



28 October 2024

Gulf Marine Services PLC
('Gulf Marine Services', 'GMS', 'the Company' or 'the Group')

**Highlights of unaudited operational results
for the nine months' period ended 30 September 2024
and revised Guidance for 2024**

GMS, a leading provider of advanced self-propelled, self-elevating support vessels serving the offshore oil, gas and renewables industries, is pleased to share highlights on its unaudited operational management results for the nine months period ended 30 September 2024 (9M 2024) as well as to provide a revised adjusted EBITDA guidance for 2024.

The results are neither audited nor reviewed by external auditors.

Overview

	9M 2024	9M 2023	Variance
Revenue (US m)	126.1	113.3	+11%
Gross profit (US m)	61.8	54.1	+14%
Adjusted EBITDA (US m)	76.1	67.7	+12%
Net Debt (US m)	221	281	-21%
Net Leverage Ratio	2.3:1	3.5:1	-34%
Utilization of vessels	92%	94%	-2%
Daily Rates average (US k)	32.8	30.3	+8%

Highlights:

- Net leverage ratio lowered to 2.31:1 (31 December 2023: 3.05:1). The Group's continuous focus on deleveraging has resulted in net bank debt reduced by US\$46.1 million to US\$221.2 million (31 December 2023: US\$267.3 million and September 30, 2023 US\$281.2 million). In addition to its contractual obligations, the Group made additional repayments and took further measures to minimise interest charges.
- Revenue of US\$126.1 million was generated during the first nine-months of 2024, reflecting an increase of 11% compared to US\$113.3 million in 9M 2023. The increase in revenue was attributed to improvements in fleet average day rates to US\$32.8k (9M 2023: US\$30.3k) as well as in the increase in other revenues and recoverable expenses such as mobilization, catering and manpower. The increase was partially offset by a decrease in fleet average utilization from 94% in 9M 2023 to 92% in 9M 2024, largely attributed to necessary downtime for the maintenance and drydocking of various vessels.
- Adjusted EBITDA increased by 12% to US\$76.1 million (9M 2023: US\$67.7 million) driven by the increase in revenue. Adjusted EBITDA margin is flat at 60%.
- Finance expenses decreased to US\$17.9 million (9M 2023: US\$24.6 million), driven by the lower level of gross debt, the cessation of 250 basis points (bps) Profit-In-Kind (PIK) interest and a reduction of the margin rate by 90 basis points (bps) when the Group's net leverage ratio dropped below 4:1 as of 31 March 2023, and a further reduction in the margin by 10 bps when the net leverage ratio passed below 3:1 as of 31 March 2024.

Strategic Progress and Outlook:

- Adjusted EBITDA guidance for 2024 increased to be in the range of US\$96 - 101 million.
- We are in the process of revisiting the 2025 adjusted EBITDA guidance. We remain committed to the ongoing deleveraging of the Company throughout 2025.
- Demand in the market remains strong due to a combination of high market activity and limited vessel availability. An estimated 18-21 new vessels are expected to be operational in the next 2 to 3 years. We expect market growth and retirement of aged assets from 2025-2027 to absorb the supply increase.
- We are still in the process of preparing the new financing facility documentation, with completion expected in 2024.

Revenue for the nine months ended 30 September 2024 (30 September 2023: US\$113.3 million) which is split as follows:

- Secured backlog was US\$465.5 million as at 30 September 2024 (30 September 2023: US\$256.9 million), which reflects the additional contract awards announced over the last 12 months, offset by the revenue recognised. We subsequently announced that backlog has reached US\$505 million as of October 10th, 2024.
- 34.2 million warrants were exercised, and 53.5 million shares were issued accordingly during the first 9 months of the year at the price of 5.75p per share. 53.4 million warrants potentially giving right to 83 million shares remain to be exercised up to June 30, 2025.

Board Update

On 3 September 2024, Hassan Heikal, Deputy Chairman of the Board, stepped down from the Board with immediate effect.

Alex Acimandos, GMS Chief Financial Officer stated: "I am delighted to see the results achieved as well as the plans moving forward adding value to the shareholders of the Company. The solid fundamentals of the business are confirmed day after day and so is our ability to transition GMS into an agile Company serving offshore activities for Oil and Gas as well as windfarms customers worldwide."

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This announcement also includes statements that are forward-looking in nature. All statements other than statements of historical fact are capable of interpretation as forward-looking statements. These statements may generally, but not always, be identified by the use of words such as 'will', 'should', 'could', 'estimate', 'goals', 'outlook', 'probably', 'project', 'risks', 'schedule', 'seek', 'target', 'expects', 'is expected to', 'aims', 'may', 'objective', 'is likely to', 'intends', 'believes', 'anticipates', 'plans', 'we see' or similar expressions. By their nature these forward-looking statements involve numerous assumptions, risks and uncertainties, both general and specific, as they relate to events and depend on circumstances that might occur in the future.

Accordingly, the actual results, operations, performance or achievements of the Company and its subsidiaries may be materially different from any future results, operations, performance or achievements expressed or implied by such forward-looking statements, due to known and unknown risks, uncertainties and other factors. Neither Gulf Marine Services PLC nor any of its subsidiaries undertake any obligation to publicly update or revise any forward-looking statement as a result of new information, future events or other information. No part of this announcement constitutes, or shall be taken to constitute, an invitation or inducement to invest the Company or any other entity and must not be relied upon in any way in connection with any investment decision. All written and oral forward-looking statements attributable to the Company or to persons acting on the Company's behalf are expressly qualified in their entirety by the cautionary statements referred to above.

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