



Maridive & Oil Services Co. Board Approves Capital Increase and Acquisition of Stake By UAE-Based Investor

Once completed the transaction will leave UAE-based investor Najjad Zeenni with a 12.8% stake in Maridive, with stock valued at a significant premium of USD 0.61 per share

14 July 2019

Maridive & Oil Services Co. (“Maridive” or the Group, MOIL.CA on the Egyptian Exchange), one of the largest private offshore marine and oil support services providers in the MENA region by number of vessels, announced today that its Board of Directors has approved a proposal by UAE-based investor Mr. Najjad Zeenni to acquire a USD 37.0 million stake in the Group at a subscription rate of USD 0.61 per share.

The transaction, proposed at a significant premium over the USD 0.37 at which Maridive’s shares ended trading on 11 July 2019, will see the Group’s paid-in capital increase to USD 188.1 million from USD 163.8 million at par value. Approval of the proposed transaction follows Board ratification of the fair value study carried out by independent financial advisors Grant Thornton, valuing Maridive stock at USD 0.60 per share.

Subject to regulatory approvals, conditions precedent, as well as approval at the Extraordinary General Meeting of Maridive’s shareholders, the transaction will give Mr. Zeenni a 12.8% stake in the Group’s share capital. The shares purchased by Mr. Zeenni will be subject to a three-month lockup agreement, under which Mr. Zeenni will undertake not to liquidate any shares of his stock in Maridive. Mr. Zeenni will be appointed to the Group’s the Board of Directors, effective upon the registration of the capital increase in Maridive’s Commercial Register.

Mr. Zeenni currently serves as Chairman and Chief Executive Officer at Valentine Maritime, in which Maridive holds a stake of 75% and he holds the remainder. Maridive intends to use the proceeds from the capital increase subscribed by Mr. Zeenni to increase Valentine’s share capital. Mr. Zeenni will not participate in this capital increase. Following this increase in Valentine’s share capital, Maridive will purchase Mr. Zeenni’s remaining shares in the company for a price of USD 1.0, effectively consolidating full ownership of Valentine under Maridive & Oil Services Co.

“A major step has been taken toward concluding a mutually beneficial transaction with Mr. Nejjad Zeenni,” said Maridive Chairman Dr. Tarek Nadim. “His acquisition of this stake is a major vote of confidence in Maridive’s continued ability to leverage its team and its modern asset base to create lasting value for stakeholders. The transaction and our consequent ability to consolidate the platform will enable us to take a comprehensive, Group-level view with regards to optimizing the management structure and fostering synergies at the operational level,” he continued. “Maridive is moving quickly to mobilize all the resources needed to exploit the expected recovery in global offshore exploration and production spending. We expect significant improvement in the volume of tenders coming in, and with our agreement with an ARAMCO-listed contractor coming into play, we believe our financials will see significant improvement going forward,” concluded Dr. Nadim.

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About Maridive & Oil Services Co.

Maridive & Oil Services Co. was established in 1978 to provide offshore marine and oil support services in Egypt and has since expanded from operating one marine unit to a fleet of over 60 vessels and operations in the Mediterranean Sea, the Red Sea, the Persian Gulf, the Caspian Sea and the Gulf of Mexico. The Group operates four subsidiaries with 12 global representative offices and employs over 2,600 employees, offering a comprehensive suite of offshore oil and gas services with a reputation for excellence and efficiency.

For more information about Maridive & Oil Services Co., please visit www.maridivegroup.net.