

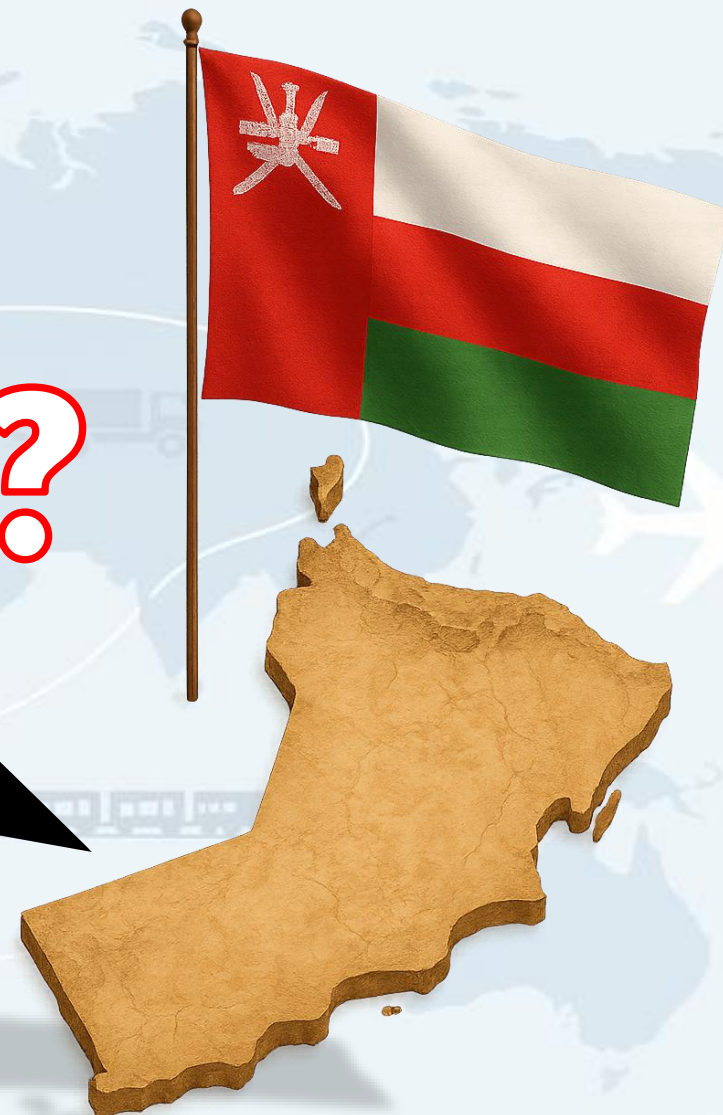


A regional perspective on multimodal corridors, challenges, and opportunities for the future.

Intermodal Corridors That Kept Trade Moving



Why?



January 2024: Main Line Carriers Suspend Red Sea Transits

Impact on Aqaba

Bab El Mandeb Transits

Nearly 90% of container vessels rerouted via the Cape of Good Hope in early January 2024 (Clarksons)

RORO Vessels

Calls plunged 57.9%, falling from 19 to 8

Container Throughput

Aqaba's volumes fell 46% overall; imports declined 43% and exports 36%

Vehicles

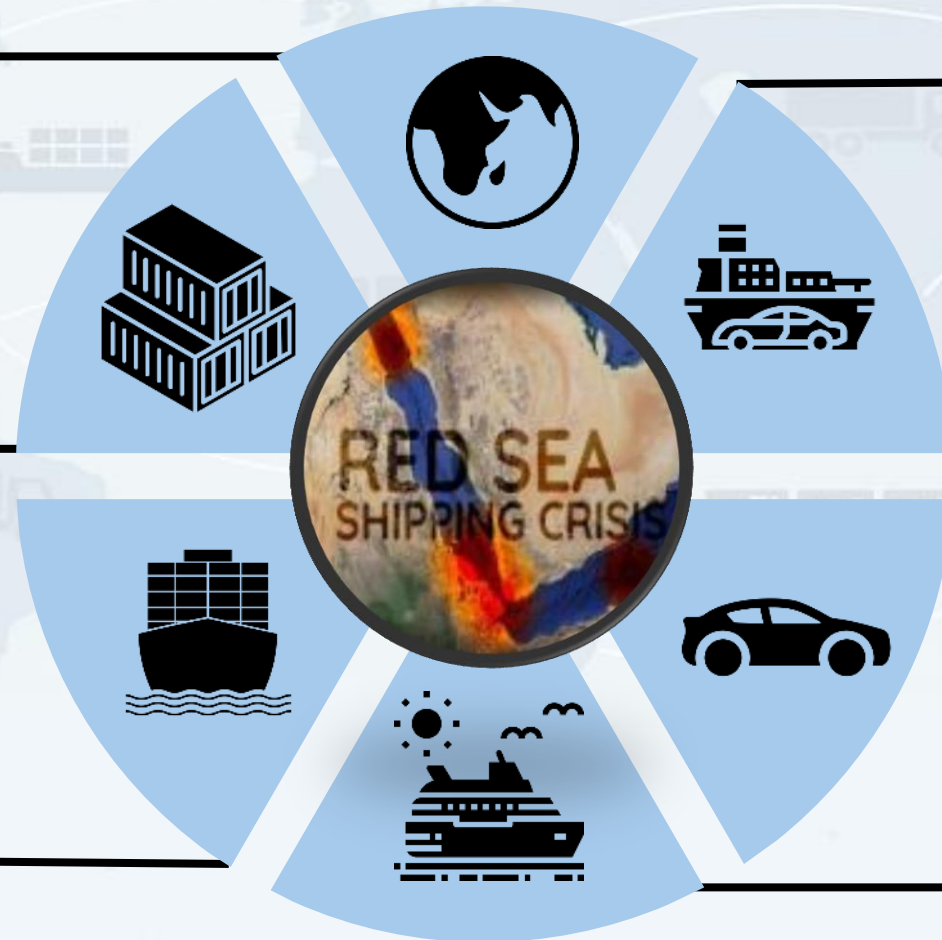
Imports decreased 41.3% (11,315 → 6,643) and exports 97.5% (910 → 23)

Container Vessels

Calls dropped 31%, down to just 22 vessels in January 2024

Cruise Ships

Only one call recorded in January after Red Sea itineraries were cancelled.



GCC Intermodal Corridors: A Crisis Lifeline

Emergency Diversions

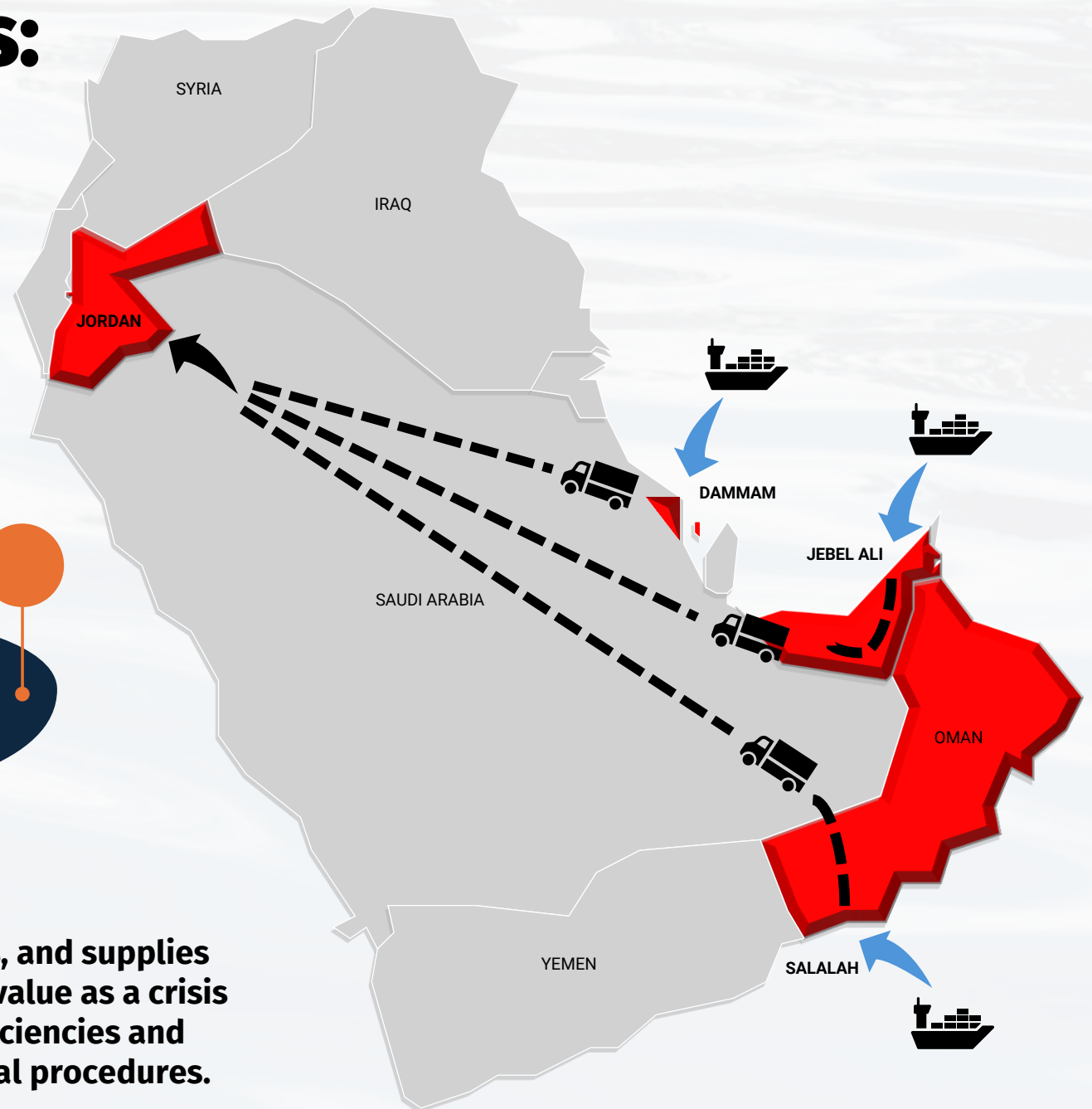
When Red Sea routes collapsed, cargo was rerouted through Gulf ports — Jebel Ali, Dammam, and Salalah — and trucked across Saudi Arabia into Jordan.

This lifeline came at a steep price — rerouting raised costs, added border congestion, and extended lead times.

Costs & Complexity

Broader Impact

Intermodal kept vehicles, goods, and supplies flowing into Jordan, proving its value as a crisis buffer — but also exposed inefficiencies and the need for harmonized regional procedures.



GCC Intermodal Pillars of Success

The GCC's rise as a global logistics powerhouse is driven by core strengths that have positioned it at the heart of intermodal connectivity. These pillars underpin the region's ability to link markets, sustain trade flows, and adapt to global disruptions



01 Strategic Location

GCC sits at the crossroads of Asia, Europe, and Africa, giving it a natural hub position for global trade

02 Infrastructure Investment

Billions invested in ports, roads, rail, airports and logistics parks

03 Technology & Innovation

Adoption of smart logistics solutions (digital platforms, automation, blockchain tracking) is boosting efficiency

04 Policy & Incentives

Free zones, simplified customs, single-window systems — with GCC progressing toward a unified customs union.

05 Integration & Partnerships

Cross-border partnerships and PPPs are weaving GCC projects into one connected logistics network.

Challenges & Risks in GCC Intermodal Connectivity

Infrastructure Timelines

Rail and multimodal projects are progressing, but require aligned phasing.

Geopolitical & External Factors

Instabilities pose risks but stress the need for resilient, diversified corridors.

Border & Customs Processes

Different procedures add complexity, though harmonization is improving efficiency

Operational Capacity

Ports, trucking, and hinterland links face growth pressures, driving tech investment

Market Balance

Multiple hubs advancing simultaneously require balance in capacity and specialization



GCC Intermodal Highlight Projects

Jordan – Aqaba–Amman Railway

\$2.3B freight line to move 16M tons/year of minerals and containers, reducing trucking dependence and boosting exports.

Iraq – Grand Faw Port & Development Road

100-berth mega port under construction; launch point for 1,200 km multimodal corridor linking Basra to Turkey, cutting Asia–Europe transit times.

Kuwait - Mubarak Al-Kabeer Port (Boubyan Island)

Planned 8.1M TEU capacity, 24 berths; new GCC rail link to connect MKP with Saudi Arabia and regional markets.

UAE – Etihad Rail & Jebel Ali Integration

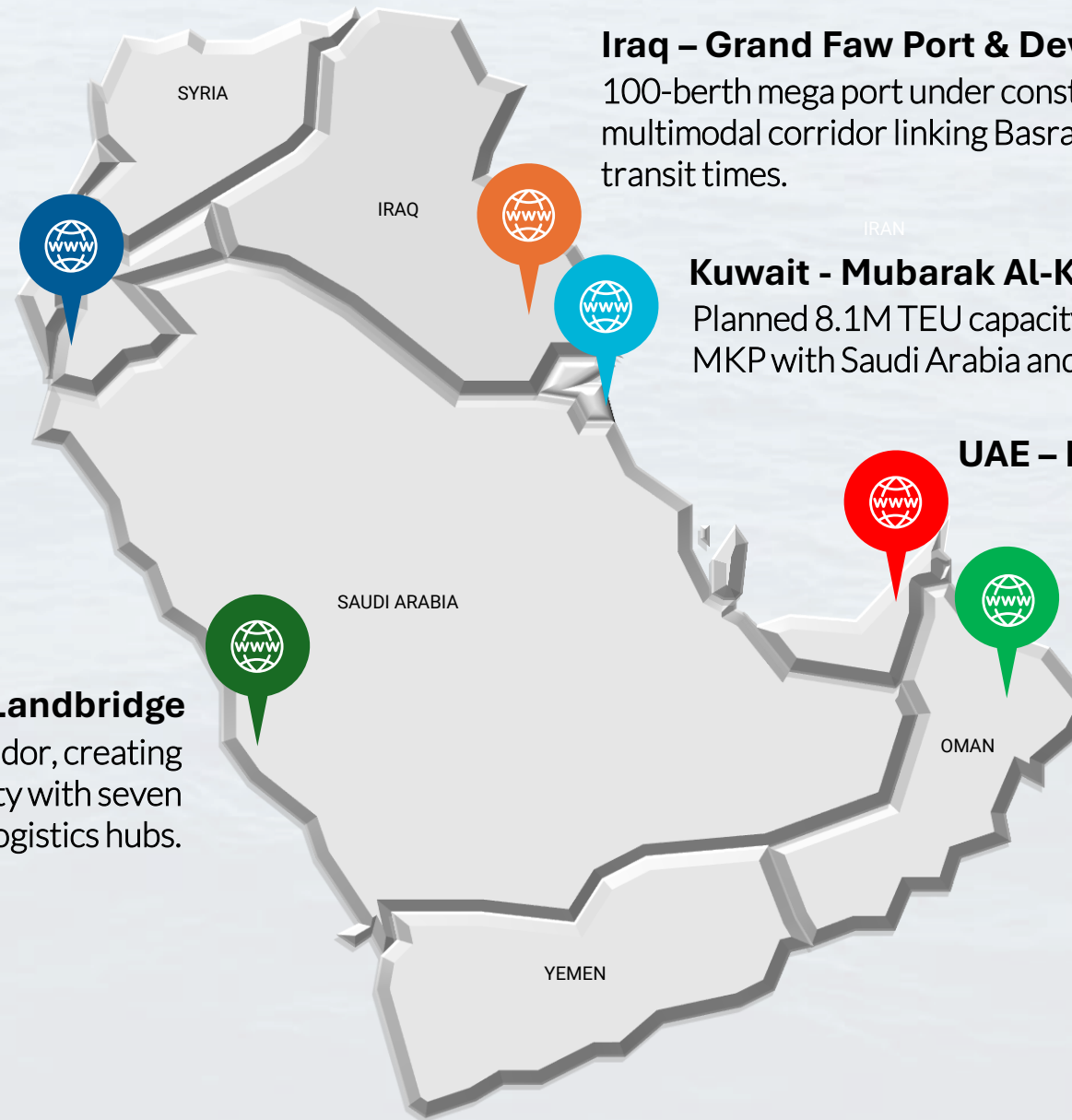
National freight rail operational; new Jebel Ali terminal connects ports and free zones, reducing emissions and congestion.

Oman – UAE Hafeet Rail (Sohar–Abu Dhabi)

303 km cross-border railway under construction, enabling 15,000-ton freight trains linking Oman to GCC markets.

Saudi Arabia – East–West Landbridge

950 km Riyadh–Jeddah rail corridor, creating direct Gulf–Red Sea connectivity with seven new logistics hubs.



محلات توفيق غرغور وأولاده
مقابل دائرة البريد — عمان — تلفون (٩)
الوكلاء العموميون في المملكة الاردنية الهاشمية وفلسطين وسوريا ولبنان
سيارات
(مرسيدس بنز)
الالمانية المشهورة ، يسرهم ان يعلنوا لاجههور السكرم نبأ وصول عدد
محدود من سيارات الركاب قوة ١٤ حصاناً فارحاء
تحتل الطلقات قبل نفاد الكمية



“From Jaffa Oranges to Mercedes-Benz: The Trade That Sparked a Legacy”



Founded in Jaffa in 1928, T. Gargour & Fils' story began with orange exports, leading to the landmark 1936 trade that forged our partnership with Mercedes-Benz



From Cars to Cargo: The Shipping Journey Begins

Our Mercedes-Benz partnership brought ships of cars into the region, naturally steering us into shipping. In **1953**, **Gargour Shipping** proudly became agents of the **first vessel to dock at Aqaba Port**, laying the foundation for a maritime legacy.



Case Study: Mercedes-Benz Intermodal Shipments – Red Sea Crisis

1

December 2023: Carriers suspended Red Sea/Suez transits due to escalating security risks.

2

Höegh Autoliners and other mainlines stopped calling Aqaba.

3

Direct vehicle imports into Jordan were suddenly halted.

4

Triggered need for an emergency intermodal solution via Jebel Ali and overland routes.



Oslo, 20 December 2023

Update Regarding Shipping Routes and Security Measures in the Red Sea

In light of the recent escalation of events in the south-eastern Red Sea, and considering that Höegh Autoliners operates trade routes passing through the Suez Canal with vessels in or around the same area, we would like to provide the following information:

The safety of our crew, cargo, and vessels remains Höegh Autoliners' top priority.

We maintain regular communication with our insurers and relevant authorities, and we will continue to do so to ensure that our risk assessment remains updated. The situation is continuously assessed and evaluated based on ongoing intelligence updates and recommendations from the Norwegian Shipowners' Association, the Norwegian War Insurance for Ships (DNK) and relevant authorities. Additionally, we are monitoring the situation with intelligence support from the United Kingdom Trade Operations (UKMTO).

Based on the decision by the Norwegian Maritime Authority in the evening of December 19 to increase the risk level in the southern part of the Red Sea to level 3 and their advice to avoid transits through the area, we will not make ordinary transits through this area with our vessels for the time being. We will continuously review our policies based on recommendations from relevant authorities and update these as appropriate.

Höegh Autoliners ASA is incorporated in Norway, listed on the Oslo Stock Exchange, and our vessels are mostly Norwegian-flagged.

Yours faithfully,

for HÖEGH AUTOLINERS AS

From Jebel Ali to Jordan: The Intermodal Journey



Intermodal Chain

- **Discharge & Documentation:** Original B/Ls required layered import–re-export cycles.
- **Bonded Storage & Supervision:** Port congestion managed by moving units to bonded yards under surveyors, reducing risk and costs.
- **Cross-Border Transit:** Multi-country inspections, checks, and weight rules added time/cost.
- **Final Clearance:** Jordanian entry required perfect document alignment.

Key Lessons

- Intermodal ensured continuity of Jordan's automotive trade during the crisis.
- Complexity stemmed from duplicated documentation, multi-layer compliance, and extended lead times.
- Future resilience requires harmonized procedures, digitalized flows, and mutual recognition of transit documents.

Shipping Arabia: The Region's Intermodal Voice in Maritime News



Port of NEOM – Intermodal Corridor

Pilot shipment Egypt → Iraq via Safaga–NEOM–Arar; transit cut by 50%.

UAE – Noatum Logistics Rail Shuttle

Khalifa–Fujairah weekly Etihad Rail service, 156 TEUs per trip, avoids road bottlenecks.

Jeddah Islamic Port – Al Khumrah Truck Corridor

17-km SAR 689m project; boosts JIP capacity by ~10% and supports multimodal integration.

CMA CGM – Egypt October Dry Port Integration

Linked 17 maritime services with rail shuttle to Alexandria; accelerates inland connectivity.

