



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

Date: 31/10/2018

Reference: GNHGroup/2018/DFM/00177

To: H.E. Hassan Abdulrahman Alserkal

Executive Vice President

Chief Operation Officer

Head of Operation Division

Dubai Financial Market

Dubai, UAE

Subject: Notification from the Company

Pursuant to the General Assembly Agenda disclosed on 30-10-2018 Reference GNHGroup/2018/DFM/00176 and in reference to the special resolution relating to the planned issuance of the Islamic Convertible Sukuk for a value of AED 100,000,000 (One Hundred Million UAE Dirhams) by way of private placement to Wahat Al Zaweya Investment & Real Estate Development L.L.C, the Company would like to clarify the following:

- 1- The planned issuance of the Islamic Sukuk is a continuation of the capital increase concluded earlier this year by way of rights issue which was effectuated from the 11 February 2018 till the 1 March 2018; whereby the rights issue was in respect of 448,333,334 (four hundred forty eight million, three hundred thirty three thousand, three hundred thirty four new shares to be issued at an issue price of AED 1 per share (the "Issue Price").
- 2- Further to the above, the rights issue was 82% subscribed, whereby 367.542.584 (Three hundred sixty-seven million, five hundred forty two thousand, five hundred eighty four new shares were issued at an issue price of AED 1 per share.

As result, the paid up share capital of the Company increased from AED 551,666,666 (five hundred fifty one million six hundred sixty six thousand six hundred sixty six UAE Dirhams) to AED 919,209,250 (nine hundred nineteen million, two hundred nine thousand, two hundred fifty UAE Dirhams), divided into (919,209,250 (nine hundred nineteen million, two hundred nine thousand, two hundred fifty shares) whereby the authorized share capital of the Company was AED 1,000,000,000 (one billion UAE dirhams) as resolved upon by the General Assembly in 2016.

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- 3- Subsequently, the Company further recognizes the need to fully raise the planned capital required in order to meet the cash and liquidity requirements to implement the strategic plans of the Company previously announced in the General Assembly including the growth of the Company's fleet to reach 20 (twenty) vessels by 2020. Therefore, and in light of the above, the Company proposed the issuance of the new Islamic Convertible Sukuk for a value of AED 100,000,000 (One Hundred Million UAE Dirhams) by way of private placement to Wahat Al Zaweya Investment & Real Estate Development at a conversion price of AED 1 per Sak converted into shares in the Company.
- 4- The Company would like to further clarify that the conversion price of the Islamic Sukuk was primarily set at AED 1 Dirham per Sak, since the price issuance of the rights issue effectuated in March 2018 was 1 AED per share and since shareholders and investors at large expressed no willingness to subscribe for the full offerd amount and hence the residual amount of the unsubscribed balance of the rights issue was substituted with the issuance of the new Islamic Convertible Sukuk for a value of AED 100,000,000 at predetermined conversion price (AED 1 Per Sak) in line with the underlying price issuance applied in the rights issues concluded in March 2018.

Best regards,

Khamis Juma Buamim
Board Member, Managing Director & Group CEO



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