



CORPORATE PROFILE

KUWAIT ENERGY PLC GROUP

September 2016

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Estimates of reserves and resources are inherently speculative and involve numerous uncertainties. The reserve and resources estimates contained in this presentation are as of 31 December 2015 and were provided by Gaffney Cline Associates.

Contents

1 **Kuwait Energy Overview**

2 **Iraq**

3 **Egypt**

4 **Oman**

5 **Yemen**

6 **Kuwait**

7 **Corporate and Financials**

KUWAIT ENERGY OVERVIEW

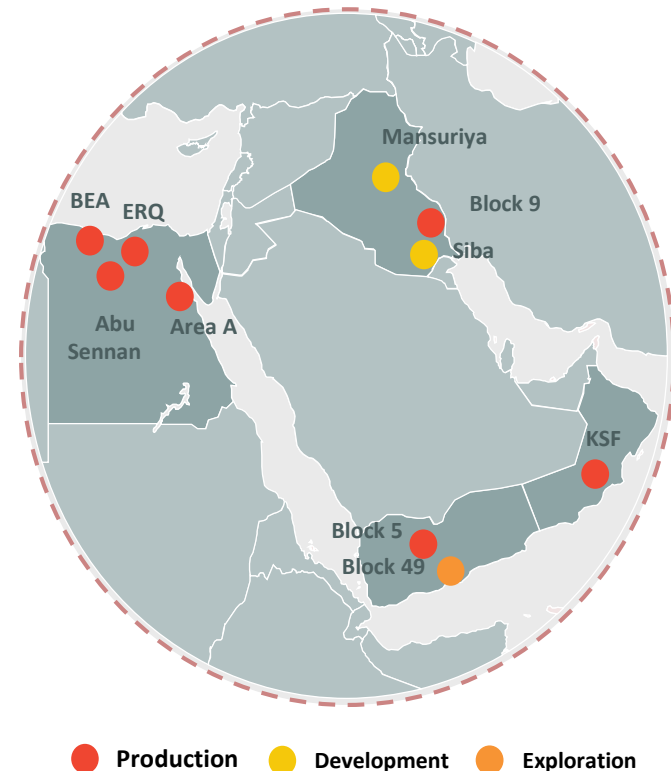


Kuwait Energy at a Glance

Overview

- Established in 2005, Kuwait Energy is a privately owned leading MENA independent oil & gas company
- High quality portfolio of upstream assets, mostly operated by Kuwait Energy
- 1H 2016 average daily working interest production of 25 kboepd (98% oil), reported 2P reserves of 818 mmboe⁽¹⁾ and 2C resources of 942 mmboe as at 31 December 2015⁽¹⁾
- Kuwait Energy operated Block 9 discovery to drive significant growth in reserves and production in the future
- Well funded with cash balance of \$54.5m at 30 June 2016 and continuing cash flow generation from producing assets
- Experienced management team with long history operating and investing in the MENA region
- Diversified shareholder base of regional and US investors, including the IFC

Kuwait Energy MENA Portfolio



(1) Figures based on GCA reported number as at 31 December 2015

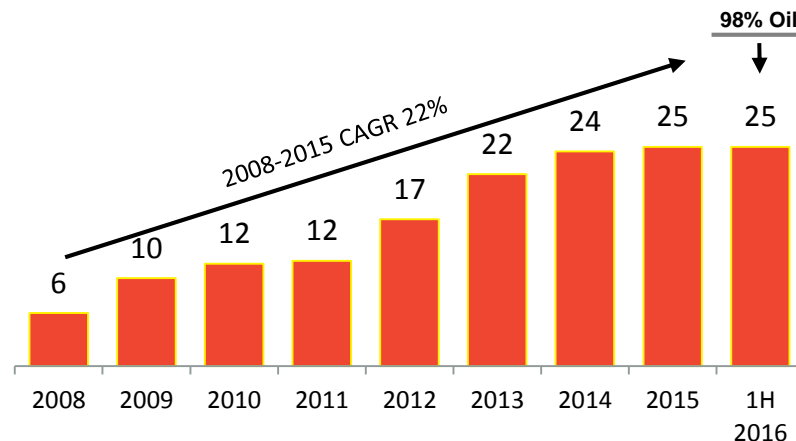
Robust Corporate Strategy to Deliver Growth



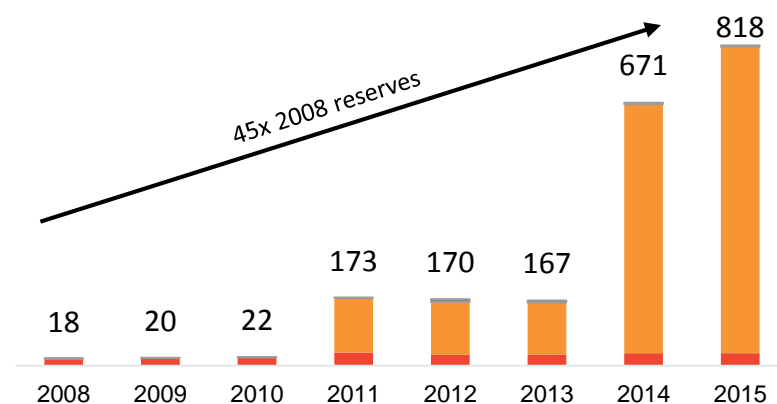
Kuwait Energy's Corporate Strategy

- 1 Focus on the MENA region
 - Proven hydrocarbon basins
 - Regional relationships and track record
- 2 Leverage local knowledge and expertise
 - Enhance operational effectiveness and reduce risk
- 3 Focus on operated assets
 - Flexibility and cost management
 - Growth
- 4 Conservative financial risk management
 - Strong balance sheet and cash flow position
 - Prudent financial strategy
- 5 Highest level of corporate governance
 - UKLA standards
 - Majority independent board

Steady WI Production Growth (kboepd)



Consistently Growing 2P Reserves Base (mmboe)^{(1) (2)}

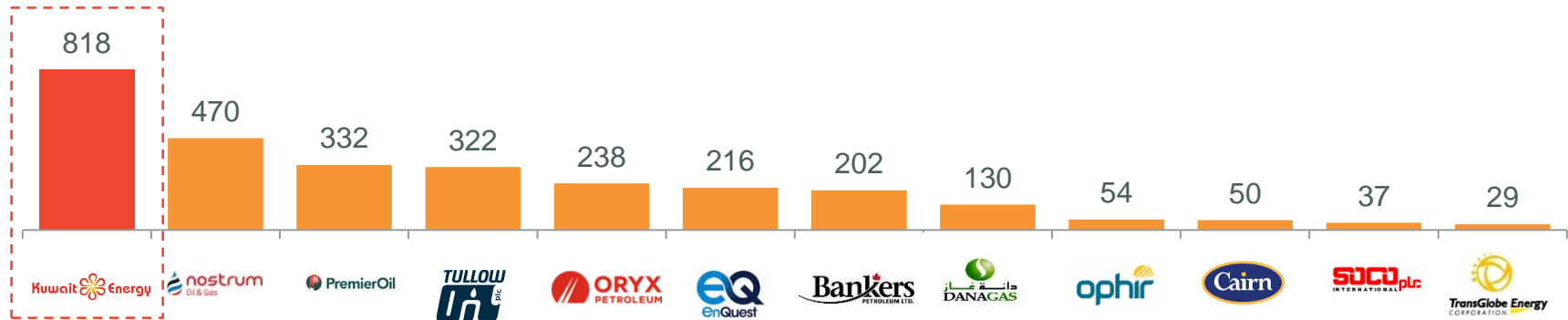


(1) Oman reserves are not included due to service contract restrictions.

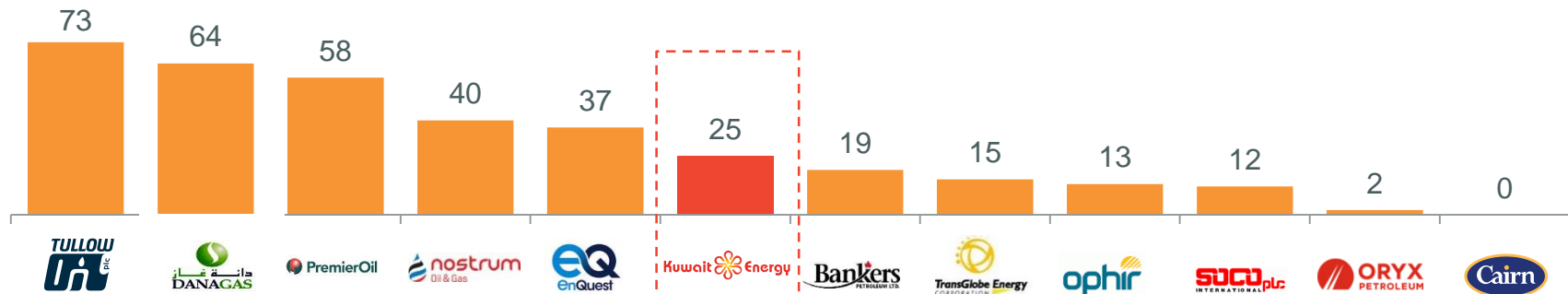
(2) Figures based on GCA reported number as at 31 December 2015.

Unique Amongst Its Peer Group with Material Unrealised Potential

2P Reserves Benchmarking (mmboe)⁽¹⁾



Production Benchmarking (kboepd)⁽²⁾



Source: Wood Mackenzie, public disclosure.

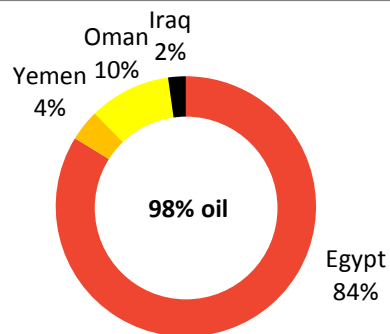
(1) Kuwait Energy's and peers' reserves based on GCA reported numbers as at 31 December 2015.

(2) Kuwait Energy's and peers' production represents 2015 average daily working interest production.

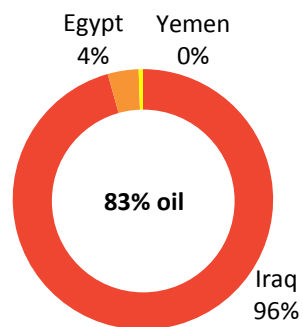
Solid Reserves Base and Resources with Mostly Operated Positions

Kuwait Energy's Asset Portfolio Overview

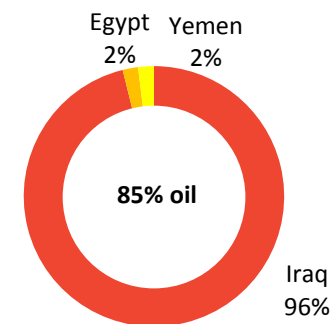
Production 25 kboepd⁽¹⁾



2P WI Reserves 818 mmboe⁽²⁾⁽³⁾



2C WI Resources 942 mmboe⁽²⁾⁽³⁾



Country	Assets	Status	2P (mmboe) ⁽²⁾	2C (mmboe) ⁽²⁾	WI Production (boepd) ⁽¹⁾	
					2015	1H 2016
Iraq	Block 9*, Siba*, Mansuriya	Producing, Development, Appraisal, Exploration	783	906	549 ⁽⁴⁾	3,321
Egypt	Burg El Arab*, Area A* Abu Sennan*, ERQ	Producing, Exploration	31	18	20,942	19,054
Yemen	Block 5*, Block 49*	Producing, Exploration	4	18	976 ⁽³⁾	-
Oman ⁽³⁾	KSF	Producing	-	-	2,533	2,460
Total			818	942	25,000	24,835

Note: * denotes Kuwait Energy operatorship.

(1) 2015 average daily working interest production.




(2) Figures based on GCA reported number as at 31 December 2015. Oman reserves not included due to service contract restrictions.

(3) Includes production from Block 43 which Kuwait Energy has withdrawn from, effective 30 June 2015.

(4) As of October 2015, Block 9, Iraq commenced production from Faihaa-1 well at the rate of 5,000 bpd on 32/64 inch choke.

Near Term Strategic Focus and Development Plan

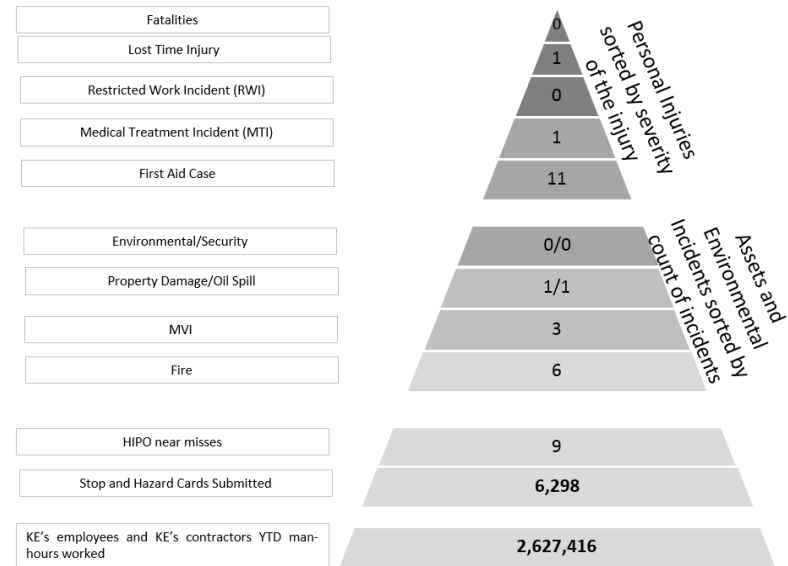
Key Strategic Initiatives by Country

 Iraq	<p>Block 9</p> <ul style="list-style-type: none">• Early production startup on Iraq Block 9 with the Faihaa 1 well brought on stream in October 2015 and Faihaa 2 commencing production in September 2016• Faihaa 3 well spud on 31 August 2016 and expected to start producing 1H 2017• Ongoing demining and 3D acquisition campaign in 2016• Preparing full Field Development Plan <p>Siba</p> <ul style="list-style-type: none">• Complete gas plant construction with 100mmscfd capacity• Continuous drilling program in 2017• Production commencement in 1H 2017
 Egypt	<ul style="list-style-type: none">• Ongoing drilling program to increase current production levels• Area A Water Injection to enhance production• ERQ pipeline reduced operating costs and trucking
 Oman	<ul style="list-style-type: none">• Focus on increasing production levels by well optimization, EOR (water & cyclic steam injection) and exploration
 Yemen	<ul style="list-style-type: none">• Monitoring situation in country

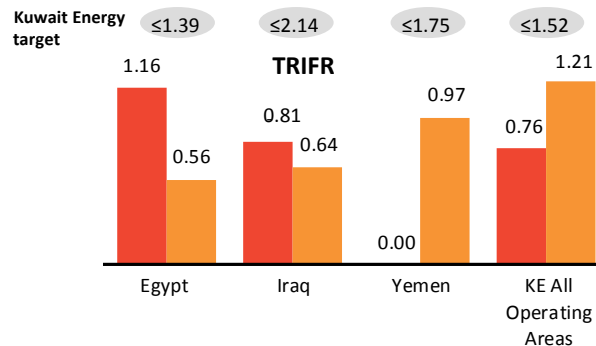
Strong Corporate Values – HSSE is a Top Priority

- The health and safety of employees and contractors and other stakeholders is a key priority and a core element to all of Kuwait Energy’s activities
- KE’s leadership and management commitment towards HSSE are the key factors for the continual improvements of KE’s HSSE performance and achieving KE’s major objectives over the past seven years
- Kuwait Energy implements an integrated HSSE Management System aiming to closely monitor its HSSE performance in all of its operated fields to maintain incident free operations and to minimise health and safety risk
- KE’s operated areas achieved its challenged goals by achieving a Lost Time Incident Frequency Rate of 0.38 in 2016

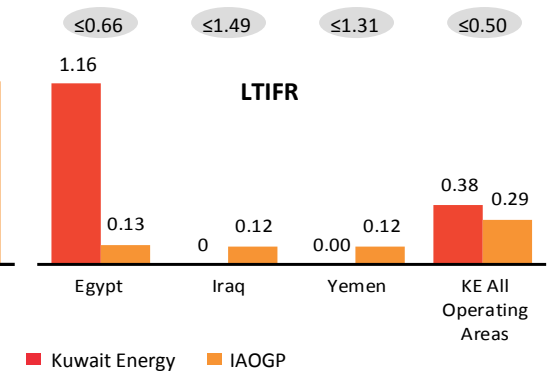
1H 2016 Kuwait Energy’s Operated Areas’ Incidents’ Pyramids



2016 Kuwait Energy⁽¹⁾ vs. IAOGP TRIFR



2016 Kuwait Energy⁽¹⁾ vs. IAOGP LTIFR



Note: IAOGP = International Association for Oil and Gas producers; TRIFR = Total Recordable Incident Frequency Rate / LTIFR = Lost Time incident Frequency Rate.

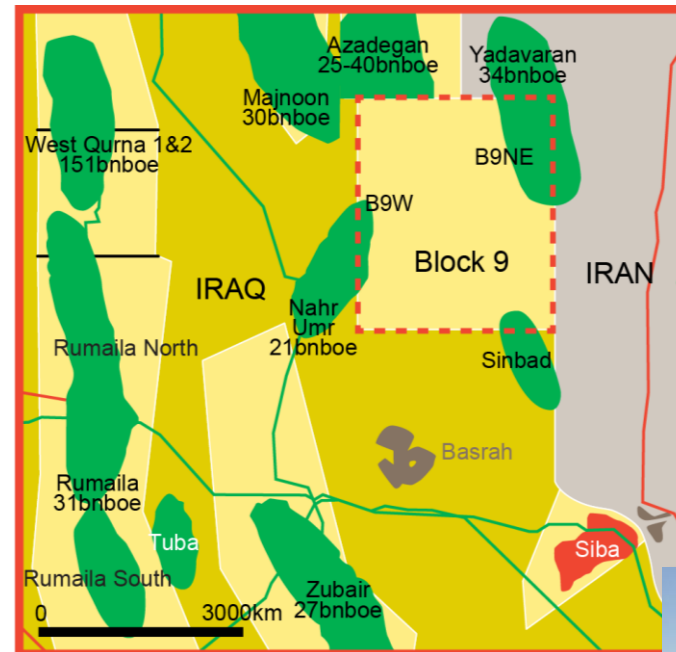
(1) Figures for Kuwait Energy’s operated areas.

Block 9 – Largest Discovery in Iraq in the Last 10 Years

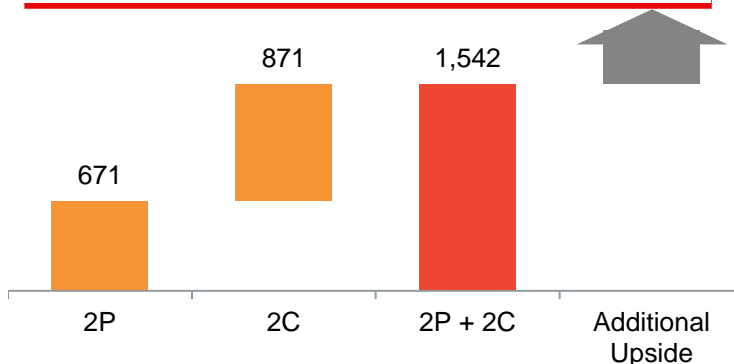
Overview

- World class giant oil field discovery with early production achieved in October 2015
 - Expected to ramp-up to 20kboepd in 2017
- Largest oil discovery in Iraq in the last 10 years⁽¹⁾
- Adjacent to super giant oil fields, largely de-risked and near existing infrastructure
- 3 existing giant oil fields potentially intersect with Block 9 – only one field assessed so far
- Remuneration fee independent of oil price

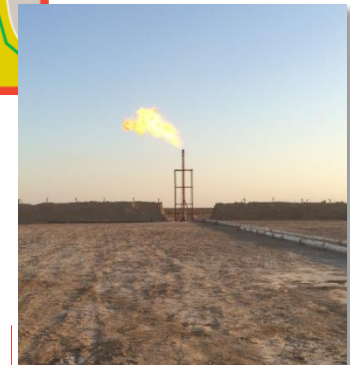
Location Map



Block 9 WI Reserves and Resources (mmboe)⁽²⁾



Block 9 First Production



(1) Source: Wood Mackenzie.

(2) Figures based on GCA reported number as at 31 December 2015.

Kuwait Energy's Key Iraqi Assets Located in a Stable Area

Context for Kuwait Energy



Southern Iraq Secure

- Southern Iraq produces ~3mmbopd⁽¹⁾ oil and has been operating without interruption
- Distant from areas of unrest which are in any case limited
- Homogeneous population and has been largely isolated from conflicts over the last 10 years, wealthiest region in Iraq
- Kuwait Energy enjoys strong government and local relationships

Strong Demand for Domestic Gas

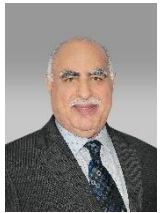
- Kuwait Energy's Siba asset will supply domestic gas for power generation
- Strong support from government to Kuwait Energy's operatorship of the largest gas resource in southern Iraq
- Siba project on budget, enhancing Kuwait Energy's reputation in Iraq

South Oil Company as Offtaker

- South Oil Company (SOC) has a reputation of consistent payments to IOC counterparties in Iraq
- Majors operating as counterparties
- Kuwait Energy's remuneration may be in cash or kind, on election by SOC

Experienced Management Team with Strong Track Record in the MENA Region

Senior Management



Dr. Manssour Aboukhamseen
Executive Chairman

- Co-founder of Kuwait Energy
- Over 25 years Oil & Gas experience
- Previously worked at Kuwait Oil Company

Sara Akbar
CEO



- Co-founder of Kuwait Energy
- Over 30 years Oil & Gas experience
- Previously worked at KUFPEC and Kuwait Oil Company

Roger Phillips
CFO



- 9 years at Kuwait Energy
- Over 30 years Oil & Gas experience
- Previously worked at Hess, Regal Petroleum, ExxonMobil and PwC

Management Team



Mohammad Alhowqal
Deputy CEO
Petroleum Engineer



Mohammed Aboush
Deputy CEO
Mechanical Engineer



Ahmed Haidar
Head of Projects & Operations
Mechanical Engineer



Paul Ditchburn
Snr. Vice President
Strategy & Portfolio



Alex Paterson
Group General Counsel
& Company Secretary

Kuwait Energy Employee Overview

- 688 employees at year end 2015
- >90% local employees in countries of operations (Iraq, Egypt & Yemen)
- Over 25 different nationalities

Pre-Eminent Regional Independent – Vast Opportunities to Replicate Success

Strong Regional Relationships and Track Record

- Established regional network and relationships with key decision makers, enabling access to new opportunities and supporting current operations
- Management team well known in the regional oil & gas sector and with a solid track record of reserves, resources and production growth delivery

Untapped Resources Potential in the Region

- Material and low risk exploration and appraisal upside within existing portfolio, with additional seismic and drilling activities in Block 9 already commenced in 2016
- Strategic focus on one of the most prolific and cost effective hydrocarbon regions globally and ideally positioned to secure future potential opportunities (e.g. in Iran, subject to sanctions being lifted, and Kuwait)

Solid Financial Position

- Existing production as well as project start-ups provide stable cash flows and mitigates financing risk
- Material existing cash position and additional debt headroom underpins planned near and mid-term developments

Transparent Corporate Governance Conforms to International Standards

Corporate Governance

- Kuwait Energy is committed to ensuring its corporate governance framework conforms to UKLA standards
- Financials, reserves and resources are audited by independent third parties annually
 - Financial auditors: Deloitte LLP, UK (5 years)
 - Reserves and resources auditor: Gaffney, Cline & Associates (8 years)

Board of Directors

- **Dr. Manssour Aboukhamseen** – *Executive Chairman*
- **Sara Akbar** – *CEO*
- **Roger Phillips** – *CFO*
- **Rachel English**⁽¹⁾ – *Non-Executive Director*
- **Dr. Yousef Al Awadi KBE** – *Non-Executive Director*
- **Mohamed Yusof Rafie**⁽¹⁾ – *Non-Executive Director*
- **Sir Steve Robson**⁽²⁾ – *Non-Executive Director*
- **Abby Badwi**⁽¹⁾ – *Non-Executive Director*
- **Mohammad Husain**⁽¹⁾ – *Non-Executive Director*

Board Committees

Audit and Risk

Chairman:

Dr. Yousef Al Awadi

Member:

Rachel English, Mohammad Husain,
Sir Steve Robson

Remuneration

Chairman:

Rachel English

Members:

Mohamed Yusof Rafie
Dr. Yousef Al Awadi, Abby Badwi

Nomination

Chairman:

Mohamed Yusof Rafie

Members:

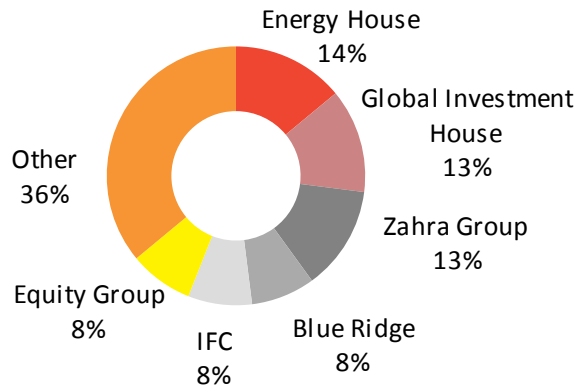
Dr. Manssour Aboukhamseen, Sir Steve
Robson, Abby Badwi

(1) Independent Director
(2) Senior Independent Director

Diversified and Supportive Shareholder Base Has Raised Over \$1.25bn Capital Since 2005



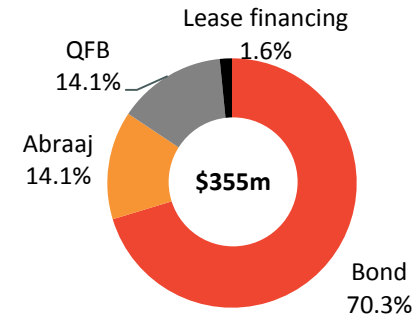
Shareholder Structure 1H 2016



Equity Raised

- 2005: **\$3.4m** by Founders
- 2007: **\$169.4m** by Equity Group, Global Investment, Energy House, existing shareholders
- 2008: **\$310.4m** by Blue Ridge, Van Eck Global, Valiant Partners, existing shareholders
- 2009: **\$23.6m** by Millennium Private Equity
- 2010: **\$33.4m** by existing shareholders
- 2011: **\$73.6m** by existing shareholders, IFC, QFB

Debt Composition 1H 2016



Debt Issued

- 2007: **\$50m** by BNP Paribas⁽¹⁾
- 2009: **\$50m** by IFC⁽¹⁾
- 2010: **\$8m** by EBRD⁽¹⁾
- 2012: **\$150m** by Abraaj Capital⁽²⁾, **\$150m** by QFB⁽²⁾, **\$165m** RBL⁽¹⁾
- 2013: **\$25m** by Kuwait International Bank⁽¹⁾, **\$15m** by QFB⁽¹⁾, **\$60m** by Arab Bank⁽¹⁾
- 2014: **\$250m** by Bonds listed on Irish Stock Exchange
- 2015: **\$8m** by Emirates NBD for Cairo office building sales & lease back transaction

(1) Debt Facility has been repaid.

(2) Abraaj Capital and QFB \$50m drawdown each

Active Engagement with Local Community – Commitment to Sustainable Development

Key Initiatives

Kuwait

- Achievement of a success growth of 90% trees two years into the Green Oasis project. 465 (out of 500) trees have become fully independent



Iraq

- Yearly distribution of Ramadan food bags and school supplies to underprivileged families and provision of equipment and supplies to 7 schools in Siba area
- Sponsorship of Iraq British Business Council (IBBC), creating opportunities for Iraqi businesses
- Provision of wheelchairs for Iraqi hospitals



Egypt

- Yearly support and sponsorship of Petroleum Engineering students in partnership with SPE, AAPG and SEG
- Renovation of hygienic infrastructure and facilities of schools in the Ras Gharib area; provision of fire extinguisher equipment and trainings to schools to improve safety standards



Yemen

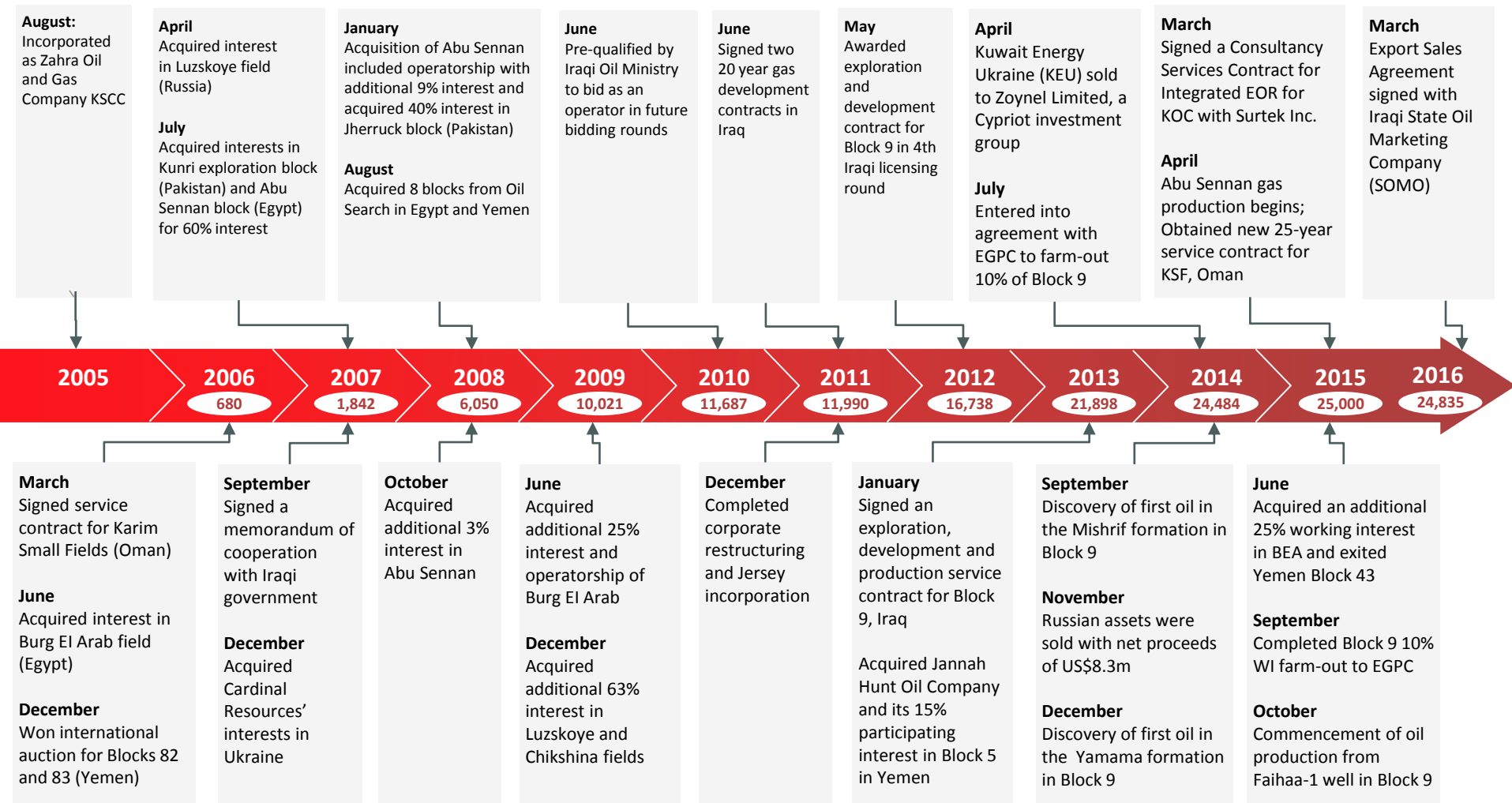
- Power generators providing electricity to areas within the vicinity of Block 5
- Provisions of health & education to underprivileged families
- Donations to Internally Displaced Families and to families in desperate need of aid in Sanaa and Aden



Investment Highlights

- 1 Solid track record of delivery with consistent reserves, resources and production growth**
- 2 Large and diversified reserve base**
- 3 Material existing production and strong expected growth**
- 4 Block 9 upside – largest oil discovery in Iraq in the last 10 years**
- 5 Major part of future cash flow is resistant to oil price volatility**
- 6 Experienced management team and board, with strong regional relationships**
- 7 UKLA standard corporate governance**
- 8 Vast opportunities to replicate success**

Established Track Record of Delivering Growth



IRAQ

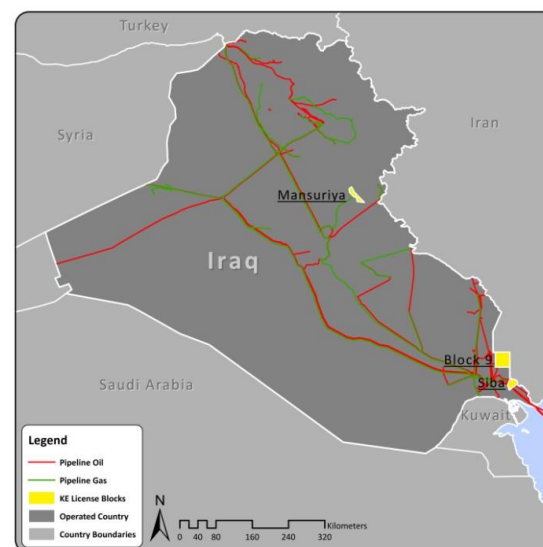


Iraq Assets

Highlights

- Kuwait Energy entered Iraq through two licensing rounds in 2010 and 2012
- Key assets include:
 - Block 9 – significant discoveries with production achieved in October 2015
 - Gas development in Siba - expected to start production in 1H 2017
 - Mansuriya – currently under administrative hold

Location Map



Assets Detail

Field	Status	Kuwait Energy Operator	Working Interest ⁽¹⁾	2P WI Reserves (mmboe)	2C WI Resources (mmboe)	WI Production (boepd)	
						2015	1H 2016
Block 9	Producing	✓	60.00%	671	871	549 ⁽²⁾	3,321
Siba	Development	✓	45.00%	59	15	–	
Mansuriya	Administrative Hold	✗	22.50%	52	19	–	
Total				782	905	549	3,321

(1) Revenue working interest.

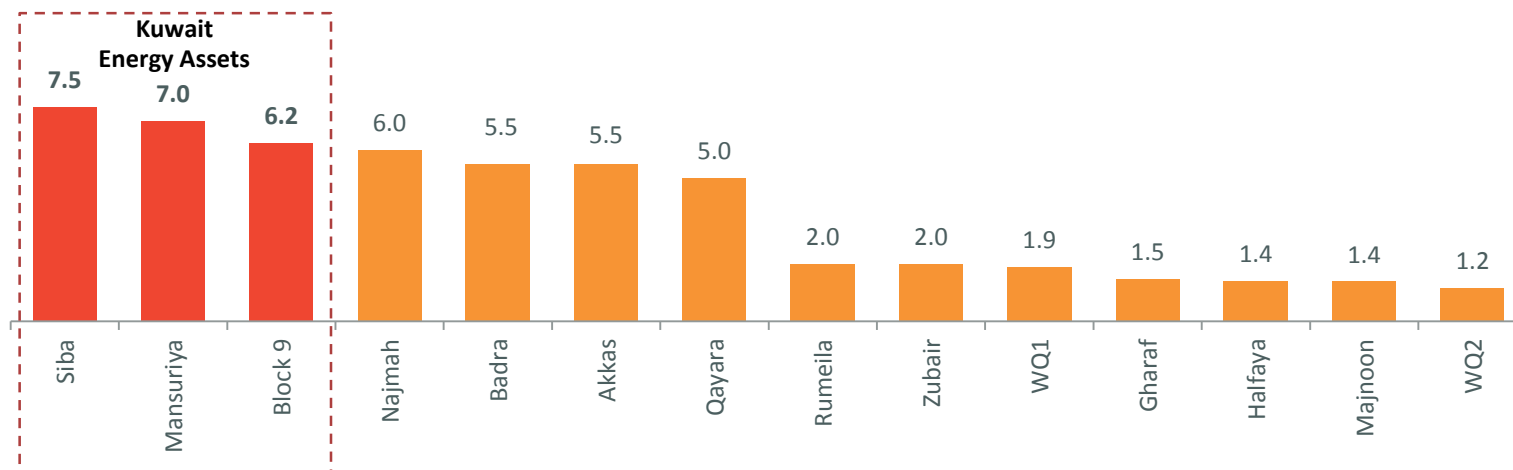
(2) As of October 2015, Block 9, Iraq commenced production from Faihaa-1 well at the rate of 5,000 bpd on 32/64 inch choke.

Iraq Assets (Cont'd)

Key License Terms

- Iraqi assets are service contracts with 100% take-or-pay
 - Kuwait Energy has the highest initial service fees, subject to R-Factor, across all licensing rounds
 - Service fee independent of oil price, and include rapid cost recovery mechanism
- Kuwait Energy offtake in cash or in kind (i.e. crude oil)
 - South Oil Company (SOC) as the offtaker, has a reputation of consistent payments to IOCs counter parties in Iraq

Initial Remuneration Fee – Selected Iraqi Oilfields (\$/boe)



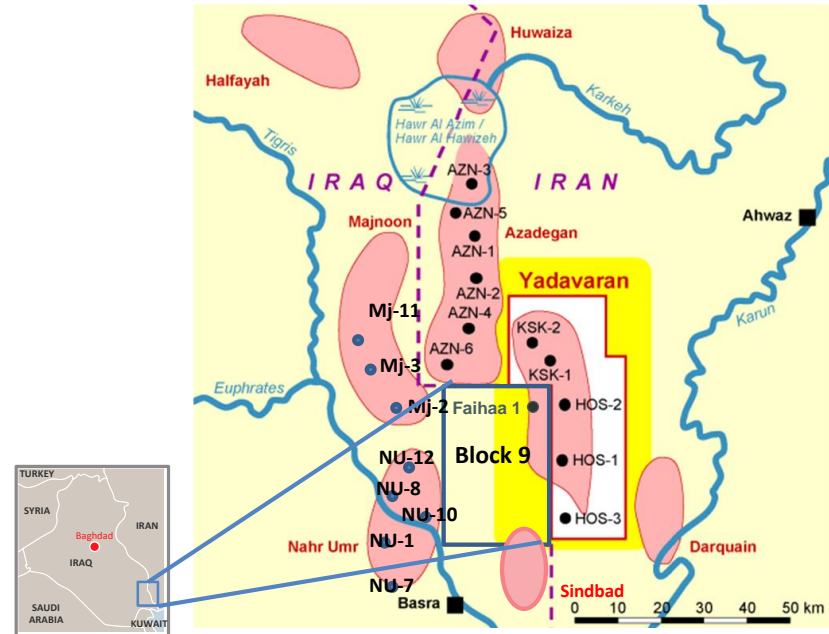
Block 9 – Largest Discovery in Iraq in the Last 10 Years

Highlights

- Awarded to Kuwait Energy in the 4th bidding round in May 2012 and located north of the city of Basra near the Iranian border
- 20-year up to a maximum of 30-year service agreement (with a possible 5-year extension period) signed in 2013
- First Kuwait Energy well (Faihaa-1) discovered oil in the Mishrif and Yamama formations in Q3/Q4 2014
- Early production achieved in October 2015, expected to ramp-up to 20 kboepd in 2017
- Area surrounded by major transportation routes that facilitate the off-take via Basra
- Payments made in crude, unless government elects to pay in cash
- Farm-out of 10% working interest to EGPC reinforces strategic ties with Egypt and transaction completed in September 2015
- Faihaa-2 well commenced production in September 2016 at an initial rate of 3,427 barrels of oil per day (bopd) from the Yamama-A formation.



Location Map



Ownership Summary

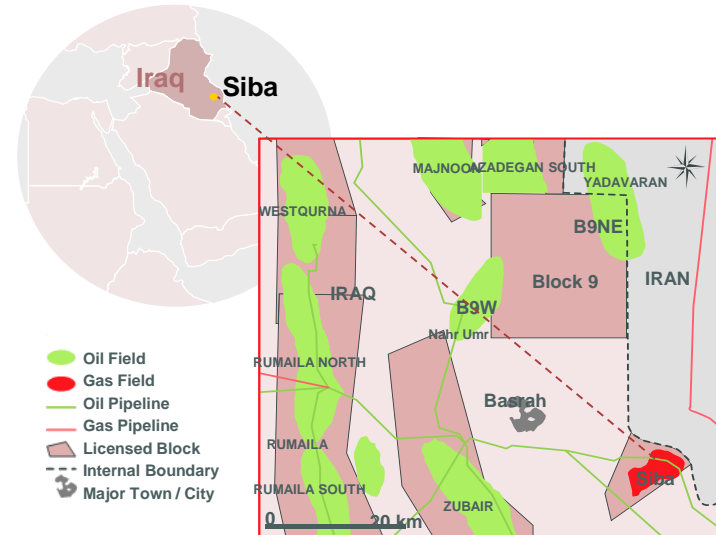
Partner	Working Interest
Kuwait Energy (Operator)	60%
Dragon Oil	30%
EGPC	10%

Siba – Material Gas Asset at Advanced Stage of Development

Highlights

- Gas Development & Production Service Contract (GDPSC) for 20 years with optional 5 year extension period, plateau gas rate of 100mmcf/d
 - Service contract favouring early recovery of capex
 - Initial remuneration fee of \$7.5/boe, subject to R-Factor
 - Payments made in cash, unless government elects to pay in crude
 - Potential to increase the plateau gas rate
- Significant transportation and infrastructure problems causing shortage of gas for power generation in Iraq i.e. a ready market exists
- Potential for oil exploration⁽¹⁾
- Siba development plan:
 - Drilling 4 development wells per year from 2017
 - Construction of pipeline and production facility commenced in 1H 2014

Location Map



Ownership Summary

Partner	Working Interest
Kuwait Energy (Operator)	Revenue 45% / Cost 60%
TPAO	Revenue 30% / Cost 40%
Missan Oil Company	Revenue 25% / Cost 0%

(1) Oil exploration not included in the current licence; separate licence would need to be agreed with the Government.

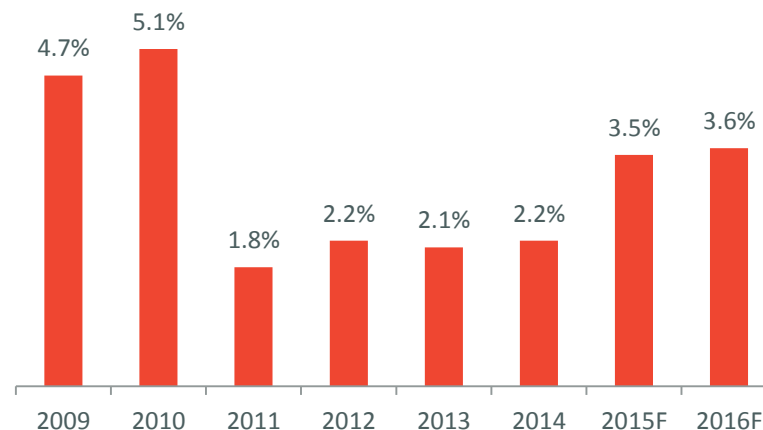
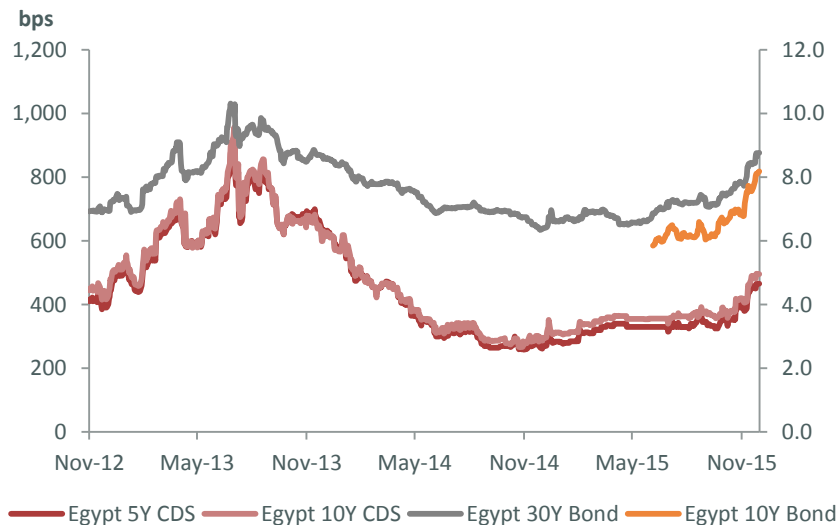
EGYPT



Egypt – Stable Domestic Economic Environment

Recent Weakening of Credit Spreads and Yield Curve

Real GDP Growth Outlook



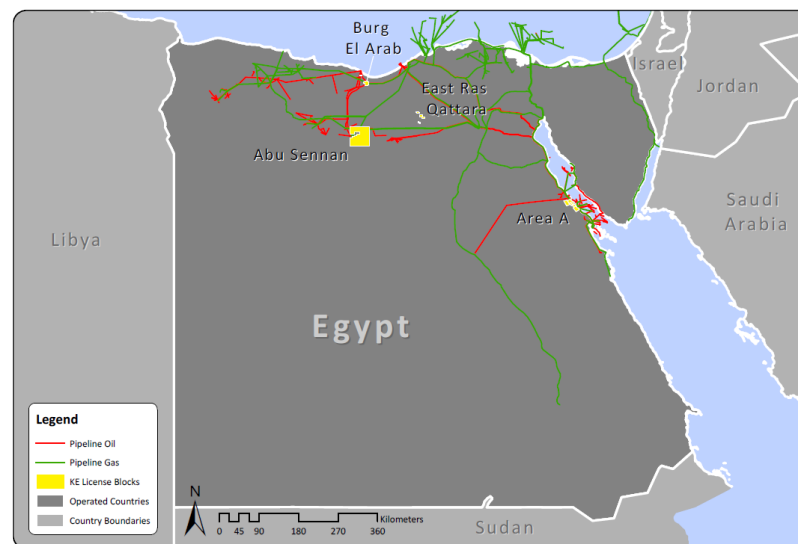
- Period of stability post election of current President had local economy return to normality though followed by recent partial selloff on the back of geopolitical tensions
 - One notch upgrade across rating agencies since 2013 with all stable outlooks currently
- Central Bank of Egypt has a new governor that is a seasoned banker with closer connections to the business community, aware of their main concerns as external financing might weigh down on FX reserves
- The Gulf countries have provided Egypt with ongoing grants, soft loans and petroleum products since 2013
- Shortage of gas and fiscal pressure prompting serious considerations of gas price reforms at EGPC/Government
- Received over \$51 million from EGPC during the first half of 2016

Egypt Assets

Highlights

- Egypt is a key focus country for Kuwait Energy
- Core Cash Generator for Kuwait Energy
- Four producing assets with development plan focused on drilling further wells to improve and maintain production
- Upside Potential
- Exploration potential in Abu Sennan and Area A
- Potential for EOR projects to supplement mature declining fields
- Strong Relationship with Egyptian authorities
- Strategic partnership with EGPC including the farmout in Block 9, Iraq

Location Map



Assets Detail

Field	Status	Kuwait Energy Operator	Working Interest ⁽¹⁾	2P WI Reserves (mmboe) ⁽²⁾	2C WI Resources (mmboe) ⁽²⁾	WI Production (boepd)	
						2015	1H 2016
ERQ	Producing	✘	49.5%	9	2	11,885	10,357
Area A	Producing	✓	70.0%	11	2	4,567	5,029
Abu Sennan	Producing	✓	50.0%	6	-	2,994	2,075
Burg El Arab	Producing	✓	100.0%	6	14	1,496	1,593
Total				32	18	20,942	19,054

(1) Revenue working Interest.

(2) Figures based on GCA reported number as at 31 December 2015.

Case Study: Technical Expertise and Cost Management Demonstrated in Egypt

- Target undervalued regional opportunities through seismic and technical reinterpretation
- Rapid turnaround in production/conversion of resources to reserves
- Low risk and cost efficient appraisal and development

BEA (Kuwait Energy 100% WI) – 2.5x increase in production, ongoing drop in opex/bbl

Asset Description

- Underdeveloped asset with exploration potential and existing production
- Takeover of operatorship in Aug 2009 from Gharib

Kuwait Energy Development Actions

- Operations reviewed and raised to international standards
- Gross Production grew c.2.5x since 2008
- 11 development wells and 5 exploration wells with 3 discoveries
- Turnaround ongoing, target further decrease in opex

Area A—2x increase in production

Asset Description

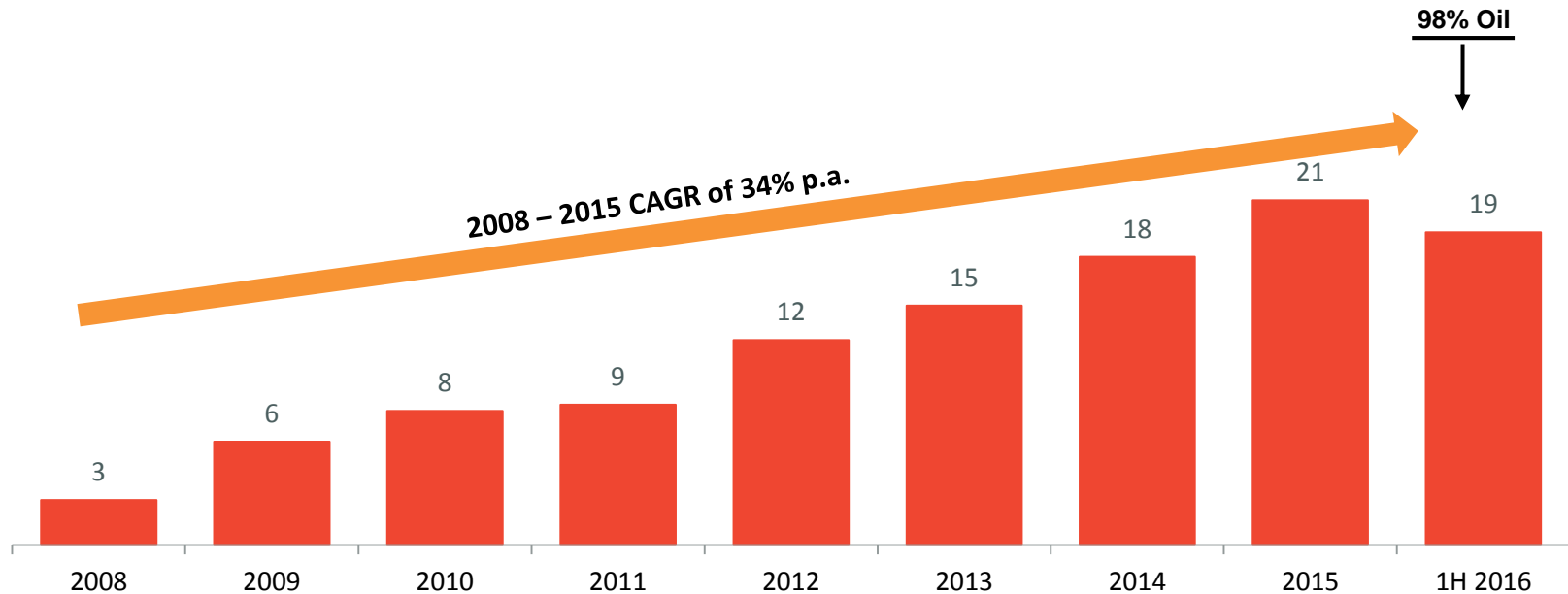
- Mature producing area (since 1960)
- 4 development blocks, 2 exploration blocks
- Successful extraction of new oil from an old field
- Waterflood potential currently being evaluated

Kuwait Energy Development Actions

- Redefinition of geological model
- Production doubled within one year post acquisition
- Application of new western technologies going forward (water injection)

Strong Production Growth in Egypt

Average Working Interest Production Development (kboepd)



- 24 discovery wells, 50% exploration success rate since 2008
- Production upside from water injection projects and liquid pipeline project
- Egypt is experiencing significant growth after a period of economic uncertainty

Burg El Arab (BEA)

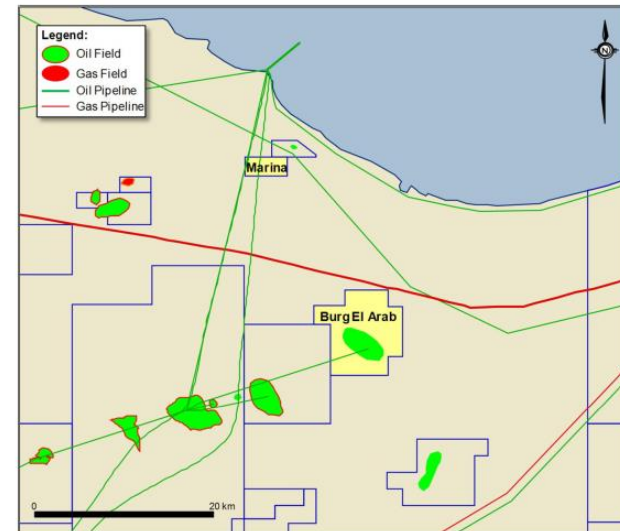
Highlights

- Located in the Alamein Basin in the Western Desert, BEA is an onshore oil block extending over an area of 68km²
- Kuwait Energy currently holds an operated 100% working interest in the block post 25% WI acquisition from Gharib Oil, effective 15 January
- Concession expiry on 12 December 2021
- The field is producing from the Abu Roash & Bahariya formations through 14 wells currently
- Ongoing drilling and work over program to support production levels

Ownership Summary

Partner	Revenue Working Interest
Kuwait Energy (Operator)	100%

Location Map



Area A

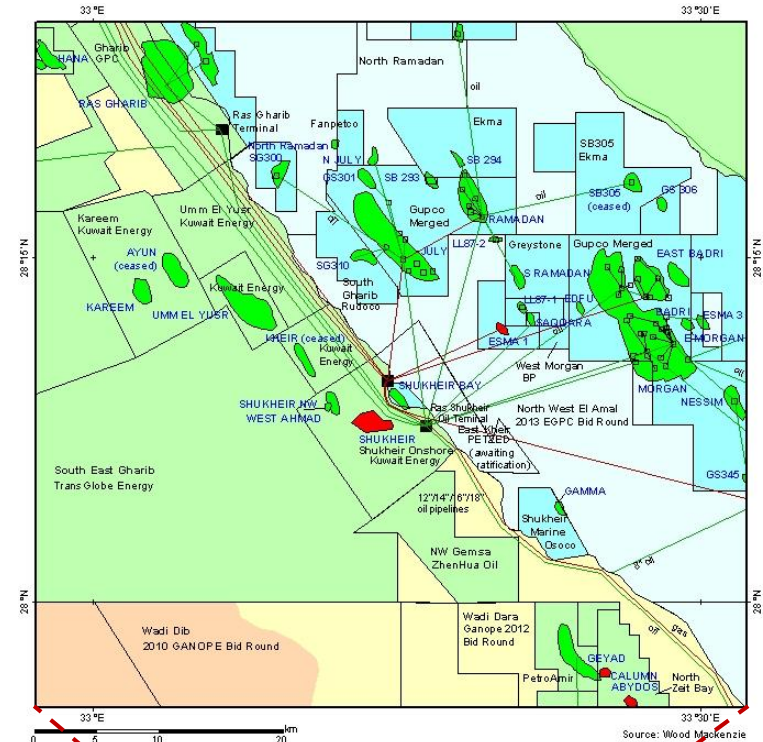
Highlights

- The Area A development area lies in the Eastern Desert and is operated by Kuwait Energy with a 70% revenue working interest
- The area comprises several producing fields and production is 100% oil
- Potential to obtain gas rights as gas reserves are present on the asset
- License expiry for most fields is June 2023, with a 10 year extension option subject to General Petroleum Company (GPC) approval
- The Area A crude is treated at on-site facilities and subsequently exported via GCP's Ras Shukheir oil terminal
- A comprehensive water flooding programme was put in place to improve recovery factors and offset the decline of the more mature fields

Ownership Summary

Partner	Revenue Working Interest
Kuwait Energy (Operator)	70%
Petrogas	30%

Location Map



Abu Sennan

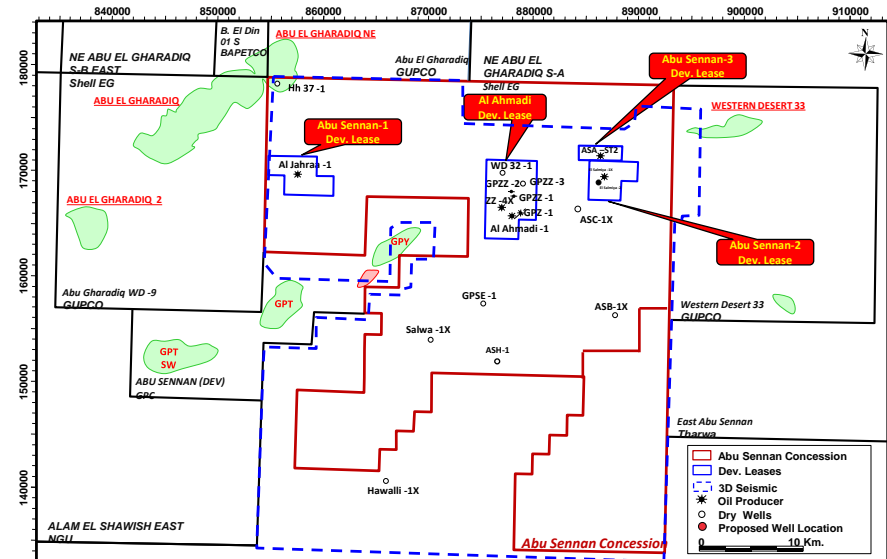
Highlights

- Located in the Abu Gharadiq basin in the Western Desert, Abu Sennan extends over an area of 733km²
- Kuwait Energy holds a 50% operated working interest
- Six 20 year development leases granted to six producing fields (Al-Ahmadi, Abu Sennan-1, Abu Sennan-2, Abu Sennan-3, Abu Sennan-4), which contain mainly oil with some associated gas
- Development Lease expiries are between 2032 to 2036, with an additional 5 year extension option
- Current operational focus on increasing production levels through development drilling, appraisal and exploration activities
- New exploration well Al Jahraa SE-1X started production at an initial rate of 460 (bopd) from the Abu Roash E (AR-E) formation

Ownership Summary

Partner	Working Interest
Kuwait Energy (Operator)	Revenue 50% / Cost 78%
Dover	Revenue 28%
Rockhopper Exploration plc	Revenue 22%

Location Map



East Ras Qattara (ERQ)

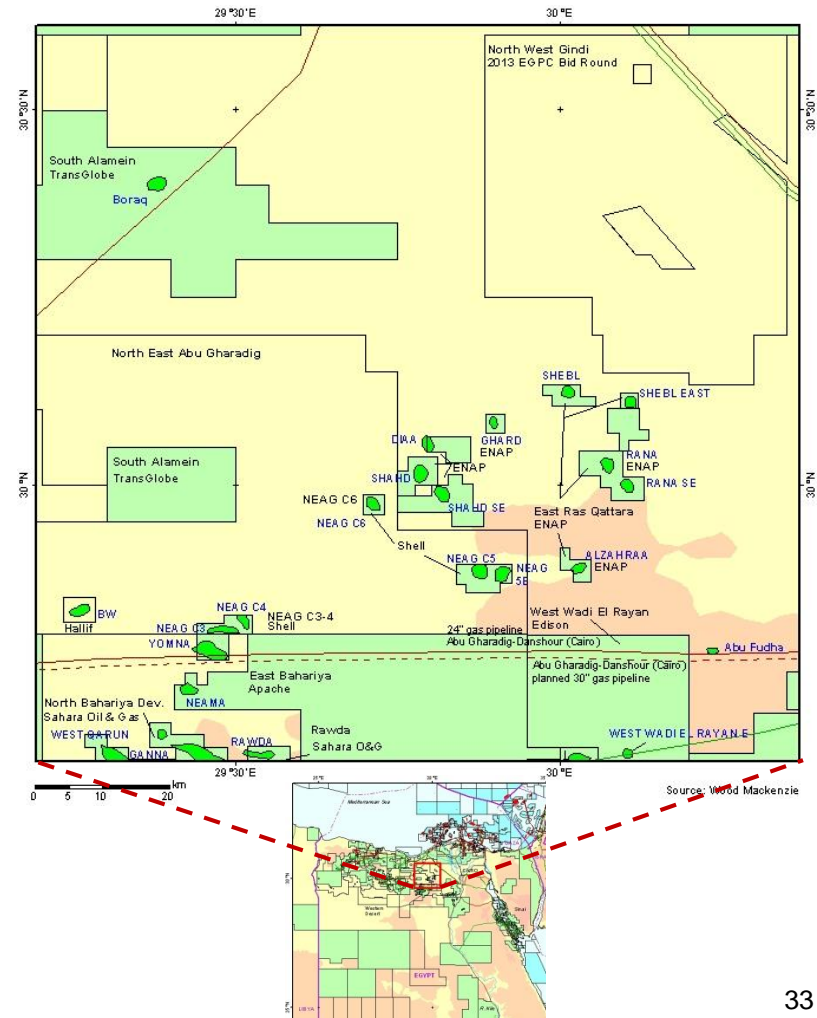
Asset Highlights

- The ERQ block is situated in the Western Desert, around 120 km west of Cairo
- Kuwait Energy holds a 49.5% non-operated interest in the block
- The block includes a total of 9 discoveries made from 19 exploration wells and has been producing since 2007
- Produced crude is processed at Apache's Qarun and Teibbin facilities and limited facilities have been installed on the fields to date

Ownership Summary

Partner	Revenue Working Interest
ENAP Sipetrol (Operator)	50.5%
Kuwait Energy	49.5%

Location Map



EGPC – A Quality Customer and Partner



Kuwait Energy's Strong Relationship with Egyptian General Petroleum Corporation

EGPC acts as primary offtaker to Kuwait Energy with respect to its production entitlement under the PSA in BEA, ERQ and Abu Sennan and is also responsible for the service agreement payments with respect to Area A

Kuwait Energy introduced EBRD to the government and facilitated the bank's entry in Egypt

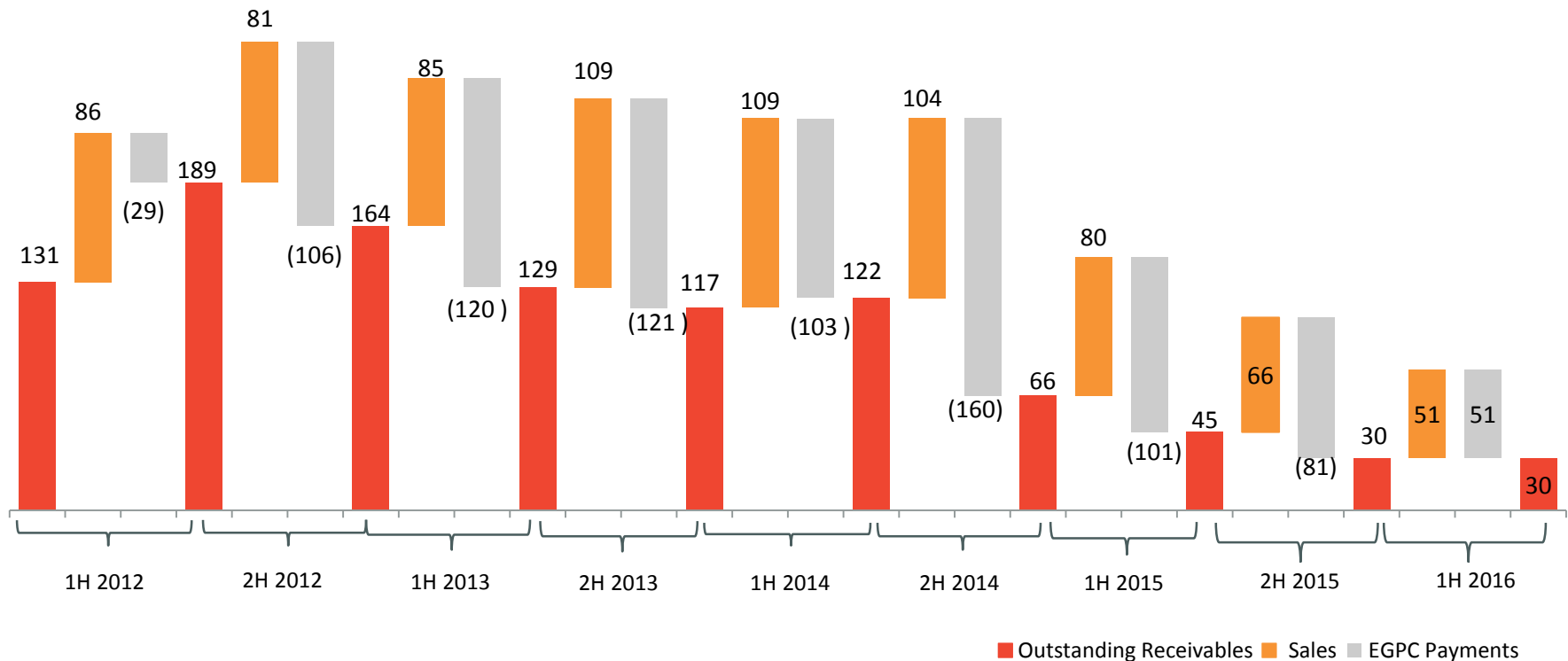
Kuwait Energy has an excellent relationship with EGPC at all working levels through its local presence and executive management and keeps continuous dialogue with senior management

Kuwait Energy has been able to leverage this relationship in reducing the receivables from EGPC over time and has never incurred any bad debt from EGPC

EGPC has approached Kuwait Energy to consider international ventures, most recently in Iraq, off the back of Kuwait Energy's track record and relationships in Iraq

Improvement in EGPC Receivables Collections over the Last 4.5 Years

EGPC Receivables Development since 2012 (\$m)



- EGPC receivables reduced by approximately 76% (from \$189m to \$30m) over the last 4 years
- Even with increasing production, Kuwait Energy continuously collects from EGPC: \$241m in 2013, \$263m in 2014 and \$182m in 2015

OMAN



Karim Small Fields (KSF)

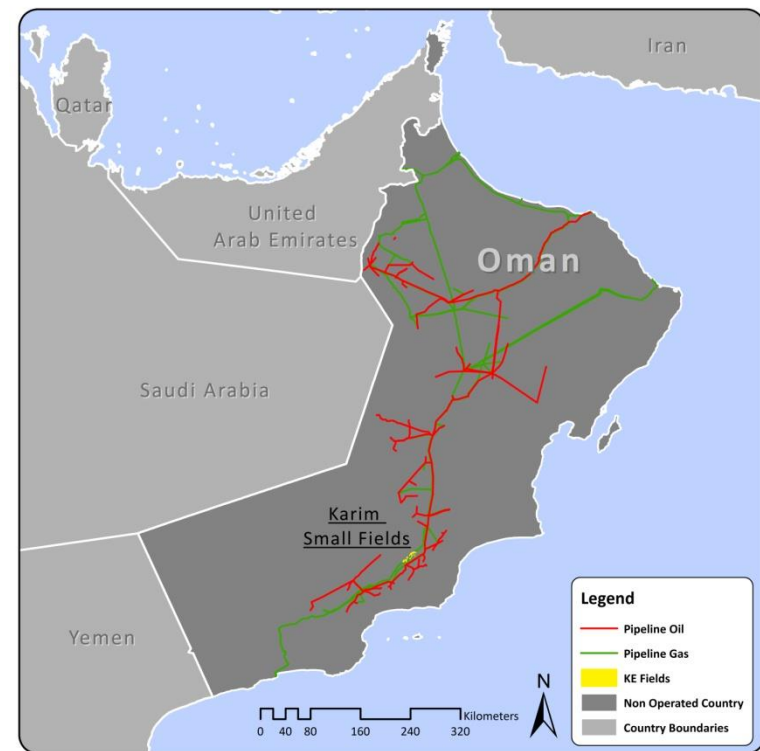
Highlights

- Service contract from Karim Small Fields (KSF), a cluster of 18 mature oilfields in southern Oman, 12 of which are producing
- New 25-year service contract signed on 28 April 2015 and effective from 1 June 2015
- Good potential to expand Oman assets base in the future

Ownership Summary

Partner	Working Interest
Medco Energy (Operator)	51%
Oman Oil Company	25%
Kuwait Energy	15%
Vision Oil & Gas	5%
Petro-Vest	4%

Location Map



YEMEN

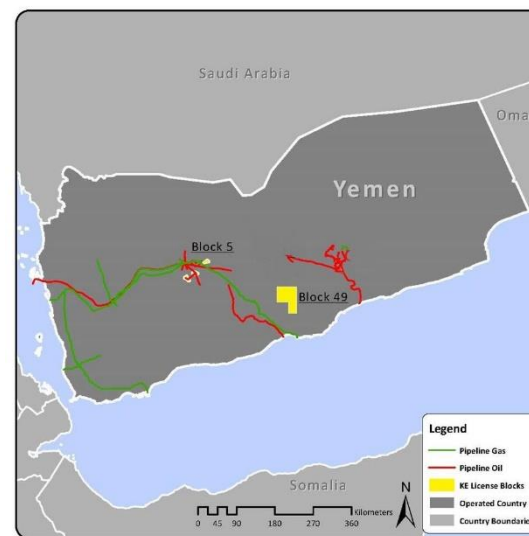


Yemen Assets

Highlights

- 2014 WI average production for Yemen amounted to 4.5 kboepd
- The 2015 political situation has meant Yemen operations are currently on hold as ships are unable to get into the port to export the crude
- Exploration opportunities exist on all blocks
- All blocks operated under PSCs
- Development plan focused on Block 5

Location Map



Assets Detail

Field	Status	Kuwait Energy Operator	Working Interest ⁽¹⁾	2P WI Reserves (mmboe)	2C WI Resources (mmboe)	WI Production (boepd)	
						2015	1H 2016
Block 5	Producing	✓	15.00%	4	7	910	–
Block 49	Exploration	✓	64.00%	–	12	–	–
Total				4	18	976⁽²⁾	–

(1) Revenue Working Interest.

(2) Includes production from Block 43 which Kuwait Energy has withdrawn from, effective 30 June 2015.

Block 5

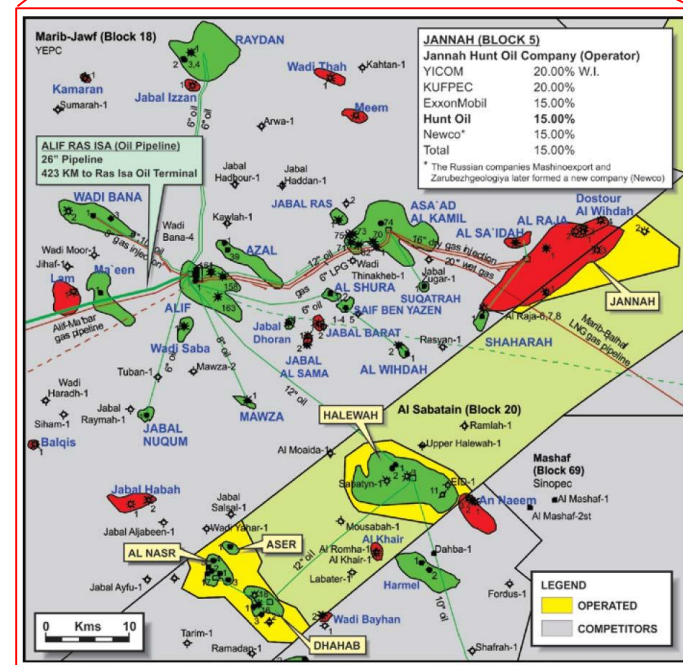
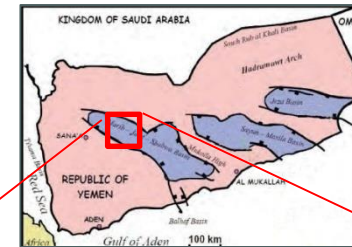
Highlights

- The asset is located in the Marib Sector of the Marib-Jawf-Shabwa Basin, Yemen and is under a Production Sharing Agreement
- Oil is exported by pipeline to the Ras Isa Terminal on the Red Sea Coast via the Alif CPU in the neighboring Marib Block 18
- Possibility of future gas development project

Ownership Summary

Partner	Working Interest
YICOM	20%
KUFPEC	20%
Kuwait Energy (Operator)	15%
Newco	15%
Total	15%
Exxon	15%

Location Map



KUWAIT



Overview

- Kuwait Energy was established on the premises that Middle East countries dominated by NOCs and in particular Kuwait would require Independent oil and gas companies in the future
- In March 2015, Kuwait Energy signed a Consultancy Services Contract with Surtek (well known in the field of EOR especially the Chemical Method) to act as an agent in Kuwait
- Surtek
 - Successfully bid to conduct an Integrated Enhanced Oil Recovery study for Kuwait Oil Company (KOC)
 - Providing an overall screening of potential EOR technologies (Aqueous and Gas Injection) for the Sabriya Lower Burgan Reservoir in KOC
 - Currently reviewing Sabriya static and dynamic models
- Kuwait Energy will benefit on the technical side from this study with zero expenditure by being involved with technology applications
- The Surtek contract marks the initial entry into Kuwait for Kuwait Energy and further projects are being pursued

Map of Kuwait



CORPORATE & FINANCIALS

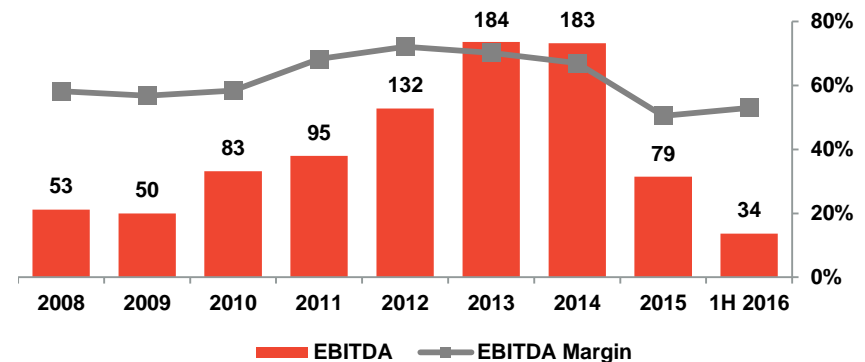


Strong Financial Position Supported by Solid Cash Flow Generation

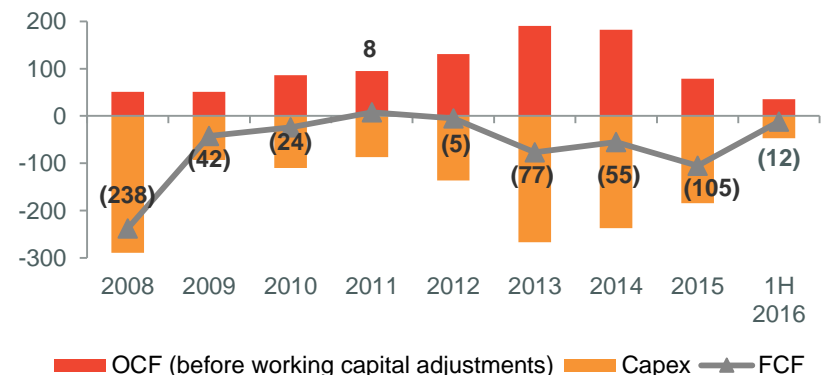
Solid Financial Position

- Cash balance of \$54.5m at 30 June 2016 as a result of increasing production and collection of EGPC receivables, partly offset by the lower realised product price
- 53% EBITDA margin achieved in 1H 2016 in a decreasing crude oil price environment
- Future revenues largely independent from oil price movements due to fiscal structure of existing licensing agreements
- Significant remaining debt headroom and minimum work commitments satisfied across entire license portfolio
- Supportive shareholders contributed to injecting over \$1.25bn equity since company inception in 2005

EBITDA Evolution (\$m)



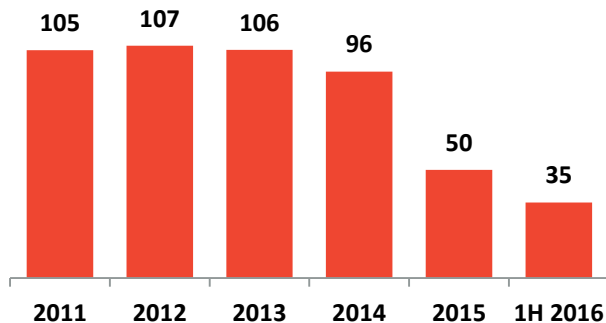
Free Cash Flow Evolution (\$m)



Operations with Strong Cash Generative Assets

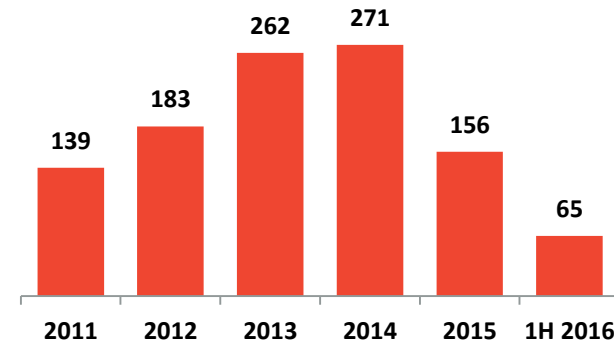
High Margin Production

Average Realised Price per boe (\$)

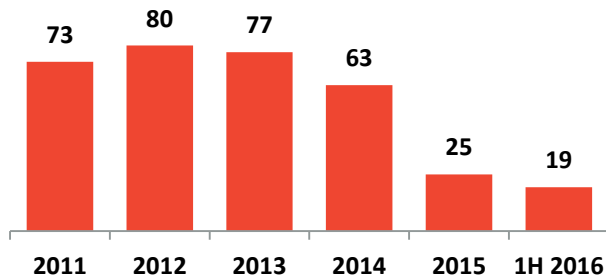


Strong Cash Flow Generation

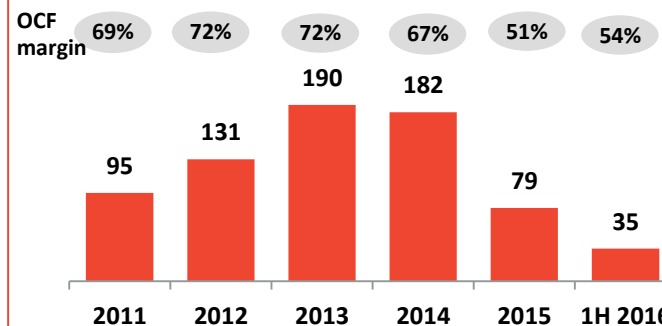
Revenues (\$m)



Operating Cash Flow per boe (\$)⁽¹⁾



Operating Cash Flow (\$m)⁽¹⁾



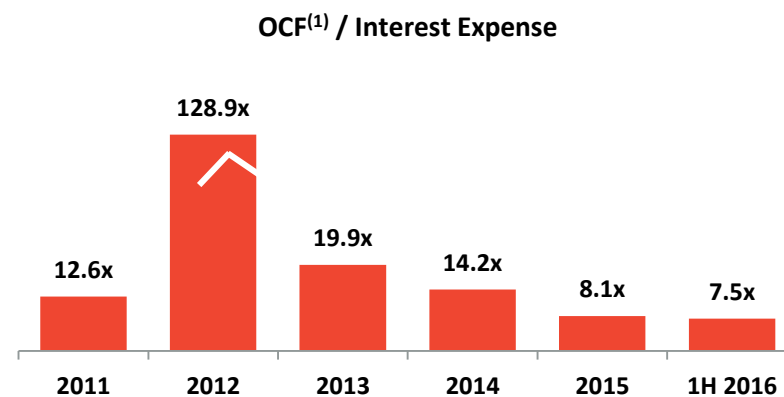
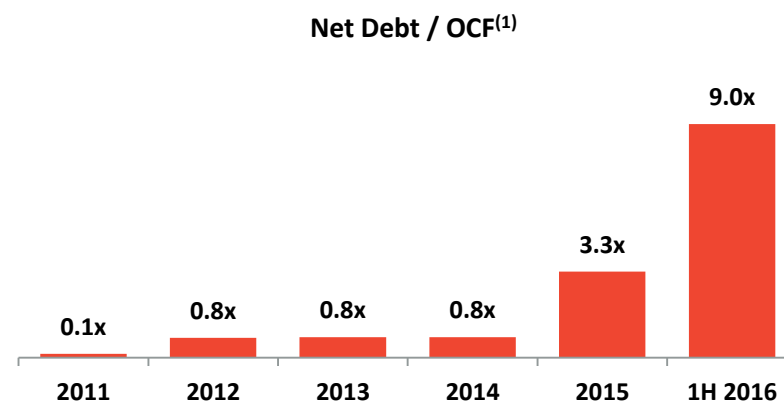
(1) Operating cash flow before working capital changes.

Prudent Financial Policy and Risk Management

Key Elements of Financial Policy

- Kuwait Energy's funding policy is targeted at ensuring that sufficient facilities are available from diverse funding sources to facilitate execution of business plan
- New capital investment projects are evaluated on the basis of NPV, investment efficiency and payback period
- Kuwait Energy maintains a life of field, 3 year plan, detailed 12 month budgeting, allowing the company to tailor development capex to cash availability on regular basis
- No commodity price, interest rate or Forex hedging
 - Sales and majority of expenses are in US\$, hence limited forex exposure
 - Major portion of funded debt constitutes fixed interest rate indebtedness

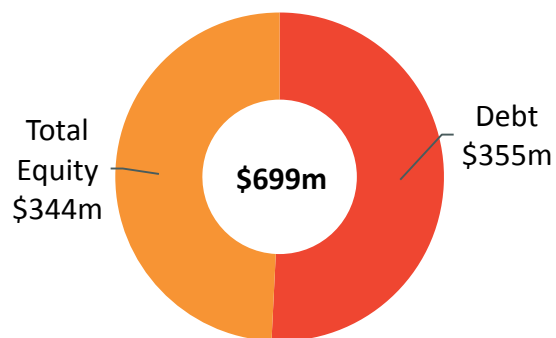
Key Leverage Metrics



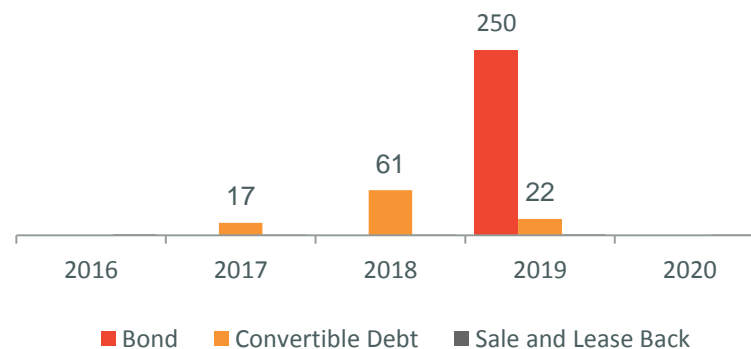
(1) Operating cash flow before working capital adjustments.

Capital Structure and Debt Profile

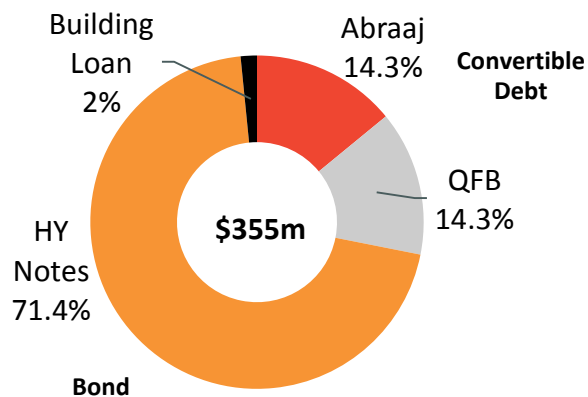
1H 2016 Total Capitalisation



Debt Maturities for Existing Facilities (\$m)



1H 2016 Debt Portfolio

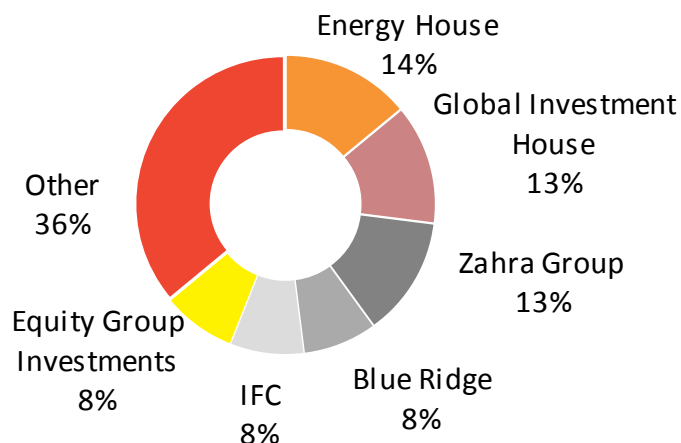


Credit Facilities

- \$250m bond issued in August 2014 at 9.5% YTM
- As of 1H 2015, \$50m was drawn on the Abraaj convertible and \$50m was drawn on the Qatar First Bank convertible
 - There is no intention to draw further amounts on either of these facilities
- Majority of cash balance is held in USD

Supportive Shareholders

Shareholder Structure



Key Shareholders

Energy House

- Energy House (previously named AREF Energy Holding Company) is a subsidiary of Development Enterprise Holding Company (which is a subsidiary of Kuwait Finance House (a large Islamic bank), and has been a shareholder since 2007
- Energy House is listed on the Kuwait Stock Exchange and spearheads DEH's objectives in the energy business sector

Global Investment House

- Global Investment House is an asset management and investment banking company operating in 16 countries in MENA.
- Headquartered in Kuwait with mostly Kuwaiti clients

Blue Ridge

- Blue Ridge Investment Company is a New York-based private equity fund and has been a Kuwait Energy shareholder since 2008
- Regular meetings and telephone calls held to provide an update on operational performance

Equity Group Investments

- Equity Group Investments (EGI) is Chicago-based private investment firm (owned by Sam Zell, US billionaire)
- Major focus on real estate, energy, logistics, transportation, media, and health care
- Regular meetings in the US and the Middle East with Sam Zell and his associates

IFC

- IFC has been involved with Kuwait Energy since 2009, initially through provision of a Murabaha loan facility
- Good relations at all levels, Washington, London, Istanbul and Dubai
- Regular operational updates held with a detailed review of assets

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