

Al-Safat Investment Co records KD 1.039 million profit in 2023

Al-Terkait: Al-Safat achieves profits of KD 5.7 million after merger with Cap Corp

KUWAIT: The board of directors of Al-Safat Investment Company approved the annual financial statements for the fiscal year ending December 31, 2023, which included the company's results achieving profits of KD 1,039,772, equivalent to 3.55 fils per share. The company's total assets amounted to KD 43,837,606, while liabilities amounted to KD 10,123,948, and shareholders' equity amounted to KD 29,446,821.

Chairman of the Board of Directors Abdullah Hamad Al-Terkait reviewed the achievements made according to the annual strategy for the past year and the steps taken by the company in implementing the board's vision for the current year.

Merger

Al-Terkait explained that the board discussed the achievement of the merger process with Cap Corp and transferred all assets and clients to Safat, indicating the execution of the stock exchange where Safat issued 100,000,000 shares in exchange for 200,000,000 shares in

Cap Corp on October 19, 2023.

He added that the process was carried out according to the exchange ratio of 0.5 shares of Safat for each share in Cap Corp, where the acquisition was made by issuing new shares of Safat against a purchase of KD 10,200,000, which is the listed price of the company's shares on the date of acquisition.

Asset ownership

Regarding the consideration paid and the fair values of the assets acquired and estimated liabilities, Al-Terkait explained that the assets acquired by Safat in the process amounted to KD 16,283,245, with minimal liabilities estimated at only KD 396,191, making the net assets acquired by Safat Investment in the process KD 15,887,054.

Merger profits

Considering the cost paid by the company for acquiring Cap Corp amounted to KD 10,200,000, Safat Investment achieved net profits of KD 5,687,054 following the merger. Al-Terkait added



Al-Safat Investment Company Chairman
Abdullah Hamad Al-Terkait

in a press statement issued by the company that "the merger was accomplished during an excellent period, during which all licenses and approvals were obtained from the Capital Markets Authority and the Ministry of Commerce and Industry to complete the merger process with Cap Corp".

Asset transfer

Al-Terkait also highlighted the completion of transferring all assets from Cap Corp to Safat Investment quickly and professionally according to the procedures followed, where clients were notified of the merger and transferred to Safat, in addition to Cap Corp's investment fund and IT infrastructure, which were successfully integrated between the two companies. In a related context, Al-Terkait revealed Safat's intention to conduct qualitative operations within the framework of agreements currently being worked on, including settling and signing the sale of the Middle East Chemical Manufacturing Company, expecting the deal to be completed by the end of 2024.

Final settlements

Al-Terkait stated that the company is in the final negotiations stage for settlement and completion of the sale of the Carpet Manufacturing Company, with preliminary approval of the sale contract, expecting to complete the proce-

dures during the third quarter of 2024. Al-Terkait affirmed that Safat is in the process of renewing and developing its organizational structure fully, as the recent period witnessed the transfer of all information, tasks and responsibilities from the former CEO to the new CEO successfully, noting a low turnover rate regarding employees with significant success in integrating the two teams and retaining the most important human resources in the company.

Regarding the Al Ahmadi project, Al-Terkait mentioned that the Blue Crafts Complex has been leased and occupied by 65 percent.

Market maker

Regarding the financial and investment activities of the company, Al-Terkait explained that Safat Investment has reached the final stages of obtaining a market maker license in the stock market, expecting to proceed with activating the service in the near future after reaching full readiness according to the rules followed in the market.