

RIGHTS ISSUE OF NEW SHARES IN GULF NAVIGATION HOLDING PJSC

Invitation to the Shareholders to subscribe for Rights Issue

Gulf Navigation Holding PJSC (the "Company") hereby invites its shareholders to subscribe for new shares, by way of a rights issue, to increase the Company's paid and issued share capital within the authorized capital, as approved by the board of directors of the Company (the "Board") and the Securities and Commodities Authority (the "Authority").

I. Rights Issue Resolution

On 28th December 2017, the Board authorized the increase in the Company's paid and issued share capital within the authorized capital by way of a rights issue and issuing new shares (the "Rights Issue").

II. Rights Issue Value

The Rights Issue will be in respect of 448,333,334 (four hundred forty eight million three hundred thirty three thousand three hundred thirty four) newly shares (the "New Shares"), to be issued at an issue price of AED 1 per share (the "Issue Price").

The issuance of the New Shares pursuant to the Rights Issue will increase the Company's paid and issued share capital to be AED 1,000,000,000 (one billion UAE dirhams), divided into 1,000,000,000 (one billion) shares.

III. General Information on the Company

- **Company Name:** Gulf Navigation Holding PJSC.
- **Date and Registration Number with the Authority:** Registered under number (1007) on 6 November 2005.
- **Head Office:** Dubai, United Arab Emirates.
- **Purpose of the Company:** (i) Owning shares or stakes in the joint stock companies or limited companies; (ii) providing loans, guarantees and financing to its subsidiaries; (iii) owning property and portables to conduct its operations; (iv) managements of its subsidiaries; and (v) owning of intellectual property rights including patent or trademarks or industrial drawing and models, franchise rights and leasing them to its subsidiaries or to other companies.
- **Current Issued and Paid Capital:** AED 551,666,666 (five hundred fifty one million six hundred sixty six thousand six hundred sixty six UAE dirhams).
- **Current Number of Shares:** 551,666,666 (five hundred fifty one million six hundred sixty six thousand six hundred sixty six) shares (the "Shares").
- **Listing Market:** Dubai Financial Market (the "DFM").
- **Nominal Value of each Share:** AED 1 (one UAE dirham).
- **Lead Manager:** Emirates NBD Capital.
- **Auditor:** Ernst & Young ME – Dubai Branch.
- **Lead Receiving Bank:** Emirates NBD PJSC and its branches listed below.
- **Receiving Bank:** Ajman Bank PJSC and its branches listed below.
- **Legal Counsel:** Al Tamimi & Company.

IV. Purpose of the Rights Issue

The Company intends to use the net proceeds from the Rights Issue for the purpose of providing cash liquidity required to implement the strategic plans of the Company previously announced including the growth of the Company's fleet to reach 20 (twenty) vessels by 2020.

V. Subscription Conditions

Rights Issue

The Rights Issue will be conducted through the issuance of tradable securities rights (the "Rights" and each a "Right") pursuant to the Decree of the Authority's Chairman of the Board No. (11/R.M) of 2016 in respect of the regulations for issuing and offering shares of public joint stock companies (the "Decree"). The registered shareholders of the Company (the "Shareholders" and each a "Shareholder") as at the close of business of the DFM on Thursday 1 February 2018 (the "Eligibility Date") will be entitled to 1 (one) Right for every 1.23 Shares held on such date.

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 Shareholder where his or her existing Shares are held within one day from the Eligibility Date. Shareholders, who hold Rights to subscribe for New Shares but do not wish to exercise all or some of their Rights and subscribe in the New Shares, may sell their Rights to other investors via brokers registered and licensed by the DFM.

Trading in the Rights

The DFM will coordinate with brokerage firms to add 1 (one) Right to the Shareholders' Rights for every 1.23 Shares held by the Shareholders 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 "Rights Trading Period"):

- **First day of the Rights Trading Period on DFM:** Sunday 04 February 2018.
- **Last day of the Rights Trading Period on DFM:** Thursday 15 February 2018.

Subscription Period

Subscription of 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 Rights 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 Period opening date:** Sunday 11 February 2018
- **Subscription Period closing date:** Thursday 22 February 2018

Subscription for additional shares that are unsubscribed

Pursuant to Article 8 of the Decree, in addition to exercising their Rights to subscribe for one New Share for each Right held, Eligible Persons will also be allowed to apply for additional New Shares ("Additional New Shares") which will be allocated in the event of any unsubscribed New Shares either as a result of the consolidation of the unallocated fractional entitlements of the New Shares or the failure of Eligible Persons to exercise their Rights to subscribe for the 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. In case of any unsubscribed New Shares still remain after the allocation of the Additional New Shares to the Eligible Persons who subscribed for such Additional New Shares (the "Public Shares"), the Public Shares will be offered for sale through a public offering.

- **Ownership limitations:** 51% (fifty one percent) 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 Lead Receiving Bank and the Receiving Bank listed below.
- **Issue Price:** Each of the New Shares will be issued at a price of 1 AED (one UAE dirham) only.
- **Payment percentage:** The total value of the New Shares subscribed shall be paid upon submitting the subscription application.
- **Method of payment:** By (i) a certified bank cheque (manager's cheque) drawn on a bank licensed and operating in the United Arab Emirates, in favour of "Gulf navigation Holding PJSC Rights Issue"; (ii) by debiting the account of the subscriber with the Lead Receiving Bank or the Receiving Bank; (iii) transfer from a licensed operated bank in the United Arab Emirates; (iv) electronic subscriptions; or (v) UAE Central Bank Fund Transfer ("FTS") mode.
- **Receiving banks:** Subscriptions shall be received by the Lead Receiving Bank or the Receiving Bank through their branches listed below.
- **Allotment and refunds:** Refunds will be given to holders of Rights who did not receive the number of New Shares they subscribed for. Allotment of the New Shares to the subscribers and refunds shall be completed no later than 5 (five) business days.

VI. Allotment Policy

The allotment of the New Shares will be as follows, in accordance with 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 last day of the Rights Trading Period.
 - **Second**, to the extent that any New Shares remain unsubscribed thereafter, to the Eligible Persons in an amount equal to the number of Additional New Shares for which they have subscribed for in excess of the number of Rights they respectively hold.
- The allocation of Additional New Shares to the Eligible Persons after allocations to the Eligible Persons who have subscribed for a number of New Shares equal to or less than the number of Rights they hold will be on a pro rata basis, scaled back (if necessary) in accordance with the proportion that the number of Additional New Shares requested by the subscriber represents to the total number of Additional New Shares requested by all Eligible Persons who subscribed for such Additional New Shares. There is, therefore, no guarantee that the Eligible Persons applying for Additional New Shares will receive the number of Additional New Shares applied for.
- **Third**, to the extent that any Additional New Shares remain unsubscribed thereafter, such Shares will be allocated to the public on a pro rata basis.

VII. Required documents for subscribers

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

- **For individuals who are nationals of the United Arab Emirates or any other country:**
 - The original and a copy of a valid passport or a valid Emirates identity card; and
 - In the event that the signatory is different from the subscriber:
 - the duly notarised power of attorney held by that signatory or a copy certified by persons/bodies regulated in the United Arab Emirates, 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).

- **Corporate bodies including banks, financial institutions, investment funds and other companies and establishments (i.e. juridical persons):**
 - Juridical Persons registered in the United Arab Emirates;
 - the original and a copy of a trade license or commercial registration for verification or a copy certified by one of the following persons or bodies regulated in the United Arab Emirates, such as a notary public or as otherwise duly regulated in the relevant 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 of this prospectus and the subscription application of the Rights Issue; and
 - the original and a copy of the passport of the signatory.
- **Foreign corporate bodies:** the documents will differ according to the nature of the corporate body and its domicile. Accordingly, please consult with the Lead Receiving Bank or the Receiving Bank to obtain the list of required documents.

VIII. Procedures of subscription

The subscription application must be submitted to any participating branch of the Lead Receiving Bank or the Receiving Bank listed below, and the Eligible Person's bank account number must be provided, together with the payment for the amount wishes to use to purchase or subscribe for the New Shares, which is to be paid in one of the following ways:

- certified bank cheque (manager's cheque) drawn on a bank licensed and operating in the United Arab Emirates, in favour of "Gulf navigation Holding PJSC Rights Issue";
- debiting the subscriber's account with the Lead Receiving Bank or the Receiving Bank;
- transfer from a licensed operated bank in the United Arab Emirates;
- electronic subscriptions; or
- FTS mode.

Subscribers choosing the FTS mode will be required to provide their valid unified National Investor Number ("NIN") along with the value of New Shares subscribed for in the special instructions field.

Account holders with the Lead Receiving Bank or the Receiving Bank can subscribe via Automated Teller Machines ("ATM") and Internet Banking. Subscribers accessing the ATM with their debit card and the internet banking with password as is customary with electronic banking transaction will be deemed sufficient for the purpose of identification and the documentation requirement will not be applicable to such subscribers.

Subscription may be received in form of inward remittance mentioning a valid NIN number, and such amount should be transferred from an account number recorded with DFM for the same NIN. The limit of subscription via ATMs and Internet banking is AED 2,000,000 (two million UAE dirhams) for each application. Applicants who want to subscribe for an amount exceeding AED 2,000,000 (two million UAE dirhams) shall visit any branches of the Lead Receiving Bank or the Receiving Bank.

The DFM official website "www.dfm.ae" will be available for subscribers, who have a NIN registered in the electronic services on the DFM website "www.dfm.ae" and holding a valid iVESTOR Card, to submit their electronic subscriptions to the Lead Receiving Bank or the Receiving Bank. The Lead Receiving Bank and the Receiving Bank may have their own electronic channels (such as online internet banking applications, mobile banking applications, ATMs, etc.) which shall be interfaced with the DFM system. Submitting the electronic subscription form will be deemed an acceptance by the applicant on behalf of the subscriber of the terms and conditions of this prospectus and authorization for the iVESTOR Card issuing bank and the Lead Receiving Bank or the Receiving Bank to pay the total subscription amount by debiting the amount from the respective iVESTOR Card or the bank account of the subscriber and transferring the same to the bank account in favor of "Gulf navigation Holding PJSC Rights Issue" held at the Lead Receiving Bank or the Receiving Bank, as detailed in the subscription application. The submission of an electronic application will be deemed to be sufficient for the purposes of fulfilling the identification requirements and accordingly, the supporting documentation in relation to applications set out above will not apply to electronic applications.

The subscription amount may not be paid or accepted by the Lead Receiving Bank or 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.

Important dates relevant to the methods of payment of the subscription amounts:

- Subscription amounts paid by certified bank cheque (manager's cheque) must be submitted by or before 12pm on Tuesday 20 February 2018.
- Subscription applications received through FTS must be made by or before 12pm on Wednesday 21 February 2018.
- Subscription amounts made via ATM or internet banking must be made by or before 2pm on Thursday 22 February 2018.

IX. Investor Relations

For any queries, please contact our Investors Relations Officer, **Mai Sadaqa** on +971 4 427 0104 (Ext 244) or contact the Lead Receiving Bank on +971 55 107 0661 or the Receiving Bank on +971 6 747 9999.

X. Important dates

- **Date of publication of the invitation to subscribe for New Shares by way of Rights Issue:** Saturday 13 January 2018.
- **Eligibility Date of Rights (record date):** Thursday 1 February 2018 for the Shareholders of the Company registered on this date.
- **First day of the Rights Trading Period on the DFM:** Sunday 4 February 2018.
- **Last day of the Rights Trading Period on the DFM:** Thursday 15 February 2018.
- **Subscription Period opening date:** Sunday 11 February 2018.
- **Subscription Period closing date:** Thursday 22 February 2018.
- **Date of finalizing the allotment process:** Wednesday 28 February 2018.
- **Date of finalizing the refund process:** Thursday 1 March 2018.

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

Name of Participants in the Rights Issue

| Lead Manager | Lead Receiving Bank | Receiving Bank | Legal Advisor in The Company | Investor Relations Contact |
|---|--|--|---|--|
| Emirates NBD Capital P.O. Box 777 - Dubai United Arab Emirates | Emirates NBD PJSC P.O. Box 777 - Dubai United Arab Emirates | Ajman Bank PJSC Al Ettehad Street, Ajman Bank building, Mushairef P.O. Box 7770 - Ajman United Arab Emirates | Al Tamimi & Company 6th Floor, Building 4 East Dubai International Financial Centre P.O. Box 9275 - Dubai United Arab Emirates | Mai Sadaqa Tel.: +971 4 4270104 (Ext.: 244) Fax: +971 4 4270103 investor.relations@gulfnav.com P.O. Box 49651 - Dubai United Arab Emirates |

Participating Branches of the Lead Receiving Bank

Emirates NBD Bank

| Area | Branch | Address | Telephone |
|-----------|--------------------------|--|------------------|
| Deira | Group Head Office Branch | Ground Floor ENBD Building, Opposite Economic and Land Dept. | +971 4 316 00 66 |
| New Dubai | Jumeirah Branch | Al Wasl Street | +971 4 316 00 66 |
| Sharjah | Al Taawun Branch | Taawun 3, Bldg # p-92, Shop #1, Al Taawun Street - Sharjah | +971 4 316 00 66 |
| Abu Dhabi | Abu Dhabi Main Branch | Al Neem Tower, Khalifa St | +971 4 316 00 66 |

Participating Branches of the Receiving Bank

Ajman Bank

| Area | Branch | Address | Telephone |
|-----------|-------------|---|----------------|
| Ajman | Head Office | Ajman Bank Building, Ettihad Street, Meshairef, Ajman | +971 6 7018643 |
| Ajman | Main Branch | Ajman Bank Building, Ettihad Street, Meshairef, Ajman | +971 6 7018699 |
| Ajman | Khalifa | A & F Towers Ground Floor, Shk. Khalifa Street | +971 6 7018696 |
| Abu Dhabi | Khalidiya | Khalidiya Branch, Shk Zayed 1st Street | +971 2 6547707 |
| Abu Dhabi | Al Ain | Shk Khalifa Bin Zayed Street | +971 3 7013566 |
| Dubai | Garhoud | Red Avenue Bldg., Garhoud Area | +971 4 7076777 |
| Sharjah | Buhairah | City Compass Building, Ground Floor, Corniche Area | +971 6 7058898 |
| Abu Dhabi | TCA Branch | Makeen Tower, Plot C31, Secretor E, Salam Street | +971 2 6547707 |
| Dubai | Jumairah | Jumairah 3, Umm suqeim 1 | +971 4 7076871 |