



Reference: 124/BK/CCD/25

الإشارة: 124/BK/CCD/25

Date: 2 December 2025

التاريخ: 2 ديسمبر 2025

M/s Bursa Kuwait,

السادة/ شركة بورصة الكويت المحترمين،

State of Kuwait

دولة الكويت

Greetings,

تحية طيبة وبعد،،،

Sub: Disclosure of Material Information- Kuwait Financial Centre K.P.S.C

وضوع: الافصاح عن المعلومات الجوهرية- شركة المركز المالي الكويتي م.ك.ع

With reference to the above subject regarding the disclosure of material information as specified in Module 10 "Disclosure and Transparency" of the Capital Markets Authority Executive Regulations of Law No. 7 of 2010, and based on Chapter IV Article (4-1) of that module;

بالإشارة إلى الموضوع أعلاه بخصوص الافصاح عن المعلومات الجوهرية كما ورد في الكتاب العاشر "الافصاح والشفافية" من اللائحة التنفيذية للقانون رقم 7 لسنة 2010، واستناداً إلى الفصل الرابع مادة (4-1) من ذلك الكتاب.

We are pleased to announce that the international rating agency, Capital Intelligence Ratings, has assigned a first-time Long-Term Rating of 'BBB' to the Up to KWD50mn Senior Unsecured Bond Program on 2nd Dec 2025. Capital Intelligence Ratings has also assigned a Long-Term rating of 'BBB' to the first tranche of the senior unsecured bonds issued under the Program

يسرنا أن نعلن أن وكالة التصنيف الائتماني الدولية "كابيتال انتليجنس" قد منحت تصنيفاً ائتمانياً طويل الأجل بدرجة "BBB" لبرنامج السندات غير المضمونة الأول بقيمة تصل إلى 50 مليون دينار كويتي في 2 ديسمبر 2025. كما منحت "كابيتال انتليجنس" تصنيفاً طويل الأجل بدرجة "BBB" للشريحة الأولى من السندات غير المضمونة الصادرة ضمن البرنامج،

Sincerely,

وتفضلوا بقبول فائق الاحترام،،،

DocuSigned by:

 23D6DC526C49422...

مهي عبدالسلام عماد
 Executive Vice President نائب رئيس تنفيذي

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Note: This is a translation for ease of reference only. The binding text is the Arabic text. In case of any difference between the Arabic and the English texts, the Arabic will prevail.



Kuwait Financial Centre K.P.S.C.
 Commercial registration number: 21330
 Authorized share capital: KD 60,000,000
 Issued & Paid up share capital: KD 50,484,183.400
 P.O. Box 23444, Safat 13095, Kuwait
 Tel: +965 2224 8000

المركز المالي الكويتي ش.م.ك.ع.
 رقم السجل التجاري: 21330
 رأس المال المصرح به: 60,000,000 د.ك
 رأس المال المصدر والمدفوع: 50,484,183.400 د.ك
 ص.ب. 23444، الصفاة 13095، الكويت
 هاتف: +965 2224 8000

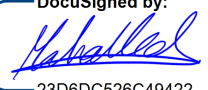
نموذج الإفصاح عن التصنيف الائتماني

التاريخ	2 ديسمبر 2025
اسم الشركة المدرجة	شركة المركز المالي الكويتي ش.م.ك.ع.
الجهة المصدرة للتصنيف	كابيتال انتليجنس
فئة التصنيف	فئة تصنيف السندات: BBB (لأول مرة لبرنامج السندات غير المضمونة بقيمة تصل إلى 50 مليون دينار كويتي في 2 ديسمبر 2025. وتصنيف طويل الأجل بدرجة "BBB" للشريحة الأولى من السندات غير المضمونة الصادرة ضمن البرنامج، التصنيف: الفئة الاستثمارية
مدلولات التصنيف	وفقاً لتعاريف التصنيف لكابيتال انتليجنس على موقعها الإلكتروني، تعتبر السندات والالتزامات المالية التي يتم تصنيفها BBB من الدرجة المتوسطة، بحيث تعد نسبة درجة الحماية لهذه الأوراق المالية معتدلة. كما يدل هذا التصنيف على قدرة الشركة الحالية على سداد أقساط الفائدة ومبلغ السندات الإجمالي، وقد تفتقد السندات لبعض عناصر الحماية أو في حال وجودها قد لا يمكن الاعتماد عليها نسبياً على المدى الطويل. حيث ان الالتزامات المصنفة BBB لا تملك خصائص استثمارية قوية للغاية. وتشكل هذه الالتزامات أقل مستوى تصنيف استثماري، وقد يكون لبعضها خصائص مضاربة.
انعكاس التصنيف على أوضاع الشركة	لا يوجد تأثير متوقع على المركز المالي للشركة.
النظرة المستقبلية	النظرة المستقبلية للشركة "مستقرة"
التصريح الصحفي أو الملخص التنفيذي	مرفق

يتحمل من أصدر هذا الإفصاح كامل المسؤولية عن صحة المعلومات الواردة فيه ودقتها واكتمالها، ويقر بأنه بذل عناية الشخص الحريص في تجنب أية معلومات مضللة أو خاطئة أو ناقصة، وذلك دون أدنى مسؤولية على كل من هيئة أسواق المال وبورصة الكويت للأوراق المالية بشأن محتويات هذا الإفصاح، وبما ينفي عنهما المسؤولية عن أية أضرار قد تلحق بأي شخص جراء نشر هذا الإفصاح أو السماح بنشره عن طريق أنظمتها الإلكترونية أو موقعهما الإلكتروني، أو نتيجة استخدام هذا الإفصاح بأي طريقة أخرى.

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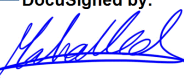
مهى عبد السلام عماد
 نائب رئيس تنفيذي



Disclosure of Credit Rating Form

Date	2 December 2025
Listed Company's Name	Kuwait Financial Centre K.P.S.C. "Markaz"
Rating Agency	Capital Intelligence Ratings
Bond Rating and Grade Category	Bond Rating: BBB (First-time Long-Term rating of 'BBB' to the Up to KWD50mn Senior Unsecured Bond Program on 2nd Dec 2025 and Long-Term rating of 'BBB' to the first tranche of the senior unsecured bonds issued under the Program Grade Category: Investment Grade
Implications of the Rating	According to Capital Intelligence's rating definitions on their website, bonds and financial obligations that are rated BBB are regarded as medium grade. These securities are neither highly nor lowly protected. Both interest payments and principal security are currently adequate but certain protective elements may be missing or may be slightly more unreliable in the longer-term. Obligations rated BBB do not display very strong investment characteristics. The obligations form the lowest investment grade level and some may possibly possess speculative characteristics.
Rating's effect on the status of the Company	No impact is expected on the Company's financial position
Outlook	The Outlook is "Stable"
Press release or executive summary	Attached

The Issuer of this disclosure bears full responsibility for the soundness, accuracy, and completeness of the information contained therein. The Issuer acknowledges that it has assumed Care of a Prudent Person to avoid any misleading, false, or incomplete information. The Capital Markets Authority and Boursa Kuwait Securities Exchange shall have no liability whatsoever for the contents of this disclosure. This disclaimer applies to any damages incurred by any Person as a result of the publication of this disclosure, permitting its dissemination through their electronic systems or websites, or its use in any other manner.

DocuSigned by:

 23D6DC526C49422...

Maha Abdulsalam Imad
 Executive Vice President

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Note: This is a translation for ease of reference only. The binding text is the Arabic text. In case of any difference between the Arabic and the English texts, the Arabic will prevail.



Ref: KW05024CRA05-02 & KW05024CRA01-01

2 December 2025

Kuwait Financial Centre – Rating Assigned to Up to KWD50mn Senior Unsecured Bond Programme and First Tranche Bond Issue.

Capital Intelligence Ratings (CI Ratings or CI) today announced that it has assigned a first-time Long-Term rating of 'BBB' to the Up to KWD50mn Senior Unsecured Bond Programme (the Bond or the Programme) of Kuwait Financial Centre K.P.S.C. (Markaz or the Issuer or the Company). At the same time, CI Ratings has assigned a Long-Term rating of 'BBB' to the first tranche of the senior unsecured bonds issued under the Programme which will consist of up to KWD35mn in fixed- and floating-rate notes. The Outlook for the Programme and first tranche bond issue ratings is Stable.

The ratings assigned to the Programme and bonds are in line with CI's assessment of Markaz's general creditworthiness. This is because the issues under the Programme constitute direct, unconditional and unsecured obligations of the Company, and rank *pari passu* among its other unsecured financial obligations. Key financial factors supporting our assessment are the Company's prudent funding policy and good liquidity management, which have been demonstrated over many years and through many business cycles. Markaz has a wide lender base, a sizeable portfolio of FVTPL financial, a largely unencumbered asset base, and a substantial level of unutilised but committed credit lines. The ratings also take into account Markaz's well-established franchise and its good reputation, especially in the Kuwaiti market.

While both debt and liquidity metrics weakened noticeably in recent periods, this was largely due to the existing bond (which accounts for more than half of total debt) falling into current liabilities, as well as a higher level of short-term borrowings at end-Q3 25. The imminent refinancing of this bond through the First Tranche Bond Issue of up to KWD35mn under this new Senior Unsecured Bond Programme would restore these metrics to more comfortable levels. Over the medium term, the Company plans to repay all its bank borrowings with the proceeds from the sales of its investment properties over the next two to three years while also expanding its portfolio of financial investments at FVTPL to maintain a good level of liquid assets.

The recent shift of financial investments at FVTPL to investments in associates has reduced the potential impact of market movements. Nonetheless, including financial investments at fair value through other comprehensive income (FVOCI) and at amortised cost, these financial investments are still fairly substantial as a proportion of total assets at end-Q3 25. Consequently, the Company will remain exposed to market volatility, something which is unavoidable given its business model. This constitutes the key credit challenge for the Company and is a constraint to the rating. Other credit challenges are the concentration in individual holdings, the moderately high exposure to the real estate sector, and the reliance on asset sale/refinancing to repay larger funding facilities.

With the more favourable operating environment, especially with the GCC financial markets performing fairly well in 2024 compared to a year earlier, asset growth rebounded in 2024 but subsequently slowed down somewhat in Q3-25 before picking up once again in Q4 25. The Company's assets remain fairly well-diversified by product and investment types and geography, although assets in Kuwait continued to account for a large proportion of the asset base. In terms of earnings, management fees and commission income are the mainstay of revenue. A positive recent development has been the rising and sizeable share of income from associates, which now provides a more meaningful contribution to recurring income.

In line with its business model, the major asset holdings are its portfolio of financial investments, investments in associates, and the portfolio of investment properties. Concentration persists, with the top five individual holdings accounting for close to 40% of total assets at end-Q3 25. That said, the two largest holdings relate to funds managed by the Company. As for exposure to the real estate sector was fairly moderate at end-Q3 25 and largely consisted of its investment properties portfolio. This portfolio has been declining since 2023, and ongoing and planned sales of existing investment properties over the next two years would further lower its exposure to the real estate sector. The Company's strategy is, however, to increase real estate activities and investments in Kuwait and internationally. CI anticipates Markaz's exposure to the real estate sector to remain at an appropriate level, supported by the experience and positive track record in managing this asset class.

Funding and liquidity remain key supporting factors for the rating. The Company has a fairly wide lender base, comprising both local banks and foreign institutions. Bank borrowings have risen in recent periods, largely reflecting ongoing development of its real estate projects in the US. Nonetheless, the Company's funding base remains highly concentrated in the existing bond. The latter, which is to mature in December this year, is currently being refinanced by the first tranche drawing of the Up to KWD50mn Senior Unsecured Bond Programme. This would significantly improve the debt maturity profile – with short-term borrowings falling to under a third of total debt from the currently high, close to 90% (excluding any repayment of short-term bank borrowings). EBITDA to interest expense coverage fell in 2024 due largely to lower gains from the sale of investment properties, but has recovered noticeably to a fairly good level in the nine months ending Q3 25 on the back of a higher share of results of associates.

The Company's ability to continue to raise funds on an unsecured standalone basis remains a key strength and reflects its well-established franchise and good reputation in the market. Bank borrowings at subsidiaries (which are non-recourse) are largely secured against projects being financed. While these borrowings have increased noticeably in recent periods, they are anticipated to be repaid by the proceeds from disposal of the completed projects over the next one to two years. The largely unencumbered asset base and good access to the capital markets support a comfortable degree of financing flexibility.

The Company's debt to equity ratio rose in line with the higher bank borrowings in Q1-Q3 25; however, its leverage ratio remained in compliance with regulatory guidelines. Notwithstanding the much lower net profit, total equity rose in 2024 due to a positive change in minority interests compared with contraction in equity from the drop in minority interests in 2023. Equity rose further from retained earnings in Q1-Q3 25. A rise in dividend payments and the much lower net profit significantly increased the dividend payout ratio for FY2024. The Company's policy of distributing high dividends will continue to constrain internal capital generation.

Liquidity and Short-Term Debt Repayment Capacity

Notwithstanding the modest operating cash inflow and the significant impact of the existing bond falling into current obligations, the Company's liquidity position is considered satisfactory and remains supported by its large portfolio of fairly liquid financial assets at FVTPL. It also continues to maintain a substantial level of unutilised but committed lines, which remained in excess of short-term debt obligations at end-Q3 25. Its asset base also remains largely unencumbered. With the imminent refinancing of the existing bond by the first tranche issue of the Up to KWD50mn Unsecured Bond Programme, the favourable debt maturity profile is likely to be restored before year end.

Given the Company's comparatively moderate level of operating profit, the repayment of large facilities (such as bonds issued) will remain reliant on asset sales and/or refinancing. That said, refinancing risk is considered moderately low given the good access to the capital markets, the largely unencumbered asset base, and the wide and well-established lender base. The demonstrated ability to raise unsecured funding on a standalone basis remains a key strength.

Due to its business model and given the large portfolio of financial assets at FVTPL, earnings will remain subject to potential volatility, in line with movements in the financial markets. The sound performance of the GCC markets in 2024, which further improved in 2025 (especially the Kuwait market in recent periods), have contributed to the growth in assets under management (AUM) and the expansion of asset management fee and commission income. There was, however, some decline in fee and commission income in the nine months ending Q3 25, which was due largely to some changes of commission rate and a redemption of an AUM. Nonetheless, fee and commission income from AUM will remain the largest contributor to revenue, and underlines the good earnings quality, albeit that such income is not very stable from period to period. Net profit in 2024 was significantly down compared to the prior year (due mainly to lower gains from the sale of investment properties). For the first nine months of 2025, a sharp rise in the share of results of associates – together with good cost control – contributed to good growth in net profit and a marked improvement in ROAA. The rising share of results of associates is a positive development, as it should support growth of recurring income and make a more meaningful contribution to overall earnings. It is the main contributor to better earnings for the full year 2024.

Credit Rating Announcement

Rating Outlook

The Stable Outlook indicates that the ratings are likely to remain unchanged over the next 12 months. The outlook balances challenges relating to the effect of financial markets volatility against the Company's generally sound financial standing, solid liquidity, and well-established franchise and market reputation.

Rating Dynamics: Upside Scenario

Though seen as being unlikely within the next 12 months, the Outlook could be revised to Positive if the Company's already sound financial metrics strengthen significantly, potential volatility in TCI reduces noticeably, and recurring income expands.

Rating Dynamics: Downside Scenario

Although not our base case, the Outlook could be revised to Negative or the rating lowered by one notch in the next 12 months if there is a significant weakening of financial metrics – and if such a weakening appears unlikely to be rectified in the short term. The normal volatility in earnings and/or OCI relating to market movements (as seen in the past) would not normally be sufficient to trigger such a downside scenario.

Ratings

	Series/ Tranche	Coupon	Maturity Date	Seniority/ Security	Long-Term	Outlook
Up to KWD50mn Bond Programme				Senior Unsecured	BBB	Stable
Up to KWD35mn Bond	1	TBA	TBA	Senior/ Unsecured	Provisional BBB	Stable

Contact

Primary Analyst: Agnes Seah, Senior Credit Analyst; E-mail: agnes.seah@ciratings.com

Secondary Analyst: Darren Stubing, Senior Credit Analyst

Committee Chairperson: Rory Keelan, Senior Credit Analyst

About the Ratings

The credit ratings have been issued by Capital Intelligence Ratings Ltd, P.O. Box 53585, Limassol 3303, Cyprus.

The following information sources were used to prepare the credit ratings: public information and information provided by the rated entity. Financial data and metrics have been derived by CI from the rated entity's financial statements for FY2021-24 and Q3 25. CI may also have relied upon non-public financial information provided by the rated entity and may also have used financial information from credible, independent third-party data providers. CI considers the quality of information available on the rated entity to be satisfactory for the purposes of assigning and maintaining credit ratings. CI does not audit or independently verify information received during the rating process.

The principal methodologies used to determine the ratings are the Non-Bank Financial Institutions Rating Methodology, dated 27 April 2022, and the Bond Rating Methodology. For the methodology and our definition of default see <https://ciratings.com/policies-procedures/methodologies-criteria/current-criteria-guidance>. Information on rating scales and definitions and the time horizon of rating outlooks can be found at <https://ciratings.com/policies-procedures/rating-scales-definitions>. Historical performance data, including default rates, are available from a central repository established by ESMA (CEREP) at <https://registers.esma.europa.eu/cerep-publication>

This is the first time that CI has assigned a national rating to this programme. The rating and rating outlook were disclosed to the rated entity prior to publication and were not amended following that disclosure. The ratings have been assigned or maintained at the request of the rated entity or a related third party.

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