

Strategy

Against a favourable backdrop for growth across the oil infrastructure and transportation sectors, GULFNAV is strategically positioned to capture expanding demand through its integrated shipping and infrastructure platform, which the Group is now developing.

Economy Overview

The UAE economy demonstrated strong growth in 2025, with GDP surpassing AED 1.4 trillion in the first nine months, reflecting a 5.1% year-on-year expansion. Growth was broad-based across sectors, supported by sustained domestic demand, infrastructure investment, and private sector expansion. The non-oil sector was the primary driver, growing 6.1% to exceed AED 1 trillion in GDP, underscoring the country's continued progress toward economic diversification under the "We the UAE 2031" strategy.

Overall growth was further supported by a recovery in hydrocarbon output, with GDP in the mining and quarry sector increasing by 1.8%.

The full-year GDP is estimated to expand by around 5%, positioning the UAE ahead of many global peers.

Market Overview

Global oil production increased by 3.1% in 2025, reaching 100.4 million barrels per day, according to estimates by the International Energy Agency (IEA). Demand for oil storage infrastructure is supported by rising energy consumption, energy security considerations, and increasing trade flows. Terminal location is critical, with some of the largest hubs positioned along key shipping routes such as Rotterdam in Europe and Fujairah near the Strait of Hormuz. Asia, North America and Europe currently account for around 83% of global storage capacity; however, this distribution is expected to shift significantly with planned expansion and construction projects in other regions, particularly the Middle East.

The Middle East holds the largest share of the world's proven crude oil reserves and oil trade. In 2025, it produced

an average of 31.1 million barrels of oil per day (mb/d), accounting for 31% of global production¹.

Of this total, the UAE contributed 3.46 million barrels per day, representing 11.1% of Middle East production and 3.4% of global production. The majority of UAE crude oil is exported to OECD countries in Asia and Oceania (including Australia, Japan, Korea and New Zealand), as well as to China and other Asian countries.

Of the total UAE crude oil production in 2025, around 1 mb/d was transported from Abu Dhabi via the ADCOP Habshan–Fujairah pipeline, which connects onshore fields to the port of Fujairah on the Gulf of Oman. Approximately 2 mb/d was exported through the Strait of Hormuz. The UAE is increasing exports via the ADCOP



pipeline that has a stated design capacity of 1.5 mb/d, with reported flows reaching up to 1.8 mb/d.

Despite the Middle East being the largest producer of crude oil in the world, it accounts for only around 6% of global storage capacity. The UAE oil storage terminal market size is expected to grow by more than 10% by 2027, to AED 1,989 million².

GULFNAV is well-positioned to benefit from these growth opportunities, with its fleet of versatile tankers capable of carrying a wide range of cargoes and best-in-class operational infrastructure facilities at the port of Fujairah. In the transportation segment, GULFNAV operates medium-range tankers – the most stable segment with the lowest volatility. In 2025, the average charter rate for these tankers constituted USD 20,000/day. Growing consumer demand is expected to positively affect prices and the need for tankers in the medium term.

31%
of global oil production comes from the Middle East

In the infrastructure segment, GULFNAV is able to command higher prices due to its superior operational efficiency (faster loading/unloading rates that reduce port time and costs), specialised handling of high-value products, lower product loss and contamination risk, strong infrastructure and berth availability, and certified quality and safety standards that deliver measurable cost savings and risk reduction for clients. The global outlook for oil storage terminals is strongly supported by growing energy demand, rising oil prices, and a greater focus on environmentally friendly fuels.

Strategy Implementation and Future Plans³

In 2025, GULFNAV successfully finalised the acquisition of the assets and affiliates of Brooge Energy Limited, including BPGIC. Within the Port of Fujairah, the Group has already completed the FEED study, the Soil Investigation, and the Environmental Impact Assessment (EIA) for Phase 3 of the development of BPGIC's assets. A Front-End Engineering and Design (FEED) contract for a new refining project has been awarded to PEG Engineering & Contracting to develop the engineering framework for a facility that will upgrade naphtha into high-quality gasoline. BPGIC has signed a separate agreement with Honeywell UOP to license its advanced refining technology for the naphtha-to-gasoline conversion process.

GULFNAV has a clear vision for the future development of both transportation and infrastructure assets:

- Focus on fast order processing, high-quality customer service, and industry-leading low oil loss rates to justify premium positioning.
- Build on BPGIC's Phase 1 and 2 success with Phase 3 expected to significantly increase capacity and expand into refining, adding downstream capabilities.
- Leverage the strong track record and industry relationships to attract global oil traders and diversify clients across storage and value-added services.
- Expand services across transportation, infrastructure, and refining to enhance competitiveness and long-term value creation.

² Sources: global tank storage assets statistics, Statista, the Company's estimates.

³ Certain development plans remain subject to regulatory approvals, financing, phased execution and market conditions.

¹ Source: International Energy Agency, *Oil Market Report*, March 2026 (excluding processing gains and global biofuels).