

Date: 03/08/2023
Ref: UPAC/COM/2023/038

To: Boursa Kuwait,

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

الموضوع: النتائج المالية للفترة المنتهية في 30 يونيو 2023
Subject: Financial results for the period ending on 30th June 2023

With reference to the above-mentioned subject, United Projects for Aviation Services Company K.S.C.P. would like to report that, the Board of Directors has met today, Thursday, 03rd August 2023 at 02:00 pm, and the interim consolidated financial statements for the period ending on 30th June 2023 has 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 3 أغسطس 2023 في تمام الساعة 02:00 مساءً، هذا وقد تم اعتماد البيانات المالية المرحلية المجمعة للفترة المنتهية في 30 يونيو 2023 وفقاً لنموذج نتائج البيانات المالية المرفق.

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:

المرفقات:

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

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

| | |
|--|---|
| Company Name | اسم الشركة |
| United Projects for Aviation Services Company K.S.C.P. | شركة المشاريع المتحدة للخدمات الجوية ش.م.ك.ع. |

| | | |
|--|------------|-------------------------------|
| Second quarter results Ended on | 2023-06-30 | نتائج الربع الثاني المنتهي في |
|--|------------|-------------------------------|

| | | |
|--|------------|---------------------------|
| Board of Directors Meeting Date | 2023-08-03 | تاريخ اجتماع مجلس الإدارة |
|--|------------|---------------------------|

| | |
|---|---|
| Required Documents | المستندات الواجب إرفاقها بالنموذج |
| Approved financial statements. Approved auditor's report This form shall not be deemed to be complete unless the documents mentioned above are provided | نسخة من البيانات المالية المعتمدة نسخة من تقرير مراقب الحسابات المعتمد لا يعتبر هذا النموذج مكتملاً ما لم يتم إرفاق هذه المستندات |

| التغيير (%) Change (%) | فترة الستة اشهر المقارنة Six Month Comparative Period | فترة الستة اشهر الحالية Six Month Current Period | البيان Statement |
|---------------------------|---|--|--|
| | 2022-06-30 | 2023-06-30 | |
| (23.6%) | 767,090 | 586,294 | صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company |
| (23.65%) | 2.03 | 1.55 | ربحية (خسارة) السهم الأساسية والمخفضة Basic & Diluted Earnings per Share |
| (25.8%) | 7,122,736 | 5,284,089 | الموجودات المتداولة Current Assets |
| 16.2% | 180,024,115 | 209,169,963 | إجمالي الموجودات Total Assets |
| 47.6% | 69,465,056 | 102,525,034 | المطلوبات المتداولة Current Liabilities |
| 37.3% | 75,839,616 | 104,114,454 | إجمالي المطلوبات Total Liabilities |
| 0.8% | 103,222,259 | 104,011,357 | إجمالي حقوق الملكية الخاصة بمساهمي الشركة الأم Total Equity attributable to the owners of the Parent Company |
| 7.2% | 4,718,159 | 5,059,596 | إجمالي الإيرادات التشغيلية Total Operating Revenue |
| (62.0%) | 1,799,352 | 684,601 | صافي الربح (الخسارة) التشغيلية Net Operating Profit (Loss) |
| لا يوجد None | لا يوجد None | لا يوجد None | الخسائر المتراكمة / رأس المال المدفوع Accumulated Loss / Paid-Up Share Capital |

| التغيير (%) | الربع الثاني المقارن | الربع الثاني الحالي | البيان |
|-------------|-----------------------------------|-------------------------------|--|
| Change (%) | Second quarter Comparative Period | Second quarter Current Period | Statement |
| | 2022-06-30 | 2023-06-30 | |
| (100.2%) | 432,176 | (651) | صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company |
| (100.0%) | 1.14 | 0.00 | ربحية (خسارة) السهم الأساسية والمخفضة Basic & Diluted Earnings per Share |
| 0.8% | 2,443,620 | 2,463,818 | إجمالي الإيرادات التشغيلية Total Operating Revenue |
| (97.1%) | 963,536 | 27,541 | 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) |
|---|--|
| <p>1. The revenue for the six months period ended on 30th June 2023 is showing a positive variance of 7.2% compared to same period of last year as a result of increase in overall operating revenue due to the increase driven by rebound in airport-related services, following the government relaxation of COVID restrictions. However, the Company witnessed a decrease in net profit which is mainly attributed to losses in the results of an associate.</p> <p>2. Continue the suspension of accruing interest income on the loan to an associate, which would have otherwise resulted in interest income of KD 10,992,919 for the six months period ending on 30th June 2023, and the Company retains the right to reinstate it in the future.</p> | <p>1. تظهر إيرادات الفترة المالية لفترة الستة أشهر المنتهية في 30 يونيو 2023 تبايناً إيجابياً بنسبة 7.2% مقارنة بذات الفترة من العام الماضي، وذلك نتيجة الزيادة في إجمالي الإيرادات التشغيلية المصاحبة للتحسن التدريجي في العمليات المتعلقة بمرافق مطار الكويت الدولي بعد تخفيف الحكومة للقيود المفروضة بشأن انتشار فيروس كورونا. ومع ذلك، فقد شهدت الشركة انخفاضاً في صافي الربح والذي يعزى بشكل رئيسي إلى خسائر في نتائج شركة زميلة.</p> <p>2. استمرار تعليق إيرادات الفوائد على القرض المقدم إلى شركة زميلة، مما كان سيؤدي بخلاف ذلك إلى تسجيل إيرادات فوائد قدرها 10,992,919 دينار كويتي لفترة الستة أشهر المنتهية في 30 يونيو 2023، مع احتفاظ الشركة بالحق في إعادة مستقبلاً.</p> |

| | | |
|--|-----------|--|
| Total Revenue realized from dealing with related parties (value, KWD) | 68,257 | بلغ إجمالي الإيرادات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.) |
| Total Expenditures incurred from dealing with related parties (value, KWD) | (526,724) | بلغ إجمالي المصروفات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.) |

| Auditor Opinion | | رأي مراقب الحسابات |
|--------------------------|-------------------------------------|--------------------|
| 1. Unqualified Opinion | <input checked="" type="checkbox"/> | 1. رأي غير متحفظ |
| 2. Qualified Opinion | <input type="checkbox"/> | 2. رأي متحفظ |
| 3. Disclaimer of Opinion | <input type="checkbox"/> | 3. عدم إبداء الرأي |
| 4. Adverse Opinion | <input type="checkbox"/> | 4. رأي معاكس |

In the event of selecting item No. 2, 3 or 4, the following table must be filled out, and this form is not considered complete unless it is filled.

بحال اختيار بند رقم 2 أو 3 أو 4 يجب تعبئة الجدول التالي، ولا يعتبر هذا النموذج مكتملاً ما لم يتم تعبئته

| | | |
|----|----------|--|
| NA | لا ينطبق | نص رأي مراقب الحسابات كما ورد في التقرير |
| NA | لا ينطبق | شرح تفصيلي بالحالة التي استدعت مراقب الحسابات لإبداء الرأي |
| NA | لا ينطبق | الخطوات التي ستقوم بها الشركة لمعالجة ما ورد في رأي مراقب الحسابات |
| NA | لا ينطبق | الجدول الزمني لتنفيذ الخطوات لمعالجة ما ورد في رأي مراقب الحسابات |

| Corporate Actions | | استحقاقات الأسهم (الإجراءات المؤسسية) | |
|-------------------|--------------|---------------------------------------|-------------------------------------|
| النسبة | القيمة | | |
| None لا يوجد | None لا يوجد | | توزيعات نقدية Cash Dividends |
| None لا يوجد | None لا يوجد | | توزيعات أسهم منحة Bonus Share |
| None لا يوجد | None لا يوجد | | توزيعات أخرى Other Dividend |
| None لا يوجد | None لا يوجد | | عدم توزيع أرباح No Dividends |
| None لا يوجد | None لا يوجد | علاوة الإصدار Issue Premium | زيادة رأس المال Capital Increase |
| None لا يوجد | None لا يوجد | | تخفيض رأس المال Capital Decrease |

| 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 |



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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 2023, and the related interim condensed consolidated statement of income, the interim condensed consolidated statement of comprehensive income for the three months and six months periods then ended, the interim condensed consolidated statement of cash flows and the interim condensed consolidated statement of 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 2023 that might have had a material effect on the business of the Parent Company or on its financial position.

We further report that, during the course of our review, to the best of our knowledge and belief, we have not become aware of any violations of the provisions of Law No 7 of 2010 concerning the Capital Markets Authority and its related regulations during the six months period ended 30 June 2023 that might have had a material effect on the business of the Parent Company or on its financial position.

WALEED A. AL-OSAIMI
LICENCE NO. 68 A
EY
AL AIBAN, AL OSAIMI & PARTNERS

6 August 2023
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 2023

| | Notes | <i>Three months ended</i> | | <i>Six months ended</i> | |
|--|-------|---------------------------|-------------|-------------------------|-------------|
| | | <i>30 June</i> | | <i>30 June</i> | |
| | | <i>2023</i> | <i>2022</i> | <i>2023</i> | <i>2022</i> |
| | | <i>KD</i> | <i>KD</i> | <i>KD</i> | <i>KD</i> |
| Revenues | | 2,463,818 | 2,443,620 | 5,059,596 | 4,718,159 |
| Operating costs | | (278,303) | (310,844) | (589,330) | (604,034) |
| GROSS PROFIT | | 2,185,515 | 2,132,776 | 4,470,266 | 4,114,125 |
| General and administrative expenses | | (409,354) | (360,957) | (766,266) | (721,507) |
| Salaries and employee benefits | | (318,968) | (296,911) | (616,864) | (589,101) |
| Share of results of associates | | (1,144,844) | (58,069) | (1,656,040) | (92,240) |
| Other income | | 6,340 | 10,521 | 10,132 | 51,136 |
| Profit before interest, taxation, depreciation and amortisation ("EBITDA") | | 318,689 | 1,427,360 | 1,441,228 | 2,762,413 |
| Depreciation | | (3,215) | (5,507) | (9,460) | (12,662) |
| Amortisation | | (287,933) | (458,317) | (747,167) | (950,399) |
| Profit before interest and taxation ("EBIT") | | 27,541 | 963,536 | 684,601 | 1,799,352 |
| Interest income | | 3,178 | 10,103 | 21,178 | 17,604 |
| Finance cost | | (17,283) | (503,433) | (35,218) | (980,295) |
| Profit before taxation | | 13,436 | 470,206 | 670,561 | 836,661 |
| Taxation | 9 | (808) | (20,676) | (29,065) | (34,733) |
| PROFIT FOR THE PERIOD | | 12,628 | 449,530 | 641,496 | 801,928 |
| BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY | 3 | 0 Fils | 1.14 Fils | 1.55 Fils | 2.03 Fils |
| Attributable to: | | | | | |
| Equity holders of the Parent Company | | (651) | 432,176 | 586,294 | 767,090 |
| Non-controlling interests | | 13,279 | 17,354 | 55,202 | 34,838 |
| | | 12,628 | 449,530 | 641,496 | 801,928 |

The attached notes 1 to 12 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 2023

| | | 30 June 2023 KD | (Audited) 31 December 2022 KD | 30 June 2022 KD |
|---|-------|-----------------------|--|-----------------------|
| ASSETS | | | | |
| Non-current assets | | | | |
| Property and equipment | | 242 | 9,362 | 20,163 |
| Intangible assets | 4 | 572,278 | 1,319,445 | 2,216,917 |
| Investment in an associate | 5 | 2,049,434 | 3,680,659 | 5,285,034 |
| Loan to an associate | 5, 12 | 201,263,920 | 181,485,131 | 165,379,265 |
| | | <u>203,885,874</u> | <u>186,494,597</u> | <u>172,901,379</u> |
| Current assets | | | | |
| Accounts receivable and other assets | | 2,762,266 | 2,655,618 | 2,411,832 |
| Cash and cash equivalents | | 2,521,823 | 4,472,185 | 4,710,904 |
| | | <u>5,284,089</u> | <u>7,127,803</u> | <u>7,122,736</u> |
| TOTAL ASSETS | | <u>209,169,963</u> | <u>193,622,400</u> | <u>180,024,115</u> |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| Share capital | 7 | 38,250,000 | 38,250,000 | 38,250,000 |
| Share premium | | 48,605,000 | 48,605,000 | 48,605,000 |
| Statutory reserve | | 7,159,646 | 7,159,646 | 7,093,461 |
| Treasury shares | 6 | (1,544,594) | (1,544,594) | (1,544,594) |
| Other reserve | | 147,191 | 139,023 | (205,875) |
| Foreign currency translation reserve | | 47,760 | 31,113 | 61,903 |
| Retained earnings | | 11,346,354 | 10,760,060 | 10,962,364 |
| Equity attributable to holders of the Parent Company | | <u>104,011,357</u> | <u>103,400,248</u> | <u>103,222,259</u> |
| Non-controlling interests | | 1,044,152 | 988,950 | 962,240 |
| Total equity | | <u>105,055,509</u> | <u>104,389,198</u> | <u>104,184,499</u> |
| Non-current liabilities | | | | |
| Accounts payable and other liabilities | 8 | 805,969 | 906,519 | 5,691,072 |
| Employees' end of service benefits | | 783,451 | 747,167 | 683,488 |
| | | <u>1,589,420</u> | <u>1,653,686</u> | <u>6,374,560</u> |
| Current liabilities | | | | |
| Loans and borrowings | | - | - | 32,075,179 |
| Accounts payable and other liabilities | 8 | 8,060,192 | 9,893,445 | 8,101,879 |
| Loan from a related party | 5 | 94,464,842 | 77,686,071 | 29,287,998 |
| | | <u>102,525,034</u> | <u>87,579,516</u> | <u>69,465,056</u> |
| Total liabilities | | <u>104,114,454</u> | <u>89,233,202</u> | <u>75,839,616</u> |
| TOTAL EQUITY AND LIABILITIES | | <u>209,169,963</u> | <u>193,622,400</u> | <u>180,024,115</u> |

Tarek Ibrahim Mohammad Al Mousa
Chairman


Nadia Abdullah Mohammad Akil
CEO & Vice Chairperson

The attached notes 1 to 12 form part of this interim condensed consolidated financial information.