 DECLARATION

None of the above members of the board and management has:

- a) any convictions in relation to fraudulent offences for at least the previous 5 years;
- b) been associated with any bankruptcies, receiverships or liquidations for at least the previous 5 years;
- c) been the subject of any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) or has ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous 5 years.

13. EMPLOYEES

The average number of persons employed during each financial year was as follows:

	2013 No. of employees	Group 2012 No. of employees	2011 No. of employees
Executive and senior managerial	34	33	31
Other managerial, supervisory and clerical	180	169	172
Other staff	13	11	7
	<hr/> 227	<hr/> 213	<hr/> 210

13.1 THE BOARD AND EXECUTIVE MANAGEMENT

The number of shares held by the members of the Board and executive management as at 30 April 2014 was as set out in section 12.1.2. Furthermore, none of the Directors held any share options in the Company.

13.2 EXECUTIVE SHARE OPTION SCHEMES

The Issuer has in place various Executive Share Option Scheme Rules which set out the framework enabling the Issuer to issue Executive Share Option Schemes in order to incentivise and rewards executives who are instrumental in obtaining the Issuer's success. The Executive Share Option Schemes have been approved by the shareholders by extraordinary resolutions at different General Meetings.

All of the Executive Share Option Scheme Rules regulate the granting of share options (the "Share Options") to qualifying executives ("Qualifying Executives") for targeted performances based on the results of the preceding year at the exercise price established at grant date. The award of Share Options to Qualifying Executive is subject to the attainment of the stipulated performance criterion for that year. Under the terms of the various Share Option Scheme Rules, the Board of Directors (or any of its delegates) announces to Qualifying Executives:

- the maximum total number of Share Options which are available for that year (the "Maximum Award");
- the performance target;
- the exercise period; and
- the maximum award to individual Qualifying Executives which may be expressed as a percentage of the Maximum Award or as an absolute amount of Share Options.

There are currently two main Executive Share Option Schemes in force:

(i) The share options scheme covering the years 2006 to 2009 and regulated in accordance with the Executive Share Option Scheme Rules dated 5 May 2005 as approved at the Annual General Meeting held on the 5 May 2005 and updated at the 2007 Annual General Meeting for application with respect to awards for 2007 to 2009;

(ii) The share options scheme covering the years 2011 to 2015 regulated in accordance with the Executive Share Option Scheme Rules dated 6 May 2010 approved at the Annual General Meeting held on the 6 May 2010 as amended by the annual general meeting held on the 8 May 2014.

As at 31 December 2013, the number of unexercised Share Options was as follows:

	Total	2011 scheme 01/01/14 to 31/12/18	2008 scheme 01/01/11 to 31/12/15	2007 scheme 01/01/10 to 31/12/14	2006 scheme 01/01/09 to 31/12/13
Exercise price per USD0.50 share	USD	USD0.7788	USD1.6275	USD1.3248	USD1.4270
Number of share options unexercised at 1 January 2013	3,655,600	2,048,800	477,360	564,096	565,344
Forfeited due to termination of employment	(34,320)	(34,320)	-	-	-
Forfeited due to expiry of exercise period	(565,344)	-	-	-	(565,344)
Number of share options unexercised at 31 December 2013	3,055,936	2,014,480	477,360	564,096	-



14. MAJOR SHAREHOLDERS

The following shareholders hold in excess of five per cent of the Issuer's ordinary shares at the date of this Prospectus:

	Number of Shares	Percentage Holding
United Gulf Bank B.S.C	119,476,459	60.54%
Burgan Bank S.A.K	38,500,000	19.51%

The shares held by the major shareholders rank '*pari passu*' with all the other Shares in the Issuer.

The shares held by the major shareholders of the Issuer do not entitle such shareholders to any different voting rights.

Each of UGB and Burgan Bank has entered into separate Subscription Agreements with the Issuer whereby each of UGB and Burgan Bank has irrevocably undertaken to exercise its rights to subscribe to the New Ordinary Shares it is entitled to under the Rights Issue in accordance with the terms and conditions set out in the Prospectus.

15. RELATED PARTY TRANSACTIONS

The Group's audited financial statements for the years ended 31 December 2011, 31 December 2012 and 31 December 2013, which are available as described in section 20 "*Reference Documents*", contain related party information required to be included in this Prospectus. The table below sets out the various sections of the respective audited financial statements referred to above which are incorporated by reference into this Prospectus so as to provide the required information:

Information incorporated by reference in this prospectus	Page number in reference document		
	Financial year ended 31 December 2013	Financial year ended 31 December 2012	Financial year ended 31 December 2011
Note 44 – Related Parties	116	110	110

No material changes have taken place since the 31 December 2013. The transactions with related parties during the period from 1 January 2014 up to the date of this Prospectus are a continuation of the transactions referenced in the table above and no new types of transactions have been entered into.

16. FINANCIAL INFORMATION

16.1 AUDITING OF HISTORICAL ANNUAL FINANCIAL INFORMATION

The annual financial statements of the Issuer and the Group for the financial years ended 31 December 2011, 31 December 2012 and 31 December 2013 respectively have been audited by Messrs KPMG, Certified Public Accountants, Malta and are available for inspection on the Issuer's website www.fimbank.com.

16.2 DIVIDEND POLICY

The Issuer's policy on dividend distributions has been one aimed at balancing payouts from cash profits with prudent retentions. It is also guided by the observance of provisions and covenants in loan agreements which invariably require any proposed payment or distribution to be made out of net income of the current financial year, excluding any amount resulting from the revaluation of any of the Issuer's assets, while ensuring that no event of default or potential event of default has occurred or is then continuing. Since 2014, the dividend policy is also influenced by the impact of revised MFSA Banking Rule 09 which requires the build-up of a Reserve for General Banking Risks calculated as a percentage of non-performing facilities. This Reserve is required to be funded from planned dividends and may consequently affect the levels of future distributions. Between 2006 and 2012 the Issuer maintained a policy of paying dividends by way of scrip, which recommendations were unfailingly approved by shareholders at successive Annual General Meetings.

16.3 LEGAL AND ARBITRATION PROCEEDINGS

Neither the Issuer nor any of the other members of the Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past significant effects on the Issuer and/or Group's financial position or profitability.

16.4 SIGNIFICANT CHANGE IN THE ISSUER'S FINANCIAL POSITION

There has been no significant change in the financial or trading position and no significant change impacting the operations and activities of the Issuer or the Group which has occurred since 31 December 2013.

17. ADDITIONAL INFORMATION

17.1 SHARE CAPITAL

The current authorised share capital of the Company is US\$ 500,000,000 divided into 1,000,000,000 ordinary shares having a nominal value of US\$0.50 each.

The following information highlights the changes in share capital in US\$ for the period 1 January 2011 to 31 December 2013:

	2011	2012	2013
At 1 January	67,976,317	68,318,160	71,471,801
Scrip Dividend	341,843	420,693	-
Bonus Issue	-	2,732,948	-
Issue of new sharers	-	-	18,127,284
At 31 December	68,318,160	71,471,801	89,599,085

During the period 1 January 2014 up to the date of the prospectus, the Company increased its share capital by US\$8,969,968 and US\$98,800 by virtue of a Bonus Issue and the Exercise of Executive Share Options respectively. As at the date of this prospectus the issued share capital of the Company amounts to US\$98,667,853 divided into 197,335,705 ordinary shares having a nominal value of US\$0.50 each, fully paid-up.

17.2 ADDITIONAL INFORMATION RELATING TO THE CAPITAL OF THE ISSUER

Other than the options set out in section 13.2 of this Prospectus, there are no convertible securities, exchangeable securities or securities with warrants in relation to Shares in the Issuer.

17.3 MEMORANDUM AND ARTICLES OF ASSOCIATION

The following is a summary and explanation of the current Memorandum and Articles of Association of the Issuer, which are available for inspection as set out in section 19 of this Prospectus. The Memorandum and Articles of Association have been last amended at the AGM of the Company on 8 May 2014.

17.3.1 Objects

The objects for which the Company is established are:-

- To carry on the business of banking, from within the Republic of Malta and to undertake, carry on and execute all kinds of financial and banking operations with persons, companies or entities wherever resident, as may be allowed by the competent authorities.
- To engage in foreign commercial trade, barter and countertrade, whether of a wholesale or retail nature and whether on its own account or on a commission basis, including the purchase, acquisition and sale of all types of goods and commodities.
- To generate and engage in trade transactions and to underwrite such transactions, independently or jointly with other financial institutions, corporate entities, individual investors and specialised investment funds.
- To acquire, deal in, and hold either for itself or as agent of any firm, corporation, company or person, by purchase, lease, hire purchase, concession, grant, licence or otherwise such businesses, options, rights, privileges, land, buildings, leases, underleases, stocks, shares, units, debentures, debenture stock, bonds, obligations, securities, commodities, reversionary interests, annuities, policies of assurance, book debts or any other financial instruments, claims, chose in action, mortgages, charges and other property and rights and interests in property as the Company shall deem fit and generally to hold, manage, develop, lease, factor, sell or dispose of the same and to vary any of the investments of the Company, to deal in foreign exchange transactions of every description, to act as trustees of any deeds constituting or securing any debentures, debenture stock or other securities or obligations or any other financial instruments and to deal with and grant hire purchase contracts of all types to any persons as the Company shall deem fit.



- e) To engage in international financial business, including the acceptance and making of deposits in foreign currencies.
- f) To engage in investment banking business, providing for the issue and confirmation of letters of credit, bridging finance and equity financing, credit or financial accommodation and the issuing of guarantees, performance bonds and bid bonds and to act as investment managers and brokers.
- g) To lend and advance money or give credit on any terms and with or without security to any person, firm or company, to enter into guarantees, contracts of indemnity and suretyships of all kinds, to receive money on deposit or loan upon any terms, and to secure or guarantee in any performance of any obligation by any person, firm or company and to provide credit finance for the acquisition and movement of all types of goods and commodities, in any manner, including but not limited to factoring, whether on a disclosed or undisclosed basis, forfaiting and other recourse or non-recourse trade financing.
- h) To undertake and carry on project financing, whether on a recourse, limited recourse or non-recourse basis.
- i) To receive and hold funds pending investment, maintain accounts for, provide safe custody services, handle transfers of securities and other similar matters and to raise loans and receive securities and valuables of all kinds.
- j) To engage in the provision of various financial initiatives including pre-export finance, post-shipment finance, warehouse finance, structured trade finance as well as the financing of agricultural and other industrial or financial activities.
- k) To undertake the business of investment services as defined in the Investment Services Act, (Cap.370, Laws of Malta) in accordance with the terms and conditions of the Investment Services licence granted under the same Act.
- l) To act as agents, brokers, trustees, advisors or consultants to any person, whether corporate or unincorporate and including any government, authority or parastatal body, and to undertake and perform sub-contracts.
- m) To borrow or raise money, with or without security, in such manner as the Company shall deem fit, and in particular by the issue of bonds, debentures, debenture stock (perpetual or otherwise) or any other financial instruments and to secure the repayment of any money borrowed, raised or owing, by hypothec, charge or lien upon all or any of its assets or property, whether present or future including its uncalled capital, if any, and also similar hypothec, charge or lien, to secure and guarantee the performance by the Company or any or any other person or company of any obligation undertaken by the Company or any other person or company, as the case may be, and to contract for public or private loans, and to negotiate, underwrite and issue the same, and to acquire any shares, stocks, debentures, debenture stocks, rents, bonds, mortgages, obligations and any other financial instruments by original subscription, syndicate participation, tender, purchase, exchange or otherwise, and to subscribe for the same either conditionally or otherwise, and to guarantee the subscription thereof.
- n) To draw, make, accept, endorse, grant, discount, confirm, acquire, subscribe, or tender for, buy, sell, issue, execute, guarantee, negotiate, transfer, hold, invest or deal in, honour, retire, pay, secure, or otherwise dispose of bills of exchange, promissory notes, bills of lading, warrants, stocks, shares, debentures, letters of credit and other obligations, or any other financial instruments, (whether transferable, negotiable or otherwise), and securities of any kind.
- o) To organise, incorporate, re-organise, finance, manage, aid, assist, supervise, market, promote, establish, manage and carry on any business, trade, fund, syndicate, partnership, company, group of companies, unit trust, investment trust or company or other scheme of whatsoever nature for any purpose and wheresoever situated.
- p) To act as promoters or founders of any company or undertaking, and to underwrite or guarantee the issue of a subscription to the capital, debentures, debenture stock or obligations or any other financial instruments of any such company upon commission or otherwise, and to expend money in law expenses, in the payment of fees, in preparing, circulating and advertising notices and prospectuses, and in doing all other things which may be necessary or convenient for successfully promoting, forming and floating any such company or undertaking.
- q) To procure the Company to be registered or recognised in any country or place, and to obtain any provisional order or Act of Parliament, or any enactment, decree or other legislative or executive act, of any Republic, Kingdom, State, Municipality or other authority for enabling the Company to place any of its objects into effect.
- r) To enter into any arrangements with any government, authority or corporation(s), companies, firms or persons that may seem conducive to the Company's objects or any of them and to obtain from such governments, authorities, corporations, companies, firms or persons, any contracts, grants, rights or privileges and concessions which the Company may consider desirable, and perform, carry out, exercise and comply with any such contracts, grants, rights, privileges and/or concessions.



- s) To enter into any amalgamation, partnership, joint venture or any other arrangement for the sharing of profits, union of interests or co-operation with any company, firm or persons carrying on or proposing to carry on any business within the objects of the Company, and to acquire, hold, sell, deal with or dispose of shares, stocks or securities or any other financial instruments of any such company, firm or persons and to guarantee the contracts and liabilities or payments of dividends, interest or capital of any shares, stocks, debentures or securities or any other financial instruments and to subsidise or otherwise assist such company, firm or person.
- t) To invest and deal with the moneys of the Company not immediately required, in any manner deemed profitable by the Company.
- u) To establish and promote or concur in establishing or promoting any company or companies for the purpose of acquiring all or any of the property, rights and liabilities of the Company and to place or guarantee the placing of, underwrite, subscribe for or otherwise acquire all or part of the shares, debentures or other securities or any other financial instruments of any such other company and otherwise to act in the promotion or establishment thereof and to pay or receive any commission, brokerage or other remuneration in consideration thereof.
- v) To vary any investments and holdings of the Company as may from time to time be desirable.
- w) To sell, lease, hypothecate, give in exchange, dispose of or otherwise realise, turn to account, abandon or otherwise deal with, on any terms which may be deemed fit, the whole or any part of the business, property, assets, investments, securities or any other financial instrument and rights of the Company and for such consideration as the Company may deem fit and without derogating from the generality of the foregoing including shares, stock, debentures, debenture stock or securities or rights of any kind over the property or assets of any other company, undertaking or person having objects altogether or in part similar to those of the Company.
- x) To distribute among members of the Company any property of the Company, whether by way of dividend or otherwise and in particular any shares, debentures or other securities of other companies belonging to the Company or of which the Company has the power of disposing.
- y) To take part in the formation, management, supervision or control of any company, undertaking or enterprise as the Company may deem fit and for that purpose to appoint and remunerate any directors, accountants or other experts or agents.
- z) To support or subscribe to or otherwise aid benevolent, philanthropic, charitable, national or otherwise, institutions or objects of a public character.
- aa) To act as registrars and transfer agents for any company and to maintain for any company any records and accounts which may be required for the purpose, and to undertake any duties in relation to the registration of transfers, the issue and deposit of certificates or other documents evidencing title to securities or otherwise.
- bb) To purchase, acquire or otherwise hold immovable property or any right thereon where it is reasonably necessary for the purpose of conducting its business.
- cc) To provide agency services, in relation to the winding up of estates, the receipt or collection of any principal, interests, rents, debts, debentures or other securities, evidence of debts or demands of any nature as well as in relation to the acquisition and sale of any immovable or movable property.
- dd) To do whatever may be necessary or expedient to enable the Company to be registered as a body corporate or otherwise to establish a legal domicile or representation and to enable the affairs and operations of the Company to be effectively carried on in any part of the world.
- ee) To sell, lease, hypothecate or otherwise dispose of the whole or any part of the property or assets of the Company.
- ff) To construct, improve and manage offices, stores or other buildings which may be required in connection with the Company's business.
- gg) To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with its business and calculated directly or indirectly to enhance the value of the Company's property or rights.
- hh) To issue any shares of the Company as fully paid up in consideration of any property acquired or to be acquired, or services rendered to or to be rendered to the Company.
- ii) To pay, satisfy or compromise any claims made against the Company, which it may seem expedient to pay, satisfy or compromise, notwithstanding that the Company may be under no legal obligation to pay, satisfy or compromise such claims.



- jj) To establish and maintain share option schemes in relation to the shares of the Company under such terms and conditions as the Company may determine from time to time and to issue securities which are convertible into shares or which carry the right to subscribe for shares.
- kk) To carry out all or any of the foregoing objects in any part of the world either as principals, agents, contractors, trustees, or otherwise.
- ll) To do all other things as may be deemed incidental or conducive to the attainment of the above objects or any of them.

17.3.2 Directors

- a) The administration and management of the Issuer shall be vested in a Board of Directors consisting of not less than five and not more than nine directors, all of which shall be individuals.
- b) An election of Directors pursuant to this Article shall take place at every Annual General Meeting unless circumstances require otherwise. The Directors of the Company shall be elected on an individual basis by ordinary resolution of the Company in General Meeting. The said ordinary resolution shall be determined and decided by means of a poll.
- c) Directors shall hold office from the close of the General Meeting at which they are appointed until the end of the Annual General Meeting after their appointment. Any Directors howsoever appointed in the interim, whether to fill a vacancy or otherwise, shall hold office for the remainder of the term of the Board to which they are appointed and shall retire together with the other serving directors.
- d) The Company may, by ordinary resolution, remove a director before the expiration of his term of office.
- e) The maximum aggregate emoluments of all Directors in any one financial year, as well as any increase of such emoluments, shall be such amount as may from time to time be determined by the Company in General Meeting, and any notice convening the General Meeting during which an increase in the maximum limit of such aggregate emoluments shall be proposed, shall contain a reference to such fact.
- f) A Director shall not be required to have a shareholding qualification, but this notwithstanding, a director who is not a Member shall be entitled to attend and speak at General Meetings of the Company.

17.3.3 Classes of Shares

The Company only has Ordinary shares in issue.

17.3.4 Variation of Rights

The rights attached to any class of shares, as is currently in force, or other classes of shares that may be created in the future may only be varied with the consent in writing of the holders of not less than 80% of the issued shares of that class, or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of that class.

17.3.5 Annual and other General Meetings

- a) The Annual General Meetings of the Company shall be held at such time and place as the Directors shall appoint.
- b) The Directors may convene an Extraordinary General Meeting whenever they think fit. Extraordinary General Meetings may also be convened on such requisition, or in default, may be convened by such requisitionists, as provided by Article 129 of the Act. If at any time there are not in Malta sufficient Directors capable of acting to form a quorum, any Director, or any two Members of the Company, may convene an extraordinary general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Directors.
- c) A notice convening an Annual General Meeting shall specify the meeting as such and a notice convening a meeting to pass an extraordinary resolution shall specify the intention to propose the text of the resolution as an extraordinary resolution and the principal purpose thereof.
- d) Notice of every General Meeting shall be given to:
 - (i) every registered Member except those Members who (having no registered address in Malta) have not supplied the Company an address for the giving of notices to them; and
 - (ii) the Directors; and
 - (iii) the auditor/s for the time being of the Company.

No other persons shall be entitled to receive notice of General Meetings.

- e) No business shall be transacted at any General Meeting unless a quorum of Members is present, in person or by proxy, at the time when the meeting proceeds to business; save as herein otherwise provided Members, present in person or by proxy, entitled to attend and vote at the Meeting and holding in aggregate not less than 50% plus one (50% + 1) votes of the shares having voting rights in the Company shall constitute a quorum. If within half an hour from the time appointed for the commencement of the meeting, a quorum is not present, the meeting howsoever called, shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the Directors may determine and if at the adjourned meeting a quorum is not yet present within half an hour from the time appointed for the meeting, the Members present shall constitute a quorum.

18. MATERIAL CONTRACTS

18.1 UNDERWRITING AGREEMENT

The Underwriting Agreement has been entered into by and between TIB and the Company. TIB has, subject to the satisfaction of a number of conditions, undertaken in favour of the Company to subscribe to such number of New Ordinary Shares under the Rights Issue at the Share Offer Price, as are not subscribed to by the last day of the Lapsed Rights Offer Period. The obligation of TIB under the Underwriting Agreement is however limited up to a maximum value of five million United States Dollars (US\$5,000,000).

The obligations of TIB under the Underwriting Agreement are subject to *inter alia* the following conditions:

- (a) There shall have been, as of the date of the signing of the Underwriting Agreement, and as at the end of the Offer Period and the Lapsed Rights Offer Period, no event making any of the representations and warranties granted by the Company under the Underwriting Agreement untrue or incorrect in any material respect on the aforementioned date and the Company shall have performed all the obligations to be performed under the Underwriting Agreement on or before the said date.
- (b) Subsequent to the respective dates as of which information is given in the Prospectus and up to the date of the Prospectus, there shall not have been any material change, on a consolidated basis, in the capital, short-term debt (other than in the ordinary course of business) or long-term debt of the Company and its subsidiaries, except as contemplated in the Prospectus, or any material adverse change, or any event or development involving a potential material adverse change, in the condition (financial or other), earnings, business, prospects, net worth, results of operations or properties of the Company and its subsidiaries, whether or not arising from transactions in the ordinary course of business, except as set forth or contemplated in the Prospectus.

In the event that any of the foregoing conditions is not satisfied on or before the date when the allotment of the New Ordinary Shares becomes unconditional pursuant to article 101 of the Companies Act, this Agreement shall terminate with effect from such date, provided that the Underwriter may in its discretion and by notice to the Company, waive satisfaction of any of the above conditions or of any part of them.

In addition, the Underwriter shall have the right to terminate the Underwriting Agreement by giving notice at any time at or prior to the allocation of shares becoming unconditional in terms of article 101 of the Companies Act if:

- (i) The Company shall have failed, refused or been unable, at or prior to that date, to perform any material agreement on its part to be performed hereunder;
- (ii) Any other material condition of the Company's obligations under the Underwriting Agreement is not fulfilled;
- (iii) An application for the New Ordinary Shares to be admitted to listing on the Official List of the Malta Stock Exchange has been refused.

As at the date of this Prospectus and to the best of the Issuer's knowledge, there are no facts or circumstances which would entitle TIB to withdraw from its commitments under the Underwriting Agreement.

The Underwriter and the Company form part of the same group of companies having KIPCO as their ultimate parent company. The Underwriter has sought and obtained a determination in writing by the MFSA that the Underwriter qualifies for an exemption from the requirement to obtain an investment services licence under the Investment Services Act to carry out such underwriting services.

18.2 SUBSCRIPTION AGREEMENTS

Each of UGB and Burgan Bank has entered into separate Subscription Agreements with the Company whereby each of UGB and Burgan Bank has irrevocably undertaken to exercise its rights to subscribe to the New Ordinary Shares it is entitled to under the Rights Issue in accordance with the terms and conditions set out in the Prospectus.

As a result of the Subscription Agreements, UGB shall subscribe to 46,624,960 New Ordinary Shares whereas Burgan Bank shall subscribe to 15,024,391 New Ordinary Shares at the Share Offer Price.



18.3 OTHER MATERIAL CONTRACTS

Other than the above, the Issuer has not entered into any material contract, other than contracts entered into in the ordinary course of business, to which the issuer or any member of the group is a party, for the last year immediately preceding publication of the registration document, other than as disclosed in this Prospectus.

19. REFERENCE DOCUMENTS

The following Reference Documents are incorporated by reference into this Prospectus and are available for inspection at the Issuer's registered office for the duration of the Prospectus:

- (a) The Memorandum and Articles of Association of the Issuer;
- (b) The Audited Financial Statements of the Issuer and the Group (including its subsidiaries) for the financial years ended 31 December 2011, 31 December 2012, and 31 December 2013; and
- (c) The 2013 Annual Report.

The Audited Financial Statements of the Issuer may also be inspected on the Issuer's website: www.fimbank.com.

20. ESSENTIAL INFORMATION

20.1 WORKING CAPITAL STATEMENT

The Board of Directors is of the opinion that the working capital available to the Issuer and the Group is sufficient for its business requirements over the coming twelve months of operations.

20.2 CAPITALISATION AND INDEBTEDNESS

The following tables show the capitalisation and indebtedness of the Issuer at 31 March 2014.

Capitalisation	USD
Called up issued share capital	89,697,885
Share premium	19,875,655
Other reserve	2,681,041
Reserve for general banking risks	109,074
Total equity¹	<u>112,363,655</u>

¹(Excludes retained earnings, fair value reserve and currency translation reserve.)

Indebtedness – Unsecured

Loans from banks	243,076,698
Loans from customers	30,000,000
Debt securities in issue	31,364,093
Total indebtedness	<u>304,440,791</u>

20.3 INTEREST OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

The following interests of natural and legal persons involved in the issue are being disclosed:

- (a) Information on the interest of members of the Board and executive management has been disclosed in section 12.1.3 of the Prospectus.
- (b) TIB has undertaken to underwrite up to a maximum value of US\$5,000,000 of the Rights Issue as further described in section 18.1 above. Both the Issuer and TIB form part of the KIPCO Group.
- (c) As at Record Date, Rizzo, Farrugia & Co (Stockbrokers) Ltd held 5,120,814 Shares as agent on behalf of its clients both on an execution-only basis and on a portfolio management basis.

20.4 REASONS FOR THE OFFER AND USE OF PROCEEDS

The net proceeds from the issue of New Ordinary Shares will be used by the Issuer to support the general growth of the

Group as well as its diversification strategies into new products, markets and ventures. The proceeds of the New Ordinary Shares will constitute Common Equity Tier I capital forming part of the Issuer's Own Funds in terms of the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012.

21. INFORMATION ON HOLDINGS

Significant Subsidiaries

The Company has the following significant subsidiaries and subsidiary undertakings (each of which is considered by the Company to be likely to have a significant effect on the assessment of its assets and liabilities, financial position or profits and losses):

Name of Company	Country of incorporation	Principal activities	% holding
London Forfaiting	UK	Forfaiting	100*
Menafactors	United Arab Emirates	Factoring	100
India Factoring	India	Factoring	79
FactorRus L.L.C.	Russia	Factoring	80
FIM Business Solutions	Malta	IT Services	100*
FIM Property Investment	Malta	Property Management	100*

Investments in subsidiaries held directly by the Issuer are marked with *.

22. INFORMATION CONCERNING THE SECURITY

22.1 GENERAL

Each New Ordinary Share forms part of the duly authorised issue by way of Rights to 77,009,494 New Ordinary Shares (of a nominal value of US\$ 0.50 each) which, if subscribed to in full at the Offer Price, will amount to gross principal proceeds of fifty million, fifty six thousand, one hundred and seventy one United States Dollars (US\$50,056,171). The Issuer's ISIN number is MT0000180100.

22.2 APPLICABLE LAWS

The New Ordinary Shares are issued in accordance with the requirements of the Listing Rules, the Banking Act, the Companies Act, the Prospectus Directive and the Prospectus Regulation.

22.3 REGISTRATION, DENOMINATION, FORM AND TITLE

The Issuer will not issue share certificates representing the fully paid up New Ordinary Shares as the New Ordinary Shares will be represented in uncertificated form by the appropriate entry in the electronic register of the Issuer's members maintained on behalf of the Issuer at the Malta Stock Exchange. There will be entered into such electronic register the names and addresses of the holders of the New Ordinary Shares and the number of New Ordinary Shares held by them. It is expected that the Malta Stock Exchange will issue a notice on 4 July 2014 and such date shall constitute the date of issue, allotment as well as Listing of the New Ordinary Shares. It is also expected that the Malta Stock Exchange will issue registration advices to each shareholder immediately thereafter.

Any shareholder in whose name the New Ordinary Shares are registered may (to the fullest extent permitted by the applicable laws) be deemed and treated at all times and for all purposes as the owner of the New Ordinary Shares. Title to the New Ordinary Shares is transferred in accordance with the provisions of section 22.7 of this Prospectus.

22.4 CURRENCY OF THE NEW ORDINARY SHARES

The currency of the New Ordinary Shares is United States Dollars.

22.5 RIGHTS ATTACHED TO THE NEW ORDINARY SHARES

22.5.1 Ranking

The New Ordinary Shares will, when issued and fully paid up, rank *pari passu* in all respects with the Existing Ordinary Shares, including with regard to the right to receive notice of and attend general meetings, voting rights, dividends and distribution of assets upon winding up of the Issuer.



22.5.2 Class of New Ordinary Shares

The New Ordinary Shares will be of the same class as the Issuer's ordinary shares currently in issue. In terms of the Issuer's Memorandum and Articles the rights attached to any class of shares may only be varied with the consent in writing of the holders of not less than 80% of the issued shares of that class, or by means of an extraordinary resolution passed at a separate general meeting of the holders of shares of that class.

Currently, the Issuer does not have any preference shares in issue and thus the right of the Ordinary Shareholders in respect of dividends declared by the Issuer or in respect of the distribution of assets of the Issuer upon winding up does not rank after the preferred rights of any preference shareholders.

22.5.3 Dividends

In accordance with the Companies Act, the authority to declare dividends lies with the Issuer's shareholders in the general meeting. However, in terms of the Issuer's Memorandum and Articles, no dividend shall exceed the amount recommended by the Directors. As stated in section 16.2, the Issuer's policy on dividend distributions has been one aimed at balancing payouts from cash profits with prudent retentions. It is also guided by the observance of provisions and covenants in loan agreements which invariably require any proposed payment or distribution to be made out of net income of the current financial year, excluding any amount resulting from the revaluation of any of the Issuer's assets, while ensuring that no event of default or potential event of default has occurred or is then continuing. With effect from 2014, dividend policy is also influenced by the impact of revised MFSA Banking Rule 09, which requires the build-up of a reserve for General Banking Risks calculated as a percentage of non-performing facilities. This reserve is required to be funded from planned dividends and may consequently affect the level of future distributions.

Subject to the above, the Directors have the authority to declare such interim dividends as appear to the Directors to be justified by the Issuer's profits.

22.5.4 Voting Rights

The New Ordinary Shares will entitle the holder thereof to one vote for every share and will have a nominal value of US\$0.50. Voting rights may also be exercised by the appointment of a proxy at the meeting of the Shareholders as detailed below.

22.5.5 Meetings of Shareholders

In accordance with the provisions of the Companies Act and of the Issuer's Articles of Association, the holders of the New Ordinary Shares will have the right to attend general meetings which might be called by the Directors whenever they think fit.

Notice in writing shall be given to each shareholder at least fourteen clear days before the meeting (excluding the day on which the notice is given and the day for which it is given). The notice shall specify the date, time and location of the meeting and whether there will be required decisions of ordinary or special business. If the latter, the notice has to specify the general nature of the business. The instrument appointing a proxy shall be deposited at least 24 hours before the time fixed for the meeting at such place as the Issuer shall designate or approve.

Shareholders holding in aggregate at least 50% plus one of the shares having voting rights in the Issuer (present in person or by proxy) shall constitute a quorum for a general meeting.

No business shall be transacted at a meeting of shareholders unless a quorum is present within half an hour of the time appointed for the commencement of the meeting. If a quorum is not present within 30 minutes from the time initially fixed for the meeting, it shall stand adjourned until such date, time and place as the Directors may decide. If a quorum is not present within 30 minutes from the time fixed for a meeting so adjourned the members present shall constitute a quorum.

22.5.6 Pre-emption rights in respect of new issues of shares

In terms of Article 88 of the Companies Act, shareholders in a public company have pre-emption rights in respect of new issues of shares for cash, in proportion to the holding of capital by such shareholders. Such pre-emption rights may not be withdrawn or restricted by the memorandum and articles of a company, however, the Companies Act allows the memorandum and articles of the company or an extraordinary resolution of the general meeting to authorize the Board of Directors to restrict or withdraw pre-emption rights for as long as the Board of Directors is authorised to issue and allot shares of the Company.



The Shareholders in Annual General Meeting have granted on 8 May 2014 the following authorities:

“The Company at general meeting resolved pursuant to Article 18 of the Articles of Association of the company, that the Board of Directors be generally authorised (with full powers of delegation) to restrict or withdraw the statutory pre-emption rights of the Company’s Equity Securities holders for as long as the Board of Directors remains authorised to issue and allot Equity Security in terms of Article 85 of the Companies Act.”

22.6 AUTHORISATIONS AND APPROVALS FOR THE RIGHTS ISSUE

The Shareholders in Annual General Meeting have granted on 8 May 2014 the following authorities:

“The Company at general meeting resolved to make two rights issues over a period of two (2) years to raise in aggregate a minimum of one hundred million US Dollars (USD 100,000,000) (the “Rights Issues”) by the issuance of ordinary shares to its Members on such terms and conditions as may be determined by the Board of Directors.

The Company also resolved that, limitedly for the purpose of implementing the Rights Issues, and pursuant to Article 85 of the Companies Act, and in virtue of the powers vested in the Company by Article 5 of the Articles of Association, the Board of Directors (with full powers of delegation) be generally authorised to issue and allot such number of Equity Securities, for the time being un-issued, as may be determined by the Board of Directors up to the maximum authorised share capital of the Company being five hundred million US Dollars (USD 500,000,000). This authorisation is valid for a period of two (2) years.”

This authorisation is without prejudice to the Board of Directors’ Authority to issue Equity Securities in connection with the implementation of the Executive Share Option Schemes currently in force.”

22.7 TRANSFERIBILITY OF NEW ORDINARY SHARES

The New Ordinary Shares are freely transferable and dealings on the Malta Stock Exchange are expected to commence on 7 July 2014. The New Ordinary Shares shall be transferable in accordance with the rules and regulations of the Malta Stock Exchange applicable from time to time.

All transfers and transmissions are subject in all cases to any pledge (duly constituted) in respect of any New Ordinary Shares and to any applicable laws and regulations.

22.8 RESTRICTIONS AND TAKEOVER BIDS

No restrictions are provided for the free transferability of the New Ordinary Shares.

No mandatory takeover bids, or public takeover bids and/or squeeze out and sell out rules have occurred in relation to the Issuer’s Shares during the financial periods referred to in this Prospectus.

22.9 TAXATION

22.9.1 General

Investors and prospective investors are urged to seek professional advice as regards both Maltese and any foreign tax legislation in respect of the New Ordinary Shares, including their acquisition, holding and disposal as well as any income/gains derived therefrom or made on their disposal. The following is a summary of the anticipated tax treatment applicable to the holders of the fully paid up New Ordinary Shares. This information, which does not constitute legal or tax advice, and which does not purport to be exhaustive refers only to the holders of the New Ordinary Shares who do not deal in securities in the course of their trading activity.

The information below is based on an interpretation of tax law and practice relative to the applicable legislation in Malta, as known to the Issuer at the date of the Prospectus. Investors are reminded that tax law and practice and their interpretation as well as the levels of tax on the subject-matter referred to in the preceding paragraph, may change from time to time and may vary depending on the jurisdiction of the investor.

The information is being given solely for the general information of investors. The precise implications for investors will depend on their particular circumstances and professional advice in this respect should be sought accordingly.

22.9.2 Dividends

The Company is subject to tax in Malta on taxable profits at the corporate tax rate which currently stands at 35%.

Dividends distributed to Shareholders resident in Malta, other than companies, from untaxed profits are subject to 15%



withholding tax which may be treated as a final tax at the option of the recipient Shareholders. The Company will deduct this 15% withholding tax from the amount of the dividend and will remit such withholding tax to the Commissioner for Revenue, when distributing out of untaxed profits.

All other dividends distributed to Shareholders are not subject to any further tax.

Under Malta's imputation system of taxation, a person is subject to tax, where applicable, on the dividend grossed up by the tax paid by the distributing company on the profits out of which the dividend is distributed. A shareholder is only entitled to claim a refund of the difference between the marginal rate of tax on the grossed up dividend and the 35% tax paid by the Company with regard to that part of the dividend included in the shareholder's total taxable income not exceeding the 25% tax bracket threshold.

22.9.3 Capital Gains on the transfer of the New Ordinary Shares

Since the New Ordinary Shares are shares in a company listed on the Malta Stock Exchange, no tax on capital gains should be chargeable on the transfer of the New Ordinary Shares.

22.9.4 Duty on Documents and Transfers

Since the New Ordinary Shares are shares in a company listed on the Malta Stock Exchange, no duty on documents and transfers is payable on any transfer of these New Ordinary Shares.

23. EXPENSES OF THE ISSUER/OFFER

The Rights Issue and the Intermediaries Offer will involve expenses including publicity, printing, listing, registration, legal, sponsor, management and registrar fees and other miscellaneous costs. Such expenses are estimated not to exceed US\$600,000 and shall be borne by the Issuer. No expenses will be specifically charged by the Issuer to any Eligible Shareholder who subscribes for New Ordinary Shares. The amount of the expenses will be deducted from the proceeds of the Rights Issue and the Intermediaries Offer, which accordingly will bring the net proceeds from the Rights Issue and the Intermediaries Offer to circa US\$ 49.456 million if all the entitlements to the New Ordinary Shares are validly taken up.

The following commissions shall be payable by the Issuer in connection with the Rights Issue and the Intermediaries Offer:

- (a) A commission of EUR 75 per PAL shall be payable by the Issuer to Collecting Agents for the due completion and submission of PALs.
- (b) In the event of the Intermediaries Offer, a commission at the rate of 1% of the value of an accepted offer shall be payable by the Issuer to the Collecting Agents.
- (c) A commission of 1.5% of the amount of Ordinary Shares subscribed to by the Underwriter shall be payable to the Underwriter, with a minimum fee of US\$50,000.

All of the above commissions have been included in the calculation of expenses in relation to the Rights Issue and the Intermediaries Offer. Other than the above, there are no other commissions which are payable by the Issuer in connection with the Rights Issue and the Intermediaries Offer.

24. DILUTION

Subject to Admission, pursuant to the Rights Issue and the Intermediaries Offer 77,009,494 New Ordinary Shares will be issued at the Share Offer Price. This will result in the issued share capital of the Company increasing by approximately 39%. Eligible Shareholders who take up their pro rata entitlement in full will suffer no dilution to their interests in the Company. Eligible Shareholders who do not take up any of their rights to subscribe for the New Ordinary Shares will suffer an immediate dilution of 28% in their interests in the Company.

25. EXPECTED TIMETABLE OF THE PRINCIPAL EVENTS

Each of the times and dates (other than the Record Date) in the table below is indicative only and may be subject to change.

Availability of Provisional Allotment Forms	9 June 2014
Opening of Acceptance Period	10 June 2014
Closing of Acceptance Period	25 June 2014
Announcement of Rights Issue Results	30 June 2014
Allotment and Expected Admission to Listing of New Ordinary Shares issued pursuant to the Rights Issue	4 July 2014
Expected Commencement of Trading of New Ordinary Shares issued pursuant to the Rights Issue	7 July 2014
Opening of Lapsed Rights Offer Period	8 July 2014
Closing of Lapsed Rights Offer Period	15 July 2014
Allotment and Expected Admission to Listing of New Ordinary Shares issued pursuant to the Intermediaries Offer (if any)	21 July 2014
Expected Commencement of Trading of New Ordinary Shares issued pursuant to the Intermediaries Offer (if any)	22 July 2014
Payment of Premium (if any) to Lapsed Rights Holders	25 July 2014

26. TERMS AND CONDITIONS OF THE RIGHTS ISSUE AND THE INTERMEDIARIES OFFER

26.1 GENERAL

26.1.1 Introduction

The Company is proposing to raise proceeds by way of a Rights Issue, and in the event of any Lapsed Rights, an Intermediaries Offer of 77,009,494 New Ordinary Shares, in aggregate.

The New Ordinary Shares will be offered by way of nil-paid rights at US\$0.65 per New Ordinary Share, payable in full on acceptance by the Eligible Shareholder, on the basis of:

16 New Ordinary Shares for every 41 Existing Ordinary Shares

held on the Record Date on the terms and conditions as set out in this Prospectus and the Provisional Allotment Letter.

Application has been made to the Listing Authority to authorise the New Ordinary Shares to be admitted to trading on the Official List of the Malta Stock Exchange. It is expected that the issue date and allotment as well as the listing of the New Ordinary Shares will be as follows:

- (i) The New Ordinary Shares issued pursuant to the Rights Issue are expected to be listed on the 4 July 2014 and that dealings in the New Ordinary Shares will commence on the 7 July 2014; and
- (ii) The New Ordinary Shares issued pursuant to the Intermediaries Offer are expected to be listed on the 21 July 2014 and that dealings in the New Ordinary Shares will commence on the 22 July 2014.

The New Ordinary Shares will, when issued and fully-paid, rank equally in all respects with the Existing Ordinary Shares, including the right to receive all dividends or other distributions made, paid or declared after the date of this Prospectus.

The allotment of New Ordinary Shares pursuant to the Rights Issue is conditional upon a minimum of forty million United States Dollars (US\$ 40,000,000) in New Ordinary Shares being subscribed for and raised by the Company in cash pursuant to the Rights Issue (but excluding for the avoidance of doubt any New Ordinary Shares subscribed for under the Intermediaries Offer or pursuant to the Underwriting Agreement).



The allotment of New Ordinary Shares pursuant to the Intermediaries Offer is not conditional upon a minimum amount of monies being raised. Accordingly, the allotment of New Ordinary Shares pursuant to the Intermediaries Offer (and the Underwriting Agreement) shall be valid notwithstanding that not all the New Ordinary Shares which the Company was entitled to issue pursuant to this Prospectus have been issued.

UGB and Burgan Bank shall not be required to submit a PAL and in lieu thereof they have signed and executed Subscription Agreements with the Company pursuant to which each of them has undertaken to subscribe to the New Ordinary Shares it is entitled to under the Rights Issue.

Save as provided in these Terms and Conditions, none of the New Ordinary Shares are being made available to the public other than pursuant to the Rights Issue or the Intermediaries Offer, as the case may be.

Entitlements to New Ordinary Shares will be rounded up to the nearest whole number.

It is the responsibility of shareholders wishing to apply for the New Ordinary Shares to inform themselves as to the legal requirements of so applying in Malta and in the countries of their nationality, residence or domicile.

The attention of Overseas Shareholders or any person who has a contractual or other legal obligation to forward this Prospectus or other related document into a jurisdiction other than Malta is drawn to section 26.6 below. The offer of New Ordinary Shares, the Rights Issue and the Intermediaries Offer will not be made into the Excluded Territories.

26.1.2 Definitions

Save where the context requires otherwise, terms defined in the Prospectus bear the same meaning when used in these Terms and Conditions and/or the Provisional Allotment Letter and/or in any other document issued pursuant to the Prospectus.

26.1.3 Notices

This Prospectus and accompanying documentation are expected to be mailed to Eligible Shareholders at their registered addresses as held by the Central Securities Depository (as at the Record Date) by the 9 June 2014 and for all Eligible Shareholders it shall be deemed to have been served at the expiration of two (2) days after such mailing.

26.1.4 Provisional Allotment Letters ("PAL(s)")

Provisional Allotment Letters are expected to be dispatched to Eligible Shareholders by the 9 June 2014. The Eligible Shareholders shall return the Provisional Allotment Letter(s) to any of the Collecting Agents (as listed in Annex I) during the period between 8.30a.m. on the 10 June 2014 and 10.00a.m. on the 25 June 2014 (the "Offer Period").

The Provisional Allotment Letter details the number of New Ordinary Shares to be issued to the Eligible Shareholders. It is then supplemented by instructions as to the possibility that an Eligible Shareholder might want to:

- (a) take up all of his Rights (PAL A); or
- (b) take only part of the Rights allotted to him (and may in addition also opt to transfer all or part of the remaining balance (PAL B); or
- (c) transfer part or all of those Rights to a third party/ies (PAL C).

The Provisional Allotment Letter(s) must be returned by the Collecting Agents to the Registrar by 1.30p.m. on the 25 June 2014 together with relevant evidence of full payment made to the Registrar's Account for the amount of New Ordinary Shares subscribed for.

It shall be the sole responsibility of the Collecting Agent to ensure that the PALs together with relevant evidence of full payment reach the Registrar on time.

26.1.5 Right to Reject

Subject to all other terms and conditions set out in the Prospectus and the PAL, the Company reserves the right to reject, in whole or in part, a Provisional Allotment Letter. The Company also reserves the right to refuse any Provisional Allotment Letter which in the opinion of the Company is not properly completed in all respects in accordance with the instructions or is not accompanied by the required documents and/or payments. The Provisional Allotment Letter(s) will be accepted in original only; photocopies/facsimile copies will not be accepted.

If any Provisional Allotment Letter is not accepted, the payment monies will be returned by means of a cheque in US\$,



without interest, and mailed at the shareholders' own risk to the address appearing on the Provisional Allotment Letter. Any expenses or charges connected with such return of monies shall be borne by the respective Eligible Shareholder.

The Company and the Registrar expressly disclaim any and all responsibility for any remittances that may be lost or otherwise mislaid through the mail.

26.1.6 Right to Revoke the Offer

Subject to all other terms and conditions set out in the Prospectus and the PAL, the Company reserves the right to revoke the Offer at any time before the closing of the Offer Period.

The circumstances in which such revocation might occur are expected to be exceptional, for example in the case of extraordinary injection of capital exogenous to this Rights Issue or where a significant change in market conditions occurs.

In the event of a revocation of the Offer, the payment monies will be returned by means of a cheque in US\$, without interest, and mailed at the shareholders' own risk to the address appearing on the Provisional Allotment Letter. The Company and the Registrar expressly disclaim any and all responsibility for any remittances that may be lost or otherwise mislaid through the mail.

26.1.7 Announcement of the acceptance of Rights

On 30 June 2014, the Issuer shall announce the results of the Offer by means of a Company Announcement.

Dealing is expected to commence on 7 July 2014 which could possibly be prior to the receipt by each Shareholder of notification from the CSD of the Malta Stock Exchange.

26.2 ACTION REQUIRED TO SUBSCRIBE TO THE RIGHTS ISSUE

26.2.1 Contents of PAL

Each Provisional Allotment letter will set out:

- (i) The holding of the Existing Ordinary Shares on which an Eligible Shareholder's entitlement to New Ordinary Shares has been based;
- (ii) The number of New Ordinary Shares which have been provisionally allotted to each Eligible Shareholder in respect of such shares;
- (iii) Instructions regarding acceptances and payment, splitting, transfers and payments.

The maximum number of New Ordinary Shares that an Eligible Shareholder may take up or transfer is that which is set out in the relevant Provisional Allotment Letter. The minimum number of New Ordinary Shares an Eligible Shareholder may take up is one.

If the Provisional Allotment Letter is signed on behalf of a legal person, the person signing will be deemed to have bound the relative legal person and will be deemed also to have given the confirmations, warranties and undertakings contained in this Prospectus on their behalf. Such person may be requested to submit the relative power of attorney/resolution or a copy thereof duly certified by a lawyer or notary public if so required by the Registrar.

The contract created by the signing of the Provisional Allotment Letter shall be subject to all the terms and conditions set out in this Prospectus and the PAL.

26.2.2 Joint Eligible Shareholders

In the case of Existing Ordinary Shares held jointly by several persons, the Company shall send a Provisional Allotment Letter only to the person/s entered on the register of the Central Securities Depository or to the first person of the joint holders entered on the register of the Central Securities Depository who shall, for all intents and purposes be deemed, vis-a-vis the Company, to be the registered holder of the Existing Ordinary Shares.

26.2.3 Legal Persons

Where the Eligible Shareholder is a legal person, the Provisional Allotment Letter must be signed by the person/s authorised to sign and bind such Eligible Shareholder. It shall not be incumbent on the Company to verify whether the person/s purporting to bind such an Eligible Shareholder is in fact so authorised.



26.2.4 Minors

If the name appearing on the register of the Central Securities Depository as at close of trading on the Record Date is that of a minor, and the eligible Shareholder is still a minor at the date of closure of the Offer Period, the Provisional Allotment Letter must be signed by both parents or the legal guardian/s and accompanied by a Public Registry birth certificate of the minor or evidence of legal guardianship, as the case may be. Any New Ordinary shares allotted pursuant to the Rights Issue shall be registered by the company in the name of the minor as a shareholder with dividends and any other entitlements payable to the parents/legal guardian/s signing the Provisional Allotment Letter until such time as the minor attains the age of eighteen (18) years. Upon the minor reaching such age, all dividends shall be payable directly to the registered holder, provided that the Company has been duly notified in writing that the minor has attained the age of eighteen (18) years.

26.2.5 Deceased Persons

If the name appearing on the register of the Central Securities Depository as at close of trading on the Record Date is that of a deceased Eligible Shareholder or if an Eligible Shareholder dies before the expiry of the Offer Period and prior to having completed the Provisional Allotment Letter, the Provisional Allotment Letter must be signed by the lawful successors in title of the deceased Eligible Shareholder. For this purpose, the successors in title of the deceased Eligible Shareholder must contact the Company or the Collecting Agent within the Offer Period in order to produce adequate documentary proof to the satisfaction of the Company or the Collecting Agent, in order to enable them to verify their status as lawful successors of the deceased Eligible Shareholder.

26.2.6 Shares subject to Usufruct

In respect of Existing Shares held subject to usufruct, the Offer shall be made and the Provisional Allotment Letter issued in the name of the bare owner, provided that any new Ordinary shares allotted pursuant to an acceptance by a bare owner shall be subject to the same right of usufruct in favour of the usufructuaries who have such rights with respect to the Existing Ordinary Shares held by the said Eligible Shareholder as bare owner as at the Record Date. In this respect, the PAL submitted to the Collecting Agent is to be accompanied by an authorisation of the usufructuary allowing the addition of the new shares, which is to be subsequently forwarded in original to the Registrar.

26.2.7 Procedure for acceptance

Eligible Shareholders who wish to accept in full

Holders of Provisional Allotment Letter(s) who wish to take up all of their Rights should complete the Provisional Allotment Letter(s) (PAL(s) A) and return it to any of the Collecting Agents (listed in Annex I) together with proof of payment.

Eligible Shareholders who wish to accept in part and transfer remaining balance

Holders of Provisional Allotment Letter(s) who wish to take up only some but not all of their Rights (and in addition also opt to transfer all or part of the remaining balance) should complete the Provisional Allotment Letter (PAL(s) B) and return it to any of the Collecting Agents together with proof of payment.

Eligible Shareholders who wish to transfer their rights

Holders of the Provisional Allotment Letter(s) may wish to transfer all or part of their Rights to a third party or third parties.

In case the holder of the Provisional Allotment Letter(s) wishes to transfer all or part of his Rights to one or more transferee(s) he may do so by completing the Provisional Allotment Letter (PAL C) and then return it to any of the Collecting Agents in accordance to the terms and conditions pertaining to the PAL and Prospectus.

Further Procedures for Transferring Rights

In the case of Existing Ordinary Shares held jointly by several persons who wish to transfer all or part of their Rights, all joint shareholders are to sign the applicable PAL.

It shall be incumbent on the applicable Collecting Agent to ascertain that all applicable legal and regulatory requirements relating to the taking up of rights and consequent New Ordinary Shares by a transferee are complied with, including without limitation the obligation to comply with all applicable anti-money laundering and counter-terrorist financing rules and regulations and including the MFSA rules for Investment Services Providers.

The Company reserves the right to refuse to register any renunciation or transfer of the Provisional Allotment Letter in favour of any person in respect of which the Company believes such transfer or renunciation may violate applicable legal or regulatory requirements including (without limitation) any transfer or renunciation in the name of any person with an address outside Malta.

Eligible Shareholders who wish to transfer following payment of Share Offer Price

If, after following any of the procedures detailed at (a) to (c) above, but always before the closing of the Offer Period, the Eligible Shareholder who has already paid the Share Offer Price wishes to transfer them, fully paid, to one or more transferee(s), then the Eligible Shareholder shall apply in writing to the Collecting Agent specifying the details of the proposed transfer by and not later than 10.00a.m. on 25th June 2014.

The Company reserves the right to refuse to register any transfer of such rights in favour of any person in respect of which the Company believes such renunciation may violate applicable legal or regulatory requirements including (without limitation) any renunciation in the name of any person with an address outside Malta.

26.3 PAYMENT

26.3.1 Payment by Eligible Shareholders

Delivery of the Provisional Allotment Letter(s) together with proof of payment (in cleared funds and net of transfer charges) by the Eligible Shareholder to the Collecting Agent must be made as soon as possible and in any event so as to be received by the Collecting Agent by not later than 10.00a.m. on 25 June 2014.
No interest will be paid on payments made before they are due.

26.3.2 Payment by Collecting Agents

Payment for the New Ordinary Shares by the Collecting Agents must be made in US\$ and must reach the Registrar's Account in cleared funds and net of transfer charges, and may be made by SWIFT or account transfer. Coordinates of the payment instructions are available with the Collecting Agent.

No interest will be paid on payments made before they are due.

26.4 COMPANY'S ACCEPTANCE

26.4.1 Issuer's discretion as to the validity of acceptance

If the Provisional Allotment Letters and proof of payment of cleared funds do not reach the Registrar by 1.30 p.m. on 25 June 2014, the provisional allotment will be deemed to have been declined and will lapse and it will be treated in accordance with the provisions detailed at section 26.5 below. The Company may, with the agreement of the Registrar, but shall not be obliged to, treat as valid Provisional Allotment Letters accompanied by proof of payment received later than 1.30 p.m. on 25 June 2014.

The Company may also, with the agreement of the Registrar, but shall not be obliged to, treat Provisional Allotment Letters as valid and binding on the person(s) by whom or on whose behalf it is lodged even if it is not completed in accordance with the relevant instructions or is not accompanied by a valid power of attorney where required.

26.5 PROCEDURE IN RESPECT OF RIGHTS NOT TAKEN UP (LAPSED RIGHTS)

26.5.1 Lapsed Rights

If an entitlement to New Ordinary Shares is not validly taken up by 10.00a.m. on 25 June 2014, in accordance with the procedure laid down in this Prospectus for acceptance and payment of Rights, then that provisional allotment to the particular Eligible Shareholder will be deemed to have been renounced and will lapse. In such an event the nil paid Rights will become Lapsed Rights.

Pursuant to the Listing Rules, the Issuer will endeavour to sell the Lapsed Rights on behalf and for the account of the holders of the Lapsed Rights. In this regard, the Company intends to comply with this obligation under the Listing Rules by making an intermediaries offer within the Lapsed Rights Offer Period. The Company will endeavour to dispose of the Lapsed Rights within the Lapsed Rights Offer Period, i.e. between 8 July 2014 and the 15 July 2014.



In accordance with the Listing Rules, any premium over the Share Offer Price, where such premium exceeds five Euro (EUR 5) on a per shareholder basis and net of any expenses which might be incurred by the Company, obtained by the Company from the disposal of the Lapsed Rights with any of the methods described above shall be paid as follows:-

- (i) where the entitlement to the New Ordinary Shares was, at the time of lapsing, represented by a Provisional Allotment Letter, to the person whose name and address appeared on the Provisional Allotment Letter; and
- (ii) where an entitlement to New Ordinary Shares is treated as not taken up by an Overseas Shareholder, to that Overseas Shareholder.

The said premium will be paid by means of a cheque in US\$, without interest, and mailed at the shareholders' own risk to the address appearing on the Provisional Allotment Letter. Any expenses or charges connected with such payment shall be borne by the respective Eligible Shareholder. The Company and the Registrar expressly disclaim any and all responsibility for any remittances that may be lost or otherwise mislaid through the mail.

26.5.2 Intermediaries Offer

In the event of Lapsed Rights, and pursuant to the Collecting Agent and Intermediaries Offer Agreements, the Issuer shall invite Financial Intermediaries to make an offer for such Lapsed Rights for their own account or for the account of their clients, provided that such offers may only be made by the Financial Intermediaries during the Lapsed Rights Offer Period. Pursuant to such Intermediaries Offer, the Financial Intermediary may place offers to the Issuer to subscribe for such Lapsed Rights.

Offers will be accepted by the Issuer on behalf and for account of the Lapsed Rights Holders strictly on the basis of best price, and Lapsed Rights will be allocated accordingly. The Issuer however reserves the right not to accept any offer if, in its sole discretion, it considers such offer not to be in the interest of Lapsed Rights Holders. In the event that there are offers at the same price for more than there are Lapsed Rights available, these will be allocated pro rata to the respective Financial Intermediary, as the case may be. In respect of the Intermediaries Offer, a determination by the Registrar as to the acceptance or otherwise by the Issuer of an offer shall be conclusive and binding on all Intermediaries.

In terms of Appendix 3.1 of the Listing Rules, the Listing Authority may require a list of the names of the Intermediaries to whom securities were allocated and a list of the names and addresses of the clients of each Financial Intermediary to whom securities were in turn allocated.

The minimum number of Lapsed Rights for which the Intermediary may submit one or more offers shall be 20,000 (twenty thousand) New Ordinary Shares in the aggregate.

The minimum price for which an offer may be submitted shall be the Share Offer Price of US\$0.65 per share.

Acceptance and allocation of offers will be communicated to the Financial Intermediaries as soon as practicable but in any event not later than 5.00p.m. hours on 17 July 2014.

The invitation to offer by the Issuer will be made pursuant to and as subject to the Prospectus and the Terms and Conditions set out herein.

The Lapsed Rights will not be admitted to trading on any regulated market in Malta or otherwise.

Any Lapsed Rights not subscribed to during the Intermediaries Offers will be subject to the Underwriting Agreement, subject to the terms and conditions set out therein.

26.6 OVERSEAS SHAREHOLDERS AND EXCLUDED TERRITORIES

26.6.1 General

THE OFFER OF NEW ORDINARY SHARES UNDER THE RIGHTS ISSUE AND THE INTERMEDIARIES OFFER TO PERSONS RESIDENT IN, OR WHO ARE CITIZENS OF, OR WHO HAVE A REGISTERED ADDRESS IN, COUNTRIES OTHER THAN MALTA MAY BE AFFECTED BY THE LAW OF THE RELEVANT JURISDICTION. THOSE PERSONS SHOULD CONSULT THEIR PROFESSIONAL ADVISERS (INCLUDING TAX ADVISERS) AS TO WHETHER THEY REQUIRE ANY GOVERNMENTAL OR OTHER CONSENTS OR NEED TO OBSERVE ANY OTHER FORMALITIES TO ENABLE THEM TO TAKE UP THEIR RIGHTS.

This section sets out the restrictions applicable to Eligible Shareholders who have registered addresses and/or who are citizens or residents of Excluded Territories.

Any person (including, without limitation, nominees and trustees) outside Malta wishing to take up his rights under the Rights Issue must satisfy himself as to full observance of the applicable laws of any relevant territory including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territories.

The comments set out in this section are intended as a general guide only and any Eligible Shareholder who is in doubt as to his position should consult his independent professional adviser without delay.

Having considered the circumstances, the Directors have formed the view that it is necessary or expedient to restrict the ability of persons in the Excluded Territories to take up rights to New Ordinary Shares or otherwise participate in the Rights Issue due to the time and costs involved in the registration of this Prospectus and/or compliance with the relevant local legal or regulatory requirements in those jurisdictions.

Provisional Allotment Letters will not be sent to Eligible Shareholders with registered addresses in Excluded Territories, **except where in the absolute discretion of the Issuer** it is satisfied that such action would not result in a contravention of any applicable legal or regulatory requirement in the relevant jurisdiction. In these circumstances the New Ordinary Shares provisionally allotted to such Eligible Shareholders will be offered as if they were Lapsed Rights, in accordance with the provisions of section 26.5 of this Prospectus.

Accordingly, receipt of this document and/or a Provisional Allotment Letter will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, this document and/or a Provisional Allotment Letter will be sent for information only and should not be copied or redistributed. No person receiving a copy of this document and/or a Provisional Allotment Letter in any Excluded Territory, may treat the same as constituting an invitation or offer to him, nor should he in any event deal with the Provisional Allotment Letter **unless, in the relevant territory, such an invitation or offer could lawfully be made to him or the Provisional Allotment Letter could lawfully be used or dealt with without contravention of any unfulfilled registration or other legal or regulatory requirements.**

The provisions of this section 26.6.1 will apply generally to Overseas Shareholders who do not or are unable to take up New Ordinary Shares provisionally allotted to them on the basis that such action would result in a contravention of applicable legal or regulatory requirements in the relevant jurisdiction.

New Ordinary Shares which Eligible Shareholders with registered addresses in Excluded Territories would otherwise have been entitled to receive, will be offered as if they were Lapsed Rights under the Rights Issue, in accordance with section 23.5. Any premium obtained over the Share Offer Price will be paid to such Eligible Shareholders, save that individual amounts of less than five euros (EUR 5) net of any expenses will not be distributed but will be retained for the benefit of the Issuer.

26.6.2 United States of America and Canada

This document and any Provisional Allotment Letter are intended only for use in connection with the Rights Issue outside of the United States of America and Canada and are not to be given or sent, in whole or in part, to any person within the United States of America or Canada.

26.7 REPRESENTATIONS AND WARRANTIES OF ELIGIBLE SHAREHOLDERS

By completing and delivering the Provisional Allotment Letter, each of the Eligible Shareholders:

- (a) subject to the right of the Company to reject, in whole or in part, a Provisional Allotment Letter and subject to the right of the Company to revoke the offer as each right is respectively set out in this Prospectus, agrees that it has entered into a contract with the Company as subject to all the terms and conditions set out in this Prospectus and the PAL;
- (b) agrees to have had the opportunity to read the Prospectus and to be deemed to have had notice of all information and representations concerning the Company and the issue of the New Ordinary Shares contained therein;
- (c) confirms that in completing the Provisional Allotment Letter no reliance was placed on any information or representation in relation to the Company or the issue of the New Ordinary Shares other than those contained in this Prospectus and accordingly agrees that no person responsible solely or jointly for the Prospectus or any part thereof will have any liability for any such other information or representation;
- (d) agrees to provide the Registrar, the Collecting Agent and/or the Company, as the case may be, with any documents and/or information which they may request in connection with the Provisional Allotment Letter(s);
- (e) warrants, in connection with the Provisional Allotment Letter(s), to have observed all applicable laws, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with the Provisional Allotment Letter in any territory and that it has not taken any action which



will or may result in the Issuer or the Registrar acting in breach of the regulatory or legal requirements of any territory in connection with the issue of the New Ordinary Shares or the Provisional Allotment Letter;

- (f) warrants that all applicable exchange control or other such regulations have been duly and fully complied with;
- (g) represents that the Eligible Shareholder is not a U.S. person (as such term is defined in Regulation S under the Securities Act of 1933 of the United States of America, as amended) as well as not to be accepting the invitation set out in the Prospectus from within the United States of America, its territories or its possessions, or any area subject to its jurisdiction (the "United States") or on behalf or for the account of anyone within the United States or anyone who is a U.S. person;
- (h) represents that the Eligible Shareholder does not have his registered address and/or is not a citizen or resident of any Excluded Territory;
- (i) agrees that Rizzo, Farrugia & Co. (Stockbrokers) Ltd. in its capacity as Sponsor and Registrar (but not in its capacity as Collecting Agent) will not treat the Eligible Shareholders as its customer by virtue of Eligible Shareholders completing the Provisional Allotment Letter to subscribe for the New Ordinary Shares;
- (j) agrees that all documents in connection with the issue of the New Ordinary Shares will be mailed at the Eligible Shareholders' own risk and may be sent at the address (or, in the case of joint Provisional Allotment Letters, the address of the first named Eligible Shareholders) as set out in the Provisional Allotment Letter;
- (k) for the purposes of the Prevention of Money Laundering and Funding of Terrorism Regulations, 2003 as subsequently amended, all appointed Collecting Agents are under a duty to communicate, upon request, all information about clients as is mentioned in Articles 1.2(d) and 2.4 of the "Code of Conduct for Members of the Malta Stock Exchange" appended as Appendix 3.6 to Chapter 3 of the Malta Stock Exchange Bye-Laws. Such information shall be held and controlled by the Malta Stock Exchange in terms of the Data Protection Act (Cap. 440, laws of Malta) for the purposes and within the terms of the Malta Stock Exchange Data Protection Policy as published from time to time.

26.8 COMMITMENTS BY UGB AND BURGAN BANK

Each of UGB and Burgan Bank has entered into separate Subscription Agreements with the Company whereby each of UGB and Burgan Bank has irrevocably undertaken to exercise its rights to subscribe to the New Ordinary Shares it is entitled to under the Rights Issue in accordance with the terms and conditions set out in the Prospectus.

As a result of the Subscription Agreements, UGB shall subscribe to 46,624,960 New Ordinary Shares whereas Burgan Bank shall subscribe to 15,024,391 New Ordinary Shares at the Share Offer Price.

UGB and Burgan Bank shall not be required to submit a PAL and in lieu thereof they have signed and executed the said Subscription Agreements with the Company

26.9 UNDERWRITING COMMITMENT BY TIB

Pursuant to the terms of an Underwriting Agreement entered into by and between TIB and the Company, TIB has undertaken in favour of the Company to subscribe to such number of New Ordinary Shares under the Rights Issue at the Share Offer Price, as are not subscribed to by the last day of the Lapsed Rights Offer Period. The obligation of TIB under the Underwriting Agreement is however limited up to a maximum value of five million United States Dollars (\$5,000,000).

The obligations of TIB under the Underwriting Agreement are subject to, *inter alia*, the following conditions:

- (a) there shall have been, as of the date of the signing of the Underwriting Agreement, and as at the end of the Offer Period and the Lapsed Rights Offer Period, no event making any of the representations and warranties granted by the Company under the Underwriting Agreement untrue or incorrect in any material respect on the aforementioned date and the Company shall have performed all the obligations to be performed under the Underwriting Agreement on or before the said date.
- (b) Subsequent to the respective dates as of which information is given in the Prospectus and up to the date of the Prospectus, there shall not have been any material change, on a consolidated basis, in the capital, short-term debt (other than in the ordinary course of business) or long-term debt of the Company and its subsidiaries, except as contemplated in the Prospectus, or any material adverse change, or any event or development involving a potential material adverse change, in the condition (financial or other), earnings, business, prospects, net worth, results of operations or properties of the Company and its subsidiaries, whether or not arising from transactions in the ordinary course of business, except as set forth or contemplated in the Prospectus.

In the event that any of the foregoing conditions is not satisfied on or before the date when the allotment of the New

Ordinary Shares becomes unconditional pursuant to section 101 of the Companies Act this Agreement shall terminate with effect from such date, provided that the Underwriter may in its discretion and by notice to the Company waive satisfaction of any of the above conditions or of any part of them.

In addition, the Underwriter shall have the right to terminate the Underwriting Agreement by giving notice at any time at or prior to the allocation of shares becoming unconditional in terms of Section 101 of the Companies Act if:

- (i) The Company shall have failed, refused or been unable, at or prior to that date, to perform any material agreement on its part to be performed hereunder;
- (ii) Any other material condition of the Company's obligations under the Underwriting Agreement is not fulfilled;
- (iii) An application for the New Ordinary Shares to be admitted to listing on the Official List of the Malta Stock Exchange has been refused.

The Underwriter and the Company form part of the same group of companies having KIPCO as their ultimate parent company. The Underwriter has sought and obtained a determination in writing by the MFSA that the Underwriter qualifies for an exemption from the requirement to obtain an investment services licence under the Investment Services Act to carry out such underwriting services.

26.10 TIMES AND DATES

The Company shall in its discretion be entitled to amend the dates that the PAL is despatched or amend or extend the latest date for acceptance or instruction under the Rights Issue and all related dates set out in this Prospectus and the PAL and in such circumstances shall notify the Listing Authority and make a company announcement. **In the event that such a company announcement is made, Eligible Shareholders may not receive any further written communication in respect of such amendment or extension of the dates included in this Prospectus.**

If a supplementary prospectus is issued by the Company two or fewer Business Days prior to the latest time and date for acceptance and payment in full under the Rights Issue specified in the Prospectus, the latest date for acceptance or instruction under the Rights Issue and Intermediaries Offer shall be extended to the date that is three Business Days after the date of issue of the supplementary prospectus (and the dates and times of principal events due to take place following such date shall be extended accordingly).

In any event the Offer Period will not be less than fourteen (14) days as per the requirements of the applicable Listing Rules.

26.11 GOVERNING LAW

The Terms and Conditions as set out in this Prospectus and the Provisional Allotment Letter and any non-contractual obligations arising out of or in relation to the Rights Issue or the Intermediaries Offer shall be governed by, and construed in accordance with, Maltese law.

26.12 JURISDICTION

The courts of Malta are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Rights Issue or the Intermediaries Offer, this Prospectus or the Provisional Allotment Letter (including any dispute relating to any non-contractual obligations arising out of or in connection with any of them).

By accepting rights under the Rights Issue or the Intermediaries Offer, as the case may be, in accordance with the instructions set out in the Prospectus and the Provisional Allotment Letter, Eligible Shareholders and any other person who participates in the Rights Issue or the Intermediaries Offer, irrevocably submit to the jurisdiction of the courts of Malta and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

Annex I – List of Collecting Agents.

Members of the Malta Stock Exchange

Jesmond Mizzi Financial Advisors Ltd
67, Level 3, South Street,
Valletta VLT 1105

Tel: 2122 4410 Fax: 2122 3810

Bank of Valletta plc
BOV Centre, Cannon Road,
Santa Venera SVR 9030

Tel: 2275 1732 Fax: 2275 1733

Calamatta Cuschieri & Co. Ltd
5th Floor, Valletta Buildings, South Street,
Valletta VLT 1103

Tel: 2568 8688 Fax: 2568 8256

Charts Investment Management Service Ltd
Valletta Waterfront, Vault 17, Pinto Wharf
Floriana FRN 1913

Tel: 2122 4106 Fax: 2124 1101

Curmi & Partners Ltd
Finance House, Princess Elizabeth Street,
Ta' Xbiex XBX 1102

Tel: 23426000 Fax: 2134 7333

FINCO Treasury Management Ltd
Level 5, The Mall Complex, The Mall,
Floriana FRN1470

Tel: 2122 0002 Fax: 2124 3280

HSBC Bank Malta plc
116, Archbishop Street,
Valletta VLT 1444

Tel: 2380 2381 Fax: 2380 6046

Lombard Bank Malta p.l.c.
67, Republic Street,
Valletta, VLT 1117

Tel: 2558 1114 Fax: 2558 1815

Rizzo, Farrugia & Co. (Stockbrokers) Ltd
Airways House, Third Floor, High Street,
Sliema SLM 1549

Tel: 2258 3000 Fax: 2258 3001

Annex II – Provisional Allotment Letters (PALs) & Instructions Sheet



FIMBANK

PAL A - ALL

Rights Issue of 77,009,494 New Ordinary Shares Offered At US\$0.65 Per Share

PROVISIONAL ALLOTMENT LETTER (“PAL”) - A

Your Rights to the New Ordinary Shares of FIMBank p.l.c. arises as follows:

Eligible Shareholder/s:	MSE Account Number:
Shareholding as at 21 May 2014 : <i>(Record Date)</i>	
Rights to New Ordinary Shares: <i>(Fractional share Rights are rounded up to the nearest whole share)</i>	

By completing the relevant boxes, signing this **PAL A** and returning it to the Collecting Agent by 25 June 2014 by 10:00a.m., you will be confirming your election to take up **ALL** your Rights to the New Ordinary Shares.

I/We accept to purchase and acquire ALL of my/our Rights:

TOTAL NUMBER OF NEW SHARES <i>(in figures)</i>	TOTAL AMOUNT PAYABLE <i>US\$0.65 per share</i>

I/We hereby declare that I/we have fully understood the instructions for the completion of this PAL on the basis of the Prospectus dated 3 June 2014, the terms and conditions of which are hereby incorporated by reference. Furthermore, I/we confirm that I/we have returned this PAL on my/our behalf, or as a legal guardian, or on behalf of the company or entity that I/we represent, and I/we enclose payment for the total amount payable/deposit slip/other documentary evidence as proof that the total applicable amount has been paid.

Signature/s of Eligible Shareholder/s

1. _____
2. _____
3. _____

_____ Date

Collecting Agent Stamp

I/We, being a usufructuary of the Existing Ordinary Shares, do hereby consent to the above *(where applicable)*.

Name and Surname _____ ID _____ Signature _____



FIMBANK

PAL B - SPLIT

Rights Issue of 77,009,494 New Ordinary Shares Offered At US\$0.65 Per Share

PROVISIONAL ALLOTMENT LETTER ("PAL") - B

Your Rights to the New Ordinary Shares of FIMBank p.l.c. arises as follows:

Eligible Shareholder/s:	MSE Account Number:
Shareholding as at 21 May 2014 : (Record Date)	
Rights to New Ordinary Shares: (Fractional share Rights are rounded up to the nearest whole share)	

By completing the relevant boxes, signing this PAL B and returning it to the Collecting Agent by 25 June 2014 by 10:00a.m., you will be confirming your election to take up only **PART** and **TRANSFER** or **LAPSE** the remaining part of your Rights to the New Ordinary Shares.

I/We apply to purchase and acquire **PART** of my/our Rights:

PARTIAL TAKE UP		
TOTAL NUMBER OF NEW SHARES (in figures)	TOTAL NUMBER OF NEW SHARES (in words)	TOTAL AMOUNT PAYABLE (US\$0.65 per share)
BALANCE OF NEW SHARES NOT TAKEN UP		
(in figures)	(in words)	

I/We hereby declare that I/we have fully understood the instructions for the completion of this PAL on the basis of the Prospectus dated 3 June 2014, the terms and conditions of which are hereby incorporated by reference. Furthermore, I/we confirm that I/we have returned this PAL on my/our behalf, or as a legal guardian, or on behalf of the company or entity that I/we represent, and I/we enclose payment for the Total Amount payable/deposit slip/other documentary evidence as proof that the total applicable amount has been paid.

Signature/s of Eligible Shareholder/s

1. _____ 2. _____ 3. _____

Declaration by Transferee/s

I/We have irrevocably agreed to acquire that portion of the Rights of the Eligible Shareholder/s to the New Ordinary Shares as detailed below:

DETAILS OF TRANSFEREE/S			
1. Title (Mr/Mrs/Ms/...)		Full Name & Surname/ Registered Name	
Address (including post code)			
MSE A/C No. (if applicable)	ID Card / Passport/ Co. Reg. No.	Tel No.	<input type="checkbox"/> Non-Resident <input type="checkbox"/> Minor <input type="checkbox"/> Body Corporate/Body of Persons
TOTAL NUMBER OF NEW SHARES (In figures)	TOTAL NUMBER OF NEW SHARES (In words)	TOTAL AMOUNT PAYABLE (US\$0.65 per share)	

PAL B - SPLIT

(continuation)

DETAILS OF TRANSFEREE/S			
2. Title <i>(Mr/Mrs/Ms/...)</i>	Full Name & Surname/ Registered Name		
Address <i>(including post code)</i>			
MSE A/C No. <i>(if applicable)</i>	ID Card / Passport/ Co. Reg. No.	Tel No.	<input type="checkbox"/> Non-Resident <input type="checkbox"/> Minor <input type="checkbox"/> Body Corporate/Body of Persons
TOTAL NUMBER OF NEW SHARES <i>(In figures)</i>	TOTAL NUMBER OF NEW SHARES <i>(In words)</i>	TOTAL AMOUNT PAYABLE <i>(US\$0.65 per share)</i>	

DETAILS OF TRANSFEREE/S			
3. Title <i>(Mr/Mrs/Ms/...)</i>	Full Name & Surname/ Registered Name		
Address <i>(including post code)</i>			
MSE A/C No. <i>(if applicable)</i>	ID Card / Passport/ Co. Reg. No.	Tel No.	<input type="checkbox"/> Non-Resident <input type="checkbox"/> Minor <input type="checkbox"/> Body Corporate/Body of Persons
TOTAL NUMBER OF NEW SHARES <i>(In figures)</i>	TOTAL NUMBER OF NEW SHARES <i>(In words)</i>	TOTAL AMOUNT PAYABLE <i>(US\$0.65 per share)</i>	

MINOR'S PARENTS/ LEGAL GUARDIANS		
1. Title <i>(Mr/Mrs/Ms/...)</i>	Full Name & Surname	ID Card/ Passport Number
2. Title <i>(Mr/Mrs/Ms/...)</i>	Full Name & Surname	ID Card/ Passport Number

Signature/s of Transferee/s *(Both parents or legal guardian/s are/is to sign if Transferee/s is a minor. All parties are to sign in the case of a joint transfer.)*

I/We hereby declare that I/we have fully understood the instructions for the completion of this PAL on the basis of the Prospectus dated 3 June 2014, the terms and conditions of which are hereby incorporated by reference. Furthermore, I/we confirm that I/we have returned this PAL on my/our behalf, or as a legal guardian, or on behalf of the company or entity that I/we represent. And I/we enclose payment for the total amount payable/ deposit slip/ other documentary evidence, as proof that the total applicable amount has been paid.

1. _____ 2. _____ 3. _____

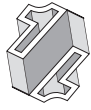
BALANCE OF LAPSED RIGHTS	
<i>(in figures)</i>	<i>(in words)</i>

Date _____

Collecting Agent Stamp

I/We, being a usufructuary of the Existing Ordinary Shares, do hereby consent to the above *(where applicable)*.

Name and Surname _____ ID _____ Signature _____


FIMBANK

PAL C - TRANSFER

Rights Issue of 77,009,494 New Ordinary Shares Offered At US\$0.65 Per Share

PROVISIONAL ALLOTMENT LETTER ("PAL") - C

Your Rights to the New Ordinary Shares of FIMBank p.l.c. arises as follows:

Eligible Shareholder/s:	MSE Account Number:
Shareholding as at 21 May 2014: <i>(Record Date)</i>	
Rights to New Ordinary Shares: <i>(Fractional share Rights are rounded up to the nearest whole share)</i>	

By completing the relevant boxes, signing this PAL C and returning it to the Collecting Agent by 25 June 2014, you will be confirming your election to **TRANSFER ALL** of your **Rights** or **TRANSFER PART** and **LAPSE** the remaining Rights to the New Ordinary Shares.

I/We irrevocably agree to transfer **ALL** or **PART OF** the Rights as follows:

TRANSFER		
TOTAL NUMBER OF NEW SHARES <i>(in figures)</i>	TOTAL NUMBER OF NEW SHARES <i>(in words)</i>	TOTAL AMOUNT PAYABLE <i>(US\$0.65 per share)</i>
BALANCE OF LAPSED RIGHTS		
<i>(in figures)</i>	<i>(in words)</i>	

I/We hereby declare that I/we have fully understood the instructions for the completion of this PAL on the basis of the Prospectus dated 3 June 2014, the terms and conditions of which are here by incorporated by reference. Furthermore, I/we confirm that I/we have returned this part of the PAL on my/our behalf, or as a legal guardian, or on behalf of the company or entity I/we represent.

Signature/s of Eligible Shareholder/s

1. _____ 2. _____ 3. _____

Declaration by Transferee/s

I/We have irrevocably agreed to acquire that portion of the Rights of the Eligible Shareholder/s to the New Ordinary Shares as detailed below:

DETAILS OF TRANSFEREE/S			
1. Title <i>(Mr/Mrs/Ms/...)</i>		Full Name & Surname/ Registered Name	
Address <i>(including post code)</i>			
MSE A/C No. <i>(if applicable)</i>	ID Card / Passport/ Co. Reg. No.	Tel No.	<input type="checkbox"/> Non-Resident <input type="checkbox"/> Minor <input type="checkbox"/> Body Corporate/Body of Persons
TOTAL NUMBER OF NEW SHARES <i>(In figures)</i>	TOTAL NUMBER OF NEW SHARES <i>(In words)</i>	TOTAL AMOUNT PAYABLE <i>(US\$0.65 per share)</i>	

PAL C - TRANSFER

(continuation)

DETAILS OF TRANSFEREE/S			
2. Title (Mr/Mrs/Ms/...)		Full Name & Surname/ Registered Name	
Address (including post code)			
MSE A/C No. (if applicable)	ID Card / Passport/ Co. Reg. No.	Tel No.	<input type="checkbox"/> Non-Resident <input type="checkbox"/> Minor <input type="checkbox"/> Body Corporate/Body of Persons
TOTAL NUMBER OF NEW SHARES (In figures)	TOTAL NUMBER OF NEW SHARES (In words)	TOTAL AMOUNT PAYABLE (US\$0.65 per share)	

DETAILS OF TRANSFEREE/S			
3. Title (Mr/Mrs/Ms/...)		Full Name & Surname/ Registered Name	
Address (including post code)			
MSE A/C No. (if applicable)	ID Card / Passport/ Co. Reg. No.	Tel No.	<input type="checkbox"/> Non-Resident <input type="checkbox"/> Minor <input type="checkbox"/> Body Corporate/Body of Persons
TOTAL NUMBER OF NEW SHARES (In figures)	TOTAL NUMBER OF NEW SHARES (In words)	TOTAL AMOUNT PAYABLE (US\$0.65 per share)	

MINOR'S PARENTS/ LEGAL GUARDIANS		
1. Title (Mr/Mrs/Ms/...)	Full Name & Surname	ID Card/ Passport Number
2. Title (Mr/Mrs/Ms/...)	Full Name & Surname	ID Card/ Passport Number

Signature/s of Transferee/s (Both parents or legal guardian/s are/is to sign if Transferee/s is a minor. All parties are to sign in the case of a joint transfer.)

I/We hereby declare that I/we have fully understood the instructions for the completion of this PAL on the basis of the Prospectus dated 3 June 2014, the terms and conditions of which are hereby incorporated by reference. Furthermore, I/we confirm that I/we have returned this PAL on my/our behalf, or as a legal guardian, or on behalf of the company or entity that I/we represent. And I/we enclose payment for the total amount payable/ deposit slip/ other documentary evidence, as proof that the total applicable amount has been paid.

1. _____ 2. _____ 3. _____

BALANCE OF LAPSED RIGHTS	
(in figures)	(in words)

Date _____

Collecting Agent Stamp

I/We, being a usufructuary of the Existing Ordinary Shares, do hereby consent to the above (where applicable).

Name and Surname _____ ID _____ Signature _____

INSTRUCTIONS SHEET

RIGHTS ISSUE OF 77,009,494 NEW ORDINARY SHARES OFFERED AT US\$0.65 PER SHARE

Instructions for completion

PROVISIONAL ALLOTMENT LETTER (“PAL”)

IMPORTANT : READ THE FOLLOWING INSTRUCTIONS CAREFULLY BEFORE COMPLETING THE RELEVANT PAL

1. There are 3 (three) PALs:
 - a. ‘PAL A – ALL’ (white copy) is to be completed by the Eligible Shareholder/s wishing to TAKE UP ALL of his Entitlement;
 - b. ‘PAL B- SPLIT’ (blue copy) is to be completed by the Eligible Shareholder/s wishing to take up PART of, and TRANSFER or LAPSE the remaining part of his rights;
 - c. ‘PAL C – TRANSFER’ (yellow copy) is to be completed by the Eligible Shareholder/s wishing to TRANSFER ALL of the Rights or TRANSFER PART and LAPSE the remaining rights.
2. The PAL is to be completed in BLOCK CHARACTERS.
3. The relevant PALs must be accompanied by payment IN CLEARED FUNDS AND NET OF BANK TRANSFER CHARGES for the corresponding amount in US Dollars of the New Ordinary Shares subscribed for. Payment may be made by SWIFT or account transfer and shall be made to the Collecting Agent as per instructions received from them.
4. The Rights Issue opens on 10 June 2014 at 8:30a.m. while the latest date for acceptance of the PALs will be 25 June 2014 at 10:00a.m. The Registrar, Collecting Agents and/or the Issuer will reject any PALs:
 - a. received after the Offer Period closes; and/or
 - b. for which funds are still uncleared after the Offer Period closes.
 Eligible Shareholder/s and/or Transferee/s are to ensure that payment for their take up of Rights reach the Collecting Agent net of bank charges.
5. The relevant fields and details in each PAL are pre-printed.
6. For PAL A, the Eligible Shareholder/s need only confirm the pre-printed details in writing, sign and date the PAL and submit to the Collecting Agent the PAL A along with proof of payment.
7. PAL B is to be used only by the Eligible Shareholder/s wishing to take up his rights partly and partly transfer the rights to a Third Party and/or lapse the remaining Rights.
8. Transferee/s are to insert full personal details in PAL. In the case of a transfer to more than one Transferee, full details of all Transferees must be provided in the fields indicated.
9. Non-resident Transferee/s must indicate their passport number in PAL C.
10. In the case of an Eligible Shareholder or a Transferee who is a minor, a Public Registry birth certificate must be provided and the respective PAL should be signed overleaf by the parents or the legal guardian/s as applicable.

11. In case the Eligible Shareholder/s and Transferee/s (if applicable) is a body corporate, the respective PAL must be signed by the duly authorised representatives indicating the capacity in which they are signing. Particular attention should be made where the Transferee/s is a body corporate to indicate the name of the entity, exactly as registered, and the registration number in the appropriate field of the PAL C. A person signing on behalf of that body corporate on any of the PALs shall bind that body corporate.
12. Transferee/s who hold securities on the Malta Stock Exchange are to indicate their MSE account number. If details provided in this respect on the PAL differ, or are discrepant, from existing account details at the MSE, the Registrar reserves its rights to open a new MSE account for this allotment.
13. Where insufficient space is available in PALs B and C, an attachment (in the form of a blank PAL B or PAL C) shall be acceptable only as long as this is signed by the Eligible Shareholder/s and Transferee/s (where applicable) and stamped by the Collecting Agent.
14. Completed PALs are to be sent by post or delivered to any Collecting Agent. Remittance by post is made at the risk of the Eligible Shareholder/s and or/Transferee/s. The Registrar and the Issuer disclaim all responsibility for any such remittance not received by the closing of the Offer Period.
15. The Collecting Agent, Registrar and/or the Issuer reserve the right to refuse any PALs which appears to be in breach of the terms and conditions of the Prospectus dated 3 June 2014.
16. Should any PAL be lost or destroyed or otherwise defaced and/or invalidated, the Eligible Shareholder/s shall inform the Issuer on the details provided hereunder, who will provide a duplicate to be used in such instance.

*Details of the Issuer: FIMBank p.l.c. - Company Secretariat
Tel: +356 21322100
email: csec@fimbank.com*
17. An Eligible Shareholder/s and/or Transferee/s wishing to transfer their fully paid Entitlement to a third party before the closing of the Offer Period, must apply to do so in writing to the Collecting Agent.
18. By completing and delivering the PAL each Eligible Shareholder/s and Transferee/s acknowledges that:
 - a. the Collecting Agent, Registrar and/or the Issuer may process the personal data in the PAL in accordance with the Data Protection Act 2001 (Cap 440);
 - b. the Collecting Agent, Registrar and/or the Issuer may process such personal data for all purposes necessary for and related to the Rights Issue;
 - c. he/she has the right to request access to and rectification of the personal data relating to him/her, as processed by the Collecting Agent, Registrar and/or the Issuer. Any such request must be signed by the Eligible Shareholder/s and/or Transferee/s and made in writing to the Registrar;
 - d. all terms and conditions of the Prospectus dated 3 June 2014, including but not limited to the Representations and Warranties contained in the Prospectus, have been read and understood.
19. The terms used in the PAL have the same meaning as that assigned to them in the Prospectus dated 3 June 2014.

Annex III – CURRENT AND PAST DIRECTORSHIPS OF BOARD MEMBERS

Dr. John C. Grech (Chairman)

Present Directorships

- Action IT Ltd
- Addone I.T. Services Limited
- Central Cement Limited
- Class Company Limited
- Economic & Management Consultancy Services Limited
- EMCS International Services Limited
- EMCS Investments Limited
- EMCSI Corporate Services Limited
- EMCSI Directors Limited
- EMCSI Holdings Limited
- FIMBank p.l.c.
- FIM Holdings p.l.c.
- MelitaUnipol Insurance Agency Limited
- MelitaUnipol Insurance Brokers Limited
- Mizzi Organisation Finance Plc
- SBR Holdings Ltd
- SBR Real Estates Ltd
- Unipol Holdings Limited

Past Directorships

- Bank of Valletta p.l.c.
- Malta Tourism Authority
- Mediterranean Bank Network
- Middlesea Insurance p.l.c.
- Middle Sea Valletta Life Assurance Ltd

Masaud M.J. Hayat (Vice Chairman)

Present Directorships

- FIMBank p.l.c.

Past Directorships

- KIPCO

Majed Essa Al-Ajeel

Present Directorships

- Burgan Bank S.A.K.
- Burgan Bank Turkey
- FIMBank p.l.c.
- Kuwait Banks Association
- Kuwait's Institute of Banking Studies

Past Directorships

- None

Eduardo Eguren Linsen

Present Directorships

- Burgan Bank S.A.K.
- FIMBank p.l.c.

Past Directorships

- None

Adrian Alejandro Gostuski

Present Directorships

- Burgan Bank Turkey
- FIMBank p.l.c.

Past Directorships

- Banco Nacional De Mexico

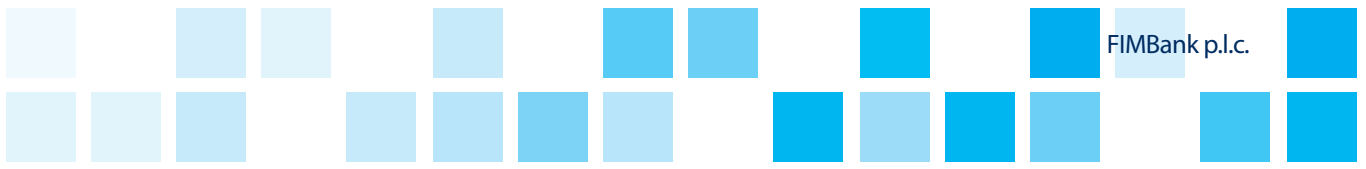
Rabih Soukarieh

Present Directorships

- FIMBank p.l.c.
- Gulf Bank Algeria
- Hannibal Leasing Company
- International Innovative Technologies
- Millenium Private Equity
- North Africa Holding Company, Kuwait
- Soidal Nora Manufacturing
- Tunis International Bank S.A.
- United Gulf Bank B.S.C.
- United Gulf Financial Services Company NA
- Virgin Mobile Middle East

Past Directorships

- Kuwait Energy Company
- Watanija Telecom Algeria



Mohamed Fakih

Present Directorships

- FIMBank p.l.c.
- Gulf Bank Algeria, Algiers
- Hannibal Leasing Company
- London Forfaiting, United Kingdom
- Ooredoo, Tunisia
- SACEM Industries, Tunisia
- Tunis International Bank
- UGFS, North Africa
- UGFS, Tunisia

Past Directorships

- None

Rogers Le Baron

Present Directorships

- FIMBank p.l.c.

Past Directorships

- European Bank for Reconstruction and Development



ISSUER

FIMBank p.l.c.

Mercury Tower, The Exchange Financial & Business Centre,
Elia Zammit Street,
St. Julians, STJ 3155, Malta

SPONSOR, MANAGER and REGISTRAR

Rizzo, Farrugia & Co. (Stockbrokers) Ltd.

Airways House, Third Floor
High Street
Sliema, SLM 1549, Malta

LEGAL COUNSEL

GANADO Advocates

171, Old Bakery Street,
Valletta, VLT 1455, Malta