

# Resilient. Focused. Moving Forward.

INTEGRATED  
REPORT  
2024



**GULF  
NAV**

WE GO FURTHER

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# Chairman's Message Resilient. Focused. Moving Forward.

**Theyab Bin Tahnoon Bin  
Mohammad Al Nahyan**  
Chairman

## Dear Shareholders and Stakeholders,

As we present this year's integrated report, we acknowledge that 2024 has been a challenging year for GULFNAV and the broader maritime industry. Market headwinds, rising operational costs, and necessary fleet maintenance have impacted our financial results. However, adversity has also reaffirmed our resilience and strengthened our resolve to navigate forward with focus and determination.

Our strategic priorities remain clear: optimizing operations, enhancing fleet efficiency, and reinforcing our financial foundation. While this year brought temporary setbacks, these challenges are short-term rather than indicative of long-term hurdles. Our commitment to operational excellence, cost discipline, and strategic investments will enable us to emerge stronger and well-positioned for future growth.

We continue to prioritize safety, sustainability, and stakeholder value. Our ongoing investments in fleet modernization and efficiency improvements will yield long-term benefits. Additionally, we remain committed to exploring new opportunities that align with our vision of sustainable growth.

As we move forward, I extend my sincere gratitude to our shareholders, employees, and partners for their unwavering support. The challenges of today are shaping the strength of tomorrow, and I am confident that GULFNAV will continue to navigate these turbulent waters with resilience and focus.

Sincerely,

Theyab Bin Tahnoon Bin Mohammad Al Nahyan  
Chairman



Our commitment to operational excellence, cost discipline, and strategic investments will enable us to emerge stronger and well-positioned for future growth.



# CEO's Message Navigating Challenges, Building Strength

**Ahmad Kilani**  
Chief Executive Officer

## Dear Shareholders and Stakeholders,

2024 has tested our industry, our company, and our people. The combination of global economic pressures and the temporary impact of our major fleet maintenance initiatives has resulted in financial losses. However, our commitment to long-term sustainability and operational excellence remains steadfast.

One of our key initiatives this year was the comprehensive maintenance and dry-docking of two vessels. While this impacted short-term profitability, it was a necessary investment in the reliability and longevity of our fleet. These enhancements will improve efficiency and revenue generation in the coming periods.

Despite revenue challenges, we have remained focused on strengthening our financial position, optimizing operational costs, and exploring strategic opportunities. GULFNAV is actively working on reinforcing partnerships and diversifying revenue streams to mitigate risks and enhance profitability.

Looking ahead, our focus will be on accelerating operational efficiency, securing high-value contracts, and ensuring financial discipline. The foundations we are laying today will drive sustainable growth, positioning GULFNAV for a stronger and more resilient future.

I thank our dedicated team, loyal shareholders, and valued stakeholders for their trust and commitment. Together, we continue moving forward, navigating challenges, and building strength for the future.

Sincerely,

Ahmad Kilani  
Chief Executive Officer



The foundations we are laying today will drive sustainable growth, positioning GULFNAV for a stronger and more resilient future.





# CFO's Message Financial Discipline, Operational Resilience

**Ali Abouda**  
Chief Financial Officer

## Dear Shareholders and Stakeholders,

This year, GULFNAV navigated a challenging financial landscape recording a net loss of AED 20 million a shift from a profit of AED 21.3 million in 2023. This outcome was influenced by a decline in revenue due to the dry docking and fleet development projects and elevated non-operating costs,. However, these investments, while impacting short-term results, reflect our unwavering commitment to fortifying the foundation for sustainable and long-term growth.

Despite these challenges, our financial position remains strong, with total assets of AED 740 million and shareholder equity of AED 380 million. We are implementing cost-optimization measures and operational efficiencies to stabilize financial performance in the coming quarters.

Looking forward, we remain committed to prudent financial stewardship, ensuring liquidity, and strengthening our ability to seize growth opportunities. By focusing on disciplined capital allocation and strategic growth initiatives, we are laying the groundwork for a more profitable future.

On behalf of the leadership team, I extend my gratitude to our shareholders and stakeholders for their continued confidence in GULFNAV. Our journey ahead is focused on resilience, efficiency, and long-term value creation.

Sincerely,

Ali Abouda  
Chief Financial Officer



Looking forward, we remain committed to prudent financial stewardship, ensuring liquidity, and strengthening our ability to seize growth opportunities.

Total Assets

AED **740** million

Shareholder Equity

AED **380** million



# About Gulfnav

## A MISSION

To be one of the world's most trusted shipping and maritime companies, renowned for safety, integrity, reliability and sustainability.

## GOING FURTHER FOR YOU MEANS THE WORLD TO US

Established in 2003, Gulf Navigation Holding PJSC ("GULFNAV") combines a proud heritage with a strong client base and exciting future vision. Reinvigorated by a new executive team, we're constantly looking for ways to go the extra mile: To support our partners. To improve safety and sustainability. And to always do what's best for our employees, our investors and the planet.

## A GLOBAL OUTLOOK

Headquartered in Dubai, we have extensive facilities at the ports of Fujairah and Khorfakkan, along with an overseas office in the Kingdom of Saudi Arabia. Longstanding international partnerships extend our reach across the world. We're proud to be the only publicly-listed maritime company on the Dubai Financial Market with truly global services.

## A COMPLETE MARITIME PARTNER

We specialise in the transportation of crude oil, chemical products and freight – protecting our clients' reputations with the highest standards of safety, sustainability and crew welfare. Our world-class marine services are delivered by three integrated businesses, providing an agile, flexible approach that gives clients tangible value.

## A REPUTATION FOR EXCELLENCE

GULFNAV works with some of the world's largest petrochemical companies and independent trading houses. It's a responsibility we take seriously. Putting quality and integrity at the heart of our operation, we're committed to delivering best practice across our fleet, crews and administration hubs.

By adopting progressive business practices and rigorously training staff and crew, we operate in full compliance with IMO and flag-state rules, as well as holding ISO 9001:2015 certification for quality and safety management.

## A SUSTAINABLE, FORWARD-THINKING VISION

GULFNAV cares deeply for the environments in which we operate – we understand that, to succeed tomorrow, we need to continually innovate and do what's right. So we're investing heavily in the latest energy-efficient technologies and hold 14001:2015 certification for environmental management. With a modernized fleet and responsible, long-term outlook, we're navigating a more sustainable path to growth.



## DOING WHAT'S RIGHT

Setting ambitious standards for sustainability, workforce well-being, business ethics and transparency. Ensuring equal commitment to our people, the planet and financial performance.

## UNLOCKING VALUE THROUGH PARTNERSHIPS

Harnessing strategic relationships with like-minded, ethical partners to drive innovation, sustainability, safety and revenue.

## ENSURING STABILITY AND PROGRESS

Being a responsible partner by relentlessly driving improvement in quality, reliability and value. Providing an environment for employees where they feel safe, supported and encouraged to maximise their potential.



# 2024 Performance Snapshot

## DIVERSITY OF WORKFORCE:

**13**

Nationalities represented

**16%**

Women representation in the workforce

## DFM/SCA COMPLIANCE:

**0**

Fines/Penalties during 2024

## SHAREHOLDERS:

**10,184**

Shareholders

UAE  
Shareholders

**62.94%**

Foreign  
Shareholders

**32.46%**

Owned by

Companies

**61.42%**

Individuals

**28.89%**

# KEY FINANCIAL HIGHLIGHTS:

Revenue

**89** million

EBITDA (Maritime Logistics / Agency  
Services):

**43** million

Operation Profit

**36** million

Total Assets

**740** million

Net Debt/EBIDTA

**2.2** x

# 2024 Highlights and Achievements

**Jan 25, 2024**

GULFNAV signed a Memorandum of Understanding with Wings Logistics Services.

**Feb 14, 2024**

The Board of Directors appointed Ms. Grace Wong as a Board Member.

**Apr 24, 2024**

Signed a new recoating deal with Advanced Polymer to recoat the cargo tanks of two chemical tankers.

**Jun 11, 2024**

The Board of Directors elected Dr. Abdulrahman Al Afifi as Vice-Chairman.

**Jun 11, 2024**

The Board of Directors appointed Mr. Ahmed Kilani as a Board Member.

**Jul 3, 2024**

The Board of Directors appointed Mr. Abdulhadi Al Sadi as a Board Member.

**Sep 25, 2024**

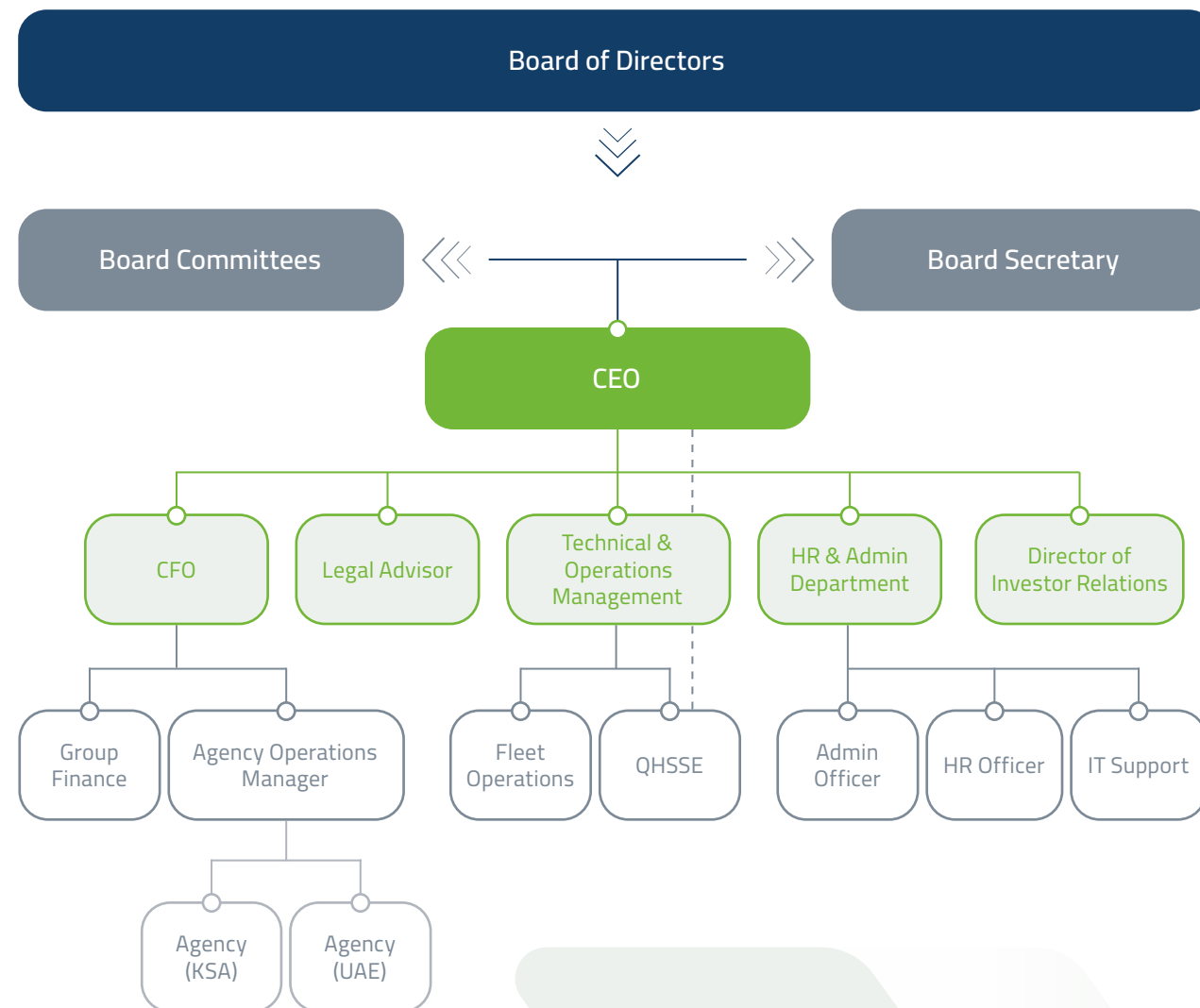
Announced key board decisions regarding the acquisition of assets from Brooge Energy Limited.

**Nov 15, 2024**

Reported Net Profits of 1.1 million dirhams in Q3.



# Organisational Structure



# Our Presence

## Gulf Fanatir:

Consumption:  
VLSFO: 4,167.457 Mt  
LSMGO: 1,232.224 Mt



**28** trips

## Gulf Huwaylat:

Consumption:  
VLSFO: 3,747.553 Mt  
LSMGO: 1,353.667 Mt



**22** trips

## Gulf Jalmuda:

Consumption:  
VLSFO: 3,552.754 Mt  
LSMGO: 388.01 Mt



**25** trips

## Gulf Deffi:

Consumption:  
VLSFO: Zero  
LSMGO: Zero



**0** trips<sup>1</sup>

<sup>1</sup> Major Dry Dock Maintenance



Total Trips

**75**

Total consumption:

VLSFO: **11,467.764** Mt

LSMGO: **2,973.901** Mt

Crew Boats (Fujairah and Khorfakkan)

(No.)	No. of Trips (2024)	Boat	Fuel consumption	(mt)
72		GN 1		32.86
88		GN 2		26.29
399		GN 3		83.11
464		GN 4		159.78
1023		TOTAL		302.04



# Our Business Units



## GULFNAV Maritime Logistics

GULFNAV Maritime Logistics works closely with leading regional and international partners to deliver a seamless ship-to-shore service. We provide cost-effective transportation and storage solutions for petrochemicals and freight, operating across the Far East, Asia, GCC, Europe, South America and the US.

### Pushing Boundaries - 24/7

From our Dubai HQ, our specialist teams coordinate and manage a first-class fleet of owned and chartered ships, along with agency services to meet your onshore and offshore needs. Their can-do approach, extensive industry relationships and proven commercial expertise ensures a real competitive advantage - with flexible contracts to fit your strategy and budget.

### Uncompromising Safety and Performance

Always putting crew and cargo first, our vessels are designed, maintained and repaired according to the highest international standards. Repairs are logged with extensive 3rd party reports, covering everything from engine machinery and safety equipment to ISM documentations and certificates.

### Core Business Units

#### Oil, Chemical & Product Tankers

GULFNAV operates a state-of-the-fleet of owned and chartered tanker, managed and maintained to the highest safety and environmental standards. With a highly-trained crew, experienced in operating tankers across the world, you know your company's reputation is in the best possible hands.

#### Offshore Logistics

GULFNAV has specialised teams for offshore activities with the expertise to support owners, investors and operators with the complexities of offshore markets - in oil & gas, as well as renewables such as wind farm installation.

#### Offshore services include:

- Well Stimulation Vessels - with CLEAN class requirements and double-crew space for 24/7 operations
- Platform Supply Vessels (PSV)
- Anchor Handling Tug Supply Vessels (AHTS)
- Crew Boats

GULFNAV Maritime Logistics holds ISO 9001:2015 accreditation and strives for best practice in operational efficiency across sea and shore. This includes working with the latest intelligent operating systems and providing you with clear cost data so you can run your business more effectively.

### Driving a More Sustainable Tomorrow

GULFNAV Maritime Logistics takes bold steps to better protect the ecosystems in which we operate, as well as minimizing the impact of our vessels on the wider environment. We hold 14001:2015 certification for environmental management and invest heavily across our fleets to ensure cleaner, more fuel-efficient performance.

# #01

# Sustainability Report

## Our Business Units



### GULFNAV Ship Management

Since 2009, GULFNAV Ship Management has built a reputation across the Middle East and beyond for knowledge, cost efficiency and full compliance with international standards. This is accompanied by a deep commitment to promote more sustainable practices and reduce our environmental impact.

#### On Shore. Off Shore. On A Mission.

We provide a complete range of ship management and maritime services, including crew management, technical support and consultancy services.

#### An Agile Partner in Fast-Changing Times

Managing ships in today's climate requires expert knowledge of ever-evolving regulations, combined with a wide scope of expertise and experience. GULFNAV Ship Management takes this responsibility seriously to meet the requirements of shipowners, flag states, port states, class societies, charterers and other stakeholders.

Whether it's operating managed vessels efficiently or protecting crews in full compliance with IMO's International Safety Management Code, we're trusted by industry leaders to stay ahead of changes and deliver tangible value.

#### Why Clients Choose Gulfnav Ship Management

Our team of experts provides tailored ship management and consultancy services to suit your needs and vessels - from crew operations and asset management to supervision of ship-building projects and pre-purchase technical advice.

#### Complete Technical Management

Our unrivalled technical expertise is geared to optimising performance, minimizing downtime and delivering long-term reliability and value. We can provide total drydock solutions and cover technical management for all types of ships, including those transporting crude oil, chemicals and petroleum (IMO).

#### Crew Management

Our crew is the heart of our business - and vital to yours. That's why we recruit from a global market of seafarers, building skills with continuous training to ensure officers and crew meet our rigorous standards. Regular crew performance reports, long-term rotation planning and stringent safety checks back up our excellent well-being and performance records.

#### Quality and Environmental Management

Our safety and environmental management system ensures vessels are continuously maintained in line with the sector's most stringent regulatory frameworks. These include International Safety Management (ISM) Law, flag state law, port state monitoring and social classification rules. We are certified in full compliance with ISO 9001:2015 and 14001:2015, and ships are subject to regular independent inspections and auditing.

#### Asset Management

We combine industry-leading expertise and advanced processes to provide unrivalled cost-efficiency and asset management. Working with cutting-edge software and systems for shore and ship-based operations, our technical and administrative teams go the extra mile to seek efficiencies and maximize revenue.



### GULFNAV Agency Services

Established in 2017 and headquartered in Dubai, with support hubs in Khorfakkan and Fujairah, GULFNAV Agency Services serves terminals and commercial ports across the UAE. Through our network of liaison offices, we also provide cost-effective services throughout the GCC and beyond.

#### Professionalism and Peace of Mind

Our experienced staff ensure detailed knowledge of local and regional markets, including all relevant laws, rules and regulations.

#### Everything You Need. From Ship to Port.

GULFNAV Agency Services keeps you moving. Our unrivalled expertise and procurement ranges from crew services and warehousing to IT support, repairs, and customs and agency services.

#### Cargo Vessel Handling

Whether it's petrochemical tankers or bulk, break and container vessels, we have you covered with ship-to-ship transfer operations and turnkey cargo handling.

#### Coordination and Supply Services

We make it happen with top-quality husbandry services, fulfilling crew change, cleaning, servicing, IT and safety equipment requirements. We also take care of the paperwork with streamlined inspection, certificate renewal, visa processing and medical support.

#### Crew Boats

GULFNAV owns a modern fleet of four crew vessels, able to carry up to 39 passengers and a 20-ton deck cargo. Put your most valuable personnel and equipment in safe hands with our peerless track record in safety and security.

#### Ship Repairs

Our 24/7, state-of-the-art workshops and dry docks at the ports of Fujairah and Khorfakkan boast some of the industry's most skilled Marine Engineers and Master Mariners. Whatever the repair, whether it be mechanical or structural, we'll have you up and running quickly and cost-effectively, with reliability assured.



## Our Business Units

### Black Marlin

**Black Marlin** is the result of a dynamic collaboration between two industry leaders, Scorpio Services Holding Limited (SSH) GULFNAV. With a shared commitment to excellence and a wealth of experience, **Black Marlin** is poised to provide top-tier shipping services to customers worldwide.

Black Marlin's foundation is grounded in unwavering customer focus and satisfaction. Meticulous quality control, adherence to regulations, and continuous improvement are the cornerstones of our operations.



<https://blackmarlinship.com/>



## OUR SERVICES

### TECHNICAL MANAGEMENT

At Black Marlin, we offer comprehensive technical management solutions that ensure the seamless operation of your vessels. Our team is dedicated to maintaining consistent quality throughout the planning process, complying with all regulations, and implementing continuous improvements through rigorous monitoring and testing.



### CREW MANAGEMENT

Our crew management services are designed to meet your staffing needs with precision. We understand the importance of a skilled and reliable crew, and we take pride in the excellence of our seafarers, along with ensuring diligent record-keeping and procedural controls to maintain the best talent onboard.



### OPERATIONAL OVERSIGHT

Black Marlin provides a range of services to keep your fleet operating at its best. From verification and validation to monitoring and inspection, we offer a comprehensive suite of services to maintain the highest standards of safety and performance.



## Our Fleet

### Chemical Tankers

Owned by Gulfnav / managed by Black Marlin

#### GULF DEFFI

Type  
IMO TYPE II  
CHEMICAL TANKER

Class	DNV
DWT	MT45951
Year of Built	2009



#### GULF FANATIR

Type  
IMO TYPE II  
CHEMICAL TANKER

Class	DNV
DWT	MT45920
Year of Built	2008



#### GULF HUWAYLAT

Type  
IMO TYPE II  
CHEMICAL TANKER

Class	DNV
DWT	MT45967
Year of Built	2008



#### GULF JALMUDA

Type  
IMO TYPE II  
CHEMICAL TANKER

Class	DNV
DWT	MT45907
Year of Built	2009





## Offshore fleet

### GULF NAV-I

LOA	23.7 mtr
Capacity	4 CREW + 39 PAX
Class	DNV



UAE



### GULF NAV-II

LOA	23.7 mtr
Capacity	4 CREW + 39 PAX
Class	BV



UAE



### GULF NAV-III

LOA	27.4 mtr
Capacity	4 CREW + 30 PAX
Class	TASNEEF



UAE



### GULF NAV-IV

LOA	27.4 mtr
Capacity	4 CREW + 30 PAX
Class	TASNEEF



UAE



## Livestock carrier

### GULF LIVESTOCK 2

Type  
LIVESTOCK CARRIER

Class	RINA
DWT	6244t
Year of Built	1985
Year of Conversion	2014



Panama



## Well stimulation vessel

### Allianz Warrior

Type  
AHTS

Class	IRS
DWT	1800t
Year of Built	2007



Saint Vincent





# Our Sustainability Pledge



## FOR A BRIGHTER FUTURE WE GO FURTHER

Every day, GULFNAV embraces the challenge of transporting petrochemicals and complex freight all around the world – while steadfastly preserving the environments in which we operate.

It means meeting stringent regulations and rigorously capturing data to ensure our performance is transparent. But it's also about going further – seeing what's ahead and going beyond the expected to protect our clients, people and the planet.



## STRIVING FOR TOTAL SUSTAINABILITY

GULFNAV's approach to sustainability and the environment reflects a deep commitment to analyse every area of our operations. We look at practices, procedures and policies – continuously improving the way we take decisions and our interactions with customers and stakeholders.

GULFNAV is fully committed to adhere to the requirements of the international management code for pollution prevention and environmental control, including compliance with all the applicable international laws and requirements.

- ISO 9001:2015 certified, accredited by Bureau Veritas
- Meeting MARPOL and ISO 14001 requirements
- Following International Safety Management (ISM) Code for safe ship operation and pollution prevention



## A LEANER, CLEANER FLEET

In recent years we've embarked on an extensive retrofitting programme, investing heavily in the latest marine technologies such as energy-efficient propellers and bows to reduce fuel consumption. GULFNAV is also collaborating with engine builders like Hyundai and MAN ES to fit compliant Engine Power Limiting Devices, with more advanced technologies in the pipeline to meet future IMO requirements.

Other improvements include advanced ballast water treatment systems across all vessels, Exhaust Gas Cleaning Systems (EGCS) and an evolving fuel strategy such as the use of Low Sulphur Fuel Oil (LSFO).



## ALWAYS LOOKING AHEAD

To reduce our present and future impact on the environment, GULFNAV analyses the entire lifetime of each vessel. We monitor and maintain our Inventory of Hazardous Materials (IHM) in line with IMO Hong Kong Convention 2009 on Recycling of Ships and EU SRR 2013. These not only limit the use of hazardous material during the build and operational life of the ship, but also ensure environmentally safe recycling in the future.





# United Nations Sustainable Development Goals (SDG)

At GULFNAV We support the UN Sustainable Development Goals (SDG). We believe our approach to the business and our values will help us contribute to a more sustainable supply chain.



## Our Sustainability Strategy

To be sustainable and resilient, and a trusted partner for our customers in delivering global shipping solutions.

### ENVIRONMENT

We protect the environment and ecosystems we all depend on by taking action on climate change, preventing marine pollution and using resources responsibly

### SOCIAL

We nurture and empower people in our business and the communities we operate in, by managing our talent, protecting their health and safety, respecting their human rights and supporting local communities

### GOVERNANCE

We uphold the highest standards of ethical business conduct and corporate governance, in compliance with regulation and our own internal policies



# Stakeholders

As a shipping company, we have many responsibilities — to our employees, contractors and partners, the government and regulators, industry partners and to our communities.

Working together with our stakeholders allows us to appreciate different viewpoints and maintain a global perspective. It also helps us build mutually beneficial and long-lasting relationships and create opportunities that are aligned with their interests. This is fundamental towards helping us continue to improve our company. We use a variety of mechanisms to engage our stakeholders, including internal and external meetings, senior executive speeches and press releases, email communications, publications such as the Annual Report and investor presentations.



## Employees

Our employees are the drivers for our continued business success. We keep our employees informed about the context within which they work and have established channels for our employees to raise concerns across our group of companies. We have an ongoing dialogue with our employees about a wide range of issues, including benefits, development opportunities and diversity.



## Industry

We work through industry groups to help establish standards and address complex energy challenges, and we are members of industry bodies such as The International Convention for the Prevention of Pollution from Ships. Our Group Companies are also members of the industry associations relevant to their operations.



## Governments and regulators

We engage with the local and federal government on many fronts and aim to maintain dialogue with all relevant government agencies, ministries at every stage of our operations. We engage in policy debates that are of concern to us and the communities in which we operate, such as climate change and energy, water management and security.



## Suppliers, contractors and partners

Like our industry peers, GULFNAV rarely works in isolation. Safe and responsible operations depend on the capability and performance of our suppliers, contractors and partners. To this end, we set operational standards through legally binding agreements. Training and dialogue also help build the capability of our contractors.



## Customers

GULFNAV customers range from Livestock producers to large-scale industrial producers of oil, natural gas and petrochemicals. Through our concerned Group Companies, we engage with customers about supply chain management, GHG emissions and the sustainability of our vessels across their life cycle.

# International Convention for the Prevention of Pollution from Ships (MARPOL)

The International Convention for the Prevention of Pollution from Ships (MARPOL) is the main international convention covering prevention of pollution of the marine environment by ships from operational or accidental causes.

The MARPOL Convention was adopted on 2 November 1973 at IMO. The Protocol of 1978 was adopted in response to a spate of tanker accidents in 1976-1977. As the 1973 MARPOL Convention had not yet entered into force, the 1978 MARPOL Protocol absorbed the parent Convention. The combined instrument entered into force on 2 October 1983. In 1997, a Protocol was adopted to amend the Convention and a new Annex VI was added which entered into force on 19 May 2005. MARPOL has been updated by amendments through the years.

The Convention includes regulations aimed at preventing and minimizing pollution from ships - both accidental pollution and that from routine operations - and currently includes six technical Annexes. Special Areas with strict controls on operational discharges are included in most Annexes.

## Annex I

### Regulations for the Prevention of Pollution by Oil

(entered into force 2 October 1983)

Covers prevention of pollution by oil from operational measures as well as from accidental discharges; the 1992 amendments to Annex I made it mandatory for new oil tankers to have double hulls and brought in a phase-in schedule for existing tankers to fit double hulls, which was subsequently revised in 2001 and 2003.

## Annex II

### Regulations for the Control of Pollution by Noxious Liquid Substances in Bulk

(entered into force 2 October 1983)

Details the discharge criteria and measures for the control of pollution by noxious liquid substances carried in bulk; some 250 substances were evaluated and included in the list appended to the Convention; the discharge of their residues is allowed only to reception facilities until certain concentrations and conditions (which vary with the category of substances) are complied with.

In any case, no discharge of residues containing noxious substances is permitted within 12 miles of the nearest land.

## Annex III

### Prevention of Pollution by Harmful Substances Carried by Sea in Packaged Form

(entered into force 1 July 1992)

Contains general requirements for the issuing of detailed standards on packing, marking, labelling, documentation, stowage, quantity limitations, exceptions and notifications.

For the purpose of this Annex, "harmful substances" are those substances which are identified as marine pollutants in the International Maritime Dangerous Goods Code (IMDG Code) or which meet the criteria in the Appendix of Annex III.

## Annex IV

### Prevention of Pollution by Sewage from Ships

(entered into force 27 September 2003)

Contains requirements to control pollution of the sea by sewage; the discharge of sewage into the sea is prohibited, except when the ship has in operation an approved sewage treatment plant or when the ship is discharging comminuted and disinfected sewage using an approved system at a distance of more than three nautical miles from the nearest land; sewage which is not comminuted or disinfected has to be discharged at a distance of more than 12 nautical miles from the nearest land.

## Annex V

### Prevention of Pollution by Garbage from Ships

(entered into force 31 December 1988)

Deals with different types of garbage and specifies the distances from land and the manner in which they may be disposed of; the most important feature of the Annex is the complete ban imposed on the disposal into the sea of all forms of plastics.

## Annex VI

### Prevention of Air Pollution from Ships

(entered into force 19 May 2005)

Sets limits on sulphur oxide and nitrogen oxide emissions from ship exhausts and prohibits deliberate emissions of ozone depleting substances; designated emission control areas set more stringent standards for SO<sub>x</sub>, NO<sub>x</sub> and particulate matter. A chapter adopted in 2011 covers mandatory technical and operational energy efficiency measures aimed at reducing greenhouse gas emissions from ships.

# Environment – Our **Strategy** for Climate Change & Environmental Sustainability

In recent years, the global community has become increasingly aware of the urgent need to combat climate change and safeguard our environment. Among the various sectors contributing to environmental degradation, maritime operations have been a focal point due to their significant carbon footprint and potential for ecological harm. To mitigate these impacts, stringent regulations and measures have been introduced to promote compliance and foster sustainability in the maritime industry. Here, we delve into five key areas crucial for achieving environmental stewardship in maritime activities:

1

## **Complying with EEXI and CII Regulations**

The Energy Efficiency Existing Ship Index (EEXI) and Carbon Intensity Indicator (CII) regulations have been implemented by the International Maritime Organization (IMO) to reduce greenhouse gas emissions from existing vessels and monitor the carbon intensity of ships. Shipowners and operators are required to comply with these regulations by optimizing vessel efficiency, adopting alternative fuels, and investing in energy-saving technologies. By adhering to EEXI and CII standards, the maritime industry can significantly mitigate its environmental impact and contribute to global efforts to combat climate change.

2

## **Compliance with IHM Regulations**

The Inventory of Hazardous Materials (IHM) regulations mandate the proper management and disposal of hazardous materials onboard ships to prevent environmental pollution and protect human health. Shipowners are obligated to conduct thorough IHM assessments, identify hazardous substances, and implement safe handling and disposal practices in accordance with IMO guidelines. Adhering to IHM regulations not only minimizes environmental risks but also fosters a culture of responsible waste management within the maritime sector.

3

## **Ballast Water and Waste Management**

The discharge of ballast water and improper waste management pose significant threats to marine ecosystems, introducing invasive species and pollutants into delicate habitats. To address these challenges, strict protocols for ballast water treatment and waste disposal have been established under international conventions such as the Ballast Water Management Convention and MARPOL Annex V. Implementing effective ballast water treatment systems and adopting sustainable waste management practices are essential for preserving marine biodiversity and ensuring the long-term health of our oceans.

4

## **Zero Spills or Discharges**

Zero spills or discharges must be the ultimate goal for maritime operations to prevent oil spills, chemical leaks, and other hazardous incidents that can devastate marine environments and coastal communities. Comprehensive risk assessment, robust contingency planning, and stringent operational procedures are essential for minimizing the likelihood of accidents and responding promptly and effectively in the event of an emergency. Embracing a zero-tolerance approach to spills and discharges reinforces the commitment of the maritime industry to environmental protection and sustainable development.

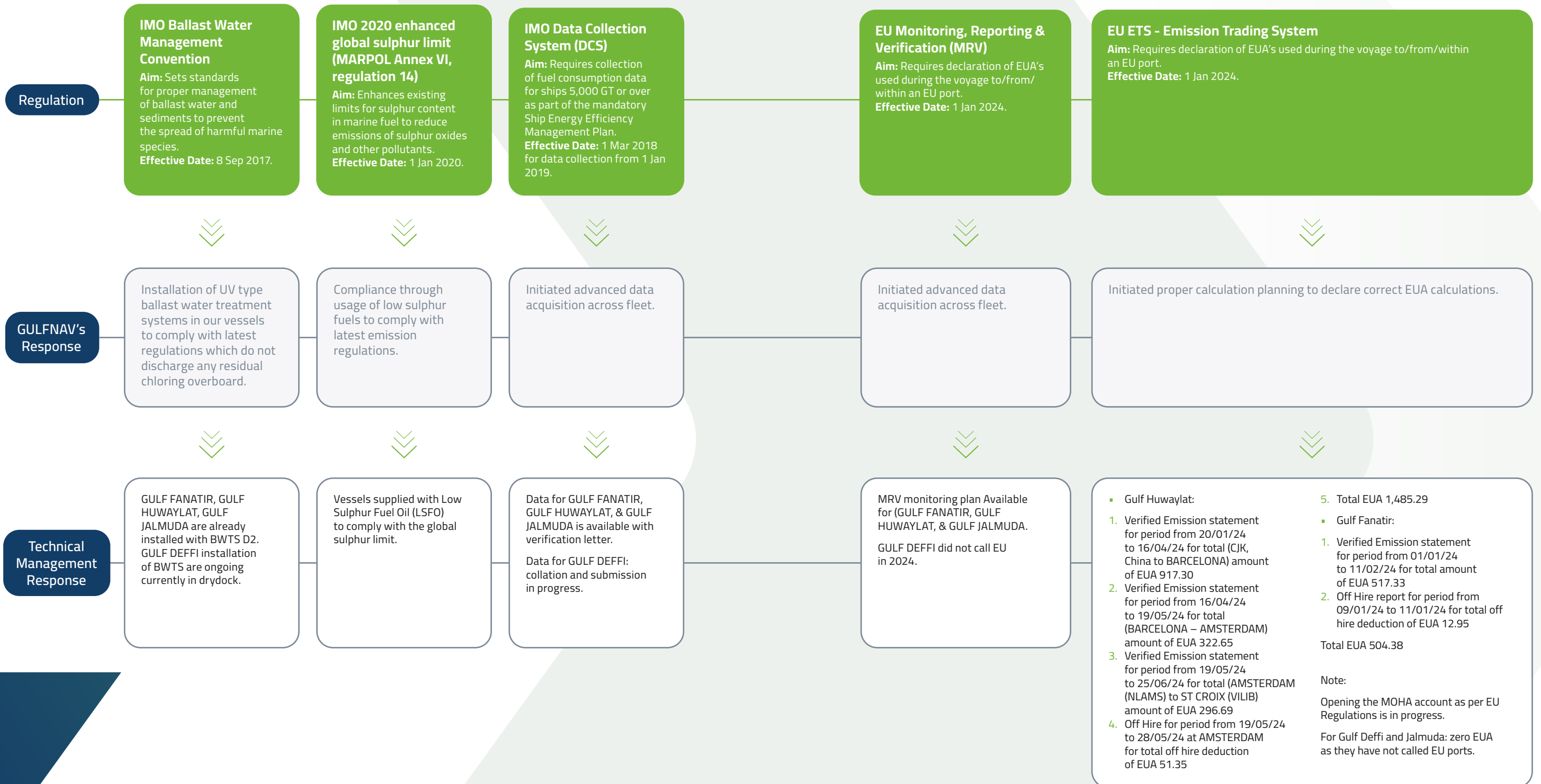
5

## **Control on Single-Use Plastics**

Single-use plastics pose a significant threat to marine ecosystems, contributing to pollution, endangering marine life, and contaminating food chains. Recognizing the urgency of this issue, regulatory bodies and industry stakeholders are increasingly implementing measures to restrict the use of single-use plastics onboard vessels. Strategies such as promoting reusable alternatives, implementing recycling programs, and enforcing strict waste reduction policies are crucial for mitigating the adverse impacts of single-use plastics and fostering a cleaner, healthier marine environment.



In conclusion, achieving environmental sustainability in maritime operations requires a comprehensive approach encompassing regulatory compliance, technological innovation, and a commitment to responsible stewardship. By embracing measures such as complying with EEXI and CII regulations, adhering to IHM requirements, implementing effective ballast water and waste management practices, striving for zero spills or discharges, and controlling single-use plastics, the maritime industry can play a pivotal role in mitigating climate change and safeguarding our planet's precious ecosystems for future generations.



# Continuous Improvement of Our Environmental Performance

We are fully committed to further reducing energy consumption and CO<sub>2</sub> emissions across all our operations. Emissions vary from vessel to vessel and voyage to voyage, for reasons including operational factors, vessel load and waiting times in ports.

To monitor the performance of individual ships and our fleet over time, among other measures, we use the Energy Efficiency Operational Indicator (EEOI) tool, as set out in the IMO Guideline MEPC.1/circ.684. Our EEOI analyses show that we have significantly reduced our carbon dioxide emissions per metric tonne of cargo moved on a per mile basis. To meet forthcoming EEXI compliance we are collaborating with engine builders like Hyundai and MAN ES to retrofit Engine Power Limiting Devices on our vessels as a short term compliance solution and further opting for more greener technologies to upgrade our vessels to meet more stringent IMO future requirements.

As an ISO 9001:2015 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.

GULFNAV's vessels routinely maintain the following Certificates in compliances with MARPOL:

- International Anti-Fouling Certificate
- International Oil Pollution Prevention Certificate
- International Ballast Water Management Certificate
- International Sewage Pollution Prevention Certificate
- International Air Pollution Prevention Certificate
- Sanitation Control Certificate
- Garbage Pollution Prevention Certificate
- Certificate of Compliance for Inventory of Hazardous Materials
- Confirmation of Compliance for DCS

GULFNAV endeavors to demonstrate its commitment to environmental protection and the effectiveness and the compliance of its Environmental Management System (EMS) with the MARPOL and ISO 14001 standards requirements. Furthermore, we follow the International Safety Management – ISM Code for safe ship operation and pollution prevention.

For this purpose, GULFNAV has established, documented, and implemented an Environment Management System designed to comply with the upmost national and international requirements.

CO<sub>2</sub> emission per distance  
(Tons / Nautical mile):

**0.337**

CO<sub>2</sub> emissions per transport work  
(grams / Tons \* Nautical mile):

**18.505**







## Challenges and Opportunities:

While we have made significant progress in improving our marine environmental performance, we recognize that challenges remain. Ongoing compliance with evolving regulations, technological advancements, and changing market dynamics present both challenges and opportunities for innovation and improvement. Addressing these challenges requires a proactive and collaborative approach, engaging stakeholders across the maritime industry to drive positive change and foster sustainable practices.

## Future Directions:

Looking ahead, we remain committed to advancing our environmental sustainability agenda and raising the bar for marine environmental performance. Embracing a culture of continuous improvement, we will leverage innovation, collaboration, and best practices to further reduce our environmental impact and contribute to the preservation of marine ecosystems worldwide. By prioritizing sustainability in all aspects of our operations, we will continue to lead by example and inspire others to join us in protecting our oceans for generations to come.

## Conclusion:

In conclusion, our annual sustainability report underscores our unwavering commitment to the continuous improvement of our marine environmental performance. Through innovation, collaboration, and a steadfast dedication to responsible practices, we are driving positive change and making meaningful contributions to the preservation of marine ecosystems. As we look to the future, we remain steadfast in our commitment to sustainability, recognizing the pivotal role we play in shaping a more sustainable and resilient maritime industry.

# Social – Safeguarding our People

Keeping our people and operations safe Driven by our leadership, safety is a fundamental value and personal responsibility for all GULFNAV employees, Partners and contractors.

We strive to create and maintain an injury-free work environment and to apply robust operating and maintenance practices across our vessels and workplaces.

The continued success of our company is embedded in our commitment to health and safety and our dedication to providing a work environment in which everyone is treated fairly and has the opportunity to maximise their potential.





# Health & Safety Objectives

GULFNAV recognizes that the majority of its activities have a health and safety implication to be duly considered.

Health and safety aspect and impact of each single process are therefore duly accounted for when planning, developing and implementing procedures.

GULFNAV however recognizes the benefit in formalizing detailed health and safety objectives and target strategy which is to be measurable by formalized KPIs.

- These objectives are intended to:
- provide for health and safe practices in ship operation and a safe working environment
  - prevent injuries and ill health
  - identify hazards capable of adversely affecting the health and safety of personnel
  - establish safeguard against all identified risks
  - measure the process and continuously improve the health and safety management skills of personnel ashore and onboard, including preparing for emergency related both to safety and environmental protection.

GULFNAV recognizes well that compliance with mandatory rules and regulations and applicable code, guidelines and standard recommended by Organization, Administrations, classification societies and other maritime industry organizations represent a step toward the compliance of above objectives and therefore all legal and other requirements are always screened against health and safety management manual, procedures and records.

This involves consultation with Employees over their involvement in workspace health and safety hazard identification, risk assessment, incident investigation, review OH&S policies and objectives and representation on Health and Safety matters.

This shall include consultation with contractors and other interested parties where there are changes that affect their OH&S status.

Certain process which can be better measured by the use of simplified key performance indicators are evaluated in detail, health and safety objective set up together with relevant targets, timely updated, person responsible identified and time frame established together with the evaluation of stakeholder point of view, technological solution available and business requirements.

Following KPIs inherited from applicable rules or industry standard are used by the Company as to measure its policy effectiveness and set target for continuous improvement:

- LTIF (lost time injury frequency)
- LTI (lost time injury)
- TRCF (total recordable case frequency)
- TRC (total recordable case)
- FAC (first aid case)
- UDAF (unannounced drug n alcohol test frequency)
- UDAPF (unannounced drug n alcohol test positive result frequency)
- Near Misses
- Incident
- SOMGF (signing of on medical ground frequency)



Social – Safeguarding our People

Health and Safety KPI's are reviewed quarterly, and the defined targets set at the beginning of the year are controlled for achievement. During the annual management review process the targets set for the year under review are compared with actual achievement, with the figures achieved

used to drive continuous improvement in future. As part of the same process the objectives set for the year are controlled, any shortages highlighted, and objectives are set for the next year with the aim to continuously improve health and safety performance of the Company.

## Occupational Health & Safety Performance for 2024



(Above figures are based on OCIMF Injury Reporting Guidelines)

## Internal processes supporting safety on board





## Diversity & Inclusion

Diversity is a strategic and competitive business advantage. Therefore, we strive to maintain a workplace that is inclusive, by building a more diverse workforce to seize opportunities from sharing innovative ways of thinking, which contribute to informed decision making, and enhanced reputation. As a result, we seek out employment candidates from diverse backgrounds to provide us with the depth of talent, skill and potential to meet our goals.

We are continuously assessing the implementation of more flexible work schedules to improve female employment. We provide employees with equal opportunities for progression and have an internal grievance procedure in place. This provides a pathway for employees and other external stakeholders we engage with to raise concerns related to any perceived discrimination which stands against our commitments to uphold diversity, equal opportunity, and non-discrimination.

An employee is entitled to file a complaint under GULFNAV's grievance procedure if they have been treated in any way that contradicts applicable legislation, their employment contract, the HR policy or have been subjected to prejudicial treatment. The grievance procedure has defined steps that are communicated to all employees. Based on the case, the HR department and Senior Management may get involved.

GULFNAV recognises and endorses the requirement of the Standards of Training, Certification and Watchkeeping (STCW) Convention and considers that these requirements are the minimum for all seafarers appointed to managed ships. We ensure that the right people are employed in the right positions with the right Work Instructions. Appropriate Training shall be given to all employees in order enable them to perform to the best of their abilities. They shall be well informed with current, best Industry practices.

## Diversity of Workforce

13

Nationalities Represented

- |                   |               |
|-------------------|---------------|
| 1. India          | 8. Jordan     |
| 2. United Kingdom | 9. Sri Lanka  |
| 3. Saudi Arabia   | 10. Algeria   |
| 4. Pakistan       | 11. Australia |
| 5. Libya          | 12. Lebanon   |
| 6. Bangladesh     | 13. Palestine |
| 7. Philippines    |               |

16%

women representation in the workforce



## Anti-corruption

Corruption undermines social and economic development. It destabilises the business environment, adds to the cost of participating in global trade. It affects external confidence as well as company morale. Non-compliance with legislation on bribery and corruption may lead to legal and reputational risks, extra costs, inefficiencies in our business, fines, imprisonment and ultimately debarment from markets.

At GULFNAV we aim to eliminate corruption in the maritime industry through both multistakeholder collaboration and actions in our own operations. Our target for 2020 onwards

is to comply with legislation on anti-corrupt practices, which ultimately translates to zero bribery and elimination of facilitation payments.

We work to combat bribery, fraud and preferential treatment, by performing due diligence of agents, joint venture partners, key suppliers, and M&A targets prior to signing a contract or entering a new market. Expectations to all employees are outlined in GULFNAV's Code of Conduct. We enforce rules on travel, meals, lodging and entertainment, and employees complete training on compliance.

## Human Rights

Human rights are a precondition for freedom and dignity for people, for rule of law and for inclusive and sustainable growth on which we depend as a business. Respect for human rights is rooted in our values and key to our license to operate from employees, customers, investors, communities, governments and other stakeholders.

Regulation of corporate human rights is on the rise, including reporting and mandatory due diligence requirements. We support effective and balanced regulation that promotes a global level playing field for responsible business.

At GULFNAV we do our best to ensure that we prevent and address adverse human rights impacts associated with our business activities. Our commitment to human rights due diligence is incorporated into our Company Code of Conduct.

With these new codes and directives, we are better prepared to monitor progress and performance up against international standards. Furthermore, we continue to assess potential ethical aspects of our use of new technologies.

## Piracy & Security

**Piracy and Security** The threat of piracy and hijacking of commercial vessels at sea has been on the agenda of ship operators. An important aspect of this is that a ship's onboard information technology and operational technology systems can be hacked just as easily as systems ashore, potentially causing considerable harm to the safety and security of ships, ports and marine facilities.

Adopting proper measures to protect our business systems through cyber security and to prevent attacks and hijacking of our commercial vehicles is important to GULFNAV. Our Security Information Policy has been developed to protect GULFNAV's information assets – both in digital and non-digital format. It details the minimum requirements and responsibilities for all our employees to ensure confidentiality and data privacy is maintained, as well how to report data

security incidents. We also have an IT Management Policy which defines the requirements for managing GULFNAV's information technology assets throughout the entire lifecycle.

GULFNAV is committed to providing all employees ashore and onboard ships with a safe and secure work environment where no one is subject to unnecessary risk. We all also ensure that all ships under our management are always in compliance with the current requirements of ISPS Code and any security guidelines as set out by the Flag States and Regulatory bodies.

To strive for the most secure environment for our personnel and assets we are collaborating with leading firms like Ambrey Security that is updating us with the latest security and piracy news.

## Emergency Plans

GULFNAV has policies and procedures in place to be ready at all times to deal with all emergencies in a satisfactory manner.

To achieve this, the following policies are implemented:

- Adequate, qualified and experienced manpower
- A properly equipped Contingency Room in the Office
- Efficient means of communication
- Up-to-date Contingency plans, SMPEP/SOPEP, VRP and California VCP, Panama Canal SOPEP etc, as applicable.

As a precautionary measure we always seek to avoid high-risk areas, use high-pressure water nozzle and install razor wire to prevent unauthorized embarkation. Fortunately, **there were no information security breaches, as well as no cases of piracy in 2024.**

# Governance

## Timely & Transparent Reporting

To maintain the trust and confidence of our Shareholders and Investors, it is vital that we act responsibly and conduct our business activities with transparency and integrity.

Our approach is built on an integrated corporate governance framework\* with clear accountability channels, transparency requirements and independence thresholds. GULFNAV's Board of Directors and Board Committees oversee the strategies, plans and policies of the company.

GULFNAV has fully adopted and implemented the relevant corporate governance rules as set out by Securities and Commodities Authority (SCA), And the Chairman of the Authority's Board of Directors' Decision No. (3/ Chairman) of 2020 Concerning Approval of Joint Stock Companies Governance Guide (and its amendments).

Adopting and implementing the corporate governance framework is a primary objective of both the Board of Directors and the executive management; which helps to ensure compliance with the applicable rules, and regulations, transparency, disclosures, increase shareholder value, protect/safeguard the interest of stakeholders and mitigating business risks appropriately.

For more details on our corporate governance framework (Including Board of Directors, Board Committees and Executive Compensation) please refer to our comprehensive 2024 Corporate Governance Report available on our website.

## GHN – Corporate Governance Structure

### Composition of the Board of Directors

The Board of Directors is responsible for the overall management of the Company. The Company Articles of Association sets out the way and method of election and composition of Board and the number of its members, as well as their term of office in compliance with governance requirements and applicable Commercial Companies Law. Board members are elected and appointed by the shareholders during the General Assembly meeting (GAM). The Board is also vested with Board authorities to attain the Company's goals and objectives in accordance with the Company's Article of Association.

### Board Committees

The Board is empowered to establish Board committees and to delegate powers to such committees as necessary or appropriate. The Board delegates certain functions to well-structured committees but without abdicating its own responsibilities. Board committees are an effective way to distribute work between Board members and allow for more detailed consideration of specific matters. All the Board committees are functioning on behalf of the Board and the Board will be responsible for constituting, assigning, co-opting and fixing terms of service for Board committee members.

### Nomination and Remuneration Committee

The Nomination and Remuneration Committee assists the Board in discharging its responsibilities in relation to qualifications, compensation, appointment and succession of the Company's directors and key management personnel. The Committee oversees the Company's nomination process for the Board of Directors and continuously monitors the independency of the independent members of the Board.

### Audit Committee

The Audit Committee is responsible for governance and internal control matters including audit, compliance and risk management in accordance with its obligations set out in Article (49) (Duties of the Audit Committee) of SCA Resolution No7. It reviews financial statements, oversees the Group's Enterprise Risk Management objectives and guides the work of the Internal Audit Department.

### Insiders' Trading, Follow-Up and Supervision Committee

The Board of Directors formed the "Insiders' Trading, Follow-Up and Supervision Committee, for the purpose of maintaining records and submitting periodic statements and reports to the market.

### Investors' Rights<sup>1</sup>

The legislation in force in the UAE grants shareholders and market participants many rights and benefits, particularly the shareholders' right in the company whose shares are traded on the market to ownership and the transfer thereof, to the dividends distributed by the company and to the proceeds in case the company goes into liquidation. They also have the right to take part in the decision-making process within the company in which they hold shares by attending and voting at the company's General Assemblies as well as electing and dismissing the Board members.

Shareholders also have the right to monitor the company's management by accessing information and data on the company's performance, holding the Board of Directors accountable, asking the company's auditor questions. They also have the right to raise complaints to the relevant authorities against any party/parties of DFM in the case of a valid justification or harm to the investor.

### Shareholder Rights<sup>1</sup>

1. Participate in the company ownership, assets and reserves when the company goes into liquidation.
2. Participate in the company management by exercising their rights to vote during the company's General Assembly (voting is based on the number of securities).
3. Obtain their annual share dividends.
4. Sell securities on the market.

<sup>1</sup> For more details, please refer to "The Investors Rights & Responsibilities" Booklet published by DFM and posted on our website.



# #02

## Corporate Governance Report

# Corporate Governance Practices During 2024

**A**

Gulf Navigation Holding PJSC (referred hereafter as "GULFNAV" or "Company") has fully adopted and implemented the relevant corporate governance rules as set out by Securities and Commodities Authority (SCA), And the Chairman of the Authority's Board of Directors' Decision No. (3/ Chairman) of 2020 Concerning Approval of Joint Stock Companies Governance Guide (and its amendments).

**B**

Adopting and implementing the corporate governance framework is a primary objective of both the Board of Directors (BoD) and the executive management, which helps to ensure compliance with the applicable rules, and regulations, transparency, disclosures, increase shareholder value, protect/safeguard the interest of stakeholders and mitigating business risks appropriately.

**C**

GULFNAV is fully committed to apply the corporate governance standards and other related best practices which have been diligently compiled and documented via 'Corporate Governance Manual', duly approved by the executive management and BoD. This manual governs the activities/ functions of the Company and lays down clear framework, roles and responsibilities of the BoD and its Committees, relationship between the BoD and executive management including the delegations/powers to run the business, code of conduct, external auditors, internal controls environment, investor relations, etc.

**D**

GULFNAV rigorously adopts the required procedures/steps which bolsters the corporate governance mechanism within the group, such as (excerpts):

1. Amendment of Articles of Association (AoA), where applicable.
2. Implementation of Corporate Governance Manual.
3. Board Committees as per the corporate governance requirements.
4. The Board and its Committees have adhered to the required number of meetings (including the duties and responsibilities) as the Chairman of the Authority's Board of Directors' Decision No. (3/ Chairman) of 2020 Concerning Approval of Joint Stock Companies Governance Guide (and its amendments).
5. Procedures pertaining to the trading of Company's securities have also been developed and followed in-line with the SCA guidelines.
6. Code of conduct for the BoD and employees have been developed and implemented.
7. Confidential reporting policy exists whereby staffs can directly communicate potential misconducts/ malpractices.
8. Annually, each board member acknowledges/declares his independency, board positions held in other companies and GULFNAV shares trading transactions.
9. Company website exists with dedicated 'investor relations sections', where all the financial statements, disclosures, press releases, etc. are readily available for the stakeholders.



## Corporate Governance Practices During 2024



### Board of Directors

The appointment, roles and responsibilities of the Board of Directors of Gulf Navigation Holding PJSC (the "Board" or "Board of Directors") are outlined in DSI's Articles of Association ("AoA").



### Investment Committee

The role of the Investment Committee is to assist the Board in monitoring and reviewing the economics and financial returns of investments and commitments, debt and equity financing transactions and financial risk management programs of the Company.



### Insiders' Trading, Follow-Up and Supervision Committee

The Board of Directors formed the "Insiders' Trading, Follow-Up and Supervision Committee, for the purpose of maintaining records and submitting periodic statements and reports to the market.



### Board Committees

The Board is empowered to establish Board committees and to delegate powers to such committees as necessary or appropriate. The Board delegates certain functions to well-structured committees but without abdicating its own responsibilities. Board committees are an effective way to distribute work between Board members and allow for more detailed consideration of specific matters. All Board committees are functioning on behalf of the Board and the Board will be responsible for constituting, assigning, co-opting and fixing terms of service for Board committee members..



### Nomination and Remuneration Committee

The Nomination and Remuneration Committee assists the Board in discharging its responsibilities in relation to qualifications, compensation, appointment and succession of the Company's directors and key management personnel. The Committee oversees the Company's nomination process for the Board of Directors and continuously monitors the independency of the independent members of the Board.



### Policy for securities issued by Gulf Navigation Holding (Insider Trading)

At GULFNAV, there are set of guidelines for Board Members and employees with respect to transactions in GULFNAV shares as well as securities of the parent company, subsidiaries and associate companies (where applicable). This policy is reviewed periodically as part of Company's Corporate Governance Manual and revised in accordance with the latest/ updated versions of the SCA's "Regulations as to Disclosure and Transparency" (where applicable).

As per the policy, an employee who is familiar with the important, confidential/ undisclosed information which may have an impact on the market share price has been classified under the category of "Restricted Person". Accordingly, Board Members and Company employees are not allowed to trade in GULFNAV securities during blackout period (or restricted period) as defined by the SCA rules and regulations.



# Board Members' Shares Transactions/ Dealings During 2024

(Including First Degree Relation)

## Board of Directors' dealings/transactions in the company securities

Board members are required to disclose their shares trading activities (including first degree relations) on an annual basis, through a pre-defined template/form.

During the year 2024, GULFNAV securities transactions of each board members (and their first degree relative) were as follows:

Name of Board Member	Position/ Relationship	Total No. of shares Purchased	Total No. of shares Sold	No. of Shares Held as at 31st Dec 2024
H.H. Sheikh Theyab Bin Tahnoon Bin Mohammad Al Nahyan	Chairman of the Board	N/A	N/A	<b>744,012</b>
Dr. Abdul Rahman Al Afifi	Vice Chairman	N/A	N/A	N/A
Mr. Ahmad Kilani	Board Member / CEO	N/A	N/A	N/A
Dr. Khalifa Saif Jumaa Saif Almehairbi	Board Member	N/A	N/A	N/A
Mr. Abdel Hadi Al Sadi	Board Member	N/A	N/A	N/A
Ms. Grace Wong	Board Member	N/A	N/A	N/A
<b>Resigned Members and first-degree relations</b>				
Mr. Mohamed Abdulrahman Mir Abdulwahid Amiri	Vice Chairman	N/A	N/A	N/A
Mr. Mazen Jaber Hamdan Basheer Al Dahmani	Board Member	N/A	N/A	N/A
Mr. Saif Salem Khalifa Alrashdi	Board Member	N/A	N/A	N/A
Mr. Adel Al Hosani <sup>1</sup>	Board Member	N/A	<b>325,810</b>	<b>38,144,723<sup>1</sup></b>
Abdullah Adel Al Hosani <sup>1</sup>	Son of resigned board member	<b>1,000,000</b>	N/A	<b>31,913,975<sup>1</sup></b>
Amna Adel Al Hosani <sup>1</sup>	Daughter of resigned board member	N/A	N/A	<b>10,992,888<sup>1</sup></b>
Ms. Muhrah Al Ali <sup>2</sup>	Board Member	N/A	N/A	<b>4,913<sup>2</sup></b>

Trading Report obtained from DFM.

<sup>1</sup> Trades during Mr. Adel Al Hosani's BOD membership from 28 Oct to 18 Dec 2024.

<sup>2</sup> Trades until Mrs. Muhrah Al Ali's resignation from the Board on 2 Feb 2024.

# Formation of Board of Directors

## Composition of the Board of Directors

The Board of Directors is responsible for the overall management of the Company. The Company Articles of Association sets out the way and method of election and composition of Board and the number of its members, as well as their term of office in compliance with governance requirements and applicable Commercial Companies Law. Board members are elected and appointed by the shareholders

during the General Assembly meeting (GAM); this is either after completing their membership period stipulated by law or as a result of any other cases stipulated by law. The Board is also vested with authorities to attain the Company's goals and objectives in accordance with the Company's Articles of Association.

Name of Member/s	Board Position	Type / Nature of Membership	Date of Appointment	End of Term
H.H. Sheikh Theyab Bin Tahnoon Bin Mohammad Al Nahyan	Chairman	Non-Executive/ Independent	28 April 2022	-
Dr. Abdul Rahman Al Afifi	Vice Chairman	Non-Executive/ Independent	28 April 2022	-
Mr. Ahmad Kilani	Board Member	Executive	11 June 2024	-
Dr. Khalifa Saif Jumaa Saif Almehairbi	Board Member	Non-Executive/ Independent	11 Sep 2023	-
Mr. Abdel Hadi Al Sadi	Board Member	Non-Executive	3 July 2024	-
Ms. Grace Wong	Board Member	Non-Executive/ Independent	14 Feb 2024	-
Ms. Muhrah Al Ali <sup>1</sup>	Board Member	Non-Executive/ Independent	20 Sep 2023	2 Feb 2024
Mr. Mohamed Abdulrahman Mir Abdulwahid Amiri <sup>1</sup>	Vice Chairman	Non-Executive/ Independent	11 Sep 2023	5 June 2024
Mr. Mazen Jaber Hamdan Basheer Al Dahmani <sup>1</sup>	Board Member	Non-Executive/ Independent	11 Sep 2023	27 June 2024
Mr. Saif Salem Khalifa Alrashdi <sup>1</sup>	Board Member	Non-Executive/ Independent	25 Dec 2023	25 Oct 2024
Mr. Adel Al Hosani <sup>1</sup>	Board Member / Managing Director	Non-Executive/ Independent	28 Oct 2024	18 Dec 2024

<sup>1</sup> Resigned BOD Member.

## The composition/qualification and profile of board members:

### H.H. Sheikh Theyab Bin Tahnoon Bin Mohammad Al Nahyan

#### CHAIRMAN OF THE BOARD

His Highness graduated from the United Arab Emirates University in 2004 with a bachelor's degree in Architectural Engineering. He entered the field of commerce and business administration upon graduation from university and manages his father's businesses and properties.

He currently holds several positions, including:

- Vice Chairman of Abu Dhabi Insurance Company
- Chairman of City Land Group
- Chairman of Tamakkan Real Estate
- Chairman of the Board of Trustees of Al Ain University
- Chairman of Drake and Scull International PJSC
- Dr. Abdul Rahman Al Afifi
- Vice Chairman

### Dr. Abdul Rahman Al Afifi

#### VICE CHAIRMAN

Dr. Al Afifi is an entrepreneur and driven Chief Executive, with more than ten (10) years of progressive management experience. He has extensive experience with highly management systems, which require deep understanding of critical business drivers in multiple markets and industries; highly successful in building relationships with upper-level decision makers, seizing control of critical problem areas, and delivering on customer commitments. As GM / CEO of H.H Sheikh Tahnoon Bin Mohammed Al Nahyan's Office, Dr. Al-Afifi achieved year-after-year revenue and business growth objectives within a rapid-change environment with high professionalism in strategic and implementation planning and guiding and directing the organization through substantial change management utilizing strong and effective strategic leadership. To become a recognized example proven strong ability to solve complex company problems using excellent judgment and decision-making skills.

Dr. Al Afifi is presently working as the CEO of TMKN Group - Abu Dhabi. Under Private Office of H.H. Sheikh Tahnoon Bin Mohammad Al Nahyan, he is working to manages and directs all business units of TMKN group of companies; Champions

the introduction of quality, cost reduction and continuous best practices to drive market growth; and he has a full responsibility for approving business plan and growth strategy, defining offerings and delivery models, establishing partnerships, and building operating infrastructure; develops vision, mission and goals, identify profitability and revenue opportunities, define critical goals and success factors, establish clear objectives and practical action plans, foster innovation and risk taking, build teams, and establish relationships with vendors and partners. Manages a team of different business units, product managers, business development specialists, and operations / logistics personnel.

Dr. Al Afifi has been appointed to the privet office of H.H Sheikh Tahnoon Bin Mohammed Al Nahyan. He has been an Architectural Engineer and project manager for years. He has been able to manage strategic plans and develop work plans efficiently and professionally. He completed his MBA from UAE University (Al Ain) and his PhD in Project Management from the British University in Dubai. He is also a Member of the Board of Trustees of Al Ain University and a Board Member in Drake and Scull International PJSC.



## Mr. Ahmad Kilani

### ► BOARD MEMBER / CHIEF EXECUTIVE OFFICER

Ahmad Kilani is a well-versed finance professional with an overall experience of more than 20 years in finance, investment banking and corporate finance, in regional and local firms. The experience of Ahmad Kilani is diversified among sectors of energy, real estate, trading, manufacturing, construction, education and tourism. Throughout his career, Ahmad Kilani managed several transactions including IPOs, mergers and acquisitions, private placements, restructuring and equity valuations.

He currently holds several positions, including:

- Board member of Drake & Scull International PJSC
- Member of the Board of Trustees of Al Ain University
- Board member of Black Marlin Ship Management and Operations

## Dr. Khalifa Saif Jumaa Saif Almehairbi

### ► BOARD MEMBER

Dr. Khalifa Saif Al Mehairbi is a young and ambitious Emirati citizen, whose personality combines the spirit of adventurous youth and the experience of experienced traders and investors. Khalifa is The Chairman of Arabian Gulf Investment Group and its subsidiaries, one of the fastest growing companies in the Gulf and North Africa region.

Dr. Al Mehairbi has achieved great success in concluding massive and successful deals that have effectively contributed to supporting the national economy, developing the company's business, and expanding in all investment fields.

Current positions held by Mr. Al Mehairbi:

- Member of the Executive Committee of the UAE International Investors Council
- Founder and Chairman of The Luxury Villa Real Estate Management Company

- Chairman of the Board of Directors of MKI International Real Estate Investment Company
- Chairman of the Board of Directors of Gulf Expo Construction & Trading Company
- Chairman of the Board of Directors of Kingson Amai Real Estate Investment Company

His Awards and Achievements

- Honorary Doctorate in International Economics from London University
- Middle East Real Estate Man from the International Investment Forum 2021
- Shield of the most leading real estate institution in regional companies
- Arab Real Estate Man of the Year 2021
- Real Estate Man in the Middle East and North Africa from the Emirates Investments Magazine for the year 2022.

## Mr. Abdel Hadi Al Sadi

### ► BOARD MEMBER

Mr. Al Sa'di is one of the most reputable and well-respected investment management and IPO managers in the region, with more than 20 years of experience in Investment Management, Risk Management, Business Planning, Operations, and Treasury Management. Mr. Al Sa'di has been associated with large institutions in regional and domestic markets, such as CitiBank, Standard Chartered Bank, ANZ Bank and Dubai Islamic Bank.

## Ms. Grace Wong

### ► BOARD MEMBER

Grace is an experienced finance professional with 20 years of global banking experience with Rabobank, Australia New Zealand Banking Group and Standard Chartered Bank. Grace has held various roles in Sydney, London and Dubai, covering commodities, corporate banking, trade finance, real estate and risk management. Prior to joining Rasmala Investment Bank Limited in 2021, Grace held roles with financial boutiques and an investment fund in London and was Head of Commodities and Agribusiness at Standard Chartered Bank in London. Grace has MBA from the University of Chicago Booth School of Business, Master of International Law from University of Sydney and undergraduate degree in Finance and Economics from University of Technology, Sydney.

## Ms. Muhrah Al Ali<sup>1</sup>

Muhrah Al Ali is currently an Executive Office Manager at Ethmar International Holding (EIH), with specialization background in the design engineering field with previous experience in the management of both local and international events.

## Mr. Mazen Jaber Hamdan Basheer Al Dahmani<sup>2</sup>

Mr. Mazen Jaber Hamdan Aldahmani has been the Executive Director of Financial and Administrative Affairs at the Department of Community Development ("DCD") since November 2020, during which time he has demonstrated his abilities as a talented and respected leader. He is also a member of more than 10 committees within DCD and Abu Dhabi government. Prior to that, he held various positions in Mubadala, and Imperial College London Diabetes Centre including Deputy CEO and Acting CEO.

During his time as Deputy Chief Executive Officer, Aldahmani took on the overall leadership of the organization with over 600 employees; expanded the organization through the successful

opening of a third branch; significantly surpassed financial and quality targets; and guided the organization to achieving the highest patient volumes since the establishment of the ICLDC.

Aldahmani also worked at the Mubadala Investment Company from 2006 to 2014, progressing from a Project Officer – Aerospace, Healthcare and Technology Unit to Senior Associate – Mubadala Healthcare Unit in that time frame.

Aldahmani is a graduate of London Business School, where he attained his Executive MBA. He holds a bachelor's of Information Technology from the UAE University.

## Mr. Saif Salem Khalifa Alrashdi<sup>3</sup>

Saif Al Rashidi is the COO of Capital Protocol (Part of ADNEC Group). His strong academic background, leadership skills, experience, and insights into local and international business have enabled him to significantly contribute to ADNEC's development into one of Abu Dhabi's most dynamic organizations. During his tenure as Protocol Director, the company has hosted Abu Dhabi's largest ever congress and events, and he has played an integral role in defining ADNEC's revised patronage strategy and protocol vision.

He currently holds several positions, including:

- Board Member of the UAE Wrestling Federation.
- Board Member of the Disciplinary Appeal Committee of the UAE Football Association.

Al Rashdi holds an MBA Degree from NYIT Abu Dhabi and a bachelor's degree from California State University – San Bernardino, USA. He has also graduated with two degrees at the National Defence College in Abu Dhabi: the NDC completed certificate and a second master's certificate.

<sup>1</sup> Ms. Muhrah Al Ali resigned from her position as Board Member on 2 Feb 2024.

<sup>2</sup> Mr. Mazen Jaber Al Dahmani resigned from his position as Board Member on 27 June 2024.

<sup>3</sup> Mr. Saif Salem Khalifa Alrashdi resigned from his position as Board Member on 25 Oct 2024.

### Mr. Mohamed Abdulrahman Mir Abdulwahid Amiri<sup>1</sup>

Mr. Mohamed Amiri is a UAE National with expertise in Business Development, strategic planning, and driving change. Proven track record in innovation, exceptional performance, and forging strategic partnerships. Mr. Amiri has more than 30 years of experience, working with Ajman Bank, HSBC, Dubai Islamic Bank and Dubai Bank.

Mr. Amiri a bachelor's degree in Management Information Systems and a Graduate from the first batch of the Mohammad Bin Rashid Program for Leadership Development (MBRPLD).

Mohamed Abdulrahman Amiri resigned from his position as Vice Chairman on 5 June 2024.

### Mr. Adel Al Hosani<sup>2</sup>

Mr. Adel Al Hosani is an accomplished Emirati finance and investment professional with over 35 years of experience. He holds a BA in Economics with a minor in Business Administration from Emirates University in Al Ain. Beginning his career in the Treasury Department of the UAE Central Bank, Mr. Al Hosani has held pivotal roles at the National Bank of Abu Dhabi, Al Wathba Insurance and First Gulf Bank. His board experience spans reputable organizations such as Al Mal Capital, Arqaam Capital, and Union Insurance. He has established and led several ventures, including a private family investment company and the International Community Schools. Mr. Al Hosani and brings extensive expertise in portfolio management, real estate, and educational investments.

The membership of the Board of Directors in any other joint stock companies

Name of GULFNAV Board Member	Board membership in other public shareholding Co.
H.H. Sheikh Theyab Bin Tahnoon Bin Mohammad Al Nahyan	Vice Chairman of Abu Dhabi Insurance Company Chairman of Drake & Skull International PJSC
Dr. Abdul Rahman Al Afifi	Board Member in Drake & Skull International PJSC Board Member in BHM Capital Financial Services PSC
Mr. Ahmad Kilani	Board Member in Drake & Skull International PJSC

Their positions in any other important regulatory, governmental or commercial positions

Name of GULFNAV Board Member	Other important regulatory, government or commercial positions
H.H. Sheikh Theyab Bin Tahnoon Bin Mohammad Al Nahyan	Chairman of City Land Group Chairman of Tamakkan Real Estate
Dr. Khalifa Almehairbi	Member of the Executive Committee of the UAE International Investors Council Chairman of the Board of Directors of MKI International Real Estate Investment Company Chairman of the Board of Directors of Gulf Expo Construction & Trading Company Chairman of the Board of Directors of Kingson Amai Real Estate Investment Company
Mr. Ahmad Kilani	Board Member of Anan Investment Holding (Private Join-Stock Company)
Mr. Saif Alrashdi <sup>3</sup>	Board Member of the UAE Wrestling Federation Board Member of the Disciplinary Appeal Committee of the UAE Football Association

<sup>1</sup> Mohamed Abdulrahman Amiri resigned from his position as Vice Chairman on 5 June 2024.

<sup>2</sup> Mr. Adel Al Hosani resigned from his position as Board Member on 18 Dec 2024.

<sup>3</sup> Resigned BOD Member.

## Percentage of female representation in the Board for 2024

Female participation at Gulf Navigation Holding's Board is

**14%**

## Reasons for not nominating any female to the Board's membership

Not applicable as female participation at Amanat's Board is 14%

## Statement regarding:

### Directors' remuneration for the year 2023

The Board of Directors received 2.1m dirhams for their efforts during the year 2023.

### Proposed BoD remuneration for 2024 which will be presented in the General Assembly Meeting for approval

- To be discussed in the General Assembly scheduled to be held in April 2025.
- A monthly/annual bonus is allocated to the person who occupies the position of managing director in the company, in return for his/her efforts in managing the company.

### Allowances for attending board committee meetings, during the year 2024

- The Board of Directors did not receive any attendance fee/ allowance for the board and committee meetings in 2024.

### Details of the additional allowances, salaries or fees received by a Board member other than the allowances for attending the committees and their reasons.

- The Board of Directors did not receive additional allowances, salaries or fees during 2024.





The number of board meetings held during the year 2024, along with dates/attendance & proxies

Board Members	Meetings Held in Person from 1/1/2024 to 31/12/2024									
	14 Feb	29 Mar	14 May	11 Jun	3 Jul	24 Jul	14 Aug	25 Sep	28 Oct	14 Nov
H.H. Sheikh Theyab Bin Tahnoon Bin Mohammad Al Nahyan	✓	✓	✓	✓	✓	✓	✓	✓	✓	Proxy
Dr. Abdul Rahman Al Afifi	✓	✓	✓	✓	✓	✓	✓	✓	✓	Proxy
Mr. Ahmad Kilani	N/A	N/A	N/A	N/A	✓	✓	✓	✓	✓	✓
Dr. Khalifa Saif Jumaa Saif Almehairbi	✓	✓	✓	✓	✓	✓	✓	✓	✓	Proxy
Mr. Abdel Hadi Al Sadi	N/A	N/A	N/A	N/A	N/A	✓	✓	✓	✓	✓
Ms. Grace Wong	N/A	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ms. Muhrah Al Ali	Resigned	Resigned	Resigned	Resigned	Resigned	Resigned	Resigned	Resigned	Resigned	Resigned
Mr. Mohamed Abdulrahman Mir Abdulwahid Amiri	✓	✓	✓	Resigned	Resigned	Resigned	Resigned	Resigned	Resigned	Resigned
Mr. Mazen Jaber Hamdan Basheer Al Dahmani	✓	✓	✓	Absent	Resigned	Resigned	Resigned	Resigned	Resigned	Resigned
Mr. Saif Alrashdi	✓	✓	✓	✓	✓	✓	✓	✓	Resigned	Resigned
Mr. Adel Al Hosani	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	✓

Committees of the Board of Directors

Audit Committee

“Dr. Abdul Rahman Al Afifi, Audit Committee Chairman, acknowledges his responsibility for the committee system in the Company, review of its work mechanism and ensuring its effectiveness.”

The Number of Board Resolutions Passed by Circulation during 2024

3 resolutions were passed by circulation on the following dates:



Statement of Audit Committee members and their tasks/duties

The Audit Committee is composed of the following members as of 31st Dec 2024:

Name of Board Members	Position	Status
Dr. Abdul Rahman Al Afifi	Chairman	Independent/Non-Executive Director
Mr. Abdel Hadi Al Sadi	Member	Independent/Non-Executive Director
Ms. Grace Wong	Member	Independent/Non-Executive Director

## The primary tasks of the Audit Committee include:

### Internal Control, risk management and regulatory compliance

1. Review the Company's financial controls, internal controls and risk management system/ framework.
2. Discuss the Internal control system with the management and to ensure that it is operating effectively.
3. Compliance with the listing and disclosure rules as issued by SCA (including other applicable rules and regulations).

### Review of financial information

1. Ensure integrity of the financial statements while emphasizing any changes to the accounting policies and practices, aspects subject to judgment or estimation, substantial adjustments resulting from the audit, going concern and, compliance with International Financial Reporting Standards.
2. Consider any significant and unusual matters to be reported in the financial statements and to address concerns raised by the Head of Finance & Accounts, Compliance Officer or External Auditors.
3. Review the Company's financial and accounting policies and procedures.
4. Ensure compliance with the listing rules and other legal requirements in relation to financial reporting.
5. Review annual and quarterly financial statements before recommending to the Board for approval.

### Relationship with the external auditors

1. Monitor the independence of the External Auditor and to discuss with the External Auditor the nature, scope and efficiency of the audit in accordance with generally accepted auditing standards.
2. To ensure that significant findings and recommendations made by the External Auditors and management's proposed responses are received, discussed and appropriately acted on.
3. To develop and implement policy on the engagement of an External Auditor to provide non-Audit services, if any, to ensure that provision of such services would not impair the independency and objectivity of the External Auditor.
4. Adopt a policy on dealing with the External Auditor and reporting/recommend to the Board any issues that require action on the part of the Board.
5. Meet with the External Auditors on a periodic basis.
6. Review and consider (and respond) to any correspondence or queries received from the External Auditor.
7. Review and recommend the appointment, re-appointment, or replacement of an External Auditor.
8. Review and approve the remuneration and term of engagement of the External Auditor.

## Number of Audit Committee meetings held during the year 2024 along with the dates/ attendees

Audit Committee Meetings held during 2024					
Name of Board Member	31/03/2024	27/04/2024	14/05/2024	14/08/2024	14/11/2024
Dr. Abdul Rahman Al Afifi – Committee Chairman	✓	✓	✓	✓	✓
Mr. Abdel Hadi Al Sadi	N/A	N/A	N/A	✓	✓
Ms. Grace Wong	N/A	N/A	N/A	✓	✓
Mr. Mohamed Amiri – Member <sup>1</sup>	✓	✓	✓	N/A	N/A
Mr. Mazen Al Dahmani – Member <sup>1</sup>	✓	✓	✓	N/A	N/A

<sup>1</sup> Resigned BOD Member.

## Annual Audit Committee report:

1

### Significant Matters Reviewed & Resolutions

- The Audit Committee reviewed the quarterly and annual financial statements to ensure compliance with IFRS.
- A 14% revenue decline (AED 88.8 million) was noted, primarily due to fleet dry dock projects.
- The Committee recommended inventory management improvements using technology solutions, which management implemented during the year.

2

### Significant Transactions Reviewed

- The Committee reviewed the progress on the proposed acquisition of Brooge Energy Limited assets, which was announced in 2023.
- It ensured that the transaction aligned with financial prudence and shareholder interests.

3

### Assessment of External Audit Process & Appointment Approach

- The Committee engaged Grant Thornton to review the audit plan, scope, and findings.
- The external auditor's independence and effectiveness were assessed, confirming compliance with regulatory standards.
- The Committee recommended reappointing Grant Thornton as the external auditor.

4

### Recommendation on External Auditor

- The Committee formally recommended the reappointment of Grant Thornton.
- No objections from the Board regarding this recommendation were reported.

5

### Independence of External Auditor in Non-Audit Services

- The Committee monitored non-audit services to prevent conflicts of interest.
- No concerns regarding compromised auditor independence were noted.

6

### Actions on Internal Control & Risk Management Deficiencies

- No material weaknesses in internal controls were found.
- The Committee recommended technology adoption for inventory management, which was implemented.

7

### Review of Internal Audit Reports on Medium & High Risks

- The Committee reviewed internal audit reports focusing on operational efficiencies, debt restructuring, and fleet management.
- Follow-ups were conducted to track resolution progress.

8

### Corrective Actions on Risk & Internal Control Deficiencies

- The Committee worked with management to enhance contingency planning due to increased operational risks from geopolitical tensions.
- Investments in technology for fleet efficiency were recommended.

9

### Review of Related Party Transactions & Compliance

- The Committee audited significant related party transactions and found no violations of compliance regulations.
- Transactions aligned with applicable UAE laws and governance requirements.



# Nomination And Remuneration Committee (“NRC”)

“Dr. Khalifa Saif Jumaa Saif Almehairbi, NRC Chairman, acknowledges his responsibility for the committee system in the Company, review of its work mechanism and ensuring its effectiveness.”

## Statement of NRC members and their tasks/duties

The NRC is composed of the following members as of 31st Dec 2024:

Name of NRC Members	Position	Status
Dr. Khalifa Almehairbi	Chairman	Independent/Non-Executive Director
Dr. Abdul Rahman Al Afifi	Member	Independent/Non-Executive Director
Mr. Saif Alrashdi <sup>1</sup>	Member	Independent/Non-Executive Director

### The primary tasks of the NRC are as follows:

- Verification of ongoing independence of independent board members.
- Formulation and annual review of the policy on granting remunerations, benefits, incentives and salaries to Board members and employees.
- Determination of Company’s need for resource and basis of selection.
- Formulation, supervision of application and annual review of Company’s HR and training policy.
- Organization and follow-up procedure of nomination to the membership of the Board.

Number of NRC meetings held during the year 2024 along with dates/ attendees

### NRC Meetings held during 2024

Name of Board Member	28/03/2024
Dr. Khalifa Almehairbi – Committee Chairman	✓
Dr. Abdul Rahman Al Afifi – Member	✓
Mr. Saif Alrashdi <sup>1</sup>	✓

## Insiders’ Trading, Follow-Up and Supervision Committee

At GULFNAV, there are set of guidelines for Board Members and employees with respect to transactions in GULFNAV shares as well as securities of the parent company, subsidiaries and associate companies (where applicable). This policy is reviewed periodically as part of Company’s Corporate Governance Manual and revised in accordance with the latest/updated versions of the SCA’s “Regulations as to Disclosure and Transparency” (where applicable). As per the policy, an employee who is familiar with the important, confidential/ undisclosed information which may have an impact on the market share price has

been classified under the category of “Restricted Person”. Accordingly, Board Members and Company employees are not allowed to trade in GULFNAV securities during blackout period (or restricted period) as defined by the SCA rules and regulations.

The Company has formed a committee with senior management employees to review and monitor the insiders’ shares trading (of board members and employees) on an annual basis (or when needed).

<sup>1</sup> Mr. Saif Salem Khalifa Alrashdi resigned from his position as Board Member on 25 Oct 2024.

“Dr. Abdulrahman Al Afifi, Insiders’ Trading, Follow-Up and Supervision Committee Chairman, acknowledges his responsibility for the committee system in the Company, review of its work mechanism and ensuring its effectiveness.”

- The Committee comprises of 2 members:
  - Dr. Abdulrahman Al Afifi – Chairman.
  - Mr. Nader Muqbel – Director of Investor Relations & Corporate Communications – Member.
- The following tasks have been performed by the Committee during the year 2024:
  - Maintenance and regular update of a statutory register of insiders.
  - Formally intimate the insiders of the relevant closed periods to ensure that no trading is done by them during restricted periods.
  - Obtained declaration from the insiders and the other staff on their shares trading, on an annual basis.

## Investment Committee

“Ahmad Kilani, Investment Committee Member, acknowledges his responsibility for the committee system in the Company, review of its work mechanism and ensuring its effectiveness.”

The Committee Consists of the following members:

### Name of Investment Committee Members

Mr. Ahmad Kilani - Member

Ms. Grace Wong – Member

Mr. Ali Taqi – Member/Observer

## The primary tasks of the Investment Committee include:

The primary tasks of the committee include new ventures/ projects, investment opportunities, expansions/growth, forecasts, strategy reviews, etc.

## Number of Investment Committee meetings held during the year 2024 along with dates/ attendees

Investment Committee Meetings held during 2024			
Name of Member	01/02/2024	06/03/2024	14/06/2024
Mr. Ahmad Kilani – Member	✓	✓	✓
Ms. Grace Wong – Member	N/A	✓	✓
Mr. Ali Taqi – Member/Observer <sup>1</sup>	✓	✓	✓

## Tasks and functions carried out by the Executive Management as delegated by the Board of Directors during 2024

The Company's Articles of Association shall determine the duties and responsibilities of the Board of Directors, and the Board of Directors takes the necessary procedures to ensure compliance with applicable laws, regulations, and resolutions, as well as the requirements of the supervisory authorities; and adopting the strategic approaches and main objectives of the Company and supervising implementation thereof.

Where the Board of Directors appointed member of the board, Mr. Ahmad Kilani, as a CEO of the company and granted him the authority to perform his duties. The main tasks assigned to the CEO are summarized in the implementation of the vision, mission, strategic plans, annual plans, improving overall growth and elevating the reputation of Gulf Navigation Holding.

## Statement for Related Party Transactions

The Company did not enter into transactions with related parties during 2024.

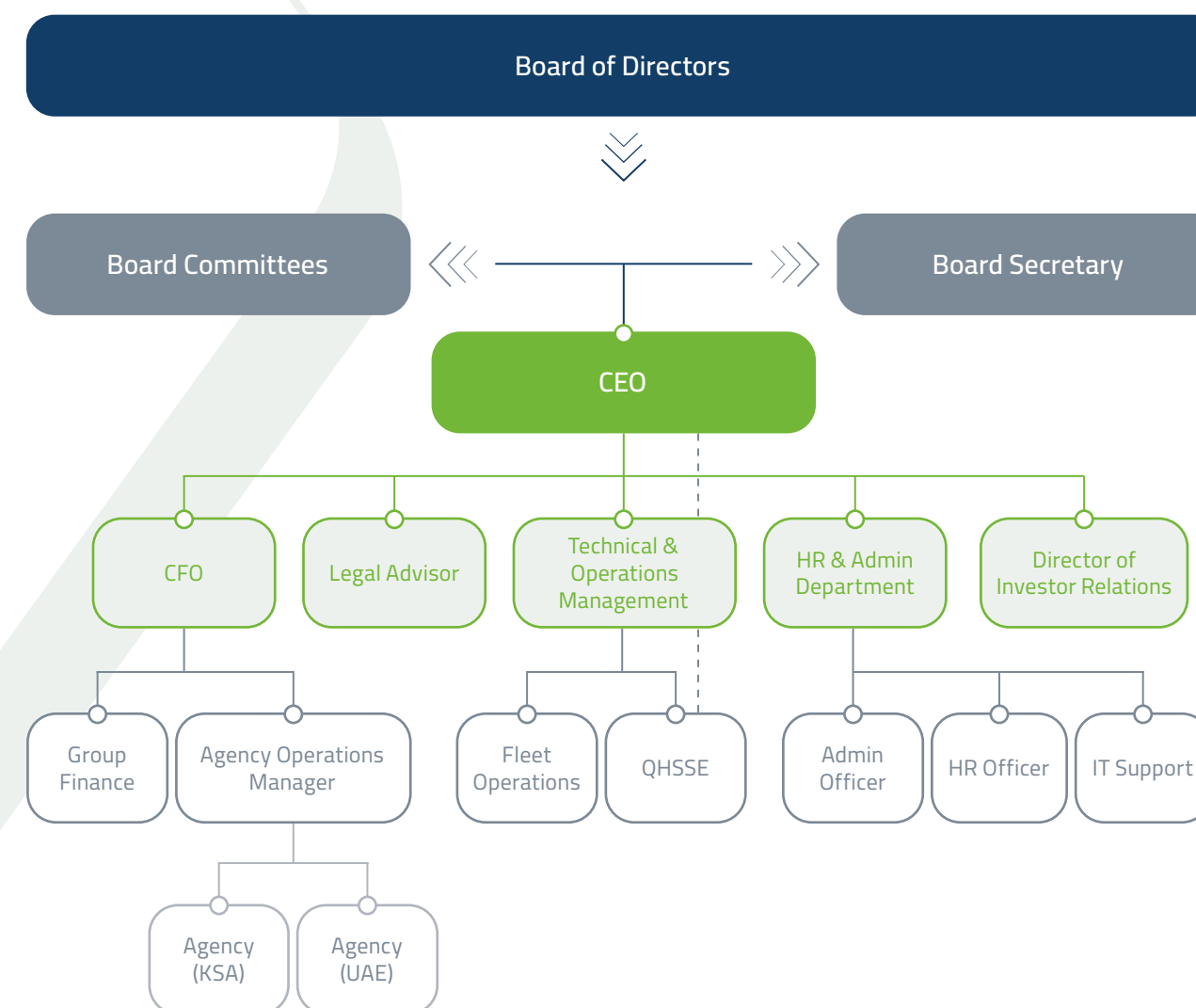
## Assessment of the Board of Directors:

The Board maintains ongoing open communication and dialogue to ensure its members possess the necessary knowledge and skills for effective oversight. This includes a process of continuous assessment to support the Board's commitment to sound corporate practices and its ability to adapt to evolving

business landscapes. The Board actively seeks opportunities for development and enhancement, ensuring it remains equipped to provide comprehensive guidance and strategic direction for the Company.

<sup>1</sup> Mr. Ali Taqi resigned from his position as a Member/Observer on 3 Sep 2024.

# Company's Organizational Structure



## Statement of senior personnel (executives) in the first and second tier, along with their job titles, appointment date, salaries and allowances as at 31st December 2024:

Senior Management team: which is formed of 7 members, and their total remuneration is AED 4.9M which includes Salaries, Allowances and Bonuses.



# External Auditors

## Overview of the External Auditor

Grant Thornton was re-appointed by the shareholders through the General Assembly Meeting held on 29th of April 2024, as the external auditor for the Company. And Dr. Osama El-Bakry, the Grant Thornton partner, was appointed as their representative and responsible for the Company's accounts.

Grant Thornton has been operating in the UAE for more than 55 years, and has 3 offices in the country, with 450 employees, in addition to its wide spread around the world. The number of its offices is 750 and it has approximately 62,000 employees, and it provides its services to many economic sectors.

## Appointment, fees and services

The shareholders resolved on 29th of April 2024 to appoint Grant Thornton as the external auditors for GULFNAV, with a total remuneration amounting to AED 250,000.

On an annual basis, the company requests quotation/proposal from different audit firms and formal evaluation (technical/ financial) is conducted before nominating the external auditors

for the next year, including review and recommendation from the Audit Committee and Board of Directors. The appointment of the external auditors (firms/fees) are eventually approved by the shareholders through the General Assembly Meeting.

Details about the external audit firms, fees and scope of services are briefly explained in the table below:

Audit Firms/Consultants	Grant Thornton
Associated since (year)	2023 (2 years)
Total audit fees for the financial statement	250,000
Fees and costs of the special services, other than audit of financial statements	N/A
The details/nature of other services	N/A
Statement of other services obtained from another external auditors/ consultants	<ul style="list-style-type: none"> <li>MMJS Consulting were appointed as VAT Consultant for KSA branch VAT submission.</li> <li>TRC Pamco were appointed as consultants for Corporate Tax assessment.</li> </ul>

Qualified opinions were not issued/given by the auditors for the financial period 2024.

# Internal Controls Systems



## Board's responsibility with respect to the internal controls' system, its effectiveness and review mechanism

- The board has the overall responsibility for ensuring adequate internal control systems/ framework within the company.
- Board reviews the Internal Control deliverables through Audit Committee- highlighting matters discussed and resolutions passed after each meeting of Audit Committee in terms of internal audit assignments, audit follow-ups, special assignments, compliance audit, risk management and governance.
- The Internal Control Department (ICD) reports directly to the CEO and Board, operating under the stewardship of the Audit Committee. This enables Internal Control to function in an independent and objective manner.
- Establish mechanism for employees to communicate irregularities discovered by them (whistle blowing/ confidential reporting).
- Conduct special assignments/investigations as per the requests from the Board.
- Perform independent overview/analysis over the financial statements and present the same to the executive management and the Audit Committee along with the audit inputs/comments, variance justifications and commentaries.



## Dealing with major/ critical problems in the Company

- During the year 2024, no major/critical audit observations were noted.
- Major/critical issues (if any) are being immediately discussed and reported to the Audit Committee and Senior Management (where appropriate). Periodic follow-up of these issues is carried out to ensure that they are implemented in accordance with the directions of the Board/Committees.



## Number of reports issued by the Internal Control Department to the company's board of directors:

- No reports were issued by the Internal Control Department.



## Name of the Internal Control Department Manager with the qualification

- The Company did not appoint an Internal Control Department Manager in 2024.



## Name of the Compliance Officer with the qualification

- The Company did not appoint a Compliance Officer in 2024.

# Violations Committed During the Financial Year 2024

- Gulf Navigation Holding Company PJSC, represented by its current board of directors and its executive management, has always been keen not to violate any regulatory guidelines, and even to correct any violations that were previously committed, which resulted in it not receiving any violations for the year 2024.

# Company's Cash and/or In-Kind Contribution to the Local Community Development and Environmental Conservation During the Year 2024

Gulf Navigation Holding PJSC demonstrates its commitment to both environmental conservation and community well-being through a multi-faceted approach. Primarily, the company focuses on minimizing its environmental impact by investing in and implementing advanced technologies to reduce carbon emissions, aligning with both UAE national directives and international maritime regulations. This includes the adoption of ballast water treatment systems, exhaust gas cleaning systems, and the utilization of low sulfur fuel oil, alongside retrofitting programs for enhanced energy efficiency. Furthermore, as evidenced by the Green Certificate issued by Clear Earth Recycling LLC, Gulf Navigation Holding PJSC responsibly disposed of 82 kilograms of e-waste in April 2024. This action demonstrates a tangible commitment to eco-friendly waste management practices and adherence to UAE Federal Laws and Technical Guidelines.





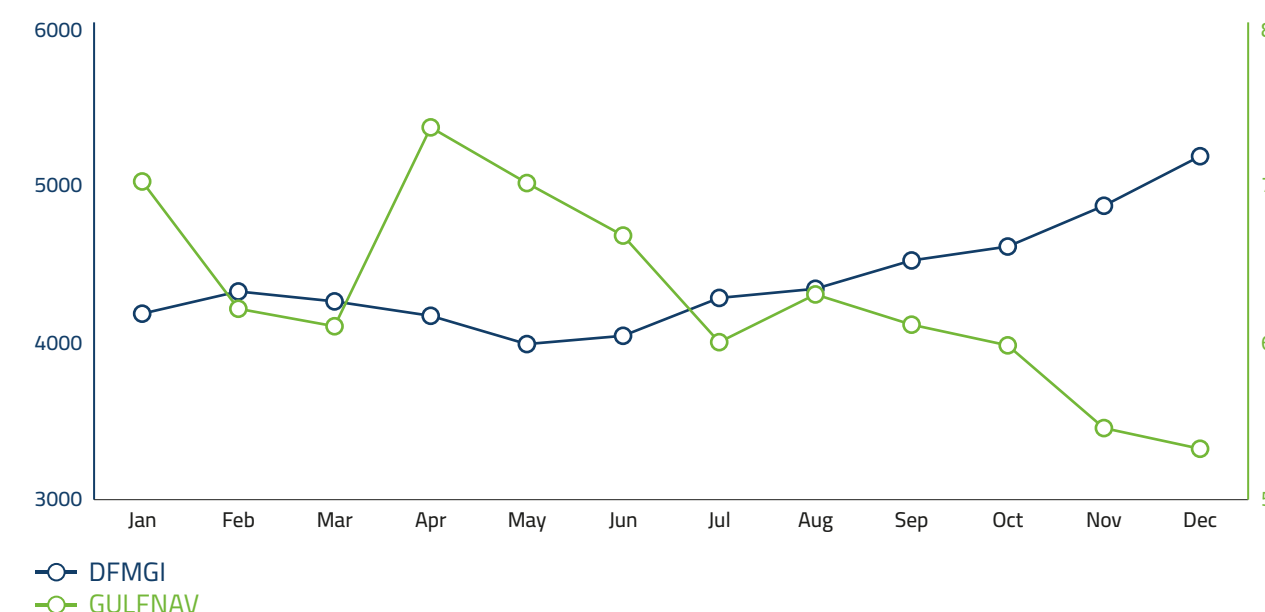
# General Information

## Company share prices (high/low/closing) at the end of each month during 2024

Months (2024)	High (AED)	Low (AED)	Closing Price (AED)
January	7.420	6.890	7.000
February	7.000	5.630	6.200
March	6.300	6.000	6.090
April	7.980	6.020	7.340
May	7.590	6.970	6.990
June	7.010	6.590	6.660
July	6.710	5.900	5.990
August	6.580	5.820	6.290
September	6.400	5.900	6.100
October	6.110	5.760	5.970
November	5.960	4.490	5.450
December	5.840	5.320	5.320

Above data has been obtained from DFM.

## Performance of company shares against Dubai Financial Market General Index (DFMGI) for the year 2024



Note: comparison cannot be effectively performed within industry sector index as GULFNAV is the only maritime and shipping company listed on the DFM.

Above data has been obtained from DFM.

## Distribution of the shareholding structure as of 31st Dec 2024

Ownership/ Citizen	Individual	Bank	Company	Institution	Government	Market Maker	Total
Arab	2.96%	-	0.003%	-	-	-	2.96%
GCC	1.52%	-	0.12%	-	-	-	1.64%
UAE	21.32%	4.83%	31.94%	0.08%	-	4.77%	62.94%
Others/Foreign	3.09%	-	29.37%	-	-	-	32.46%
Total	28.89%	4.83%	61.42%	0.08%	-	4.77%	100%

Above data has been obtained from DFM. [Total - rounded off]

## Top 5% and above shareholding as on 31st Dec 2024

Individual/Group Investors (Shareholders)	Qty Owned (No.)	Qty Owned (%)
Poseidon Fund CEIC Limited	200,000,000	23.88%
Ajman Bank PJSC	47,670,984	5.69%

Above data has been obtained from DFM.

## Shareholding distribution based on volume as on 31st Dec 2024



Share Ownership Volume (Qty)	No. of Shareholders	No. of Shares Owned (Qty)	% of Owned Shares in the Company Capital
Less than 49,999	9,842	21,522,813	2.57%
50,000 – 499,999	233	35,307,935	4.22%
500,000 – 4,999,999	83	127,904,50	15.27%
Above 5,000,000	26	652,960,37	77.95%
Total	10,184	837,695,625	100%

Above data has been obtained from DFM.

## Investor Relations

The officer in charge of investors' relations and shareholder communications for the Company is Mr. Nader Muqbel.

The Shareholders are able to contact and obtain necessary information about the company (and shares) from the Investor Relations Manager via:

-  **Telephone:** +971 4 4270104
-  **Fax:** +971 4 4270103
-  **Mob:** +971 5 67780799

**Email:** [investor.relations@gulfnav.com](mailto:investor.relations@gulfnav.com)

**Website:** [www.gulfnav.com](http://www.gulfnav.com)

**Link:** <https://www.gulfnav.com/investors>

The Company's website also features 'investors relation' section, whereby stakeholders can have easy access to the financial statements, governance reports, annual reports, company disclosures, general assembly meetings, board meetings, unclaimed dividends list, etc.

## Special Decisions and Resolutions of the General Assembly meeting held during 2024

No specials resolutions were considered in the General Assembly meeting held on April 29, 2024.

## Name and appointment of board secretary with the qualification

Ibrahim N Partners ("INP") were appointed to the position of Secretary of the Board of Directors. INP is a local law firm with a regional footprint working across the Middle East region. Led by their UAE office Managing Partner, Ahmed Ibrahim, their

lawyers are experts in advising on all aspects of UAE laws. Their UAE offices are also well placed to provide local legal support across the GCC.



## Significant events during the year 2024 (excerpts)

- 1 **January 25, 2024:**  
The company signed a Memorandum of Understanding with Wings Logistics Services.
- 2 **February 2, 2024:**  
Ms. Muhra Al Ali resigned from her position as Board Member.
- 3 **February 14, 2024:**  
The Board of Directors appointed Ms. Grace Wong as a Board Member.
- 4 **April 29, 2024:**  
The General Assembly ratified the appointment of Mr. Saif Salem Al Rashdi as a Board Member.
- 5 **June 5, 2024:**  
Resignation of Mr. Mohammed Abdulrahman Amiri from his position as Vice Chairman of the Board.
- 6 **June 11, 2024:**  
The Board of Directors appointed Mr. Ahmed Kilani as a Board Member.
- 7 **June 27, 2024:**  
Mr. Mazen Jaber Al Dahmani resigned from his position as Board Member.
- 8 **July 3, 2024:**  
The Board of Directors appointed Mr. Abdulhadi Al Sadi as a Board Member.
- 9 **September 25, 2024:**  
The company announced key board decisions regarding the acquisition of assets from Brooge Energy Limited.
- 10 **October 25, 2024:**  
Mr. Saif Al Rashdi resigned from his position as Board Member.
- 11 **October 28, 2024:**  
The Board of Directors appointed Mr. Adel Abdulhamid Al Hosani as a Board Member.
- 12 **December 18, 2024:**  
Mr. Adel Al Hosani resigned from his position as Board Member.

> All material information/press release/disclosures are also being timely published to the SCA/DFM and company website, please refer in case of further details.



## Statement of major transactions exceeding 5% with related parties in 2024

In 2024, the Company was not involved in any transaction that was equal to or exceeding 5% of the Company's share capital.

## Percentage of Emiratization at the company by the end of 2024

**During the year 2022**, the company did not employ any UAE National.  
**During the year 2023**, the company did not employ any UAE National.  
**During the year 2024**, the company did not employ any UAE National.

## Statement of the innovative projects undertaken by the company (or under development) during 2024

At GULFNAV, we remain steadfast in our commitment to environmental stewardship, understanding the imperative of reducing carbon emissions in the maritime industry. Embracing sustainability as a core principle, we continue to lead with innovative projects aimed at reducing our carbon footprint and driving the transition towards a more sustainable maritime sector:

- We have implemented advanced silicon coating for propellers across our entire fleet, enhancing efficiency and reducing emissions.
- Investing in drone technology, we explore its integration into port operations to improve safety and efficiency.

- Leveraging cutting-edge technologies, we contracted with a few specialist companies in vessel performance to achieve greater fuel efficiency and operational sustainability.
- Advocating for international regulatory frameworks and incentives, we contribute and participate in local initiatives for sustainable shipping practices and leadership.
- Through the installation of state-of-the-art engine devices, we surpass International Maritime Organization standards for carbon intensity indices (EEXI & CII), minimizing energy consumption and optimizing fuel efficiency beyond regulatory requirements.

Chairman of the Board of Directors

Date: 29/03/2024

Chairman of the Audit Committee

Date: 29/03/2024

Chairman of the Nomination and Remuneration Committee

Date: 29/03/2024



# Directors' Report for the Year Ended 31 December 2024

The Directors submit their report and audited consolidated financial statements of Gulf Navigation Holding PJSC ("the Company") and its subsidiaries (collectively referred to as "the Group") for the year ended 31 December 2024.

These will be laid before the shareholders at the Annual General Meeting of the Company, which is scheduled to be held sometime within the first half of 2025.

## Principal activities

The Group is primarily engaged in marine transportation of commodities, chartering vessels, shipping services, marine transport under special passenger and merchant contracts, clearing and forwarding services and container loading, unloading, discharging and packaging services.

## Results

The results of the Group for the year ended 31 December 2024 are set out on page 9 of these consolidated financial statements.

## Going concern

The Group reported a loss of AED 20,084 thousand for the year ended 31 December 2024 (2023: profit of AED 21,275 thousand). The Group's current liabilities exceeded its current assets by AED 223,277 thousand.

EBITDA of the Group for the year ended 31 December 2024 amounted to AED 43,327 thousand.

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 consolidated financial statements and have a reasonable expectation that the Group will have adequate resources to continue its operational existence for the foreseeable future.

# Consolidated Financial Statements



## Potential acquisition

On March 13, 2025, the General Assembly approved the acquisition of assets and companies owned by Brooge Energy Limited, including Brooge Petroleum and Gas Investment Company FZE, Brooge Petroleum and Gas Investment Company Phase III FZE, and BPGIC Phase 3 Limited.

The Company announced that the acquisition will be financed through a combination of cash, newly issued shares, and Mandatory Convertible Bonds (MCBs), as follows:

- Issuance of 358,841,476 new shares to BEL at AED 1.25 per share, subject to a one-year lock-up period.
- Issuance of MCBs worth AED 2.336 billion to BEL, convertible at AED 1.25 per share, with a oneyear lock-up period post-conversion.

- Issuance of MCBs worth AED 500 million at AED 1.10 per share, allocated exclusively to existing GULFNAV shareholders, with major shareholders subscribing to any unsubscribed bonds. These MCBs will be converted into shares within three months.
- A cash payment of AED 460 million as part of the transaction settlement.

This acquisition aligns with the Company's growth strategy to establish an integrated portfolio of logistical services for the oil, gas, and petrochemical sectors. The Board of Directors has been authorized to take all necessary steps to finalize the transaction, including regulatory approvals, amendments to the Articles of Association, and capital increase procedures.

The transaction is expected to be completed in Q2 2025, subject to regulatory approvals and customary closing conditions.

## Directors

The Directors of the Company during the year were as follows:

Sheikh Theyab Bin Tahnoon Bin Mohammad Al Nahyan (Chairman)

Dr. Abdul Rahman Mahmoud Al Afifi (Vice-Chairman)

Dr. Khalifa Saif Jumaa Saif Almehairbi

Ms. Grace Wong – appointed 14 February 2024

Mr. Ahmad Mohamed Fathi Kilani (CEO) – appointed 11 June 2024

Mr. Abdel Hadi Al Sadi – appointed 3 July 2024

Ms. Muhrah Al Ali – resigned 2 February 2024

Mr. Mohamed Abdulrahman Mir Abdulwahid Amiri – resigned 5 June 2024

Mr. Mazen Jaber Hamdan Al Dahmani – resigned 27 June 2024

Mr. Saif Salem Khalifa Alrashdi – resigned 28 October 2024

Mr. Adel Al Hosani – appointed 28 October 2024 – resigned 18 December 2024

## Auditors

The consolidated financial statements of the Group have been audited by Grant Thornton.

Signed by:

**Dr. Abdul Rahman Al Afifi**

► BOARD MEMBER

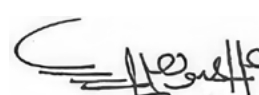
**Mr. Ahmad "M.F." A. Al Kilani**

► CHIEF EXECUTIVE OFFICER

**Mr. Ali Abouda**

► CHIEF FINANCIAL OFFICER





# Independent Auditor's Report to the Shareholders of Gulf Navigation Holding PJSC



**Grant Thornton**

**Grant Thornton Audit and Accounting Limited (Dubai Branch)**

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## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the consolidated financial statements of Gulf Navigation Holding PJSC (the "Company") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the **Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements** section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountant’s **International Code of Ethics for Professional Accountants (including International Independence Standards)** (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p><b>Impairment of goodwill</b></p> <p>The Group’s consolidated statement of financial position includes AED 143,463 thousand of goodwill, representing 19% of total Group assets. In accordance with IFRS Accounting Standards, this balance is allocated to Cash Generating Units (CGUs) which are tested annually for impairment or whenever changes in circumstances or events indicate that the carrying amount of such intangible assets may not be recoverable.</p> <p>This is a key audit matter as determining whether the carrying value of goodwill is recoverable requires management to make significant estimates concerning the expected future cash flows and associated discount rates and growth rates based on management’s view of future business prospects.</p>	<p>We performed the following:</p> <ul style="list-style-type: none"><li>▪ Checked the mathematical accuracy of the impairment model used for impairment testing, and the extraction of inputs from source documents;</li><li>▪ Reviewed the reasonableness of the key assumptions used in the impairment model, including specifically the operating cash flow projections, discount rates, and terminal growth rates;</li><li>▪ Engaged our internal specialists to assist us in reviewing the methodologies applied including estimates and judgments made by management;</li><li>▪ Considered the sensitivity of the impairment testing model to changes in key assumptions; and</li><li>▪ Assessed the adequacy of the related disclosures in the consolidated financial statements.</li></ul>
<p><b>Impairment of vessels</b></p> <p>As disclosed in Note 6 to the consolidated financial statements, the Group’s consolidated statement of financial position includes AED 530,652 thousand of vessels, representing 72% of total Group assets. In accordance with IFRS Accounting Standards, at the end of each reporting period, it is required to assess whether there is any indication that an asset may be impaired, and, if so, the asset’s recoverable amount must be determined.</p> <p>This is a key audit matter because the Group has incurred operating loss during the year ended December 31, 2024 and determining whether the carrying value of a vessel is recoverable requires management to make significant estimates concerning the expected future cash flows and associated discount rates and growth rates based on management’s view of future business prospects.</p>	<p>We performed the following:</p> <ul style="list-style-type: none"><li>▪ Checked the mathematical accuracy of the impairment model used for impairment testing, and the extraction of inputs from source documents;</li><li>▪ Reviewed the reasonableness of the key assumptions used in the impairment model, including the operating cash flow projections, discount rates, and terminal growth rates;</li><li>▪ Engaged our internal specialists to assist us in reviewing the methodologies applied including estimates and judgments made by management;</li><li>▪ Considered the sensitivity of the impairment testing model to changes in key assumptions; and</li><li>▪ Assessed the adequacy of the related disclosures in the consolidated financial statements.</li></ul>

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Directors’ Report but does not include the consolidated financial statements and our auditor’s report thereon, and Annual Report which is expected to be made available to us after the date of this auditor’s report.

Our opinion on the consolidated financial statements does not cover the other information, and accordingly, we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we have obtained prior to the date of auditor’s report,

we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Group’s Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the IASB and in compliance with the applicable provisions of the UAE Federal Law No. (32) of 2021 and the Company’s Articles of Association, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter

or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Further, as required by the UAE Federal Law No. (32) of 2021, we report that, for the year ended December 31, 2024:

- 1. We have obtained all the information we considered necessary for the purposes of our audit;
- 2. The consolidated financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Law No. (32) of 2021;
- 3. The Company has maintained proper books of account in accordance with established accounting principles;
- 4. The financial information included in the Board of Directors' Report is consistent with the books of account of the Company;
- 5. The Group’s investments in shares and stocks during the year ended December 31, 2024 are disclosed in Note 12 to the consolidated financial statements;

- 6. Notes 21 to the consolidated financial statements discloses material related party transactions and the terms under which they were conducted;
- 7. Based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the Company has contravened during the financial year ended December 31, 2024, any of the applicable provisions of the UAE Federal Law No. 32 of 2021 or of its Articles of Association, which would materially affect its activities or its financial position as at December 31, 2024; and
- 8. There were no social contributions made during the financial year ended December 31, 2024.



GRANT THORNTON UAE

Dr. Osama El Bakry Registration No. 935

Dubai, United Arab Emirates  
March 27, 2025

Consolidated statement of financial position as at December 31, 2024

	Notes	2024	2023
		AED'000	AED'000
ASSETS			
Non-current assets			
Vessels, property and equipment	6	531,873	516,211
Goodwill	7	143,463	143,463
Deferred tax asset	8	1,970	-
Total non-current assets		677,306	659,674
Current assets			
Inventories	9	10,433	9,084
Trade receivables, net	11	14,104	15,552
Advances and other assets	11	31,869	7,592
Financial assets at fair value through profit or loss	12	701	100,379
Cash and bank balances	13	5,195	210,059
Total current assets		62,302	342,666
TOTAL ASSETS		739,608	1,002,340
EQUITY AND LIABILITIES			
Equity			
Share capital	14	837,696	837,696

	Notes	2024 AED'000	2023 AED'000
Share (discount)/premium	14, 16	(12,741)	35,734
Treasury shares	16	(243,046)	(96,281)
Statutory reserve	15	2,128	2,128
Accumulated losses		(22,654)	(2,570)
Other reserves	17	(181,071)	(181,071)
Total equity		380,312	595,636
<b>Non-current liabilities</b>			
Interest-bearing borrowings	18	72,706	94,163
Provision for employees' end-of-service benefits	19	1,011	1,255
Total non-current liabilities		73,717	95,418
<b>Current liabilities</b>			
Interest-bearing borrowings	18	20,899	25,684
Bank overdraft	18	-	180,187
Trade and other payables	20	264,680	105,415
Total current liabilities		285,579	311,286
Total liabilities		359,296	406,704
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>739,608</b>	<b>1,002,340</b>

These consolidated financial statements were approved and authorised for issue by the Board of Directors on March 27, 2025 and were signed on its behalf by:

**Dr. Abdul Rahman Al Afifi**

► BOARD MEMBER

**Mr. Ahmad "M.F." A. Al Kilani**

► CHIEF EXECUTIVE OFFICER

**Mr. Ali Abouda**

► CHIEF FINANCIAL OFFICER

The accompanying notes 1 to 32 form an integral part of these consolidated financial statements.

# Consolidated statement of profit or loss for the year ended December 31, 2024

	Notes	2024 AED'000	2023 AED'000
Revenue	22	88,688	105,534
Direct costs	23	(97,835)	(95,921)
<b>Gross (loss)/ profit</b>		<b>(9,147)</b>	<b>9,613</b>
General and administrative expenses	24	(22,379)	(26,731)
Other operating income	6	-	24,834
<b>OPERATING (LOSS)/ PROFIT</b>		<b>(31,526)</b>	<b>7,716</b>
Other non-operating income	25	39,777	35,435
Other non-operating expenses	25	(17,520)	(2,009)
Finance costs	26	(20,257)	(22,534)
Finance income	13	7,472	2,667
<b>(Loss)/profit for the year before tax</b>		<b>(22,054)</b>	<b>21,275</b>
Income tax	8	1,970	-
<b>(Loss)/profit for the year</b>		<b>(20,084)</b>	<b>21,275</b>
<b>Earnings per share:</b>	27	<b>(0.025)</b>	<b>0.023</b>
Basic and diluted (AED)			

The accompanying notes 1 to 32 form an integral part of these consolidated financial statements.



# Consolidated statement of comprehensive income for the year ended December 31, 2024

	2024	2023
	AED'000	AED'000
(Loss)/profit for the year	(20,084)	21,275
Other comprehensive income for the year	-	-
Total comprehensive (loss)/ income for the year	(20,084)	21,275

The accompanying notes 1 to 32 form an integral part of these consolidated financial statements.

# Consolidated statement of changes in equity for the year ended December 31, 2024

	Share capital	Share Premium/(discount)	Treasury shares	Statutory reserve	Accumulated losses	Other reserves	Mandatory Convertible Bonds and Sukuk	Total
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Balance as at January 1, 2023	1,275,391	8,452	(24,045)	19,747	(679,159)	(181,071)	-	419,315
Capital reduction and absorption of losses (Note 14)	(637,695)	-	-	(19,747)	657,442	-	-	-
Treasury shares (Note 16)	-	24,882	(72,236)	-	-	-	-	(47,354)
Issuance of Mandatory Convertible Sukuk (Note 13)	-	-	-	-	-	-	220,000	220,000
Shares issued to Sukuk holders (Note 14)	200,000	2,400	-	-	-	-	(220,000)	(17,600)
Total comprehensive profit for the year	-	-	-	-	21,275	-	-	21,275

	Share capital	Share Premium/(discount)	Treasury shares	Statutory reserve	Accumulated losses	Other reserves	Mandatory Convertible Bonds and Sukuk	Total
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Transfer to statutory reserve (Note 15)	-	-	-	2,128	(2,128)	-	-	-
<b>Balance as at December 31, 2023</b>	<b>837,696</b>	<b>35,734</b>	<b>(96,281)</b>	<b>2,128</b>	<b>(2,570)</b>	<b>(181,071)</b>	<b>-</b>	<b>595,636</b>
Treasury shares (Note 16)	-	(48,475)	(146,765)	-	-	-	-	(195,240)
Total comprehensive loss for the year	-	-	-	-	(20,084)	-	-	(20,084)
<b>Balance as at December 31, 2024</b>	<b>837,696</b>	<b>(12,741)</b>	<b>(243,046)</b>	<b>2,128</b>	<b>(22,654)</b>	<b>(181,071)</b>	<b>-</b>	<b>380,312</b>

The accompanying notes 1 to 32 form an integral part of these consolidated financial statements.

# Consolidated statement of cash flows for the year ended December 31, 2024

	Notes	2024 AED'000	2023 AED'000
<b>OPERATING ACTIVITIES</b>			
(Loss)/profit for the year before tax		(22,054)	21,275
<b>Adjustments for:</b>			
Depreciation of vessels, property and equipment	6	45,124	36,725
Allowance for expected credit losses	24	-	1,000
Provision for employees' end of service benefits	19	46	276
Finance costs	26	20,257	22,534
Finance income		(7,472)	(2,667)
Reversal of liabilities no more required	25	(1,271)	(19,466)
Gain of settlement of Sukuk	25	-	(14,549)
Gain on sale of a vessel	6.4	-	(24,834)
Write-off of vessels, property and equipment		1,830	-
Other non-operating income	25	(37,771)	-
Other non-operating expense	25	6,968	-
Change in fair value of financial assets at FVTPL	12	7,662	2,009
Operating cash flows before changes in working capital		13,319	22,303
<b>Working capital changes:</b>			



	Notes	2024	2023
		AED'000	AED'000
Inventories		(1,349)	(1,118)
Trade receivables		1,448	(6,777)
Advances and other assets		153	3,09
Trade and other payables		(16,354)	(23,595)
<b>Cash used in operations</b>		<b>(2,783)</b>	<b>(6,091)</b>
Employees' end of service benefits paid	19	(290)	(232)
Insurance claim received, net		30,803	-
Net cash flows from/(used in) operating activities		27,730	(6,323)
<b>INVESTING ACTIVITIES</b>			
Investments in financial assets at FVTPL	12	(9,462)	(178,423)
Proceeds from disposal of financial assets at FVTPL	12	101,478	76,035
Proceeds from sale of a vessel	6.4	-	99,471
Withdrawal/(placement) of a fixed deposit	13	200,000	(200,000)
Additions to vessels, property and equipment	6	(62,616)	(40,452)
Advances to supplier for capital expenditure		(24,430)	-
Net cash flows from/(used in) investing activities		204,970	(243,369)
<b>FINANCING ACTIVITIES</b>			
Proceeds from interest-bearing borrowings	18	-	180,187
Repayment of interest-bearing borrowings	18	(207,094)	(106,375)
Interest paid		(19,592)	(15,255)
Finance income		7,472	-
Settlement of Islamic non-convertible Sukuk		-	(34,983)
Proceeds from issuance of mandatory convertible Sukuk, net of transactions costs		-	202,400
Financing from liquidity provider		176,890	63,330
Movement in treasury shares, net		(195,240)	(47,354)
Net cash flows (used in)/from financing activities		(237,564)	241,950
<b>Net change in cash and cash equivalents</b>		<b>(4,864)</b>	<b>(7,742)</b>
Cash and cash equivalents at the beginning of the year		10,059	17,801
Cash and cash equivalents at the end of the year	13	5,195	10,059

The accompanying notes 1 to 32 form an integral part of these consolidated financial statements.

# Notes to the consolidated financial statements for the year ended December 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. 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 consolidated financial statements include the financial performance and position of the Company and its directly and indirectly held operating subsidiaries as listed below (collectively the "Group"). The Group holds numerous other subsidiaries that are non-operational (mainly investment vehicles), which have not been listed in the below table.

Subsidiary name	Principal activities	Country of incorporation	Ownership of interest	
			2024	2023
Gulf Crude Carriers (L.L.C)	Ship Charter, etc.	UAE	100%	100%
Gulf Navigation Polimar Maritime LLC	Sea Shipping Lines Agents	UAE	100%	100%
Gulf Navigation Livestock Carriers 2 Ltd., Inc.	Ship Owning	Panama	100%	100%

The Group has the following operational branch:

Branch name	Principal activities	Country of incorporation
Gulf Navigation Holding PJSC (KSA Br)	Ship Charter, etc.	Kingdom of Saudi Arabia

## 2. Statement of compliance and basis of preparation

### 2.1 Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with IFRS Accounting Standards, as issued by the International Accounting Standards Board (IASB) and applicable requirements of the UAE Federal Law No. (32) of 2021.

### 2.2 Basis of preparation

The Group’s consolidated financial statements have been prepared on an accruals basis and under the historical cost convention, except for financial instruments at fair value through profit or loss, which are measured at fair value.

### 2.3 Going concern

The Group incurred a loss of AED 20,084 thousand for the year ended December 31, 2024 and, as of that date, its current liabilities exceeded its current assets by AED 223,277 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 20) 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 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 consolidated financial statements have been prepared on the basis that the Group will continue as a going concern.

### 2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at December 31, 2024. Control is achieved when the Company is exposed,

or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Company controls an investee if, and only if, the Company has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

When the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Company’s voting rights and potential voting rights.

The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Company gains control until the date the Company ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group’s accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

## 3. New or revised standards and interpretations

### 3.1 Standards and amendments adopted as at January 1, 2024

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after January 1, 2024. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

#### Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback

The amendments in IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments had no impact on the Group’s consolidated financial statements.

#### Amendments to IAS 1 - Classification of Liabilities as Current or Non-current

The amendments to IAS 1 specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity’s right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments did not have any impact on the classification of the Group’s liabilities.

#### Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

The amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of consolidated financial statements in understanding the effects of supplier

finance arrangements on an entity’s liabilities, cash flows and exposure to liquidity risk. The amendments did not have any impact on the disclosures in the Group’s consolidated financial statements.

### 3.2 Standards, amendments and interpretations to existing Standards that are not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group’s consolidated financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

#### Amendment to IFRS 21 – Lack of exchangeability

IASB amended IAS 21 to add requirements to help in determining whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not exchangeable. Amendment set out a framework under which the spot exchange rate at the measurement date could be determined using an observable exchange rate without adjustment or another estimation technique. The effective date is January 1, 2025.

#### Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

Partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business as defined in IFRS 3 Business Combinations, and the gain or loss resulting from the sale or contribution to an associate or a joint venture of assets that constitute a business as defined in IFRS 3 is recognized in full. The effective date deferred indefinitely.

#### IFRS 18, Presentation and Disclosure in Consolidated financial statements

IFRS 18 provides guidance on items in statement of profit or loss classified into five categories: operating; investing; financing; income taxes and discontinued operations. It defines a subset of measures related to an entity’s financial performance as management-defined performance measures (“MPMs”). The totals, subtotals and line items presented in the primary



consolidated financial statements and items disclosed in the notes need to be described in a way that represents the characteristics of the item. It requires foreign exchange differences to be classified in the same category as the income and expenses from the items that resulted in the foreign exchange differences. The effective date is January 1, 2027.

IFRS 19 - Reducing subsidiaries disclosures

IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19. A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date it does not have public accountability and its parent produces consolidated financial statements under IFRS Accounting Standards. The effective date is January 1, 2027.

3.3 Standards issued by the International Sustainability Standards Board (ISSB)

On June 26, 2023, the ISSB published first two IFRS Sustainability Disclosure Standards at the IFRS Foundation Conference 2023:

4. Material accounting policies

4.1 Foreign currency translation

Functional and presentation currency

Since 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 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.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated

IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information

IFRS S1 sets out overall requirements with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to the primary users of general-purpose financial reports in making decisions relating to providing resources to the entity.

IFRS S2 Climate-related Disclosures

IFRS S2 sets out the requirements for identifying, measuring and disclosing information about climaterelated risks and opportunities that is useful to primary users of general-purpose financial reports in making decisions relating to providing resources to the entity.

Subject to adoption by the local jurisdiction, both Standards are effective for annual periods beginning on or after January 1, 2024, with substantial transitional reliefs to allow preparers more time to align reporting of sustainability related financial disclosures and consolidated financial statements. The Group did not adopt these standards on the effective date given that they have not yet been adopted by the United Arab Emirates.

in foreign currencies at year end exchange rates are generally recognised in the consolidated statement of profit or loss, they are deferred in equity if they are attributable to part of the net investment in foreign operations.

Foreign exchange gains and losses that relate to loans and cash and cash equivalents are presented in the consolidated statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the consolidated statement of profit or loss on a net basis within general and administrative expenses. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on nonmonetary assets such as equities classified as at fair value through other comprehensive income.

4.2 Vessels, property and equipment

Vessels, property and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part

■ Vessels:	– Chemical tankers	10-30 years
	– Livestock vessels	20-40 years
	– Dry docking costs	3-5 years
■ Leasehold improvements		10 years
■ Equipment		2-5 years
■ Furniture & fixtures		5 years
■ Vehicles		5 years

Residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other income (general and administrative expenses) in the consolidated statement of profit or loss.

4.3 Impairment of non-financial assets

The Group assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. An impairment loss is recognised for the amount by which the asset's (or cash-generating unit's) carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value-in-use.

To determine the value-in-use, management estimates expected future cash flows from each cashgenerating unit and determines a suitable discount rate in order to calculate

is derecognised. All other repairs and maintenance are charged to the consolidated statement of profit or loss during the financial year in which they are incurred.

Cost incurred during the dry docking of vessels is capitalised and is depreciated based on the period in which future economic benefits associated will flow to the Group.

Depreciation is recognised on a straight-line basis to write down the cost less estimated residual value of vessels, property and equipment. The following useful lives are applied:

the present value of those cash flows. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The data used for impairment testing procedures is directly linked to the Group's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessments of the time value of money and asset-specific risk factors.

These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the consolidated statement of profit or loss in expense categories consistent with the function of the impaired asset.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation,

had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually as at December 31, 2024 and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Impairment losses for cash-generating units reduce first the carrying amount of any goodwill allocated to the cash-generating unit. Any remaining impairment loss is charged pro rata to the other assets in the cashgenerating unit.

## 4.4 Current versus non-current classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

## 4.5 Inventories

Inventories are stated at the lower of cost or net realisable value.

The cost of inventories comprises of all costs of purchases and other costs incurred in bringing the inventories to their present location and condition, net allowance for obsolescence and slow-moving items.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

## 4.6 Financial instruments

### Financial assets

#### Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss, as appropriate.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. Except for trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into different categories. The categories applicable to the Group are as follows:

#### Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost include cash and cash equivalents and trade and other receivables.

#### Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the consolidated statement of financial position at fair value with net changes in fair value recognised in the consolidated statement of profit or loss.

This category includes listed quoted equity instruments for trading purposes which the Group had not irrevocably elected to classify at fair value through OCI.

### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

### Impairment

IFRS 9's impairment requirements use forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. Instruments within the scope of the requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI and trade receivables recognised and measured under IFRS 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category (i.e. Stage 1) while 'lifetime expected credit losses' are recognised for the second category (i.e. Stage 2).

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

The Group makes use of a simplified approach in accounting for trade receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

Refer to Note 29 for a detailed analysis of how the impairment requirements of IFRS 9 are applied.



The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities

Initial recognition and measurement

The Group has classified its financial liabilities, at initial recognition, as borrowings and payables.

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

The Group’s financial liabilities include trade and other payables, interest-bearing borrowings.

Subsequent measurement

Subsequently, trade and other payables and interest-bearing borrowings are measured at amortised cost using the effective interest method.

All interest-related charges are included within finance costs.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.7 Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand, cash at banks, together with other short-term, highly liquid investments maturing within 90 days from the date of acquisition that are readily convertible into known amounts

of cash and which are subject to an insignificant risk of changes in value, net of restricted cash and bank overdrafts that do not form part of the Group’s working capital.

4.8 Provision for employees’ end of service benefits

The Group provides end of service benefits to its employees in accordance with the U.A.E. Labour Law. The entitlement to these benefits is based upon the employees’ salary and length of service, subject to the completion of a minimum service period.

The expected costs of these benefits are accrued over the period of employment. The provision for employees’ end of service benefits is reported as separate line item under non-current liabilities in the consolidated statement of financial position.

Contributions for eligible UAE National employees are made to the Pension Authority, in accordance with the provisions of UAE labour Law No. (7) of 1999 relating to Pension and Social Security and its amendments and charged to the consolidated statement of profit or loss in the period in which they fall due.

4.9 Short-term employee benefits

Short-term employee benefits, including leave entitlement, are current liabilities included in trade and other payables, measured at the undiscounted amount the Group expects to pay as a result of the unused entitlement.

4.10 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability

Or

- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The Group measures financial instruments such as financial assets at fair value through profit or loss at fair value at each reporting date.

Financial assets measured at fair value in the consolidated statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

4.11 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Group and amounts can be estimated reliably. The timing or amount of the outflow may still be uncertain. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

Any reimbursement that the Group is virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

4.12 Contingent liabilities

No liability is recognised if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resources is remote.

4.13 Taxes

Value Added Tax (“VAT”)

Expenses and assets are recognised net of the amount of value added tax, except:

- When the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable; and
- When receivables and payables are stated with the amount of value added tax included.

The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated financial statements.

Income taxes

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the consolidated statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available to be utilised, except in circumstances where IAS 12 does not permit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets are recognised to the extent it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Deferred tax liabilities are generally recognised in full, although IAS 12 specifies limited exemptions. As a result of these exemptions the Group does not recognise deferred tax on temporary differences relating to goodwill.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

## 4.14 Equity and reserves

Share capital represents the nominal (par) value of shares that have been issued.

Share premium includes any premiums received on the issue of share capital or on gain from sale of treasury shares. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Other components of equity include the following:

- Treasury shares;
- Statutory reserve – comprises annual transfers from the Group's profit (see Note 15);
- Accumulated losses includes all current and prior period retained profits or losses;
- Other reserves – comprises reserve arising on issuance of shares at discount against settlement of liabilities and adjustment on acquisition of non-controlling interests in 2022 (see Note 17);

- Mandatory convertible bonds and Sukuk – comprises gains and losses relating to these types of financial instruments (see Note 14).

All transactions with shareholders of the Company are recorded separately within equity.

Treasury shares are own equity instruments that are acquired by the Company, which are recognised at cost and deducted from equity. No gain or loss is recognised in the consolidated statement of profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in the share premium.

## 4.15 Dividends

Obligation is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company (i.e. approved in a general meeting), on or before the end of the reporting period but not distributed at the end of the reporting period.

## 4.16 Revenue recognition

Revenue is based on a five-step model, explained below, that will apply to revenue arising from contracts with customers.

Step 1: Identify the contract(s) with a customer;

Step 2: Identify the performance obligations in the contract;

Step 3: Determine the transaction price;

Step 4: Allocate the transaction price to the performance obligations; and

Step 5: Recognise revenue as and when performance obligations are satisfied.

The Group has concluded, based on its review of revenue arrangements with customers, that it is the principal in the majority of its revenue arrangements since it is the primary obligor in all the revenue arrangements, has pricing latitude, and is also exposed to credit risks.

Revenues received from time charters are recognised on a straight-line basis over the duration of the charter, less off-hire charges.

Shipping services, marine products sales and distribution revenues consist of the invoiced value of goods supplied and services rendered, net of discounts and returns and are recognised when goods are delivered and services have been performed.



## 4.17 Operating expenses

Operating expenses are recognised in the consolidated statement of profit or loss upon utilisation of the goods or services, or as incurred. Expenditure for warranties is recognised when the Group incurs an obligation, which is typically when the related goods are sold.

## 4.18 Earnings per share

### Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares, by the weight average number of ordinary shares in issue during the year (excluding ordinary shares purchased by the Group and held as treasury shares).

### Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Group does not have any categories of dilutive potential ordinary shares, hence the diluted earnings per share is the same as the basic earnings per share.

## 4.19 Significant judgments and estimation uncertainty

When preparing the consolidated financial statements, management undertakes a number of judgment, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

### Significant management judgements

The following are the significant judgements made by the management in applying the accounting policies of the Group that have the most significant effect on these consolidated financial statements.

### Property lease classification – Group as a lessor

The Group has entered into long-term vessel leasing arrangements. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the vessel and the present value of the minimum lease payments not amounting to substantially all of the fair value of the vessel, that it retains

substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases.

### Estimation uncertainty

#### Impairment of vessels and goodwill

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a DCF model. Calculation of the value-in-use is determined by covering a detailed five-year forecast approved by the management, followed by an extrapolation of expected cash flows for the remaining useful lives using a growth rate determined by management. The present value of the expected cash flows of each cash generating unit is determined by applying a suitable discount rate reflecting current market assessments of the time value of money.

Estimation uncertainty relates to assumptions about the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. With regards to goodwill impairment assessment, the key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in Note 7. With regards to vessels impairment assessment, the key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in Note 6.

#### Useful lives of vessels, property and equipment

The Group estimates the useful lives of its vessels, property and equipment based on the period over which the assets are expected to be available for use. The Group reviews annually the estimated useful lives of vessels, property and equipment based on factors that include asset utilisation, internal technical evaluation, technological changes, environmental and anticipated use of the assets. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned. A reduction in the estimated useful lives would increase the recorded depreciation expense and decrease the carrying value of the related assets. Residual values are not considered as they are deemed immaterial.

#### Allowance for expected credit losses for trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions are expected to deteriorate over the next year which can lead to an increased number of defaults, the historical default rates are adjusted.

At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in Note 29.

## 5. 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.

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; and
- **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.

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.

The following table presents revenue and profit information for the Group's operating segments for the years ended December 31, 2024 and December 31, 2023, respectively:

Year ended December 31, 2024	Vessel chartering	Shipping and technical services	Corporate	Inter-segment elimination	Total
	AED'000	AED'000	AED'000	AED'000	AED'000
Revenue	81,801	7,062	-	(175)	88,688
Direct costs	(93,771)	(4,239)	-	175	(97,835)
<b>Gross (loss)/profit</b>	<b>(11,970)</b>	<b>2,823</b>	<b>-</b>	<b>-</b>	<b>(9,147)</b>
General and administrative expenses	(2,556)	(1,360)	(18,463)	-	(22,379)
<b>Operating (loss)/profit</b>	<b>(14,526)</b>	<b>1,463</b>	<b>(18,463)</b>	<b>-</b>	<b>(31,526)</b>
Other non-operating income	38,399	-	1,378	-	39,777
Other non-operating expenses	(7,662)	-	(9,858)	-	(17,520)
Finance income	7,472	-	-	-	7,472
Finance costs	(10,690)	(18)	(9,549)	-	(20,257)

Year ended December 31, 2024	Vessel chartering	Shipping and technical services	Corporate	Inter-segment elimination	Total
	AED'000	AED'000	AED'000	AED'000	AED'000
<b>Profit/(loss) before income tax</b>	<b>12,993</b>	<b>1,445</b>	<b>(36,492)</b>	<b>-</b>	<b>(22,054)</b>
Income tax	-	-	1,970	-	1,970
<b>Segment profit/(loss)</b>	<b>12,993</b>	<b>1,445</b>	<b>(34,522)</b>	<b>-</b>	<b>(20,084)</b>
<b>At December 31, 2024</b>					
Segment assets	667,846	719	71,043	-	739,608
Segment liabilities	(154,330)	(1,693)	(203,273)	-	(359,296)
<b>Capital expenditure</b>	<b>62,616</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>62,616</b>

Year ended December 31, 2023	Vessel chartering	Shipping and technical services	Corporate	Inter-segment elimination	Total
	AED'000	AED'000	AED'000	AED'000	AED'000
Revenue	99,432	6,524	-	(422)	105,534
Direct costs	(92,432)	(3,911)	-	422	(95,921)
<b>Gross profit</b>	<b>7,000</b>	<b>2,613</b>	<b>-</b>	<b>-</b>	<b>9,613</b>
General and administrative expenses	(887)	(6,361)	(19,483)	-	(26,731)
Other operating income	-	-	24,834	-	24,834
<b>Operating (loss)/profit</b>	<b>-</b>	<b>-</b>	<b>24,834</b>	<b>-</b>	<b>24,834</b>
Other non-operating income	6,113	(3,748)	5,351	-	7,716
Other non-operating expenses	981	27	34,427	-	35,435
Finance income	(2,009)	-	-	-	(2,009)
Finance costs	-	-	2,667	-	2,667
<b>Profit before income tax</b>	<b>(19,080)</b>	<b>(91)</b>	<b>(3,363)</b>	<b>-</b>	<b>(22,534)</b>
Income tax	(13,995)	(3,812)	39,082	-	21,275
<b>Segment profit/(loss)</b>	<b>(13,995)</b>	<b>(3,812)</b>	<b>39,082</b>	<b>-</b>	<b>21,275</b>
<b>At December 31, 2023</b>					
Segment assets	907,194	954	94,192	-	1,002,340
Segment liabilities	(169,651)	(1,861)	(235,192)	-	(406,704)
<b>Capital expenditure</b>	<b>40,452</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>40,452</b>



## 6. Vessels, property and equipment

	Vessels	Leasehold improvements	Office and IT Equipment	Furniture and fixtures	Vehicles	Total
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
<b>Gross carrying amount</b>						
As at January 1, 2023	1,208,830	2,551	5,166	616	547	1,217,710
Additions <sup>1</sup>	40,342	-	110	-	-	40,452
Disposals	(175,887)	-	-	-	-	(175,887)
<b>As at December 31, 2023</b>	<b>1,073,285</b>	<b>2,551</b>	<b>5,276</b>	<b>616</b>	<b>547</b>	<b>1,082,275</b>
Additions <sup>1</sup>	62,446	-	26	-	144	62,616
Write-offs	(3,660)	-	-	-	-	(3,660)
<b>As at December 31, 2024</b>	<b>1,132,071</b>	<b>2,551</b>	<b>5,302</b>	<b>616</b>	<b>691</b>	<b>1,141,231</b>
<b>Accumulated depreciation</b>						
As at January 1, 2023	622,957	1,985	4,502	602	543	630,589
Charge for the year	36,432	115	178	-	-	36,725
Disposal	(101,250)	-	-	-	-	(101,250)
<b>As at December 31, 2023</b>	<b>558,139</b>	<b>2,100</b>	<b>4,680</b>	<b>602</b>	<b>543</b>	<b>566,064</b>
Charge for the year	45,110	-	4	-	10	45,124
Write-offs	(1,830)	-	-	-	-	(1,830)
<b>As at December 31, 2024</b>	<b>601,419</b>	<b>2,100</b>	<b>4,684</b>	<b>602</b>	<b>553</b>	<b>609,358</b>
<b>Net carrying amounts:</b>						
<b>As at December 31, 2024</b>	<b>530,652</b>	<b>451</b>	<b>618</b>	<b>14</b>	<b>138</b>	<b>531,873</b>
<b>As at December 31, 2023</b>	<b>515,146</b>	<b>451</b>	<b>596</b>	<b>14</b>	<b>4</b>	<b>516,211</b>

<sup>1</sup> Additions to vessels mainly relate to drydocking costs.

### 6.1 Write-offs of vessels

During the year ended December 31, 2024, the Group wrote off AED 1,830 thousand from the carrying amount of a vessel as a result of an incident (Note 25). The assessment was made by estimating the net book value of the damaged parts of the vessel identified based on the repair works made.

### 6.2 Impairment of vessels

During the year ended December 31, 2024, the Group has not recorded any provision for impairment on vessels (2023: AED Nil). The assessment was made by comparing the carrying value of the vessel with its recoverable amount, which is the higher of its fair value less cost of disposal and its value in use.

The value-in-use of vessels has been determined by discounting the cash flow projections over a period of 5 years including estimated terminal value. Cash flow projections are based on past experience and business plans approved by management and based on the following assumptions:

- Revenue of time charter vessels has been determined based on rates as per the contracts whereas revenue for vessels on spot charter has been determined based on expected future TCE rates;

- Vessel running costs have been determined using a mix of actual expense of prior years and budgeted expense for the following years with normal inflationary impact;
- Other expenses, such as dry docking, have been estimated using the historical trend of such expenses and expected cost to be incurred in future;
- Residual value has been determined using the steel value at the end of the useful life of the vessel; and
- The net cash flows have been discounted using a discount rate of 8.92% per annum (2023: 8.45% per annum).

As at December 31, 2024, if the discount rate used was 0.5% higher, with all other variables held constant, there would have been no impairment to the vessels (2023: no impairment).

### 6.3 Depreciation

The amount of depreciation expense on vessels, property and equipment is presented in the consolidated statement of profit or loss as follows:

	2024	2023
	AED '000	AED '000
Direct costs (Note 23)	45,110	36,432
General and administrative expenses (Note 24)	14	293
	<b>45,124</b>	<b>36,725</b>

### 6.4 Disposal of a vessel

During the year ended December 31, 2023, the Group sold a vessel with a carrying amount of AED 74,637 thousand for a cash consideration of AED 99,471 thousand resulting in a gain of AED 24,834 thousand.

## 7. Goodwill

The details of goodwill are as follows:

	2024	2023
	AED'000	AED'000
Gross carrying value	219,912	219,912
Accumulated impairment loss	(76,449)	(76,449)
<b>Net carrying value</b>	<b>143,463</b>	<b>143,463</b>

Goodwill comprises the following:

- Goodwill of AED 135,999 thousand arising at the time of the initial public offer (IPO) and as a result of the acquisition of the exiting ship agency business in 2005; and
- Goodwill of AED 83,913 thousand on acquisition of livestock vessels in 2018.

Goodwill is allocated to the vessel chartering reporting segment.

Management performed an impairment test on goodwill as at December 31, 2024 and 2023. The recoverable amounts of the CGUs have been determined at December 31, 2024 and 2023 based on a value in use calculation using cash flow projections. The cash flows are derived from the most recent pre-tax cash flow projections for the next five years based on estimated charter rates using currently available market information and historical trends for vessels which are not on long term time charter. Cash flows beyond the 5-year period are extrapolated using a growth rate, which management believes approximates the long-term average growth rate for the industry in which the cash-generating units operate.

The pre-tax discount rate applied to the cash flow projections is 8.92% (2023: 8.45%). As a result of the analysis, there is headroom and accordingly no impairment to goodwill.

The calculation of value in use is most sensitive to the following assumptions:

### Revenue

Revenue is mainly determined based on the actual charter hiring contracts entered into at the reporting date. Management took into consideration a reasonable decrease of 5% in the expected charter hiring rate is not expected to result in any impairment to goodwill.

### Discount rate

The discount rate represents the current market assessment of the risks specific to the CGU, taking into consideration the time value of money and risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment from a willing market participant and the cost of debt is based on an estimate of debt available to willing market participants. Segment-specific risk is incorporated by applying individual beta factors. Any reasonable rise of 0.5% (2023: 0.5%) in the discount rate is not expected to result in any impairment to goodwill (2023: nil).

### Growth Rate

The growth rate represents management's best estimate of the applicable market growth rate for the industry segments in which it operates. Any reasonable decrease in the growth rate by 0.5% is not expected to result in any impairment to goodwill (2023: no impairment).

## 8. Income tax

On 9 December 2022, the United Arab Emirates ("UAE") Ministry of Finance ("MoF") released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax ("CT") to enact a new CT regime in the UAE. The new CT regime has become effective for accounting periods beginning

on or after June 1, 2023. Accordingly, 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.

The component of income tax for the year ended December 31, 2024 is:

	2024
	AED'000
Deferred income tax:	
Related to temporary differences	1,970

The Group reported taxable losses, and accordingly, no current income tax has been recognized in profit or loss.

The reconciliation of income tax and the accounting loss multiplied by UAE's domestic tax rate is as follows.

	2024
	AED'000
Accounting loss before income tax	(22,054)
Non-deductible expenses	166
<b>Tax loss carried forward to be offset against future taxable income</b>	<b>(21,888)</b>
<b>At the UAE's statutory tax rate of 9%</b>	<b>(1,970)</b>

The Group carried forward the entire tax loss incurred in the current year given that such losses are available indefinitely to be offset against future taxable income in accordance with the provisions of the UAE CT.

## 9. Inventories

	2024	2023
	AED'000	AED'000
Spare parts	8,929	7,344
Vessel oil and lubricants	1,504	1,740
	<b>10,433</b>	<b>9,084</b>

Inventories with a carrying value of AED 561 thousand were recognized as expense in the consolidated statement of profit or loss for the year ended December 31, 2024 (2023: AED 3,974 thousand).

## 10. Categories of financial assets and liabilities

The Group holds the following financial instruments:

	2024	2023
	AED'000	AED'000
<b>Financial assets at amortised cost</b>		
Trade and other receivables	15,427	18,219
Cash and bank balances	5,195	210,059
	20,622	228,278
<b>Financial assets at fair value through profit or loss</b>		
Quoted equity instruments	701	100,379
<b>Financial liabilities at amortised cost</b>		
Trade and other payables	264,680	104,970
Interest-bearing borrowings	93,605	300,034
	358,285	405,004
<b>Non-current Current</b>		
Non-current Current	72,706	94,163
<b>Current</b>		
	285,579	310,841

## 11. Trade receivables, advances and other assets

### 11.1 Trade receivables, net

	2024	2023
	AED'000	AED'000
Trade receivables, gross	20,979	22,427
Less: allowance for expected credit losses (ECL)	(6,875)	(6,875)
<b>Trade receivables, net</b>	<b>14,104</b>	<b>15,552</b>

The movement in the allowance for expected credit losses of trade receivables can be reconciled as follows:

	2024	2023
	AED'000	AED'000
As at January 1,	6,875	5,875
Charge for the year (Note 24)	-	1,000
<b>As at December 31,</b>	<b>6,875</b>	<b>6,875</b>

### 11.2 Advances and other assets

	2024	2023
	AED'000	AED'000
<b>Financial assets at amortised cost</b>		
Accrued interest on fixed deposit	-	2,667
Other receivables	1,323	-
	1,323	2,667
<b>Non-financial assets</b>		
Advances to suppliers	28,816	3,374
Prepayments	1,730	1,551
	30,546	4,925
	31,869	7,592

## 12. Financial assets at fair value through profit or loss

The Group has investments 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 of loss (FVTPL). The movement in the investments in financial assets at FVTPL is as follows:

	2024	2023
	AED'000	AED'000
At the beginning of the year	100,379	-
Acquisitions	9,462	178,423
Change in fair value (Note 25)	(7,662)	(2,009)
Disposals	(101,478)	(76,035)
<b>At the end of the year</b>	<b>701</b>	<b>100,379</b>



## 13. Cash and cash equivalents

	2024	2023
	AED'000	AED'000
Cash on hand	79	83
Cash at banks – current accounts	5,116	9,976
Cash at bank – fixed deposit	-	200,000
Cash and bank balances	5,195	210,059
Less: fixed deposit (1)	-	(200,000)
Cash and cash equivalents	5,195	10,059

(1) During 2023, the Group placed AED 200 million as fixed term deposit with a local bank carrying interest at a commercial rate per annum and having 1 year maturity. During the year,

the Group earned interest on bank deposits of AED 7,472 thousand (2023: 2,667 thousand) and did not renew the deposit upon maturity.

## 14. Share capital

	2024	2023
	AED'000	AED'000
Authorised, issued and fully paid-up share capital 837,695,625 shares (2023: 837,695,625) of AED 1 each	837,696	837,696

The movement in the share capital during the year was as follows:

	2024	2023
	AED'000	AED'000
At January 1,	837,696	1,275,391
Capital reduction (1)	-	(637,695)
Conversion of Sukuk to share capital (2)	-	200,000
At December 31,	837,696	837,696

(1) At the General Assembly Meeting held on March 22, 2023, the Company's shareholders, through special resolutions, approved a capital reduction by 50% of the total issued share capital of the Company through the cancellation of 637,695,625 shares in the Company with nominal value of AED 1 (the "Capital Reduction"), on a pro rata basis, to absorb accumulated losses to the extent of AED 637,695,625 reducing the Company's share capital to AED 637,695,625, noting that the Company

will fully utilize the legal or optional reserves to absorb part of the accumulated losses with the remaining losses absorbed from the share capital. The shareholders also approved granting the Board of Directors the full authority to take all actions required to implement and execute the Capital Reduction pursuant to the provisions of the UAE Federal Decree-Law No. (32) of 2021 and the executive regulations of the SCA. The Capital Reduction was completed on May 22, 2023 and

the statutory reserve was fully utilized for the partial absorption of accumulated losses as approved by the General Assembly and after obtaining the necessary regulatory approvals.

(2) At the General Assembly Meeting held of September 11, 2023, the Company's shareholders, through special resolutions, approved the issuance of 220 million Mandatory convertible

Sukuk to new investors to be converted to 200 million shares of the Company at a conversion price of AED 1.10 increasing the share capital of the Company to AED 837,695,625 (the "Capital Increase") post the Capital Reduction. The Capital Increase was completed on September 15, 2023 resulting in a share premium of AED 2,400 thousand, net of share issuance cost of AED 17,600 thousand.

## 15. Statutory reserve

In accordance with the Company's Articles of Association and Article 103 of UAE Federal Law No. (32) of 2021, a minimum of 10% (2023: 10%) of the profit for the year has to be transferred to the statutory reserve. Such transfers are required to be made

until the balance of the statutory reserve equals one half of the Company's paid-up share capital. The reserve is not available for distribution except as provided for in the above-mentioned law.

## 16. 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 from 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") in this regard, while authorising the Company's Board of Directors to:

- Implement the decision of the General Assembly during 2022 approved by SCA.
- Reduce the capital of the Company in the event of not meeting the period specified by SCA to dispose of the purchased shares by cancelling those shares with the amendment of the Company's capital in the Articles of Association.

Consequently, in 2022, 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	
	2024	2023	2024	2023
	No.	No.	AED'000	AED'000
Held under the legal name of:				
■ the Company	-	575,000	-	334
■ the liquidity provider	40,145,454	13,465,854	243,046	95,947
	40,145,454	14,040,854	243,046	96,281

A cumulative loss of AED 12,741 thousand has been recognised for the year ended December 31, 2024 as Share Discount under equity (2023: gain of AED 35,734) out of which a net loss of AED 48,475 thousand is from the net disposal of shares during

the year (2023: net gain of AED 27,282 thousand). In accordance with the signed agreement, the liquidity provider has funded the acquisition of the treasury shares (Note 20).

## 17. Other reserves

Other reserves include a 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, whereby the Company had completed the requirement for capital increase effective September 29, 2022.

Other reserves also include AED 7,559 thousand equity adjustment on acquisition of non-controlling interests in 2022 representing the excess of purchase consideration over the net carrying value of noncontrolling interests as at the date of acquisition.

## 18. Interest-bearing borrowings

	2024	2023
	AED'000	AED'000
Bank loans		
Term loans (a)	93,605	119,847
Bank overdraft (b)	-	180,187
Total interest-bearing borrowings	93,605	300,034
Less: non-current portion	(72,706)	(94,163)
Current portion	20,899	205,871

### (a) Term loans

The movement in term loans during the year was as follows:

	2024	2023
	AED'000	AED'000
At January 1,	119,847	233,323
Add: amortization of arrangement fee	665	1,419
Less: loans repaid during the year	(26,907)	(106,375)
Less: write back	-	(8,520)
At December 31,	93,605	119,847

At December 31, 2024 and December 31, 2023, the Group had one term loan, 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 December 31, 2024 (2023: all met).

On October 22, 2024, the Group signed a loan facility agreement with a financial institution to refinance its existing term loan. On January, 10, 2025 the Group received an amount of AED 175,680 thousand under the new facility and fully settled

the existing term loan at December 31, 2024. The new facility will be repayable in quarterly equal instalments over a period of 4 years.

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.

In 2023, upon sale of a vessel, the related remaining portion of the term loan of AED 41.9 million was fully settled.

The facility is a sale and leaseback transaction for the Group's three chemical tankers. The facility is payable on a quarterly basis starting from January 10, 2025 for the next four years, comprising of fixed and variable hire carrying coupon of 3 months SOFR plus spread.

### (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 a fixed deposit (Note 13), which was 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. During the year, this overdraft facility was settled upon withdrawal of the fixed deposit (Note 13).

## 19. Provision for employees' end of service benefits

	2024	2023
	AED'000	AED'000
As at January 1,	1,255	1,211
Charge for the year	46	276
Payments made during the year	(290)	(232)
As at December 31,	1,011	1,255

## 20. Trade and other payables

	2024	2023
	AED'000	AED'000
Financial liabilities at amortised cost:		
Trade payables	6,734	19,231
Accruals, provisions and other payables	10,132	12,441
<b>Tax accrual</b>	-	<b>2,374</b>
Payable to liquidity provider* (Note 16)	247,814	70,924
	264,680	104,970
Non-financial liability		
Advances from customers	-	445
	264,680	105,415

In accordance with the signed agreement dated September 25, 2023, the liquidity provider will provide funding to the Company up to a certain limit to facilitate the trading of the Company's shares. Losses resulting from the breach (if any) of the said

agreement by the liquidity provider or the failure of the liquidity provider to follow the instructions of the Company shall be borne solely by the liquidity provider.

## 21. Related party transactions

Key management personnel remuneration

	2024	2023
	AED'000	AED'000
Short-term benefits	5,309	3,654

## 22. Revenue

	2024	2023
	AED'000	AED'000
Services transferred over time		
Vessel chartering <sup>1</sup>	78,557	99,010
Services transferred at a point in time		
Shipping and technical services	10,131	6,524
	88,688	105,534

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) with relation to charter hiring revenue as at December 31 are, as follows:

	2024	2023
	AED'000	AED'000
Within one year	53,202	73,838
More than one year	33,845	23,683
	87,047	97,521

<sup>1</sup> As disclosed in Note 6.4, the Group sold a vessel during the first quarter of the year 2023. In addition, there were three vessels under drydocking during the year.

## 23. Direct costs

	2024	2023
	AED'000	AED'000
Vessel chartering:		
Ship running costs - vessels	45,902	49,256
Depreciation of vessels, property and equipment (Note 6)	45,110	36,432
Ship running costs - crew boats	2,584	3,911
	93,596	89,599
Shipping and technical services:		
Operating expenses	4,239	6,322
	97,835	95,921

## 24. General and administrative expenses

	2024	2023
	AED'000	AED'000
Staff costs	6,615	8,741
Directors' remuneration (Note 21)	5,309	3,654
Professional fees	3,576	5,577
Foreign exchange loss	344	171
Depreciation of vessels, property and equipment (Note 6)	14	293
Credit losses on trade receivables (Note 11)	-	1,000
Others	6,521	7,295
	22,379	26,731



## 25. Other non-operating income and expenses

### Other non-operating income

	2024	2023
	AED'000	AED'000
Insurance claim income <sup>1</sup>	37,771	-
Reversal of liabilities no more required	1,271	19,466
Gain of settlement of Sukuk	-	14,549
Others	735	1,420
	39,777	35,435

### Other non-operating expenses

	2024	2023
	AED'000	AED'000
Change in fair value of financial assets at FVTPL (Note 12)	7,662	2,009
Vessel repair <sup>1</sup>	6,968	-
Impairment on vessels	1,831	-
Others	1,059	-
	17,520	2,009

## 26. Finance costs

	2024	2023
	AED'000	AED'000
Finance costs on:		
▪ Term loans	9,999	13,744
▪ Short-term loan	9,540	1,415
▪ Amortisation of arrangement fee	665	4,168
▪ Islamic non-convertible sukuk	-	2,581
Others	53	626
	20,257	22,534

<sup>1</sup> During the twelve months ended December 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 and receive an amount of AED 37,771 thousand under the vessel's insurance contract.

## 27. Basic and diluted earnings per share

	2024	2023
(Loss)/profit for the year (AED'000)	(20,084)	21,275
Weighted average number of ordinary shares (1)	812,451,303	925,479,458
Basic and diluted earnings per share (AED)	(0.025)	0.023

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

(1) The weighted average number of ordinary shares takes into account the weighted average effect of changes in treasury shares (Note 16) during the year.

## 28. Commitments and contingent liabilities

At December 31, 2024, the Group did not have any contingent liabilities (2023: None).

## 29. Financial instruments and risk management

The Group is exposed to various risks in relation to financial instruments. The Group's financial assets and liabilities by category are summarised in Note 10. The main types of risks are market risk, credit risk and liquidity risk.

The Board of Directors has the overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's senior management are responsible for developing and monitoring the Group's risk management policies and report regularly to the Board of Directors on their activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

### 29.1 Market risk analysis

The Group is exposed to market risk through its use of financial instruments and specifically to currency risk, interest rate risk and certain other price risks, which result from both its operating and investing activities.

#### Foreign currency risk

Most of the Group's transactions are carried out in USD and AED, which is pegged to the USD. Accordingly, the Group is not exposed to significant foreign currency risk.

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

At December 31, 2024 and 2023, the Group is exposed to changes in market interest rates through bank borrowings at variable interest rates.

#### Interest rate sensitivity

The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rates of +/- 1% (2023: +/- 1%). These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

	Profit / (loss) and equity	
	+1%	-1%
	AED'000	AED'000
December 31, 2024	(936)	936
December 31, 2023	(1,198)	1,198

## Other price sensitivity

The Group is exposed to other price risk in respect of its listed equity securities (Note 12). For the listed equity securities, an average volatility of 5% has been considered by the Group. This volatility figure is considered to be a suitable basis for estimating how profit or loss and equity would have been affected by changes in market risk that were reasonably possible at the reporting date. If the quoted stock price for these securities increased or decreased by that percentage, profit or loss and equity would have increased or decreased by AED 35 thousand (2023: AED 5,019 thousand).

## 29.2 Credit risk analysis

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group is exposed to credit risk from financial assets including cash and cash equivalents held at banks and trade and other receivables.

### Credit risk management

The Group's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date, as summarized below:

	2024	2023
	AED'000	AED'000
Trade receivables	14,104	15,552
Advances and other assets	1,323	2,667
Cash and bank balances	5,195	210,059
	20,622	228,278

### Trade receivables

The Group continuously monitors the credit quality of customers based on a credit rating scorecard. The Group's policy is to deal only with credit worthy counterparties. The credit terms range between 15 and 30 days. The credit terms for customers as negotiated with customers are subject to an internal approval process. The ongoing credit risk is managed through regular review of ageing analysis, together with credit limits per customer.

The Group applies the IFRS 9 simplified model of recognising lifetime expected credit losses for all trade receivables as these items do not have a significant financing component.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns.

The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Management takes into consideration subsequent collections and advances received from customers when assessing the expected credit loss on its trade receivables. Management assessed that the impact of time value of money is insignificant.

Trade receivables are written off (i.e. derecognised) when there is no reasonable expectation of recovery.

On the above basis the expected credit loss for trade receivables as of December 31, 2024 and December 31, 2023 was determined as follows:

	Past due					
	Total	Not due	<90 days	91 to 120 days	121 to 150 days	> 150 days
	AED	AED	AED	AED	AED	AED
	'000	'000	'000	'000	'000	'000

#### 2024

Expected credit loss rate	-	1%	2%	2%	13%	66%
Gross carrying amount	20,979	3,333	800	5,636	1,171	10,039
Expected credit loss	6,875	19	17	92	149	6,598

	Past due					
	Total	Not due	<90 days	91 to 120 days	121 to 150 days	> 150 days
	AED	AED	AED	AED	AED	AED
	'000	'000	'000	'000	'000	'000

#### 2023

Expected credit loss rate	-	2%	2%	2%	3%	58%
Gross carrying amount	22,427	776	699	3,687	5,952	11,313
Expected credit loss	6,875	19	17	92	149	6,598

### Bank balances

The credit risk in respect of cash balances held with banks and deposits with banks are managed via diversification of bank deposits and are only with major reputable financial institutions.

liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group considers expected cash flows from financial assets in assessing and managing liquidity risk, in particular its cash resources and trade receivables. Cash flows from trade and other receivables are all contractually due within 1 months.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

## 29.3 Liquidity risk

Liquidity risk is that the Group might be unable to meet its obligations. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient

	Within 1 year	1 to 5 years	Total
	AED'000	AED'000	AED'000
December 31, 2024			
Interest-bearing borrowings	28,705	88,794	117,499
Trade and other payables	264,680	-	264,680
Total	293,385	88,794	382,179

	Within 1 year	1 to 5 years	Total
	AED'000	AED'000	AED'000
December 31, 2023			
Interest-bearing borrowings	36,419	114,258	150,677
Trade and other payables	104,970	-	104,970
Bank overdraft	180,187	-	180,187
Total	321,576	114,258	435,834

The above amounts reflect the contractual undiscounted cash flows, which may differ to the carrying values of the liabilities at the reporting date.

## 30. Capital management

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and to provide an adequate return to shareholders to maintain the confidence of its investors, creditors and the market and to sustain future development of the business.

The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt. Capital comprises share capital, share premium, treasury shares and all other equity reserves and is measured at AED 380,312 thousand as at December 31, 2024 (2023: AED 595,636 thousand).

In order to achieve this overall objective, the Group's capital management, among other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call the loans and borrowings. There have been no breaches of the financial covenants of any interest-bearing loans and borrowing as at December 31, 2024.

No changes were made in the objectives, policies or processes for managing capital during the years ended December 31, 2024 and 2023.

## 31. Fair value measurement

Management assessed that the fair values of cash and bank balances, trade and other receivables and trade and other payables as at December 31, 2024 and 2023 approximate their carrying amounts largely due to the short-term maturities of these instruments.

Management assessed that the carrying amounts of long-term borrowings as at December 31, 2024 and 2023 approximate their fair values due to the fact that they bear variable interest rates that reflect current market interest rates for similar borrowings. As a result, the values of the future discounted cash flows on those borrowings are not significantly different from their current book values.

Financial assets measured at fair value in the consolidated statement of financial position are grouped into three levels as disclosed in the Group's accounting policies (Note 4.10).

The fair values of the financial assets at FVTPL comprising quoted equity instruments are based on quoted prices in active markets, and accordingly, fall under level 1 category of the fair value hierarchy.

There have been no transfers made between the valuation levels during the current year and the previous years.

## 32. 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 on-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.