

**Gulf Navigation Holding PJSC
and its Subsidiaries**

**UNAUDITED INTERIM CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS**

MARCH 31, 2025

Gulf Navigation Holding PJSC and its Subsidiaries

Interim condensed consolidated financial statements March 31, 2025

Table of Contents	Page(s)
Report on review of interim condensed consolidated financial statements	1
Interim consolidated statement of financial position	2
Interim consolidated statement of comprehensive income	3
Interim consolidated statement of changes in equity	4
Interim consolidated statement of cash flows	5
Notes to the interim condensed consolidated financial statements	6 – 14

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, 2025, 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

May 14, 2025



Gulf Navigation Holding PJSC and its Subsidiaries

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

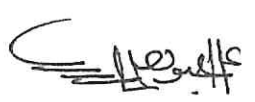
As at March 31, 2025

	Notes	March 31, 2025 AED'000 (Unaudited)	December 31, 2024 AED'000 (Audited)
ASSETS			
Non-current assets			
Vessels, property and equipment	4	539,462	531,873
Goodwill	5	143,463	143,463
Deferred tax asset	6	2,653	1,970
Total non-current assets		685,578	677,306
Current assets			
Inventories		10,428	10,433
Trade receivables, net		12,585	14,104
Advances and other assets	7	35,534	31,869
Financial assets at fair value through profit or loss	8	648	701
Cash and bank balances	9	40,777	5,195
Total current assets		99,972	62,302
TOTAL ASSETS		785,550	739,608
EQUITY AND LIABILITIES			
Equity			
Share capital	10	837,696	837,696
Share discount	11, 12	(33,847)	(12,741)
Treasury shares	11	(234,015)	(243,046)
Statutory reserve		2,128	2,128
Accumulated losses		(29,563)	(22,654)
Other reserves	12	(181,071)	(181,071)
Total equity		361,328	380,312
Non-current liabilities			
Interest-bearing borrowings	13	119,822	72,706
Provision for employees' end-of-service benefits		1,063	1,011
Total non-current liabilities		120,885	73,717
Current liabilities			
Interest-bearing borrowings	13	44,469	20,899
Trade and other payables	14	258,868	264,680
Total current liabilities		303,337	285,579
Total liabilities		424,222	359,296
TOTAL EQUITY AND LIABILITIES		785,550	739,608

The interim condensed consolidated financial statements were approved by the Board of Directors on May 14, 2025 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, 2025

	Notes	<i>Three months ended March 31,</i>	
		<i>2025 AED'000 (Unaudited)</i>	<i>2024 AED'000 (Unaudited)</i>
Revenue	16	25,808	23,834
Direct costs	17	(21,142)	(27,462)
GROSS PROFIT / (LOSS)		4,666	(3,628)
General and administrative expenses	18	(5,393)	(5,295)
OPERATING LOSS		(727)	(8,923)
Other non-operating income	19	343	20,537
Other non-operating expenses	19	(53)	(19,616)
Finance cost	20	(7,369)	(5,974)
Finance income		214	2,493
LOSS FOR THE PERIOD BEFORE TAX		(7,592)	(11,483)
Income tax		683	-
LOSS FOR THE PERIOD		(6,909)	(11,483)
Other comprehensive income		-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		(6,909)	(11,483)
Earnings per share:			
Basic and diluted (AED)	21	(0.009)	(0.010)

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, 2025

	Share capital AED '000	Share discount AED '000	Treasury shares AED '000	Statutory reserve AED '000	Accumulated losses AED '000	Other reserves AED '000	Total AED '000
Balance at January 1, 2025 – Audited	837,696	(12,741)	(243,046)	2,128	(22,654)	(181,071)	380,312
Total comprehensive loss for the period	-	-	-	-	(6,909)	-	(6,909)
Treasury shares (Note 11)	-	(21,106)	9,031	-	-	-	(12,075)
Balance at March 31, 2025 – Unaudited	837,696	(33,847)	(234,015)	2,128	(29,563)	(181,071)	361,328
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 11)	-	-	(35,449)	-	-	-	(35,449)
Balance at March 31, 2024 – Unaudited	837,696	35,734	(131,730)	2,128	(14,053)	(181,071)	548,704

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, 2025

		<i>Three months ended</i> <i>March 31,</i>	
	Notes	<i>2025</i> <i>AED'000</i> <i>(Unaudited)</i>	<i>2024</i> <i>AED'000</i> <i>(Unaudited)</i>
OPERATING ACTIVITIES			
Loss for the period before tax		(7,592)	(11,483)
<i>Adjustments for:</i>			
Depreciation of vessels, property and equipment	4	10,663	5,532
Provision for employees' end of service benefits		52	21
Finance costs	20	7,369	5,974
Other non-operating income	19	(343)	(19,398)
Other non-operating expense	19	-	6,685
Finance income		(214)	(2,493)
Change in fair value of financial assets at FVTPL	19	53	12,931
Operating cash flows before changes in working capital		9,988	(2,231)
<i>Working capital changes:</i>			
Inventories		5	(20)
Trade receivables		1,519	(2,297)
Advances and other assets		(3,560)	173
Trade and other payables		3,816	219
Cash used in operations		11,768	(4,156)
Employees' end of service benefits paid		-	(161)
Insurance claim received, net		343	12,713
Net cash flows from operating activities		12,111	8,396
INVESTING ACTIVITIES			
Proceeds from disposal of financial assets at FVTPL		-	23,145
Additions to vessels, property and equipment		(18,252)	(21,089)
Net cash flows (used)/from investing activities		(18,252)	2,056
FINANCING ACTIVITIES			
Proceeds from interest-bearing borrowings	13	175,680	21,591
Repayment of interest-bearing borrowings	13	(102,526)	(7,979)
Interest paid		(7,201)	(5,974)
Loan arrangement fee paid	13	(2,636)	-
Interest received		109	-
Movement in treasury shares, net		(12,075)	(35,449)
(Settlement of financing)/financing from the liquidity provider	14	(9,628)	30,147
Net cash flows from financing activities		41,723	2,336
Net increase in cash and cash equivalents		35,582	12,788
Cash and cash equivalents at the beginning of the period		5,195	10,059
Cash and cash equivalents at the end of the period	8	40,777	22,847

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, 2025

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 39th 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, 2024.

2 BASIS OF PREPARATION AND CHANGES TO ACCOUNTING POLICIES

2.1 Basis of preparation

These interim condensed consolidated financial statements for the three months period ended March 31, 2025 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, 2024. In addition, the results for the three months ended March 31, 2025 may not be indicative of the results that may be expected for the financial year ending December 31, 2025.

Most of the transactions of the Group are denominated in US Dollars (“USD”) or currencies pegged to the USD, the functional currency of the entities is USD. However, the interim condensed consolidated financial statements of the Group are presented in Arab Emirates Dirhams (“AED”), which is the presentation currency of the Group. Amounts in USD have been translated into AED at the rate of USD 1 = AED 3.66 as there is a constant peg between USD and AED. All values are rounded to the nearest thousands (‘000) except, where noted otherwise.

The interim condensed consolidated financial statements have been prepared on an accrual basis and under the historical cost convention except for investments in financial assets at fair value through profit or loss which have been measured at fair value.

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

For the three months period ended March 31, 2025, the Group incurred a loss of AED 6,909 thousand and as of that date, its current liabilities exceeded its current assets by AED 203,365 thousand.

The management of the Group has taken into consideration that significant portion of the liabilities relate to the balance held with the liquidity provider (Note 14) against treasury shares held by the Company at the reporting date as well as 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. Accordingly, the interim condensed consolidated financial statements have been prepared on the basis that the Group will continue as a going concern.

2.3 New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of these interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended December 31, 2024 except for the adoption of new standards effective as of January 1, 2025 as disclosed below. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Gulf Navigation Holding PJSC and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS March 31, 2025

2 BASIS OF PREPARATION AND CHANGES TO ACCOUNTING POLICIES (continued)

2.3 New standards, interpretations and amendments adopted by the Group (continued)

Lack of exchangeability - Amendments to IAS 21

The amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after January 1, 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments did not have a material impact on the Group's interim condensed consolidated financial statements.

2.4 Fair value measurement

All financial assets and liabilities are stated at amortized cost or historical cost except for investments in financial assets that are measured at fair value. The fair values of other financial assets and the financial liabilities are not materially different from their carrying values at the reporting date.

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, 2024.

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.

Gulf Navigation Holding PJSC and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2025

3 OPERATING SEGMENTS (continued)

Three-month ended March 31, 2025 – Unaudited

	<i>Vessel chartering AED'000</i>	<i>Shipping and technical services AED'000</i>	<i>Corporate AED'000</i>	<i>Inter- segment elimination AED'000</i>	<i>Total AED'000</i>
Revenue	22,892	2,960	-	(44)	25,808
Direct costs	(19,938)	(1,248)	-	44	(21,142)
General and administrative expenses	(229)	(777)	(4,387)	-	(5,393)
Other non-operating income	99	-	244	-	343
Other non-operating expenses	-	-	(53)	-	(53)
Finance costs	(7,362)	(5)	(2)	-	(7,369)
Finance income	-	-	214	-	214
Income tax	-	-	683	-	683
Segment (loss) / profit	<u>(4,538)</u>	<u>930</u>	<u>(3,301)</u>	<u>-</u>	<u>(6,909)</u>

At March 31, 2025 – Unaudited

Segment assets	<u>712,597</u>	<u>749</u>	<u>72,204</u>	<u>-</u>	<u>785,550</u>
Segment liabilities	<u>(177,747)</u>	<u>(1,950)</u>	<u>(244,525)</u>	<u>-</u>	<u>(424,222)</u>

Three-month ended March 31, 2024 – Unaudited

	<i>Vessel chartering AED'000</i>	<i>Shipping and technical services AED'000</i>	<i>Corporate AED'000</i>	<i>Inter-segment elimination AED'000</i>	<i>Total AED'000</i>
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
Segment loss	<u>(13,650)</u>	<u>(367)</u>	<u>2,534</u>	<u>-</u>	<u>(11,483)</u>

At March 31, 2024 – Unaudited

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, 2025

4 VESSELS, PROPERTY AND EQUIPMENT

During the three-month period ended March 31, 2025, the Group did not purchase any vessels, property and equipment except for capital expenditure towards dry dock and major maintenance for two of the Group's vessels amounting to AED 18,238 thousand (2024: one of the Group vessels amounting to AED 12,650 thousand).

Management had performed a detailed impairment assessment of vessels, property and equipment as at December 31, 2024 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, 2025, management did not identify any indications that vessels, property and equipment may be impaired.

Depreciation expense has been allocated as follows:

	<i>Three months ended</i>	
	<i>March 31</i>	
	<i>2025</i>	<i>2024</i>
	<i>AED '000</i>	<i>AED '000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Direct costs* (Note 17)	10,653	8,802
General and administrative expenses (Note 18)	10	-
	<u>10,663</u>	<u>8,802</u>

* Includes depreciation related to dry-docking costs of AED 4,508 thousand (2024: AED 3,229 thousand)

5 GOODWILL

	<i>March 31</i>	<i>December 31</i>
	<i>2025</i>	<i>2024</i>
	<i>AED'000</i>	<i>AED'000</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
Gross carrying value	219,912	219,912
Accumulated impairment loss	(76,449)	(76,449)
Net carrying value	<u>143,463</u>	<u>143,463</u>

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, 2024. Based on its assessment, no further impairment loss was recognized in the Group's consolidated financial statements for the year ended December 31, 2024. Management did not identify any indications of impairment to goodwill as at March 31, 2025.

6 INCOME TAX

The major components of income tax for the three months periods ended March 31, 2025 and 2024 are:

	<i>March 31</i>	<i>March 31</i>
	<i>2025</i>	<i>2024</i>
	<i>AED'000</i>	<i>AED'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
<i>Deferred income tax:</i>		
Related to origination of temporary differences	<u>2,653</u>	<u>-</u>

The deferred tax asset on the interim statement of financial position is related to losses carried forward by the Company, including current period losses, given that such losses are available indefinitely to be offset against future taxable income in accordance with the provisions of the UAE Corporate Tax.

Gulf Navigation Holding PJSC and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS March 31, 2025

7 ADVANCES AND OTHER ASSETS

	<i>March 31 2025 AED'000 (Unaudited)</i>	<i>December 31 2024 AED'000 (Audited)</i>
Advances to suppliers	30,899	28,816
Prepayments	3,068	1,730
Other receivables	1,462	1,323
Accrued interest on fixed deposit	105	-
	<u>35,534</u>	<u>31,869</u>

8 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 ended March 31, 2025 AED'000 (Unaudited)</i>	<i>Year ended December 31, 2024 AED'000 (Audited)</i>
At the beginning of the period/year	701	100,379
Acquisitions	-	9,462
Change in fair value (note 19)	(53)	(7,662)
Disposals	-	(101,478)
At the end of the period/year	<u>648</u>	<u>701</u>

9 CASH AND BANK BALANCES

	<i>March 31 2025 AED'000 (Unaudited)</i>	<i>December 31 2024 AED'000 (Audited)</i>
Cash on hand	80	79
Cash at banks – current accounts	7,648	5,116
Cash at bank – fixed deposit (with initial maturity of less than 3 months)	33,049	-
Cash and bank balances	<u>40,777</u>	<u>5,195</u>

10 SHARE CAPITAL

	<i>March 31 2025 AED'000 (Unaudited)</i>	<i>December 31 2024 AED'000 (Audited)</i>
Authorised, issued and fully paid-up share capital 837,695,625 shares (2023: 837,695,625) of AED 1 each	<u>837,696</u>	<u>837,696</u>

Gulf Navigation Holding PJSC and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2025

11 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 were 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.

As at March 31, 2025 and December 31, 2024, the Company has disposed of all shares that were acquired under its name. The details of the outstanding treasury shares held under the name of liquidity provider at the reporting date are as follows:

	Number of shares		Acquisition cost of shares	
	March 31 2025 shares (Unaudited)	December 31 2024 shares (Audited)	March 31 2025 AED'000 (Unaudited)	December 31 2024 AED'000 (Audited)
Treasury shares	40,954,590	40,145,454	234,015	243,046

In accordance with the signed agreement, the liquidity provider has funded the acquisition of the treasury shares (Note 14).

12 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.

13 INTEREST-BEARING BORROWINGS

Interest-bearing borrowings comprise of term loans obtained by the Group. The movement in the term loans was as follows:

	Three months ended March 31, 2025 AED'000 (Unaudited)	Year ended December 31, 2024 AED'000 (Audited)
At January 1	93,605	119,847
Early settlement of a term loan	(93,605)	-
Loan proceeds from a new term loan	175,680	-
Loan arrangement fee paid	(2,636)	-
Amortization of loan arrangement fee	168	665
Repayments during the period/year	(8,921)	(26,907)
At the end of the period/year	164,291	93,605
Current	44,469	20,899
Non-current	119,822	72,706

Gulf Navigation Holding PJSC and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS March 31, 2025

13 INTEREST-BEARING BORROWINGS (continued)

At December 31, 2024, the Group had a term loan, which was obtained in 2022 part of a refinancing arrangement with a financial institution to restructure the Group's borrowings. The Group had incurred arrangement fee of AED 4,172 thousand, which was being amortised over the term of the loan of 5 years. The loan was subject to compliance with certain financial covenants on quarterly basis, which were all met at December 31, 2024.

On October 22, 2024, the Group signed a new loan facility agreement with a financial institution to refinance its existing term loan. On January 10, 2025 the Group received the proceeds of the new facility in the amount of AED 175,680 thousand and early settled the existing loan resulting in a early settlement fee of AED 4,288 thousand (Note 20). The loan is repayable on a quarterly basis over a period of 4 years and bears variable interest rate at prevailing market rates.

14 TRADE AND OTHER PAYABLES

	<i>March 31</i>	<i>December 31</i>
	<i>2025</i>	<i>2024</i>
	<i>AED'000</i>	<i>AED'000</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
Trade payables	7,711	6,734
Accruals, provisions and other payables	12,971	10,132
Payable to liquidity provider (Note 11)	238,186	247,814
	<u>258,868</u>	<u>264,680</u>

15 COMMITMENTS AND CONTINGENCIES

At 31 March 2025, the Group did not have any contingent liabilities or capital commitments (2024: None).

16 REVENUE

	<i>Three months ended</i>	
	<i>March 31</i>	
	<i>2025</i>	<i>2024</i>
	<i>AED'000</i>	<i>AED'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
<i>Services transferred over time</i>		
Vessel chartering	22,848	22,580
<i>Services transferred at a point in time</i>		
Shipping and technical services	2,960	1,254
	<u>25,808</u>	<u>23,834</u>

17 DIRECT COSTS

	<i>Three months ended</i>	
	<i>March 31</i>	
	<i>2025</i>	<i>2024</i>
	<i>AED'000</i>	<i>AED'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
<i>Vessel chartering:</i>		
Depreciation of vessels (Note 4)	10,653	8,802
Ship running costs - vessels	8,645	16,608
Ship running costs - crew boats	596	753
<i>Shipping and technical services:</i>		
Operating expenses	1,248	1,299
	<u>21,142</u>	<u>27,462</u>

Gulf Navigation Holding PJSC and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2025

18 GENERAL AND ADMINISTRATIVE EXPENSES

	<i>Three months ended</i>	
	<i>March 31</i>	
	<i>2025</i>	<i>2024</i>
	<i>AED'000</i>	<i>AED'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Professional fees	1,746	1,192
Staff costs	2,499	2,324
Depreciation of property and equipment (Note 4)	10	-
Others	1,138	1,779
	<u>5,393</u>	<u>5,295</u>

19 OTHER NON-OPERATING INCOME AND EXPENSES

Other non-operating income

	<i>Three months ended</i>	
	<i>March 31</i>	
	<i>2025</i>	<i>2024</i>
	<i>AED'000</i>	<i>AED'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Insurance claim income*	343	19,398
Others	-	1,139
	<u>343</u>	<u>20,537</u>

Other non-operating expenses

	<i>Three months ended</i>	
	<i>March 31</i>	
	<i>2025</i>	<i>2024</i>
	<i>AED'000</i>	<i>AED'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Change in fair value of financial assets at FVTPL (Note 8)	53	12,931
Vessel repair*	-	6,685
	<u>53</u>	<u>19,616</u>

* During the three months ended March 31, 2024, the Group incurred expenses of AED 6,685 thousand 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.

20 FINANCE COSTS

	<i>Three months ended</i>	
	<i>March 31</i>	
	<i>2025</i>	<i>2024</i>
	<i>AED'000</i>	<i>AED'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Finance costs on:		
- Early settlement fee (Note 13)	4,288	-
- Term loans	2,901	2,914
- Amortisation of arrangement fee	168	167
- Overdraft	-	2,780
Others	12	113
	<u>7,369</u>	<u>5,974</u>

Gulf Navigation Holding PJSC and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS March 31, 2025

21 BASIC AND DILUTED EARNINGS PER SHARE

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

	<i>Three months ended</i>	
	<i>March 31</i>	
	<i>2025</i>	<i>2024</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Loss for the period (AED'000)	<u>(6,909)</u>	<u>(11,483)</u>
Weighted average number of ordinary shares* (Note 10) ('000)	<u>798,781</u>	<u>1,133,315</u>
Basic and diluted earnings per share (AED)	<u>(0.009)</u>	<u>(0.010)</u>

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

22 BUSINESS ACQUISITION

On September 25, 2024, the Board of Directors approved the acquisition of companies and assets owned by Brooge Energy Limited by way of cash consideration, issuance of mandatory convertible bonds and issuance of new shares of the Company.

On January 23, 2025, the Board of Directors approved submitting recommendations to the Securities and Commodities Authority ("SCA") concerning the Board's opinion on the valuation of the acquisition transaction and calling the general assembly to convene to consider and/or approve the acquisition, subject to obtaining the necessary approvals from SCA.

On March 13, 2025, following the approval of SCA, the general assembly convened and approved the following with relation to the acquisition transaction:

- The acquisition of Brooge Petroleum and Gas Investment Company FZE (Fujairah free zone), Brooge Petroleum and Gas Investment Company Phase III FZE (Fujairah free zone), and BPGIC Phase 3 Limited (Jebel Ali Free Zone) ("Acquired Companies") for a total consideration of AED 3.2 billion comprising in-kind and cash considerations (see below);
- Issuing 358,841,476 new shares with a par value of AED 1.25 in favor of Brooge Energy Limited with a one-year lock-up period from the date of issuance of such shares;
- Issuing mandatory convertible bonds in the amount of AED 2.336 billion in favor of Brooge Energy Limited with a one year lock-up period from the date of converting the bonds to shares; and
- Paying an amount of AED 460 million in cash to settle the cash portion of the transaction price.

The shareholders approved authorizing the Company's Board and any person authorized by the Board of Directors to take all actions and steps necessary to permit the closing of the acquisition transaction including signing all documents, completing the capital increase, making the required amendments to the Articles of Association of the Company, and dealing with all governmental entities and authorities in this regard.