



6 December 2017

Dear Shareholder

Extraordinary General Meeting (EGM) of Kuwait Energy plc (Kuwait Energy)

As you are aware, a group of Kuwait Energy shareholders (the **Requisitionists**) have recently called for an Extraordinary General Meeting (EGM) to be held at 12:00 pm on Wednesday 13 December 2017 at Symphony Style Hotel in Salmiya, Kuwait. You should have already received the EGM Notice and accompanying documents but in case not, the full EGM pack is also attached to this letter.

Over the last two months, various of our Board members have been in continuous dialogue with the Requisitionists to try and address their concerns without the need for an EGM, and serve the best interests of Kuwait Energy and its shareholders as a whole.

However, the Requisitionists are nevertheless convening the EGM for the consideration, and if thought fit, approval of their proposed amendments to Kuwait Energy's Articles of Association and the reorganization of the Board, removing certain directors and appointing six new directors as shareholder representatives.

In relation to the proposed changes to the Articles (resolutions 1 to 4), the Board wishes to highlight that they are not supportive of these changes which they believe are not in the best interests of the shareholders as a whole and are a significant backward step from the high standards of governance that Kuwait Energy has achieved over recent years and the principles and provisions of the UK Corporate Governance Code to which Kuwait Energy currently substantially complies. In particular:

- The Board would no longer be required to comprise a majority of independent non-executive directors. In this regard, it's worth noting that one of the principles of the UK Corporate Governance Code is that 'the board should include an appropriate combination of executive and non-executive directors (and, on particular, independent non-executive directors) such that no individual or small group of individuals can dominate the board's decision taking'.
- The role of the nomination committee would seemingly be reduced, which could adversely impact the composition of the Board and its balance of skills, experience, independence and knowledge.

The Board therefore recommends that you vote against resolutions 1, 2, 3 and 4.



On the director changes (resolutions 6 to 17), as you are probably aware, over the last couple of months, Dr Yousef AlAwadi, Mohammed Rafie and Roger Phillips have resigned from the Board, two of which were independent directors. The Board considers that a majority of independent directors on the Board is in the best interests of the Company and its shareholders as a whole and therefore believes that Rachel English should continue to serve as an independent director, which would maintain four independent directors. A separate letter will follow shortly regarding Sara Akbar, our Chief Executive Officer.

The Board very much understands and shares the disappointment of our shareholders following the aborted IPO earlier this year. However, we continue to work very hard to ensure that value is materialized as soon as practicable for the benefit of all our shareholders.

As a Board, we urge as many of you to attend the upcoming EGM either in person or via proxy and to cast your votes in the best interests of Kuwait Energy.

The Board will of course respect the outcome of the EGM and cooperate with the Requisitionists and any new directors regardless.

Thank you for your continued support.

Yours faithfully

A handwritten signature in blue ink, appearing to read "Aboukhamseen".

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For and on behalf of the Board of Directors of Kuwait Energy plc

Dr Mansour Aboukhamseen
Executive Chairman of the Board
Kuwait Energy plc