

Announcement to eligible shareholders of Gulf Insurance Group K.S.C.P. regarding the extension of the subscription period to participate in the increase of the Company's share capital



Announcement to Eligible Shareholders of Gulf Insurance Group K.S.C.P. (the "Issuer") regarding the subscription in the increase of the Issuer's share capital by 14,200,000 new ordinary shares (the "Issue Shares") representing approximately 7.6% of the existing issued share capital of the Issuer at an Offer Price of 500 fils per Issue Share (including the nominal value and the issuance premium). The Offering Period has been extended to 14 January 2021 from its original closing date of 31 December 2020.

Overview of the offering

Issuer:

Gulf Insurance Group K.S.C.P

Commercial Registration No:
9390

Total Value of the Offering:
KD 7,100,000

Offering Price:

500 fils per share (including the nominal value of 100 fils and the issuance premium of 400 fils).

Eligible Shareholder:

Shareholders who are recorded in the shareholder register of the Issuer held with the Kuwait Clearing Company K.S.C. ("KCC") as at close of trading on Boursa Kuwait on 16 December 2020 (the "Record Date"). For sake of clarity, any trade of the Issuer'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 Issuer's shareholder registry, will not be included in the Eligible Shareholders of record as of the Record Date.

Entitled Shares:

Eligible Shareholders will be entitled to 76 Issue Shares for every 1000 existing shares that they hold.

Minimum Subscription:

One (1) share

Issuance Manager and Subscription Agent:

Kamco Investment Company K.S.C. (Public) - Kamco Invest

Clearing and Depositary Agent:

Kuwait Clearing Company K.S.C.

Subscription for Additional Issue Shares:

Eligible Shareholders have the right to subscribe to additional Issue Shares in addition to their entitled Issued Shares and such subscription shall be made at the Offering Price

Offering Period:

The Offering Period commenced on Thursday 17 December 2020 during normal business hours Sunday through Thursday and shall close on Thursday 14 January 2021 at 1:00 pm Kuwait local time.

Risk Factors

There are some risks related to investing in the Offer Shares, such as risks related to the activity of the Issuing Company and its operations - developing markets are exposed to greater risks than those exposed to developed markets, including political, social and economic risks - risks related to insurance activity - risks related to disruptions in financial markets - Risks related to renewal of licenses required - Risks related to contracts with related parties - Risks related to contracts with other parties - Risks of reliance on intermediaries and agents - Risks of reliance on key employees - Risks related to employee misconduct and mistakes - Risks related to insufficient capital and minimum requirements Capital - Risks of obtaining adequate financing - Risks related to liquidity and investments - Risks related to adequacy of provisions and reserves - Risks related to acquisition of insurance portfolios - Risks related to business concentration - Risks related to reinsurance - Risks related to miscalculation of risks - Risks related to cancellation or failure Renewal of insurance policies - related risks Board committee duties and meetings - Risks related to operating systems and information technology - Risks related to credit rating - Risks related to counterparties - Risks related to risk management policies - Risks related to disputes and litigation - Risks related to non-development and expansion - Risks related to an increase in doubtful debts - Risks Related to brand protection - Risks related to zakat differences - Risks related to the vacancy of key positions in the company - Risks related to currency exchange rates - Risks related to changes in accounting standards and the issuance of new standards - Risks related to the region in which the company operates - Legal systems continue in the State of Kuwait and other countries The other Gulf Cooperation Council (GCC) in development, and this creates an unstable environment for investment and business - Risks related to the growth of the insurance market - Risks related to competition - Risks related to consumer confidence - Risks related to the role of insurance business - Risks related to weak price control - Legal and regulatory systems - Bankruptcy in Kuwaiti legal - Force Majeure - Risks related to offering shares - Investing in securities in developing and emerging markets generally includes a high risk ratio - Appropriateness of investment - Liquidity and fluctuations in stock prices - Paying dividends - Reducing the ownership of existing shareholders - Risks related to the possibility of issuing new shares - Risks Related to non-exercise of rights by major shareholders - Taxes on payment of offering shares - Income tax can be applied to companies and other bodies in Kuwait and value added tax applied - change of law - Risks of taxation on dividends - GCC countries may enter into 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 (www.gulfinsgroup.com) or Kamco Invest's website (www.kamcoinvest.com) or www.iktatib.com). A copy can also be obtained from the Issuer's or Subscription Agent's offices or Boursa Kuwait.

Subscription Instructions

Eligible Shareholders may subscribe in the Issue Shares as per the below instructions:

- All Eligible Shareholders, regardless of the number of shares they wish to subscribe to, must visit the subscription website (<http://www.iktatib.com/>) (the "Website")  and;
- Register their information, such as their Civil Identification or Passport Number (for non-residents of the State of Kuwait) and Trading Account Number, on the Website to determine and confirm the Eligible Shareholder's eligibility
- Select the number of Issue Shares in which to subscribe
- Pay the subscription amount via the below methods from one bank account:

First Method:

For Eligible Shareholders wishing to subscribe to 5,900 shares or less, which is equivalent to KD 2,950 (Kuwaiti Dinars Two Thousand Nine Hundred and Fifty) or less, such Eligible Shareholders must pay for their subscription via the Website as per the below instructions:

- Pay the subscription amount using K-NET debit card
- A confirmation e-mail will be sent to the Subscriber's email address. The subscription is then considered complete.

Second Method:

Eligible Shareholders subscribing to more than 5,900 (Five Thousand and Nine Hundred) shares, equivalent to more than KD 2,950 (Kuwaiti Dinars Two Thousand Nine Hundred and Fifty) may pay for their subscription via bank transfer as per the below instructions:

- Subscriber to print and retain this Subscription Application Form ("Subscription Application Form"), which indicates, including but not limited to, the Subscriber's name, civil identification/passport number, and number of Shares to subscribe and pay for
- Subscriber to pay subscription amount via bank transfer from Subscriber's bank account to Issuer's bank account (net amount without any charges by the transferring bank and the receiving Bank). Below are the subscription account details:

a. Beneficiary name: GULF INSURANCE GROUP

b. Beneficiary address: Sharq, Building 1, Block 5, Floor 40, Office 1, Kuwait City, Kuwait - P.O. Box 1040 Safat 13011

c. Beneficiary account number: 023160025980014600001

d. Beneficiary IBAN: KW96BRGN0000000000006002598007

e. Beneficiary bank: Burgan Bank (K.S.C.P.)

f. Beneficiary bank branch: Corporate Office

g. Purpose of payment/ description: Capital Increase of Gulf Insurance Group + Subscriber Trading Account Number + Subscriber contact number

- Subscriber to upload the bank transfer receipt, which must contain the Subscriber's Bank name, IBAN number, and account number on the Website www.iktatib.com
- A confirmation e-mail will be sent to the Subscriber's email address. The subscription is then considered complete.

Third Method:

Eligible Shareholders subscribing to more than 5,900 (Five Thousand and Nine Hundred) shares, equivalent to more than KD 2,950 (Kuwaiti Dinars Two Thousand Nine Hundred and Fifty) may pay for their subscription at the location of the Subscription Agent using the K-NET debit card as per the below instructions:

- Subscriber to print, sign and retain this Subscription Application Form ("Subscription Application Form"), which indicates, including but not limited to, the Subscriber's name, civil identification/passport number, and number of Shares to subscribe and pay for
- Eligible Shareholder must personally visit the Subscription Agent's office located at Sharq, Khaled Ibn Al Waleed Street, Al Shaheed Tower, Floor 14.
- Submit to the Subscription Agent the required documents listed below along with the Subscription Application Form
- Provide for the Subscription Agent the IBAN number of the bank account they wish to subscribe through
- Pay for the subscription using their K-NET debit card at the Subscription Agent's office.
- A confirmation e-mail will be sent to the Subscriber's email address. The subscription is then considered complete.

Documents required for subscription

The Subscription Application Form must be accompanied by the following documentation, as applicable, and the IBAN number of the bank account the Subscriber wishes to subscribe through. Staff at the offices of the Subscription Agent will compare copies with originals and return originals to the Eligible Shareholder:

Individual subscribers

- Original and copy of personal civil identification card (citizens/residents of the State of Kuwait and minors);
- Original and copy of passport for non-residents of the State of Kuwait;
- Original and copy of special legal proxy for subscribing in shares (for proxy subscriber);
- Original and copy of Certificate of Guardianship for orphans/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).

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.

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.

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 on the Issuer's website (www.gulfinsgroup.com) or Kamco Invest's website (www.kamcoinvest.com) or www.iktatib.com). 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 which is available for printing and downloading from the Issuer's website (www.gulfinsgroup.com) or Kamco Invest's website (www.kamcoinvest.com) or www.iktatib.com. A copy can also be obtained from the Issuer's Office, Subscription Agent's Office, or Boursa Kuwait.

You are hereby advised to seek the advice of an advisor licensed by law and which specializes in advising on the subscription prior to making a 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 not for any loss arising from reliance on any part of this announcement.

Issuance Manager and Subscription Agent

**KAMCO
INVEST**

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