

INVITATION TO ATTEND THE GENERAL ASSEMBLY MEETING OF GULF NAVIGATION HOLDING PJSC

The Board of Directors (the “**Board**”) of **Gulf Navigation Holding PJSC** (the “**Company**”) is pleased to invite you to attend the general assembly meeting of the Company to be convened electronically and in person at the Company’s Head Office in API Trio Tower, Office 3901, Al Barsha 1, Dubai, on Wednesday 22/03/2023 at 3:00 PM to discuss, consider or, as the case may be, approve the following agenda:

Matters requiring a Special Resolution as follows:

1. Review and approve the Company’s Board of Directors report which indicates the Company’s capital restructuring plan including the capital reduction and the capital increase and indicating the use of proceeds of the capital increase and the mechanism in dealing with the remaining accumulated losses.
2. Discussing the Company’s auditor’s report regarding losses, its origin, the mechanism of treating such losses, and the auditing position.
3. Subject to adopting any of the resolutions (4) or (5) below, approving a capital reduction by 50% of the total issued share capital of the Company through the cancellation of 637,695,625 (six hundred thirty-seven million six hundred ninety-five thousand six hundred twenty-five) shares in the Company with the nominal value of AED 1 (the “**Capital Reduction**”) on a pro rata basis to absorb the accumulated losses amounting to AED 637,695,625 (six hundred thirty-seven million six hundred ninety-five thousand six hundred twenty-five) so that the Company’s capital becomes AED 637,695,625 (six hundred thirty-seven million six hundred ninety-five thousand six hundred twenty-five) instead of AED 1,275,391,250.00 (one billion two hundred seventy-five million three hundred ninety-one thousand two hundred fifty) noting that the Company will fully use the legal or optional reserves to absorb part of the losses, then the remaining losses will be absorbed from the share capital and approve granting the Board the full authority to take all actions required to implement and execute the Capital Reduction pursuant to the provisions of the of the Federal Decree by Law number 32 of 2021 concerning Commercial Companies (as amended) (“**CCL**”) and the executive regulations of the Securities and Commodities Authority (“**SCA**”).
4. Subject to adopting resolution (3) above, approving the increase of the share capital of the Company with an amount of AED 220 million which is 200 million shares in addition to share premium amounting to AED 20 million (the “**Capital Increase**”) so that the share capital of the Company becomes AED 837,695,625 (eight hundred thirty-seven million six hundred ninety-five thousand six hundred twenty-five) as contrary to AED 637,695,625 (six hundred thirty-seven million six hundred ninety-five thousand six hundred twenty-five) by issuing new shares with a nominal value of AED 1.0 and an issuance price of AED 1.10 by way of rights issue with sufficiency in the amount that will be subscribed for and not issuing bonds for the remaining part of the additional shares and to approve granting the Board the full authority to take all actions required to implement and execute the Capital Increase pursuant to the provisions of CCL and the executive regulations of SCA.
5. Subject to adopting resolution (3) above, and the completion of the Capital Reduction procedures, approving the private issuance of 220 million mandatory convertible bonds (“**MCBs**”) to new investors which will be converted to 200 million shares at a conversion price of AED 1.10 and the increase in the share capital of the Company to become AED 837,695,625 (eight hundred thirty-seven million six hundred ninety-five thousand six hundred twenty-five) as contrary to AED 637,695,625 (six hundred thirty-seven million six hundred ninety-five thousand six hundred twenty-five) subject to obtaining the necessary approvals from the regulators, and to approve granting the Board the full authority to take all actions required to implement and execute the Capital Increase pursuant to the provisions of the CCL and the executive regulations of SCA and to sign on all documents related to the MCBs.
6. Considering the recommendation made by the Board of Directors to approve the proposal amending the current dividend distribution method from annual distributions to semi-annual distributions.
Article 15 before and after the amendment
Before the amendment:
The dividend shall be distributed to the Shareholders subject to the relevant rules and regulations by the Authority.
After the amendment
The dividend shall be distributed to the Shareholders semi-annually and subject to the relevant rules and regulations by the Authority.
7. Amending Article 6 of the Articles of Association of the Company to reflect the changes in the Company’s capital (i.e the Capital Reduction and subsequently the Capital Increase).
Article 6 before and after the Capital Reduction
Before the Capital Reduction:
6(1) The Company’s issued share capital is AED 1,275,391,250.00 (one billion two hundred seventy-five million three hundred ninety-one thousand two hundred fifty) divided into 1,275,391,250.00 (one billion two hundred seventy-five million three hundred ninety-one thousand two hundred fifty) shares, having a nominal value of AED (1) One UAE Dirhams per share.
6(2) Subject to the regulations issued by the Authority, the authorized capital of 1,275,391,250.00 (one billion two hundred seventy-five million three hundred ninety-one thousand two hundred fifty) divided into 1,275,391,250.00 (one billion two hundred seventy-five million three hundred ninety-one thousand two hundred fifty) with a nominal value of AED (1) One UAE Dirhams.
After the Capital Reduction:

The Company’s issued share capital is AED 637,695,625 (six hundred thirty-seven million six hundred ninety-five thousand six hundred twenty-five) divided into 637,695,625 (six hundred thirty-seven million six hundred ninety-five thousand six hundred twenty-five) shares, having a nominal value of AED (1) One UAE Dirhams per share.

Clause 6(2) to be deleted.

Article 6 before and after the Capital Increase

Before the Capital Increase:

The Company’s issued share capital is AED 637,695,625 (six hundred thirty-seven million six hundred ninety-five thousand six hundred twenty-five) divided into 637,695,625 (six hundred thirty-seven million six hundred ninety-five thousand six hundred twenty-five) shares, having a nominal value of AED (1) One UAE Dirhams per share.

After the Capital Increase:

The Company’s issued share capital is AED 837,695,625 (eight hundred thirty-seven million six hundred ninety-five thousand six hundred twenty-five) divided into 837,695,625 (eight hundred thirty-seven million six hundred ninety-five thousand six hundred twenty-five) shares, having a nominal value of AED (1) One UAE Dirhams per share.

8. To authorise the Company’s Board and any person authorised by the Board of Directors to undertake all necessary procedures and steps to allow the Company to complete the Capital Reduction and Capital Increase, including making the required amendments to the Articles of Association of the Company and to sign on the amendment contracts of the Articles of Association and any document relating to the Capital Reduction and the Capital Increase and to deal with all governmental entities and authorities in this regard.
9. Approving the Arbitration clause mentioned in the Agreements/ Resolutions of the refinancing procedures with Jianguo Financial Leasing Co., Ltd after ratifying it, with granting the board of directors or any of them with all the necessary powers needed.

Notes:

1. Shareholders can register to attend and vote electronically on the resolutions of the general assembly through the link (<https://www.smartagm.ae/>). Registration will be opened at 3:00 pm on Tuesday 21/03/2023 and will be closed at 3:00pm on Wednesday 22/03/2023.
2. Any shareholder who has the right to attend the General Assembly may delegate any person other than a member of the Board of Directors under a special written proxy. In such capacity, no proxy may represent more than 5% of the shares in the capital of the Company. Shareholders who lack capacity or competency shall be represented by their legal representatives. Provided that the requirements set in clause 1 and 2 of Article No. (40) of the Chairman of the Authority’s Board of Director’s decision No. (3.RM) of 2020 regarding the approval of the governance guide of public companies
3. A corporate person may delegate one of its representatives or those in charge of its management under a decision of its Board of Directors or its authorized deputy to represent such corporate person in the General Assembly of the Company. The delegated person shall have the powers as determined under the delegation decision.
4. The shareholder representative must send the proxies and any supporting documents by e-mail to Abu Dhabi Commercial Bank (the organizer of the meeting) to the following e-mail (CapitalMarketsTeam@adcb.com) and must mention his/her mobile phone number so that the organizer can verify and send the user name and password by SMS to the representative to complete the registration.
5. Shareholders registered in the Shareholders Register on Tuesday 21/03/2023 shall be entitled to vote in the General Assembly meeting.
6. The shareholder may view the Company’s financial statements and any documents related to the General Assembly by visiting the DFM website at www.dfm.ae or by visiting the Company website at www.gulfnav.com
7. The general assembly meeting will not be valid if it is not attended by shareholders representing at least (50%) of the Company’s capital. In the event that such quorum is not present at the first General Meeting, a second meeting will take place on 29/03/2023 at the same venue and time and the second meeting shall be valid irrespective of the shareholders attendance percentage.
8. A special resolution is a resolution issued by the majority vote of the shareholders that hold no less than three quarters of the shares attended or represented in the general assembly meeting of the Company.
9. Pursuant to Article (40) of the SCA Decision No. (3/R.M) for the year 2020 in relation to the adoption of the Governance Guide for Public Shareholding Companies, any shareholder who wishes to appoint a representative to attend and vote on his behalf should contact the office of BHM Capital whose the Company shall bear the fees for their attendance and to vote only in accordance with the agreement concluded with them and the approval of the General Assembly on 29/04/2021. The Office can be contacted via phone: +971 4 5247403
10. You can view the guide on investor rights in securities, which is available on the main page of the SCA official website, according to the following link: <https://www.sca.gov.ae/ar/services/minority-investor-protection.aspx>