

**Gulf Navigation Holding PJSC  
and its Subsidiaries**

**UNAUDITED INTERIM CONDENSED  
CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2024**

# Gulf Navigation Holding PJSC and its Subsidiaries

## Interim condensed consolidated financial statements March 31, 2024

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## INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF GULF NAVIGATION HOLDING P.J.S.C

### Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Gulf Navigation Holding P.J.S.C (the "Company") and its subsidiaries (collectively referred to as the "Group"), comprising the interim consolidated statement of financial position as at March 31, 2024, and the related interim consolidated statements of comprehensive income, changes in equity, and cash flows for the three months then ended, and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with IAS 34 *Interim Financial Reporting* (IAS 34). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

**GRANT THORNTON UAE****Dr. Osama El Bakry  
Registration No. 935  
Dubai, United Arab Emirates****14 MAY 2024**


# Gulf Navigation Holding PJSC and its Subsidiaries

## INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION


As at March 31, 2024

	Notes	<b>March 31, 2024 AED'000 (Unaudited)</b>	<b>December 31, 2023 AED'000 (Audited)</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Vessels, property and equipment	4	531,872	516,211
Goodwill	5	143,463	143,463
<b>Total non-current assets</b>		<b>675,335</b>	<b>659,674</b>
<b>Current assets</b>			
Inventories		9,104	9,084
Trade and other receivables	6	27,762	23,144
Financial assets at fair value through profit or loss	7	64,303	100,379
Cash and bank balances	8	222,847	210,059
<b>Total current assets</b>		<b>324,016</b>	<b>342,666</b>
<b>TOTAL ASSETS</b>		<b>999,351</b>	<b>1,002,340</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	9	837,696	837,696
Share premium	9, 10	35,734	35,734
Treasury shares	10	(131,730)	(96,281)
Statutory reserve		2,128	2,128
Accumulated losses		(14,053)	(2,570)
Other reserves	11	(181,071)	(181,071)
<b>Total equity</b>		<b>548,704</b>	<b>595,636</b>
<b>Non-current liabilities</b>			
Interest-bearing borrowings	12	86,351	94,163
Provision for employees' end-of-service benefits		1,116	1,255
<b>Total non-current liabilities</b>		<b>87,467</b>	<b>95,418</b>
<b>Current liabilities</b>			
Interest-bearing borrowings	12	25,684	25,684
Bank overdraft	12	201,778	180,187
Trade and other payables	13	135,718	105,415
<b>Total current liabilities</b>		<b>363,180</b>	<b>311,286</b>
<b>Total liabilities</b>		<b>450,647</b>	<b>406,704</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>999,351</b>	<b>1,002,340</b>

The interim condensed consolidated financial statements were approved by the Board of Directors on May 14, 2024 and signed on its behalf by:

  
 -----  
**Dr. Abdul Rahman Al Afeefi**  
 Board Member

  
 -----  
**Ahmad "M.F." A. Al Kilani**  
 Chief Executive Officer

  
 -----  
**Ali Abouda**  
 Chief Financial Officer

The attached notes 1 to 22 form part of these interim condensed consolidated financial statements.

Gulf Navigation Holding PJSC and its Subsidiaries

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months ended March 31, 2024

	Notes	<i>Three months ended</i>	
		<i>March 31,</i>	<i>2023</i>
		<i>2024</i>	<i>2023</i>
		<i>AED'000</i>	<i>AED'000</i>
		<i>(Unaudited)</i>	<i>(Unaudited)</i>
Revenue	16	23,834	38,883
Direct costs	17	(27,462)	(33,145)
<b>GROSS (LOSS)/ PROFIT</b>		<b>(3,628)</b>	<b>5,738</b>
General and administrative expenses	18	(5,295)	(4,604)
<b>OPERATING (LOSS)/ PROFIT</b>		<b>(8,923)</b>	<b>1,134</b>
Other non-operating income	19	20,537	19,461
Other non-operating expenses	19	(19,616)	-
Finance cost	20	(5,974)	(6,638)
Finance income	8	2,493	-
<b>(LOSS)/ PROFIT BEFORE INCOME TAX</b>		<b>(11,483)</b>	<b>13,957</b>
Income tax	22	-	(458)
<b>(LOSS)/ PROFIT FOR THE PERIOD</b>		<b>(11,483)</b>	<b>13,499</b>
Other comprehensive income		-	-
<b>TOTAL COMPREHENSIVE (LOSS)/ INCOME FOR THE PERIOD</b>		<b>(11,483)</b>	<b>13,499</b>
<b>Earnings per share:</b>			
Basic and diluted (AED)	21	<b>(0.010)</b>	0.011

The attached notes 1 to 22 form part of these interim condensed consolidated financial statements.

**Gulf Navigation Holding PJSC and its Subsidiaries**  
**INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
For the three months ended March 31, 2024

	<i>Share capital</i> <i>AED'000</i>	<i>Share premium</i> <i>AED'000</i>	<i>Treasury shares</i> <i>AED'000</i>	<i>Statutory reserve</i> <i>AED'000</i>	<i>Accumulated losses</i> <i>AED'000</i>	<i>Other reserves</i> <i>AED'000</i>	<i>Total</i> <i>AED'000</i>
Balance at January 1, 2023 – Audited	1,275,391	8,452	(24,045)	19,747	(679,159)	(181,071)	419,315
Total comprehensive income for the period	-	-	-	-	13,499	-	13,499
Treasury shares (Note 10)	-	5,343	5,933	-	-	-	11,276
<b>Balance at March 31, 2023 – Unaudited</b>	<b>1,275,391</b>	<b>13,795</b>	<b>(18,112)</b>	<b>19,747</b>	<b>(665,660)</b>	<b>(181,071)</b>	<b>444,090</b>
Balance at January 1, 2024 – Audited	837,696	35,734	(96,281)	2,128	(2,570)	(181,071)	595,636
Total comprehensive loss for the period	-	-	-	-	(11,483)	-	(11,483)
Treasury shares (Note 10)	-	-	(35,449)	-	-	-	(35,449)
<b>Balance at March 31, 2024 – Unaudited</b>	<b>837,696</b>	<b>35,734</b>	<b>(131,730)</b>	<b>2,128</b>	<b>(14,053)</b>	<b>(181,071)</b>	<b>548,704</b>

The attached notes 1 to 22 form part of these interim condensed consolidated financial statements.

Gulf Navigation Holding PJSC and its Subsidiaries  
INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS  
For the three months ended March 31, 2024

	Notes	<i>Three months ended</i>	
		<i>2024</i>	<i>2023</i>
		<i>AED'000</i>	<i>AED'000</i>
		<i>(Unaudited)</i>	<i>(Unaudited)</i>
<b>OPERATING ACTIVITIES</b>			
(Loss)/profit before income tax		(11,483)	13,957
<i>Adjustments for:</i>			
Depreciation of vessels, property and equipment	4	5,532	10,095
Provision for employees' end of service benefits		21	20
Finance costs	20	5,974	6,638
Other non-operating income	19	(19,398)	(19,461)
Other non-operating expense	19	6,685	-
Finance income	8	(2,493)	-
Change in fair value of financial assets at FVTPL	19	12,931	-
Operating cash flows before changes in working capital		(2,231)	11,249
<i>Working capital changes:</i>			
Inventories		(20)	(17)
Trade and other receivables		(2,124)	(16,100)
Trade and other payables		219	4,825
<b>Cash used in operations</b>		<b>(4,156)</b>	<b>(43)</b>
Employees' end of service benefits paid		(161)	(99)
Insurance claim received, net		12,713	-
<b>Net cash flows from/ (used in) operating activities</b>		<b>8,396</b>	<b>(142)</b>
<b>INVESTING ACTIVITIES</b>			
Proceeds from disposal of financial assets at FVTPL		23,145	-
Additions to vessels, property and equipment		(21,089)	-
<b>Net cash flows from investing activities</b>		<b>2,056</b>	<b>-</b>
<b>FINANCING ACTIVITIES</b>			
Proceeds from interest-bearing borrowings		21,591	-
Repayment of interest-bearing borrowings	12	(7,979)	(13,371)
Interest paid		(5,974)	(4,302)
Movement in treasury shares, net	10	(35,449)	11,277
Financing from the liquidity provider	13	30,147	-
<b>Net cash flows from / (used in) financing activities</b>		<b>2,336</b>	<b>(6,396)</b>
<b>NET INCREASE/ (DECREASE)</b>			
<b>IN CASH AND CASH EQUIVALENTS</b>			
Cash and cash equivalents at the beginning of the period		12,788	(6,538)
<b>CASH AND CASH EQUIVALENTS</b>		<b>10,059</b>	<b>17,801</b>
<b>AT THE END OF THE PERIOD</b>	8	<b>22,847</b>	<b>11,263</b>

The attached notes 1 to 22 form part of these interim condensed consolidated financial statements.

# Gulf Navigation Holding PJSC and its Subsidiaries

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS March 31, 2024

### 1 LEGAL STATUS AND ACTIVITIES

Gulf Navigation Holding PJSC (the “Company”) is a public joint stock company since October 30, 2006 as per the Resolution of the Ministry of Economy No. 425 of 2006 and in accordance with the UAE Federal Decree-Law No. (32) of 2021. The Company is listed on the Dubai Financial Market. The Company operates from its office on the 39<sup>th</sup> Floor, API Trio Tower, Al Barsha, Dubai, United Arab Emirates (“UAE”).

The Group is primarily engaged in sea transport of oil and petroleum products and similar commodities, ship charter, shipping lines of freight and passenger transportation, sea freight and passenger charters, shipping services, sea shipping lines agents, clearing and forwarding services, cargo loading and unloading services, cargo packaging, sea cargo services and ship management operations.

These interim condensed consolidated financial statements include the assets, liabilities and results of operations of the Company and its subsidiaries and branches as disclosed in the Group’s annual consolidated financial statements as at December 31, 2023.

### 2 BASIS OF PREPARATION AND CHANGES TO ACCOUNTING POLICIES

#### 2.1 Basis of preparation

These interim condensed consolidated financial statements for the three months ended March 31, 2024 have been prepared in accordance with IAS 34: *Interim Financial Reporting*.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group’s annual consolidated financial statements as at December 31, 2023. In addition, the results for the three months ended March 31, 2024 may not be indicative of the results that may be expected for the financial year ending December 31, 2024.

When preparing the interim condensed consolidated financial statements, management undertakes a number of judgements, estimates, and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management.

#### 2.2 Going concern

The Group incurred a loss of AED 11,483 thousand for the three-month period ended March 31, 2024 and, as of that date, its current liabilities exceeded its current assets by AED 39,164 thousand. Notwithstanding, the interim condensed consolidated financial statements have been prepared on a going concern basis given that the management of the Group has prepared a cash flow forecast for a period of not less than twelve months from the date of the issuance of these interim condensed consolidated financial statements and has a reasonable expectation that the Group will have adequate resources to continue its operational existence in the foreseeable future.

#### 2.3 New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of these interim condensed financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended December 31, 2023 except for the adoption of new standards effective as of January 1, 2024 where appropriate. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments apply for the first time in 2024 and have therefore been adopted by the Group. However, these amendments do not have any significant impact on the interim condensed consolidated financial statements of the Group, and therefore, further disclosures have not been made.

#### 2.4 Fair value measurement

All financial assets and liabilities are stated at amortised cost or historical cost in these interim condensed consolidated financial statements, except for financial assets at fair value through profit or loss, which have been carried at fair value using Level 1 category of fair value measurement.



## Gulf Navigation Holding PJSC and its Subsidiaries

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS March 31, 2024

#### 3 OPERATING SEGMENTS

##### Business segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker has been identified as the Group's Executive Committee who make strategic decisions. The Executive Committee reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports, which have not changed from December 31, 2023.

The Group comprises the following main business segments:

- *Vessel chartering*: Chartering of vessels to customers;
- *Shipping and technical services*: Providing agency services to ships calling at ports; and providing workshop services for boats
- *Corporate*: Includes management of all divisions and administrative activities.

Vessel chartering, shipping and technical services and corporate meet the criteria required by IFRS 8: *Operating Segments* and reported as separate operating segments.

##### Geographical segments

The Group's Executive Committee does not consider the geographical distribution of the Group's operations to be relevant for their internal management analysis and therefore no geographical segment information has been disclosed.

All operating segments' results, for which discrete financial information is available, are reviewed regularly by the Group's Executive Committee to make decisions about resources to be allocated to the segment and assess their performance.

##### Three-month ended March 31, 2024 – Unaudited

	<i>Vessel chartering</i> AED'000	<i>Shipping and technical services</i> AED'000	<i>Corporate</i> AED'000	<i>Inter- segment elimination</i> AED'000	<i>Total</i> AED'000
Revenue	22,580	1,298	-	(44)	23,834
Direct costs	(26,045)	(1,461)	-	44	(27,462)
General and administrative expenses	(492)	(1,251)	(3,552)	-	(5,295)
Other non-operating income	86	1,053	19,398	-	20,537
Other non-operating expenses	(6,685)	-	(12,931)	-	(19,616)
Finance costs	(3,094)	(6)	(2,874)	-	(5,974)
Finance income	-	-	2,493	-	2,493
Income tax	-	-	-	-	-
Segment loss	<u>(13,650)</u>	<u>(367)</u>	<u>2,534</u>	<u>-</u>	<u>(11,483)</u>
<b>At March 31, 2024 – Unaudited</b>					
Segment assets	<u>905,289</u>	<u>944</u>	<u>93,118</u>	<u>-</u>	<u>999,351</u>
Segment liabilities	<u>(189,069)</u>	<u>(2,099)</u>	<u>(259,479)</u>	<u>-</u>	<u>(450,647)</u>

## Gulf Navigation Holding PJSC and its Subsidiaries

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS March 31, 2024

#### 3 OPERATING SEGMENTS (continued)

Three-month ended March 31, 2023 – Unaudited

	Vessel chartering AED'000	Shipping and technical services AED'000	Corporate AED'000	Inter-segment elimination AED'000	Total AED'000
Revenue	36,910	1,973	236	(236)	38,883
Direct costs	(32,874)	(507)	-	236	(33,145)
General and administrative expenses	(229)	(816)	(3,751)	192	(4,604)
Other non-operating income	19,461	-	192	(192)	19,461
Finance costs	(553)	(5)	(6,080)	-	(6,638)
Income tax	(458)	-	-	-	(458)
Segment profit/ (loss)	22,257	645	(9,403)	-	13,499

At March 31, 2023 – Unaudited

Segment assets	692,095	12,149	80,851	(995)	784,100
Segment liabilities	(239,431)	(4,928)	(96,203)	552	(340,010)

#### 4 VESSELS, PROPERTY AND EQUIPMENT

During the three-month period ended March 31, 2024, the Group did not purchase any vessels, property and equipment except for capital expenditure towards dry dock and major maintenance of one of the Group's vessels amounting to AED 12,650 thousand (2023: Nil).

Vessels with a carrying value of AED 414,746 thousand (2023: AED 424,938 thousand) are mortgaged as security against interest-bearing borrowings.

Management had performed a detailed impairment assessment of vessels, property and equipment as at December 31, 2023 and had not identified any impairment. The impairment was assessed by comparing the carrying value of vessels with their recoverable amounts, which is the higher of fair value less cost of disposal and the value in use. At March 31, 2024, management did not identify any indications that vessels, property and equipment may be impaired.

Depreciation expense has been allocated as follows:

	Three months ended March 31	
	2024	2023
	AED '000	AED '000
	(Unaudited)	(Unaudited)
Direct costs* (Note 17)	5,532	9,935
General and administrative expenses (Note 18)	-	160
	5,532	10,095

\* Includes depreciation related to dry-docking costs of AED 3,229 thousand (2023: AED 3,918 thousand)

#### 5 GOODWILL

	March 31 2024	December 31 2023
	AED'000	AED'000
	(Unaudited)	(Audited)
Gross carrying value	219,912	219,912
Accumulated impairment loss	(76,449)	(76,449)
Net carrying value	143,463	143,463

## Gulf Navigation Holding PJSC and its Subsidiaries

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS March 31, 2024

#### 5 GOODWILL (continued)

The goodwill of AED 135,999 thousand and AED 83,913 thousand that arose at the time of the initial public offer (IPO) and acquisition of livestock vessels in 2018, respectively, have been allocated to the vessel owning and chartering reporting segment.

Management had performed a detailed impairment assessment of goodwill as at December 31, 2023. Based on its assessment, no impairment loss was recognized in the Group's consolidated financial statements for the year ended December 31, 2023. Management did not identify any indications of impairment to goodwill as at March 31, 2024.

#### 6 TRADE AND OTHER RECEIVABLES

	<i>March 31</i> <i>2024</i> <i>AED'000</i> <i>(Unaudited)</i>	<i>December 31</i> <i>2023</i> <i>AED'000</i> <i>(Audited)</i>
Trade receivables, gross	24,724	22,427
Less: allowance for expected credit losses (ECL)	(6,875)	(6,875)
Trade receivables, net	17,849	15,552
Accrued interest on fixed deposit	5,160	2,667
Advances to suppliers	2,846	3,374
Prepayments	1,907	1,551
	<u>27,762</u>	<u>23,144</u>

#### 7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group has invested in quoted equity instruments listed in the UAE for trading purposes, and accordingly, these investments have been classified as financial assets at fair value through profit or loss (FVTPL). The movement in the investments in financial assets at FVTPL is as follows:

	<i>Three months</i> <i>ended</i> <i>March 31,</i> <i>2024</i> <i>AED'000</i> <i>(Unaudited)</i>	<i>Year ended</i> <i>December 31,</i> <i>2023</i> <i>AED'000</i> <i>(Audited)</i>
At the beginning of the period/ year	100,379	-
Acquisitions	-	178,423
Change in fair value (note 19)	(12,931)	(2,009)
Disposals	(23,145)	(76,035)
At the end of the period/year	<u>64,303</u>	<u>100,379</u>

#### 8 CASH AND CASH EQUIVALENTS

	<i>March 31</i> <i>2024</i> <i>AED'000</i> <i>(Unaudited)</i>	<i>December 31</i> <i>2023</i> <i>AED'000</i> <i>(Audited)</i>
Cash on hand	71	83
Cash at banks – current accounts	22,776	9,976
Cash at bank – fixed deposit	200,000	200,000
<b>Cash and bank balances</b>	<u>222,847</u>	<u>210,059</u>
Less: fixed deposit (with initial maturity of more than three months)	(200,000)	(200,000)
<b>Cash and cash equivalents</b>	<u>22,847</u>	<u>10,059</u>

## Gulf Navigation Holding PJSC and its Subsidiaries

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS March 31, 2024

#### 9 SHARE CAPITAL

	<i>March 31</i> <i>2024</i> <i>AED'000</i> <i>(Unaudited)</i>	<i>December 31</i> <i>2023</i> <i>AED'000</i> <i>(Audited)</i>
Authorised, issued and fully paid-up share capital 837,695,625 shares (2023: 837,695,625) of AED 1 each	<b>837,696</b>	837,696

#### 10 TREASURY SHARES

At the Annual General Assembly held on April 28, 2022, the shareholders of the Company approved the recommendation of the Board of Directors to buy back the Company's shares, not exceeding 10% of its total shares, for the purpose of disposing them in accordance with the decision issued by the Securities & Commodities Authority ("SCA").

Consequently, the Company acquired 11,150,000 of its own shares through market brokers and agents, which have been registered under the Company's name as legal and beneficial holder of those shares, as well as appointed a liquidity provider to provide liquidity for the Company's securities listed on the DFM as the regulated market by entering two-way daily quotes into the Market Trading System, whereby the Company's shares traded under the liquidity provision agreement would be held under the legal name of the liquidity provider on behalf and for the benefit of the Company.

The details of the outstanding treasury shares at the reporting date are as follows:

	Number of shares		Acquisition cost of shares	
	<i>March 31</i> <i>2024</i> <i>AED'000</i> <i>(Unaudited)</i>	<i>December 31</i> <i>2023</i> <i>AED'000</i> <i>(Audited)</i>	<i>March 31</i> <i>2024</i> <i>AED'000</i> <i>(Unaudited)</i>	<i>December 31</i> <i>2023</i> <i>AED'000</i> <i>(Audited)</i>
Held under the legal name of:				
- the Company	575,000	575,000	334	334
- the liquidity provider	19,038,159	13,465,854	131,396	95,947
Total	<b>19,613,159</b>	14,040,854	<b>131,730</b>	96,281

In accordance with the signed agreement, the liquidity provider has partially funded the acquisition of the treasury shares (Note 13).

#### 11 OTHER RESERVES

Other reserves include reserve of AED 170,788 thousand arising on issuance of 256,182 thousand shares of the Company at a discount against settlement of AED 85,394 thousand of liabilities. Other reserves also include AED 7,559 thousand equity adjustment on acquisition of non-controlling interest in 2022 representing the excess of purchase consideration over the net carrying value of non-controlling interest as at the date of acquisition.

#### 12 INTEREST-BEARING BORROWINGS

	<i>March 31</i> <i>2024</i> <i>AED'000</i> <i>(Unaudited)</i>	<i>December 31</i> <i>2023</i> <i>AED'000</i> <i>(Audited)</i>
Term loans (a)	112,035	119,847
Bank overdraft (b)	201,778	180,187
<b>Total interest-bearing borrowings</b>	<b>313,813</b>	300,034
Less: non-current portion	<b>(86,351)</b>	(94,163)
Current portion	<b>227,462</b>	205,871

## Gulf Navigation Holding PJSC and its Subsidiaries

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS March 31, 2024

#### 12 INTEREST-BEARING BORROWINGS (continued)

##### (a) Term loans

The movement the term loans was as follows:

	<i>Three months ended March 31, 2024 AED'000 (Unaudited)</i>	<i>Year ended December 31, 2023 AED'000 (Audited)</i>
At January 1,	119,847	233,323
Add: amortization of arrangement fee	167	1,419
Less: repayments during the period/year	(7,979)	(106,375)
Less: write back	-	(8,520)
	<u>112,035</u>	<u>119,847</u>

There was on term loan at the reporting date, which was obtained in 2022 part of a refinancing arrangement with a financial institution to restructure the Group's borrowings. In accordance with the arrangement, the Group borrowed AED 226,920 thousand and partially utilized the proceeds to fully settle two other term loans. The Group incurred arrangement fee of AED 4,172 thousand, which is being amortised over the term of the loan of 5 years. The loan is subject to compliance with certain financial covenants on quarterly basis, which are all met as at March 31, 2024 (2023: all met). Upon sale of a vessel during 2023, the related remaining portion of the term loan of AED 41.9 million was fully settled.

The write-back of AED 8,520 thousand in 2023 is related to a settlement agreement made with a lender with regards to two term loans that were fully settled in 2023 along with accrued interest of AED 10,941 thousand (Note 19).

##### (b) Bank overdraft

During the third quarter of 2023, the Group obtained a bank overdraft facility with a limit of AED 200 million secured by the fixed deposit (Note 8), which were mainly utilized for financing activities and settlement of Sukuk. The facility carries interest rate of 0.75% over the highest rate payable on pledged deposits per annum.

#### 13 TRADE AND OTHER PAYABLES

	<i>March 31 2024 AED'000 (Unaudited)</i>	<i>December 31 2023 AED'000 (Audited)</i>
Trade payables	18,866	19,231
Advances from customers	-	445
Accruals, provisions and other payables	13,407	12,441
Tax accrual	2,374	2,374
Payable to liquidity provider (Note 10)	101,071	70,924
	<u>135,718</u>	<u>105,415</u>

#### 14 RELATED PARTY TRANSACTIONS

##### Key management personnel remuneration

	<i>Three months ended 31 March</i>	
	<i>2024 AED'000 (Unaudited)</i>	<i>2023 AED'000 (Unaudited)</i>
Bonus	-	771
Post-employment benefits	-	85

Gulf Navigation Holding PJSC and its Subsidiaries

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15 COMMITMENTS AND CONTINGENCIES

At 31 March 2024, the Group did not have any contingent liabilities or capital commitments (2023: None).

16 REVENUE

	<i>Three months ended</i>	
	<i>March 31</i>	
	<i>2024</i>	<i>2023</i>
	<i>AED'000</i>	<i>AED'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
<i>Services transferred over time</i>		
Vessel chartering	22,580	36,910
<i>Services transferred at a point in time</i>		
Shipping and technical services	1,254	1,973
	<u>23,834</u>	<u>38,883</u>

17 DIRECT COSTS

	<i>Three months ended</i>	
	<i>March 31</i>	
	<i>2024</i>	<i>2023</i>
	<i>AED'000</i>	<i>AED'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
<i>Vessel chartering:</i>		
Ship running costs - vessels	19,878	21,000
Depreciation of vessels, property and equipment (Note 4)	5,532	9,935
Ship running costs - crew boats	753	1,488
Ship repairs	-	215
<i>Shipping and technical services:</i>		
Operating expenses	1,299	507
	<u>27,462</u>	<u>33,145</u>

18 GENERAL AND ADMINISTRATIVE EXPENSES

	<i>Three months ended</i>	
	<i>March 31</i>	
	<i>2024</i>	<i>2023</i>
	<i>AED'000</i>	<i>AED'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Staff costs	2,324	2,295
Professional fees	1,192	930
Depreciation of vessels, property and equipment (Note 4)	-	160
Others	1,779	1,219
	<u>5,295</u>	<u>4,604</u>

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**19 OTHER NON-OPERATING INCOME AND EXPENSES**

**Other non-operating income**

	<i>Three months ended</i>	
	<i>March 31</i>	
	<i>2024</i>	<i>2023</i>
	<i>AED'000</i>	<i>AED'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Insurance claim income*	19,398	-
Reversal of liabilities no more required (Note 12)	-	19,461
Others	1,139	-
	<u>20,537</u>	<u>19,461</u>

**Other non-operating expenses**

	<i>Three months ended</i>	
	<i>March 31</i>	
	<i>2024</i>	<i>2023</i>
	<i>AED'000</i>	<i>AED'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Vessel repair*	6,685	-
Change in fair value of financial assets at FVTPL (Note 7)	12,931	-
	<u>19,616</u>	<u>-</u>

\* During the three months ended March 31, 2024, the Group incurred expenses with regards to the repair of a vessel as a result of a flood in the engine room, for which the Group was able to claim an amount of AED 19,398 thousand under the vessel's insurance contract (Note 19).

**20 FINANCE COSTS**

	<i>Three months ended</i>	
	<i>March 31</i>	
	<i>2024</i>	<i>2023</i>
	<i>AED'000</i>	<i>AED'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Finance costs on:		
- Term loans	2,914	4,642
- Overdraft	2,780	-
- Amortisation of arrangement fee	167	-
- Islamic non-convertible sukuk	-	1,096
Others	113	900
	<u>5,974</u>	<u>6,638</u>

## Gulf Navigation Holding PJSC and its Subsidiaries

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS March 31, 2024

#### 21 BASIC AND DILUTED EARNINGS PER SHARE

The calculation of basic and diluted earnings per share has been based on the (loss)/profit for the period and weighted average number of ordinary shares outstanding during the period.

	<i>Three months ended</i>	
	<i>March 31</i>	
	<i>2024</i>	<i>2023</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
(Loss)/profit for the period (AED'000)	<u>(11,483)</u>	<u>13,499</u>
Weighted average number of ordinary shares* (Note 10) ('000)	<u>1,133,315</u>	<u>1,248,910</u>
Basic and diluted earnings per share (AED)	<u>(0.010)</u>	<u>0.011</u>

\* The weighted average number of ordinary shares takes into account the weighted average effect of changes in treasury shares during the period.

#### 22 UAE CORPORATE TAX

The Company and its UAE subsidiaries became taxable effective January 1, 2024 at the rate of 9% applicable to taxable income exceeding AED 375,000. However, no current income tax expense has been recorded by the Group for the three months ended March 31, 2024 on the basis that the Group incurred taxable losses.

Based on the information available to the date of the issuance of the interim condensed consolidated financial statements, management, with the support of its tax consultant, assessed the deferred tax implications on the Group and concluded that it is not significant as at and for the three months ended March 31, 2024. As certain other cabinet decisions are pending as of the date of the issuance of these interim condensed financial statements, the Group will continue to assess the impact of these pending cabinet decisions on deferred taxes as and when finalised and published.