

Press Release:

GULFNAV records a 26% growth in revenues in Q3

reaching 26 million dirhams and returning to profitability

Dubai, UAE, 15 November 2024: Gulf Navigation Holding PJSC (“GULFNAV”) the Dubai Financial Market listed maritime and shipping company, announced its financial results for the period ended September 30, 2024, reporting Net Profits of 1.1 million dirhams in the third quarter, supported by higher revenue, strategic cost management, and enhanced operational efficiencies.

Q3 2024 Financial Highlights:

- **Revenue Growth:** AED 23.0 million in Q3 2024, up 26% from AED 18.2 million in the same period last year, driven by increased vessel chartering activity and optimized service delivery in technical and shipping services.
- **Operating Profit:** AED 2.85 million, a positive turn from the operating loss of AED 4.89 million recorded in Q3 2023.
- **General and Administrative Expenses:** AED 600 thousand, a reduction compared to AED 1.73 million in Q3 2023, reflecting the Company’s commitment to cost management.
- **Finance Costs:** AED 5.77 million in Q3 2024, down slightly from AED 6.14 million in Q3 2023, as the Company continues efforts to manage its debt effectively and reduce financing expenses.
- **Cash Position:** AED 210.2 million in cash and bank balances as of September 30, 2024, underscoring a solid liquidity position that supports both operational needs and future investments.
- **Total Assets** amounted to AED 995 million for the period ending September 30, 2024.

GULFNAV’s growth in revenue for the third quarter was primarily driven by robust performance in its vessel chartering segment, which benefitted from heightened demand and favorable utilization rates across its fleet. The increase in chartered vessels and higher operating efficiency have positioned GULFNAV as a resilient player amid challenging conditions within the maritime sector.

In Q3, the Company also recorded non-operating income of AED 1.56 million, which partially offset the impact of elevated finance costs. This non-operating income reflects GULFNAV’s ability to leverage financial gains while managing external market pressures.

The Company achieved further reductions in general and administrative expenses, demonstrating its commitment to a lean operating model. This disciplined approach has enabled GULFNAV to stabilize its cost structure, providing a foundation for sustained profitability as it seeks growth in the coming quarters.

Commenting on the results, Ahmed Kilani, CEO of Gulf Navigation Holding, said: “Our third-quarter results reflect the hard work and dedication of the GULFNAV team, as we have returned to quarterly profitability despite a dynamic market environment. With our continued focus on operational efficiency, cost management, and fleet optimization, we are confident in our strategy to deliver long-term value to our shareholders. We remain committed to navigating through market challenges and seizing growth opportunities that will further strengthen GULFNAV’s position as a leader in the oil and petrochemical shipping sector. 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.”

During the third quarter, Gulf Navigation saw a notable operational improvement as one of the two petrochemical tankers that underwent extensive dry-docking in H1 2024 returned to service, with the second tanker expected to complete upgrades in Q4. These comprehensive maintenance and upgrade initiatives have extended the tankers' operational life by an additional five years. The Company anticipates that the renewed efficiency, reliability, and compliance of these vessels with top international maritime standards will bolster revenues and enhance fleet performance going forward. With the tankers’ re-entry into service, GULFNAV expects higher utilization and charter rates in the coming quarters, positioning the Company for stronger revenue growth.

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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 GNH’s services to existing customers while attracting new customers.

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