

Announcement

Invitation to existing Shareholders only to participate in the increase of the Share Capital of Kuwait Projects Company (Holding) K.S.C.P.

The Board of Directors of Kuwait Projects Company (Holding) K.S.C.P. (the “**Issuer**” or “**KIPCO**”) would like to invite the shareholders who are registered on the share register of the Issuer at the end of trading on Sunday 31 October 2021 (“**Record Date**”) and the holders of the pre-emption rights who acquired the pre-emption rights during the subscription period (“**Pre-Emption Rights**”) to subscribe in the increase of the Issuer’s share capital by 640,000,000 new ordinary shares (the “**Issue Shares**” or “**Shares**”) with a nominal value of KWD 64,000,000 at an Offer Price of 125 fils per Issue Share (including the nominal value and the issuance premium) during the subscription period commencing on Monday 01 November 2021 (inclusive) and closing on Sunday 21 November 2021 (inclusive) according to the following terms:

Issuer:
Kuwait Projects Company (Holding) K.S.C.P.

Commercial Registration No:
23118

Total Value of the Offering:
Kuwaiti Dinar 80,000,000

Offering Price:
125 fils per share (including the nominal value of 100 fils and the issuance premium of 25 fils).

Eligible Shareholder:
Shareholders who are recorded in the shareholder register of the Issuer as at close of Record Date (“**Eligible Shareholders**”) and the holders of the Pre-Emption Rights. In the event an Eligible Shareholder does not subscribe, the shareholder’s entitled shares shall be deemed waived for the benefit of existing shareholders and the holders of the Pre-Emption Rights. The holders of Pre-Emption Rights may, during the subscription period, from the date of the opening of the subscription period until the end of the business day falling five (5) business days prior to the closing of the subscription period, transfer fully or partially their rights through the Clearing and Depository Agent to shareholders or to others without consideration may trade all or part of their rights in Boursa Kuwait.

Subscriber:
Eligible Shareholder and Pre-Emption Rights Holder

Entitled Shares:
Subscribers will be entitled to 327 Issue Shares for every 1,000 existing shares that they hold.

Minimum Subscription:
One (1) share

Issuance Advisor and Subscription Agent:
Kamco Investment Company K.S.C. (Public) – “Kamco Invest”

Clearing and Depository Agent:
Kuwait Clearing Company K.S.C.

Subscription for Additional Issue Shares:
Subscribers have the right to subscribe to additional Issue Shares in addition to their Entitled Shares and such subscription shall be made at the Offering Price

Subscription Period:
The Subscription Period will commence at 10:00 am on Monday 01 November 2021 during normal business hours Sunday through Thursday and shall close on Sunday 21 November 2021 at 1:00 pm Kuwait local time.

Pre-Emptive Rights Trading Period:
Commences on Monday 01 November 2021 and ends on Sunday, 14 November 2021 (inclusive)

Pre-Emptive Rights ISIN Code:
KW0EQ0260020

Subscription Instructions:
Subscribers may subscribe to the Issue Shares by following the below instructions:
First: Subscription through the Subscription Website for individual subscribers only:
The Subscription Website allows subscription in the

Offering for individual subscribers only, whereby Payment shall be made by K-NET service.

The Subscriber shall:
1. Login to the Subscription 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 Subscriber can pay from their own account up to the limit allowed by the Subscriber’s bank which issued their K-net card (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: Subscription through referral to the Kuwait Clearing Company office for individual subscribers who wish to subscribe in more than 80,000 (Eighty Thousand) shares or corporate subscribers:

1. Login to the Subscription Website via the link: <https://www.ipo.com.kw>
2. In the event that the Subscriber is an individual, the Subscriber shall register the civil ID number; the system to verify whether the Subscriber is eligible to subscribe or not.
3. In the event that the Subscriber is a corporate entity, the Subscriber shall register the commercial registration number; the system shall verify whether the Subscriber is eligible to subscribe or not.
4. Record the number of shares to be subscribed for
5. The Subscriber shall print the subscription form
6. The Subscriber shall visit his/her/its own bank and submit a copy of the Subscription Document 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:
BRGNKWWK

Beneficiary:
KIPCO – Capital Increase

Reference/Narration:
KIPCO Capital Increase + Shareholder Trading ID + Shareholder Contact Number

7. The Subscriber 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.
8. The Subscriber shall go to the headquarters of the Clearing and Depository Agent located at the Arabian Gulf Street, Ahmad Tower, the

Fifth floor to submit the documents listed in the «Documents Required when Submitting Subscription Application» in this Prospectus during normal working hours Sunday through Thursday and fill in the Subscription Application form.

9. The Clearing and Depository Agent shall provide the Subscriber with a deposit receipt of the Subscription.

Documents required for subscription
The Subscription Application Form must be accompanied by the following documentation, as applicable. Staff at the offices of the Clearing and Depository Agent will compare copies with originals and return originals to the Subscribers:

General Requirements from the Subscribers:
• Copy of the notice issued by the Clearing and Depository Agent containing the shareholder’s name, shareholder identification and the number of shares owned; and
• Transfer receipt of the Subscription Monies along with the Subscriber’s IBAN number

Individual Subscribers

• Original and copy of personal civil identification card for subscribers that are Kuwaitis and residents of the State of Kuwait and minors;
• Original and copy of passport for subscribers that are Gulf Cooperation Council citizens;
• Original and copy of special legal proxy for subscribing in shares (for proxy subscriber);
• Original and copy of Certificate of Guardianship for orphans;
• Original and copy of Certificate of Guardianship for minors;
• Original and copy of a Limitation of Succession Deed for beneficiaries; and
• In the event that the subscriber does not appear in person, the original authorization issued by the subscriber to the person authorized to conduct administrative transactions regarding the subscription application (provided that the signature contained in the authorization is attested by the subscriber’s bank).

Corporate Subscribers

• Original and copy of Commercial Registration Certificate;
• Original and copy of the Authorized Signatories Certificate or the Extract of the Commercial Register;
• Original and copy of the personal identification card of the authorized signatory;
• Original and copy of the specimen of signature for the authorized signatory issued by the Public Authority of Manpower or attested by the Chamber of Commerce and Industry; and
• In the event that the authorized signatory does not appear in person, the original authorization issued by the authorized signatory to the person authorized to conduct administrative transaction regarding the subscription application.

Non-Kuwaiti subscribers

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.

Failure of any Subscriber to submit a duly completed Subscription Application Form (together with all applicable supporting documentation thereto), 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.

Risk Factors:

Investment in the Issue Shares is associated with some types of risks. These types of risks can be categorized as follows:

1. Economic risks.
2. Risks relating to the Issuer: The Issuer is exposed to risks associated with expansion into new markets, start-up or early stage businesses and acquisition of new companies and businesses - Issuer’s cash receipts are mostly restricted to dividends from Principal Companies or the proceeds of asset sales - The Issuer may not be able to effectively re-invest cash received from the sale of investments - Valuations of unquoted investments are subject to management judgment and may not reflect the value that the Issuer will actually be able to realise - Funding risk - Counterparty Credit Risk - Interest Rate and Equity Price Risk - Foreign Exchange Risk - The Issuer may be impacted by financial market disruptions - Historic level of the Issuer’s growth may not be sustained, which could impact its profitability - Competition from global competitors - Legal and regulatory systems may create an uncertain environment for investment and business activities - Risks related to Kuwait and the Middle East and North Africa region - Kuwait and other GCC legal systems continue to develop and this may create an uncertain environment for investment and business activity - Risks related to changes in significant accounting standards and new standards - Downgrade in Issuer’s credit ratings - The Issuer is exposed to risks associated with the loss of its key personnel - Operational Risk - Cyber Security Risk - The Issuer’s banking subsidiaries are exposed to reputational risks related to their operations and industry - Regulatory risks relating to the Issuer’s banking Subsidiaries - The Issuer’s banking Subsidiaries have significant credit-related contingent liabilities and commitments that may lead to potential losses - The Issuer’s banking Subsidiaries are exposed to various risks resulting from fluctuations in interest rate and exchange rate levels - The results of the Issuer’s insurance operations could be adversely affected by a failure to accurately access underwriting risks and by catastrophic events - The failure of the Issuer’s insureds, intermediaries and reinsurers to satisfy their obligations to the Issuer could reduce its net income - The Issuer’s Pay-Tv business may suffer if it cannot acquire or retain attractive content for the Pay-Tv services it offers - The Issuer’s Over-The-Top (OTT) business may face adverse impact if it cannot offer attractive content for the OTT Platform it offers - The Issuer may be adversely affected if its strategic options regarding its Media business are not realised on satisfactory terms - The Issuer may be affected by risks inherent in the development for sale of real estate - Kuwait Bankruptcy rules - Force Majeure.

3. Risks related to the Issue Shares: Investing in securities in developing and emerging markets generally involves a higher degree of risk - Suitability of investment - Liquidity and volatility in the Share price - Dividend payments - Dilution of existing shareholdings - Risks of unprofitability or not exercising Preemption Rights - Risks of insufficient demand for Preemption Rights or the Company’s shares, or withdrawal from subscription - Risks of speculation in Preemption Rights - Taxation risks on payments - Kuwait may introduce Corporate Income Tax on Kuwait and other Companies, as well as Value Added Taxes - Change in Law - The application of the Kuwaiti income tax regime on stock dividends - GCC countries may form a monetary union.

For further details on any such risk factors, please refer to the [downloadable/printable version] of the Prospectus relating to the offering on the Issuer’s website (<https://kipco.com>), Subscription Agent and Lead Manager’s website (www.kamcoinvest.com), Clearing and Depository Agent’s website for this Offering (www.ipo.com.kw), or Boursa Kuwait’s website (www.boursakuwait.com.kw).

Prior to investing in any Issue Shares, prospective investors should carefully consider, together with all other information contained in the Prospectus relating to the Offering, the risk factors highlighted above and seek professional advice before investing (for further details on any such risk factors, please refer to the downloadable/printable version of the Prospectus relating to the offering found in the above websites). This announcement does not contain all the information that prospective investors should consider before deciding to invest in the Issue Shares and does not purport to be complete.

Subscription Information

The necessary information regarding the investment in the Issue Shares is included in the Prospectus.

The terms and conditions in the Prospectus and the Subscription Application Form shall apply. The Subscribers are hereby advised to carefully read and understand the content of the Prospectus and to seek the advice of an advisor licensed by law and which specializes in advising on the content of the Prospectus, the subscription of the Issue Shares and the related risks prior to making the decision to subscribe.

The Kuwait Capital Markets Authority or any regulatory organization in the State of Kuwait shall not bear any liability for the contents of this announcement or its accuracy and it did not approve its content or verify the validity or accuracy of the information herein. Kuwait Capital Markets Authority or any regulatory organization in the State of Kuwait shall not bear any liability of any type for any loss arising from reliance on all or any part of this announcement. We recommend obtaining the advice of an investment advisor.

For Inquiries, please contact:
Call Centre : +965 2233 6751
Email : kipcori@kamcoinvest.com