



ARABTEC HOLDING

Recapitalisation Programme Update

May 2017



Recapitalisation Programme Overview

To secure a sustainable and successful future, the Company has launched a recapitalisation programme to raise AED 1.5 bn equity and extinguish accumulated losses

1

RIGHTS ISSUE

- Carry out capital increase to raise AED 1.5 bn, increasing Arabtec Holding's share capital to AED 6.1 bn
- All shareholders invited to subscribe for new shares
- Fully committed by Aabar Investments PJS

Strengthen financial and liquidity position

2

CAPITAL REDUCTION

- Capital Reduction would occur following completion of Rights Issue
- Cancellation, on a pro rata basis, of AED 4.6 bn of equity to extinguish all accumulated losses as at 31 December 2016
- Eliminate need for continuation vote
- Non-dilutive impact for shareholders

Extinguish accumulated losses and accelerate path to dividend distribution

Summary term sheet

ISSUE SIZE	<ul style="list-style-type: none"> AED 1,500,000,000 1,500,000,000 new shares
OFFER STRUCTURE	<ul style="list-style-type: none"> Shareholders entitled to subscribe for 1 new share for every 3.07671 shares held Share capital to increase from AED 4,615,065,000 to AED 6,115,065,000
SUBSCRIPTION PRICE	<ul style="list-style-type: none"> AED 1 per new share
SHAREHOLDER PARTICIPATION	<ul style="list-style-type: none"> All shareholders invited to subscribe for new shares Non-participating shareholders would be diluted up to 24.53%¹
AABAR COMMITMENT	<ul style="list-style-type: none"> Rights Issue fully committed by Aabar Investments PJS
RECEIVING BANK	<ul style="list-style-type: none"> First Abu Dhabi Bank

Key target outcomes

✓ *Strengthens Group's financial and liquidity position*

✓ *Achieves a stable, long-term capital structure*

✓ *Provides solid foundation for growth*

✓ *Provide flexibility to pursue profit and cash-generation opportunities*

¹ Subject to minor adjustments as fractional shares would not be issued

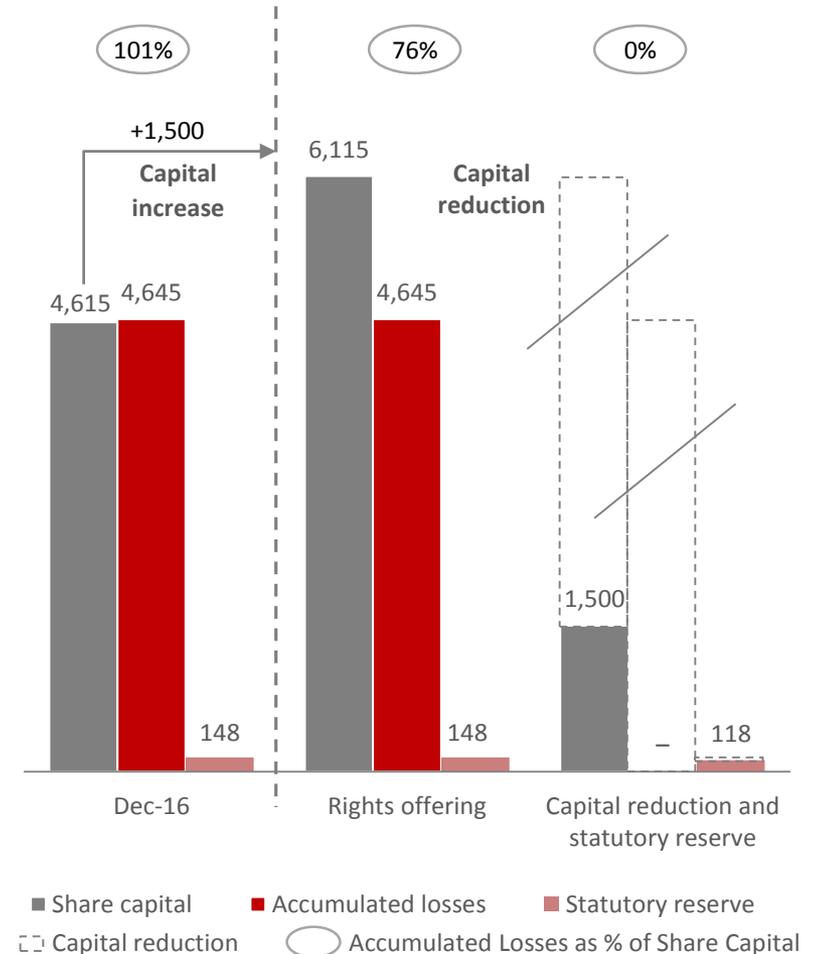
2 Summary of Capital Reduction

Accumulated losses will be extinguished, accelerating path to resuming dividends

Capital reduction overview

OBJECTIVE	<ul style="list-style-type: none"> Extinguish all accumulated losses as at 31 December 2016 to allow potential dividends in the future Eliminate need for a continuation vote
MECHANISM	<ul style="list-style-type: none"> Cancellation of 4,615,065,000 shares of AED 1 each and application of statutory reserve to extinguish all accumulated losses as of 31 December 2016
IMPACT	<ul style="list-style-type: none"> No impact to market capitalisation at time of effecting capital reduction <ul style="list-style-type: none"> Number of shares will be reduced by 75.5% and share price will be multiplied by 4.08⁽²⁾ Share capital to decrease to AED 1.5 bn Non-dilutive for shareholders
BENEFIT	<ul style="list-style-type: none"> Secure a fully committed rights issue Accelerates path to resuming dividends

Pro-forma illustration¹ (AED mn)



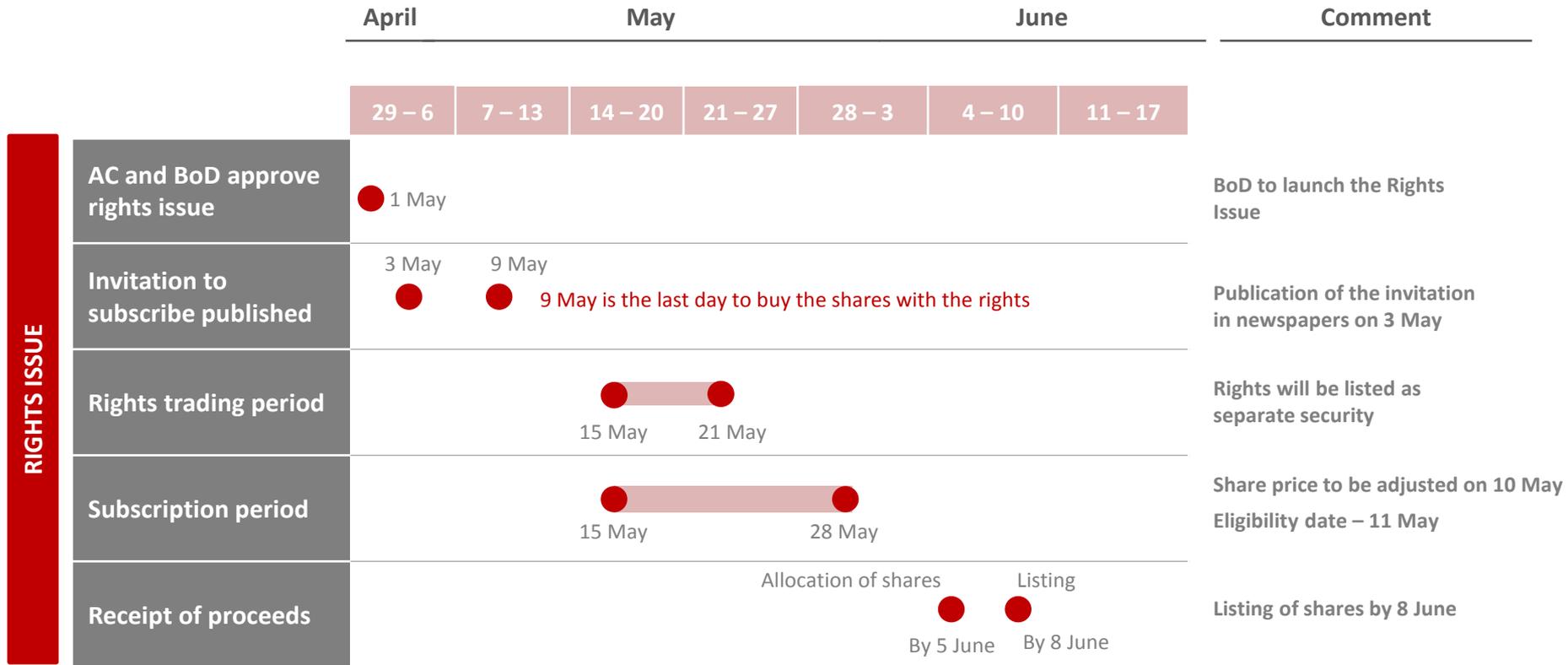
¹ Rounded to nearest whole number

² 75.5% = 4,615m shares / 6,115m shares, 4.08 = 6,115m shares / 1,500m shares

Rights Issue Timeline Overview



Rights issue process to be completed by beginning of June



Important Notice and Disclaimer

This document has been provided to you for information purposes only. This document does not constitute an offer of, or an invitation to invest or deal in, the securities of Arabtec Holding PJSC (the “Company”). The information set out in this document shall not form the basis of any contract and should not be relied upon in relation to any contract or commitment. The issue of this document shall not be taken as any form of commitment on the part of the Company to proceed with any negotiation or transaction.

Certain statements contained in this document constitute forward-looking statements relating to the Company, its business, markets, industry, financial condition, results of operations, business strategies, operating efficiencies, competitive position, growth opportunities, plans and objectives of management and other matters. These forward-looking statements are not guarantees of future performance. Rather, they are based on current plans, views, estimates, assumptions and projections and involve known and unknown risks, uncertainties and other factors, many of which are outside of the Company's control and are difficult to predict, that may cause actual results, performance or developments to differ materially from any future results, performance or developments expressed or implied from the forward-looking statements.

The Company does not make any representation or warranty as to the accuracy of the assumptions underlying any of the statements contained herein. The information contained herein is expressed as of the date hereof and may be subject to change. Neither the Company nor any of its controlling shareholders, directors or executive officers or anyone else has any duty or obligation to supplement, amend, update or revise any of the forward looking statements contained in this document, whether as a result of new information, future events or otherwise, except as required by applicable laws and regulations or by any appropriate regulatory authority.

Backlog and new contract awards are non-IFRS metrics based on management’s estimates of awarded, signed and ongoing contracts which have not yet been completed, and serve as an indication of total size of contracts to be executed. These figures and classifications are unaudited, have not been verified by a third party, and are based solely on management's estimates.