



الخليج للملاحة القابضة (ن.ش.م.ع.) Gulf Navigation Holding PJSC

Press Release:

“Gulf Navigation Holding” achieves AED 10 million gross profit during Q1 2018

The company also has successfully launched the "Young Arab Cadet Program" to train and qualify Arab and National cadres in the maritime field

Dubai – United Arab Emirates- 14th of May-2018: Gulf Navigation Holding PJSC, headquartered in Dubai and listed in the Dubai Financial Market entitled with “GULFNAV”, announced a 5% increase in its gross profits by the end of first quarter 2018 in comparison to the first quarter 2017. This announcement comes consequently with the company’s successful completion of the requirements needed to make the Gulf Navigation compliant with the Islamic Sharia laws listed in the Dubai Financial Market.

The company has released its recent financial reports representing continuous growth in its financial performance. Gross profit has reached AED10.15 million (US \$ 2.78 million) in the first quarter of 2018 compared to AED 9.6 million (US \$ 2.6 million) achieved during the first quarter of 2017, marking an increase of 5%. This increase reflects the company’s exceptional efforts to maintain its constant growth in various fields, mainly the company’s success to increase its assets by adding “Gulf Mishref” and “Gulf Mirdif” vessels to its fleet. This expansion has positively affected the company’s assets with an increase of 12% during 2017, in addition to an increase of 28% in gross revenues that reached AED 37.7 million in the first quarter of 2018 compared to AED 29.4 million during the first quarter last year. Moreover, the increase in revenues was accompanied by an increase in the operating expenses reaching AED 27.5 million during the same period compared to AED 19.7 million in the first quarter of 2017.

The successful acquiring of the two petrochemical carriers to “Gulf Navigation Holding” fleet is significant to enhance the company’s petrochemical transportation capabilities. The company aims at expanding its fleet to reach to 20 multipurpose vessels by the second quarter of 2020.

The increase in oil prices during 2017 has created more opportunities for the company, especially with the increase of petroleum derivatives production in the Gulf Region, as part of its strategy to overcome the decline in crude oil prices two years ago. This has contributed to increasing the company's demand on petroleum products and petrochemicals transportation. On another hand, the company is currently handling ongoing discussions to increase its market share in the United States oil market that is witnessing remarkable growth.

H. E. Khamis Juma Buamim, Board Member, Managing Director and Group CEO of Gulf Navigation Holding, commented saying: "Diversifying our group's income resources through various operational sectors in addition to the initial improvement in the shipping sector make us optimistic and confident about our operational and financial results in 2018. Furthermore, we have managed to become a "one-stop shop" for the marine services sector. This has contributed to increasing our revenues generated by our main activity of transporting petrochemicals and petroleum derivatives."

Buamim added: "While the industry is facing major challenges which have negatively affected several companies and caused an increase in business costs and fees, we at "Gulf Navigation Holding" have focused on communicating with the leading companies in the Gulf Region and the United States of America as they are the major players in filtering and refining operations. Moreover, we have been able to obtain many opportunities that are currently under discussions and we are expecting more revenues coming from this market, especially with the focus on increasing Petrochemical derivatives production and oil refining capabilities in both regions."

Moreover, "Gulf Navigation Holding" capabilities are improving and reinforced by a significant improvement in performance after the restructuring process that focused on adding a number of the leading and award-winning companies in the maritime sector worldwide, as well as the strategic partnerships that the company has established in 2017. Furthermore, aiming at providing the Arab maritime sector with qualified and experienced cadres, "Gulf Navigation Holding" has successfully launched the "Young Arab Cadet Program" that aims at training and qualifying Arab and National cadres in the maritime field to operate in the high seas and to enable them to lead giant vessels. Through this program, the company has successfully recruited five engineers and marine officers as per the agreement with the Jordan Academy for Maritime Studies. Buamim confirmed that Gulf Navigation seeks to train Arab captains and engineers on board of their ships, in order to qualify them with the global capabilities in the maritime sector.

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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 own branch offices inside port of Fujairah, Khorfakkan, Abu Dhabi and overseas office in the Kingdom of Saudi Arabia in addition to other offices in more than 9 countries worldwide. GNH owns and operates a fleet of Chemical and Oil Tankers, Offshore Vessels, Marine and Ship repair Services. The company's fleet is expected to double (20 ships) by Q2, 2020. As an ISO 9001:2008 certified company accredited by Bureau Veritas, GHN 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.