

Date: 13/08/2020
Ref: UPAC/COM/2020/033

To: Boursa Kuwait,

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

**Subject: Financial results for the period ending on
30th June 2020**

**الموضوع: النتائج المالية للفترة المنتهية في
30 يونيو 2020**

With reference to the above-mentioned subject, United Projects for Aviation Services Company KSCP would like to announce that the Board of Directors has met on Thursday 13th August 2020 at 01:30 pm; the interim consolidated financial statements for the period ending on 30th June 2020 have been approved in accordance with the attached financial results form.

بالإشارة إلى الموضوع أعلاه، تفيد شركة المشاريع المتحدة للخدمات الجوية ش.م.ك.ع بأن مجلس الإدارة قد اجتمع اليوم الخميس الموافق 13 أغسطس 2020 في تمام الساعة 01:30 مساءً، هذا وقد تم اعتماد البيانات المالية المرحلية المجمعة للفترة المنتهية في 30 يونيو 2020 وفق نموذج نتائج البيانات المالية المرفق.

وتفضلوا بقبول فائق الاحترام والتقدير،



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



Copy to CMA.

نسخة الى السادة / هيئة أسواق المال.

Attachments:

- Financial results form.
- Approved financial statements.
- Approved auditor's report.

المرفقات:

- نموذج نتائج البيانات المالية.
- نسخة من لبيانات المالية المعتمدة.
- نسخة من تقرير مراقب الحسابات المعتمد.



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شركة المشاريع المتحدة
للخدمات الجوية | ش.م.ك.ع

Financial Results Form Kuwaiti Company (KWD)

نموذج نتائج البيانات المالية
للشركات الكويتية (د.ك.)

Second quarter results Ended on	2020-06-30	نتائج الربع الثاني المنتهي في
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Company Name	اسم الشركة
UNITED PROJECTS FOR AVIATION SERVICES Co. K.S.C.P	شركة المشاريع المتحدة للخدمات الجوية ش.م.ك.ع.
Board of Directors Meeting Date	تاريخ اجتماع مجلس الإدارة
2020-08-13	
Required Documents	المستندات الواجب إرفاقها بالنموذج
<input checked="" type="checkbox"/> Approved financial statements	<input checked="" type="checkbox"/> نسخة من البيانات المالية المعتمدة
<input checked="" type="checkbox"/> Approved auditor's report	<input checked="" type="checkbox"/> نسخة من تقرير مراقب الحسابات المعتمد

التغيير (%)	فترة الستة أشهر المقارنة	فترة الستة أشهر الحالية	البيان
Change (%)	Six Month Comparative Period	Six Month Current Period	Statement
	2019-06-30	2020-06-30	
(184.5%)	4,233,739	(3,577,461)	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company
(180.7%)	27.74	(22.40)	ربحية (خسارة) السهم الأساسية والمخففة Basic & Diluted Earnings per Share
(53.9%)	9,269,243	4,270,928	الموجودات المتداولة Current Assets
37.4%	93,254,061	128,103,791	إجمالي الموجودات Total Assets
(19.0%)	13,224,628	10,706,815	المطلوبات المتداولة Current Liabilities
172.3%	20,288,883	55,255,474	إجمالي المطلوبات Total Liabilities
1.5%	70,841,237	71,926,646	إجمالي حقوق الملكية الخاصة بمساهمي الشركة الأم Total Equity attributable to the owners of the Parent Company
(51.8%)	6,677,503	3,219,599	إجمالي الإيرادات التشغيلية Total Operating Revenue
(227.7%)	2,581,362	(3,296,862)	صافي الربح (الخسارة) التشغيلية Net Operating Profit (Loss)
لا يوجد Nil	لا يوجد Nil	لا يوجد Nil	الخسائر المتراكمة / رأس المال المدفوع Accumulated Loss / Paid-Up Share Capital

Financial Results Form
Kuwaiti Company (KWD)

نموذج نتائج البيانات المالية
للشركات الكويتية (د.ك.)

2/8/20



UPAC

شركة المشاريع المتحدة
للخدمات الجوية | ش.م.ك.ع

التغيير (%) Change (%)	الربع الثاني المقارن Second quarter Comparative Period 2019-06-30	الربع الثاني الحالي Second quarter Current Period 2020-06-30	البيان Statement
(204.0%)	2,195,910	(2,283,180)	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company
(199.4%)	14.39	(14.30)	ربحية (خسارة) السهم الأساسية والمخففة Basic & Diluted Earnings per Share
(84.6%)	3,386,692	522,422	إجمالي الإيرادات التشغيلية Total Operating Revenue
(287.8%)	1,171,422	(2,199,577)	صافي الربح (الخسارة) التشغيلية Net Operating Profit (Loss)



• Not Applicable for first Quarter

• لا ينطبق على الربع الأول

Increase/Decrease in Net Profit (Loss) is due to	سبب ارتفاع/انخفاض صافي الربح (الخسارة)
The losses incurred during the first six months ending on 30 th June 2020 is mainly due to decrease in revenue caused by COVID-19 impact and to an increase in amortization for a subsidiary.	ترجع الخسائر المتكبدة خلال فترة الستة أشهر المنتهية في 30 يونيو 2020 بشكل رئيسي إلى انخفاض الإيرادات نتيجة تأثير فيروس كورونا المستجد، وكذلك الزيادة في الإطفاء لإحدى الشركات التابعة.
Total Revenue realized from dealing with related parties (value, KWD)	بلغ إجمالي الإيرادات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)
KWD 200	200 د.ك.
Total Expenditures incurred from dealing with related parties (value, KWD)	بلغ إجمالي المصروفات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)
KWD (1,254,960)	(1,254,960) د.ك.

Corporate Actions		استحقاقات الأسهم (الإجراءات المؤتممة)	
النسبة	القيمة		
لا يوجد Nil	لا يوجد Nil	توزيعات نقدية	Cash Dividends
لا يوجد Nil	لا يوجد Nil	توزيعات أسهم منحة	Bonus Share
لا يوجد Nil	لا يوجد Nil	توزيعات أخرى	Other Dividend
لا يوجد Nil	لا يوجد Nil	عدم توزيع أرباح	No Dividends
لا يوجد Nil	لا يوجد Nil	زيادة رأس المال	Capital Increase
لا يوجد Nil	لا يوجد Nil	تخفيض رأس المال	Capital Decrease

The Company's comments in case the auditor has concerns or a qualified opinion	تعقيب الشركة في حال قيام مراقب الحسابات بإبداء ملاحظات أو تحفظات
None.	لا يوجد.

ختم الشركة Company Seal	التوقيع Signature	المسمى الوظيفي Title	الاسم Name
		نائب رئيس مجلس الإدارة والرئيس التنفيذي Vice-Chairperson and CEO	نادية عبدالله محمد عقيل Nadia Abdullah Mohammed Akil

Attach a copy of the financial statements approved by the Board of Directors and the approved auditor's report

يجب ارفاق نسخة البيانات المالية المعتمدة من مجلس الإدارة وتقرير مراقب الحسابات المعتمد



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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF UNITED PROJECTS COMPANY FOR AVIATION SERVICES K.S.C.P.

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of United Project Company For Aviation Services K.S.C.P. (the “Parent Company”) and its subsidiaries (collectively the “Group”) as at 30 June 2020, and the related interim condensed consolidated statements of income and comprehensive income for the three months and six months period then ended, and the interim condensed consolidated statements cash flows and changes in equity for the six months period then ended. Management of the Parent Company is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard IAS 34: Interim Financial Reporting (“IAS 34”). Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently, it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with IAS 34.

Report on Other Legal and Regulatory Requirements

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of account of the Parent Company. We further report that, to the best of our knowledge and belief, we have not become aware of any violations of the Companies Law No. 1 of 2016, as amended, and its executive regulations, as amended, or of the Parent Company’s Memorandum of Incorporation and Articles of Association, as amended, during the six months period ended 30 June 2020 that might have had a material effect on the business of the Parent Company or on its financial position.

BADER A. AL ABDULJADER
LICENCE NO. 207-A
EY
AL AIBAN, AL OSAIMI & PARTNERS

13 August 2020
Kuwait

United Projects Company For Aviation Services K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME

(UNAUDITED)

For the period ended 30 June 2020

	Notes	Three months ended		Six months ended	
		30 June		30 June	
		2020	2019	2020	2019
		KD	KD	KD	KD
Revenues		522,422	3,386,692	3,219,599	6,677,503
Operating costs		(292,999)	(298,753)	(567,984)	(596,304)
GROSS PROFIT		229,423	3,087,939	2,651,615	6,081,199
General and administrative expenses		(357,194)	(678,019)	(893,482)	(1,263,026)
Salaries and employee benefits		(288,357)	(340,703)	(617,300)	(661,130)
Share of results of associates		(21,514)	(30,570)	(991,440)	(66,816)
Revaluation loss on loan to an associate		-	(135,725)	-	(85,313)
Other income (loss)		-	7,777	1,590	(26,710)
(Loss) profit before interest, taxation, depreciation and amortisation (“EBITDA”)		(437,642)	1,910,699	150,983	3,978,204
Depreciation		(90,995)	(18,413)	(105,175)	(36,985)
Amortisation		(1,670,940)	(720,864)	(3,342,670)	(1,359,857)
(Loss) profit before interest and taxation (“EBIT”)		(2,199,577)	1,171,422	(3,296,862)	2,581,362
Interest income		870	1,421,242	4,442	2,601,552
Finance cost		(539,333)	(298,775)	(1,109,516)	(747,134)
(Loss) profit before taxation		(2,738,040)	2,293,889	(4,401,936)	4,435,780
Taxation	10	-	(110,136)	-	(207,395)
(LOSS) PROFIT FOR THE PERIOD		(2,738,040)	2,183,753	(4,401,936)	4,228,385
BASIC AND DILUTED (LOSS) EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY	3	(14.3) fils	14.39 fils	(22.4) fils	27.74 Fils
Attributable to:					
Equity holders of the Parent Company		(2,283,180)	2,195,910	(3,577,461)	4,233,739
Non-controlling interests		(454,860)	(12,157)	(824,475)	(5,354)
		(2,738,040)	2,183,753	(4,401,936)	4,228,385

The attached notes 1 to 13 form part of this interim condensed consolidated financial information.

United Projects Company For Aviation Services K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 June 2020

		<i>30 June</i> 2020 KD	<i>(Audited)</i> 31 December 2019 KD	<i>30 June</i> 2019 KD
ASSETS				
Non-current assets				
Property and equipment		69,331	174,062	177,422
Intangible assets	4	6,160,009	9,494,470	12,070,497
Investment in an associate	5	4,576,769	6,007,664	6,088,517
Loan to an associate	5, 12	113,026,754	98,732,145	65,648,382
		<u>123,832,863</u>	<u>114,408,341</u>	<u>83,984,818</u>
Current assets				
Accounts receivable and other assets		3,479,278	3,627,292	3,729,053
Cash and cash equivalents		791,650	1,511,414	5,540,190
		<u>4,270,928</u>	<u>5,138,706</u>	<u>9,269,243</u>
TOTAL ASSETS		<u><u>128,103,791</u></u>	<u><u>119,547,047</u></u>	<u><u>93,254,061</u></u>
EQUITY AND LIABILITIES				
Equity				
Share capital	8	16,450,000	16,450,000	16,450,000
Share premium	8	42,065,000	42,065,000	42,065,000
Statutory reserve		7,000,058	7,000,058	6,021,868
Treasury shares	6	(1,544,594)	(1,544,594)	(1,544,594)
Other reserve		(1,194,515)	(661,746)	(668,510)
Foreign currency translation reserve		83,773	(9,541)	(7,881)
Retained earnings		9,066,924	12,644,385	8,525,354
Equity attributable to holders of the Parent Company		<u>71,926,646</u>	<u>75,943,562</u>	<u>70,841,237</u>
Non-controlling interests		921,671	1,746,146	2,123,941
Total equity		<u>72,848,317</u>	<u>77,689,708</u>	<u>72,965,178</u>
Liabilities				
Non-current liabilities				
Loans and borrowings	7	36,395,382	25,752,074	-
Accounts payable and other liabilities		7,577,080	7,683,881	6,564,848
Employees' end of service benefits		576,197	536,177	499,407
		<u>44,548,659</u>	<u>33,972,132</u>	<u>7,064,255</u>
Current liabilities				
Loans and borrowings	7	-	-	3,500,000
Accounts payable and other liabilities		10,706,815	7,885,207	9,724,628
		<u>10,706,815</u>	<u>7,885,207</u>	<u>13,224,628</u>
Total liabilities		<u>55,255,474</u>	<u>41,857,339</u>	<u>20,288,883</u>
TOTAL EQUITY AND LIABILITIES		<u><u>128,103,791</u></u>	<u><u>119,547,047</u></u>	<u><u>93,254,061</u></u>

Tarek Ibrahim Mohammad Al Mousa
Chairman


Nadia Abdullah Mohammad Akil
CEO & Vice Chairperson


The attached notes 1 to 13 form part of this interim condensed consolidated financial information.