

Arab Bank successfully completes issuance of USD 250 million Sustainable Additional Tier 1 Capital Securities

Arab Bank announced the successful issuance of USD 250 million in Additional Tier 1 (AT1) Capital Securities. The milestone marks the first sustainable perpetual AT1 issue in Jordan.

The bond, which was issued through a private placement, is listed on the International Securities Market (ISM) and the Sustainable Bond Market of the London Stock Exchange. The bond, which offers investors an interest rate of 8%, attracted a diverse group of investors, including large institutional and individual investors from Jordan and several other countries where Arab Bank operates.

The issuance is intended to further strengthen the bank's capital base and diversify its sources of funding, to support its future plans for regional growth and expansion.

Arab Bank's Chairman Sabih Masri expressed his gratitude towards investors and stated: "The overwhelming demand for this issuance, which exceeded the issue size, underscores the deep-rooted confidence that local and regional investors bestow upon Arab Bank." He also extended his sincere thanks to the Central Bank of Jordan and Jordan Securities Commission for their instrumental support.

"We are proud to receive such a strong vote of confidence from investors in response to this significant issuance" commented Ms. Randa Sadik, Arab Bank's CEO. The proceeds of the issuance will be used to finance a portfolio of qualified sustainable projects, in line with Arab Bank's strategy to integrate Environmental, Social and Governance (ESG) principles across the organisation.

"In the upcoming period, we anticipate further initiatives, which will further boost the bank's performance across the various business sectors" Ms. Sadik added. "Our emphasis will remain on expanding into new markets, diversifying our revenue streams and continuing to provide comprehensive banking services and solutions, supported by integrated digital platforms and channels."

Arab Bank, headquartered in Amman Jordan, was established in 1930 and currently has one of the largest global Arab banking networks with over 600 branches spanning five continents and covering key financial markets and centres. Earlier this year, Arab Bank was named the "Best Bank in the Middle East for 2023" by Global Finance magazine for the eighth consecutive year.