



ARABTEC HOLDING PJSC

Invitation to the Shareholders to Subscribe for Capital Increase

ARABTEC HOLDING PJSC (the **Company**) hereby invites its shareholders to subscribe for new shares, by way of a rights issue, as approved by the Annual General Assembly of the Company and the Securities and Commodities Authority.

1. **Decision of the Capital Increase:**

The Annual General Assembly of the Company in its meeting held on 18 April 2017 resolved by way of a special resolution to increase the issued capital of the Company by One Billion, Five Hundred Million UAE Dirhams (AED 1,500,000,000) at an issue price of AED 1.00 per new share (the **Special Resolution**) and delegated to the Board of Directors of the Company to determine the date and details of the capital increase.

On 1 May 2017, the Board of Directors of the Company resolved to approve and issue this invitation to the shareholders of the Company to implement the Special Resolution to increase the issued share capital of the Company by One Billion, Five Hundred Million UAE Dirhams (AED 1,500,000,000), by way of a rights issue (the **Rights Issue**).

2. **Amount of Capital Increase:**

The Rights Issue will increase the paid up share capital of the Company from Four Billion, Six Hundred and Fifteen Million and Sixty Five Thousand UAE Dirhams (4,615,065,000 AED) to Six Billion, One Hundred and Fifteen Million and Sixty Five Thousand UAE Dirhams (6,115,065,000 AED), with an increase of One Billion, Five Hundred Million UAE Dirhams (AED 1,500,000,000) and the issuance of One Billion, Five Hundred Million (1,500,000,000) new shares (the **New Shares**). The New Shares will be issued at an issue price of AED 1.00 per New Share (the **Issue Price**).

3. **General Information on the Company:**

- **Company Name:** Arabtec Holding PJSC
- **Date of listing at the Dubai Financial Market:** 4 January 2005
- **Head office:** IPIC Square, Sultan Bin Zayed the First Street (previously Muroor), Abu Dhabi United Arab Emirates
- **Purpose of the Company:** to invest in, establish and manage companies, to own shares or interest in joint stock companies and limited liability companies, to provide loans, guarantees and financing to its subsidiaries, to own real estate and movable assets required to enable it to carry out its activities and to own intellectual property rights such as patents, trademarks and industrial designs or concession and leasing of these to its subsidiaries or third parties.
- **Current Capital:** Four Billion, Six Hundred and Fifteen Million, and Sixty Five Thousand UAE Dirhams (AED 4,615,065,000)
- **Current Number of Shares:** Four Billion, Six Hundred and Fifteen Million, and Sixty Five Thousand shares (4,615,065,000 shares).
- **Listing Venue:** Dubai Financial Market (DFM)
- **Nominal Value of each Share:** One UAE Dirham (1 AED)
- **Purpose of capital increase:** The Company intends to use the net proceeds from the Rights Issue to fund completion of ongoing projects, support management's business plan, and provide financial flexibility to pursue growth opportunities.

- **Auditor:** PricewaterhouseCoopers.
- **Receiving Bank:** First Abu Dhabi Bank (formerly known as National Bank of Abu Dhabi) through its branches listed below.

4. Subscription Conditions:

Right to Subscribe:

The Rights Issue will be conducted through the issue of tradable securities (the **Rights** and each a **Right**) to registered shareholders of the Company in the Company's Register (the **Shareholders** and each a **Shareholder**) at the DFM on Thursday 11 May 2017 (the **Eligibility Date**) in the amount of one Right for every 3.0767 shares held on such date. The last day to buy the shares with the Rights will be Tuesday 9 May 2017. Each Right entitles the holder to subscribe for one New Share at the Issue Price.

The number of Rights will be rounded down to the nearest whole number of Rights and Shareholders will not receive a Right in respect of the fraction of any Rights, with such Rights being deposited into the clearing account or brokerage account of each such Shareholder where his or her existing shares are held within one business day of the Eligibility Date. Shareholders, who hold Rights to subscribe for New Shares but do not wish to exercise their Rights, may sell their Rights to other investors via brokers registered and licensed by the DFM.

Trading in the Rights Issue:

The DFM will coordinate with brokerage firms to add the balance of the Shareholders' Rights in the amount of one Right for every 3.0767 shares held on the Eligibility Date to their respective accounts maintained by the respective brokerage firm. This will allow the Shareholders of the Company to trade their Rights - selling or buying - within the below period (the **Trading Period**):

- First day of trading the Rights on DFM: 15 May 2017
- Last day of trading the Rights on DFM: 21 May 2017
- Subscription period: Subscription for the New Shares will take place within the below period (the **Subscription Period**).

During the Subscription Period, the holders of Rights which includes Shareholders and any persons who purchased the Rights during the Trading Period (the **Eligible Persons** and each an **Eligible Person**) will be allowed to exercise their Rights to subscribe for the New Shares at the Issue Price.

- Subscription Opening Date: 15 May 2017

- Subscription Closing Date: 28 May 2017

Subscription for additional shares:

In addition to exercising their Rights to subscribe for one New Share for each 3.0767 shares held, Eligible Persons will also be allowed to apply for additional New Shares (**Additional New Shares**), which will be allocated in the event that any unsubscribed for New Shares remain as a result of the failure by Eligible Persons to exercise their Rights to subscribe for New Shares.

The Additional New Shares will be allocated, on a *pro rata* basis, to the Eligible Persons who subscribed for such Additional New Shares, based on the number of Additional New Shares requested by such Eligible Persons. If any unsubscribed New Shares still remain after the allocation of the Additional New Shares to the Eligible Persons who had subscribed for such Additional New Shares (the **Remaining Shares**), the Remaining Shares will be subscribed to by Aabar Investments PJS (and/or persons related, affiliated to, associated with and/or introduced by Aabar Investments PJS) at the Issue Price.

- **Ownership limitations:** 51% of the issued share capital of the Company must be owned by nationals of the United Arab Emirates.
- **Subscription applications:** Subscription applications are available at the branches of the Receiving Bank listed below.
- **Issue Price:** The New Shares will be issued at an issue price of AED 1.00 (one UAE Dirham) per New Share, reflecting the nominal value of AED 1.00 per New Share (the **Issue Price**).
- **Payment percentage:** The total value of the subscribed for New Shares shall be paid upon submitting the subscription application.
- **Method of payment:** By a manager's cheque to the order of the Company, or by debiting the account of the Eligible Person with the Receiving Bank.
- **Receiving Bank:** Subscriptions shall be received by the Receiving Bank through its branches listed below.
- **Refunds:** Refunds will be given to holders of Rights who did not receive the number of New Shares that they subscribed for. Refunds shall be completed no later than 5 June 2017.

The surplus amount shall be returned to the same subscriber's account through which the payment of the original application amount was made or through a bank cheque sent to the mailing address of the subscriber as registered in the subscription application.

5. Allotment Policy

The allotment of the New Shares will be as follows, following the same chronological order:

First, to the Eligible Persons in an amount equal to the number of New Shares for which they have subscribed, to the extent that such number is equal to or less than the number of Rights they respectively hold at the end of the Rights Trading Period;

Second, to the extent that any New Shares remain unallocated after completing the allocation pursuant to First above, either:

- (a) if the number of unallocated New Shares exceeds the number of Additional New Shares subscribed for by the Eligible Persons, all of the Additional New Shares will be allocated to those Eligible Persons;
- (b) if the number of unallocated New Shares is less than the number of Additional New Shares subscribed for by the Eligible Persons, all of the unallocated New Shares shall be allocated amongst the Eligible Persons using the following formula for each subscribed for Additional New Share:

$$\frac{A}{B} \times C$$

Where,

A = Total number of unallocated New Shares after completing the allocation pursuant to First above

B = Total number of Additional New Shares subscribed for by all Eligible Persons

C= Number of Additional New Shares subscribed for by an Eligible Person

There is no guarantee that the Eligible Persons applying for Additional New Shares will receive the number of Additional New Shares applied for. No Eligible Person will receive more New Shares than what they subscribed for during the Subscription Period.

Third, to Aabar Investments PJS and/or corporate or natural persons related to, affiliated to, associated with and/or introduced by Aabar Investments PJS who have subscribed to the Remaining Shares.

Allotment Notification: The Receiving Bank will notify each successful subscriber of the number of New Shares allocated to such Subscriber.

6. Required documents for subscribers:

Subscribers shall submit the following documents, along with their subscription applications:

- a) For individuals who are UAE, GCC nationals or nationals of any other country:
 - The Investor Number at DFM; and
 - The original and a copy of a valid passport or Emirates identity card;
 - In the event that the signatory is different from the subscriber:
 - the duly notarised power of attorney held by that signatory or a certified copy by UAE-regulated persons/bodies, such as a notary public, or as otherwise duly regulated in the relevant country;
 - the original passport of the signatory for verification of signature and a copy of the original passport; and
 - the original passport of the subscriber for verification of signature and a copy of the original passport.
 - *In case the signatory is a guardian of a minor, the following will be submitted:*
 - original and copy of the guardian's passport for verification of signature;
 - original and copy of the minor's passport; and
 - if the guardian is appointed by the court, original and copy of the guardianship deed attested by the court and other competent authorities (e.g. notary public).
- b) Corporate bodies including banks, financial institutions, investment funds and other companies and establishments (i.e. juridical persons):
 - The Investor Number at DFM

- A copy of a trade licence, commercial registration or similar instrument for verification, or if issued abroad a certified copy by one of the following UAE-regulated persons or bodies; a notary public or as otherwise duly regulated in the country;
- The original and a copy of the document that authorizes the signatory to sign on behalf of the subscriber and to represent the subscriber, to submit the application, and to accept the terms and conditions stipulated of the Rights Issue; and
- The original and a copy of the passport of the signatory.

7. Procedures of subscription:

The completed subscription application must be submitted by Eligible Persons to any participating branch of the Receiving Bank listed below and the Eligible Person's Investor's Number at DFM must be provided, together with the payment for the amount it wishes to use to purchase or subscribe for the New Shares, which is to be paid in one of the following ways:

- 1) certified bank cheque (manager's cheque) drawn on a bank licensed and operating in the UAE, in favour of Arabtec Holding PJSC-Rights Issue; or
- 2) debiting the subscriber's account with the Receiving Bank.

The subscription amount may not be paid or accepted by the Receiving Bank using any of the following methods:

- in cash;
- cheques that are not certified; or
- any other mode of payment other than mentioned above.

8. Contact Centre:

For any enquiries relating to DFM Investor Services, please contact: DFM Customer Services T: +971 (4) 305 5555 (weekdays 8.00am – 3.00pm) or Email: customerservice@dfm.ae

For any enquiries relating to the Rights Issue, please contact: First Abu Dhabi Bank (*formerly known as National Bank of Abu Dhabi*) Call Centre T: +971 (2) 616 1800 or the Company's website (www.arabtecholding.com).

9. Important dates:

- Date of publication of the invitation to subscribe for New Shares by way of Rights Issue: 3 May 2017
- Eligibility Date of Rights (record date): 11 May 2017
- First day of trading in Rights on the DFM: 15 May 2017
- Last day of trading in Rights on the DFM: 21 May 2017
- Subscription Period opening Date: 15 May 2017
- Subscription Period closing Date: 28 May 2017
- Latest date of allocation: 5 June 2017
- Latest date of Refund: 5 June 2017

Note: If the last day for subscription occurs on an official holiday, the Subscription Period shall be extended to the following business day.

10. Important Notes:

- The distribution of this document in certain jurisdictions may be restricted by law. Accordingly, neither this document nor any advertisement may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations.
- If a person purchases Rights during the Trading Period, but does not exercise its Rights to subscribe for New Shares under the Rights Issue by the latest date for applications and payments in full that are set out in this document, that person will lose its right to subscribe for the New Shares. They will not be entitled to any compensation for such loss.
- For more information about the Rights Issue, the capital reduction, and to review the Company's financials please visit the Company's website (www.arabtecholding.com).

PARTICIPATING BRANCHES OF RECEIVING BANK

Branch Area		Location	Phone Number	Working Hours
Abu Dhabi				
1	Main Branch	Intersection of Sheikh. Khalifa St. and Baniyas St.	02 6111111	Sat-Thu 08:00am - 03:00pm
Al Ain				
2	Alain new branch	Ali Ibn Abi Talib street Near Oud Al Tawba roundabout	03- 7011300	8:00 am to 3:00 Pm
Western Region				
3	Madinat Zayed Branch	NBAD Madinat Zayed Branch Building- Madinat Zayed	02 8945700/ 8846496	Sun - Thu: 08:00 am - 03:00pm
Dubai				
4	Dubai Main Branch- Deira	Next to (Iranian Airways), Building of Ahmed Hader Al Muraikhi, Riqqat Al Butain, Deira	04 2131900	Sun-Thu 08:00am - 01:30pm
				Saturday 08:00am - 12:00pm
5	Sheikh Zayed Branch	Rolex Tower Bld	04-3861508	Sun-Thu 08:00am - 01:30pm
				Saturday 08:00am - 12:00pm

Branch Area		Location	Phone Number	Working Hours
Northern Emirates				
6	Ras Al Khaimah- Al Nakheel Branch	Muntassir Street, Opposite ADNOC Petrol Station	07 2056800	Sun-Thu 08:00am - 01:30pm Saturday 08:00am - 12:00pm
7	Sharjah Branch- Buhaira branch	Al Reem Plaza, Ground floor Buheira Corniche, Sharjah	06 5170555	Sun-Thu 08:00am - 01:30pm Saturday 08:00am - 12:00pm
8	Fujairah Branch	Opp. Fresh & More Hyper Market, Hamdan Bin Abdulla St.	09 2222633	Sun-Thu 08:00am - 01:30pm Saturday 08:00am - 12:00pm
9	Ajman Branch	Opposite Ajman Municipality, adjacent Ajman Post Office, Al Masfoot Street, Ajman	06 7013400	Sun-Thu 08:00am - 01:30pm Saturday 08:00am - 12:00pm
10	Umm Al Quwain	Building No.211, King Faisal Road , near Fire station round about.	06 7069333	Sun-Thu 08:00am - 01:30pm Saturday 08:00am - 12:00pm