

Press Release:

GULFNAV reports a Net Profit of 13.5 million dirhams in Q1 2023

Dubai, UAE, 14 May 2023: Gulf Navigation Holding PJSC (“GULFNAV”) the Dubai Financial Market listed maritime and shipping company, announced its financial results for the period ended March 31, 2023, reporting a Net Profit of 13.5 million dirhams in the 1st quarter compared to a Net Profit of 1.8 million dirhams recorded in the same period last year.

Major Highlights:

- Operating Revenue increased by 11% in Q1 2023 reaching 39 million dirhams, driven by the petrochemical vessel chartering and Agency business, compared to 35 million dirhams for the same period in 2022.
- Gross Profits increased reached 5.7 million dirhams in Q1 2023 compared to 6.9 million dirhams in Q1 2022.
- Total Assets stood at 784 million dirhams.

Total shareholders’ equity increased to 444 million dirhams as of 31 March 2023, compared to 419 million dirhams for the same period in 2022. The company also reduced financing costs by 23% to 6.6 million dirhams in Q1 2023, compared to 8.7 million dirhams in Q1 2022. The results for the first three months of 2023 demonstrate a solid operational and financial performance, supported by cost control measures, a strategy of growth and expansion and reducing the cost of debt.

Commenting on the results, Ahmad Kilani, Board Member and Managing Director said:” The announcement of the financial results comes at a time when the Company has embarked on a new phase of growth and development. GULFNAV was able to maintain profitability levels thanks to the measures taken by the Board of Directors and the initiatives adopted throughout the previous period, along with the improvements to the Company’s business model. These measures reinforced the Company’s revenues and addressed all outstanding financial matters.”

Kilani added:” The executive management was able to issue its financial statements without any qualification or going concern by the external auditor for the first time in several years, as we made great strides in restructuring the debts and obligations of the Company. This also indicates the solidity of our financial and operational performance and the efficiency of the team and the executive management”.

He added, “I would also like to note that the Company has recently restructured and settled one of its loans, thus obtaining a 40% haircut on the remaining amount. In addition to that, we succeeded in selling Gulf Mishref vessel in early May; and the surplus from the proceeds of selling the ship and settling all debts will give us the opportunity to benefit from the new liquidity in obtaining new vessels, expanding and increasing our fleet of petrochemical tankers, enhancing the Company’s ability to own and manage these types of vessels and expanding the Agency Services and Ship Management units. Furthermore, the sale proceeds will contribute to paying some of the Company’s debts and enhancing the liquidity and profitability for the second quarter of this year”.

Kilani concluded: “The prospects for growth remain promising for the Company, and we are determined to continue the corrective approach so that the focus during the coming period will be on enhancing revenues and improving profit margins by increasing the size of the fleet, managing it more effectively, reducing financing costs for the Company, and achieving the greatest amount of returns for our partners and shareholders. Finally, I would like to extend, on behalf of the Board of Directors of Gulf Navigation, my sincere thanks and appreciation to the Securities and Commodities Authority for their continuous support and great confidence, which inspired us to strengthen our efforts and commitment in keeping the Company on the right track.”

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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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