

Date: 29/11/2020
Ref: UPAC/COM/2020/069

To: **Boursa Kuwait**

السادة/ بورصة الكويت للأوراق المالية المحترمين،
تحية طيبة وبعد،

**دعوة للاكتتاب في أسهم زيادة رأس مال
شركة المشاريع المتحدة للخدمات الجوية ش.م.ك.ع**
**Invitation to Subscribe into Capital Increase Shares of
United Projects for Aviation Services Company KSCP**

United Projects for Aviation Services Company KSCP (the "Company") would like to invite its shareholders to subscribe into the Company's capital increase shares during the subscription period from 01st December 2020 (inclusive) to 15th December 2020 (inclusive), in accordance with the attached detailed invitation.

تود شركة المشاريع المتحدة للخدمات الجوية ش.م.ك.ع ("الشركة") دعوة مساهميها الكرام للاكتتاب في أسهم زيادة رأس مال الشركة خلال فترة الاكتتاب اعتباراً من 1 ديسمبر 2020 (مشمولاً بالفترة) إلى 15 ديسمبر 2020 (مشمولاً بالفترة)، وذلك وفقاً للدعوة التفصيلية المرفقة.

Best regards,

وتفضلوا بقبول فائق الاحترام والتقدير،



نادية عقيل
نائب رئيس مجلس الإدارة والرئيس التنفيذي
Nadia Akil
Vice Chairperson and CEO

Copy to CMA.

نسخة إلى السادة/ هيئة أسواق المال.

Attachment:

- UPAC invitation to subscribe into capital increase shares.

المرفقات:

- دعوة للاكتتاب في أسهم زيادة رأس مال الشركة.

Invitation to subscribe to the Capital Increase Shares of United Projects Company for Aviation Services K.S.C.P. ("UPAC")

(Commercial Registration 82992)



Pursuant to the resolution passed by the Extra-ordinary General Assembly Meeting of United Projects Company for Aviation Services K.S.C.P. ("UPAC" or the "Issuer" or the "Company") held on 29 September 2016, approving the increase of the Company's authorized share capital to KD 38,250,000; and pursuant to the resolution of the Company's Board of Directors dated 12 October 2020 approving the increase of the issued and paid up share capital with a total nominal value of KD 21,800,000 divided into 218,000,000 ordinary shares at a total value of KD 28,340,000 including the issuance premium; and pursuant to the approval of the Capital Markets Authority ("CMA") dated 26 October 2020, approving the issuance of the new shares, and the approval of the CMA on the Prospectus on 11 November 2020;

UPAC's Board of Directors is pleased to invite all shareholders who are registered in the Company's shareholders' register as of 29 November 2020 ("Record Date") to subscribe to the new shares in accordance with the following terms:

Subscription Period	From 01 December 2020 (inclusive) to 15 December 2020 (inclusive) from Sunday to Thursday from 9 am to 2 pm, excluding official holidays.
Offer Price	130 Kuwaiti Fils per Share (including the nominal value of 100 Kuwaiti Fils per share and the issuance premium of 30 Kuwaiti Fils).
Pre-emption right/ Eligible Subscribers	Shareholders recorded in UPAC's shareholders' register as on the Record Date, have the right to subscribe to up to 132.5% of their holding.
Subscription in additional share	Eligible Subscribers with pre-emption right are allowed to subscribe to additional surplus shares resulting from other shareholders not exercising their pre-emption right, provided that, such eligible subscriber has fully subscribed to the capital increase shares to which he/she is entitled.
Allocations of shares	The Board of Directors will fully allocate the shares to the Eligible Subscribers holding preemption right. The Board of directors will allocate the surplus shares, that resulted from shareholders not exercising their preemption rights, to eligible shareholders who are willing to subscribe in additional shares above their preemption right.
Lead Manager and Subscription Agent	Kuwait Financial Centre K.P.S.C.
Subscription Agent Address	Al-Sharq, Block 1, Ahmad Al-Jaber Street, Universal Tower, Mezzanine.
Required Documents	<p>The subscriber must submit the following documents to the Subscription Agent along with the Subscription Application Form, as applicable. The Subscription Agent officer will check the copies against originals and thereafter return the originals to the subscriber.</p> <ul style="list-style-type: none">• Individual Subscribers<ul style="list-style-type: none">- Original and copy of personal civil identification card;- Original and copy of passport for citizens of GCC states;- Original and copy of special legal proxy for subscribing in shares (for proxy subscribers);- Original and copy of Certificate of Guardianship for minors/ orphans; or- Original and copy of Determination of Succession Deed for heirs.- Evidence of payment of the subscription amount along with the Subscriber's IBAN number.- If the Subscriber is not present in person, an original proxy to the person delegated in administrative dealings related to the Subscription Application (provided that the signature of the Subscriber on the proxy is authenticated by the Subscriber's Bank). <ul style="list-style-type: none">• Corporate Subscriber<ul style="list-style-type: none">- Original and copy of Commercial Registration Certificate;- Original and copy of the Authorized Signatories Certificate and the Extract of the Commercial Register;- Original and copy of the personal identification card of the authorized signatory;- Original and copy of the specimen of signature for the authorized signatory issued by the Public Authority of Manpower or attested by the Chamber of Commerce and Industry; and- Evidence of payment of the subscription amount along with the Subscriber's IBAN number.- If the authorized signatory is not present in person, an original proxy issued by the authorized signatory to the person delegated in administrative dealings related to the Subscription Application.
Payment Methods	<ul style="list-style-type: none">• Bank Transfer<ul style="list-style-type: none">- Bank Name: Gulf Bank, Kuwait- A/C Number: 06406899- A/C Title: KFC (Markaz) - Clients - Collection - Fiduciary Money- IBAN: KW51GULB000000000000006406899- Swift Code: GULBKWKW• Certified bank cheque in favor of the subscription account: KFC (Markaz) - Clients - Collection - Fiduciary Money
Risk Factors	Investment in shares includes various risk factors which include the exposure of the issuer's operations to geopolitical and economic risks; ongoing unrest in the Middle East, Build Operate and Transfer (BOT) projects related risks; performance volatility of the real estate sector; rise of market competition; performance of other industries on which the performance of the company's projects is dependent on; risks related to performance of long term lease contracts; prospects of the company's success in managing its various projects; risks related to real estate development projects; general liquidity risks and the associated costs of raising liquidity; the credit risk of the clients, the risk of securing loans to subsidiaries. Other notable risks are related to key operational risks, such as the risk of increased maintenance and operational costs, as well as risks related to internal compliance and risk management policies and procedures, application of Corporate Governance Rules, the ability to recruit and retain qualified and experienced personnel; and the maintenance of the issuers accounting policies and methods. There also exist additional factors related to the region in which the issuer operates, which include: risks related to the development of legal systems of Kuwait and GCC; legal and regulatory systems, lawsuits and fines that the issuer may encounter, Kuwait bankruptcy rules; and Force Majeure. There are also some key factors to consider associate with investing in shares, including the suitability of the investment, liquidity and volatility of the share price; dividend payments; dilution of existing shareholdings; application of Corporate Income Tax and Value - Added Taxes; and Capital Gains Taxes on Kuwaiti and other Companies; change in Law and implications of GCC monetary unity. For further details on risk factors, please revert to the issue Prospectus. The COVID-19 outbreak has developed and spread across various geographies rapidly in 2020 and declared as a global pandemic, causing disruption to businesses and increased uncertainties in the economic activities. Many governments have undertaken various measures to contain the spread of the virus and imposed restrictions on travelling and placed quarantine measures. Accordingly, on 13th March 2020, Directorate of Civil General Administration ("DCGA") resolved to suspend all inbound and outbound flights to the State of Kuwait except cargo and evacuation flights. This had a direct impact on the revenue and operations of the Issuer.
How to Obtain Copy of the Prospectus	The shareholders can obtain an electronic copy of the Prospectus from the subscription agent's website (www.markaz.com.kw), or through the issuer's website (www.upac.com.kw).
The Terms and Conditions of the Subscriptions	The terms and conditions of the subscription set out in the Prospectus and Subscription Application shall apply.
Notice to Investors	Shareholders are hereby advised to read and fully understand the content of the Prospectus and seek the advice of a licensed advisor specialized in advising on the contents of the prospectus and investment in shares and the associated risks, prior to making a decision as to whether or not to subscribe to the shares.
Disclaimer of Capital Markets Authority	<p>The Capital Markets Authority or any other regulatory organization in Kuwait assumes no responsibility whatsoever for the contents and accuracy of this announcement, and is not liable for any losses arising from the reliance on any part of this announcement.</p> <p>The Capital Markets Authority or any other regulatory organization in Kuwait assumes no responsibility whatsoever for any damages that may result from relying on the contents of this prospectus either wholly or partially. It is recommended to seek the advice of an Investment Advisor.</p>
Governing Law & Court Jurisdictions	The subscription is subject to the provisions of Kuwaiti law and the jurisdiction of the Kuwaiti courts.
Issuer Legal Advisor	Meysan Partners.
Further Information	For further information, please refer to the prospectus or call +965 2224 8534

This invitation is prepared for promotional purposes and it does not disguise, diminish or obscure important items from the investment subject of promotion

Issue Manager & Subscription Agent



Prospectus



Subscription Application