الخليـج للملاحـة القابضـة (ش.م.ع)
Gulf Navigation Holding PJSC

<u>Press Release:</u>

Gulf Navigation reports a Net Profit of 79 Million in Q1 2021

Dubai, UAE, 10 May 2021: Gulf Navigation Holding PJSC ("GULFNAV") the Dubai Financial Market listed maritime and shipping company, announced its financial results for the period ended 31 March 2021, reporting a Net Profit of 79 million dirhams compared to a loss of 18 million dirhams for the same period in 2020.

Major Highlights:

- Operating Revenue reached 31 million dirhams as of 31 Mar 2021, compared to 33.5 million for the same period in 2020.
- Recorded the insurance claim of 83 million dirhams.
- Operating profits of 91 million dirhams as of 31 Mar 2021, compared to an operating loss of 6 million dirhams for the same period in 2020.
- Strong increase in Net Cash Flows from Operating Activities reaching 65 million dirhams by the end of Q1 2020.
- Improvement in profitability supported by a 30% reduction in operating costs.
- Gross Profits of 6 million dirhams in Q1 2021 compared to a gross loss of 2.7 million in Q1 2020.
- Total Assets stood at 873 million dirhams

Despite the tremendous challenges that the company faced and the difficult economic conditions, Gulf Navigation was able to transition to profitability thanks to the measures taken by the Board of Directors and the initiatives that were adopted at the beginning of this year. Some of these measures included improving cash flows resulting from operating activities, reducing operating costs by 30% from 36 million dirhams to 25 million dirhams, and repaying the Abu Dhabi Commercial Bank loan of 46 million dirhams in full.

Gulf Navigation reached an agreement with the majority of the lenders on new and flexible terms that will allow the company to adapt to the current market conditions, achieve better growth and support operational and financial performance. The company also reached an agreement with the insurance company for the collection of insurance amounts arising from the loss of one of its vessels. The insurance amounts will contribute to enhancing the liquidity of the company, which in turn, will support operational activities.

Looking to the future, the company looks forward to ensuring the continuity of all operations, amidst the COVID-19 pandemic, focusing on chartering ships with trusted clients on long-term basis, exiting unprofitable business sectors and entering into several strategic partnerships regionally and globally, which will offer the company various opportunities and the ability to grow and provide its services throughout the region.

-Ends-

<u>About Gulf Navigation Holding:</u>

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.

<u>For media inquiries, please contact:</u>

Nader Muqbel
Head of Investor Relations
Tel: +971 56 778 0799
E-mail: investor.relations@gulfnav.com