

Press Release:

Gulf Navigation reports Net Profits of 35 million dirhams in 9M 2023

Net Profits up by 62% in Q3

Dubai, UAE, 17 October 2023: Gulf Navigation Holding PJSC (“GULFNAV”) the Dubai Financial Market listed maritime and shipping company, announced its financial results for the period ended September 30, 2023, reporting Net Profits of 35 million dirhams in the first 9 months of 2023 compared to a Net Profit of 1.8 million dirhams recorded in the same period last year.

Major Highlights:

- Net Profit grew by 62% reaching 6.8 million dirhams in Q3 2023, compared to 4.2 million dirhams for the same period in 2022.
- Operating Revenue reached 83 million dirhams in the first 9 months (“9M”) of 2023, compared to 104 million dirhams for the same period last year. Main reasons for the drop are driven by the sale of one of the vessels in addition to dry dock operations.
- Gross Profits of 7.5 million dirhams in 9M 2023, compared to 17 million dirhams for the same period in 2022.
- Retained earnings reached 13 million as of 9M 2023, compared to accumulated losses of 679 million dirhams in 2022.
- Total Assets increased by 27% to approximately 1 billion dirhams in 9M 2023, compared to 785 million dirhams in 2022.

Total shareholders' equity increased by 70% to 711 million dirhams as of 30 Sep 2023, compared to 419 million dirhams by end of 2022. The Company also reduced financing costs by 30% to 6 million dirhams in 9M 2023, compared to 8.8 million dirhams in 9M 2022. The results for the first nine months of 2023 demonstrate a solid operational and financial performance, supported by cost control measures, a strategy of growth and expansion, diversification of sources of income and reducing the cost of debt.

Commenting on the Company's performance, Ahmad Kilani, CEO of GULFNAV, praised the Company's results and the progress it has made in confronting the challenges, saying: “This quarter's results reflect our commitment to continuing to achieve growth and increase profitability by implementing the Company's strategy of improving financial performance and enhancing the efficiency of operations. We are currently focusing on achieving tangible and sustainable returns for our valued shareholders, and we are working hard to ensure the sustainability of the Company's success in the coming years.”

It is worth mentioning that GULFNAV announced several days ago its success in completing the process of increasing the Company's capital, bringing its new capital to approximately 838 million dirhams. This process was carried out through the issuance of 220 million mandatory sukuk to new investors, which have already been converted into 200 million shares. The new funds will contribute to increasing and modernizing the GULFNAV's fleet of petrochemical tankers and enhancing the Company's ability to own and manage these types of vessels.

Kilani added: "We have succeeded in the implementation of the capital increase process and transforming the Company from loss making to profit making within three years by completing the capital structuring process; in addition to taking the necessary measures to improve the performance of the vessels, reduce financing costs and convert a large portion of the Company's debts into equity shares. This achievement demonstrates the dedication and valiant efforts of our employees and the executive management under the guidance and leadership of the Board of Directors."

"GULFNAV has taken significant steps to diversify its operations, invest in modern technology, and optimize its logistical and operational processes. These strategic initiatives have not only helped the Company overcome previous challenges but also positioned it for sustained growth in the ever-evolving petrochemical and oil shipping industry. The focus during the coming period will be on enhancing revenues and improving profit margins by increasing the size of the fleet and managing it more effectively." Kilani concluded.

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About Gulf Navigation Holding:

Gulf Navigation Holding PJSC ("GNH") is a fully integrated and synergized organization with a multifunctional business. It is the only maritime and shipping company listed in the Dubai Financial Market since February 2007 under the symbol "GULFNAV". The company is headquartered in Dubai, with branch offices inside the port of Fujairah, Khorfakkan, Abu Dhabi and an overseas office in the Kingdom of Saudi Arabia. The company has a fleet of chemical tankers, livestock transport vessels, operation support vessels, marine services, and ship repair operations. As an ISO 9001:2015 certified company accredited by Bureau Veritas, GNH is committed to adhering to the requirements of the international management code for the safe operations of vessels, pollution prevention and environmental control, including compliance with all the applicable international laws, regulations and requirements. GNH constantly works to upgrade its operations and provide high-quality services to local and international markets. This opens new opportunities to improve GHN's services to existing customers while attracting new customers.

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