



National Petroleum Services Company K.S.C

Distribution Policy

Document Number	Revision/Date	Number of Pages	Approved By
109001-QSP-012	0 / 01 JUL 16	3	

1 Preamble

National Petroleum Services Company's ("the Company" or "NAPESCO") general policy on profit distribution is to distribute profit under consideration of its financial position, future investments and funding needs, market conditions, economic environment, Capital Market Law. But as each year the rates of the profit distribution will be detected according to above mentioned points. Due to the policy decision of the Capital Market Board dated 27 January 2006, our Company has determined its dividend distribution policy, which was provided to the board and hereinafter explained to the public. Our profit distribution policy is also being announced to the public on our web site. The profit distribution of our Company for **YEAR** has been completed within the legal time.

2 Policy Statements

According to the Articles of the Company, the Board of Directors can only distribute interim dividends, if it is authorized by the General Assembly and is in compliance with the requirements of the Capital Market Law, **Article No.** and the regulations of the Capital Market Board.

The exercise of the authorization of advance payment will be interpreted by the Board of Directors according to the existing legislation and within the frame of the economic environment. Due to the profit distribution policy and after having reached decision on the issue by the Board of Directors, public announcement is made by means of description of special status during each operating period. The methods and processes of profit distribution have been determined according to the regulation of the Kuwait's Commercial Companies Law, Capital Markets Board and the provisions of the Company's Articles of Association.

Due to the profit distribution policy and after having reached decision on the issue by the Board of Directors, public announcement is made by means of description of special status during each operating period. The decision of the Board of Directors regarding the amount of the distribution of profit is being offered to the approval of the General Assembly and the distribution of the approved dividend amount to their shareholders is being performed at the meeting of the General Assembly within the frame of notification of the Capital Markets Board.

An amount of % resting after separation of the separation of the first dividend, which rate is determined by the Capital Markets Board of the shares, resulting of our Company's issued capital but regarded as not to be added to the Company profit, stated in **Article No.** under the subject heading "Distribution of Profit", is decided to be paid to the Board Members as appropriation and% to be paid to the founders of redeemed shareholders as mentioned in **Article No.** of the Company's Articles of Association.

The proposed distribution of profits will be approved by the General Assembly.

The Company will set aside % of the distributable profits for social causes as per its policy on Corporate Social Responsibility established for the purpose.

3 Policy Review

The ownership of this policy is with the Board of Directors. The Board of Directors shall review this policy at least annually and shall make amendments, if deemed necessary.

4 Copyright Statement

The Company has a proprietary right over this Policy and its contents. No part of the Policy should be copied nor is to be removed from the National Petroleum Services Company K.S.C.C.'s ("the Company") premises without the express written permission of the Policy Owner.

The content of the Policy is to be treated as confidential and is not to be shown nor distributed to any non-authorized persons or customers, inside or outside the Company.

5 Policy Administration

All Policy administration requirements like access, review, update, approval authority for review, and amendments of the Policy and the register of amendments will be as per the Authority Matrix of the Company.