



(A Public Shareholding Company Incorporated in the State of Kuwait)

International Financial Advisors Holding K.P.S.C. Rights Offering Prospectus

Rights Offering of 180,044,470 Ordinary Shares at an Offering Price of 150 Fils per share, including 100 Fils nominal value per share and 50 Fils premium, through the issuance of new shares in International Financial Advisors Holding K.P.S.C. with a preemption right exercisable by the Eligible Shareholders of International Financial Advisors Holding K.P.S.C.

Subscription Period for Exercising the Preemption Right

From 29 July 2024 to 08 August 2024

This prospectus is dated 09 July 2024



Arzan Financial Group
For Financing & Investment K.P.S.C.

Arzan Financial Group for Financing and Investment K.P.S.C (“Arzan”)
Lead Manager & Subscription Agent.

International Financial Advisors Holding K.P.S.C. (the “IFA”, “Company”, or the “Issuer”) is incorporated in the State of Kuwait as a Kuwaiti public shareholding company on 31 January 1974 as per the Commercial Companies Law applicable in the State of Kuwait, and amendments thereto. The Company’s registered address is Al Abdul Razzak Square – Souk Al-Kuwait Building - Block A Floor 8, 4694 Safat 13047 Kuwait.

At the date of this prospectus (the “Prospectus”), the share capital of the Issuer is KD 48,011,858.800 consisting of 480,118,588 shares with a nominal value of 100 Fils each (the “Existing Shares”). The new share capital increase offered for subscription shall be composed of 180,044,470 ordinary shares (the “Offering Shares” or the “Issue Shares”) at an offer price of 150 Fils per share (the “Offering Price”) of which 100 Fils (One Hundred Fils) is the nominal value and 50 Fils (Fifty Fils) is the share premium (the “Issue” or the “Offering”). The Issue represents an increase in the total issued Shares from 300,074,118 shares to 480,118,588 shares through issuance of Cash injection/Issue shares at 60% of share capital. Total nominal value is KD 18,004,447 (Eighteen Million And Four Thousand Four Hundred And Forty Seven Kuwaiti Dinars Only) comprising of Issue shares of KD 18,004,447 (Eighteen Million And Four Thousand Four Hundred And Forty Seven Kuwaiti Dinars Only). The total value is KD 9,002,223.500 for the **Issued Shares premium**.

Shareholders whose names are recorded in the Company’s shareholders register held with the Kuwait Clearing Company K.S.C. (“Clearing and Depository Agent”) as at **25/07/2024** (the “Record Date”) shall have the pre-emption right in subscribing to the Offering Shares in proportion to the number of existing shares held by them (the “Pre-Emption Right”) in proportion to the shares owned by each of them (hereinafter referred to as “Eligible Shareholders”), and persons other than shareholders who have obtained Pre-Emption Right (“Owner of Pre-Emption Rights”) shall have the right to subscribe to the Offering Shares (the Owner of Pre-Emption Rights and Eligible Shareholders are hereinafter referred to as “Subscribers” or “Potential Investors”). For clarity, any trading made on the Company’s shares prior to the Record Date but for which the settlement process has not been completed at Boursa Kuwait on the Record Date (“Date of Suspending Pre-Emption Rights” or “Ex Date”), and, accordingly, not recorded in the Company’s Shareholders Register, shall not be taken into account in order to identify the Eligible Shareholders whose names are entered in the Company’s shareholders register on the Record Date. Each Eligible Shareholder may exercise the Pre-Emption Right to subscribe to 6,419.9 Offering Shares for every 10,000 Existing Shares owned by the Eligible Shareholder on the Record Date, after taking into consideration the treasury shares held by the Issuer thereon.

If the Eligible Shareholders have not fully subscribed to their entitlement to the Offering Shares, such unsubscribed Issue Shares will be allocated to those Eligible Shareholders who apply for more than their entitlement to the Issue Shares. (See Section “Offering Terms, Conditions and Instructions”). The number of allocated Offering Shares will be rounded to the nearest whole number. The Issuer shall have the sole right to dispose of the share fractions at its own discretion (if any). Fractions for the Issue Shares will not be issued in any way. Upon completion of the Offering, the Issuer’s issued share capital will be KD 48,011,858.800 and the number of shares in issue will be 480,118,588. The total value of the Offering will be KD 27,006,670.500 comprising a cash amount of KD 18,004,447 (the “Proceeds”). The proceeds from the Offering will be used to partial settlement of an outstanding major loan and for investment purposes. (See Section “Use of Proceeds”).

The Extraordinary General Meeting of the Company’s shareholders held on 29 May 2024, adopted a resolution to set the Issuer’s authorized share capital at KD 48,011,858.800, and to authorize the Company’s Board of Directors to call for an increase of the issued and paid share capital and to specify the conditions and controls of the share capital increase, in whole or in part, in one or more installments within the limits of the issued capital. The Board of Directors of the Issuer, resolved to call for the capital increase and subscription in the Offering Shares and specifying the dates of the subscription period as well as the timetable for disposal of the Pre-Emption Rights and to increase the Company’s issued and paid up share capital from KD 26,673,255 to KD 48,011,858.800 by the issue and allotment of 33,341,568 Bonus shares at a Price of 100 Kuwait Fils and 180,044,470 Offering Shares at an Offering Price of 150 Kuwaiti Fils (including the share premium). Approval to the issuance of the Offering Shares has been granted by the Capital Market Authority (the “CMA”) on 30 April 2024 for the Issuer to issue the Bonus and Offering Shares. The subscription period will commence on **29/07/2024** and will remain open for a period of 14 business days up to and including **15/08/2024** (the “Offering Period” or the “Subscription Period”) unless full subscription has been covered before such date. During the Subscription Period, Eligible Shareholders may submit their applications to subscribe for Offering Shares (See Section “Offering Terms, Conditions and Instructions”). The Issuer has the right to close the subscription door before the end of the Subscription Period. The Board of Directors of the Issuer may also extend the Subscription Period at its absolute discretion so that the original Subscription Period and its extension in total do not exceed three (3) months, provided that the approval of the CMA is obtained. The Issue Shares shall be of the same class as the existing shares in the Issuer’s share capital has one class of shares. Each share entitles the holder to one vote, and each shareholder (a “Shareholder”) has the right to attend and vote at a general assembly (the “General Assembly”). No Shareholder benefits from any preferential voting rights. The shareholders of Offering Shares will be entitled to receive any dividends declared by the Issuer in the future. Following the close of the Subscription Period, completion of the final allocation of the Offering Shares, fulfillment of all necessary regulatory procedures, the Offering Shares will be listed on Boursa Kuwait for trading without any restrictions equal to the Existing Shares. The “Important Notices” should be carefully reviewed prior to making a decision to invest in the Issue Shares. For the purposes of this Prospectus, the term “business day” means the day on which Boursa Kuwait conducts normal trading business, and for the purposes of the subscription process, it also includes any day on which banks are open for business in the State of Kuwait (other than Fridays and Saturdays) and excluding official holidays.

NOTICE TO POTENTIAL INVESTORS

WE RECOMMEND THAT YOU SEEK THE ADVICE OF A LICENSED PERSON WHO IS DULY QUALIFIED ACCORDING TO THE KUWAIT CAPITAL MARKETS LAW NO. 7 OF 2010, AND THE EXECUTIVE BYLAWS THERETO (EACH AS AMENDED) TO RENDER ADVICE WITH RESPECT TO THE CONTENTS OF THIS PROSPECTUS PRIOR TO MAKING A DECISION AS TO WHETHER OR NOT TO SUBSCRIBE TO THE OFFERING SHARES FORMING THE SUBJECT OF THIS PROSPECTUS.

THIS PROSPECTUS HAS BEEN APPROVED BY THE KUWAIT CAPITAL MARKETS AUTHORITY (“CMA”). THIS PROSPECTUS HAS BEEN PREPARED IN ACCORDANCE WITH THE KUWAIT CAPITAL MARKETS LAW NO. 7 OF 2010 AND ITS EXECUTIVE BYLAWS (EACH AS AMENDED) (THE “CML RULES”). THE DIRECTORS, WHOSE NAMES APPEAR IN THE MANAGEMENT SECTION OF THIS PROSPECTUS, COLLECTIVELY AND INDIVIDUALLY, ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF ALL INFORMATION CONTAINED IN THIS PROSPECTUS RELATING TO THE ISSUER AND THE OFFERING SHARES, AND CONFIRM, HAVING MADE ALL REASONABLE ENQUIRES, THAT TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THERE ARE NO OTHER FACTS THE OMISSION OF WHICH WOULD MAKE ANY STATEMENT HEREIN MISLEADING.

EACH OF THE SUBSCRIPTION AGENTS AND THE ISSUER ACCEPT FULL RESPONSIBILITY FOR ANY INACCURACY OF ALL INFORMATION AND DATA CONTAINED IN THIS PROSPECTUS AND CONFIRM, HAVING MADE ALL REASONABLE ENQUIRIES, THAT TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THERE ARE NO OTHER MATERIAL FACTS AND INFORMATION OMITTED, AND THAT THE PROSPECTUS HAS BEEN DRAFTED ACCORDING TO THE INFORMATION AND DATA THAT CORRESPOND TO REALITY.

THE LEGAL ADVISERS TO THE ISSUER CONFIRM THAT THEY HAVE REVIEWED THE PROSPECTUS AND DOCUMENTS RELATED THERETO AS PROVIDED TO THEM BY THE ISSUER, AND THAT TO THE BEST OF THEIR KNOWLEDGE AND AFTER HAVING MADE ALL REASONABLE INQUIRIES, THE PROSPECTUS COMPLIES WITH THE RELEVANT LEGAL REQUIREMENTS AND THAT THE ISSUER HAS OBTAINED THE REQUIRED APPROVALS NECESSARY IN ORDER FOR ITS OBLIGATIONS TO BE VALID AND ENFORCEABLE.

THE KUWAIT CAPITAL MARKETS AUTHORITY DOES NOT TAKE ANY RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, DOES NOT MAKE ANY REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS, AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS ARISING FROM, OR INCURRED IN RELIANCE UPON, ANY PART OF THIS PROSPECTUS.

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LIABILITY STATEMENT

Individuals Responsible for this Prospectus:

This prospectus has been prepared by:

Name: Ali Mostafa El Hati

Position: Executive Vice President - Finance

Declaration

EACH MEMBER OF THE BOARD OF DIRECTORS OF THE ISSUER, WHOSE NAMES APPEAR HEREIN, ACCEPTS RESPONSIBILITY FOR THE INFORMATION CONTAINED IN THIS PROSPECTUS. TO THE BEST OF THE KNOWLEDGE AND BELIEF OF THE DIRECTORS, WHO HAVE TAKEN ALL REASONABLE CARE AND CONDUCTED A FULL AND DETAILED DUE DILIGENCE TO ENSURE THAT SUCH IS THE CASE: THE INFORMATION CONTAINED IN THIS PROSPECTUS IS COMPLETE, ACCURATE AND CORRECT, (I) ALL INFORMATION RELATING TO THE SECURITIES AND TO THE ISSUER HAVE BEEN DISCLOSED TO THE INVESTORS, SO THAT THE INVESTORS COULD TAKE A DECISION AS TO WHETHER OR NOT TO SUBSCRIBE TO THE ISSUE SHARES, AND (II) THAT ALL THE RELEVANT PROVISIONS RELATING TO THE SECURITIES AS PROVIDED FOR UNDER LAW NO. 7 OF 2010 REGARDING THE ESTABLISHMENT OF THE CAPITAL MARKETS AUTHORITY AND REGULATING SECURITIES ACTIVITIES (AS AMENDED), AND ITS EXECUTIVE REGULATIONS ISSUED BY VIRTUE OF CMA RESOLUTION NO. 72 OF 2015, AND THE PROVISIONS OF MODULE 11 OF THESE REGULATIONS, AND THE KUWAITI COMPANIES LAW NO. 1 OF 2016 AND THE EXECUTIVE REGULATIONS THEREOF.

On Behalf of Board of Directors of IFA

Name: Saleh Saleh Al Selmi

Title: Chairman

Signature:

IMPORTANT NOTES

This Prospectus includes information with regard to the Company the Offering terms and conditions and the Issue Shares. The Company has not authorized the making or provision of any representation or information regarding the Company, the Offering or the Issue Shares other than as contained in this Prospectus or as approved for such purpose by the Company. Any such representation or information should not be relied upon as having been authorized by the Company or the Subscription Agent on the cover hereof.

While the Company has made all reasonable enquiries as to the accuracy of the information contained in this Prospectus as at the date hereof, certain portions of the market and industry information herein are derived from external sources, and while neither the Company and the Subscription Agent, nor their respective advisors have any reason to believe that any of the market and industry information is materially inaccurate, such information has not been independently verified and no representation is made with respect to the accuracy or completeness of any of this information.

The information contained in this Prospectus as at the date hereof is subject to change. In particular, the actual financial state of the Company and the value of the Existing Shares in the Company may be adversely affected by future developments in inflation, taxation or other economic, political and other factors, over which the Company has no control. Neither the delivery of this Prospectus nor any oral, written or printed interaction in relation to the Offering terms and conditions and the Issue Shares is intended to be or should be construed as or relied upon in any way as, a promise or representation as to future earnings, results or events.

This Prospectus is not regarded as a recommendation on the part of the Company and the Subscription Agent or any of their advisors or affiliates to participate in the Offering. The Information provided herein is of a general nature and has been prepared without taking into account any Potential Investor's investment objectives, financial situation or particular investment needs. Prior to making an investment decision, each recipient of this Prospectus is responsible for obtaining his own independent professional advice in relation to the Company, the Offering terms and conditions or the Issue Shares and for making his own independent evaluation of the Company, an investment in the Issue Shares and of the information and assumptions contained herein, using such advice, analysis and projections as he deems necessary in making any investment decision. Potential Investors are not to construe the contents of this document as constituting tax, investment or legal advice.

Prior to subscribing for any Issue Shares, a prospective investor should consult a financial advisor who has been duly licensed by the CMA and with their own legal, business and tax advisors determine the appropriateness and consequences of an investment in the Issue Shares for such investor and arrive at an independent evaluation of such investment. The sole purpose of this document is to provide background information about the Company to assist each recipient in making an independent evaluation of the Offering and any investment in the Issue Shares.

The distribution of this Prospectus and the offering of the Issue Shares is prohibited in certain jurisdictions outside the State of Kuwait. Persons into whose possession this Prospectus may come are required by the Company and the Subscription Agent to inform themselves about and to observe such restrictions.

Under no circumstances shall this Prospectus constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of any securities in the United States or any other jurisdiction in which such offer, solicitation or sale would be unlawful. The Existing Shares have not been and will not be registered under the Securities Act of 1933 or with any securities' regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold, pledged or otherwise transferred within the United States or to, or for the account or benefit of, U.S. persons.

No person has been authorized to give any information or make any representation in connection with the Offering terms and conditions or the Issue Shares other than those contained in this Prospectus and, if given or made, any such information or representation should not be relied upon as having been authorized by the Company or the Subscription Agent.

Neither the delivery of this Prospectus nor any sale made hereunder shall, in any circumstances, create any implication that there has been no change in the affairs of the Company since the date hereof. The Offering Shares may not be an appropriate investment for all Potential Investors. Therefore, each Potential Investor in the Offering Shares must determine the appropriateness of that investment, in light of their own circumstances. In particular, each Potential Investor is required to do the following:

1. To have sufficient knowledge and experience to carry out a meaningful evaluation of the shares and the risks of investing in the Offering Shares, and the information contained in this Prospectus.
2. To be able to access and be aware of the appropriate analytical tools, in order to evaluate any investment in the Offering Shares in the context of his own financial situation, as well as assess the impact of the Offering Shares on his investment portfolio in general.
3. To have sufficient financial resources and liquidity to bear all the risks of investing in the Offering Shares.
4. To have a complete understanding of the terms of the Offering shares, and to be familiar with the conduct of business in the relevant financial markets.
5. To be able (whether on his own or with the assistance of an investment advisor) to assess possible scenarios for economic factors and other factors that may affect his investment and his ability to bear potential risks.

The financial information for the financial year ending on 31 December 2023 has been audited by the Company's financial auditor and approved by the General Assembly of the Company on 29 May 2024 as required by applicable laws and regulations.

Financial and Statistical Information

In this Prospectus all references to "KWD", "KD", "Kuwaiti Dinars" and "Dinars" are to Kuwaiti Dinars, the lawful currency of Kuwait and "USD", "US\$" and "\$" are to United States Dollars.

Certain figures and percentages included in this Prospectus have been subject to rounding adjustments. Accordingly, figures shown in the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

Where statistical information has been sourced for publication in this Prospectus, the Issuer believes that the information represents the latest information available from the relevant particular source.

Forecasts and Forward-Looking Statements

Some statements in this Prospectus may be deemed to be forward looking statements. Forward-looking statements include statements concerning the Issuer's plans, objectives, goals, strategies, future operations and performance and the assumptions underlying these forward-looking statements. When used in this document, the words "anticipates", "estimates", "expects", "believes", "intends", "plans", "aims", "seeks", "may", "will", "should" and any similar expressions generally identify forward looking statements. The Issuer has based these forward-looking statements on the current view of the Issuer's management with respect to future events and financial performance. Although the Issuer believes that the expectations, estimates and projections reflected in the Issuer's forward-looking statements are reasonable as of the date of this Prospectus, if one or more of the risks or uncertainties materialize, including those which the Issuer has identified in this Prospectus, or if any of the Issuer's underlying assumptions prove to be incomplete or inaccurate, the Issuer's actual results of operation may vary from those expected, estimated or predicted. These forward-looking statements speak only as at the date of this Prospectus. Without prejudice to any requirements under applicable laws and regulations, the Issuer expressly disclaims any obligation or undertaking to disseminate after the date of this Prospectus any updates or revisions to any forward-looking statements contained herein to reflect any change in expectations thereof or any change in events, conditions or circumstances on which any such forward looking statement is based.

Forward-looking statements are subject to risk factors, instability and assumptions that could cause actual results to differ materially from the expected results. Important factors that could cause actual results to differ materially from our expectations, include but are not limited to, the following:

- Economic conditions and general business activity in Kuwait and other countries.
- The Company's ability to implement its strategy, achieve its growth and expansion, its technical changes, its exposure to market risks that have an impact on its business activity and its investments.
- A change in the tax and monetary systems in Kuwait, including inflation and the high cost of living, fluctuations in interest rates, stock prices or other prices and fees, the performance of capital markets in Kuwait and internationally, changes in local and international laws and regulations, imposition of taxes and a change in the framework of competition in the Company's industry.
- A change in the value of the Kuwaiti dinar and other currencies.
- The occurrence of natural disasters and disturbances.
- A change in the political and social conditions in Kuwait.
- Loss or stoppage of the Company's activity due to a labor strike or labor unrest.
- Failure to maintain the main employees and workers in the Company.
- The Company's ability to adapt to technological changes.

Therefore, Subscribers should carefully review the "Risk Factors" section to assess the risks involved. Due to their nature, some of the disclosures about market risk are only estimates that may differ significantly from future results. Consequently, actual profits or losses may differ materially from expectations. The Company is not obligated to update or review any data that contains information received after the date of this Prospectus, or to record the occurrence of any cases, even if none of the assumptions mentioned in this Prospectus have been implemented or fulfilled.

KEY TERMS OF THE OFFERING

The following summary should be read as an introduction to, and is qualified in its entirety by reference to, the more detailed information appearing elsewhere in this Prospectus. This summary 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. Accordingly, any decision by a prospective investor to invest in the Issue Shares should be based on consideration of this Prospectus as a whole.

Issuer	International Financial Advisors Holding K.P.S.C. a public shareholding company incorporated in the State of Kuwait on 31 January 1974 .
Issuer's Address	Al Abdul Razzak Square – Souk Al-Kuwait Building - Block A Floor 8, 4694 Safat 13047 Kuwait
Offering Type	Issue Shares with pre-emption rights to Eligible Shareholders.
Issue Price	150 Fils (one hundred and fifty Kuwaiti Fils) per Issue Share (including the nominal value and the issue premium).
Nominal Value	100 Fils (one hundred Kuwaiti Fils) per Issue Share
Issuance Premium	50 Fils (fifty Fils) per Issue Share
Issuer's issued and paid share capital immediately prior to the Offering	KD 30,007,411.800
Total number of Issued and Paid-up Shares immediately prior to Offering	300,074,118 shares with a nominal value of 100 Fils (one hundred Kuwaiti Fils) each, all of which are fully paid
Treasury Shares	19,625,915 shares with a nominal value of 100 Fils (one hundred Kuwaiti Fils) each
Number and Nature of Issue Shares	Cash injection/Issue ordinary shares: 180,044,470 with a nominal value of 100 Fils each with Issuance Premium
Number of Issue Shares underwritten	None
Value of underwritten Issue Shares	None
Total number of Issued and Paid-up shares immediately following the Offering	480,118,588 shares.
Issuer's issued capital immediately following the Offering	KD 48,011,858.800
Percentage increase in issued share capital	60% in the Issuer's share capital.
Total value of the Offering	KD 27,006,670.500
Restrictions on dealing in Securities Offered for subscription and any future arrangements for dealing in them	None
Offering/Subscription Expenses	Offering Expenses are estimated to be approximately KD 200,000 (two hundred thousand Kuwaiti Dinars). The Company shall be responsible for all costs relating to the Offering, which includes subscription management fees, printing and publications expenses and other related legal notices.
Record date	25/07/2024
Subscription Method	Subscribers may submit Subscription Application Forms electronically on the Subscription Website as described in the Details of the Offering Section within the Subscription Period. No modifications or withdrawals of the subscription application form will be accepted after submitting the application. When the application is submitted by the Subscriber, the subscription application Form shall represent as a legally binding agreement between the said Subscriber and the Issuer.

Subscription Period	The Subscription Period will commence on 29/07/2024 and will remain open for a period of fourteen (14) business days up to and including 15/08/2024 unless full subscription has been covered before such date. The Issuer has the right to close the subscription door before the end of the Subscription Period. The Board of Directors of the Issuer may also extend the Subscription Period at its absolute discretion, in the event subscription has not been covered, for similar or lesser terms so that the original Subscription Period and its extension in total do not exceed three (3) months, provided that the approval of the CMA is obtained.
The Period for Trading Pre-Emptive Rights	The period for trading of Pre-Emption Rights starts from the date of opening of the Pre-emptive Right Subscription Period until five (5) business days prior to the end of the Pre-emptive Right Subscription Period. 29/07/2024 has been set as the date for the start of trading in Pre-Emption Rights and 08/08/2024 will be the last day of trading in Pre-Emption Rights.
Trading Pre-Emptive Rights	Approval of this Prospectus shall be an approval from Boursa Kuwait and Kuwait Clearing Company to list and trade Pre-emptive Rights during the Pre-emptive Right Subscription Period in the Issue Shares. Listing shall be cancelled upon the company's disclosure of the results of subscription in the capital increase.
Means of Disposal of Pre-Emptive Rights	Pre-Emption Rights may be disposed of, traded or assigned, without any charge, and without any restrictions and in accordance with the applicable rules of Boursa Kuwait and the Clearing and Depository Agent. Approval of this Prospectus constitutes approval of the listing and trading of pre-emption rights during the Subscription Period for the Offer Shares, and the listing shall be canceled when the Company discloses the results of the subscription to the capital increase.
Allocation Date	Within 5 (five) business days of the end of the Pre-emptive Right Subscription Period, or end of the Public Offering Subscription Period.
Subscribers	Eligible Shareholders and Owners of Pre-Emption Rights
Eligible Shareholders (Owners of Pre-emption Rights to Subscribe in the Issue Shares)	Eligible Shareholders are the holders of the Existing Shares registered at the end of the Record Date preceding the Subscription Period, i.e., the shareholders whose names are registered in the Company's shareholders register with the Clearing and Depository Agent on the Record Date. For clarity, any trades made on the Company's shares prior to the Record Date that have not completed the trade settlement process of Boursa Kuwait as of the Record Date (Ex Rights Date), and as a result have not yet been registered on the Company's shareholder register, will not be considered in determining the Eligible Shareholders of record as of the Record Date. Owners of Pre-Emption Rights include persons that acquired, by assignment or purchase, the Pre-Emption Rights during the trading period of such rights.
Eligible Shareholder's Entitlement	Eligible Shareholders can exercise any of the following options in respect of the Issue Shares: <ul style="list-style-type: none"> – Exercising their Pre-Emption Right in the Issue Shares; – Exercising their Pre-Emption Right in the Issue Shares as well as subscribing for additional Issue Shares; – Assigning their Pre-Emption Right for subscription in the Issue Shares as per the approved mechanism at least five (5) business days before the Offering is closed in accordance with the relevant rules applied by Boursa Kuwait; – Subscribers may waive, free of charge, their Pre-Emption Right to subscribe to the Issue Shares (and to subscribe to additional Issue Shares, as the case may be, or part thereof) according to the approved mechanism for this during the Subscription Period, at least five (5) business days before close of subscription, in accordance with the relevant rules applied by Boursa Kuwait and the Clearing and Depository Agent; or, – Subscribers may refrain from exercising any of the above options, whether by trading, waiving, or exercising the Pre-Emption Right to subscribe to the Offering Shares and leaving the right to subscribe to the unsubscribed shares to the rest of the Eligible Shareholders.

Minimum Subscription	One (1) Issue Share
Maximum Subscription	No maximum subscription limit whereby each Subscriber may apply for subscription in excess of their entitlement to the Issue Shares and such subscription can exceed the total number of Issue Shares.
Process and Procedures in the event of undersubscription share capital increase	If the share capital increase has not been fully subscribed for during the Subscription Period, the Board of Directors of the Company may decide to extend the Subscription Period. If the share capital increase has not been fully subscribed for during the extended Subscription Period, the Board of Directors of the Company may decide to either (i) retract the share capital increase or (ii) limit the share capital increase to the amount actually subscribed for. Subscribers will not have the right of retraction except in accordance with the law. In the event of cancellation of the Subscription, the Owners of Pre-Emption Rights will lose their right to subscribe to the Issue Shares and the value of the price of the Pre-Emption Rights paid by them without having the right of recourse for any claim against the Issuer, the Clearing and Depository Agent, or the Subscription Agent. The period for trading of Pre-Emption Rights starts from the date of opening of subscription until at least five (5) business days prior to the end of the Subscription Period. In all cases, the one who disposed of the Pre-Emption Rights in the manner mentioned above, shall not be entitled to subscribe to these rights, and any Subscription to these foregone rights is considered invalid. However, the one to whom these rights have been assigned to may subscribe to the shares prescribed for these rights and shall be also entitled to dispose of them in the manner prescribed in Boursa Kuwait rules and the Clearing and Depository Agent rules until the subscription door closes within at least five (5) business days.
Consequences of non-subscription of Eligible Shareholders	Eligible Shareholders who choose not to subscribe to the Offer Shares will be subject to a reduction in their percentage of ownership in the Issuer's capital in addition to what they may face from a change in the value of their Existing Shares.
Subscription for Additional Issue Shares	In addition to the amount of Issue Shares that Initial Eligible Subscribers are entitled to with respect to their Pre-emption Right, the Initial Eligible Subscribers may also subscribe for additional Issue Shares ("Additional Issue Shares") at the same time that they subscribe for Issue Shares under their Pre-emption Right. Additional Issue Shares are those Issue Shares that Initial Eligible Subscribers elected not to exercise their Pre-emption Right to subscribe for or elected to only partially such right. Available Additional Issue Shares will be allocated to the Initial Eligible Subscribers pro rata to their subscription to the Additional Issue Shares.
Allocation of Issue Shares	Eligible Shareholders who apply for Issue Shares and submit their complete Subscription Application Form to the Clearing and Depository Agent prior to the end of the Subscription Period will be entitled to 6,419.9 Issue Shares for every 10,000 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 apply for more than their entitlement to the Issue Shares pro rata to their subscription for the Additional Issue Shares. The allocation of the Additional Issue Shares shall be final without any recourse or liability against the Issuer and/or the Issuance Advisor and Subscription Agent. (See Section "Offering Terms, Conditions and Instructions").
Use of Offering Proceeds	The proceeds from the Offering will be used to partial settlement of an outstanding major loan and for investment purposes.
Maximum ownership	There is no maximum limit for ownership, and note that in accordance with the provision of Article 74 of the Capital Markets Authority Law and the provisions of Module Nine of the Executive Regulations, anyone who obtains ownership of more than 30% is exempted from submitting a mandatory takeover offer due to the increase in the company's capital and the abstention of some shareholders from subscribing, as subscribers may Refrain from exercising any of the options mentioned in the subscription prospectus, whether by trading, assignment, or exercising the pre-emption right to subscribe to the offering shares, and assign the right to subscribe for unsubscribed International Financial Consulting Holding Company shares to the rest of the eligible shareholders as described in this prospectus.
Dividends	The shareholder of the Issue Shares will be entitled to receive any dividends declared by the Issuer in future.

Voting Rights	The Issuer has only one class of shares. Each Issue 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.
Rights arising from the Issue Shares in the event of liquidation of the Issuer	A shareholder is entitled to receive a portion in proportion to the shares they hold from the Issuer's assets on liquidation behind claims of any preferred shareholders and following repayment of the Issuer's debts and other costs pari-passu with all other holders of ordinary shares.
Initial Eligible Subscribers' options for the Issue Shares	Initial Eligible Subscribers can exercise any of the following options in respect of the Issue Shares: 1) Exercising their Pre-emption Rights in the Issue Shares; 2) Exercising their Pre-emption Rights in the Issue Shares as well as subscribing for Additional Issue Shares; 3) Assigning their Pre-emption Rights for subscription in the Issue Shares as per the approved mechanism at least 5 (five) days before the end of the Pre-emptive Right Subscription Period (any such assignment shall be made in accordance with the relevant rules applied by the Clearing Agency) or; 4) Not exercising any of the above options.
Share Fractions	Subscription shall not be made for fractions of Issue Shares and, wherever necessary, the number of Issue Shares to which a Subscriber has a fractional entitlement shall be rounded to the nearest whole number. The Issuer reserves the sole right to dispose of the fractional shares. (See "Offering Terms, Conditions and Instructions" Section).
Offering Terms	The Issuer, the Subscription Agent, and the Clearing and Depository Agent reserve the right to reject, in full or in part, any Subscription Application Form, which is not in compliance with the terms of the Offering. Once submitted, Subscription Application Forms cannot be amended or withdrawn. The acceptance of Subscription Application Forms by the Subscription Agent, the Clearing and Depository Agent and the Issuer constitutes a legally binding agreement between subscribers and the Issuer (Refer to "Offering Terms, Conditions and Instructions" section).
Listing of Shares	After the close of the subscription period, the final allocation of the Issue Shares and completion of all the necessary regulatory procedures, the Issue Shares will be listed on Boursa Kuwait and will be set for trading without any restrictions.
Taxation	Payments made by the Issuer in respect of the Issue Shares could become subject to taxation. (See Section "Taxation").
Regulatory Authorities	The Kuwait Capital Markets Authority, and the Ministry of Commerce and Industry
Auditor	Grant Thornton Al-Qatami Al-Aiban & Partners.
Issuance Managers & Subscription Agents	Arzan Financial Group for Financing and Investment K.P.S.C.
Clearing and Depository Agent	Kuwait Clearing Company K.S.C.
Legal Advisors	Meysan Lawyers & Legal Consultants
Law	The laws of the State of Kuwait
Courts	Courts of the State of Kuwait
Issuer's Board of Directors	Mr. Saleh Saleh Al-Selmi Dr. Sulaiman Tareq Al-Abduljader Ms. Laila Abdulkarim Al-Ibrahim Mr. Abdullah Abdul-Razzaq Al-Asfour Mr. Waleed Ahmad Al Wazzan

DETAILS OF THE OFFERING

1.1. Shares offered in the Offering

The Issuer is offering 180,044,470 ordinary shares representing issuance of Cash injection/Issue shares at 60% of share capital.

1.2. Issue Price per Issue Share

The issue will have a price of 150 Fils per Issue Share, reflecting the nominal value of 100 Fils per Issue Share and the issuance premium of 50 Fils per Issue Share. The Issuer has appointed an independent asset valuator approved by the Capital Markets Authority to carry out an indicative valuation of IFA's shares for the purpose of increasing the capital through a rights issue. The Issuer has obtained the approval of KPMG Advisory W.L.L to incorporate their work as set forth below in this Prospectus, and their conclusion is valid according to their valuation report. The independent evaluation report (the "**Valuation Report**") has been prepared as on 31 December 2023 (the "**Valuation Date**") and the Valuation Report has been submitted to the CMA. According to the Valuation Report, the valuation range of the issuer ranges from 259 Fils per share to 361 Fils per share. It is worth noting that several methodologies have been used to arrive at the aforementioned valuation range, which includes the volume-weighted average price, adjusted net asset value approach and comparable companies approach, based on the audited financial statements of the Issuer and publicly available information from documented third-party sources. These methods are summarized as follows: 1. Comparable Companies approach 2. Volume weighted average price 3. Adjusted Net Asset Value approach.

1.3. Issue Premium Calculation

The Issue Premium was determined after the Board of Directors of the Issuer reviewed each of the following:

- The fair value of the share, which was evaluated at 259-361 Fils per share. – The latest market price per share as at 31 December 2023, which is 307 Fils per share.
- The volume-weighted average of the market price of the Company's share during the last ninety (90) trading days of the share as at 31 December 2023, which is 259 Fils per share.

The Board of Directors of the Company decided that the subscription price shall be at 150 Kuwaiti Fils (One Hundred and Fifty Kuwaiti Fils) per share, which is equivalent to a discount rate of approximately 51.1% from the last market price as of 31 December 2023, and at discount rate of 42.1% from the volume-weighted average of the market price of the share during the last ninety (90) trading days, and finally with a discount rate of 51.6% from the fair value of the share according to the approved asset evaluator report, in order to enhance the participation of the Company's shareholders in subscribing to the shares of the Company's capital increase and financing future operations of the company.

1.4. Subscribers

Subscribers are Eligible Shareholders who hold the pre-Emption right to subscribe to the Offering Shares in proportion to the number of existing shares held by them and the Owner of Pre-Emption Rights. In the event that the Subscriber fails to subscribe, sell or assign the Pre-Emption Right in the subscription, this shall be considered as a waiver of his Pre-Emption Right to subscribe to the capital increase shares in favor of other Subscribers with or without consideration, and the waiver shall be in all or some of the Pre-Emption Rights related to the Offer Shares. Each of the Subscribers has the right to subscribe in accordance with the rules and procedures in force at the Boursa Kuwait and the Clearing and Depositary Agent and as stated in this Prospectus. Subscribers may subscribe by visiting <https://www.ipo.com.kw> (the "Subscription Website" or "IPO KW") and enter their Civil Identification Number for individuals or the Commercial Registration Number for companies, as the system will determine the eligibility of the Subscriber. Each Subscriber has the right to subscribe to Pre-Emption Rights in a number of 6,419.9 new shares of the Offer Shares for every 10,000 Issued Shares he owns on the Record Date, after taking into consideration the Treasury Shares held by the Issuer. Each of the Owners of the Pre-Emption Rights will have the right to subscribe to a number of Issue Shares according to the Pre-Emption Rights they will own. The Subscriber will not receive any financial returns from the Offering. The remaining unsubscribed Offering Shares, if any, shall be allocated to the Subscribers who have applied for subscription to Additional Issue Shares, which will be allocated on the basis of the ratio of the number of Additional Issue in the event that unsubscribed Issue Shares remain due.

1.5. Rights Attached to the Issue Shares

The Issuer has only one class of shares. Each Issue Share entitles the holder to one vote, and each Shareholder has the right to attend and vote at a General Assembly. No Shareholder has any preferential voting rights. The Issue Shares, once issued, will also be entitled to receive their portion of any dividends declared by the Issuer (same as Existing Shares), in addition to pre-Emption rights to subscribe to new shares that may be offered in the future by the issuer in accordance with the relevant laws, procedures and requirements. In the event of a liquidation of the Issuer each Issue Share will be entitled an equal share of the Issuer's liquidated assets following repayment of its debts.

If the share capital increase has not been fully subscribed for during the Subscription Period, the Board of Directors of the Company may decide to extend the Subscription Period for a similar or lesser terms, provided that the original Subscription Period and its extension in total do not exceed three (3) months, provided that the approval of the CMA is obtained. If the share capital increase has not been fully subscribed for during the extended subscription period, the Board of Directors of the Company may decide to either (i) retract the share capital increase or (ii) limit the share capital increase to the amount actually subscribed for. Subscribers will not have the right of retraction except in accordance with the law.

1.6. Exercising Pre-Emption Rights and means of disposal of Pre-Emption Rights

Eligible Shareholders shall have the following options in respect of the Issue Shares:

- Exercise their Pre-Emption Rights to subscribe for the Issue Shares wholly or partially;
- Exercise their Pre-Emption Rights to subscribe for the Issue Shares and subscribe for Additional Issue Shares;
- Assigning their Pre-Emption Right for subscription in the Issue Shares as per the approved mechanism at least five (5) business days before the Offering is closed in accordance with the relevant rules applied by Boursa Kuwait;
- Subscribers may waive, free of charge, their Pre-Emption Right to subscribe to the Issue Shares (and to subscribe to additional Issue Shares, as the case may be, or part thereof) according to the approved mechanism for this during the Subscription Period, at least five (5) business days before close of subscription, in accordance with the relevant rules applied by Boursa Kuwait and the Clearing and Depository Agent; or, – Subscribers may refrain from resorting to any of the above options, whether by trading, waiving, or exercising the Pre-Emption Right to subscribe to the Offering Shares and leaving the right to subscribe to the unsubscribed shares to the rest of the Eligible Shareholders.

In all cases, the one who disposed of the Pre-Emption Rights in the manner mentioned above, shall not be entitled to subscribe to these rights, and any Subscription to these foregone rights is considered invalid. However, the one to whom these rights have been assigned to may subscribe to the shares prescribed for these rights and shall be also entitled to dispose of them in the manner prescribed in Boursa Kuwait rules and the Clearing and Depository Agent rules until the Subscription door closes within at least five (5) business days.

1.7. Allocation of Issue Shares

Eligible Shareholders who apply for Issue Shares and submit their complete Subscription Application Form to the Clearing and Depository Agent prior to the end of the Subscription Period will be entitled to 6,419.9 Issue Shares for every 10,000 Existing Shares that they hold, after taking into account the impact of the Issuer's treasury shares. 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 apply for more than their entitlement to the Issue Shares *pro rata* to their subscription for the Additional Issue Shares. The allocation of the Additional Issue Shares shall be final without any recourse or liability against the Issuer and/or the Issuance Advisor and Subscription Agent.

1.8. Subscription Period

The Subscription Period will commence on **29/07/2024** and shall close on **15/08/2024** at Boursa Kuwait's closing trading hours. If all the Subscribers have subscribed to their entitlement to the Issue Shares, the Issuer may elect to close the Subscription Period prior to the end of its term. The Board of Directors of the Issuer may also extend the Subscription Period at its absolute discretion, in the event subscription has not been covered, for similar or lesser terms so that the original Subscription Period and its extension in total do not exceed three (3) months, provided that the approval of the CMA is obtained.

OFFERING TERMS, CONDITIONS AND INSTRUCTIONS

1. Subscription Agreement

The Issuance Advisor and the Subscription Agent agreed with the Issuer, according to the terms of the Subscription Agreement, and on the condition that some related conditions are met, to exercise the necessary care in order to offer the Subscribers the right to subscribe to the Offer Shares at the Offer Price. The Issuance Advisor and the Subscription Agent is not obligated to subscribe to any of the shares that were not subscribed to by the Subscribers.

2. Subscription Procedures

All Subscribers with mortgaged shares must provide to the Clearing and Depository Agent an original and signed approval letter from the mortgagee stating that the Subscriber may subscribe in the capital increase. The approval letter must be submitted in the Subscription Website.

Subscriptions and all required documents must be submitted through the Subscription Website. General subscription procedures:

The Subscriber shall:

1. Login to the Subscription Website via the link: <https://www.ipo.com.kw>
2. In the event the Subscriber is an individual, he/she shall register the Civil ID number or Trading Number. The system shall verify whether the Subscriber is eligible for Subscription or not.
3. In the event the Subscriber is a legal entity or a company, the Subscriber must enter the commercial registration number or Trading Number. The system shall verify whether the Subscriber is eligible for Subscription or not.
4. Record the number of shares to be subscribed for.
5. The Subscriber must make the payment through either K-NET service or bank wire transfer as follows:

For Subscribers paying through K-NET service, the Subscriber shall:

- Pay from their own account (no other person may pay on behalf of the Subscriber except in the cases provided for under the law).

Subscribers are advised to confirm with their Company that their payment limit on their K-NET card will enable them to pay for their subscription.

Or,

For Subscribers paying through bank wire transfer, the Subscriber shall:

- Print the Subscription Application Form and visit their own bank and submit a copy of the Subscription Application Form printed from the above link and transfer the amount required to the Subscription Bank Account (net amount without any charges by the transferring bank and the receiving Bank) stated below:

Name of Company:	International Financial Advisors Holding K.P.S.C.
Account number:	011010221884
IBAN:	KW20 KWIB 0000 0000 0001 1010 2218 84
Bank Name	Kuwait International Bank
Beneficiary:	International Financial Advisors Holding - Capital Increase
Reference/Description:	Subscription Application Form number + subscriber civil identification (for residents and citizens)/ passport (for non-residents and non-citizens)/ commercial registration number (for corporates) + subscriber contact number

- The subscriber shall upload the copy of the original deposit voucher of the amount transferred from their own bank in addition to the documents listed in item 7 “**Documents required to be submitted with applications to subscribe**” stated in this Prospectus through the electronic link that will be sent from the Subscription Website to the subscriber by e-mail and text message on the registered phone.

The Clearing and Depository Agent shall send an email confirmation to the Subscriber in case of a successful Subscription. Failure of any Subscriber to submit a duly completed Subscription Application Form (together with all applicable supporting documentation thereto) to the Subscription Website, after the transfer or deposit of the subscription funds (the “Subscription

Monies”) as required in this Prospectus, shall render the Subscription Application Form of a Subscriber null and void. Subscription Monies shall not be accepted in cash.

3. Subscription Application Form

The offering of the Issue Shares is restricted to Eligible Shareholders only. Eligible Shareholders who would like to participate in the Offering can submit the Subscription Application Forms during the Subscription Period to the Subscription Website. Each Eligible Shareholder who is participating in the Offering must agree to the terms and conditions and provide all relevant information for the Subscription Application Form. The Issuer and the Clearing and Depositary Agent reserve the right, free from any liability, to reject, in full or in part, any Subscription Application Form in the event any of the subscription terms and conditions are not met or the instructions are not duly and punctually followed including without limitation, the failure of the Subscription Application Form to comply with the applicable laws and regulations, the non-payment by the Eligible Shareholder of the full amount of the Subscription Monies, the inaccuracy or the invalidity of any information contained in the Subscription Application Form or the failure of the Subscription Application Form to comply with or follow any terms or requirements set forth under this Prospectus or in the Subscription Application Form. Amendments to and withdrawal of the Subscription Application Form shall not be permitted once the Subscription Application Form has been submitted. Furthermore, the Subscription Application Form shall, upon submission, represent a legally binding agreement between the Eligible Shareholder and the Issuer. The Subscription Application Form and all relevant terms, conditions and undertakings shall be binding on the Eligible Shareholders and their assignees, executors, estate managers and beneficiaries, unless specifically stipulated otherwise in this Prospectus. The Eligible Shareholder must accept whatever number of Issue Shares is allocated to him. The terms and conditions, and receipt of the Subscription Application Form and contracts arising therefrom shall be subject to the laws of the State of Kuwait and must be interpreted and applied in accordance therewith. All Eligible Shareholders must read the instructions relating to the Offering carefully before submitting the Subscription Application Form. Signing the Subscription Application Form shall be considered agreement to and acceptance of the Offering Terms, Conditions and Instructions.

4. Submission of the Subscription Application Form

An Eligible Shareholder must specify on the Subscription Application Form the number of Issue Shares he wishes to subscribe to and transfer the Subscription Monies. Each Eligible Shareholder shall have the right to subscribe for 6,419.9 Issue Shares for every 10,000 Existing Shares that he owns at the Record Date, after taking into account the Treasury Shares held by the Issuer. Eligible Shareholders can apply to subscribe to Additional Issue Shares and may be allocated the unsubscribed Issue Shares to which other Eligible Shareholders have not applied to subscribe their full entitlement. Issue Shares which have not been subscribed to by Eligible Shareholders’ entitlement shall be allocated pro rata to the other Eligible Shareholders who applied for Additional Issue Shares.

5. Eligible Shareholders who do not Subscribe to the Issue Shares

Eligible Shareholders who do not subscribe to the Issue Shares shall be subject to a reduction in the proportion of their equity in the Issuer as well as a reduction in the value of their Existing Shares. Owners of Pre-Emption Rights who do not exercise their right to subscribe to the Issue Shares prescribed for these rights, shall waive the price paid by them in exchange for these rights without having the right of any recourse against the Company, the Issuance Advisor and Subscription Agent, or the Clearing and Depositary Agent for any claim or compensation.

6. Subscribers

The Offering is limited to holders of Existing Shares registered at the close of the Record Date, i.e. shareholders whose names are registered in the Company’s shareholders register on the Record Date and to Owner of Pre-Emption Right. For clarity, any trading on the Company’s shares before the Record Date that is not settled with Boursa Kuwait on the Record Date (Ex Rights Date), and, accordingly, not recorded in the Company’s shareholders register, shall not be taken into account in order to identify the Eligible Shareholders whose names are entered in the Company’s shareholders register on the Record Date.

7. Full or Partial Subscription to the Issue Shares

An Eligible Shareholder who wishes to exercise his entire right and subscribe to all the Issue Shares to which he is entitled must complete the Subscription Application Form and submit it, together with the required documentation and payment of the full Subscription Monies within the Subscription Period. Fractions of Shares may not be subscribed to and, wherever necessary, the entitlement figure shall be rounded to the nearest whole number. Issue Shares which have not been subscribed to by Eligible Shareholders’ entitlement by the Record Date shall be allocated pro rata to other Eligible Shareholders who are registered on the Record Date and who submitted applications to subscribe to Issue Shares in excess of their entitlement on the basis of Existing Shares. Any Excess Offering Monies shall be returned to the relevant Eligible Shareholders after the allocation of the Issue Shares without any interests, commissions, and fees or withholding. If an Eligible Shareholder does not wish to exercise his right to the Issue Shares, he is not required to take any measures. If an Eligible Shareholder wishes to subscribe to some but not all of his entitlement to Issue Shares, he must submit a Subscription Application Form together with the other required documentation and pay the Subscription Monies for the Issue Shares applied for during the Subscription Period. If the share capital increase has not been fully subscribed for, the Issuer must either (i) retract the share capital increase or (ii) limit the share capital increase to

the amount actually subscribed for, and reduce the share capital in both cases, and such reduction must be recorded and marked in the register based on the Company's decision. And in the event of retracting the capital increase, the Owners of Pre-Emption Rights will not be able to exercise their right to subscribe to the shares prescribed for these rights, which may lead to the loss of the purchaser of the Pre-Emption for the price paid for the right without having the right of any recourse against the Company, the Subscription Agent, or the Clearing and Depository Agent for any claim or compensation.

8. Documents required to be submitted with applications to subscribe

The Subscription Application Form must be submitted through the Subscription Website along with the following documentation, as applicable to the nature of and payment method chosen by the Subscriber:

a) Individual Subscribers

- Signed Subscription Application Form;
- Copy of personal civil identification card;
- Copy of passport to verify the signature;
- Copy of the bank transfer receipt;
- Copy of the IBAN number;
- Copy of special legal proxy for subscribing in shares (for proxy subscriber);
- Copy of Certificate of Guardianship for orphans;
- Copy of Certificate of Guardianship for minors; or
- Copy of a Limitation of Succession Deed for beneficiaries.
- Copy of Guardianship rule

b) Corporate Subscribers

- Signed Subscription Application Form;
- Copy of the bank transfer receipt;
- Copy of the IBAN number;
- Copy of the Authorized Signatories Certificate or the Extract of the Commercial Register; as the case requires; and
- Copy of the personal identification card of the authorized signatory;

c) Non-Residents of Kuwait Subscribers

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

Cash will not be accepted. The Subscription Monies must be paid in full upon submitting the Subscription Application Form on the Subscription Website by authorizing a debit of the appropriate amount from the subscriber's account with the Company, or by bank transfer. Subscription amounts will be deposited in full in the Issuer's bank account designated by the Issuer (the "Subscription Bank Account"). The Subscriber must, in any event relating to the Issue Shares or the Additional Issue Shares, ensure that the bank debit or the bank transfer has been processed from their respective bank account and that the subscription account with the Issuer has been credited with the appropriate amount at the time of the submission of the Subscription Application Form to the Clearing and Depository Agent.

Without prejudice to the other grounds of rejection of the Subscription Application Forms, the Subscription Agent, 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 Application Form to the Clearing and Depository Agent.

9. Applicant Declarations

By completing and submitting the Subscription Application Form, the Subscriber:

- agrees to subscribe to a number of Issue Shares set forth in the Subscription Application Form that is final and irrevocable;
- warrants that he has read and carefully studied this Prospectus and understands all of its contents;
- accepts the Memorandum and Articles of Association of the Issuer and all of the Offering Terms and Conditions mentioned in this Prospectus;
- accepts that the Issuer and the Clearing and Depository Agent shall have the right to refuse any unsatisfactory, incomplete or unclear Subscription Application Form or for any of the reasons set forth in this Prospectus;
- accepts the number of Issue Shares allocated to him (to a maximum of the amount he has subscribed for) and all other instructions of subscription stated in the Subscription Application Form and this Prospectus;
- undertakes that he will not cancel or amend the Subscription Application Form after submission to the Clearing and Depository Agent; and

- the corporate subscriber declares, at his full responsibility, that he obtained all the authorizations and consents required pursuant to his Memorandum and Articles of Association or pursuant to the law, in order to enable him to apply for the subscription and to perform his obligations in accordance to the terms and conditions contained in the Prospectus and to transfer his Pre-emption Right, including the consent of his Board of Directors or the General Assembly, as the case may be, in respect of shareholding companies.

10. Allocation and Refund of Surplus

Eligible Shareholders who apply for Issue Shares will be entitled to 6,419.9 Issue Shares for every 10,000 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 apply for more than their entitlement to Issue Shares. If the aggregate number of 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. The number of allocated shares will be rounded to the nearest whole number, and the Issuer reserves the right to deal with share fractions at its own discretion.

The Issuer shall announce the final allocation not later than five (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) from the date of closing of the Subscription Period, and will refund the surplus Subscription Monies, without any fees or deduction by the Company, on the date determined by the Issuer.

The surplus amounts will be refunded without any interest, fees or deductions. Subscribers should contact the Issuance Advisor and the Subscription Agent to obtain further information.

The Issuer does not guarantee the availability of any Additional Issue Shares.

11. Declining Subscription Application Forms

The Issuer and the Clearing and Depository Agent, and the Subscription Agent reserve the right, free from any liability, to reject, in full or in part, any Subscription Application Form in the event any of the forms are not compliant with the applicable laws, or any of the subscription terms and conditions are not met or the instructions are not duly and punctually followed including without limitation, the failure of the Subscription Application Form to comply with the applicable laws and regulations, the non-payment by the Eligible Shareholder of the full amount of the Subscription Monies within three (3) working days from the submission of the Subscription Application Form or if the amounts are transferred after the closing of the subscription period, or the inaccuracy or the invalidity of any information contained in the Subscription Application Form or the failure of the Subscription Application Form to comply with or follow any terms or requirements set forth under this Prospectus or in the Subscription Application Form.

12. Refund to Subscribers

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 on the date determined by the Issuer within seven (7) working days from the date of announcing the results of the allocation, by bank transfer to the account specified in the Subscription Application Form. In the event of a cancellation of the Offering or a part thereof, the Issuer shall deposit any Subscription Monies in a non-interest-bearing account with the Company until the repayment of such amount has been authorized by the Ministry of Commerce and Industry to the Subscribers.

13. Convertibility of offered shares

The Issue Shares cannot be converted into another form of securities.

14. Tradability of the Issue Shared and Pre-Emption Rights

Pre-Emption Rights may be traded or assigned free of charge without restriction and in accordance with the applicable rules of Boursa Kuwait and the Kuwait Clearing Company. Approval of this Prospectus constitutes approval of the listing and trading of pre-emption rights during the Subscription Period for the Offer Shares, and the listing shall be canceled when the Company discloses the results of the Subscription to the capital increase.

Following the close of the Subscription Period, the final allocation of the Issue Shares and completion of all the necessary regulatory procedures, a statement of Issue Shares will be made and the Issue Shares will be listed and traded on Boursa Kuwait without any restrictions same as Existing Shares.

15. Expected Timetable

Event	Date
Record Date	25/07/2024
Ex-Date	22/07/2024 (i.e. two (2) trading days prior to the Record Date according to the T+3 settlement cycle)
Opening of Subscription Period	29/07/2024
The Period for Trading Pre-Emptive Rights	From 29/07/2024 to 08/08/2024 (inclusive)
Closing of Subscription period	From 29/07/2024 to 15/08/2024 (inclusive)
Allocation of Issue Shares	Within five (5) business days of the date of the closure of the First Subscription Period or the Second Subscription Period (if any).
Refunding subscription amounts to Subscribers	Within seven (7) business days of the date of announcement of the Allocation of the Issue Shares date.
Trading Issue Shares on Boursa Kuwait	The Issue shares will be listed on Boursa Kuwait following completion of all necessary regulatory procedures.

INFORMATION RELATED TO THE OFFERING SHARES

The Company has appointed an independent asset valuator (KPMG Advisory W.L.L) approved by the CMA, to calculate the fair value of the net equity of the Company for the purpose of increasing its capital and for the purpose of submitting an independent report thereof to the CMA. The Issuer has obtained the approval of KPMG Advisory W.L.L. to incorporate their work as set forth below in this Prospectus, and their conclusion is valid according to the Valuation Report.

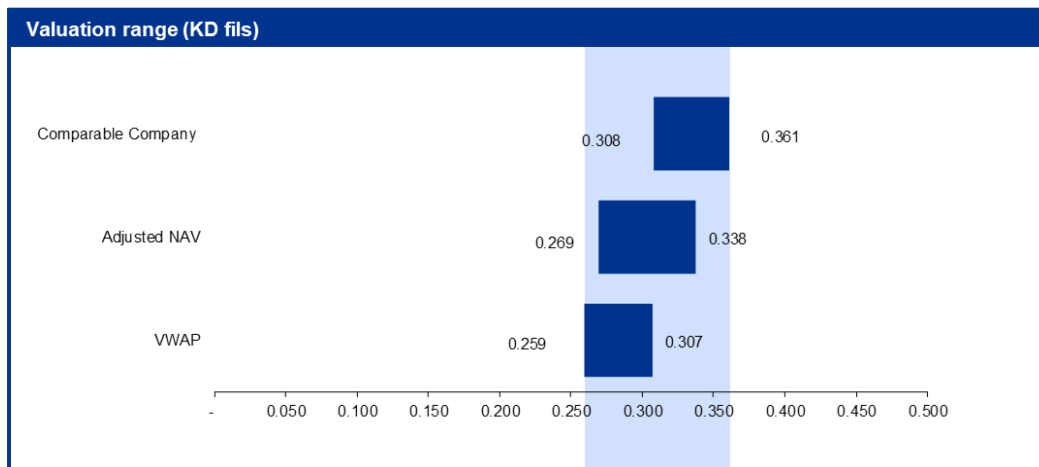
The Subscription Price was set at 150 Fils per share by fixing the issuance premium at 50 Fils over the nominal value of the share (100 Fils) based on the valuation report (the “Valuation Report”) prepared by the above-mentioned asset valuator. The Valuation Report has been prepared as 31 December 2023 (the “Valuation Date”) and the Valuation Report has been submitted to the Capital Markets Authority.

According to the Valuation Report, the valuation range for the issuing company ranges from 259 Fils per share to 361 Fils per share. A discount rate of 51.6% has been made from the average valuation price reached by KPMG Advisory W.L.L.

It is worth noting that several methodologies have been used to reach the aforementioned assessment based on the audited financial statements for the financial year ended in 2023 for the issuing company and publicly available information from documented third party sources.

The assessment methodologies are summarized as follows:

1. Adjusted Net Asset Value approach (“Adjusted NAV”)
2. Volume Weighted Average Price (“VWAP”);
3. Comparable Companies - Price / Book Value (P/BV) Multiple and Price / Earnings (P/E) Multiple
 - The adjusted net asset value approach is a business valuation that focuses on a company's net asset value, or the fair-market value of its total assets minus its total liabilities. Under the net assets approach, total value is based on the sum of net asset value plus, if appropriate, a premium to reflect the value of intangible assets not recorded on the balance sheet.
 - Volume weighted average price approach is used when the shares are adequately traded. As the trading volumes of IFA are adequate the market price of the security has also been considered for valuation purposes.
 - The market multiples approach can be used/applied when the shares of similar companies are traded appropriately and with high liquidity on the stock exchange. As the selected companies similar to IFA meet this basic requirement and therefore, the use of the market multiples approach may be appropriate for IFA's assessment.



The above disclosure is subject to the limitations and analysis set out in the Valuation Report prepared by KPMG Advisory W.L.L, which includes information, facts and assumptions made available by the Issuer and forms an integral part thereof.

INFORMATION ABOUT THE ISSUER

Overview:

International Financial Advisors Holding K.P.S.C(IFA) is a Kuwaiti public shareholding company incorporated by the Kuwaiti government on 31 January 1974, as a government-owned investment company. IFA was initially established to act as a financial advisor for companies and institutions operating in Kuwait and countries of the Middle East. The company started with a capital of 500,000 Kuwaiti Dinars. The company was listed on the Kuwait Stock Exchange on 9 September 1987 and on Dubai Financial Market on 10 September 2005. In May 2002, IFA was acquired by Al Bahar Group; a Consortium of listed and non-listed companies covering a wide range of sectors including Financial Services, Real Estate, Consumer Finance and Leasing, Investment, Services, Insurance and Leisure. Their team of specialists stands as their most prized asset, representing a significant part of their success. Their team is adept at crafting and executing targeted strategies. They all share a firm commitment to their vision and mission.

Their investment strategy was demonstrated through the successful listing of their subsidiary, IFA Hotels and Resorts, on the Kuwait Stock Exchange in January 2006. The listing boasted a market capitalization exceeding US\$ 1 billion. IFA Hotels and Resorts served as their global expansion platform, facilitating investments and projects across diverse regions including the MENA and GCC, the Far East, Europe, and South Africa. Since its acquisition by the Al Bahar Consortium, IFA has experienced significant growth.

Registered office:

IFA's registered office/ selected domicile is at Al Abdul Razzak Square – Souk Al-Kuwait Building - Block A, Floor 8, 4694 Safat 13047, State of Kuwait. Telephone number: 22455636 - 22455363 - 1844432.

Objectives as per the articles:

The following objectives of the Company:

1. Manage its subsidiary companies or take part in managing the other companies it has participation in them, and provide the necessary support to them.
2. Invest its money in trading shares, bonds and other financial instruments.
3. Acquire real estates and movables necessary to carry out its activity, within the limits allowable by law.
4. Finance or lend the companies in which it owns shares or stakes, and also guarantee them before third parties, and in this case the company's percentage of participation in the capital of the borrowing company must not be less than 20%.
5. Take ownership of intellectual property rights such as patents and trademarks, or industrial models and franchise rights and other legal rights, as well as utilizing and leasing them to subsidiaries of the company or of third parties, whether inside or outside Kuwait.
6. Utilize the surplus money available with the company by investing them in financial portfolios or funds managed by specialized companies and bodies. The company may engage in all or some of these purposes inside or outside the State of Kuwait, in original capacity or through proxy. Moreover, the company may have interest, or participate in any manner, in institutions and companies practicing businesses similar to its own, or that could assist it in achieving its purposes inside Kuwait or abroad, also it may establish, take part or acquire these institutions or companies, or join them to it.

Listing:

The Company was listed on Boursa Kuwait on 09 September 1987 and is also listed on Dubai Financial Market since 2005.

Authorized and Paid-up capital:

As of 31 December 2023, the Company had an issued and paid-up share capital of KD 26,673,255 comprising of 266,732,550 shares of KD 0.100 each.

Ownership:

As of 01 July 2024, the following shareholders had holdings in excess of 5.0% in the Company's issued ordinary share capital and are required to disclose such shareholding pursuant to the CMA Rules:

Name	Country of incorporation	Primary business	Holding (%)
Arzan Financial Group For Financing And Investment	Kuwait	Financial Services	15.78%
Group of Med Al-Bahar Holding Co. (AlDahiya Investment Co., Kuwait Holding Co., Al-Rana Gen., Trad. & Cont. Co., Masader Al-Ofoq Gen. Trad. and Cont. Co, Al-Deera Holding CO & Mawared Al-Ofoq Gen. Trad. and Cont. Co.)	Kuwait	Investment	19.59%
Total			35.37%

Brief description of the Group exerting control – Group of Med Al-Bahar Holding Co. (AlDahiya Investment Co., Kuwait Holding Co., Al-Rana Gen. Trad. & Cont. Co., AlShamiya Investment Co., Masader Al-Ofoq Gen. Trad. and Cont. Co., Mawared Al-Ofoq Gen. Trad. and Cont. Co., Al-Deera Holding. Co):

Arzan Financial Group:

It is Kuwait-based public shareholding company with paid-up capital of KD 83.1m. The company’s business lines are wealth management, credit and assets management, debt collections, and venture capital investments. AFG has continuously been placing a foothold into varying mature markets such as the US, UK, Switzerland, Holland, Germany. Regional presence in the UAE, Egypt and KSA.

Med Al-Bahar Holding Company (closed):

It is a public shareholding company owned by the family of the late Mr. Jassim Mohammed Al-Bahar. It was established in 2008. It’s a holding company with focus on investments in private and public companies.

Subsidiaries and associates:

As of 31st December 2023, the Company has varying levels of equity in multiple companies. These companies include:

Name	Country of incorporation	Primary business	Holding (%)
First Takaful Insurance	Kuwait	Insurance	53.45%
Gulf Real Estate	Kuwait	Real Estate	46.32%
Dana Real Estate	Lebanon	Real Estate	96.67%
Radeem Company	Lebanon	Real Estate	99.90%
IFA Hotels and Resorts Co.	Kuwait	Hotels and resorts	43.71%
Um Al Hayman Holding	Kuwait	Holding/Investment	50%
Addax BSC	Bahrain	Investments	30.29%

Business Divisions

Insurance

- **First Takaful Insurance**

In 2000, FTI introduced Takaful Insurance Solutions to the Kuwait market. FTI provides fire and general insurance, motor insurance, house insurance, marine insurance, life insurance, medical insurance etc. Their mission is to provide innovative Takaful products, value added services and quality customer care thereby building sustainable and long lasting relationships with their stakeholders.

Real Estate

- **Gulf Real Estate**

Gulf Real Estate Company WLL is a Kuwaiti Limited liability company. The principal activities are the sale and purchase of properties and trading in shares and bonds for the company. It is an SPV that directly holds some of the key holdings by the ultimate parent company IFA.

- **Dana and Radeem Real Estate**

Dana Real Estate and Radeem company have both invested in a real estate commercial property in downtown Beirut. It is and SPV for owning commercial property in Lebanon. Each company owns 50% of the said property.

Hotels and Resorts

- **IFA Hotels and Resorts Co.**

IFA Hotels & Resorts is a listed Kuwaiti Company engaged in the development of mixed-use hotel and residential resort projects as well as leisure services.

Investments

- **Um Al Hayman Holding**

Um Al Hayman Holding is incorporated in Kuwait and is operating in the investment sector. The company currently is involved in the Um Al Hayman Wastewater Plant Project.

- **Addax BSC**

Founded in Bahrain in 2003 and offers investment offerings to it's Clients.

STRATEGY

IFA's 2025 strategy:

IFA adopts a diversified investment strategy aimed at achieving a blend of growth and stability. Our investment portfolio is comprised of:

1. Strategic equity holdings
2. Alternative investments

These investments are diversified across various sectors and geographies, both domestic and regional, as follows:

1. Financial Services: Including brokerage and portfolio management, and trading exchanges/bourses
2. Real Estate and Hospitality
3. Mega Industrial Projects
4. Education

Resilience and Strategic Investments

IFA Holding is one of the few Kuwaiti investment/holding companies that successfully weathered the 2008 financial crisis by restructuring its activities, streamlining its investments, and settling its substantial bank borrowings. During this period, they made a significant and promising investment in the field of wastewater treatment in the State of Kuwait. In partnership with a leading European wastewater management company, through which they developed one of the world's largest projects for treating sewage water in Kuwait, a multibillion-dollar initiative.

Capital Increase and Strategic Goals

The company's primary objective for the capital increase is to fortify their financial strength and expand their investment portfolio by raising additional capital from their valued shareholders. This strategic capital infusion will be utilized to significantly reduce existing debt and expand investment. A stronger financial foundation will empower us to:

- Focus on core investment business model;
- Target high-growth sectors aligned with their operations; and
- Enhance their existing real estate portfolio.

Furthermore, an enhanced capital structure will enable secure favorable financing terms for future investment deals, maximizing potential for sustainable returns and shareholder value. By expanding capital base, the company will optimize its capital structure, negotiate favorable borrowing terms, and leverage its creditworthiness and market reputation. This capital infusion will provide the necessary resources to capitalize on emerging opportunities and pursue strategic investments, thereby creating long-term value for its shareholders.

Commitment to Growth and Stability

IFA Holding remains committed to maintaining a balanced investment strategy that promotes both growth and stability. It will continue to seek out and invest in opportunities that align with its strategic goals and deliver sustainable value to its shareholders.

CORPORATE GOVERNANCE

The Company is keen to adhere to all instructions and decisions of the executive regulations of Law No. 7 of 2010 regarding the establishment of the Capital Markets Authority and the regulation of securities activity and its amendments, and the rules of the Bylaw Fifteen (Corporate Governance) issued by the Capital Markets Authority - Kuwait.

Policies & Procedures:

The Company has adopted a comprehensive framework of Corporate Governance Guidelines, designed to properly balance performance and conformance.

Governance Structure – Overview:

IFA has a strong and well-established corporate governance framework. They maintain a high leveled corporate governance framework that protects their shareholders and the reputation of the Company. Strong and explicit corporate governance structure underpins their integrity and promotes economic growth by reinforcing the trust and confidence our shareholders and investors place in us.

The Company's Corporate Governance structure highlights the responsibilities of the Board of Directors for the effective management of the company and achieving its best interests. The Board of Directors' decisions highly impact the company's performance of its financial position. The company is keen to form a balanced and qualified Board of Directors with diverse experiences to have a positive impact on the company and its performance.

The Board of Directors of the Company consist of five members: three non-executive members, two independent member - whose academic and practical experience is diverse, which reflects a balanced structure that enables the Board of Directors to perform the role assigned to it by drawing up the company's general strategy and defining its policies and objectives.

Board Governance Structure:

A) Board Audit Committee:

1. Laila Abdulkareem Al-Ibrahim – Chairman of the Committee
2. Abdullah Abdul Razzaq Al-Asfour – Committee Member
3. Dr. Sulaiman Tareq Al-Abduljader – Committee Member (Independent)

Responsibilities of Audit Committee:

1. Review the periodic financial statements before presenting them to the Board of Directors, and express an opinion and recommend them to the Board of Directors. This is in order to ensure the fairness and transparency of financial reports.
2. Recommending to the Board of Directors the appointment and reappointment of external auditors or changing them and determining their fees, and taking into account when recommending the appointment to ensure their independence, and review their letters of appointment
3. Follow up on the work of external auditors and ensure that they do not provide any consulting services to the company other than the services required by the auditing profession.
4. Study the observations of the external auditors on the company's financial statements and perform the required follow up actions.
5. Study the accounting policies followed and express an opinion and recommendation to the Board of Directors regarding them.
6. Evaluating the adequacy of the internal control systems applied within the company and preparing a report including the opinion and recommendations of the committee in this regard.
7. Technical supervision of the internal audit department in the company in order to verify its effectiveness in carrying out the work and tasks specified by the Board of Directors.
8. Recommending the appointment, transfer, dismissal, performance evaluation of the Manager of Internal Audit and evaluating the performance of the Internal Audit Department.
9. Review and approve the audit plans proposed by the internal auditor, and provide comments.
10. Review the results of the internal audit reports, and ensure that necessary corrective action has been taken regarding the observations contained in the reports.
11. Review the results of the regulatory authorities' reports and ensure that appropriate and necessary measures have been taken.
12. Ensure that the company adheres to relevant laws, policies, systems and instructions.

B) Risk Management Committee:

1. Mrs. Laila Abdulkareem Al-Ibrahim – Chairman of the Committee
2. Mr. Abdullah Abdul Razzaq Al-Asfour – Committee Member
3. Mr. Waleed Ahmad Al Wazzan – Committee Member (Independent)

Responsibilities of Risk Management Committee:

1. Prepare and review risk management strategies and policies before being approved by the Board of Directors, and ensure that these strategies and policies are implemented, and that they commensurate with the nature and size of the activities of the company.
2. Ensure that adequate resources and systems are available for risk management.
3. Evaluate the systems and mechanisms for identifying, measuring and following up the different types of risks that the company may be exposed to, in order to identify their shortcomings.
4. Assisting the Board of Directors to determine and evaluate the acceptable level of risks for the company, and ensuring no breach of such risk tolerance levels after its approval by the Board of Directors.
5. Reviewing the organizational structure for risk management and developing recommendations regarding it before being approved by the Board of Directors.
6. Ensure the independence of risk management staff from the activities that result in the company's exposure to risks.
7. Ensure that the risk management staff have a full understanding of the risks surrounding the company, and work to increase employees' awareness of the risk management philosophy and their awareness of it.
8. Prepare periodic reports on the nature of the risks to which the company is exposed, and submit these reports to the company's board of directors.
9. Review the issues raised by the associated audit committee that may affect the company's risk management.
10. The Risk Management Committee shall hold periodic meetings, at least four times during the year, as well as whenever necessary, and shall issue minutes of its meetings.
 - Review financial risks and measure their impact on the company's business.
 - Reviewing operational risks and measuring the extent of their impact on the company's business.
 - Discussing the observations contained in risk management reports about the risks to which the company is exposed.

C) Nomination and Remuneration Committee:

1. Mr. Saleh Saleh Al-Salami – Chairman of the Committee
2. Mr. Abdullah Abdul Razzaq Al-Asfour – Committee Member
3. Dr. Sulaiman Tareq Al-Abduljader – Committee Member (Independent)

Responsibilities of Nomination and Remuneration Committee:

1. Recommending the acceptance of nomination and re-nomination of members of the Board of Directors and executive management.
2. Develop a clear policy for the remuneration of the members of the Board of Directors and the executive management, in addition to performing an annual review of the required skills for board membership and attracting the related application submissions.
3. Develop job descriptions for the executive members, non-executive members, and members Independent.
4. Ensure that the independent member of the Board of Directors do not lack the status of independence.
5. Prepare a detailed report on all remunerations granted to the members of the Board of Directors and the executive management, whether amounts, benefits or in-kind, whatever their nature and name, and present the report to the BOD.

The company has developed mechanisms and tools that enable the members of the Board of Directors to obtain the required information and data in a timely manner through the development of information technology in the company, as well as the creation of direct communication channels between the Secretariat and the members of the Board of Directors Management, and providing reports and topics raised on the work of the meetings of the Board of Directors well before the meeting in order to discuss them during the meeting and take appropriate decisions thereon.

Board Governance Responsibilities

The responsibilities and duties of both the members of the Board of Directors and the Executive Management are determined through several forms, where the Company's Articles of Association define the duties and responsibilities of the Board of Directors. The Board of Directors' Bylaws also define the Board's functions, which include supervision of the performance of the executive management and ensuring its commitment to implementing the main strategies and action plans approved by the Board. The authority matrix defines all the powers that are delegated to the executive management and those on which the Council retains the power to decide.

The Executive Management performs the responsibilities entrusted to it by the Board of Directors in accordance with the laws and regulations issued by the Capital Markets Authority and the relevant regulatory authorities, and these responsibilities include implementing the company's strategic plans in addition to the relevant policies approved by the Board of Directors and ensuring their appropriateness. The executive management also ensures that the general governance framework adopted as part of the activities of the company's departments are applied, and that its main principles are reflected in the policies and work procedures of those departments.

1. Approving the important objectives, strategies, plans and policies of the company, including:
 - The company's overall strategy and master business plans, reviewing and providing direction.
 - Performance objectives, implementation monitoring and overall performance in the company.
 - Organizational and functional structures in the company and conducting periodic review on them.
2. Approving the annual estimated budgets and approving the interim financial information and annual financial statements.
3. Ensure the extent of the company's commitment to the policies and procedures that ensure the company's adherence to the applicable internal system and regulations in place.
4. Ensuring the accuracy and integrity of the data and information that must be disclosed in accordance with the policies, systems and the transparency rules in place.
5. Establishing effective communication channels that allow the company's shareholders to be informed on a continuous and periodic basis about the various aspects of the company's activities and any material developments.
6. Establishing a governance system for the company, general supervision over it, and monitoring its effectiveness. Modify it if necessary.
7. Preparing an annual report to be read at the company's annual general assembly, including: Requirements and procedures for completing corporate governance rules and the extent of compliance with them.
8. The formation of a specialized committees that are confined to it according to a chart that clarifies the period of the committee and its validity and responsibilities, and how to monitor the committee's rights and obligations.
9. Determine the powers that are delegated to the executive management, decision-making procedures and the duration of delegation. The Council shall also determine the subjects on which it reserves the authority to decide.
10. Monitor and supervise the performance of members of the executive management, and ensure that they perform all the tasks entrusted to them.
11. Appoint or dismiss any member of the executive management, including the head of executive management or the like.
12. Develop a policy that regulates the relationship with stakeholders in order to preserve their rights.
13. Establish a mechanism to regulate transactions with related parties, in order to prevent conflicts of interest.
 - Follow up on the progress of the company's work and activities through periodic meetings with executive management and discuss the results of the company's work through a package of periodic reports.
 - Approve the company's interim financial information and annual financial statements.

Adequacy of Internal Control System

Elements of the company's internal control system:

1. Organizational structure

The company's organizational structure clearly defines responsibilities and delegates authority and structural relationships. It also embodies the company's strategy and investment structure. The CEO of the company is appointed by the Board, and the Board is keen to choose someone who possesses integrity, technical competence and experience in the company's field of work. The approval of the BOD must be obtained when appointing the other executive members of the company who will be under the supervision of the CEO of company. Adequate supervision will be in place to ensure that the executive management is performing within the framework of achieving the company's goals and objectives.

2. Delegated authority

The Board of Directors has authorized the executive management of the company to practically take over the day-to-day operations of the company, headed by the CEO through a written delegation of financial and operational authorities. All financial transactions that cannot be delegated to the executive management or the CEO and that require the approval of the Board have been clarified. The CEO is responsible to the Board to assume the full management and evaluation of the company's performance, and the CEO manages the company in accordance with the strategy and plans and policies approved by the Board.

3. Advanced information systems

The company depends on a set of developed systems that depend on global standards and contribute effectively to the internal control and provide accurate and transparent information.

4. Internal Control Procedures

Internal control procedures include internal control, accounting and the company's internal control system, and are applied periodically. Procedures have been put in place to enable employees to contact the Chairman of the Board of Directors to report a problem and understand the possibility of a violation. Emphasis on providing protection to whistleblowers in a way that gives them sufficient reassurance that they will not be subjected to any threats or sanctions, even if these claims turn unwarranted.

5. Internal control documentation system

All documents related to the internal control system are saved and classified to be used in employee training and examination procedures and tests aimed at ensuring the efficiency and effectiveness of the system. All detailed job descriptions have been prepared for all jobs in the company.

6. Availability of necessary competencies for employees

The company sought to provide the best competencies at the local level to carry out the implementation of internal control procedures efficiently and effectively

Internal Audit Activity

The internal audit activity structurally falls under the Board's Audit Committee, which has been outsourced. The party in charge confirms the integrity of internal control procedures that target the full operation of the company including safeguarding of its property, and ensuring the validity and accuracy of the financial data in accordance to accounting standards and compliance with applicable laws and regulations including internal policies and rules. Internal audit also assists the company in achieving its objectives by implementing a system aimed at improving risk control elements, enforcing internal control procedures and strengthening the company's governance system. All internal audit reports are submitted to the Board's Audit Committee.

Audit of internal information systems by an independent third party

The evaluation of internal control systems is reviewed annually by a specialized and independent consulting firm. The Internal Control Systems Audit and Evaluation Report includes:

- Control and supervision of efficiency and effectiveness of the internal control systems that are required to protect the assets of the company and the health of financial data and the efficiency of its operations with its administrative, financial and accounting aspects
- Comparing the company's risk factors and existing systems to evaluate the efficiency of the operations of the company's daily activities, and facing unexpected changes in the market.
- Evaluating the performance of executive management in implementing internal control systems.
- The causes of the failure to apply the internal oversight or the weak person in its application or the emergency cases that have influenced or led the financial performance of the company, and the procedure that the company followed in treating the failure to apply the internal control system

An independent audit office was commissioned to evaluate and review the internal audit function as well prepare the internal control review report.

MANAGEMENT

Board of Directors:

The Board is made up of four elected members. Each is elected during a shareholders' general assembly meeting for a period of three years, renewable, and the Board convenes at least six times every year and at least once per quarter in accordance with Kuwait's commercial law requirements.

The Board of Directors has overall responsibility for the Company, including setting, overseeing and monitoring of the implementation of the Company's strategic objectives, risk strategy, and corporate governance. The Board is also responsible for providing oversight of executive management. Shareholders elect the Board to oversee management and to assure that the long-term interests of shareholders are advanced responsibly.

The Chief Executive Officer (CEO) will be appointed by the Board of Directors for the management of the Company. The roles of the CEO and Chairman of the Board of Directors are independent with clearly defined responsibilities.

The table below shows the names of the members of Board of Directors as of the date of this Prospectus:

No	Name	Position
1	Saleh Saleh Al-Selmi	Chairman
2	Dr. Sulaiman Tareq Al-Abduljader	Vice Chairman
3	Laila Abdulkarim Al-Ibrahim	Board Member
4	Abdullah Abdul-Razzaq Al-Asfour	Board Member
5	Waleed Ahmad Al Wazzan	Board Member

I. Saleh Saleh Al-Selmi

Chairman

Member of the Board Nomination and Remuneration committee

Date of appointment:

Chairman – May 2024 – Present

Board Member – 2002 - Present

Experience:

- 40 years experience in the financial advisory services sectors and asset management.
- Formerly Deputy director of domestic investment for Securities Group Kuwait.
- Formerly Director-General of Investment Assistant for Kuwait International Investment Company.
- Formerly Board Member for Jeezan International Company – Currently after merged Arzan Financial Group.
- Formerly Board Member for Kuwait Real Estate Company.
- Formerly Board Member for Gulf Bank.
- Formerly Chairman & CEO for International Resort Company.
- Formerly Chairman for International Investment Projects company - currently Al-Deera Holding Company.
- Formerly Chairman for IFA Aviation.
- Formerly Chairman for Kuwait Holding Company.
- Formerly Chairman & CEO for Kuwait Invest Company – currently after merged Arzan Financial Group.
- Formerly Vice Chairman for Kuwait Insurance Federation (KIF).
- Formerly Chairman for First Takaful Insurance Company
- Chairman and Board Member for International Financial Advisors Holding (IFA).

II. Dr. Sulaiman Tareq Al-Abduljader

Vice Chairman

Member of the Board Audit Committee

Member of the Board Nomination and Remuneration committee

Date of appointment:

Vice Chairman – May 2024 – Present

Board Member – May 2024 - Present

Current Roles:

- Vice Chairman and CEO of Sanam Real Estate Company;

Experience:

- Member of the Board of Directors of Arzan Financial Group.
- Member of the Board of Directors of Active Holding Company,
- Former Vice Chairman of the Board of Directors of Aqar Real Estate Investment Company.
- Member of the Board of Directors of Al Mal Investment Company and Chairman of the Internal Audit Committee.
- Vice President for Corporate Finance and Investment Services at Al Sahel Development and Investment Company.
- Former assistant professor in economics and finance at the Gulf University for Science and Technology.

III. Laila Abdulkarim Al-Ibrahim

Board member

Chairman of Board Risk Committee

Chairman of Board Audit Committee

Date of appointment:

22nd June 2020

Current Roles:

- CEO of AIM International Consulting

Experience:

- 30 years' experience in the investment sector
- Board Member of International Financial Advisors
- Board Member of International Resorts Company
- Board member of Kuwait International Investment Company
- Chairman and Executive Director of Financial Group of Kuwait Holding Company
- Formerly Chairman & Managing Director of International Resorts Company
- Formerly Chairman & Board Member of International Finance Company
- Formerly Chairman of International Investment Projects Company

IV. Abdullah Abdul-Razzaq Al-Asfour

Board member

Member of the Board Risk Committee

Member of the Board Audit Committee

Member of the Board Nomination and Remuneration committee

Date of appointment:

30th December 2020

Experience:

- Former senior accountant in the Ministry of Social Affairs and Labor
- Former Financial Director in Kuwait Real Estate Company
- Former Deputy Director General for Financial and Administrative Affairs in Al-Safat Food Supplies Company
- Former member of the Board of Directors and Treasurer of the Al-Daiya Cooperative Society
- Former member of the Board of Directors of the Kuwait Industrial Marble Production Company
- Former member of the Board of Directors of Ghazal Express Company
- Former member of the Board of Directors of Lala' Al-Kuwait Real Estate Company
- Former chairman of the Board of Directors of the Kuwaiti Company for the Production of Industrial Marble
- Former member of the Board of Directors of the Pearl Real Estate Company
- Former chairman of the Board of Directors and Managing Director of the International Financial Brokerage Company
- Former member of the Board of Directors of Jizan Real Estate Company
- Former member of the Board of Directors of the International Resorts Company

V. Waleed Ahmad Al Wazzan

Board member

Member of the Board Risk Committee

Member of the Board Risk Committee

Date of appointment:

Board Member - from 2024 - present

Experience:

- Formerly worked in the Ministry of Transportation.
- Formerly worked at Kuwait Airways.
- Formerly worked in the Touristic Enterprises Company.
- Formerly worked at the Kuwait Real Estate Company as head of the Public Relations and Government Services Department.
- Formerly worked at Al-Aqdain Kuwait Real Estate Development Company.

Shareholding of Directors:

The number and percentage of the shares owned by each member of the Company's Board of Directors as at 24/06/2024 are as follows:

No.	Name	Total
1	Laila Abdul Karim Al-Ibrahim	18
2	Saleh Saleh Al-Selmi	178,579
3	Abdullah Abdul-Razzaq Al-Asfour	200,389

Director remuneration:

KD'000	2021	2022	2023
Directors' remuneration - Cash	-	50,000	30,000
Directors' remuneration - In-Kind	4,330	4,330	4,400
Total Directors' remuneration	4,330	54,330	34,400

As 31 December 2023, the total Directors' remuneration is KD 30,000.

The estimated value of the total Directors' remuneration for financial year 2023 is KD 30,000, which is based on the Board Effectiveness Assessment's Result, market standards and the Board Nomination and Remuneration Committee (BNRC) recommendation. These are estimated expectations for the current year and subject to change according to the development of circumstances during the fiscal year.

Board confirmation of financials:

The financial results for years ending 31 December 2023, 31 December 2022, and 31 December 2021 have been audited and approved by the Company's Board of Directors on 29th May 2024, 30th March 2023, 31st March 2022 respectively. The Company's Board of Directors have been obligated to present the financial results of the Company in accordance with the Companies Law No. 1 of 2016 and its subsequent amendments, and the Board of Directors accepts such responsibility.

Executive Management:

The Executive Management is responsible to ensure that the Company's activities are in line with the approved corporate strategy, risk appetite and policies approved by the Company's Board. The Executive Management team is appointed by the Board to carry out their respective roles in running the operations of the Company. This includes the CEO, his deputies, assistants and any other persons who may be considered key to the successful running of the Company.

Name	Position	Years of Experience with the Work Company	Experience other than the Company
Ali Mostafa Al Hatti	Board Secretary and Executive Vice President – Finance	14 Years	12 Years

1. Ali Mostafa El-Hati

- Executive Vice President – Finance
- Board Secretary

Mr. Ali Al-Hati holds the position of Executive Vice President - Finance. He joined IFA in January 2010 as Vice President - Finance.

He holds a Bachelor's degree in Commerce, Accounting Department, from Alexandria University - Egypt in 1997. He also obtained a certificate from the Egyptian Society of Accountants and Auditors in 2004, in addition to being a chartered accountant.

Mr. Ali Al-Hati has long experience in the field of accounting and financial investments.

Before joining the work team at IFA, Mr. Ali Al-Hati held multiple diverse positions with major international companies, including KPMG and PricewaterhouseCoopers.

He was appointed as the Board Secretary on 22/06/2016.

Chief Executive Officer

Mr. Saleh Saleh Al-Selmi holds the position of CEO from 01/06/2019 until 29/05/2024, which is the date of the company's ordinary and extraordinary general assembly.

CAPITALIZATION AND BORROWINGS

The following table shows the liabilities and shareholders' equity of the Company, in addition to post-Offering figures. The financial information as of December 31, 2023 have been extracted from the consolidated and audited financials of the Issuer as of December 31, 2023:

Equity			
KD mn	Dec-23	Bonus issue	Post Capital Increase issuance (unaudited)
Share capital	27	30	48
Issue premium	0	0	9
Treasury shares	(33)	(33)	(33)
Statuary and voluntary reserves	35	35	35
Fair value reserve	16	16	16
Foreign currency translation reserve	(1)	(1)	(1)
Reserve for financial derivatives	10	10	10
Retained earnings	9	6	6
Non-controlling interest	5	5	5
Total equity	68	68	95
Payables and other liabilities	11	11	11
Due to related parties	7	7	7
Due to bank	-	-	-
Borrowings	27	27	7
Total liabilities	45	45	25
Total liabilities and equity	113	113	120

Affirmation of Paid-Up Capital:

As of 31st December 2023, the Company has an issued and paid-up share capital of KD 26,673,255 comprising of 266,732,550 shares of KD 0.100 each.

Related parties:

The Ordinary General Assembly held on 29/05/2024 approved a report on the transactions with related parties that have occurred and will occur.

Dividends for previous years:

The company did not announce any dividends the past five years prior to submitting the request to approve the prospectus.

Number and details of any securities previously issued by the issuer:

The Company issued Bonus Shares amounting to 33,341,568 ordinary shares on 19/06/2024, which is the date of entry in the commercial registry.

SELECTED FINANCIAL INFORMATION

The following information has been extracted from, and should be read in conjunction with, and is qualified in its entirety by reference to, the company's consolidated Financial Statements.

Consolidated Statement of Financial Position Data

The table below shows the Company's consolidated statement of financial position data as at 31 December in each of 2021, 2022 and 2023.

Statement of financial position			
KD 000	FY2021 (A)*	FY2022 (A)	FY2023 (A)
Assets			
Cash and cash equivalents	390	991	1,972
Assets held for sale	-	544	176
Investments at fair value through profit or loss	258	1,003	256
Accounts receivable and other assets	4,688	3,414	3,046
Due from related parties	19,416	19,257	24,503
Investments at fair value through other comprehensive income	20,559	16,720	24,668
Investment properties	5,319	4,250	5,045
Investment in associate companies and joint venture companies	35,368	43,469	53,287
hardw are	7	3	10
Total assets	86,006	89,649	112,962
Liabilities and Equity			
Liabilities			
Accounts payable and other liabilities	13,848	13,800	10,981
Due to related parties	6,406	5,456	6,526
Due to banks	242	242	-
Loans	28,369	28,618	27,088
Total liabilities	48,865	48,115	44,594
Equity			
Share capital	26,673	26,673	26,673
Treasury shares	(32,757)	(32,757)	(32,757)
Statutory and Voluntary reserve	32,757	32,757	35,296
Fair value reserve	9,156	5,617	15,970
Foreign currency translation reserve	(2,090)	(1,207)	(1,463)
Financial derivatives reserve	3,254	10,348	10,234
Retained earnings / (accumulated losses)	(3,990)	(4,442)	9,471
Total equity attributable to shareholders of the parent company	33,003	36,989	63,423
Non-controlling interests	4,138	4,545	4,945
Total equity	37,141	41,534	68,368
Total liabilities and equity	86,006	89,649	112,962

*(A): audited

Consolidated Statement of Profit and loss

The table below shows the Group's consolidated statement of profit or loss data for the years ended 31 December in each of 2021, 2022 and 2023.

Statement of Income			
KD'000	FY2021 (A)	FY2022 (A)	FY2023 (A)
Income			
Change in the fair value of investments through profit or loss	55	744	564
Share of the results of subsidiaries and joint ventures	939	3,388	8,831
Lease income	107	29	89
Loss from disposal of assets held for sale	-	-	48
Profit from dividends	-	259	413
Foreign currency exchange loss	-	(50)	(28)
Change in the fair value of investment properties	145	(19)	(8)
Other gains and losses	(1)	693	9,367
Other income	286	283	70
Gross income	1,531	5,326	19,347
Expenses			
Staff costs	(352)	(307)	(314)
Other operational expenses and charges	(805)	(879)	(1,255)
Impairment in investment in subsidiaries	-	(1,339)	-
Financing costs	(599)	(1,419)	(996)
Total expenses	(1,756)	(3,944)	(2,565)
Profit for the period before NLST and zakat	725	1,381	16,782
Taxes	(22)	(51)	(364)
Profit for the period	703	1,330	16,418

RISK FACTORS

Prior to investing in any Issue Shares, prospective investors should carefully consider, together with all other information contained in this Prospectus, the risk factors described below. The Issuer believes that the factors described below represent the principal risks inherent in investing in the Issue Shares but these risk factors are not exhaustive and other considerations, including some which may not be presently known to the Company or which the Issuer currently deems to be immaterial, may impact on any investment in the Issue Shares.

Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision.

Factors that may have a material adverse effect on the Company's business, results of operations, financial condition and prospects

RISK RELATING TO THE COMPANY

The Company believes that the following factors may affect the performance of subscribers' investment in the Issue Shares. All of these factors are contingencies which may or may not occur and the Company is not in a position to express a view on the likelihood of any such contingency occurring.

Factors which the Company believes may be material for the purpose of assessing the market risks associated with the Capital Increase are also described below.

The Company mainly operates in the GCC and other Middle Eastern countries and is exposed to foreign currency risk arising from various foreign currency exposures, primarily with respect to UAE Dirham, Euro and US Dollar. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations.

To mitigate the Group's exposure to foreign currency risk, non-Kuwaiti Dinar cash flows are monitored and forward exchanged contracts are entered into in accordance with the Group's risk management policies. Generally, the Group's risk management procedures distinguish short-term foreign currency cash flows (due within twelve months) from longer-term cash flows. Where the amounts to be paid and received in specific currency are expected to largely offset one another, no further hedging activity is undertaken. Forward foreign contracts are mainly entered into for significant long-term foreign currency exposures that are not expected to be offset by other foreign currency transactions. Although not unique to the region, Kuwait, the GCC region and surrounding countries are exposed to specific risks that may have a material impact on the business carried out by the Issuer, its operating results and its financial condition.

The Group had the following significant exposures denominated in foreign currencies, translated into Kuwaiti Dinar at the closing rate at year end:

	31 Dec.2023	31 Dec. 2022
	KD	KD
Euro	17,706	16,960
US Dollar	(20,942,858)	(20,618,920)
UAE Dirhams	14,582,148	14,562,941

RISKS RELATING TO THE REGION IN WHICH THE COMPANY OPERATES

Political and economic risks associated with investments, especially in developing markets

The operations and activities of the subsidiaries and associates of the Company are concentrated within Kuwait, the GCC, MENA, South Africa, USA and Europe. Therefore, the operations of the Company and its subsidiaries are exposed to geopolitical risks associated with such countries and regions, which may consequently affect its performance. The Company and its subsidiaries and associates are particularly exposed to the negative changes affecting the economic conditions in markets it is invested in, as well as the political developments of those countries and its interconnectedness with global financial markets.

The economies of GCC countries are highly reliant on oil export income and are therefore potentially exposed to turbulent oil prices. Moreover, any deterioration in the economic stability of GCC countries, as a result of falling oil and gas production or any related industry, can have a material adverse effect on the performance and results of the Company and its subsidiaries.

Moreover, investors must be aware that investment in developing countries, such as Kuwait, MENA region and South Africa, are exposed to significant risk compared to investment in developed markets, including in some cases but not limited to material legal, economic and political risks.

The Company's financial position and results of operations could be adversely affected by risks associated with financial markets

The Company and its subsidiaries' financial condition and results of operations could be adversely affected by risks inherent in financial markets that are outside its control, including, without limitation, volatility in interest rates, prices of securities and currency exchange rates. The Company and its subsidiaries maintain portfolios of financial and real estate investment, such as financial assets held at fair value through profit or loss, as well as real estate investments, the Company's income from investment in financial and real estate assets depends on numerous factors beyond its control, such as overall market trading activity, interest rate levels, fluctuations in currency exchange rates and general market volatility. Further, the Company is exposed to the risk of fluctuations in interest rates and the financial obligations arising from its activities, The global economy is witnessing a rise in inflation as a result of the implications of COVID-19, primarily of which has resulted in significant complications to global supply chains.

A main segment of the Company and its subsidiaries' and associates; income are derived from returns on its investment portfolios. Any fluctuations in regional and global markets can impact the performance of investment portfolios that the Company and the subsidiaries and associates invest in, and that could lead the Company to decrease their holdings.

Moreover, the weakness of the Kuwaiti Dinar against the US Dollar may have a negative impact on the Company's ability to repay the nominal amount and interest on loans in currencies other than the Kuwaiti Dinar. The Company is exposed to risks that may result from a change in foreign exchange rate policies imposed by the Central Bank of Kuwait. A volatile fluctuation in the value of the Kuwaiti Dinar against the US dollar may have a significant impact on profits.

There are no guarantees that the Company will be successfully able to circumvent any future adverse effects that may occur as a result of changes in interest rates or volatility in foreign exchange rates, which could lead to a material impact on the Company's business, financial position, results of operations and future prospects.

Kuwait's economy and government revenues are significantly impacted by, and are dependent upon, international oil prices

The oil sector is the principal contributor to Kuwait's economy and oil revenues account for the majority of the Kuwaiti Government's total revenues and export earnings. According to the CSB, the oil sector accounted for 42.2%, 39.9%, 29.4%, 39.5%, 49.5% and 43.6% of Kuwait's nominal GDP in 2018, 2019, 2020, 2021, 2022 and 9M2023 respectively. The oil sector continues to be the main contributor to Kuwait's annual revenues, accounting for 92.7% of total Government revenues for the fiscal year ended 2023, according to the Ministry of Finance. Accordingly, Kuwait's economy is significantly impacted by, and is dependent upon, international oil prices.

In general, international prices for crude oil are affected by many factors over which the Company has no control, including:

- economic and political developments in oil-producing regions, particularly in the Middle East (see "Kuwait is located in a region that has been subject to ongoing political and security concerns" below) as well as globally;
- global and regional supply and demand, and expectations regarding future supply and demand, for oil products, including the price and availability of new technologies such as renewable energy and unconventional oil and gas extraction methods;
- the ability of members of OPEC and other crude oil producing nations to agree upon and maintain specified global production levels and prices;
- the impact of local and international environmental regulations designed to reduce carbon emissions and/or climate change;
- other actions taken by major crude oil producing or consuming countries; and the attitude and sentiments of and actions by consumers generally globally towards products derived from or based on oil;
- prices and availability of alternative fuels as well as prices and availability of new technologies using alternative fuels; and
- global weather and environmental conditions.

There can be no assurance that these factors, in combination with others, will not result in a future decline (which may be prolonged) in oil prices, which may have an adverse effect on the Kuwaiti economy which, in turn, could have a material adverse effect on the Company's business, financial condition and results of operations and thereby affect the performance of the Company's shares.

Kuwait is located in a region that has been subject to ongoing political and security concerns

Majority of the Company's current operations and interests are located in Kuwait. The Company's results of operations are, and will continue to be, generally affected by financial, economic and political developments in or affecting Kuwait, in particular, by the level of economic activity in the region which, in turn, is affected by the prevailing level of global crude oil prices. It is not possible to predict the occurrence of events or circumstances, such as war or hostilities, or the impact of such occurrences, and no assurance can be given that the Company would be able to sustain the operation of its business if adverse political events or circumstances were to occur. A general downturn or instability in certain sectors of the Kuwaiti or the regional economy could have an adverse effect on the Company's business, results of operations and financial condition.

Although Kuwait generally enjoys domestic political stability and healthy international relations, it is located in a region that is strategically important and parts of this region have experienced regional geopolitical instability, for example the 1990 invasion of Kuwait by Iraqi forces, 2011 "Arab Spring", which gave rise to several instances of regime change and increased political uncertainty in the MENA region, and the multinational conflict with the Islamic State of Iraq and the Levant ("ISIL"), also known as Daesh or ISIS founded in 2013. These situations have caused significant disruption to the economies of the affected countries and have had a destabilizing effect on international oil and gas prices.

Tax changes in Kuwait may have an adverse effect on the Company

As at the date of this Prospectus, the Company is not currently subject to corporation tax on its earnings within Kuwait and Kuwait does not impose value-added tax ("VAT") on the sale of goods and services. However, investors should be aware that certain GCC states, not including Kuwait, have recently implemented VAT on goods and services as part of a GCC-wide VAT framework.. In addition, the Kuwaiti Government is implementing fiscal reforms which may include introducing a proposed 10% corporate income tax in the future.

It is possible that, once VAT is introduced in Kuwait, the Company's costs would increase and its future profitability could be negatively affected. In addition, the proposed imposition of a tax on corporate earnings, if implemented and applied to the Company's operations, would reduce its profits available for distribution to shareholders through dividends.

Kuwait may introduce corporate income tax

The Company is not currently subject to corporation tax on its earnings within Kuwait. However, on 14 March 2016 the Kuwait Cabinet of Ministers approved plans to implement a corporate tax of 15% on the annual taxable of Kuwaiti incorporated entities (the "Proposed Corporate Income Tax"), which may be applicable to the Company for future financial years. As at the date of this Prospectus, the Proposed Corporate Income Tax does not have the force of law until such time as it has been ratified by the Kuwaiti Parliament, signed by the Emir and published in the Official Gazette. It is currently uncertain as to whether the Proposed Corporate Income Tax will be promulgated into law in the form in which it has been proposed by the Cabinet of Ministers, or at all. If the Kuwaiti authorities impose new tax regimes on the Company (whether in the form of the Proposed Corporate Income Tax or otherwise), or introduce any other changes in tax laws which make doing business in Kuwait less attractive, this may have a material adverse effect on the Company's business, results of operations, cash flows and financial condition.

The Kuwait legal system continues to develop and this may create an uncertain environment for investment and business activity

Kuwait is in the process of developing governing institutions and legal and regulatory systems, which are not yet as firmly established as they are in Western Europe and the United States. Kuwait (together with other countries in the GCC region) has enacted measures to promote greater efficiency and certainty within its legal and regulatory systems. Among those measures, Kuwait and countries within the GCC region have assumed obligations under the General Agreement on Tariffs and Trade (the "GATT") (as administered by the World Trade Organization (the "WTO")) and Kuwait has enacted legislation, inter alia, to extend foreign ownership of businesses. However, Kuwait may experience changes in its economy and government policies (including, without limitation, policies relating to the continued extension of the rights of foreign ownership pursuant to Kuwait's GATT/WTO obligations) that may affect the rights of shareholders.

The legal system in Kuwait may not provide the same degree of protection or require the levels of disclosure of information that would be the case in Western Europe or the United States. Any unexpected changes in the legal systems in Kuwait may have a material adverse effect on the rights of the shareholders or the investments that the Company has made or may make in the future, which may in turn have a material adverse effect on the Company's business, financial condition and results of operations.

Investing in securities involving emerging markets countries, such as Kuwait, generally involves a higher degree of risk than investments in securities of issuers from more developed countries

Investing in securities involving emerging markets countries, such as Kuwait, generally involves a higher degree of risk than investments in securities of issuers from more developed countries. In the case of Kuwait, these higher risks include those discussed in this section as well as higher volatility and limited liquidity in its markets, a heightened risk of sudden changes in the legal, economic and political environment, instability in neighboring countries, a heightened risk of business dealings in

jurisdictions with operating risks relating to fraud, bribery and corruption and lack of adequate infrastructure necessary to accelerate economic growth.

Additionally, emerging markets may be particularly susceptible to disruptions in the capital markets and the reduced availability of credit, or the increased cost of debt, which could result in their experiencing financial difficulty. No assurance can be given that this will not be the case in the future for Kuwait.

As a consequence, an investment in the Issue Shares carries risks that are not typically associated with investing in shares issued by issuers in markets which are more mature. Accordingly, prospective investors should exercise particular care in evaluating the risks involved and must decide for themselves whether, in light of those risks, their investment is appropriate. Generally, investment in emerging markets is suitable only for sophisticated investors who fully appreciate the significance of the risks involved.

FACTORS WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE RISK ASSOCIATED WITH THE ISSUE SHARES

RISKS RELATED TO THE ISSUE SHARES

Suitability of investment

Each prospective subscriber to the Issue Shares must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the share, the merits and risks of investing in the shares, and the information contained in this Prospectus;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the shares and the impact the shares will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of risks of an investment in the shares, including where the currency for principal and interest payments is different from the potential investor's currency;
- understand thoroughly the terms of the shares and be familiar with the behavior of any relevant financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic and other factors that may affect its investment and its ability to bear the applicable risks.

Liquidity and volatility in the Share price

Subscribers may not be able to resell their Shares (including the Issue Shares) at or above the Issue Price, or at all, as the market price of the Shares after the Offering may be adversely affected by factors within and outside the Issuer's control, including, but not limited to, variations in the Issuer's results of operations, market conditions, or changes in Government regulations.

Subscribers should be aware that the value of an investment in the Shares (including the Issue Shares) may go down as well as up. The market price of the Issue Shares could be volatile and subject to significant fluctuations due to a change in sentiment in the market regarding the Issue Shares. Stock markets have, from time to time, experienced significant price and volume fluctuations that have affected market prices for securities and which may be unrelated to the Issuer's performance or prospects. Furthermore, the Issuer's operating results and prospects from time to time may be below the expectation of market analysts and the market generally. Any of these events could result in a decline in the market price of the Shares.

Dividend payments

The Shareholders will be entitled to receive any dividends declared by the Issuer in the future. The Issuer intends to maintain a dividend payout which has due regard to sustainable levels of dividend distribution and which reflects the Issuer's view on the outlook for sustainable recurring earnings. The Issuer does not aim to create reserves that are not available for distribution to Shareholders other than those required by law. The Issuer intends to pay dividends when the Board of Directors considers it appropriate and after obtaining required approvals. Furthermore, the dividend policy of the Issuer may change from time to time.

Dilution of existing shareholdings

If Eligible Shareholders do not take up their rights by the latest date for receipt of applications and payments in full that are set out in this Prospectus, their proportionate ownership and voting interests in the Issuer will be reduced and the percentage that their Issue Shares represent in the share capital of the Issuer immediately following the Offering will be reduced accordingly. In addition, Eligible Shareholders as at the Record Date who take up their rights in full may suffer some dilution of their interest in the Issuer as their entitlement will be rounded down to the nearest whole number of Issue Shares. Such Shareholders may, in the event of availability of unsubscribed Issue Shares, be able to subscribe for Additional Issue Shares, which may enable them to maintain or increase their proportionate interest in the Issuer.

Taxation risks on payments

The application and enforcement of the Kuwaiti income tax regime is uncertain, and holders of the Issue Shares which are “non-GCC corporate entities” may become subject to the Kuwaiti income tax regime in certain limited circumstances.

The application and enforcement of the Kuwaiti income tax regime to holders of the Issue Shares which are “non-GCC corporate entities” (as defined in “Taxation”) is uncertain. There is a possibility that any holder of the Issue Shares which is a non-GCC corporate entity may become subject to the Kuwaiti income tax regime in the future, should the Department of Income Tax (the “DIT”) at the Kuwaiti Ministry of Finance and/or the Kuwaiti courts determine that the income received by a holder of the Issue Shares in respect of any Issue Shares is taxable notwithstanding the Tax Exemptions (as defined and explained in “Taxation”)

To date there has been no official statement made publicly by the DIT regarding its interpretation of, and/ or application of, the Tax Exemptions in the context of a transaction such as the issue of the Issue Shares. Similarly, the Kuwaiti courts (who will be the final arbiters on the matter) have not been required to interpret such requirement to date. Although there has been no precedent of the DIT enforcing the imposition of income tax on non-GCC corporate entity shareholders in the circumstances described above, it is not possible to state definitively how the DIT and/or the Kuwaiti courts may implement or enforce the Taxation Laws (as defined in “Taxation”) and the Tax Exemption in practice. Furthermore, the DIT has to date not always adopted consistent rulings on Kuwaiti tax matters more generally.

If the DIT and/or the Kuwaiti courts were to determine that the income received by a holder of Issue Shares which is a non-GCC corporate entity in respect of any Issue Shares held by it is taxable, then such non-GCC corporate entity would become subject to the Kuwaiti income tax regime, which requires income tax (at a rate of 15 per cent.) to be levied on the net income and possibly capital gains of such non-GCC corporate entities, and imposes certain disclosure and reporting obligations on persons subject to such regime (which would include an obligation to file a tax return in Kuwait). In addition, a deduction of five per cent. of the amount of any payments made by the Issuer directly to the holders of the Issue Shares may be applied in certain circumstances, pending resolution of their tax position. See “Taxation” – Retention for further details.

Whilst the application and enforcement of the Kuwaiti income tax regime remains uncertain, there can be no assurance that holders of Issue Shares which are “non-GCC corporate entities” will not become subject to such regime in the circumstances described above. Prospective subscribers for the Issue Shares are advised to consult their tax advisers as to the consequences under Kuwaiti and other applicable tax laws of acquiring, holding and disposing of the Issue Shares and receiving payments under the Issue Shares. See “Taxation” for further details.

Change in Law

No assurance can be given as to the impact of any possible change to Kuwaiti law or to administrative practice after the date of the Prospectus, nor can any assurance be given as to whether any such change could adversely affect the ability of the Issuer to make payments and/or make deliveries under the Issue Shares, as applicable.

Risks Associated with Transfer of Pre-Emptive Rights

A shareholder who disposes of their pre-emptive right may be subject to reduction of percentage of the shareholding they previously held prior to the commencement of subscription in the offering shares in addition to the consequences the alienator may face as regards the change in the value of his current shares if they remain a shareholder.

Eligible Shareholders who do not Subscribe to the Issue Shares

Eligible Shareholders who do not subscribe to the Issue Shares shall be subject to a reduction in the proportion of their equity in the Issuer as well as a reduction in the value of their Issued Shares. Owners of Transferred Pre-emption Rights who do not exercise their right to subscribe to the Issue Shares prescribed for these rights, shall waive the price paid by them in exchange for these rights without having the right of any recourse against the Company, the Subscription Agent, or the Clearing and Depository Agent for any claim or compensation.

Owners of Transferred Pre-emption Rights in the case of Retraction of Capital Increase

In the event of retracting the capital increase, the Owners of Transferred Pre-emption Rights will not be able to exercise their right to subscribe to the Issue Shares, which will lead to the loss of the price that the Owners of Transferred Pre-emption Rights paid for the Pre-emptive Right without having the right of any recourse against the Company, the Subscription Agent, or the Clearing and Depository Agent for any claim or compensation.

TAXATION

The following is a summary description of certain Kuwaiti tax considerations relating to the Issue Shares. It does not purport to be a complete analysis of all tax considerations relating to the Issue Shares, whether in Kuwait or elsewhere. Prospective subscribers of Issue Shares should consult their tax advisers as to the consequences under the tax laws of the country in which they are resident for tax purposes and the tax laws of Kuwait of acquiring, holding and disposing of Issue Shares and receiving payments under the Issue Shares and the consequences of such actions under the tax laws of the State of Kuwait. This summary is based upon the law as in effect on the date of this Prospectus and is subject to any change in law that may take effect after such date.

This summary of taxation in Kuwait is based on the Kuwait Income Tax Decree No. 3 of 1955 (the Decree), as amended by Law No. 2 of 2008 “Amending Certain Provisions of Kuwait Income Tax Decree No. 3 of 1955” (the “**Amendment**”), the Executive Bylaws of the Amendment (the “**Regulations**”), and various ministerial resolutions and circulars relating thereto issued by the Ministry of Finance (the “**MOF**”) (together, the “**Taxation Laws**”) as interpreted and implemented by the MOF’s Department of Income Tax (“**DIT**”) as at the date of this Prospectus. Any subsequent changes in either the Taxation Laws or the interpretation or implementation of the same by the DIT would alter and affect this summary.

Income Tax

Under the Taxation Laws, income tax (at a flat rate of 15 per cent.) is levied on, inter alia, the net income and capital gains realized by any corporate entity (interpreted by the DIT to mean any form of company or partnership), wherever incorporated, that conducts business in Kuwait. However, the DIT to date has granted a concession to such corporate entities incorporated in Kuwait or in any other GCC country (being referred to in this Prospectus as GCC corporate entities) and has only imposed income tax on corporate entities which are not GCC corporate entities (being referred to in this Prospectus as non-GCC corporate entities) which, for the avoidance of doubt, includes shareholders of GCC corporate entities which are themselves non-GCC corporate entities, in each case, conducting business in Kuwait. The following paragraphs in this section are therefore applicable only to non-GCC corporate entities.

Notwithstanding the above, the Article 8(1) of the Regulations have exempted capital gains from the trading of listed company shares on Bursa Kuwait (the “Capital Gain Exemption”) and the recently implemented Law No. 22 of 2015 amending Law No. 7 of 2010 (the “CMA Amendment”) provides that “yields of securities, bonds, finance sukuk and all other similar securities regardless of the Issuer thereof shall be exempted from tax” (Article 150 bis of the CMA Amendment) (the “Dividend Exemption”, and together with the Capital Gain Exemption, the “Tax Exemptions”). Although the Tax Exemptions are yet to be tested, they clearly provide for a tax exemption to the holders of securities such as, for example, the Issue Shares. Notwithstanding the foregoing, the application and enforcement of the Kuwaiti income tax regime remains uncertain, especially as a result of the lack of DIT and/or Kuwaiti court precedent referred to above and as a result of the fact that the DIT has to date not always adopted consistent rulings on Kuwaiti tax matters more generally. Accordingly, prospective investors in the Issue Shares are advised that there remains a possibility that any holder of Issue Shares which is a non-GCC corporate entity may become subject to the Kuwaiti income tax regime in the future (which would include an obligation to file an income tax return in Kuwait).

Individuals are not subject to any Kuwaiti income tax on their income or capital gains.

Zakat

The Company is obliged to pay 1% (one percent) of its net profits as zakat in accordance with Law No.46 of 2006 and Ministerial Resolution No.58 of 2007, and their amendments.

National Labor Support Tax

As a result of being a listed company on Bursa Kuwait, the Company is obliged to pay 2.5% (two and a half percent) of its net profits to the national Labor Support Program in accordance with Law No.19 of 2000 and the Minister of Finance Resolution No.24 of 2006.

Kuwait Foundation for the Advancement of Sciences

The contribution to KFAS is calculated at 1% of taxable profit of the Parent Company in accordance with the modified calculation based on the Foundation's Board of Directors' resolution, which states that income from associates and subsidiaries, Board of Directors' remuneration, transfer to statutory reserve should be excluded from profit for the year when determining the contribution.

Retention

Under the Regulations, a Kuwaiti-based party making such a payment (being referred to in this section as the payer) to any other party (being referred to in this section as the payee), wherever incorporated, is obliged to deduct five per cent of the amount of each such payment until such time as the DIT issues a tax clearance certificate approving the release of such amount. The payer is not required to transfer the deducted amount to the DIT immediately, but instead retains such amount and releases it either (i)

to the payee upon presentation to the payer by such payee of a tax clearance certificate from the DIT confirming that the payee is not subject to or is exempt from income tax, or has realized a loss, or has paid or guaranteed the payment of its income tax; or (ii) in the absence of such a tax clearance certificate, to the DIT, on demand. According to a literal interpretation of the Regulations, payments which are subject to a deduction as described above would include dividend payments.

Although payments made by the Issuer would likely not be subject to retention because of the Tax Exemptions, there is a lack of guidance on this issue currently from the DIT, and as such, there is a remote possibility that retention could apply, in the event of which, the Issuer would be required to deduct five per cent. from every payment made by it to the holders of Shares, which amount would be released by the Issuer upon presentation to it by the relevant holder of Shares of a tax clearance certificate from the DIT.

Other taxes

Save as described above, all payments in respect of the Issue Shares may be made without withholding, deduction or retention for, or on account of, present taxes, duties, assessments or governmental charges of whatsoever nature imposed or levied by or on behalf of Kuwait.

No stamp, registration or similar duties or taxes will be payable in Kuwait by holders of Issue Shares in connection with the issue or any transfer of the Issue Shares.

SECTOR OVERVIEW

REAL ESTATE SECTOR

Overview:

It is forecasted that the commercial real estate market in Kuwait will see a slow and gradual increase in rents in 2024. The main reason for this is the weak economic performance and the reliance on oil. The Kuwaiti economy will face a slowdown in 2023 and a slight recovery in 2024, as the OPEC+ production cuts and the high interest rates affect the market activity. However, in 2024 and beyond, the lower interest rates and the faster economic growth will boost the demand for commercial real estate. The main risk for the market is the oil dependence of Kuwait, which makes the country vulnerable to the fluctuations in the global oil prices.

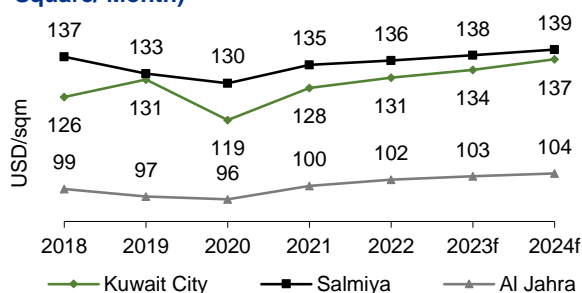
The retail market will have the highest rents in the commercial real estate market, as the high income of the Kuwaiti residents creates a strong demand for luxury goods. The capital, Kuwait City, has the highest retail rents, which are expected to reach USD 1,885 per sq m per month in 2024. Salmiya also has a high average rent, which is forecast to be almost USD 140 per sq m per month in 2024, due to its luxury retail market. The government's projects to build new cities and increase the housing supply will create more opportunities and capacity for the retail market in the medium to long term. The Silk City project will also add more premium retail space to the market.

The office market will see a growth in rents in 2023 and 2024, as the tertiary sector GVA will resume its growth in 2024, leading to more demand for office space. Kuwait City will remain the most expensive location for office space, with the average rent reaching USD 38.76 per sq m per month in 2024. The economic diversification will result in more office development and demand in the long run, as the government aims to make Kuwait a hub for finance, trade and logistics. The office market will also benefit from any easing of the foreign investment restrictions.

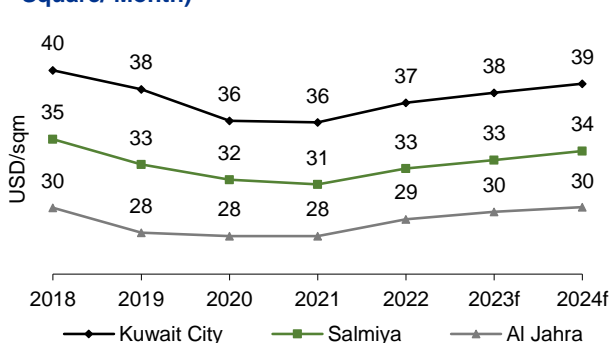
The industrial real estate market has been expanding, driven by the e-commerce sector. The limited supply will support the price increases in the short term. The capital has the highest rents for premium industrial property, which can reach USD 90.33, much higher than the premium office space and almost USD 20 more than in 2018, showing the strong demand for premium space. The industrial market will also grow in the medium to long term, as the government's plans to diversify the economy and develop the infrastructure, especially the rail network and the Silk City project, will increase both the supply and the demand for industrial space.

The investment interest in Kuwait is still low, but there has been some international interest in the prime retail space in the new and modern malls. The international interest will increase in the coming years, as the diversification efforts progress.

Retail Rental Rates, 2018-2024 (USD/Meter Square/ Month)



Office Rental Rates, 2018-2024 (USD/Meter Square/ Month)



Competitive Landscape:

Kuwait's commercial real estate market is dominated by local and regional firms, both in terms of development and property

ownership and management. Ownership restrictions currently limit foreign investment into the real estate market, but there are

expectations that this will change, and any loosening of restrictions or privatization efforts would make the market more attractive

to foreign investors.

As of September 2023 there were 32 real estate companies listed on Boursa Kuwait, and one real estate investment trust (REIT),

KFH Capital REIT. Commercial Real Estate Co, Kuwait Real Estate Co and Mabaneer are the only real estate businesses listed on the

premier market. There were two real estate funds listed, Awa'ed Real Estate Fund and Markaz Real Estate Fund.

INVESTMENT SECTOR

Overview:

Kuwait is home to a significant number of high-net-worth individuals, which creates strong demand for investment and asset management services in the country. Kuwait is also home to the KIA, one of the highest value sovereign wealth funds globally,

backed by extensive oil and gas revenues. The KIA is a major driver of economic growth and diversification plans.

In November 2023, Turkiye's minister of trade announced his government's intention to invest around USD5bn in Kuwait in a sign of strengthening ties between the two economies. In August 2023, the Arab Times reported that the Kuwait Investment Authority (KIA) had assets under management of USD 708bn, making it the second largest sovereign wealth fund in the world. In August 2023, Kuwait Financial Centre's Markaz announced the expansion of its Market Maker portfolio following the successful addition of three companies (Boubyan Petrochemical Company, Coast Investment & Development Co. and Kuwait Telecommunications Company). Markaz now covers 15 registered securities, a 50% increase from Q422, increasing the overall liquidity and depth of Kuwait's capital markets.

Competitive Landscape:

The Kuwaiti Asset Management sector is growing, and there are a number of key players in the market. The Kuwait Investment Authority, the country's sovereign wealth fund, reportedly has over USD750bn of assets under management (AuM).

In October 2023, Reuters reported that Kuwait's minister of finance had referred the Kuwait Investment Authority (KIA)'s London office to the public prosecutor over alleged irregularities in its operations there.

In July 2023, Kuwait plans to establish a new sovereign fund to develop its local economy, spearhead mega projects, and attract funds from foreign investors and the private sector, according to a government plan seen by Reuters. The government tasked the Ministry of Finance and the KIA with studying plans for the proposed fund, dubbed Ciyada, Arabic for sovereign, the document said.

KAMCO Investment Company is one of the leading asset management firms in Kuwait as well as in the wider Gulf Cooperation Council area. The company was founded in 1998. It describes itself as a regional leader in providing innovative products and services to clients, which allowed the firm to increase AuM to USD14.1bn as of the end 2022. In the first quarter of 2023, assets under management rose by 2.7% to USD14.2bn.

Markaz, also known as Kuwait Financial Centre, is another leading firm, with KD1.21bn (USD3.96bn) in AuM as of the end 2022.

During the past few years, Markaz has made a habit of outperforming the relevant benchmarks, forming a credible name in the process. The company was the first to introduce the options platform to the Middle Eastern region through issuing and selling call options on the Kuwait Stock Exchange.

Watani Investment Company (NBK Capital) is a subsidiary of National Bank of Kuwait. It was established in 2005 and offers award winning, best-in-class regional investment products. It has global AuM of USD 7.8bn.

The market has a number of other players as well, including National Investments Company and Wafra Investment Advisory Group;

however, all firms have been established within the last couple of decades. Therefore, the competitive landscape is still under development and the market is in its growth stage, with firms yet to expand into other assets under their management and increase the customer base in the country.

The government's policy changes and new investment initiatives, such as subsidy reduction and non-oil subsidy diversification, are likely to result in higher growth rates, benefiting the asset management industry.

Regulatory Environment:

The Capital Markets Authority (CMA) has regulated the asset management sector since 2010, issuing regulations and implementing initiatives to improve the transparency and fairness of the markets. These include regulations regarding corporate governance that were put in place in 2016.

In July 2023, the CMA issued a regulatory note banning the use of cryptocurrencies for payments. This was an attempt to remain in line with FATF anti-money laundering regulations.

Key Legislation:

Law No. 7 of 2010 Regarding the Establishment of the Capital Markets Authority and Regulating Securities Activities and its Amendments (as amended)

Module 11 of the Executive Bylaws of the Capital Markets Law[1] by its Resolution No 28 of 2022 ('Resolution No 28')

Additional regulations are set out by the Central Bank of Kuwait (CBK) including two issued in 2018: (1) instructions for the regulation of the electronic payment of funds (the 'Electronic Payment Regulation'); and (2) the regulatory sandbox framework (the 'Sandbox Framework'). In February 2022 CBK issued guidelines for the set up of digital banks in Kuwait (the 'Digital Banking Guidelines').

Industry Regulators:

The asset management industry is regulated by the Capital Markets Authority, founded in 2010, and the Central Bank of Kuwait, which began operations in 1969, after the law on its foundation was passed in 1968.

The CBK regulates Kuwaiti and foreign banks operating in Kuwait, as well as finance, investment, currency exchange, credit information and e-payment firms.

The CMA's objectives include to 'growth the capital markets, and diversify and develop investment instruments thereof in accordance with best international practice'.

GENERAL INFORMATION

The Company is a Kuwaiti Public Shareholding Company incorporated on 31st Jan 1974. The Public Company is listed on Boursa Kuwait and Dubai Financial Market.

Share Capital of the Company:

As of 31st December 2023, the Company has an issued and paid-up share capital of KD 26,673,255 comprising of 266,732,550 shares of KD 0.100 each.

Objectives of the Company:

- Management of the Company's subsidiaries or participation in management of other companies in which it holds ownership stakes and providing the necessary support thereto.
- Investing funds by way of trading in shares, bonds and other financial securities.
- Acquisition of properties and movables necessary to carry out the business activities as allowable by the law.
- Financing and extending loans to investee companies and providing guarantees for third parties, provided that the share of the holding company in the investee company is not less than 20%.
- Acquisition of industrial rights and related intellectual properties or any other industrial trademarks or royalties and other property related thereto, and renting such properties to the subsidiary companies and others whether inside Kuwait or abroad.
- Using cash surplus to invest in financial portfolios/ funds managed by specialized parties.

Management of the Company:

Management of the Company is entrusted to a Board of Directors comprised of five members elected by the shareholders general assembly of the Company. Members of the Board of Directors of the Company are appointed for a period of three years renewable. Upon the expiry of such period, the total Board of Directors shall stand again for election. Any member of the Board of Directors may be re-elected more than once.

The Chief Executive Officer (CEO) will be appointed by the Board of Directors for the management of the Company. The Board of Directors shall meet at least six times during the financial year of the Company.

The Board of Directors has overall responsibility for the Company, including setting, overseeing and monitoring of the implementation of the Company's strategic objectives, risk strategy, and corporate governance. The Board is also responsible for providing oversight of executive management. Shareholders elect the Board to oversee management and to assure that the long-term interests of shareholders are advanced responsibly.

Regulatory Authorities

The Kuwait Capital Markets Authority is the regulating authorities in charge of approvals for the issuance of the Issue Shares.

Change in Financial Position

Save as disclosed in this Prospectus, there has been no material adverse change in the financial position of the Company since 31st December 2023, the date of its latest audited financial statements.

Auditors

The Company has appointed Grant Thornton (Al-Qatami, Al-Aiban & Partners) as its auditors.

The Company's financial statements as at and for the years ended 31 December 2019, 31 December 2020, 31 December 2021, 31 December 2022 and 31 December 2023 have been audited by Grant Thornton (Al-Qatami, Al-Aiban & Partners).

Litigation

There are no legal cases of material impact.

Resolution of the General Assembly and Board of Directors

The Board of Directors of the Parent company issuance of the Issue Shares was authorized by resolutions of the Shareholders Assembly of the Company passed on 29 May 2024.

Official Consent

Approval has been granted for the Company to issue the Shares by the by the Kuwait Capital Markets Authority on 30 April 2024.

Clearance

The clearing of the shares transaction shall be completed through the Kuwait Clearing Company K.S.C.

Control/Supervision of the Company

The Issuer is a Company incorporated in the State of Kuwait pursuant to the Companies Law No. 1 of 2016, as amended and its Executive Regulations. The Company is subject to the control/supervision of the CMA and Ministry of Commerce and Industry in Kuwait, Boursa Kuwait and Dubai Financial Market.

ARTICLES OF ASSOCIATION AND MEMORANDUM OF ASSOCIATION

Please visit link below:

<https://www.dropbox.com/scl/fi/yywusux0c2nxvw209ltuy/.pdf?rlkey=chrugdt014dt5p4zsst0gy7bs&st=ye81yxlr&dl=0>

FINANCIAL STATEMENTS

Please visit link below:

[203_BL_2021_9_E_313202216407908.PDF \(boursakuwait.com.kw\)](https://boursakuwait.com.kw/Portal/FData/203_BL_2021_9_E_313202216407908.PDF)

[203_BL_2022_9_E_3032023153855447.pdf \(boursakuwait.com.kw\)](https://boursakuwait.com.kw/Portal/FData/203_BL_2022_9_E_3032023153855447.pdf)

cis.boursakuwait.com.kw/Portal/FData/203_BL_2023_9_E_3032024133748806.pdf

Issuer

International Financial Advisors K.P.S.C.

Al Abdul Razzak Square – Souk Al-Kuwait Building - Block A Floor 8, 4694 Safat 13047 Kuwait

Lead manager and Subscription Agent

Arzan Financial Group For Financing And Investment K.P.S.C (“Arzan”)

Sharq - Ahmed Al Jaber Street - Arzan Tower

26442 Safat, 13125 Kuwait,

State of Kuwait

Legal Advisors to the Company

Meysan Lawyers & Legal Consultants

Al Hamra Tower,

59th Floor, Al Shuhada Street,

Sharq, P.O. Box 298, Safat 13003,

State of Kuwait.

Clearing and Depository Agent

Kuwait Clearing Company K.S.C.

Boursa Kuwait Building, 6th Floor,

Mubarak Al Kabeer Street,

P.O. Box 22077, Safat 13081

State of Kuwait



FAQ's on International Financial Advisors Holding K.P.S.C. Rights Offering-IFA

What is the share capital immediately prior to the Offering?

The issued and paid share capital immediately prior to the Offering is KD 30,007,411.800

What is the total number of Issued and Paid-up Shares immediately prior to Offering?

300,074,118 shares with a nominal value of 100 Fils (one hundred Kuwaiti Fils) each, all of which are fully paid

What is the percentage increase in issued share capital?

60% of the Issuer's share capital.

What are the number of shares that will be issued?

180,044,470 Shares

What is the issue price?

150 Fils (one hundred and fifty Kuwaiti Fils) per Issue Share (including the nominal value of 100 Fils and the 50 Fils of issuance premium).

What is the Total value of the offering?

KD 27,006,670.500

What is the issuer's issued capital immediately following the Offering?

KD 48,011,858.800

When is the subscription period?

The Subscription Period will commence on 29/07/2024 and will remain open for a period of fourteen (14) working days up to and including 15/08/2024 unless full subscription has been covered before such date

What is the Period for Trading Pre-Emptive Rights?

29/07/2024 has been set as the date for the start of trading in Pre-Emption Rights and 08/08/2024 will be the last day of trading in Pre-Emption Rights.

What are the Means of Disposal of Pre-Emptive Rights?

Pre-Emption Rights may be disposed of, traded or assigned, without any charge, and without any restrictions and in accordance with the applicable rules of Bursa Kuwait and the Clearing and Depository Agent. Approval of this Prospectus constitutes approval of the listing and trading of pre-emption rights during the Subscription Period for the Offer Shares, and the listing shall be canceled when the Company discloses the results of the subscription to the capital increase.

When is the Allocation Date?

Within 5 (five) business days of the end of the Pre-emptive Right Subscription Period, or end of the Public Offering Subscription Period.

Who are the Eligible Shareholders?

Eligible Shareholders are the holders of the Existing Shares registered at the end of the Record Date preceding the Subscription Period, i.e., the shareholders whose names are registered in the Company's shareholders register with the Clearing and Depository Agent on the Record Date 25/07/2024.

How to Calculate the allocation of issued shares?

Each Eligible Shareholder shall have the right to subscribe for 6,419.9 Issue Shares for every 10,000 Existing Shares that he owns at the Record Date, after considering the Treasury Shares held by the Issuer.

Can Eligible Shareholders apply for additional shares?

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 apply for more than their entitlement to Issue Shares.

What is the allocation for Eligible shareholders who apply for additional shares?

If the aggregate number of applications for 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.

When will the final allocation be announced as well as the refund of surplus?

The Issuer shall announce the final allocation not later than five (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) from the date of closing of the Subscription Period, and will refund the surplus Subscription Monies, without any fees or deduction by the Company, on the date determined by the Issuer.

Can Subscription application forms get declined?

The Issuer and the Clearing and Depository Agent, and the Subscription Agent reserve the right, free from any liability, to reject, in full or in part, any Subscription Application Form in the event any of the forms are not compliant with the applicable laws, or any of the subscription terms and conditions are not met or the instructions are not duly and punctually followed including without limitation, the failure of the Subscription Application Form to comply with the applicable laws and regulations, the nonpayment by the Eligible Shareholder of the full amount of the Subscription Monies within three (3) working days from the submission of the Subscription Application Form or if the amounts are transferred after the closing of the subscription period, or the inaccuracy or the invalidity of any information contained in the Subscription Application Form or the failure of the Subscription Application Form to comply with or follow any terms or requirements set forth under this Prospectus or in the Subscription Application Form

When do the declined applications get refunds?

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 on the date determined by the Issuer within seven (7) working days from the date of announcing the results of the allocation, by bank transfer to the account specified in the Subscription Application Form. In the event of a cancellation of the Offering or a part thereof, the Issuer shall deposit any Subscription Monies in a non-interest-bearing account with the Company until the repayment of such amount has been authorized by the Ministry of Commerce and Industry to the Subscribers.

When will the issued shares be listed?

Following the close of the Subscription Period, the final allocation of the Issue Shares and completion of all the necessary regulatory procedures, a statement of Issue Shares will be made and the Issue Shares will be listed and traded on Boursa Kuwait without any restrictions same as Existing Shares

Can I subscribe if my shares are mortgaged?

All Subscribers with mortgaged shares must provide to the Clearing and Depository Agent an original and signed approval letter from the mortgagee stating that the Subscriber may subscribe in the capital increase. The approval letter must be submitted in the Subscription Website.



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للتمويل والاستثمار
للشركة

What is the subscription procedure?

The Subscriber shall:

- Login to the Subscription Website via the link: <https://www.ipo.com.kw>
- In the event the Subscriber is an individual, he/she shall register the Civil ID number or Trading Number. The system shall verify whether the Subscriber is eligible for Subscription or not.
- In the event the Subscriber is a legal entity or a company, the Subscriber must enter the commercial registration number or Trading Number. The system shall verify whether the Subscriber is eligible for Subscription or not.
- Record the number of shares to be subscribed for.
- The Subscriber must make the payment through either K-NET service or bank wire transfer as follows:

For Subscribers paying through K-NET service, the Subscriber shall:

- Pay from their own account (no other person may pay on behalf of the Subscriber except in the cases provided for under the law).

Subscribers are advised to confirm with their Company that their payment limit on their K-NET card will enable them to pay for their subscription.

Or, For Subscribers paying through bank wire transfer, the Subscriber shall:

- Print the Subscription Application Form and visit their own bank and submit a copy of the Subscription Application Form printed from the above link and transfer the amount required to the Subscription Bank Account (net amount without any charges by the transferring bank and the receiving Bank) stated below:

Name of Company: International Financial Advisors Holding K.P.S.C.

Account number: 011010221884

IBAN: KW20 KWIB 0000 0000 0001 1010 2218 84

Bank Name Kuwait International Bank

Beneficiary: International Financial Advisors Holding - Capital Increase

Reference/Description:

Subscription Application Form number + subscriber civil identification (for residents and citizens)/ passport (for non-residents and non-citizens)/ commercial registration number (for corporates) + subscriber contact number

- The subscriber shall upload the copy of the original deposit voucher of the amount transferred from their own bank in addition to the documents listed in item 7 “Documents required to be submitted with applications to subscribe” stated in this Prospectus through the electronic link that will be sent from the Subscription Website to the subscriber by e-mail and text message on the registered phone.

What are the documents required to be submitted with applications to subscribe?

The Subscription Application Form must be submitted through the Subscription Website along with the following documentation, as applicable to the nature of and payment method chosen by the Subscriber:

a) Individual Subscribers

- Signed Subscription Application Form;
- Copy of personal civil identification card;
- Copy of passport to verify the signature;
- Copy of the bank transfer receipt;
- Copy of the IBAN number;
- Copy of special legal proxy for subscribing in shares (for proxy subscriber);
- Copy of Certificate of Guardianship for orphans;
- Copy of Certificate of Guardianship for minors; or
- Copy of a Limitation of Succession Deed for beneficiaries.
- Copy of Guardianship rule

b) Corporate Subscribers

- Signed Subscription Application Form;
- Copy of the bank transfer receipt;
- Copy of the IBAN number;
- Copy of the Authorized Signatories Certificate or the Extract of the Commercial Register; as the case requires; and
- Copy of the personal identification card of the authorized signatory;



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c) Non-Residents of Kuwait Subscribers

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

Cash will not be accepted. The Subscription Monies must be paid in full upon submitting the Subscription Application Form on the Subscription Website by authorizing a debit of the appropriate amount from the subscriber's account with the Company, or by bank transfer. Subscription amounts will be deposited in full in the Issuer's bank account designated by the Issuer (the "Subscription Bank Account"). The Subscriber must, in any event relating to the Issue Shares or the Additional Issue Shares, ensure that the bank debit or the bank transfer has been processed from their respective bank account and that the subscription account with the Issuer has been credited with the appropriate amount at the time of the submission of the Subscription Application Form to the Clearing and Depository Agent.

Without prejudice to the other grounds of rejection of the Subscription Application Forms, the Subscription Agent, 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 Application Form to the Clearing and Depository Agent.

Where can I find additional information about subscriptions?

Through the IPO Kuwait website:

<https://ipo.com.kw/index.php?page=tutorial&lang=en&change=1>

How to acquire a copy of the Prospectus?

An electronic copy of the Prospectus can be obtained from the following websites:

- Issuer's website at (<https://ifakuwait.com/prospectus.html>)
- Subscription Agent's website (<https://arzan.com.kw/afg-subscription-services/?lang=en>)
- Boursa Kuwait's website on the Company's Rights Issue Page (<https://www.boursakuwait.com.kw/en/tradable/summary#203-203124>)

How is the Reference Price for trading preemption rights calculated?

The Reference Price is determined on the first trading day of the rights according to the following formula:

(Closing price of the stock on the day prior to the start of rights trading - subscription price (nominal value + issuance premium)). The price of the preemptive rights may change with the start of trading on Boursa Kuwait.

***For more information or to clarify terms, please review the subscription prospectus. In the event of any discrepancy, what is stated in the subscription prospectus becomes the reference.