

## MEDIA RELEASE: BUSINESS UPDATE



### Atlantic Navigation Holdings (Singapore) Limited

(Company Registration No. 200411055E)  
(Incorporated in Singapore)

## ATLANTIC NAVIGATION HOLDINGS SUSTAINS INCREASES IN REVENUE AND PROFITS YEAR-ON-YEAR FOR 3Q2023 AND 9M2023 FINANCIAL PERFORMANCE

**10 November 2023** – Atlantic Navigation Holdings (Singapore) Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”), an established integrated offshore marine logistics services group operating predominantly in the Middle East, is pleased to provide an update on its results for the 3-month financial period ended 30 September (“**3Q**”) 2023 and 9-month financial period ended 30 September (“**9M**”) 2023 as follows:

US\$ 'millions, unless otherwise stated	3Q2023	3Q2022	Increase / (Decrease)	9M2023	9M2022	Increase / (Decrease)
Utilisation	86.3%	95.0%	(8.7%) points	88.3%	90.2%	(1.9%) points
<b>Revenue</b>	<b>23.0</b>	<b>16.6</b>	<b>38.9%</b>	<b>66.6</b>	<b>46.0</b>	<b>44.7%</b>
Gross Profit (i.e. taking into account depreciation)	8.0	5.6	42.3%	24.5	15.4	59.5%
<b>Gross Profit Margin</b>	<b>34.9%</b>	<b>34.1%</b>	<b>0.8% points</b>	<b>36.8%</b>	<b>33.4%</b>	<b>3.4% points</b>
Net Cash Flows generated from Operating Activities (9 months)				18.7	10.7	74.6%
<b>Net Profit</b>	<b>4.8</b>	<b>2.6</b>	<b>88.7%</b>	<b>15.3</b>	<b>6.9</b>	<b>121.4%</b>
<b>Earnings per Share (US cents)</b>	<b>0.92</b>	<b>0.49</b>		<b>2.92</b>	<b>1.32</b>	
<b>Net Profit Margin</b>	<b>21.0%</b>	<b>15.4%</b>	<b>5.5% points</b>	<b>23.0%</b>	<b>15.0%</b>	<b>7.9% points</b>
				<b>30-Sep-23</b>	<b>31-Dec-22</b>	<b>Change</b>
<b>Net Assets</b>				<b>97.2</b>	<b>81.8</b>	<b>18.8%</b>
<b>Net Asset Value per share (US cents)</b>				<b>18.57</b>	<b>15.63</b>	
<b>Net Gearing*</b>				<b>42.1%</b>	<b>45.2%</b>	<b>(3.1%) points</b>

\* Net debt divided by total capital plus net debt. Net debt includes loans and borrowings, trade and other payables, other non-financial liabilities, amount due to shareholders and lease liabilities, less cash and bank balances (in aggregate) while total capital refers to equity attributable to owners of the Company

Despite the decline in utilisation rate of its owned fleet of vessels to 86.3% for 3Q2023 (compared to 95.0% for 3Q2022) mainly due to 5 vessels being off hired as they were undergoing routine special surveys, the Group generated revenue of US\$23.0 million for 3Q2023 or 38.9% increase over 3Q2022 of US\$16.6 million. Gross profit was US\$8.0 million for 3Q2023 or 42.3% increase over 3Q2022 of US\$5.6 million, with net profit at US\$4.8 million for 3Q2023 compared to US\$2.6 million for 3Q2022 or 88.7% increase.

The improvement in revenue and profits were mainly due to the higher contribution year-on-year from the chartering business at the Marine Logistics Services (“**MLS**”) Division with higher contributions from one of its lift-boats, 3 new vessel addition to fleet as well as from cross-chartering of vessels, offset by the lower contributions from the 5 vessels which were undergoing special surveys. The 5 vessels had since completed special surveys as of the date of this media release and are currently back in operations.

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For 9M2023, the total revenue of the Group reached US\$66.6 million compared to US\$46.0 million for 9M2022, representing an increase of 44.7%. The gross profit for 9M2023 was US\$24.5 million or 59.5% higher compared to 9M2022 at US\$15.4 million with corresponding increase in gross profit margin to 36.8% compared to 33.4%, representing 3.4% points higher. Net profit for the Group reached US\$15.3 million (or 2.92 US cents per share) for 9M2023 as compared to US\$6.9 million (or 1.32 US cents per share) for 9M2022, with corresponding net profit margins of 23.0% and 15.0% respectively, representing 7.9 percentage points increase.

With the Group net assets of US\$97.2 million as at 30 September 2023 compared to US\$81.8 million as at 31 December 2022, the net assets per share was 18.57 US cents per share compared to 15.63 US cents per share respectively. Despite the full draw-down of US\$20.0 million secured loan in 2Q2023 mainly to finance vessel expansion, the external borrowings net of restricted cash of the Group as at 30 September 2023 was US\$42.2 million compared to US\$40.3 million as at 31 December 2022 mainly in view of the strong cash flow from operations, with the resulting net gearing of the Group declining to 42.1% as at 30 September 2023 from 45.2% as at 31 December 2022.

With regard to the Arbitration as disclosed in the financial results announcement for the 3-month and 6-month financial periods ended 30 June 2023, as released by the Company on 14 August 2023 on SGXNet, as an update, the Group as Claimant had reached a settlement with the Respondent in October 2023 for the full amount as claimed payable in installments. The Arbitration is not expected to have a material impact on the financial performance of the Group.

Executive Director and CEO, Mr Bill Wong, commented, "Our operations are predominantly in the Middle East but largely confined to the Arabian Gulf. While we are currently not significantly impacted by such recent developments, we are maintaining a vigilant watch over the situation and interacting closely with our clients as well as underwriters to have a first-hand knowledge of any adverse change in the situation which could impact our operations.

At the Group level, we are heartened that our gradual fleet expansion plan as well as the prudent management of debt and gearing had sustained our commendable performance from FY2022 into 9M2023. With reference to the Company's announcement dated 31 May 2023, the OSV under construction is progressing with possibly a couple of months delay in completion. We will continue to remain vigilant to the ongoing challenges to our operations and exercise caution in the prudent use of gearing to support the earnings growth of the Group."

– The End –

### **About Atlantic Navigation Holdings (Singapore) Limited (Bloomberg: ATL SP, Reuters: ATLA.SI)**

Atlantic Navigation Holdings (Singapore) Limited is an investment holding company with integrated offering of marine logistics services as well as ship repair, fabrication and maintenance services. Excluding one OSV currently under construction, it currently owns, operates, and charters its fleet of 19 offshore support vessels (including lift-boats, AHTSs, PSVs, MUVs, AHT, DSV, crew-boat) to reputable offshore oil and gas companies and international contractors primarily in the Middle East. In view of its established presence and its operational capabilities, it also manages the sourcing and cross-chartering of third-party vessels to match customers' requirements where necessary.

## **MEDIA RELEASE: BUSINESS UPDATE**

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*This media release has been prepared by the Company and its contents have been reviewed by the Company's sponsor, SAC Capital Private Limited ("**Sponsor**"). This media release has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this media release, including the correctness of any of the statements or opinions made, or reports contained in this media release. The contact person for the Sponsor is Ms Lee Khai Yinn (Tel: +65 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.*