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KGLPI raises capital by 150 million shares

KUWAIT: KGL Ports International Warehousing and Transport Company KSCC, (KGLPI) announced a capital increase by offering 150 million new shares yesterday during a press conference at the KGLPI Head Office in Shuwaikh. The increase will be used to fund the completion of the Damietta Port project in Egypt, expected to begin in September 2011. The funds will also be used to restructure some of the company's existing debts. KGLPI chairman, Fahad Al Baghli, said that this increase will allow the company to capitalize on opportunities to create sustainable future earnings and growth.

The proposed KD 15 million will expand the company's equity capital base from KD 12 million to KD 27 million," explained Al-Baghli. He said that they expect a substantial increase in sea port traffic in the forthcoming quarters. He said that they expect a boost in infrastructure development and trade activities as global and regional markets transition towards a period of economic revival.

KGLPI solicits participation in the subscription of 150 million new shares at 100 Kuwaiti fils per share from its existing shareholders through a rights issue offering. Unsubscribed shares will be offered, after the specified period of placement, to the existing strategic investors at 105 Kuwaiti fils per share. Included is a five Kuwaiti fils per share placement fee for a period between March 2 to March 16, 2010.

Al-Baghli said that the private placement offering will allow shareholders to participate and benefit from KGLPI's objective to further augment its presence as a premier and specialized company in the field of port operation and management in the Middle East and North Africa region. They will be able to offer a premium services in the port management industry, allowing them to engender a substantial amount of return of investment for its patrons.

Al-Baghli explained that investing in the company is an opportunity to invest in one of the vital operational defensive sectors in the region. KGLPI is a company with a solid track record and over 40 years of experience. "The investors are expected to achieve essential returns on a medium term basis, especially after operations commenced in Damietta, Egypt," he stated.

Among the most remarkable activities carried out by the company is the operation and management of the container terminal at Shuaiba Port in Kuwait. Also, the company is responsible for the design, construction, operation and management of the container terminal at Saqer Port in the Emirate of Ras Al-Khaimah. In Egypt, KGLPI, in partnership with reputable international shipping lines and the Damietta Port Authority (DPA), is in the final stages of constructing a major container terminal in Damietta, Egypt.

As for the company's future plans, KGLPI is aiming for a future listing on the Kuwait Stock Exchange (KSE) or on the Dubai International Financial Exchange (DIFX) subject to fulfilling all listing requirements.

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March 03, 2010

KGLPI launches PPO of 150 mln new shares Proposed KD 15m capital increase to expand equity capital base: Baghli

KUWAIT CITY, March 2: KGL Ports International Warehousing and Transport Company KSCC, (KGLPI) yesterday announced the launch of the Private Placement Offering of 150 million new shares during a press conference held at the KGLPI Head Office in Shuwaikh.

KGLPI solicits participation in the subscription of 150 million new shares at 100 Kuwaiti Fils per share from its existing shareholders through a Rights Issue offering, while unsubscribed shares will be offered, after the specified period of placement, to the existing strategic investors at 105 Kuwaiti Fils per Share inclusive of 5 Kuwaiti Fils per share placement fee for a period open from 2 March 2010 till 16 March 2010.

"The proposed KD 15 million capital increase will expand our equity capital base from KD 12 million to KD 27 million," disclosed KGLPI Chairman Fadel A. Al Baghli. He cited that they foresee a substantial increase in sea port traffic in the forthcoming quarters, boosted by the inevitable rebound of infrastructure development and trade activities as global and regional markets transition towards a period of economic revival.

"The capital increase will be utilized for funding the completion of the Damietta Port project in Egypt which is planned to commence operations in September 2011, as well as for restructuring of some of the existing debts, thereby rendering us better equipped to capitalize on opportunities that create sustainable future earnings and growth," he pointed out. Al Baghli outlined that the private placement offering will enable shareholders to participate and benefit from KGLPI's objective to further augment its presence as a premier and specialized company in the field of port operation and management in MENA region by offering premium services in the port management industry, thereby subsequently aiming to engender a substantial yield of returns on investment for its patrons.

Al Baghli explained that investment in the company represents an investment in one of the vital operational defensive sectors in the region under the umbrella of a specialized company which has a solid track record and over 40 years of experience. "The investors are expected to achieve essential returns on medium term basis, especially after operations commenced in Damietta, Egypt," he stated.

Among the most remarkable activities carried out by the company are the operation and management of the container terminal at Shuaiba Port in Kuwait, and the Company also designed, constructed, operated, and currently manages the container terminal at Saqer Port in the Emirate of Ras Al Khaimah. In Egypt, KGLPI, through its partnership with reputable, international shipping lines and the Damietta Port Authority (DPA), is in the final stages of constructing major container terminal within Damietta, Egypt.

As for the company future plans, KGLPI aims for an exit strategy through future listing on the Kuwait Stock Exchange (KSE) or on Dubai International Financial Exchange ("DIFX") subject to fulfilling all listing requirements, or enter into a strategic exit in favor of a company specialized in private equity advisory or to a company actually existing in this sector or to a regional competitive entity.

The company is an associate of Kuwait Gulf Link Holding Company (KGLH), which in turn, is fully owned by Kuwait and Gulf Link Transport Company (KGL), KGLPI's core business practice covers the development, operations, and management of container terminals and Roll-On Roll-Off (RORO) operations across sea ports. At this stage, KGLPI is considered as the terminal manager and operator of the KGL group that took over all the related activities of KGL in the areas of port management and port operation.

<http://www.arabtimesonline.com/NewsDetails/tabid/96/smld/414/ArticleID/150354/reftab/73/t/KGLPI-launches-PPO-of-150-mln-new-shares/Default.aspx>

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KGLPI announces capital increase of 150 million shares



Kuwait: Kuwait Gulf Link (KGL) Ports International Warehousing and Transport Company KSCC, (KGLPI) announced yesterday the launch of the private placement offering of 150 million new shares during a press conference held at the KGLPI Head Office in Shuwaikh.

KGLPI seeks participation in the subscription of 150 million new shares at 100 Kuwaiti fils per Share from its existing shareholders through a Rights Issue Offering, while unsubscribed shares will be offered, after the specified period of placement, at 105 Kuwaiti fils per share inclusive of 5 Kuwaiti fils per share placement fee for a period open from March 2, 2010 till March 16, 2010.

"The proposed 15 million Kuwaiti dinar capital increase will expand equity capital base from KD 12 million to KD 27 million," disclosed KGLPI Chairman Fadel A. Al-Baghli. The capital increase will be utilized for funding the completion of the Damietta Port project in Egypt which is planned to commence operations in September 2011, as well as for

restructuring some of the existing debts, thereby rendering us better equipped to capitalize on opportunities that create sustainable future earnings and growth," he pointed out.

In response to a question posed by one of the journalists regarding KGL meeting the deadline, he stated, "We are meeting our schedule with regards to the Damietta Port project and we are not behind our deadlines. Damietta Port is a high class port with a cargo volume of four million twenty-foot equivalent units (TEUs), the length of anchor 2350 M. This project is considered one of the biggest infrastructure projects in the Eastern Mediterranean Sea region. The increase in capital will contribute in covering some of the expenses of this project. KGL is a main shareholder of 30 percent and is currently managing this project."

Al-Baghli outlined that the private placement offering will enable shareholders to participate and benefit from KGLPI's objective to further augment its presence as a premier and specialized company in the field of port operation and management in the Middle East and North African region by offering premium services in the port management industry, thereby subsequently aiming to engender a substantial yield of returns on investment for its patrons.

Al-Bagli explained that investment in the company represents an investment in one of the vital operational defensive sectors in the region under the umbrella of a specialized company which has a solid track record and has over 40 years of experience. "The investors are expected to achieve essential returns on medium term basis, especially after operations commenced in Damietta, Egypt," he stated.

Among the most remarkable activities carried out by the Company is the operation and management of the container terminal at Shuaiba Port in Kuwait. The company also designed, constructed, operated and currently manages the container terminal at Saqer Port in one of the Unites Arab Emirates, Ras Al-Khaimah. In Egypt, KGLPI, through its partnership with reputable international shipping lines and the Damietta Port Authority (DPA), is in the final stages of constructing a major container terminal within Damietta, Egypt.

As for the company's future plans, KGLPI aims for an exit strategy through future listing on the Kuwait Stock Exchange (KSE) or on Dubai International Financial Exchange (DIFX) subject to fulfilling all listing requirements; or enter into a strategic exit in favor of a company specialized in private equity advisory or to a company actually existing in this sector or to a regional competitive entity.

The company, to achieve its operational strategy, had also designed a mechanism to bring in the most advanced technologies for handling goods and shipping and invested in information systems to manage ports and handle goods in addition to training their human capital in the Gulf Cooperation Council, in Kuwait and at the port of Ras Al-Khaimah.

Regarding the relationship between KGL and Agility Al-Baghli commented, "We enjoy a good relationship with Agility, we are at their service and they are our clients."

He also stated, "We are working to meet the listing requirements, in 2011 based on our plan," when asked about listing in the Kuwait Stock Exchange

In response to a question asked by Al Watan Daily, as to whether the Kuwaiti market is monopolistic in nature, Al-Baghli stated, "In Kuwait are one of the logistic contractors to handle port operations. There are other companies in Kuwait who handle the same. The entry barrier to enter this market lies in technical know-how, truck record, capital intensive monetary resources, strong financial resources, and infrastructure activities. Fortunately, we have all these advantages."

<http://alwatandaily.alwatan.com.kw/Default.aspx?MgDid=842963&pageId=476>