

Date: 13/01/2019

Ref: UPAC/COM/2019/004

To: Boursa Kuwait,

السادة: بورصة الكويت للأوراق المالية المحترمين،

تحية طيبة وبعد،


**Invitation to Subscribe to the Capital Increase Shares of
United Projects for Aviation Services Company KSCP**

**دعوة مساهمي الشركة للاكتتاب في أسهم زيادة رأس مال
شركة المشاريع المتحدة للخدمات الجوية ش.م.ك.ع.**

With reference to the public offering of the capital increase shares of United Projects for Aviation Services Company KSCP (the "Company"), the Board of Directors would like to invite the Company's shareholders registered in the shareholders' register as on 13 January 2019 to subscribe to the Company's capital increase shares in accordance with the terms and conditions set forth under the offering prospectus.

بالإشارة الى الطرح العام لأسهم زيادة رأس مال شركة المشاريع المتحدة للخدمات الجوية ش.م.ك.ع ("الشركة")، يسر مجلس إدارة الشركة، دعوة السادة المساهمين المقيدين في سجل المساهمين بتاريخ 13 يناير 2019 للاكتتاب في أسهم زيادة رأس مال الشركة وفق الأحكام والشروط الواردة في نشرة الاكتتاب الخاصة بطرح الأسهم.

وتفضلوا بقبول فائق الاحترام والتقدير،



نادية عبدالله عكيل

نائب رئيس مجلس الإدارة والرئيس التنفيذي

Nadia Abdullah Akil

Vice Chairperson and CEO



Copy to CMA

نسخة الى السادة/ هيئة أسواق المال

Attachments:

Board of Directors invitation.

المرفقات:

دعوة مجلس الإدارة.

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

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 Board of Directors of UPAC dated 12 September 2018 approving the increase of the issued and paid up share capital with a total nominal value of KD 3,275,000 (Three million and two hundred seventy five thousand Kuwaiti dinar) divided into 32,750,000 ordinary shares (Thirty two million and seven hundred fifty thousand ordinary shares) at a total value of KD 18,012,500 (Eighteen million and twelve thousand five hundred Kuwaiti dinar) including the issuance premium; and pursuant to the approval of the Capital Markets Authority ("CMA") approving the issuance of the new shares, on 19 November 2018 and the approval of the CMA on the Prospectus on 19 December 2018;

UPAC's Board of Directors is pleased to invite all shareholders who are registered in the company's shareholders' register as of 13 January 2019 to subscribe to the new shares in accordance with the following terms:

Subscription Period	From 17 January 2019 (Inclusive) to 14 February 2019 (Inclusive) from Sunday to Thursday from 9 am to 2 pm excluding official holidays.
Offer Price	550 Kuwaiti Fils per Share (including the nominal value of 100 Kuwaiti Fils per share and the issuance premium of 450 Kuwaiti Fils).
Record Date	13 January 2019
Eligible subscribers/ Preemption right	Shareholders recorded in UPAC's shareholders' register as of 13 January 2019 have the right to subscribe to up to approximately 25%* of their holding.
Subscription in additional shares	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 Offer Shares shall be allocated among eligible shareholders who have submitted a request to subscribe into number of Offer Shares in proportion of their respective ownership of the issued shares as on record date. 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	Qibla, Mubarak Al-Kabeer Street, Duaij Building, Ground Floor (in front of Bursa Kuwait).
Required Documents	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.
Individual Subscribers	<ul style="list-style-type: none">• Original & copy of personal civil identification card;• Original & copy of passport for citizens of GCC states;• Original & copy of special legal proxy for subscribing in shares (for proxy subscribers);• Original & copy of Certificate of Guardianship for minors/orphans; or• Original & 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).
Corporate Subscribers	<ul style="list-style-type: none">• Original & copy of Commercial Registration Certificate;• Original & copy of the specimen of signature for the authorized signatory issued by Public Authority of Manpower or attested by the Chamber of Commerce and Industry; and;• Original & copy of the personal identification card of the authorized signatory;• 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	1. Bank Transfer <ul style="list-style-type: none">• Bank Name: Gulf Bank, Kuwait• A/C Number: 06406899• A/C Title: KFC (Markaz) - Clients - Collections - Fiduciary Money• IBAN: KW51GULB0000000000000006406899• Swift Code: GULBKWKW 2. Certified bank cheque in favor of the subscription account: KFC (Markaz) - Clients - Collections - 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; risks of correlation between the performance of various sectors, other than the real estate sector, and the performance of the company's projects; 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 execution on collateral of loans provided to Related Companies. 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 associated 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.
How to Obtain a Copy of the Prospectus	The shareholders can obtain a copy of the Prospectus from the head office of the Subscription Agent (mentioned above), the subscription agent's website (www.markaz.com), the head office of the issuer (Kuwait International Airport, Mezzanine Parking, Kuwait) or through the issuer's website (www.upac.com.kw).
The Terms and Conditions of the Subscription	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	The Kuwait 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.
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 call +965 2224 8534

* Eligible subscribers are kindly requested to contact subscription agent to obtain exact number of their preemption right shares.

Issue Manager & Subscription Agent:



Kuwait Financial Centre K.P.S.C.