

Message From the desk of the Chairperson,

Dear Friends,

At the outset, I take this opportunity to thank my entire team in KNETCO for the support and services rendered by each one of them for being a part in the growth of KNETCO.

Today, we have signed the most prestigious project of Telecom maintenance with the Ministry of Communications, Kuwait for a period of 3 years for the sum of USD16.5Million and I am glad to share in the joy that brought to KNETCO.

KNETCO also signed a contract with Joint Operations (KGOC-SACI) for the Secondment of Field Supporting Personnel on 05.07.2010 for the value of USD40.2Million for a period of 4 years in the field of Telecom Maintenance Services.

I would like to share with you my thoughts on the recent events in the economy, efforts for reviving the economy and the role that KNETCO is destined to play in shaping the business activities in challenging times.

KNETCO is characterized by a wide presence at various levels, comprising of both business as well as technology enabled projects. Many companies in Kuwait are offering high end products. May be companies will start offering customized products to serve the needs of every customer separately is not far. Probably, the next stage of transformation in telecom is one where every company transforms itself into a 'one-stop' for all services and products.

In this race, the strength of KNETCO should be an eye opener to all. Even as all over the developed companies were collapsing in the aftermath of the subprime crisis and the global meltdown during 2008-2009, KNETCO have sailed through the storms without any adverse effect due to adequate availability of funds made available through my efforts. This situation must be changed by taking a new turn considering the economic realities by improving business activities.

The events of the past year have the permanent indelible mark on the way KNETCO move forward. But KNETCO can do well by reassessing the future plans after taking a hard look at the core competencies and market to survive and grow in the face of stringent competition. KNETCO's growth with renewed emphasis on further fostering existing customer relationships may be the preferred route in this reassessment of strategies. Harnessing the benefits of technology implementation will be major challenge. The focus will be entirely upon efficient allocation of capital among various business units, improving the risk adjusted return on capital and building in adequate availability




of qualified and professional technical staff that will stand against volatile business cycles. Governance, Risk and Compliance will emerge as the guiding principles of KNETCO managements.

In short, the greatest challenge KNETCO face today is transforming into a risk sensitive organization that enables to continuously reassess to ensure stability and long term maximization of business opportunity.

KNETCO have a very vital role to play in shaping the business activities amidst these challenges. There are many opportunities and new business that KNETCO is looking forward to. In order to achieve business, I rely on my team for their support and services to uplift KNETCO and put KNETCO in the race with other competitors and to be the number one Telecom Solution providers in the State of Kuwait.

My best wishes to you all,



Riham F.M.T. Alghanim



Date: 08 August 2010