

Form for disclosing the Agreement to Dispose

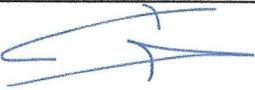
Date.	May 2 nd 2023
Name of the Listed Company.	Gulf Navigation Holding PJSC
Specify the type of transaction:	Dispose
Determine the type of asset to be acquired, disposed, leased or mortgaged and describe the activity of the underlying asset.	Petrochemical Tanker – A ship that transports petrochemicals products.
Determine the value of the purchase cost of these assets and their percentage to the capital of the listed company in the event of dispose, mortgage or leasing.	Net Book Value is USD 20,4 million Percentage to the Capital is 5.86%
Total value of disposal.	USD 27,000,000
Reasons for executing the transaction, its expected effects on the company and its operations, and the rights of its shareholders.	The sale will result in a gain of USD6.6m and cash flow of \$27m which will be used to pay off the loan on the asset sold of \$11.7m settle Al Masraf Loan of AED26m and excess cash of circa \$8.2m which will enhance the liquidity and opens doors for opportunities for further growth.
Determine the parties to the transaction / deal.	Gulf Navigation Mishref Limited – Seller Classic FZCo – Buyer Fichte & Co Legal Consultancy – Escrow Agent & Buyer Legal Advisor. INCE & Co Middle East – Seller legal advisor. Fearnlyes AS: Broker.



Determine whether the transaction / deal is associated to related parties, and specify the nature of the relationship, if any.	N/A
The date of signing the transaction / deal.	March 22, 2023.
Transaction / deal execution date.	April 27, 2023.
<p>If the listed company is the disposing party, the lessor, or one of the mortgage parties, the following must be fulfilled:</p> <ol style="list-style-type: none"> 1- Explain the reasons for disposing, mortgaging or leasing, and clarifying how the collected funds will be used. 2- Determine the date or dates of collection of the amounts owed to the listed company from the dispose, mortgage or lease transaction. 3- Clarify the company's plan regarding the use of exit proceeds or the sale or lease of the asset. 4- Clarify the procedures against the listed company in case of failure to pay its obligations stated in the mortgage deal. 5- The listed company must also clarify whether it will provide a loan in exchange for a mortgage of the assets owned by the other party. 	<p>1- The asset was sold as a secondhand asset and the proceeds will be used to pay off the loan on the asset to JSFL, then an existing loan that was settled amicably with Al Masraf Bank, and the excess will be routed to the Company cash flow for expanding operation or settling and other debts if the Board sees this fit.</p> <p>2-The transfer date is April 27th 2023 and the collection was fully confirmed by April 28th 2023.</p> <p>3-The company has an obligation to settle the loan to Al Masref Bank by June 1st 2023 to benefit from the amicable settlement which resulted to a haircut of circa \$5.1m therefore the company saw the sale which will result in huge gain is the right decision in order to deleverage the company and increase liquidity and profitability. The company strategy is also to renew the fleet so the excess cash after settling all the debts will give a rise to an opportunity to leverage the cash and acquire a newer asset with a longer useful life and more environmental friendly as to enhance the decarbonization plan of the company.</p>



The expected financial impact of the transaction(s) on the business results and the financial position of the listed company.	The sale transaction will result in a gain on sale of approx. \$6.6m and additional free cash of \$8.2m at the closing date.
Determine the financial period or quarter in which the financial impact of the transaction(s) will appear on the listed company.	Q2 2023
Summary of the terms and conditions of the transaction(s), the rights and obligations of the listed company and its shareholders, and the procedures involved in the event that any party fails to fulfill the obligations it has stipulated in the transaction or the deal contract.	All terms and conditions as per the signed Memorandum of Agreement for Sale & Purchase of ships adopted by BIMCO in 1956 Code Name: SALEFORM 2012 Mutually accepted and executed. The transaction was completed with no default.

The Name of the Authorized Signatory	Ahmad Kilani
Designation	Board Member / Managing Director
Signature and Date	02/05/2023 
Company's Seal	 الخليج للملاحة القابضة ش.م.ع. GULF NAVIGATION HOLDING PJSC P.O. Box 49651, Dubai - UAE

