

BANK AUDI S.A.L.
Bab Idriss - Omar Daouk Street
Bank Audi Plaza, P.O. Box 11-2560
Beirut - Lebanon

INFORMATION STATEMENT

March 22, 2019

Dear Global Depositary Receipt Holder:

Reference is hereby made to the Amended and Restated Deposit Agreement dated February 25, 2019 (as may be amended from time to time, the “**Deposit Agreement**”) between Bank Audi s.a.l. (the “**Bank**”) and Bank of New York Mellon, in its capacity as depositary (the “**Depositary**”), relating to Global Depositary Receipts issued in respect of common shares of the Bank (the “**GDRs**”), each GDR representing one common share, nominal value L.L. 1,670 per common share (the “**Common Shares**”). Capitalized terms used herein without otherwise being defined shall have the respective meanings assigned thereto in the Deposit Agreement.

The Depositary, as the shareholder of record of Common Shares evidenced by GDRs, has received notice of the Ordinary General Meeting of the Shareholders of the Bank to be held on April 12, 2019 (the “**General Meeting**”), at the Bank’s head office in Beirut, which (among other things) sets forth the agenda for such General Meeting. References in this Information Statement (this “**Information Statement**”) to the “**Holder**” of any GDR shall mean the person registered as the holder of such GDR on the books of the Depositary. In accordance with Section 5 of the Deposit Agreement, a copy of such notice and agenda is being sent hereby to each person who is a Holder on March 22, 2019, which is the record date (the “**Record Date**”) established by the Depositary for this purpose (which is as near as practicable to April 11, 2019, being the corresponding record date set by the Bank in respect of the General Meeting).

As set forth in such notice, at the General Meeting, shareholders of the Bank, including the Depositary, will be asked to consider and vote upon the following agenda:

1. To approve the Bank’s accounts, in particular, the balance sheet and the profit and loss statement, as of and for the year ended December 31, 2018, and to discharge the Chairman and members of the Board of Directors of the Bank in respect of activities performed during the year ended December 31, 2018;
2. To appropriate the 2018 profits pursuant to the proposal of the Board of Directors;
3. To declare distributions to the holders of the Bank’s preferred shares and dividends to the holders of Common Shares and determine the related record and payment dates;
4. To approve a transfer from the account of reserves for foreclosed assets to the account of reserves appropriated for capital;
5. To ratify loans granted during the year 2018 to related parties as per Article 152 of the Code of Money and Credit;
6. To authorise the granting of loans to related parties during the year 2019, in accordance with Article 152 of the Code of Money and Credit;
7. To ratify transactions that are subject to the approval of the General Meeting including transactions entered into between the Bank and members of the Board of Directors or affiliated companies during the year ended December 31, 2018 that are subject to Article 158 of the Code of Commerce and to authorise the Bank to enter into similar transactions during the year 2019;
8. To elect a new Board of Directors;
9. To determine the fixed and performance-related remuneration of Board members who have managerial responsibilities, and to determine the remuneration and attendance fees of the other members of the Board;
10. To authorise the participation of certain Board members in the boards of other companies and to grant the necessary related authorisations pursuant to Article 159 of the Code of Commerce; and
11. To appoint External Auditors for the coming 3 years and to determine their fees for the year 2019.

Each Holder is hereby requested to return to the Depositary voting instructions, as provided in this Information Statement, by which such Holder may give instructions to the Depositary to vote for or against each and any resolution specified in such agenda.

After careful consideration, the Board of Directors recommends a vote in favour of each such resolution.

Yours very truly,

Samir Hanna
Chairman - General Manager

Bank Audi

INFORMATION STATEMENT

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AVAILABLE INFORMATION

No person has been authorized to give any information or to make any representation other than those contained in this Information Statement, and, if given or made, such information or representation must not be relied upon as having been authorized by the Bank. No delivery of this Information Statement nor any offer or distribution of any securities to which this Information Statement relates shall, under any circumstances, create any implication that there has been no change in the affairs of the Bank since the date of this Information Statement or that any information contained or referred to herein is correct as of any time subsequent to the date as of which it is given. This Information Statement does not constitute the solicitation of a proxy to or from any person in any jurisdiction to or from whom it is unlawful to make such offer or solicitation within such jurisdiction.

VOTING RIGHTS OF HOLDERS

In accordance with Section 5 of the GDRs, the Depositary is seeking voting instructions from the Holders in order to exercise or cause to be exercised the voting rights in respect of the Deposited Shares as directed by such voting instructions to the extent permitted by Lebanese Law.

Common Shares which have been withdrawn from the deposit facility under the Deposit Agreement and transferred on the Bank's register of members to a person other than the Depositary or its nominee may be voted by the registered owner thereof; however, Holders may not receive sufficient advance notice of the General Meeting to enable them to withdraw Deposited Shares and vote at the General Meeting.

SUMMARY BACKGROUND INFORMATION

On March 20, 2018, the Board of Directors of the Bank (the "**Board of Directors**" or the "**Board**"),

- (i) Having examined the draft External Auditors report to the General Meeting in connection with the financial statements as of and for the year ended December 31, 2018, encompassing the External Auditors qualified opinion;
- (ii) Having, in consideration of the fact that the External Auditors qualification relates to the carrying, by the Bank, of excess impairment allowances, due to regulatory requirements enacted since 2016, that result in a departure from International Financial Reporting Standards (IFRS) (Holders are advised to review the Bank's Annual Report for 2018 encompassing the Audited financial statements of the Bank and the accompanying notes and auditors' report) resolved to approve the financial statements;
- (iii) Having adopted the 2018 Annual Report encompassing the "Management Discussion and Analysis", which summarises the Bank's activity during the year ended December 31, 2018 (and its major financial indicators), as well as the major developments in the local and regional economies and the Bank's market positioning and strategic choices;
- (iv) Having adopted a proposal for the appropriation of the profits realized by the Bank for the year ended December 31, 2018 to be submitted to the General Meeting, such proposal encompassing amongst other things the distribution to holders of Preferred Shares (in accordance with their terms) of :
 - USD 6.5 per Series "H" Preferred Share (aggregating LL 7,349 million (USD 4.9 million)),
 - USD 7 per Series "I" Preferred Share (aggregating LL 26,381 million (USD 17.5 million)),
 - USD 7 per Series "J" Preferred Share (aggregating LL 29,019 million (USD 19.3 million))and the distribution of dividends to holders of Common Shares (including the Depositary) of LL 829.125 per Common Share (aggregating LL 331,442 million (USD 219.9 million)), in each case, on April 18, 2019 to holders of record as at April 17, 2019;
- (v) Having, in compliance with applicable regulations of Banque du Liban and of the Banking Control Commission of Lebanon, and in consideration of the sale by the Bank of certain assets previously acquired in settlement of debts, adopted a proposal for the transfer of an amount of LL 131.3 million (USD 87.1 million) from the account of "Reserves for foreclosed assets" to the account of "Reserves appropriated for Capital Increase";
- (vi) Having examined the draft External Auditors special reports in connection with outstanding loans to related parties subject to Article 152 of the Code of Money and Credit ("**Article 152 Loans**") pursuant to which the External Auditors confirmed that loans granted by the Company to related parties during the year ended December 31, 2018 are within applicable legal and

regulatory ceilings, and having thus adopted a proposal to ratify the “Article 152 Loans” granted during 2018 as shown in the following table:

Loans to related parties		<i>Amounts in billions of LL</i>										
<i>(as per Article 152 of the Lebanese Code of Money and Credit)</i>												
Total Gross Amount	145.5											
Out of which	113.0	Covered by cash collateral in the same currency as the related loan										
Total Amount net of cash collateral	32.5											
Out of which	23.8	Housing loans covered by first degree mortgages on independently evaluated homes and bearing terms and conditions that are in line with the industry practice and compliant with applicable regulations.										
	0.5	Car loans covered by liens on independently evaluated cars and bearing terms and conditions that are in line with the industry practice and compliant with applicable regulations.										
Total Amount net of cash collateral, housing loans and car loans	8.2											
Out of which	4.9	Covered by real estate mortgages with a sufficient coverage in compliance with applicable regulation and market practice, and granted to the following persons:										
		<table border="1"> <thead> <tr> <th>Beneficiary</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Samir Hanna Chairman & Group Chief Executive Officer</td> <td style="text-align: right;">3.1</td> </tr> <tr> <td>Khalil Geagea Group Head of Financial Institutions & Correspondent Banking</td> <td style="text-align: right;">1.0</td> </tr> <tr> <td>Hassan Saleh Chief Operating Officer</td> <td style="text-align: right;">0.8</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">4.9</td> </tr> </tbody> </table>	Beneficiary	Amount	Samir Hanna Chairman & Group Chief Executive Officer	3.1	Khalil Geagea Group Head of Financial Institutions & Correspondent Banking	1.0	Hassan Saleh Chief Operating Officer	0.8	Total	4.9
Beneficiary	Amount											
Samir Hanna Chairman & Group Chief Executive Officer	3.1											
Khalil Geagea Group Head of Financial Institutions & Correspondent Banking	1.0											
Hassan Saleh Chief Operating Officer	0.8											
Total	4.9											
Total Net Amount of loans to related parties	3.3	Approved by the Board and granted to Senior managers or executive directors (none of whom is one of the non-executive members of the Board), and granted to the following persons:										
		<table border="1"> <thead> <tr> <th>Beneficiary</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Marc Audi Executive Board Member – Lebanon Country Manager</td> <td style="text-align: right;">0.3</td> </tr> <tr> <td>Michel Aramouni Deputy General Manager - Group Capital Markets</td> <td style="text-align: right;">0.4</td> </tr> <tr> <td>64 other beneficiaries, non- exceeding 0.5 billion of LL</td> <td style="text-align: right;">2.6</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">3.3</td> </tr> </tbody> </table>	Beneficiary	Amount	Marc Audi Executive Board Member – Lebanon Country Manager	0.3	Michel Aramouni Deputy General Manager - Group Capital Markets	0.4	64 other beneficiaries, non- exceeding 0.5 billion of LL	2.6	Total	3.3
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Marc Audi Executive Board Member – Lebanon Country Manager	0.3											
Michel Aramouni Deputy General Manager - Group Capital Markets	0.4											
64 other beneficiaries, non- exceeding 0.5 billion of LL	2.6											
Total	3.3											

(vii) Having, in consideration of the concurrence of the Audit Committee, adopted a proposal to:

- approve the granting, within applicable regulatory ceilings, of loans to parties that are subject to Article 152 of the Code of Money and Credit during the year 2019, aggregating LL 12.5 billion to the following persons:

Beneficiary	Against Real Estate collateral	Without Real Estate collateral	Total
Samir Hanna Chairman & Group Chief Executive Officer	6.0	-	6.0
Khalil Geagea Group Head of Financial Institutions & Correspondent Banking	1.0	-	1.0
Hassan Saleh Chief Operating Officer	0.8	0.1	0.9
Chahdan Jebeyli Group Chief Legal and Compliance Officer	-	0.5	0.5
Marc Audi Executive Board Member – Lebanon Country Manager	-	0.3	0.3
Jardin Agrodīs A company affiliated to FRH Investment Holding sal, a 9.65% shareholder of the Bank	-	0.9	
Total	7.8	4.8	12.5

and

- delegate to the Board the necessary authority to grant such parties (persons that are subject to Article 152 of the Code of Money and Credit) Housing Loans, Car Loans, and Charge Cards (to the extent they abide by the provisions of Article 7 bis of BDL circular 132) as well as facilities against same currency Cash Collateral, and Facilities against same currency Bank Guarantees (to the extent they abide by the provision of Article 8 of BDL circular 132);
- (viii) Having examined the draft External Auditors special reports in connection with Article 158 of the Code of Commerce, pursuant to which the External Auditors did not express any remarks in connection with transactions entered into between the Bank and members of the Board of Directors or affiliated companies, and having adopted a proposal to ratify such transactions entered into during 2018 (by virtue of the authorization granted by the general meeting of shareholders on 10 April 2018, and pursuant to Article 158 of the Code of Commerce), such transactions encompassing, in essence (after deduction of dealings with Consolidated Banks, Financial institutions, or Subsidiaries), the following 4 transactions, all of which entered into at arm's length and duly approved by the Board of Directors:
- Acquisition of insurance services and bancassurance (insurance products bundled with banking products sold to the bank's customers) from "LiA insurance", a company where Bank Audi has nominated one of its own executives on the Board (Total amount of premiums and fees paid in 2018 aggregate LL 7.8 billion (USD 5.2 million));
 - Provision of loans and financial services to "PinPay s.a.l" (a provider of payment solutions to Bank Audi and to other Lebanese banks and that is 24.41% owned by Bank Audi) aggregating LL 0.68 billion (USD 0.45 million) and the charging of interest on said loans. During 2018, Bank Audi has subscribed to the capital increase of "PinPay s.a.l." through the aforementioned loans;
 - Donation to a cultural foundation bearing the Bank's name (the "Audi Foundation") whose managing board comprises a number of the Bank's Directors and executives, for LL 0.3 billion (USD 0.2 million);
 - And other miscellaneous transactions aggregating LL 0.3 billion (USD 0.2 million);
- (ix) Having adopted a proposal to authorize the Bank to enter into similar transactions during 2019 (until the next annual ordinary general meeting expected to be held in April 2020);
- (x) Having (in consideration of the fact that the term of the current Board of Directors will expire upon the meeting of the General Assembly), nominated the below-listed candidates to the new Board of Directors, each for a three-year term of office, in line with the recommendation of the Corporate Governance and Nomination Committee (the Board having expressed its satisfaction that the nominated candidates benefit from, as a collective body, an adequate superior

knowledge of the financial industry and an excellent understanding of the Company's client base and of the main geographic markets in which the Company is active and that all the candidates have a reputation and track record that demonstrate their ability to make the kind of important and sensitive judgments that the Board is called upon to make):

Nomination Proposal encompassing the re-election of 11 Directors:

Candidate	Brief Profile
<p>Mr. Samir N. Hanna Age: 74 – Lebanon Director since August 1990</p>	<p>Samir Hanna is the Chairman and Chief Executive Officer of the Bank Audi Group. He joined Bank Audi in January 1963 and held several managerial and executive positions across various departments of the Bank. He was appointed General Manager of Bank Audi in 1986 and member of its Board of Directors in 1990. In the early 1990s, he initiated and managed the restructuring and expansion strategy of Bank Audi, transforming it into a strong banking powerhouse offering universal banking products and services including Corporate, Commercial, Retail, Investment and Private Banking.</p> <p>He grew the Bank to its current position as the largest bank in Lebanon (and among the top 20 Arab banking groups), with a presence in 11 countries, consolidated assets exceeding USD 47 billion and consolidated deposits exceeding USD 32 billion.</p> <p>Samir Hanna was elected Chairman of the Board of Bank Audi sal, succeeding Mr. Raymond Audi, on 10 April 2017. He is also the Chairman of Odea Bank A.Ş., Bank Audi's subsidiary in Turkey, and member of the Board of Directors of several other affiliates of Bank Audi.</p> <p>As Group Chief Executive Officer, he heads all aspects of the Bank's Executive Management.</p>
<p>Dr. Marwan M. Ghandour Age: 75 – Lebanon Director since March 2000</p>	<p>Marwan Ghandour is an independent member of the Board of Directors since March 2000 and the Vice-Chairman of the Board of Directors since December 2009. He also serves as member of the Board of Directors of Odea Bank A.Ş., Bank Audi's subsidiary in Turkey (Vice-Chairman until 31 December 2017), and a member of the Board of Directors of Bank Audi sae (Egypt).</p> <p>Marwan Ghandour is a previous Vice-Governor of the Central Bank of Lebanon. He held this position between January 1990 and August 1993, with primary responsibilities in the area of monetary policy. During this period, he was also a member of the Higher Banking Commission and various other government committees involved in economic policy. In this capacity, he liaised with renowned international institutions such as the International Monetary Fund (IMF), the World Bank and the Bank for International Settlements (BIS). From 1995 until July 2011, Marwan Ghandour served as Chairman and General Manager of Lebanon Invest sal, a leading financial services group in the region whose holding company merged with Bank Audi in 2000.</p> <p>Since 2000, Marwan Ghandour has also served as member or Chair of the boards of a number of subsidiaries of the Bank Audi Group including (i) Chairman of the Board of Directors of Banque Audi (Suisse) SA from 2011 until 2015, and (ii) Chairman of the Board of Directors of Audi Investment Bank sal from 2005 until 2011.</p> <p>Marwan Ghandour holds a PhD in Economics (Econometrics) from the University of Illinois (Post-doctorate research at Stanford University).</p>

<p>Dr. Freddie C. Baz Age: 66 – Lebanon Director since March 1996</p>	<p>Freddie Baz is the Vice-Chairman of the Board and the Group Strategy Director. He joined the Bank in 1991 as Advisor to the Chairman and founded the Secretariat for Planning and Development at the Bank. As Group Strategy Director, he is now responsible for the development of the Group strategy and for its oversight and communication, internally and externally. In addition to his duties as Group Strategy Director, Freddie Baz held the position of Group Chief Financial Officer from 2006 to 2015, with overall authority over the finance and accounting, MIS and budgeting functions throughout the Group. In March 2015, he decided, jointly with the Group CEO, to hand over his Group CFO responsibilities to his deputy, in conclusion of five years of cooperation and of common efforts to achieve that objective.</p> <p>In June 2015, Freddie Baz was appointed Vice-Chairman of the Board of Directors of Bank Audi sal and Bank Audi’s representative on the Board of Directors of the Association of Banks in Lebanon. He is also the Chairman of the Board of Directors of Bank Audi France sa, a fully owned subsidiary of Bank Audi, and a member of the Board of Directors of several affiliates of Bank Audi. Furthermore, he is the General Manager of Bankdata Financial Services WLL which publishes Bilanbanques, the only reference in Lebanon, in addition to other specialised periodicals and reports.</p> <p>Freddie Baz holds a State PhD degree in Economics from the University of Paris I (Panthéon – Sorbonne).</p>
<p>Mr. Marc J. Audi Age: 61 – Lebanon Director since March 1996</p>	<p>Marc Audi is the Lebanon Country Manager of the Bank Audi Group. He serves as a member of the Board of Directors since 1996 and has been a General Manager since 2004.</p> <p>Marc Audi started his banking career in 1981. He held several executive positions within the Bank Audi Group, in a number of countries including France, the USA (California), Switzerland and Lebanon. Throughout his career, he held executive responsibilities at group level, in Commercial Lending, in Capital Markets and in Private Banking (notably serving as General Manager of Banque Audi (Suisse) SA, the Private Banking arm of the Group, until 2005).</p> <p>Marc Audi currently serves as member of the Board of Directors of Banque Audi (Suisse) SA and of several other affiliates of the Bank Audi Group.</p> <p>Marc Audi holds a Master’s of Business Administration from the University of Paris IX – Dauphine.</p>
<p>Dr. Imad I. Itani Age: 57 – Lebanon Director since June 2002</p>	<p>Imad Itani is the Head of Retail Banking of the Bank Audi Group. He serves as a member of the Board of Directors since 2002 and has been a General Manager since 2004.</p> <p>Imad Itani started his banking career at Bank Audi in 1997, after having worked for a few years in Corporate Finance for major energy companies in Canada.</p> <p>Imad Itani formed and headed the team that successfully launched the Bank’s Retail business line, today a major pillar of the Bank’s innovative and leading position. In 2002, he was appointed Deputy General Manager and Member of the Board of Directors. He was later appointed General Manager – Head of Group Retail Banking. In addition to his responsibilities as Head of Group Retail Banking, Imad Itani is also Head of Group Islamic Banking.</p> <p>He is the Chairman of the Board of Audi Investment Bank sal, a fully owned subsidiary of Bank Audi, and a member of the Boards of Directors (and Chairman of the Audit Committees) of Odea Bank A.Ş., Bank Audi’s subsidiary in Turkey, and of Bank Audi sae, Bank Audi’s subsidiary in Egypt.</p> <p>Imad Itani holds a PhD in Economics from the University of Chicago and is a former lecturer in Economics and Finance to graduate students at the American University of Beirut.</p>

<p>Sheikha Mariam N. Al Sabbah Age: 70 – Kuwait Director since March 2001</p>	<p>Sheikha Mariam Al Sabah is the daughter of late Sheikh Nasser Sabah Al Nasser Al Sabah and the widow of late Sheikh Ali Sabah Al Salem Al Sabah, who was the son of the former Prince of Kuwait and who held several ministerial positions in Kuwait, notably the Ministry of Interior. Sheikh Nasser Al Sabah was one of the founders of Bank Audi.</p> <p>Sheikha Mariam Al Sabah is a member of the Board of Directors of several Kuwaiti companies.</p> <p>She is a member of the Board of Directors of Bank Audi since March 2001.</p>
<p>Mr. Abdullah I. Al Hobayb Age: 76- Saudi Arabia Director since April 2010</p>	<p>Abdullah Al Hobayb is an independent member of the Board of Directors since 2010. He is the Chairman of several leading companies in their respective fields in Saudi Arabia, comprising ABB Saudi Arabia, Ink Products Company Ltd, Philips Lighting Saudi Arabia, Manufacturers Trading Company Ltd, Arabian Co. For Electrical & Mechanical Works and Electrical Materials Center Co. Ltd.</p> <p>He is also the Chairman of Audi Capital (KSA) (an Investment Banking subsidiary of Bank Audi, incorporated in the Kingdom of Saudi Arabia) and was, until July 2014, a member of the Board of Directors of Bank Audi sae in Egypt and of Odea Bank A.Ş., Bank Audi’s subsidiary in Turkey.</p> <p>Abdullah Al Hobayb holds a Master’s degree in Electrical Engineering from Karlsruhe University in Germany.</p>
<p>Dr. Khalil M. Bitar Age: 76 – Lebanon Director since April 2010</p>	<p>Khalil Bitar is an independent member of the Board of Directors since 2010. He is a current Professor of Physics and a former Dean of the Faculty of Arts and Sciences of the American University of Beirut (AUB). He held this last position from 1997 until 2009, playing an instrumental role in advocating AUB’s strengths and regional position as the premier centre for higher education, and in re-establishing its PhD programs.</p> <p>Throughout his career, he held several academic and administrative positions, including Associate Director of the Supercomputer Computations Research Institute – Florida State University (between the years 1994 and 1997) and visiting Professor at leading academic institutes in Europe and North America (including the European Organisation for Nuclear Research in Geneva, the International Centre for Theoretical Physics in Italy, The Institute for Advanced Study in New Jersey, the Fermi National Accelerator Laboratory (Fermilab) in Illinois, the University of Illinois, Brookhaven National Lab. in New York, the Max Planck Institute in Munich, and the Rockefeller University in New York). He also served two mandates as member of The Institute for Advanced Study in Princeton, New Jersey, between 1968 and 1972.</p> <p>Khalil Bitar is also a member of the Board of Directors of Audi Private Bank sal and the Chairman of its Risk Committee. He also served as member of the Board of Directors of Audi Investment Bank sal and Chairman of its Risk Committee from March 2012 until November 2013, and continues to serve as advisor to its Board for Risk Committee matters.</p> <p>Khalil Bitar holds a Bachelor of Science degree in Physics from the American University of Beirut, a Master’s of Science degree in Physics, and a PhD in Theoretical Physics from Yale University in the United States.</p>
<p>Aristidis Vourakis Age: 43 - Greece Director since April 2017</p>	<p>Aristidis Vourakis joined the Bank as Deputy Group Chief Executive Officer in April 2017 after 19 years with J.P. Morgan, where he was Managing Director leading J.P. Morgan team focusing on Financial Institutions in Central Eastern Europe, Middle East, and Africa. He was also JP Morgan’s Senior Country Officer for Greece and Cyprus.</p> <p>Based out of London, Aristidis Vourakis has led a large number of capital raising, funding and IPO transactions for credit institutions across Europe, and managed the development and implementation of regional expansion strategies and group reorganisations. He has also supported a number of Greek companies and the sovereign itself, in accessing international capital markets following the sovereign debt restructuring in 2012. He is currently a member of the Board of Directors of several affiliates of Bank Audi.</p> <p>Aristidis Vourakis holds an M.Sc. in Accounting and Finance with distinction from the London School of Economics and Political Science.</p>
<p>Sherine R. Audi</p>	<p>Sherine Audi is the General Manager of Bank Audi France sa (“BAF”), the</p>

<p>Age: 58 - Lebanon Director since April 2017</p>	<p>French subsidiary of the Bank. She started her banking career in 1980 at BAF, now a fully owned subsidiary of Bank Audi sal.</p> <p>She held several positions there, including in credit, business development, operations and administration, while gradually climbing the corporate ladder. She was appointed Assistant General Manager in 1995, then Executive Director in 2000, and Director – General Manager since 2010. In this capacity, she is now in charge of the development and implementation of the strategy of BAF, as approved by the Board. She heads all the executive aspects of BAF’s activity and drives its strategic transformations (including technological and regulatory ones) as required by the current market rules and practices.</p> <p>She also acts as the representative of BAF towards the French banking authorities and professional organisations. Sherine Audi holds a diploma of Certified Director (by Sciences Po. Paris, jointly with the French Institute of Directors).</p>
<p>Carlos A. Obeid Age: 54 - Lebanon Director since April 2017</p>	<p>Carlos Obeid is the Group Chief Financial Officer of Mubadala Investment Company. In this position, he is responsible for the provision of specialist advisory and transactional services across the organisation and its related companies (Project & Corporate Finance, Treasury, Financial Planning & Business Performance, Mergers and Acquisitions).</p> <p>He has an extensive experience including in (i) strategic planning and valuation assessment, (ii) automation of finance systems, and (iii) credit rating processes and reviews, having raised over USD 6.5 billion in corporate bonds, over USD 2.5 billion in project bonds, and over USD 12 billion in project finance). He played a leading role in capital deployments totaling over USD 35 billion.</p> <p>He has also been responsible for strategic steering and guidance, for senior leadership recruitment and assessment, and, where applicable, for the establishment, restructuring or realignment of listed companies (including ALDAR and Waha Capital), joint ventures (including Mubadala- GE Capital, Capitala, Viceroy Hotel Group) and wholly owned entities (Cleveland Clinic Abu Dhabi, Yabsat, Global Foundries, Masdar).</p> <p>Carlos Obeid holds an MBA degree from INSEAD (1991), and a Bachelor of Electrical Engineering from AUB (1986).</p>

(xi) Having, by virtue of the authorization previously granted by the general meeting of shareholders, approved:

- The payment of fixed remuneration in 2018 to Key Executives, including (x) the chair-CEO, and the executive members of the Bank’s Board of Directors and (y) the other non-directors members of the Group Executive Committee (in all 14 persons), aggregating LL 18.2 billion (USD 12 million);
- The payment of a performance-related remuneration to the Chair - Group CEO and to the Directors - members of the Group Executive Committee (5 persons), on the account of the performance of the year 2017 aggregating LL 14.2 billion (USD 9.45 million);
- The constitution of a provision of LL 15.1 billion (USD 10 million) against the anticipated payment of a performance-related remuneration to the Chair - Group CEO and to the Directors - members of the Group Executive Committee (5 persons) on the account of the performance of the year 2018, representing 1.65% of the Bank’s consolidated net profits before taxes (i.e. within the ceiling approved by the general meeting of shareholders on 10 April 2018 representing 2% of the Bank’s consolidated net profits from continued operations before taxes);

(xii) Having confirmed the managerial responsibilities of the Executive Directors and having adopted a proposal to:

- Confirm the resolution of the Annual Ordinary General Assembly dated 10 April 2018 granting the Executive Directors an annual performance-related cash remuneration, to be determined by the Board of Directors, and not exceeding, in aggregate, 2% of the Bank’s consolidated net profits from continued operations before taxes for the financial years 2017 to 2021 inclusive; and

- Maintain the fixed remuneration arrangements of the Executive Directors and the General Managers members of the Executive Committee who are not members of the Board of Directors unchanged from the previous year;
- (xiii) Having, pursuant to Article 158 of the Code of Commerce, adopted a proposal (i) to note the implementation of the annual remuneration arrangement to the independent directors (a total of 4 persons), as previously authorized by the General Assembly of shareholders, aggregating LL 2.25 billion (USD 1.49 million) per annum (x) for their chairmanship or membership of certain Board committees (the Audit Committee, the Risk Committee, the Governance and Nomination Committee, the Remuneration Committee and the Compliance/AML/CFT Board Committee), and/or (y) for their assistance to the Board and its committees (and to the boards of banking subsidiaries and their committees) including in control and governance oversight matters and in risk oversight matters (all implemented by virtue of the authorization previously granted by the general meeting of shareholders); and
- to authorize the payment, in 2019, of a similar annual remuneration to the independent Directors aggregating LL 2.25 billion (USD 1.49 million).
- (xiv) Having adopted a proposal to (i) note the payment in 2018 of attendance fees to the non-executive members of the Board (a total of 5 persons) amounting to LL 50 million for each Director (as authorized previously by the general meeting of shareholders); and (ii) authorize similar payments in 2019;
- (xv) Having adopted a proposal to authorize the participation of certain Board members in the boards of controlled subsidiaries of the Bank, and in one instance, in the Board of a non-competing Bank;
- (xvi) Having, pursuant to the matters mentioned under points (vi) to (xv) above, adopted the “Special Report of the Board of Directors” produced in accordance with Article 152 of the Code of Money and Credit and Article 158 of the Code of Commerce and summarizing (x) the transactions entered into by the Bank with related parties (including affiliated companies and members of the Board of Directors) during the year ended December 31, 2018 and (y) the remuneration of the members of the Board and of the General Managers who are members of the Executive Committee; and
- (xvii) Having adopted a recommendation of the Audit Committee (x) to re-appoint “BDO, Semaan, Gholam & Co.” and “Ernst & Young” as joint External Auditors of the Company for the financial years 2019, 2020 and 2021 and (y) to set their audit fees for the financial year ending December 31, 2019 at USD 1,350,000 (USD 675,000 to each auditing firm) (unchanged with respect to 2018).

Resolved to recommend to the General Assembly to adopt the following resolutions:

1. To approve the Bank’s accounts, in particular, the balance sheet and the profit and loss statement, as of and for the year ended December 31, 2018, and to discharge the Chairman and members of the Board of Directors of the Bank in respect of activities performed during the year ended December 31, 2018;
2. To appropriate the 2018 profits pursuant to the proposal of the Board of Directors;
3. To declare distributions to the holders of the Bank’s preferred shares and dividends to the holders of Common Shares and determine the related record and payment dates;
4. To approve a transfer from the account of reserves for foreclosed assets to the account of reserves appropriated for capital;
5. To ratify loans granted during the year 2018 to related parties as per Article 152 of the Code of Money and Credit;
6. To authorise the granting of loans to related parties during the year 2019, in accordance with Article 152 of the Code of Money and Credit;
7. To ratify transactions that are subject to the approval of the General Meeting including transactions entered into between the Bank and members of the Board of Directors or affiliated companies during the year ended December 31, 2018 that are subject to Article 158 of the Code of Commerce and to authorise the Bank to enter into similar transactions during the year 2019;
8. To elect a new Board of Directors;
9. To determine the fixed and performance-related remuneration of Board members who have managerial responsibilities, and to determine the remuneration and attendance fees of the other members of the Board;
10. To authorise the participation of certain Board members in the boards of other companies and to grant the necessary related authorisations pursuant to Article 159 of the Code of Commerce; and
11. To appoint External Auditors for the coming 3 years and to determine their fees for the year 2019.

All as per the aforementioned Board reports, proposals and recommendations.

VOTING INSTRUCTIONS

Each Holder is hereby requested to return to the Depositary voting instructions, in the form provided separately by the Depositary for this purpose, by which such Holder may give instructions to the Depositary to vote for or against each and any resolution specified in the agenda for the General Meeting.

In order for a voting instruction to be valid, the above-mentioned form of voting instructions must be completed and duly signed by the respective Holder (or in the case of instructions received from the clearing systems should be received by authenticated SWIFT message or market standard authenticated message format) and returned to the Depositary by the date that the Depositary shall specify in such form of voting instructions.

INFORMATION REGARDING BANK AUDI S.A.L.

For information regarding the Bank, Holders are advised to review the following documents:

- The Bank's Annual Report for 2018 encompassing:
 - o The Audited financial statements of the Bank as of and for the year ended December 31, 2018 and the accompanying notes and auditors' report;
 - o The "Management Discussion and Analysis" which summarizes the Bank's activity during the year ended December 31, 2018.

The above documents can be downloaded from Bank Audi's website: www.bankaudigroup.com or may be obtained free of charge from the Bank and the Depositary at the addresses set forth below:

The Depositary:

Bank of New York Mellon – Depositary Receipts
240 Greenwich Street, 22nd Floor
New York, NY 10286
Attn: Mr. Tony Tooma
Email: tony.tooma@bnymellon.com
Phone: 1 (212) 815 - 2136

The Bank:

Bank Audi s.a.l.
Bab Idriss
Omar Daouk Street
Bank Audi Plaza, P.O. Box 11-2560
Beirut
Lebanon
Attn: The Group Corporate Secretary
Email: Corporate.Secretary@bankaudi.com.lb
