

KEY FACTS STATEMENT

SUKUK (BOUBYAN TIER 1 SUK LTD)¹

What is the Product?	Quick Facts		
<p>Sukuk is an Islamic instrument which is structured in a Shari'a compliant manner and represents proportionate undivided ownership in the underlying asset or investment. The return on the Sukuk is derived from the yield generated by the underlying asset or investment.</p> <p>A Sukuk provides expected profit distributions on a yearly, semi-annually, or quarterly basis to its investors. These profit distributions are usually expected on a pre-determined schedule, which makes Sukuk a good investment if you need income on a regular basis.</p>	<ul style="list-style-type: none"> • Issue Date: 6 June 2021 • ISIN: XS2306403788 • Currency: United States Dollar (USD) • Issuer: Boubyan Bank • Country of Issue: Kuwait • Payment Rank: Junior Subordinated • Industry: Banks • Ratings S&P: Not Available • Ratings Moody's: Not Available • Ratings Fitch: Not Available • Ratings Bloomberg Composite: Not Available 	<ul style="list-style-type: none"> • Par Amount: USD 1,000 • Redemption Value for Bond/Call Value for Perpetual: USD 100 per unit • Expected Profit (per Annum): 3.950% • Next Expected Profit Reset Date: 1 April 2017 • Expected Profit Payment Frequency: Semi-Annual • Issue Date: 1 April 2021 • Maturity Date: Not Applicable • Next Call Date: 1 October 2016 • Next Expected Profit Payment Date: 1 October 2021 	<ul style="list-style-type: none"> • Amount Issued: USD 500,000,000 • Amount Outstanding: USD 500,000,000 • Minimum Investment Amount: USD 200,000. Multiples of USD 1,000 for thereafter • Issuer Name: Boubyan Bank • Issuer Country: Cayman Island • ADIB Product Risk Rating: This product is only suitable for customers with a 'Growth' risk rating and above

Fees and Charges:	
Upfront Fees:	Not Applicable (indirect fees may apply. Refer to the subscription form for further details)
Redemption Fee:	Not Applicable
Custody Fee: The custody fee is calculated on a daily basis (using end of day values) and deducted on a monthly basis.	0.30% of Sukuk Market Value (monthly fee). The custody fee is calculated on a daily basis (using end of day values) and deducted on a monthly basis.
Administration Fee:	Not Applicable

¹This information is accurate at the time of printing/publishing. No legal, investment, financial or other advice is hereby given to the customer on the part of ADIB. ADIB assumes no liability or responsibility in any manner whatsoever for any losses that the customer may suffer as a result of the performance of the investment/funds. In the event that the customer requires any advice in this respect, the customer should engage the services of an independent financial or legal advisor as appropriate.

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WARNINGS & RISK FACTORS

Below are some of the warnings and risk factors associated with investing in Sukuk, for a complete list, please refer to the respective Sukuk prospectus, the prospectus is available upon customer's request.

- **Perpetual Sukuk:** Sukuk perpetuals have no fixed maturity date. The investment amount might never be returned by the issuer unless the issuer exercises the right to call (if any) or to redeem it. Perpetual Sukuk with expected profits for life are more volatile to market rate changes compared to Sukuk with fixed maturity dates.
- **Callable Features:** The terms and conditions of these Sukuk securities allow the issuer to terminate or redeem the Sukuk prior to its stated maturity date. Depending on the terms of the specific Sukuk security, early redemption may be rule-based (e.g., upon the occurrence of certain events or triggers) or at the issuer's sole and absolute discretion.
- **Currency Risk:** The investment amount may be negatively affected by foreign exchange risk if the investment amount deposited is other than the currency of the Sukuk.
- **Variable/Reset Expected Distribution:** Expected distribution of Sukuk is based on variable rate established at specified intervals. Expected distribution rate of some Sukuk can also be reset based upon specific market indicators.
- **Viability Risk:** Convertible Sukuk provides investors with the right to convert such Sukuk (at a specified conversion price) into either a specified number of Shari'a compliant shares or other Sukuk securities of the issuer. The issuer reserves the right to write-off the total obligation amount upon the occurrence of a viability event.
- **Extendable Maturity Dates:** Depending on the terms, either one of or both of the issuer and investor may have the option of extending the maturity date. Where the maturity date is extended, repayment of your investment amount will be postponed, and the issuer will continue to pay you expected distributions (at either the same or a different rate).
- **Market Risk/Opportunity Loss Risk/Market Rate Risk:** The value of Sukuk may increase or decrease over the life of the investment. The investment amount returned at maturity may be higher or lower than the amount initially invested.
- **Credit Risk:** Investors assume the credit risk of the issuer which includes possible loss of investment amount and or any expected returns.
- **Liquidity Risk:** During adverse market conditions, holders of Sukuk may not be able to liquidate all or part of their investment as and when they require. In the event that the investor wishes to liquidate his investment before maturity, such early liquidation may result in a loss of investment amount and any expected profits.
- **Sovereign Risk:** Payment of Sukuk may be affected by economic and political events. The occurrence of a sovereign risk event could result in the loss of all or a portion of the investment amount and/or any expected profits due to any political or economic circumstances.

WARNING

Past performance is not a reliable guide to future performance. If you invest in this product, you may lose some, all or more than the amount of money you invested.

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Key Terms and Conditions

For the full list of terms and conditions, please refer to the related Sukuk prospectus/documents

- Investors are advised to take into consideration all the risks involved in investing in this Sukuk that are specified in the relevant Sukuk prospectus and other related documents along with the following mentioned risks:
- General Risks – The value of the Sukuk during its tenor will be influenced by political, economic, financial and other factors that generally affect capital markets.
- Market Risk – Financial markets are inherently volatile and continuously change, therefore Sukuk prices fluctuate during its tenor (for example prices could increase or decrease). The value of the Sukuk may fall due to numerous factors including but not limited to each of the risks described in the related Sukuk documents.

WARNING

In the event that the Customer fails to meet the terms and conditions, the Bank reserves the right to terminate the relationship, restrict the Customer's accounts, apply fees or charges or submit adverse reports to the credit agency.

COOLING-OFF PERIOD

Once you enter into the financing contract, you will be bound by the terms and conditions of the financing contract however in accordance with the Consumer Protection Regulation and Standards you have the right to a cooling-off period option. This is a right to cancel the financing contract within five (5) complete business days starting immediately after signing the financing contract (the "Cooling-Off Period"). However, you may choose to waive your right to the Cooling-Off Period.

Warning
If you choose to waive your right to the Cooling-off Period, you will be bound by the terms and conditions of the financing contract once it is concluded between you and the Bank. Consequently, you will be subject to the risks of price fluctuation of the item sold/leased to you starting from the finance contract signing date.

APPLICANT ACKNOWLEDGEMENT

I acknowledge receiving this Key Fact Statement prior to signing the term sheet:

Customer's Signature:

Date: