

RIPPLES talk

ISSUE 5



2010

- Completion of equipment delivery first batch of eight rubber-tyred gantry (RTGs) bringing the total number of cranes to 20
- 500,000 TEUs

2009

- Start of commercial operation phase 1
- Received the first batch of Rubber tyred gantry (RTGs)-Yard Cranes

2011

- Receiving the world's largest mega vessel in a record braking year CSCL Star(14,000TEUs)
- Achieved annual throughput of 2mil TEU

2012

- Achieved annual throughput of 1.34mil TEU

2013

- New trailer arrived
- Throughput 1,389,681 TEUS

2014

- JIP certified letter for high productivity performance
- Throughput 2014: 1,431,698 TEUS
- Launched the Admiral Program

2015

- Handled one of world's largest container vessel (19,100TEUS)
- Achieved accumulated 3,000 vessel calls since 2009
- RSGT handled accumulated throughput of 7million since 2009

6
YEARS
ANNIVERSARY



00

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We began our journey on December 22, 2009 and have spent the past 6 years continuing to build our brand, which has now become the focus to helping our clients get the best service ever and I feel very privileged to be writing this message celebrating our 6th anniversary.

During the past 6 years, our teams did tremendous work to refresh and focus the strategies on our business. We have continued to go to great lengths to implement sustainable and ethical working practices in our operations, and training our employees on them. By embedding processes and sustainable development activities throughout the company, sustainability has become a vital part of everyone's job at RSGT. With a rich heritage in the maritime industry of the Jeddah Islamic Port, a diverse workforce and operations throughout the world, we not only have an obligation to operate in a responsible manner, but we have an important role to play as our business and industry landscape changes and evolves.

As a company, we have seen much change over the past 6 years;

2009 Operation Started
2010 Completion of equipment delivery first batch
2011 1st mega vessel (14,000TEU class) handled
2012 Achieved annual throughput of 1.34mil TEU
2013 New trailer arrived, started the first CSR program
2014 JIP certified letter for high productivity performance, ISO certificate, started the recycling program
2015 Handled one of world's largest container vessels (19,100TEUS). Achieved accumulated 3,000 vessel calls since 2009, handled accumulated throughput of 7million since 2009, signed MOU with Help Center for the CSR program.

It is also important to note what has not changed at RSGT, namely our commitments to providing exceptional client service using the up to date technology solutions.

Looking ahead, we are focused on accelerating the execution of our growth strategy while continuing to build on the strength of our brand and our ambition to Redefine Standards in the maritime industry by helping our clients get the best service and bringing positive change to this industry. I am incredibly excited about this journey and truly believe the best of RSGT is yet to come.

Aamer Aireza
CEO





Soren Hansen
Managing Director

|| RSGT has made significant contributions to the growth of the port industry over the past six years through innovation and dedicated dynamic team. RSGT has built an unrivalled reputation as the Home of Mega Vessels by continuously setting industry standards.

RSGT has invested over the past 6 years in a product portfolio, state of the art equipment and technical and operating capability that together give us competitive advantage. The path is continued to further enhance operational efficiency, increase capacity and improvement on customer focus. These initiatives have been a driving influence in 2015 and will continue into 2016 and beyond.

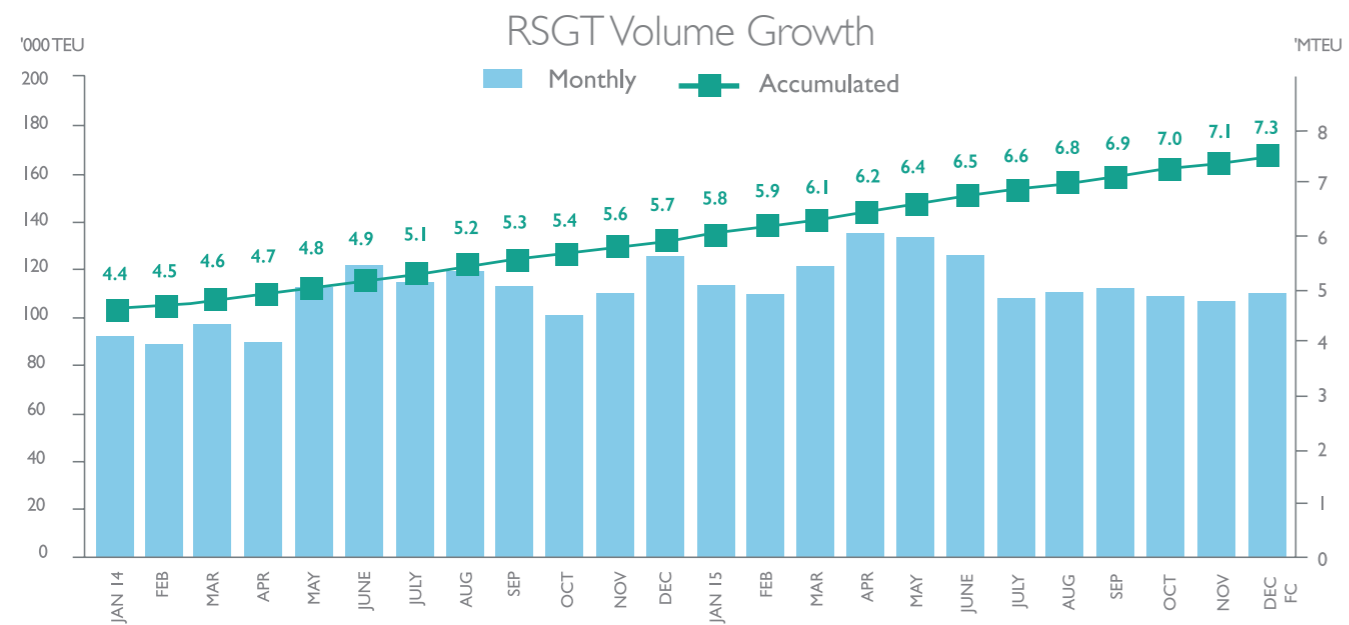
RSGT represents a growing trend in the past 6 years placing more value on human capital, starting with basic measurement of training programs to employee engagement which is based on the overall value responsible care. While we are raising efficiency and handling capacity through investments in our operating systems and equipment, our business go around these values.

I therefore, seek continued patronage of our valued customers, cooperation of our employees with integrity and thank our well-wishers who have contributed to the growth of the organization. It gives me tremendous pride to be able to call on the support of RSGT's team of dedicated professionals as we meet challenges ahead and chart new course for success

Sincerely,
Soren Hansen
Managing Director

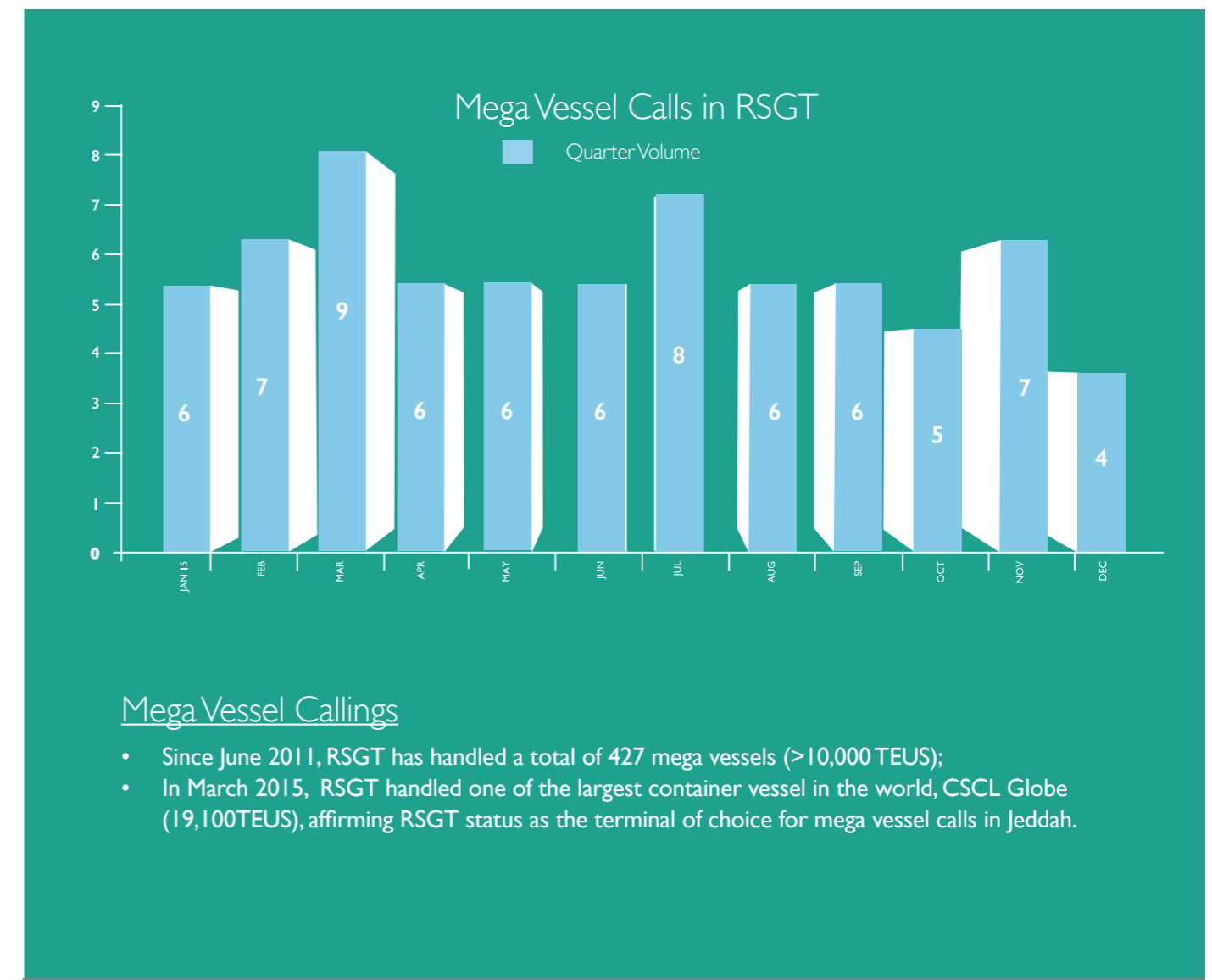
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RSGT IN NUMBERS



Volume Growth

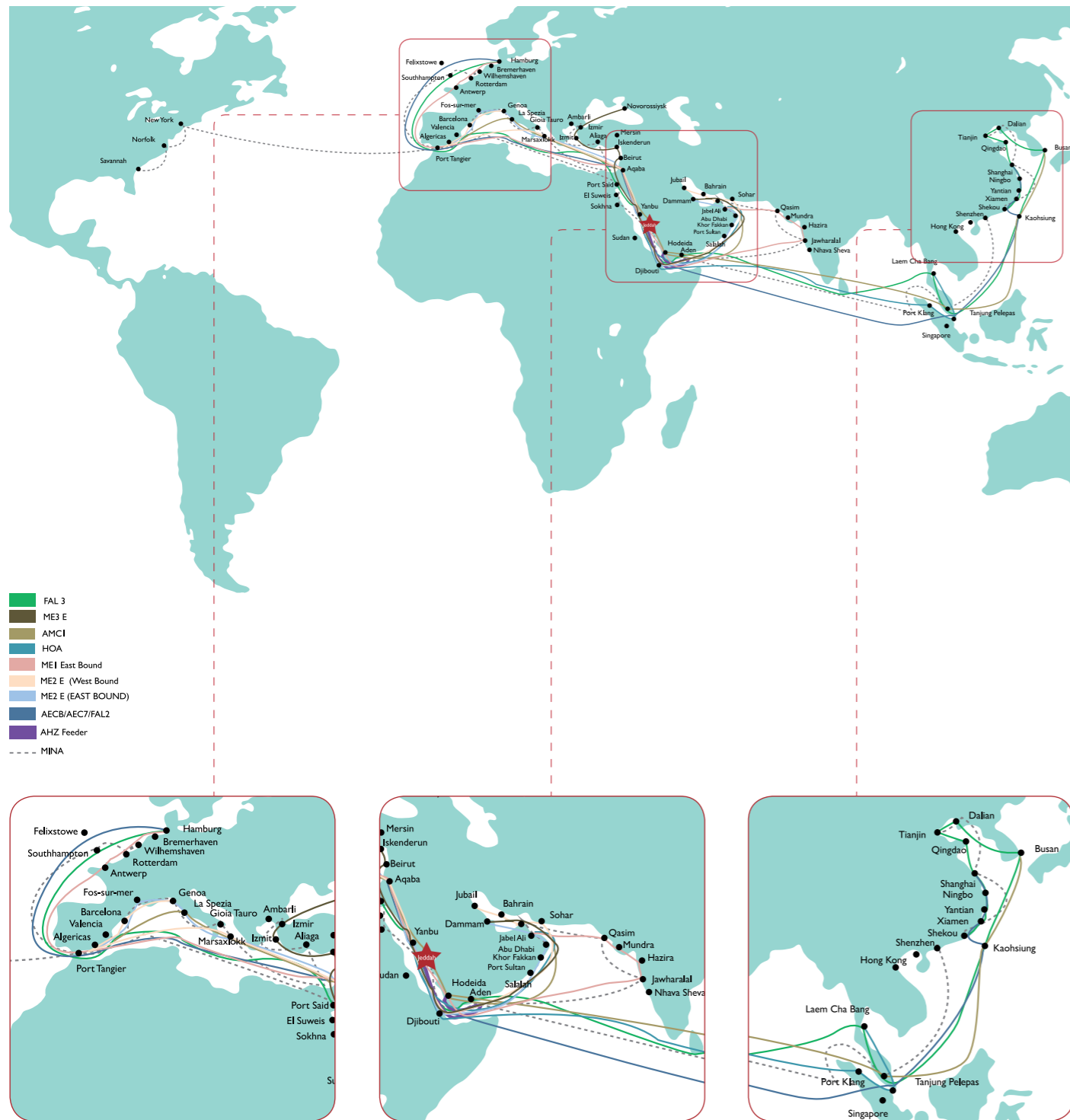
- RSGT completed the 2015 year handling a total volume of 1.55 million TEUS, posting a growth of 8.5% from previous year. This represents the highest annual throughput for RSGT since the start of commercial operations in 2009.
- Gateway to Transshipment ratio in 2015 improved to 68% as compared to 61% in 2014,
- Gateway volume posted a double digit annual growth of 24% from 2014, with import growing by 17% and export growing by 30%.
- April 2015 also marks a record breaking month for RSGT, handling a total of 151K TEUS, surpassing all other records since the start of operations.



Mega Vessel Callings

- Since June 2011, RSGT has handled a total of 427 mega vessels (>10,000 TEUS);
- In March 2015, RSGT handled one of the largest container vessel in the world, CSCL Globe (19,100TEUS), affirming RSGT status as the terminal of choice for mega vessel calls in Jeddah.

RSGT Service Reach



MAIN LINE SERVICE COVERAGE

| No. | Service Name | Liners | Full Name | Route |
|-----|--------------------|-------------------|---|--|
| 1 | AEC8 / AEX7 / FAL2 | UASC / CSCL / CMA | Asia Europe Container Service 8 (UASC) / Asia Europe Service (CSC) / French Asia Line 2 (CMA) | Rotterdam - Hamburg - Zeebrugge - Le Havre - Jeddah - Port Kelang - Shenzhen-Shekou - Ningbo - Shanghai - Hong Kong - Shenzhen-Yantian |
| 2 | AMCI | UASC / CSCL | Asia - Mediterranean Container Service I | La Spezia - Genoa - Fos - Barcelona - Valencia - Port Said - Jeddah - Khor Fakkan - Port Kelang - Qingdao - Shanghai - Ningbo - Shekou - Port Kelang - Port Said - La Spezia |
| 3 | FAL3 | CMA | French Asia Line 3 (CMA) | Le Havre - Hamburg - Bremerhaven - Rotterdam Southampton - Zeebrugge - Beirut - Jeddah - Port Kelang - Singapore - Tianjin Xingang - Dalian - Busan - Qingdao - Shanghai - Yantian - Singapore Port Kelang - Le Havre |
| 4 | MINA | UASC / HJS | Middle East - Indian Subcontinent - North America Service | Khor Fakkan - Jebel Ali - Port Qasim - Nhava Sheva Jeddah - Port Said - La Spezia - Genoa - Barcelona Valencia - Algeciras - New York - Norfolk - Savannah - Algeciras - Valencia - Genoa - Port Said Jeddah - Khor Fakkan |
| 5 | ME1 (East & West) | Maersk Line | Europe - Middle East (Roundtrip) | Jebel Ali - Jawaharlal Nehru - Mundra - Salalah Jeddah - Port Tangier - Felixstowe - Antwerp Bremerhaven - Wilhemshaven - Rotterdam - Aqaba - Jeddah - Jebel Ali - Jawaharlal Nehru - Mundra |
| 6 | ME2 (East & West) | Maersk Line | Europe - Middle East (East Bound) | Marsaxlokk - Port Tangier - Algeciras - Valencia - Barcelona - Genoa - Port Said - Jeddah - Salalah - Jebel Ali - Dammam - Jubail - Abu Dhabi - Jebel Ali |
| | | | Europe - Middle East (West Bound) | Dammam - Jubail - Abu Dhabi - Jebel Ali - Jeddah - Port Said - Marsaxlokk - Port Tangier - Algeciras - Valencia - Barcelona - Genoa |
| 7 | ME3 E | Maersk Line | Europe - Middle East (East Bound) | Novorossiysk - Ambarli Port - Izmit Korfezi - Izmir - Mersin - Iskenderun - Beirut - Jeddah - Jebel Ali - Pipavav - Hazira - Jawaharlal Nehru |
| 8 | HOA | Maersk Line | Horn of Africa | Tanjung Pelepas - Jebel Ali - Djibouti - Jeddah - Port Sudan - Djibouti - Laem Cha Bang - Tanjung Pelepas |
| 9 | AHZ Feeder | Maersk Line | Feeder | Aqaba - King Abdullah - Jeddah |
| 10 | Xpress Feeder | Xpress Feeder | Feeder | Jeddah - Port Sudan / Jeddah - Aden |
| 11 | CMA Feeder | CMA | Feeder | Jeddah - Aqaba / Jeddah - Aden |



CUSTOMER VOICE

Mr. Mani Sundaresan
Asst. Manager, Commercial

Is Container Logistics Division improved in terms of performance and services for the customers in past comparison?

Definitely improved, we are glad to inform you that the Container Logistics Division of RSGT service and performance are very high and satisfy our needs.

How do you rate our Inspection Processes and the turnaround time?

The Inspection Process is really fast and supportive to us to keep up our cargo clearance as well as to achieve our customer satisfaction promptly.

How do you evaluate our value added services in comparison of other Terminals in Jeddah?

Your service is always presenting a very good support and maintaining the best performance rate compared to the other terminals in Jeddah. We are very happy of RSGT added value services as its save us a lot of time and enhance our performance.

How do you see Container Logistics and your Partnership to progress further in the future?

Now it's going smoothly without any interruption, in Container Logistics we are not facing any difficulties at present and if any expedition needed, we shall request your full support to help us along a case to case basis.

How do you evaluate our Customer service representatives?

The Customer Service Care are always on the top level for sustaining customer satisfaction and we truly appreciate your timely actions and opinions based on our needs, valuable cooperation and good support in finding amicable solution.



شركة عمر قاسم العيسائي وشركاه للتسويق المحدودة
OMAR KASSEM ALESAYI MARKETING CO. LTD.



Mr. Talal Al-Muraishad
Clearing Agent.

How do you evaluate services between Red Sea Gateway Terminal with other terminals in Jeddah Islamic Port?

RSGT is more customer focus & always try to delight their customers. One of the milestone in this regards is providing online services to their client through which they can track their shipment etc. That's what makes RSGT different than other terminals.

How can container terminal contribute to raising the Kingdom's economy?

- A container terminal should be focusing on:
- I. Expand terminal capacity to accommodate more volume to increase the Kingdom's economy.
 - II. Implement electronic service to facilitate all types of customs processes.

What is your advice to improve Red Sea Gateway Terminal performance to meet your expectations?

RSGT overcame all difficulties faced by the booking process, and now they offer this service within 24 hours, without any backlog or delays, compared to other terminals. Currently awaiting the completion of the "Smart Gate" project which I am sure will contribute further to improve RSGT productivity and performance.



A SERVICE TO IMPROVE EFFICIENCY



Front Desk Operation
office outside JIP

CLD is entrusted with the responsibility of ensuring that the entire process of Customs Clearance is maintained and improved. This includes a comprehensive process of managing, planning, coordination and control, and making sure that the cargoes (Containers) reaches the right place at the right time, at an economical cost.

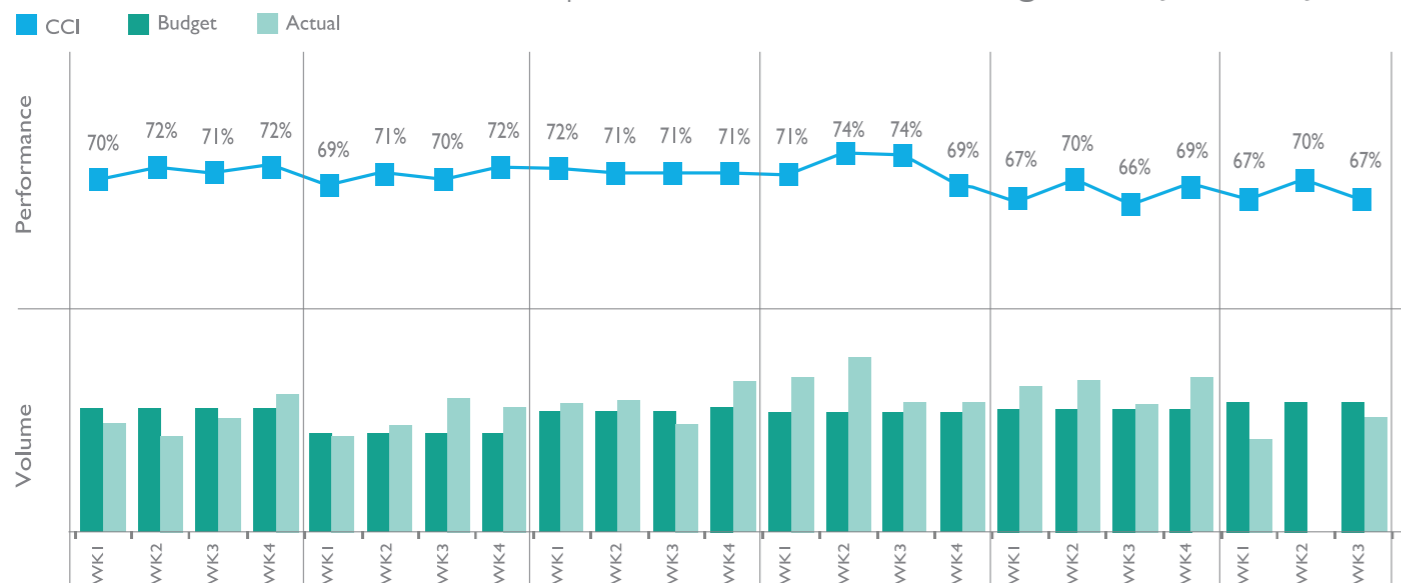
In dealing with Customs Clearance, RSGT-CLD regularly undertakes the responsibility for numerous processes like cargo-handling, customs documents appraisalment, and tackling regulations related to customs procedures for inbound and outbound shipments. Our team of CLD professionals is highly trained and well versed with customs regulations and schedules. Years of experience have ensured that our team is up to speed on any amendment, every changes and development which enables us to be the best for Customers Satisfaction.

With this dedicated team in CLD, we are committed to exceeding customers expectations in all interactions.

CONTAINER LOGISTIC DIVISION

Chart of the Month

Inspection Volume and Clearing index: Jan-15 | Jun-15



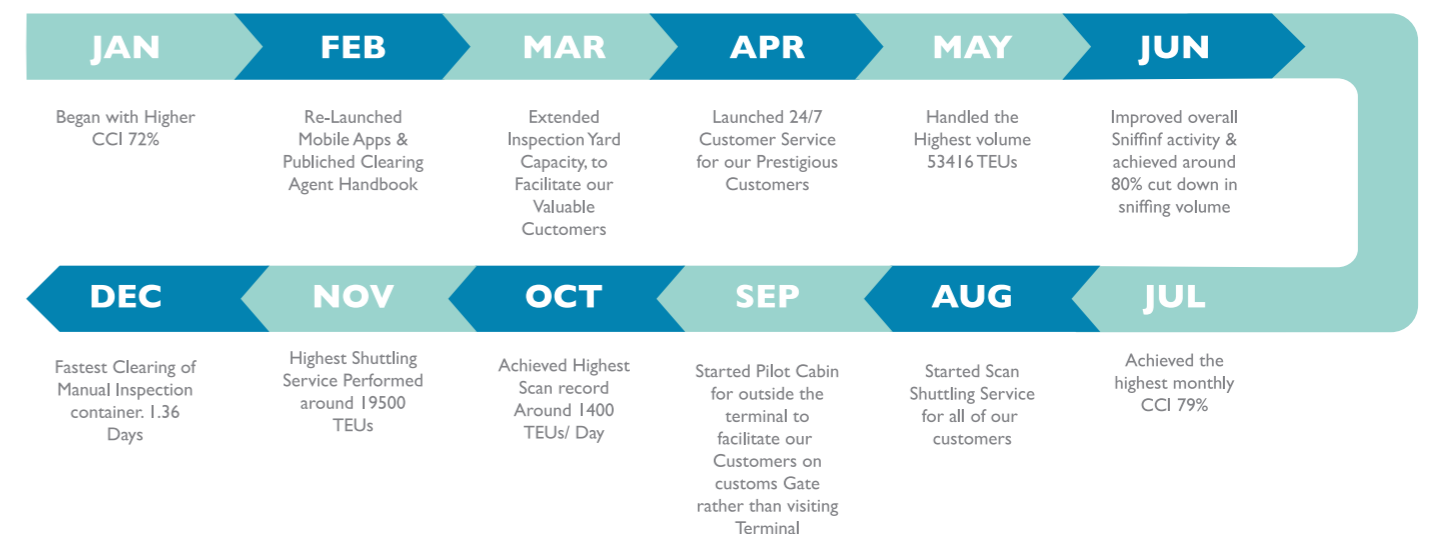
VOLUME VS PERFORMANCE CONSISTENCY:

In comparison of last 5 operational years, Second Quarter of year 2015 was most challenging and succeeding month where CLD handled the highest volume in the month of May, growth recorded as +37

% if compare with the beginning of the year 2015 while +25% over by budget. Despite, huge volume and a positive growth CLD strived and eventually succeeded, an incredible performance recorded throughout 2015 with average 70% CCI which is +16% of the target.



CLD MILESTONES 2015



IMPROVING TERMINAL SAFETY MEASURES

The aim of terminal traffic management is to avoid incidents, congestion and improve turnaround time. It involves the influence and control of four factors, namely: speed, direction, access and awareness.

Reducing the risk of an incident occurring can be achieved by implementing tangible restrictions, such as speed signs, speed humps, set traffic flow directions and clearly marked pedestrian walkways.

Reductions in risks can also be achieved through the implementation of procedures, policies and training, e.g. time and separation controls for mobile equipment and truck drivers during loading and unloading operations.

Traffic critical areas are those where the probability and severity of consequences to an incident is are dramatically increased. Such as:

- Loading and unloading zones
- Mobile plant operation exclusion zones
- Entry / exit areas and blind corners
- Areas of poor visibility or where lighting conditions change
- "Pedestrian crossing intersections" and "major traffic arteries"
- Yard / container storage areas

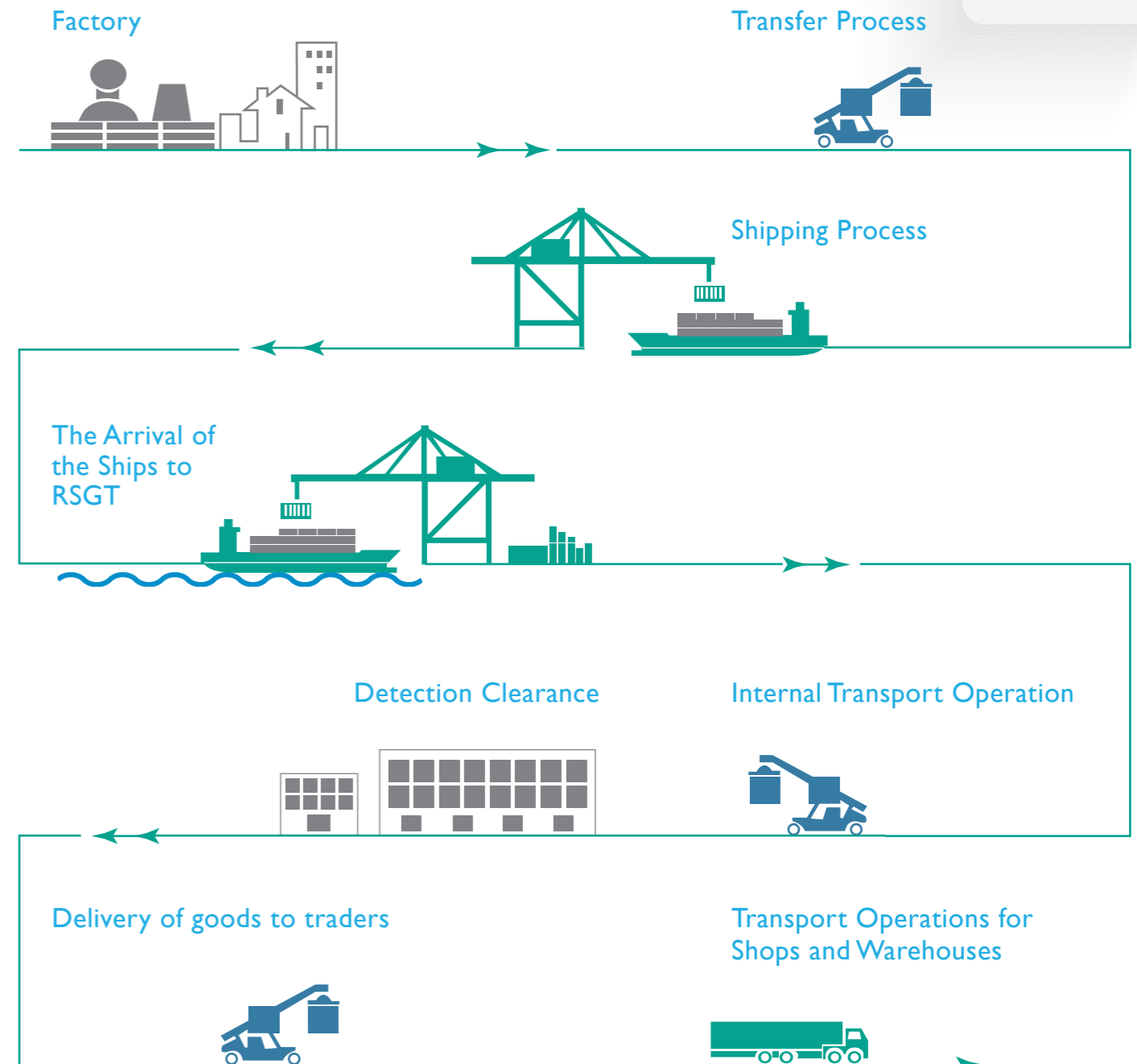
RGST employs a combination of hard and soft controls strategies to enhance traffic management.

- The installment of speed restrictors in terminal tractors
- The use of speed gun to monitor speed of vehicles
- Not allowing truck drivers outside driver cabins
- Dedicated bus stations for people pickup and drop off
- Lighting checks to provide optimum lighting
- Mobile equipment work areas are no go zones for pedestrians
- The use of barriers to separate

people and mobile equipment

- The use of temporary barriers for one off jobs where mobile equipment and people are operating in close proximity
- The establishment of one way traffic flow or separation routes for mobile equipment
- Mobile equipment fitted with lighting, horn, siren and reversing beepers to alert pedestrians and others of their presence
- Installation of walkways, fences, gates, use of high visibility paint and signage
- Inspections by equipment operators and quality maintenance staff
- Parking clear of obstructions and interaction points
- The use of flag men / traffic controllers or spotters in certain situations
- High visibility clothing, safety boots, hard hat, and safety glasses.

As a result of these controls, RSGT has implemented safe traffic flow throughout the terminal. As an ever evolving business and due to our increased volumes we conduct regular reviews ensuring that a safe and efficient traffic flow is maintained.



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LARGEST CONTAINER MEGA VESSEL IN THE WORLD

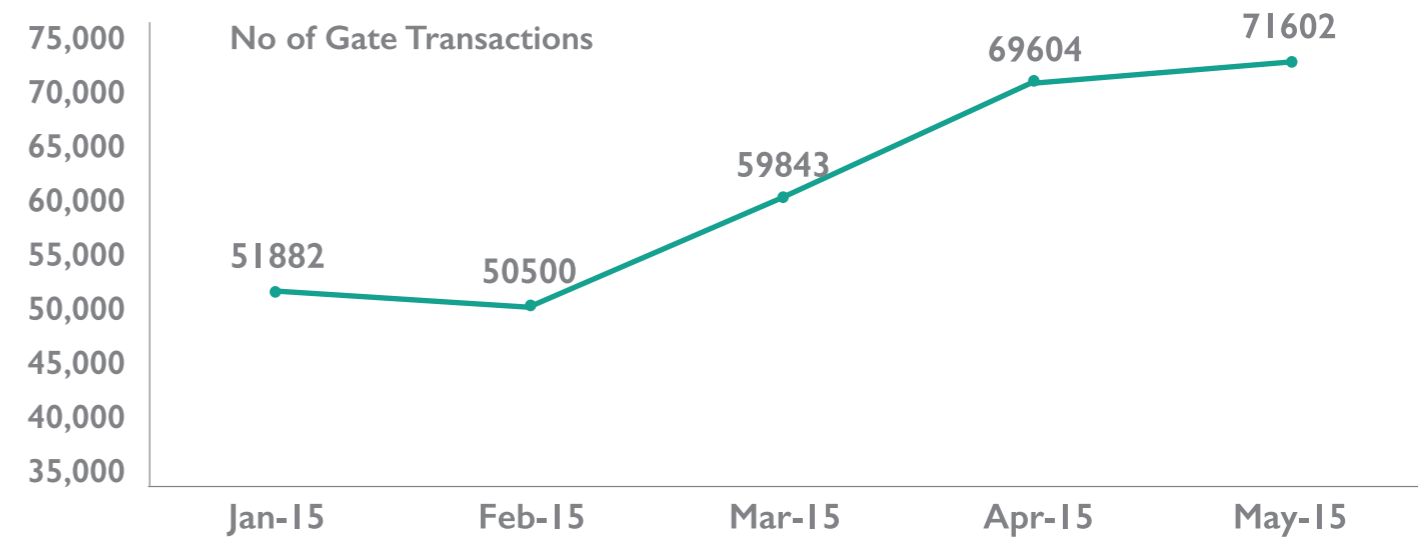
15th March 2015 marked another milestone for Red Sea Gateway Terminal –Operations Division by receiving CSCL Globe, regarded as the largest container vessel in the world with 19,100 TEUs Capacity.

Operations deployed Five Quay Crane to discharge and load a total of 993 containers. The team was able to complete the vessel operation efficiently in just 6 hours and 10 min at a Gross Crane Rate of 47.40 and Berth Productivity of 124.20 ensuring quality and safety.

RSGT Operations Division has always welcomed the challenge with proven capabilities to handle the latest generation mega vessels and will always perform to excellence to satisfy its valued customers



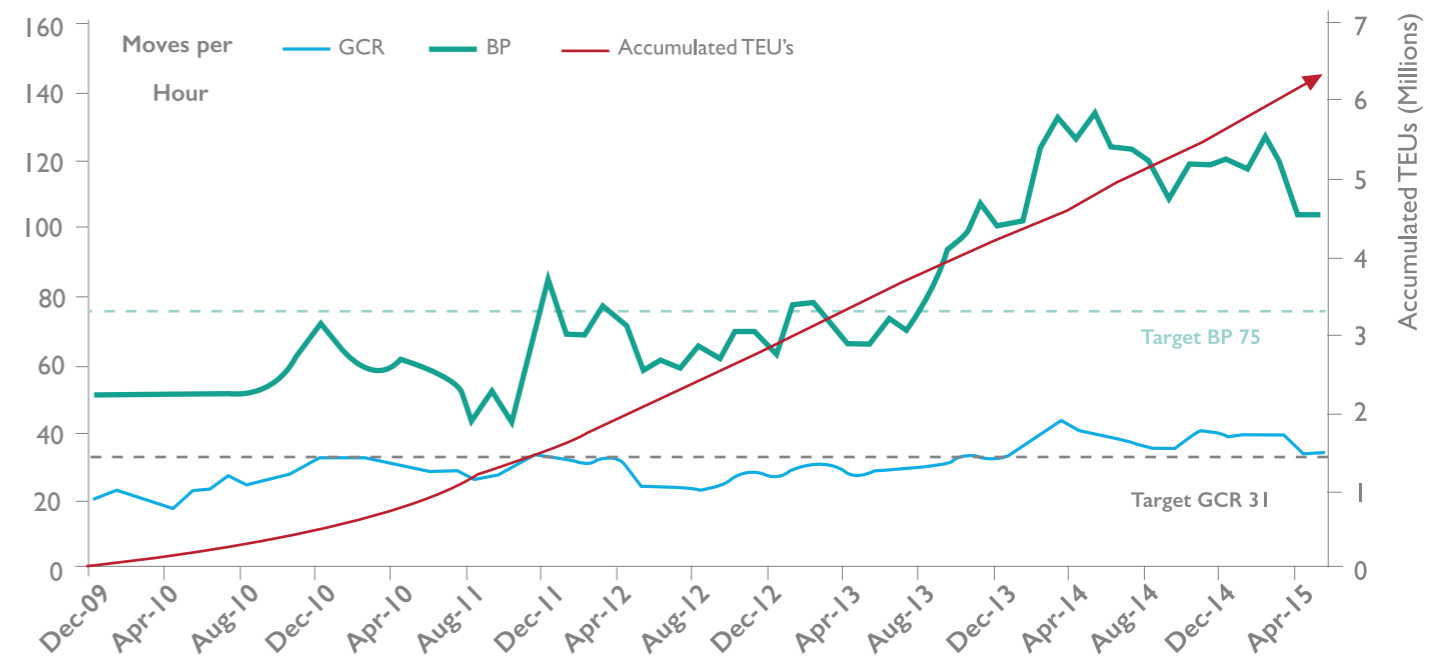
Handling high level of Gate Transactions



Gate has witnessed a sharp rise in transactions in 2015

- The transition of vessel services during March 2015 has brought in major impact to terminal Gates.
- Local Exports volumes doubled with the introduction of a new line in March 2015 and we witnessed an increase at Gate with an average growth by 9% Month on Month

RSGT Operations – Success Story



PEOPLE: AN ORGANIZATION'S MOST VALUABLE ASSET



Employee Engagement
Team Work
Employee Empowerment
Incentive Programs



Guaranteed Results
Flexibility in Service
Benchmarked against Global Terminals



Right Talent for Right Job
Manpower Acquisition
Multiple Training Programs
Do more with Less



Customer Focused
Relationship Building
Regular meetings understand requirements
Address issues and grievances

Admiral Program:

RSGT launched the Management Trainee Program, ADMIRAL, in the beginning of 2015. The program is designed to attract and develop high potential Saudi young talents (the Admirals), who will be exposed to a range of terminal operations expertise which will induce them to cultivate a long and successful career with RSGT, and hence aspire to fill up various management positions.

The program's duration is approximately 18 months, which have already started in February 2015, with a total of eight Admirals. During this period, they will cover all aspects of Terminal Operations, Engineering, Container Logistics, Health and Safety (HSSE), and with additional rotations through Commercial, ICT, HR, and Finance.

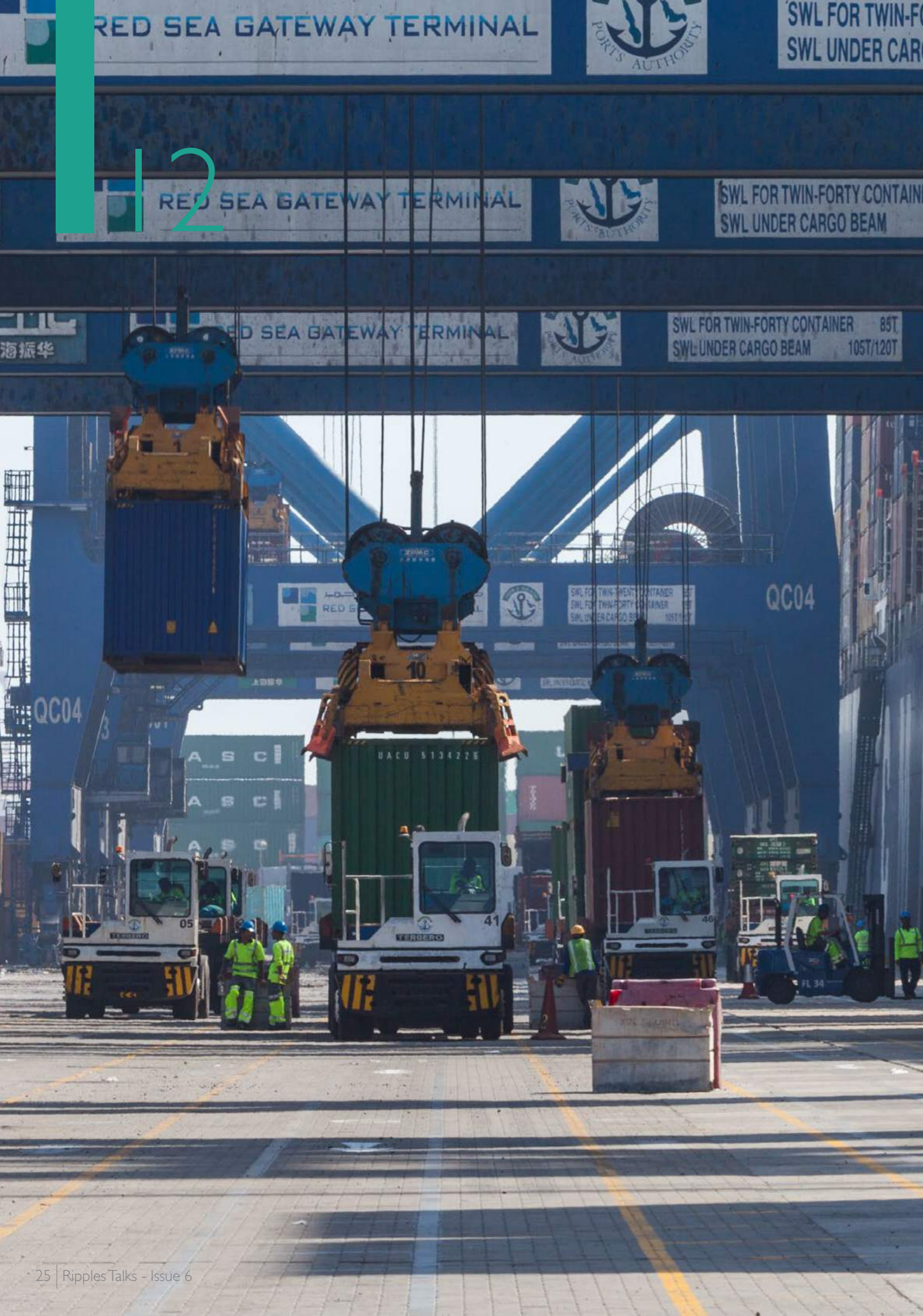
Through a combination of on-the-job learning, real-life project, task work, theoretical training, and development activities, the Admirals have been exposed to terminal operations management, inside out – all the while receiving a best-in-class reward package. Throughout the past months the Admirals have been exposed to different experience assignments, provided professional training covering a variety of soft skills courses.

The Admirals program is growing, and RSGT is in an exciting phase observing these new leaders performing in their roles. The program is at its fourth module and there are two modules left which will include on job



training at RSGT for the final position that they will be deployed in, a Terminal Excellence Simulator and on-the-job training in one of the international terminals.

Admirals who have successfully completed the program, will have the chance to hold an entry level managerial position. After they have completed the 18 months training, RSGT expects them to embrace their next challenge in a more senior role.



12

QUALITY MAINTENANCE / RELIABLE SERVICES

Quality Maintenance concept is fundamentally the Prevention Of Defects.

This includes all events from the start of maintenance operations until their completion and is the responsibility of all TSD personnel.

Achievement of QA system depends on preventing maintenance problems through our knowledge and performance. The fundamental rule to follow for all maintenance is that Preventative Maintenance (PM) SPECIFICATIONS MUST BE MET AT ALL TIMES.

Prevention is concerned with regulating events rather than being regulated by them. It relies on eliminating maintenance failures before they happen. This extends to safety of personnel, maintenance of equipment, and virtually every aspect of the total maintenance effort, through process excellence techniques such as PDCA, 6 Sigma... etc.

Quality Assurance knowledge is developed through the proper use of data collection and analysis techniques. The recently implemented computerized maintenance management system "MEX" provides maintenance managers with unlimited quantities of factual information. The correct use of this information provides them with the knowledge required to achieve maximum reliability of equipment's and systems.

The QA program provides an efficient method for gathering and maintaining information on the quality characteristics of equipment and on the source and nature of defects and their impact on the current operation. It permits decisions to be based on facts rather than on general opinion or memory. It provides comparative data that will be useful long after the details of particular times or events have been forgotten.

Continuous improvement points out problem areas to maintenance managers so they can take appropriate action to accomplish the following:

- To Improve the quality, consistency, and reliability of the total maintenance work.
- Improve the work environment, tools, and equipment used in the performance of maintenance.
- better utilization and eliminate unnecessary man-hour.
- Improve the training, work habits, and procedures of maintenance personnel.
- Increase the excellence and value of reports and correspondence originated by the maintenance activity.
- Distribute required technical information more effectively.
- Establish realistic material and equipment requirements in support of the maintenance effort.

13

CORPORATE SOCIAL RESPONSIBILITY



HEALTH DAY

Based on the efforts of RSGT's management in Corporate Social responsibility "CSR" and its commitment to provide healthy and safe environment to its employees and clients, and under the umbrella of C.A.R.E. program. Health, Safety, security and environment Department in cooperation with Communications & PR has organized "RSGT Health Day" in Sep 9, 10 2015 to all the employees, customs and clients.

"RSGT Health day" aims to raise general health and safety awareness including precisions of corona virus and offers Flu and Meningitis Vaccination for all employees.



HELP CENTER

In line with Red Sea Gateway Terminal's charity initiatives and its interest in providing continued strong support to the different needs of the community, a one year collaboration agreement was made between RSGT and the Help Center in Jeddah, on Tuesday, May 19th 2015, corresponding to 1st Shaaban 1436H. The agreement's ceremony was made in the presence of the RSGT management team, and the Help Center managers, which will include provision of services and endorsements to support the center under the auspices of RSGT Managing Director Mr. Soren Hansen and Ms. Maha Juffali, director of the Help Center.

The agreement will contribute to the development of society and the rehabilitation of the workforce which includes scholarships to advance the quality of education for students with special needs. This will also help to provide the right environment for them and motivate them to progress and increase their productivity. The program also includes spreading of cultural awareness on recycling, and how to maintain a healthy environment for all the communities in the world.

In addition, focus will also be on the maintenance of the Help Center which will help to raise the level of services offered to students, improving the quality of their life.

ISO

RSGT, Terminal Operations Division, has been registered to comply with ISO 9001:2008 for Quality Management System (Certificate# 23364) & 10002:2014 for Customer Satisfaction (Certificate# 23365) for the following scope "Container Terminal Operations which includes: handling vessel discharge and loading, documentation management, planning berth, vessel and yard, handling manpower and equipment, gate receiving and delivering". The certification provided by Universal Registrars is accredited by the American International Accreditation Organization (AIAO-BAR)



The initiation for certification is prompted by Operations commitment to provide efficient management processes, clearly setting out areas of responsibility across the organization. It confirms our commitment to ensure consistent and sustainable service to all RSGT Stakeholders.

The ISO certificate is confirmation not only of ISO compliance but a symbol of RSGT's passion in its quest for high quality and safe services striving for service excellence - both external and internal customers.

RECYCLING

RSGT is establishing a new Recycling Program, through cooperation between HR and CC&PR departments, to cover all RSGT's offices which will require your kind help and support to have it successfully implemented.



Recycling is the process of collecting old materials and waste products and using them to make another product to complete the cycle instead of just throwing them away. Most of the materials used for packing and packaging contain paper or plastic; which can easily be recycled or reused. In other words, recycling of old products could produce fresh supply of the same products. Recycling is good for the environment, in the sense; we are utilizing old and waste products – that are of no use – and converting them into new or even similar products. Since we are saving resources and are sending less trash to the landfills, it helps in reducing production and energy expenses.

Why Recycle? Plastics are a major source of environmental pollution and are so easy to be recycled.

On average, one person uses up to two pine trees worth of paper each year. To produce one ton of paper, 390 gallons of oil are used. For every ton of glass

recycled, one ton of resources required to make it is saved. With increase in use of electronic goods, people are reluctant to recycle them. These form a considerable portion of trash that is being dumped in landfills. Needless to say that the amount of plastic and other electric components that are used to manufacture these products, are making them a potent source of toxins being released to the environment.

We are committed in RSGT to work with businesses, community groups, to improve the place we live at, and do business by implementing environmental recycling programs that benefit our community and company both socially and economically. We are a company that adapts to the ups and downs in individual industries.

We succeed because our employees succeed.

