



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

Press Release:

Overcoming current challenges in the maritime sector

Gulf Navigation Holding records 19% revenue growth in first 9 months of 2019

- Operating revenue of AED 130mn in the first 9 months of 2019 achieving a YoY increase of 19%
- Q3 net loss at AED 18mn due to the high operating costs of vessels coupled with lower vessel utilization in the quarter
- Working to optimize cost structure by outsourcing technical ship management to a third party

Dubai, UAE, 24 October 2019: Gulf Navigation Holding PJSC (“GNH” or “Company”), the Dubai Financial Market listed maritime and shipping company, has announced a 19% operating revenue growth by end of Q3 of 2019, compared to the same period last year. The company recorded an operating revenue of AED 130 million compared to AED109 million in the same period of 2018. The company reported a net loss of AED 18 million in Q3 of 2019, bringing total losses in the first 9 months of 2019 to AED 46 million. The decline in the company’s financial performance is due to the high operating costs of vessels coupled with lower asset utilization in the quarter.

Gulf Navigation has adapted well to the economic challenges in the first 9 months of 2019. The Company has successfully completed the 10-year special survey and ballast water treatment installation program on its 4 vessels that are chartered to SABIC. After a period of underutilization, the Company has now managed to secure spot and long-term charters for all 9 vessels. On cost structure front, the Company has restructured its operations and reorganized its subsidiaries to ensure continuity of its operations and enhanced its productivity at the lowest possible costs for the near future. The Company is also looking to outsource its ship management function to optimize its cost structure and enhance governance.

Mr. Saeed Mubarak Al Hajeri, Chairman of Gulf Navigation Board emphasized, “Today, we continue to work on opportunities to drive positive changes through operational and administrative reorganization. Gulf Navigation is now a more nimble and dynamic company than ever before. We continue to resolve legacy issues and I am confident of achieving operational and financial excellence in the near future. We look forward to wrap up a challenging year on a positive note and prepare ourselves for a positive 2020.”

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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 GHN’s services to existing customers while attracting new customers.