

Press Release



الخليج للملاحة القابضة (ش.م.ع.)
Gulf Navigation Holding PJSC



Dedicated to its vision to be one of the world's leading companies in the maritime sector “Gulf Navigation Holding” announced increasing its capital through Initial Public Offering to reach AED 1 Billion

Dubai – United Arab Emirates, 2nd January 2018: “Gulf Navigation Holding” PJSC announced recently its intention to increase the company’s capital by AED 448,333,334 in order to make the issued and paid up share capital to be AED 1 billion, distributed over 1,000,000,000 shares at a par value of AED 1 per share without issuance premium, based on the company’s General Assembly resolution approved unanimously in June 2016.

The IPO (Initial Public Offering) is expected to be launched in the first quarter of this year, as per the decision of investors, shareholders and major strategic partners, in order to increase their shares in the company, which will contribute in achieving continuous financial prosperity. The capital increase will also support the company’s expansion plans which will lead to secure more profits.

The increase of the company’s capital came as a result of a comprehensive review of the company’s strategic expansion plans that aims at enhancing its competitiveness. In line with the increase of the value of its assets, that has been achieved in 2017 by 12%, that is approximately AED 117 million (USD 32 million) in comparison with 2016.

The Board of Directors considered that increasing the capital is of a great importance as it is one of the prime means to provide funds that supports the group’s previously announced strategic development plans, including the group intentions to double its fleet size to become 20 vessels by 2020. This expansion will transform the company into a one-stop-shop provider of shipping and maritime services globally. The IPO process will allow investors to benefit from the continued growth and the steady increase in profits which will be reflected positively on shareholders.

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Commenting on this announcement, **H. E. Khamis Juma Buamim, Board Member, Managing Director and Group CEO of Gulf Navigation Holding**, said: “Since July 2016, when we launched our new strategy under the slogan "A broad vision to a new horizon" we continued day by day with the expansion and success we promised to our investors and shareholders, and in a short time we have been able to accomplish strategic partnerships that contributed to the value of our shares by 500%.”

He added: “Today, we are ready to make a new move in our capabilities, as we are willing to increase the size of our fleet by 20 vessels by 2020 in order to keep up with the growing demand to ship petroleum and petrochemical products regionally. Many GCC countries have allocated more than \$140 billion over the next decade to expand their production. In addition, many of the leading petrochemical companies announced plans to increase their production capacity, including Saudi Aramco, which is willing to increase its oil refining capacity from 2.9 million to 3.3 million barrels per day by 2020. We are confident that we have all the required expertise to win a large share of this market, and we plan to be ready by having the capabilities and the fleet size sufficient to keep up with this expansion. We promise our investors to achieve more growth and profitability for their investments based on the strategic plan set by the company’s team of advisors.”

By the completion of the company's expansion plan, it will become one of the largest maritime services provider in the region and it will better meet its stated goal of increasing its revenues by 300% by 2021.

The company’s announcement to increase capital is considered as one of the financing options that improve its investment position. This will provide further support for the company’s previous announcement to introduce \$250 million Islamic Sukuk investment that will be provided on stages, which will provide an additional continuous cash flow to enhance the group's efficiency in expanding its projects.

About the company’s progress, **Buamim** said: “We would not have achieved this position without the support of the Board of Directors, our strategic partners and the constructive efforts of our team. We are proud to have the best talents in the maritime industry who enjoys longstanding experience in this field. We will continue to work determinedly in order to maintain our position and our investors and shareholders trust, despite the difficulties and challenges facing the world economy and the international shipping industry”

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About Gulf Navigation Holding PJSC:

Gulf Navigation Holding PJSC (GNH) is a fully integrated and synergized organization with a multi-functional business. It is the only maritime and shipping company listed in the Dubai Financial Market since February 2007 under the symbol “GULFNAV”. The company is headquartered in Dubai, with own branch offices inside port of Fujairah, Khorfakan, Abu Dhabi and overseas office in the Kingdom of Saudi Arabia in addition to other offices in more than 9 countries worldwide. GNH owns and operates a

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fleet of Chemical Tankers and Offshore Vessels. The company's fleet is expected to double (20 ships) by Q2, 2020.

As an ISO 9001:2008 certified company accredited by Bureau Veritas, GHN is committed to adhering to the requirements of the international management code for the safe operations of vessels, pollution prevention and environmental control including compliance with all the applicable international laws, regulations and requirements. GHN constantly works to upgrade its operations and provide high-quality services to local and international markets. This opens new opportunities to improve GHN's services to existing customers while attracting new customers.