

## Frequently Asked Questions on Kuwait Projects Company (Holding)'s K.S.C.P. Capital Increase

1. What is the percentage of share capital increase? How many shares will the Company offer for subscription?
  - o The percentage of share capital increase represents 29.3% of the Issuer's existing issued share capital. The number of shares offered is 452,748,662 ordinary shares.
2. What will be the Offer Price?
  - o The Offering will have a price of 210 fils per Issue Share (reflecting the nominal value of 100 fils per Issue Share and the issuance premium of 110 fils per Issue Share.)
3. Who is eligible for subscription?
  - o Shareholders eligible to subscribe for Issue Shares through Rights Issue are registered holders of Existing Shares recorded in the Company's shareholder register with the Kuwait Clearing Company K.S.C. ("Clearing Agent and Depository") at the close of trading on Boursa Kuwait on 26 June 2019 (the "Record Date"). For clarity sake, any trade of the Company's shares prior to the Record Date, but which have not completed the trade settlement process of Boursa Kuwait as of the Record Date, and as a result have not yet been registered on the Company's shareholder registry, will not be considered in determining the Eligible Shareholders of record as of the Record Date.
4. How many shares can be subscribed to during the Offering period?
  - o Eligible Shareholders who apply for Issue Shares and submit the Subscription Application Form to the Clearing and Depository Agent prior to the end of the Offering Period will be entitled to 293 Issue Shares for every 1,000 Existing Shares that they hold. If the Eligible Shareholders have not fully subscribed to their entitlement to the Issue Shares, such unsubscribed Issue Shares will be allocated to those Eligible Shareholders who applied for more than their entitlement to the Issue Shares.
5. Can an investor subscribe more than once during the Offering period?
  - o A subscription may be exercised only once. In case of repetition, all repeated subscription applications shall be excluded.
6. Can an eligible shareholder subscribe for more than the amount entitled to them?
  - o Yes. Each Eligible Shareholder is entitled to subscribe to any number of shares, but the Right Issue is limited to 293 Issue Shares for every 1,000 shares Existing Shares held in the Issuer by the Eligible Shareholders as at the Record Date. If the Eligible Shareholders have not fully subscribed to their entitlement to the Issue Shares, such unsubscribed Issue Shares will be allocated to those Eligible Shareholders who applied for more than their entitlement to the Issue Shares. If the aggregate number of the Additional Issue Shares exceeds the number of available unsubscribed Issue Shares, such shares will be allocated to those Eligible Shareholders applying for such Additional Issue Shares pro rata to their subscription for the Additional Issue Shares.
7. What is the Subscription Procedure? How to subscribe and pay for the subscription amount?
  - o Eligible Shareholders may subscribe in the Issue Shares via one of the following two methods:

### **First: Subscription through the Electronic Platform:**

The website allows subscription in capital increase of 14,000 (Fourteen Thousand) shares, equivalent to KD 2,940 (Kuwaiti Dinars Two Thousand Nine Hundred Forty) or less for individuals only. Payment shall be made by K-NET service.

### **The Eligible Shareholder shall:**

1. Login to the website via the link: <https://www.ipo.com.kw>
2. Register the civil ID number, thereafter the system shall verify whether the subscriber is eligible to the subscription or not.
3. Record the number of shares to be subscribed for.

4. Be transferred to the payment portal via the K-NET service, where the Eligible Shareholder can pay from his/her/its own account (no other person may pay on behalf of the Subscriber except in the cases provided for under law "Required documents shall be reviewed when submitting the subscription application". The Subscriber shall bear all legal consequences in case of violation).

**Second Method: Subscription Through Referral to the Clearing and Depository Agent Office:**

For Corporates or to subscribe in number of shares exceeding 14,000 (Fourteen Thousand):

1. Login to the website via the link: <https://www.ipo.com.kw>
  2. Register the civil ID number, thereafter the system shall verify whether the subscriber is eligible to the subscription or not.
  3. Record the number of shares to be subscribed for.
  4. Print the "Subscription Application Form", including but not limited to the name of the subscriber, the civil ID number in the event that the Eligible Shareholder is an individual and commercial registration number in the event that the Eligible Shareholder is a corporate, the number of shares to be subscribed and their value.
  5. The Eligible Shareholder shall visit his/her/its own bank and submit a copy of the "Subscription Application Form" printed from the above link and transfer the amount required to the Bank Account (non-interest bearing) by way of electronic funds transfer (net amount without any charges by the transferring bank and the receiving Bank) stated below:
 

Name of the Bank	: Burgan Bank
Account number	: 6015378046
IBAN	: KW53 BRGN 0000 0000 0000 6015 3780 46
SWIFT	: BRGNKWKW
Beneficiary	: KIPCO - Capital Increase
Reference/Narration	: KIPCO Capital Increase + Shareholder ID (Business Partner ID number) + Shareholder Contact Number
- o The Eligible Shareholder shall get an original deposit voucher of the amount transferred from his own bank and then refer to the Clearing and Depository Agent to complete the remaining procedures.
  - o The Eligible Shareholder shall refer to the headquarters of KCC located at the Arabian Gulf Street, Ahmad Tower, the Fifth floor to submit and sign the Subscription Application Form accompanied by the following documentation during normal working hours, Sunday to Thursday inclusive.
  - o The Clearing and Depository Agent shall provide the Subscriber with a deposit receipt of the Subscription

Failure of any Subscriber to submit a duly completed Subscription Application Form (together with all applicable supporting documentation thereto) at the offices of KCC, after the transfer or deposit of the subscription monies as required, shall render the Subscription Application Form of a Subscriber null and void. Subscription monies shall not be accepted in cash

8. What documents should be attached with the subscription application?
  - o The Subscription Application must be accompanied by the following documents, as applicable. Staff at the offices of the Clearing and Depository Agent (Kuwait Clearing Company) will match the copies with the originals and return the originals to the subscriber:
    - Individual subscribers:
      1. Original and copy of the personal civil identification card;
      2. Original and copy of the passport for citizens of GCC states;

3. Original and copy of special legal proxy for subscribing for shares (for proxy subscribers);
4. Original and copy of Certificate of Guardianship for orphans;
5. Original and copy of Certificate of Guardianship for minors; or
6. Original and copy of a Limitation of Succession Deed for heirs.

○ **Corporate subscribers:**

1. Original and copy of Commercial Registration Certificate;
2. Original and copy of the Authorized Signatories Certificate or the Extract of the Commercial Register;
3. Original and copy of the personal identification card of the authorized signatory;
4. Original and copy of the specimen signature for the authorized signatory issued by the Ministry of Social Affairs and Labor or attested by the Chamber of Commerce and Industry; and
5. A letter issued by the authorized signatory on behalf of the entity authorizing the subscription.

○ **Non-Kuwaiti subscribers:**

1. Non-Kuwaiti subscribers (whether corporates or individuals (as applicable)) are required to provide the equivalent of the aforementioned documentation as issued by their jurisdictional authorities if they do not have Kuwait issued documentation as highlighted further above.

Without prejudice to the other grounds of rejection of the Subscription Application Forms, the Clearing and Depository Agent and the Company shall have the right to reject the Subscription Application Form in the event the Subscription Monies are not received in the subscription account at the time of submission of the Subscription in KAMCO Investment Company ("Subscription Agent")

9. In case no shares have been allocated for me or the allocation is less than the amount paid to the bank, how will the paid amounts be refunded?
  - The Subscription Monies and the excess offering monies and amounts paid by declined applications (if any) will be refunded without any interests, fees or deductions within five (5) working days from the announcement of the allocation results by means of a bank transfer to the designated account stated in the subscription application.
10. What is the period for subscription?
  - The Offering Period will commence on Thursday, 27 June 2019 at the offices of the Clearing and Depository Agent in the State of Kuwait during normal working hours Sunday through Thursday and shall close on Wednesday, 17 July 2019 at 1 pm Kuwait local time.
11. When will the share allocation be completed?
  - The Issuer shall announce the final allocation not later than 5 business days (which is a day other than a Friday or a Saturday which is not a public holiday and on which the banks are open for business in Kuwait).
12. What are the voting rights of the issue shares?
  - The Company's shares are of one class i.e. ordinary shares. Each share entitles the shareholder to one vote, and the Shareholder has the right to attend and vote at the General Assembly Meetings. No shareholder has any preferential voting right.
13. Will the issue shares be entitled to dividends?
  - The shareholder of the Issued Shares will be entitled to receive any dividends declared by the Company in future (same as the current issued shares).
14. What is the minimum limit for subscription?
  - The minimum limit is 1 (One) share, no share fractions will be accepted.
15. Will the subscriber be charged with the subscription expenses?
  - The subscriber will not be charged with any expenses. The Issuer shall be responsible for all costs relating to the Offering which includes Offering Management fees, marketing expenses, printing and distribution expenses.

16. What are the options available to eligible shareholders?
- Eligible shareholders can exercise any of the following options in respect of the Issue Shares:
    - Exercise their pre-emption rights to subscribe for the Issue Shares;
    - Exercise their pre-emption rights to subscribe for the Issue Shares and subscribe for Additional Issue Shares;
    - Transfer their subscription pre-emption rights to subscribe for the Issue Shares and, if applicable, the right to subscribe for Additional Issue Shares, or a part thereof, pursuant to the applicable processes during the Offering Period (any such transfers are to be completed in accordance with the relevant rules of Bursa Kuwait); or
    - Refrain from taking any action relating to the aforementioned rights, whether selling or exercising their pre-emption right to subscribe to the Issue Shares.
17. Can a subscriber withdraw from subscription after paying shares price?
- Withdrawal of the Subscription Application Form after submission is not permitted, as it represents a legally binding agreement between the Subscriber and the Issuer.
18. Are there any restrictions on selling the shares issued after being allocated?
- The issued shares will be listed on Bursa Kuwait for trading without any restrictions exactly the same as the current issued shares.
19. Will the issue shares be listed? How will I receive the shares allocated for me?
- After closing the Subscription Period, finalizing the allocation of the Issue Shares, and completion of all the necessary regulatory procedures, a statement of Issue Shares will be issued, and the Issue Shares will be listed on Bursa Kuwait and will be traded without any restrictions exactly the same as the current issued shares.