APM TERMINALS
Lifting Global Trade



APM Terminals Bahrain B.S.C. Annual Report 2024


APM TERMINALS



His Majesty
King Hamad bin Isa Al Khalifa

The King of
The Kingdom of Bahrain



His Royal Highness
Prince Salman bin Hamad Al Khalifa

The Crown Prince, Deputy Supreme Commander, and
Prime Minister of The Kingdom of Bahrain


GATE
APM TERMINALS

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ABOUT APM TERMINALS - BAHRAIN



APM Terminals Bahrain B.S.C. is a public listed company incorporated in the Kingdom of Bahrain, with 64% of its shares owned by APM Terminals B.V. (Netherlands), a subsidiary of A.P.Moller-Maersk, 16% by Yusuf Bin Ahmed Kanoo (Holdings) Co. W.L.L. and remaining 20% by various corporate and individual shareholders. It has been established for the purpose of managing and operating the state-of-the-art Khalifa Bin Salman Port (KBSP) of the Kingdom of Bahrain.

APM Terminals maintains a vast network of terminals across the globe, either on its own or with another operating partner. Headquartered in The Hague, Netherlands, APM Terminals specializes in providing customer-oriented solutions that are built around the evolving needs of the customers. The services are designed to ensure customers receive technologically competent, seamless, efficient experience by reducing complexity for them when purchasing different services in the market.

KBSP is the only general commercial port facility in the Kingdom of Bahrain which connects Bahrain to the world through its highly efficient operations and modern infrastructure, empowering businesses to fulfill consumer needs.

Located on 900,000 square metres of reclaimed land, the port has 1,800 metre quay which includes a container terminal served by four 61 metres post-panamax cranes, as well as general cargo, RO-RO and passenger facilities. Passenger facility includes a dedicated passenger terminal that is capable of handling cruise and ferry calls.

KBSP is one of the multi-purpose deep water facilities located in the Middle East. Through its diverse service offering, KBSP is capable of handling the following:

Containers are used in the import and export of packaged cargo carried by container ships. Container dimensions range from 20, 40, 45 foot and are measured in Twenty Foot Equivalent Units (TEU). These can be broken down into two broad sub-categories:

- Local – export and import of containers with origin or destination being local; and
- Transshipment – a container which is transferred from one ship to another at some point during the journey without leaving the port where the transfer is taking place, is said to be transshipped.

General Cargo consists typically of commodity goods bulk or break-bulk including but not limited to livestock, steel, sugar, construction materials and RO-RO and passengers.

By means of its multi-purpose and modern port facilities, APM Terminals Bahrain plays a key role in facilitating external trade and marine services through Container Terminal activities, General Cargo, RoRo, Cruise and related port services, thus contributing significantly to Bahrain's economic growth.



OUR PURPOSE

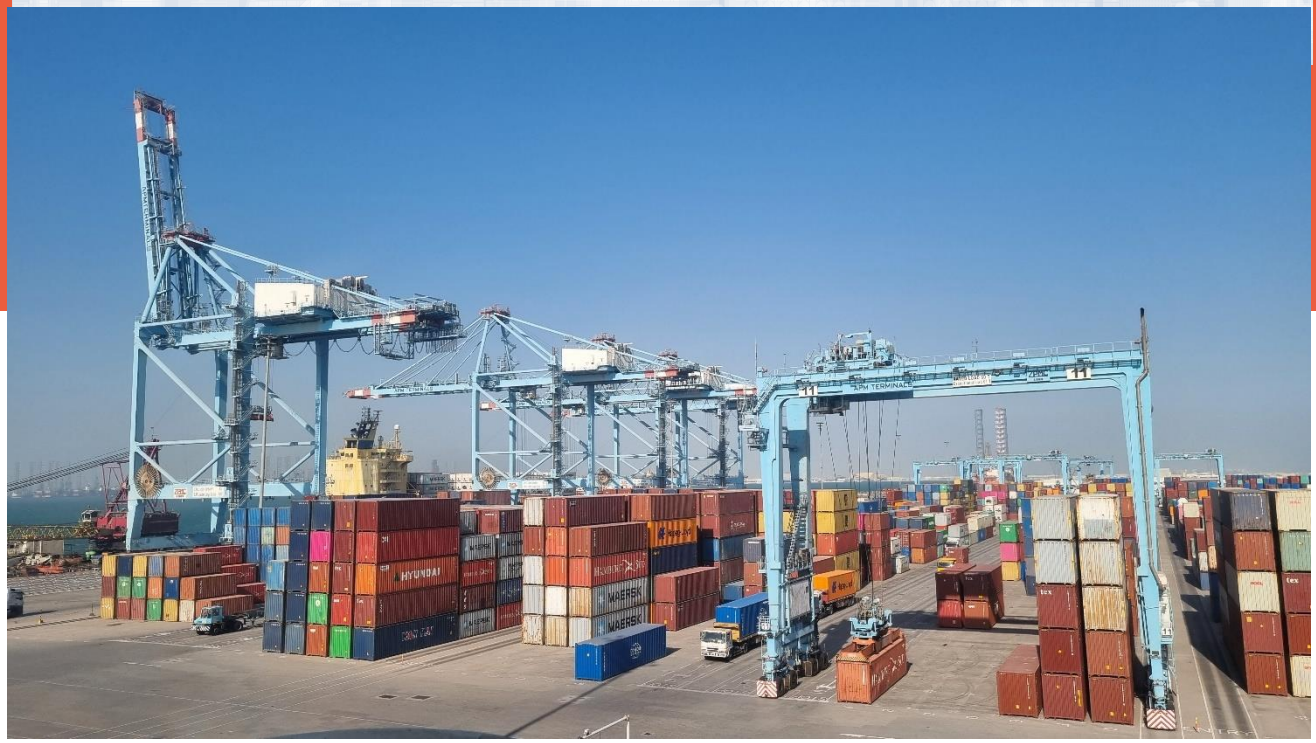
is caring and creating possibilities for everyone by lifting Bahrain's global trade.

OUR VISION

is for Khalifa Bin Salman port to be the most valued and largest single contributor to Bahrain's economy.

OUR MISSION

is to be the most productive and efficient port, where doing business is simple, transparent, integrated, and fast, offering flexible logistic service solutions for all types of cargo, with great service delivered by exceptional people.



OUR VALUES

As part of A.P.Moller-Maersk's group companies, APM Terminals Bahrain B.S.C. follows a distinctive set of Core Values which drive the way we do business. These five corporate values were ingrained into our operations by our founders and have remained guiding principles, governing the development of the Company.



Constant Care

Take care of today, actively prepare for tomorrow

Whether solving today's challenges or exploring opportunities to shape the future, we anticipate, innovate, and strive to improve everything we do.

Humbleness

Listen and respond to our customers' needs

We stay curious, open-minded and respect other perspectives, always seeking to learn from each other, our customers, and the world around us. We only succeed together.

Uprightness

Our word is our bond

Every day, we earn the trust of our customers and partners. They can rely on us to keep our promises and do the right things, even when its hard. We speak openly and honestly, and always act with integrity.

Our Employees

The right environment for our people

Connected by real purpose, we create opportunities to grow, develop and exceed expectations. We win together as a diverse and global workplace where people feel safe, valued and empowered.

Our Name

Everything we stand for

Our name is a promise and a commitment to trust and excellence. We are all ambassadors representing and safeguarding the Maersk name, striving for a more sustainable integrated world.

APM TERMINALS LIFTED BY LEAN

Lean is a business system adopted in APM Terminals. It is our foundation to success and a key enabler in becoming Safer, Better, Bigger. It ensures that we continuously operate and improve our business effectively with relentless customer focus by replicating a consistent set of global standards, systems and processes across every single one of our terminals and headquarters.

It enables us to develop a genuine culture of continuous improvement. Based on established Lean thinking and methodologies, our Lean business system is enabling us to transform our organization by re-tooling and re-educating our people to eliminate waste, boost productivity and promote innovation every day.

Ultimately, our Lean allows us to optimize our resources, efforts and energies towards creating value for our customers, whilst ensuring that our people go home safe.

A critical component of our Lean is our people. By involving every 'brain in the game' through our Lean for All Academy which uses world class tools, we want to empower our employees to become exceptional problem solvers and value creators; who continuously develop more efficient ways to deliver value to themselves, our organization and our customers.

APM TERMINALS LEAN HOUSE



Our Ambition

- Ultimately our winning ambition is to become the best terminal company for all stakeholders if lifted by Lean.

Our Priorities

- Our efforts are guided by four customer facing priorities: highest safety, best quality and delivery and lowest cost.

Our Pillars

- We leverage Just In Time and autonomation to achieve replicable and previously unmet standards.

Our Foundation

- We improve our business through the fundamental Lean tools.
- We execute strategy and deliver on the breakthrough objectives through policy deployment.

Our Core Beliefs

- We develop and educate our people to be more successful through Lean For All program.
- We develop our leaders to role model the right Lean behaviors.

CHAIRMAN'S MESSAGE



NAVIGATING CHALLENGES, DRIVING GROWTH

To our Shareholders and Stakeholders,

The year 2024 presented unique challenges to the global trade landscape. The Red Sea crisis significantly impacted trade volumes, influencing shipping patterns worldwide and creating volatility throughout the year. Despite these headwinds, I am pleased to report that our company demonstrated resilience, maintaining stability and achieving operational progress.

Trade Volumes and Economic Impact

While we experienced fluctuations in volumes and pressure on shipping networks, our overall performance remained robust. In Bahrain, we observed delays in imports and congestion at regional hubs, impacting cargo flows.

- Container imports increased by 3.7% year-on-year, though the timing of these imports shifted due to the crisis.
- Overall cargo demand remains aligned with GDP growth forecasts for the Kingdom of Bahrain.
- General cargo volumes saw growth across most categories, with the exception of project cargo.
- Notably, we observed a shift from containerized to breakbulk exports, resulting in positive growth in aluminum volumes handled.
- The 2023-2024 cruise season concluded successfully with 32 calls and 116,090 passengers.

Tariff Revisions and Revenue Impact

In 2024, the implementation of the KBSP 2023 Public Tariff generated an additional USD 7 million in annualized revenue. This was further bolstered by successful tariff revisions for key customers, including ALBA, with negotiations finalized in the first quarter. The tariff revision was the first one since 2017.

Cost-Saving Measures and Financial Performance

In Total Costs (excluding Royalty) were largely kept in line with 2023 with a minimal increase of 0.7% despite market cost inflation of 4%-5%. This was achieved through diligent oversight and control, renegotiation of contracts to drive procurement savings and optimization of key spends including equipment repair and staff cost. Royalty increased by USD 2.7 million. As a result, Net Profit and Earnings per Share in 2024 grew by 31% vs. 2023.

KBSP 2030 Growth Strategy

KBSP's Growth Strategy 2030 is built upon four key pillars, each designed to leverage our unique strengths and capitalize on emerging opportunities:

- Gateway to KSA
- Ship & Steel Recycling
- Food Security Hub
- Building Materials Hub

These strategic pillars, combined with organic growth opportunities, are powered by our highly skilled and dedicated Bahraini workforce.

In 2024, we achieved a significant milestone in this area with the signing of a Memorandum of Understanding (MoU) between Maersk and the Government of Bahrain as master signatories and ASRY, and SULB, with APM Terminals Bahrain as co-signatories. This collaboration underscores our commitment to establishing a robust and sustainable ship recycling ecosystem in Bahrain.

Moreover, we have made substantial progress in operationalizing our KBSP 2030 Growth Strategy. We fostered strong engagement with stakeholders in both the Kingdom of Saudi Arabia and Bahrain. We remain confident in achieving our ambitious goals by 2030, recognizing that continued alignment between governments is crucial to our success.

Modernization Efforts

2024 was a pivotal year for our modernization efforts.

- We collaborated closely with our customers to develop and implement a truck appointment system, improving the efficiency and reliability of landside container movements. This initiative directly supports our gate automation program.
- We launched a new service ordering and payments gateway, enhancing customer experience and streamlining transactions.
- We commenced 24/7 gate operations at KBSP, receiving positive feedback from our stakeholders.

These achievements highlight the dedication of our team and the strong collaborative relationships we have built within the market.

Decarbonization Plans

APM Terminals Bahrain has embarked on a journey of a major modernization of Khalifa Bin Salman Port with a target to achieve Net Zero Greenhouse Emissions by 2040. As part of the goal, APM Terminals Bahrain is in the process of installing 11.4 MWp solar power plant on the rooftops of APM Terminals' warehouses located within the terminal, covering a total area of 71,000 square meters generating a minimum of 17 GWh guaranteed electricity generation annually. This has made APM Terminals Bahrain the first Port in the whole Middle East to use renewable energy sources for its 100% electricity requirements. With the solar power plant, APM Terminals Bahrain carbon emission has reduced by 62%.

During 2024, the team took initial steps to prepare for the implementation of equipment electrification. This included finalizing the procurement processes for an electric reach stacker and four new electric vehicles, marking the terminal's first move towards alternative fueled equipment. The equipment is expected to arrive at the terminal by Q1 2025, followed by plans to electrify an additional 11 forklifts by Q3 2025.

In efforts to optimize energy consumption, the terminal upgraded all yard lighting to full LED, resulting in a 50% reduction in yard light consumption. Additionally, all office lighting has been converted to LED, and the air conditioning systems in three buildings have been modernized with inverter-type central AC units for improved energy efficiency.

Employee Experience and People Strategy

As we reflect on the achievements of 2024, it is clear that our success is deeply rooted in the commitment, resilience, and innovation of our people. We have invested in upskilling and reskilling our workforce to ensure that our employees are equipped with the knowledge and capabilities needed for the future. Through training programs, leadership development, and partnerships with educational institutions, we continue to build a pipeline of talent that will drive the next phase of our growth.

We strongly believe that when people are truly engaged, they not only perform at their best but also contribute to an environment where innovation, collaboration, and excellence thrive. Our biannual Employee Engagement Surveys provide us insight and allow us to address employees' concerns and build on areas of strength.

Safety and Sustainable Development

In 2024, significant advancements were made in traffic and pedestrian safety inside the terminal, including automated traffic lights, one-way traffic for external trucks, and enhanced pedestrian crossings. Digitized HSSE processes streamlined risk assessments, permit-to-work systems, and incident reporting, while terminal safety was visualized through interactive 3D mapping. Safety was further bolstered with upgraded lashing platforms and 35 drills across diverse scenarios. Operationally, remote monitoring of equipment breakdowns minimized delays, while innovative tools like water bath devices enhanced maintenance safety.

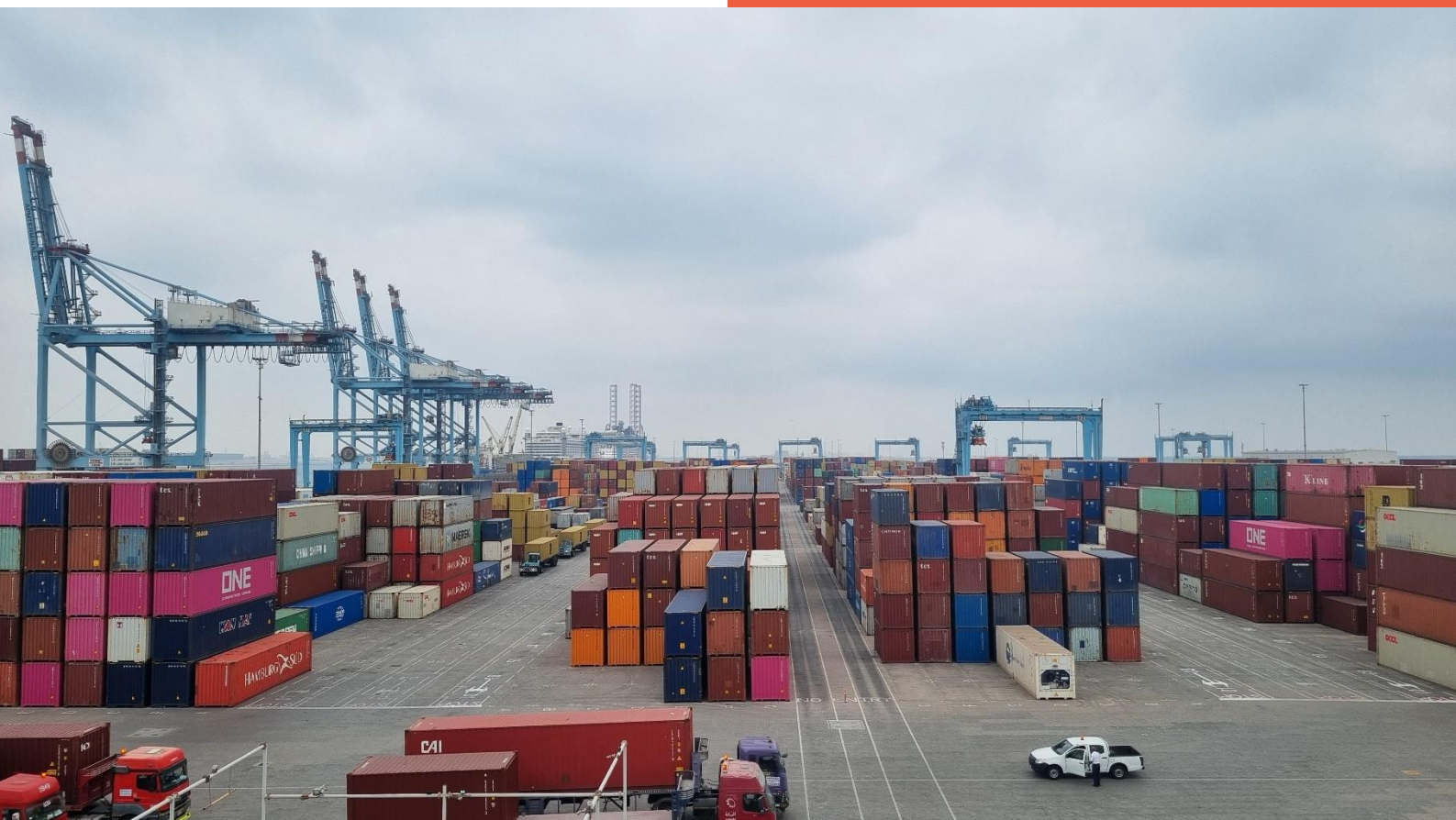
Employee welfare remained a priority, with operational shelters protecting staff from heat, complemented by awareness campaigns. Collaborative efforts aligned dhow operations with the requirements of the Ports and Maritime Affairs, and visits from global safety leaders reinforced commitment to excellence. Together, these initiatives reflect a robust approach to safety, efficiency, and employee care.

ACKNOWLEDGEMENT

On behalf of the Board of Directors, I extend my gratitude to our exceptional leadership team and dedicated employees. Your unwavering commitment to our company's transformation has been truly remarkable. Your steadfast loyalty and tireless efforts have not only strengthened our unique market position but also laid a solid foundation for future growth and success.

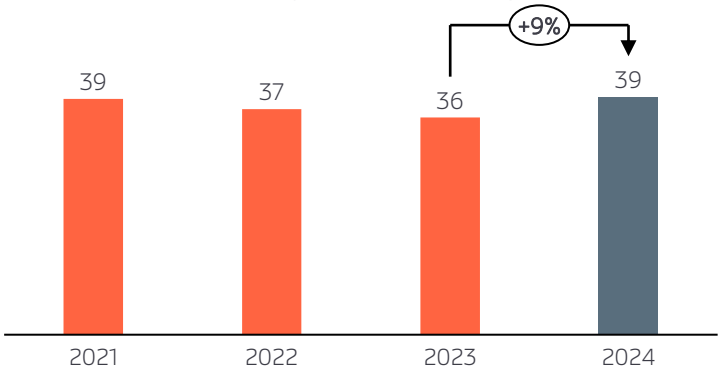
We also acknowledge with sincere appreciation the unwavering support of our external stakeholders and loyal customers. Your continued trust and partnership remain indispensable to our company's journey.

FINANCIAL HIGHLIGHTS 2024

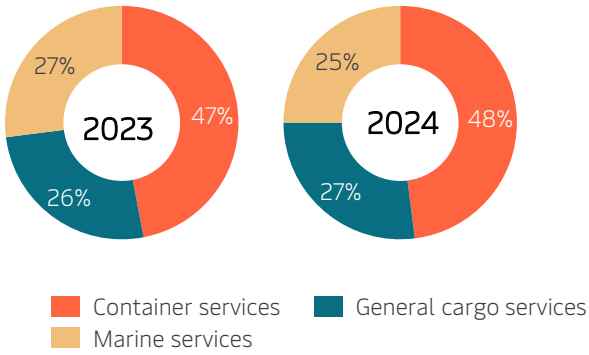


2024 Highlights

REVENUE BHD MILLION

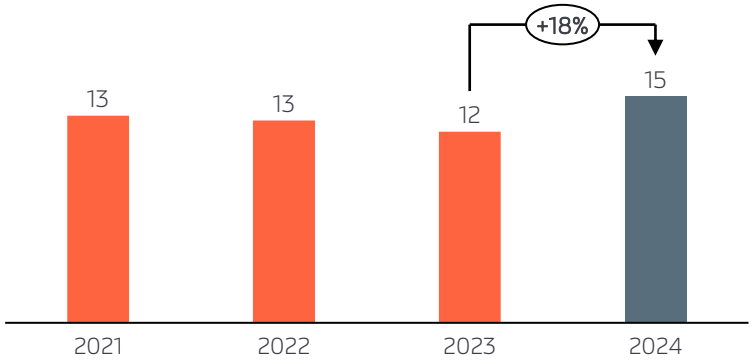


REVENUE BREAKDOWN

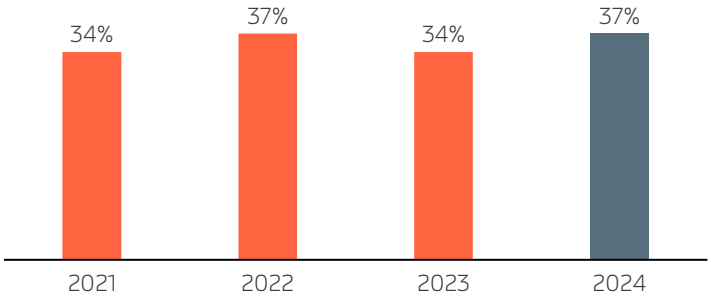


Public tariff increase and volume growth in Containers & General Cargo resulted in higher revenue in 2024

GROSS PROFIT BHD MILLION

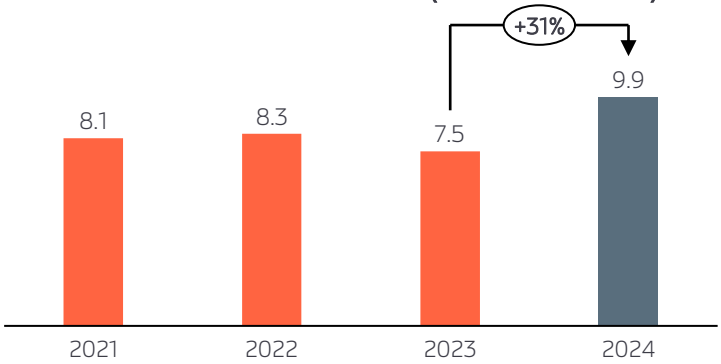


GROSS PROFIT MARGIN (%)

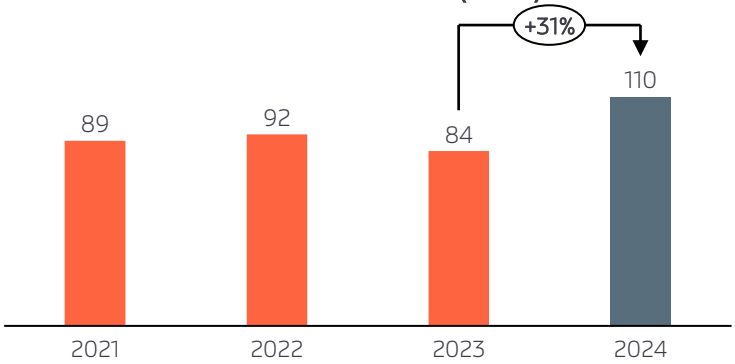


Increase in Gross Profit is mainly driven by tariff increase and cost optimizations

PROFIT FOR THE YEAR (BHD MILLION)



EARNINGS PER SHARE (FILS)



2024 FY net profit increased by 31% vs. last year, mainly driven by higher revenue due to tariff increase and cost optimizations.

APM TERMINALS
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CORPORATE GOVERANCE REPORT 2024



CORPORATE GOVERNANCE REPORT

COMMITMENT TO CORPORATE GOVERNANCE PRINCIPLES

The corporate governance framework sets the tone as to how the company operates in relation to its internal as well as external stakeholders. It defines the relationship between the Board of Directors, management, and the rest of the organisation. We, at APM Terminals Bahrain B.S.C., are committed to the highest standards of corporate governance.

The Company has appointed and elected a Board of Directors ("Board") including non-executive and independent directors and appointed a Corporate Governance Officer to ensure that the corporate governance principles are duly implemented and complied with.

The Company has Board approved policies for risk management, compliance, and internal controls, in accordance with the applicable laws, rules and guidelines. The Board's adherence to best practice in corporate governance is underlined by various principles such as transparency, integrity, independence, accountability, responsibility and fairness. The Board has adopted a Board of Directors Charter, together with the Company's Memorandum and Articles of Association as well as the Corporate Governance Manuals and Charters of Board Committees, that provide the authority and practices for corporate governance at APM Terminals Bahrain B.S.C.

The adoption and implementation of corporate governance is the direct responsibility of the Board. The Board is committed to excellence in corporate governance and adheres to rules of the High-Level Controls Module ("HC Module") of the Central Bank of Bahrain ("CBB"); and the principles of the Corporate Governance Code ("Corporate Governance Code") and Commercial Companies Law of the Kingdom of Bahrain.

SHAREHOLDER'S INFORMATION

APM Terminals Bahrain B.S.C.'s shares are listed on the Bahrain Bourse. The Company has issued 90,000,000 ordinary equity shares, each with a nominal value of 100 fils. All shares are fully paid up.

DISTRIBUTION OF SHAREHOLDING BY NATIONALITY AS OF 31 DECEMBER 2024

Nationality	No. of Shareholders	No. of Shares	Shareholding %
Bahrain	649	30,800,425	34.22
Netherlands	1	57,600,000	64.00
Saudi Arabia	13	204,679	0.23
Oman	2	185,374	0.21
Kuwait	4	383,697	0.43
UAE	2	369,966	0.41
Others	71	455,859	0.51
Total	**742**	**90,000,000**	**100**

OWNERSHIP ACCORDING TO PERCENTAGE/ NO. OF SHARES AS OF 31 DECEMBER 2024

Shareholding (share)	No. of Shareholders	No. of Shares	Shareholding %
Less than 1%	737	13,027,320	14.47
1 % up to less than 5%	3	4,972,680	5.53
5 % up to less than 10%	0	0	0
10 % up to less than 20%	1	14,400,000	16.00
20 % up to less than 50%	0	0	0
More than 50%	1	57,600,000	64.00
Total	**742**	**90,000,000**	**100**
< 50,000	684	5,246,366	5.83
50,000 to 500,000	52	7,280,954	8.09
Greater than 500,000 to 5,000,000	4	5,472,680	6.08
>5,000,000	2	72,000,000	80.00
Total	**742**	**90,000,000**	**100**

MAJOR SHAREHOLDERS (5% AND ABOVE) AS OF 31 DECEMBER 2024

Shareholder's Name	Ultimate Beneficiary	No. of Shares	% of shareholding
APM Terminals B.V.	Maersk Holding B.V.	57,600,000	64.00
Yusuf Bin Ahmed (Holdings) Co. W.L.L.	Various ultimate beneficiaries	14,400,000	16.00

Ownership by government

The Government of Bahrain does not hold any shares in the Company.

BOARD OF DIRECTORS

COMPOSITION OF THE BOARD

- The Board comprises of six directors as per the composition in the table below.
- The Board is composed of 100% male members and no female members currently serve on the Board of Directors.

Board Member	Type	Position	Term
Soren Sjostrand Jakobsen	Executive Director	• Chairman of the Board • Member of the Board • Member of ARCC	18 Jun 2013 to 12 Dec 2018 13 Dec 2018 to 30 Mar 2022 31 Mar 2022 to 30 Mar 2025
Fawzi Ahmed Kanoo	Executive Director	• Vice Chairman of the Board	20 May 2006 to 18 Jun 2012 31 Jul 2018 to 12 Dec 2018 13 Dec 2018 to 30 Mar 2022 31 Mar 2022 to 30 Mar 2025
Jonathan Goldner	Executive Director	• Member of the Board	10 Aug 2022 to 30 Mar 2025
Jesper Kjaedegaard	Non-Executive Director	• Member of the Board • Member of NRGC	13 Dec 2018 to 30 Mar 2022 31 Mar 2022 to 30 Mar 2025
Nadhem Saleh Al-Saleh	Independent Director	• Member of the Board • Chairman of ARCC • Member of NRGC	13 Dec 2018 to 30 Mar 2022 31 Mar 2022 to 30 Mar 2025
Mohamed Bin Ebrahim Alshroogi	Independent Director	• Member of the Board • Member of ARCC • Chairman of NRGC	13 Dec 2018 to 30 Mar 2022 31 Mar 2022 to Mar 2025



Soren Sjostrand Jakobsen
Chairman

- Soren has been with the Maersk and APM Terminals group for more than 42 years and has held various positions of importance within the group.
- Though having retired from the group in 2022, he still serves as a board member in a number of JV entities of APM Terminals in Middle East, Africa and Latin America.
- He has a bachelor's degree in shipping and business with various management programs including at IMD and INSEAD.



Fawzi Ahmed Kanoo
Vice Chairman

- Fawzi is currently the Deputy Group Chairman of Yusuf Bin Ahmed Kanoo (Holdings) Co. W.L.L., a multi-national organisation, having offices throughout the Arabian Gulf and Saudi Arabia.
- He holds directorship in various companies internationally. Specifically, he. holds directorships in public listed companies in Bahrain namely Gulf Hotels Group BSC, Bahrain Ship Repairing & Engineering Co. BSC.
- He holds a bachelor's degree in Business Administration from Southwest Texas State University.



Jonathan (Jon) R. Goldner
Executive Director

- Jonathan has been part of the. A.P. Moller-Maersk organization for over 27 years. He has been a member of APM Terminals' Executive Management Team for the last seven years and currently serves as Chief Executive - Asia & Middle East.
- He has lived and worked in the U.S., China, Denmark, Netherlands, and Singapore in various leadership positions across APM Terminals, Maersk Line, and DAMCO. Prior to his current role, he served as CCO for APM Terminals globally.
- He attended Texas A&M University, has his Third Officers License, and received his MBA from Columbia University, New York. Jon is married, is a proud father of three, and is an active volunteer at St. George's Anglican Church.



Jesper Kjaedegaard
Non-Executive / Non-Independent Director

- Jesper has spent more than 40 years in the maritime industry and is currently serving as an Advisor/Board member for several maritime related companies.
- He was previously global head of Maersk Line and is also past President of the British Chamber of Shipping and Chairman of Maritime, UK.
- He is a graduate from Copenhagen's Commercial College and has subsequently attended several Management Programs including AMP (Harvard).



Nadhem Saleh Al Saleh
Independent Director

- Nadhem served at the University of Bahrain for 25 years where he assumed different academic & administrative positions. He has long years of experience in the areas of business administration, financial management and strategic planning.
- He is also a former board member of Solidarity Bahrain B.S.C. and a Member of Board of Trustee of Kanoo Award for Creativity & Excellence.
- He holds a Ph.D. in Finance from Brunel University, England, MBA from University of Pennsylvania, USA and bachelor's degree in petroleum engineering from University of Baghdad, Iraq.



Mohamed Bin Ebrahim Alshroogi
Independent Director

- Mohamed was Investcorp's Co-Chief Executive Officer. He joined Investcorp in 2009 as President of the Firm's Gulf Business. He oversaw the development of private equity investment business in the MENA and Turkey region.
- He has been a member of the Bahrain Shura Council, Member of the Board of Trustees at Bahrain University and a member of the Bahrain Economic Development Board.
- He studied at Kuwait University and the Harvard Management Executive Program.

CORPORATE GOVERNANCE REPORT

RESPONSIBILITIES AND DUTIES OF BOARD MEMBERS

The Board must review the quality and integrity of the Company's accounting and financial reporting practices. The Board must ensure that the Company's financial statements are prepared and reported in accordance with international financial reporting standards. The Board is accountable to the Shareholders for creation and delivery of strong sustainable financial performance and long-term Shareholder value. The Board works together as a team to provide strategic leadership to staff, ensure the organisation's fitness for purpose, set the values and standards for the organisation, and ensure that enough financial and human resources are available.

Transactions are carried out in accordance with the Company's Authority Matrix which lays down various levels of authority for the Board as well as the executive management. This includes strategic issues and planning, review of management structure and responsibilities, disposal of assets, investment policies, capital expenditure, policies, appointment of key officers, preparation of financial statements in accordance with international financial reporting standards, financing and borrowing activities and reviewing the adequacy and integrity of internal systems and the regulatory and control framework.

ELECTION AND TERMINATION OF DIRECTORS

There are formal and transparent procedures for the appointment and election of new directors to the Board, in accordance with applicable laws. Candidates are appointed and elected based on merit, in line with the objectives of the Company and with due regards to the benefit of diversity on the Board.

The term of the current Board is for 3 years, commencing from 31 March 2022, unless terminated in accordance with the applicable laws in the Kingdom of Bahrain.

DIRECTOR APPOINTMENT

As a member of the Board, each Director has signed a formal written appointment letter which covers among other things, the Director's duties and responsibilities in serving on the Board, the terms and conditions of their directorship, the annual remuneration, sitting fees and the right to access independent professional advice, when needed.

INDUCTION AND TRAINING OF DIRECTORS

The Director's Board Charter recommends formal and tailored Director's induction program. The Chairman in coordination with the Secretary ensures that each new Director, upon appointment, receives a formal induction, to ensure his/her contribution to the Board from the beginning of their tenure.

The induction process includes meetings with the Executive Management, visits to the Company's facilities, presentations regarding significant strategic, financial, compliance and risk management related matters.

DIRECTORS REMUNERATION POLICY

The Board of Directors' remuneration is governed by the provisions of the Commercial Companies Law 2001 and its amendments, and the CBB rulebook. Such remuneration and the remuneration policy requires approval by the Shareholders at the ordinary general meeting. In addition, the Board of Directors' remuneration is reviewed by the Nomination, Remuneration & Governance Committee as per the remuneration policy. Directors' remuneration is accounted as an expense as per international accounting standards.

As per the remuneration policy, the Chairman is entitled to remuneration of BHD 12,000 annually and other members of the Board are entitled to remuneration of BHD 10,000 annually.

In addition to the fixed fee, the members of the Board are entitled to sitting fees as stated below:

- For Directors residing in Bahrain, a sitting fee of BHD 500 for each face-to-face Board meeting
- For Directors residing outside Bahrain, a sitting fee of BHD 1,000 for each face-to-face Board meeting
- Sitting fee of BHD 250 for each Board meeting attended through video or audio conferencing or through remote participation
- Sitting fee of BHD 250 per committee meeting
- For Directors residing outside Bahrain, the Company shall provide return air tickets for traveling to Bahrain, accommodation and any other related expenses to attend the Board meetings of the Company. For Board meetings outside Bahrain, the Company shall provide air tickets, accommodation and any other related expenses for all travelling Board members. Class of air travel and accommodation will be in accordance with the Company's travel policy.
- For Board meetings held in 2023, the Board of Directors passed a resolution to waive the sitting fees for all Board meetings held for the purpose of approving financial results. Such are indicated with a * in the table entitled DIRECTORS ATTENDANCE AT BOARD AND COMMITTEE MEETINGS.

DIRECTOR'S REMUNERATION

In accordance with the Board remuneration policy, a total of BHD 78,250 for the year 2024 was paid to the Board of Directors as remuneration for their services as follows:

- BHD 62,000 as fixed fee
- BHD 16,250 as sitting fee

Director Name	Remuneration	Sitting Fees
Soren S. Jakobsen	12,000.00	4,250
Fawzi Kanoo	10,000.00	1,750
Jesper Kjaedegaard	10,000.00	3,000
Mohamed Ebrahim Alshroogi	10,000.00	2,250
Nadhem Saleh Al Saleh	10,000.00	3,250
Jonathan Goldner	10,000.00	1,750
Total	**62,000.00**	**16,250.00**

BOARD COMMITTEES

In compliance with applicable laws, the Board has established an Audit, Risk and Compliance Committee **("ARCC")** and a Nominating, Remuneration and Governance Committee **("NRGC")**.

1. AUDIT, RISK AND COMPLIANCE COMMITTEE

The Audit, Risk and Compliance Committee has a written Charter approved by the Board of Directors **("ARCC Charter")**. The ARCC Charter is an overall governing document laying out the roles and responsibilities of the Committee while ensuring compliance with the Corporate Governance Code and CBB Rulebook. As per the ARCC Charter, the committee shall meet at least four times a year. The External Auditor and Internal Auditor of the Company shall report directly to the Committee

A. Functions of ARCC

In accordance with the ARCC charter, the committee conducts the following functions:

- Review the quality and integrity of the Company's accounting and financial reporting practices
- Review the integrity of the Company's financial controls, internal controls and financial statements
- Review and monitor the Company's compliance with the relevant legal and regulatory requirements as well as the Code of Conduct of the Company
- Recommend appointment, compensation and oversight of the external auditor
- Recommend appointment of the internal auditor, including the approval of internal audit policies, plans and reports made thereof
- Review and approve various policies and procedures of the Company including the ones pertaining to risk management function, key persons dealing, market abuse, reports and plans submitted thereof in compliance with such policies and procedures
- Review and approve annual and interim financial statements of the Company, recommend for additional or specific audit requirements in relation to financial statements or other relevant aspects of the Company's business
- Recommend and table discussion on the management letter to be provided to the external auditor

B. Members of ARCC are as follows:

ARCC Members	Type	Position
Nadhem Saleh Al-Saleh	Independent	Chairman
Mohamed Bin Ebrahim Alshoorgi	Independent	Member
Soren Sjostrand Jakobsen	Non-Independent	Member

2. NOMINATING, REMUNERATION AND GOVERNANCE COMMITTEE

The Nominating, Remuneration and Governance Committee (NRGC) has a written Charter approved by the Board ("NRGC Charter"). The NRGC Charter is an overall governing document laying out the roles and responsibilities of the Committee while ensuring compliance with the Corporate Governance Code and CBB Rulebook. As per the NRGC Charter, the Committee shall meet at least twice a year.

A. Functions of NRGC

In accordance with the NRGC charter, the committee conducts the following functions:

- Ensure adherence to the principles of corporate governance
- Oversee the development and implementation of the Company's Corporate Governance Manual and other relevant governance policies of the Company
- Establish board structure, composition and impart training and induction to the directors
- Identify persons qualified to become members of the Board or Executive Management and any other officers of the Company which the Board considers appropriate, except for the appointment of the internal auditor, which is the responsibility of ARCC
- Make recommendations to the Board, including recommendations of candidates for Board membership (including reappointment) to be included by the Board on the agenda for the Shareholders' General Meeting
- Lead the Board in its annual review of the performance of the Board and its committees
- Review and make recommendations on Board candidates proposed by those substantial Shareholders eligible to propose a Director to represent such Shareholder on the Board
- Review the Company's remuneration policies for the Board and senior management, which must be approved by the Shareholders and be consistent with the Company's corporate values and strategy
- Make recommendations regarding remuneration policies and amounts for specific persons to the whole Board, taking account of total remuneration including salaries, fees, expenses and employee benefits
- Recommend Board Member remuneration based on their attendance and performance

B. Members of NRGC are as follows:

NRGC Members	Type	Position
Mohamed Bin Ebrahim Alshoorgi	Independent	Chairman
Nadhem Saleh Al-Saleh	Independent	Member
Jesper Kjaedegaard	Non-Independent	Member

CORPORATE GOVERNANCE REPORT

DIRECTORS ATTENDANCE AT BOARD AND COMMITTEE MEETINGS

Board Meeting	28 Feb	9 May	7 Aug	13 Nov
Soren S. Jakobsen	✓	✓	*	✓
Fawzi Ahmed Kanoo	✓	✓	*	✓
Jonathan R. Goldner	✓	*	*	*
Jesper Kjaedegaard	✓	✓	*	*
Mohamed Bin Ebrahim Alshroogi	X	✓	*	✓
Nadhem Saleh Al Saleh	✓	✓	*	✓

ARCC Meeting	28 Feb	9 May	7 Aug	13 Nov
Nadhem Saleh Al Saleh	✓	✓	*	✓
Soren S. Jakobsen	✓	✓	*	✓
Mohamed Bin Ebrahim Alshroogi	X	✓	*	✓

NRGC Meeting	28 Feb	13 Nov
Mohamed Bin Ebrahim Alshroogi	X	✓
Nadhem Saleh Al Saleh	✓	✓
Jesper Kjaedegaard	✓	*

✓ Physical Attendance | X Absence | * Virtual Attendance

DIRECTOR'S SHAREHOLDING

No members of the Board, their spouses and sons own any shares in the Company except as follows:

Director's Name	Position	Direct Shareholdings	% of direct shareholding	Indirect Shareholding	% of indirect shareholding
Nadhem Saleh Al Saleh	Independent Director	2,000	-	38,244	0.0002

DIRECTOR'S TRADING OF COMPANY SHARES DURING THE YEAR

None.

EVALUATION OF BOARD'S PERFORMANCE

In accordance with the Board Charter, the Board conducts annual review and evaluation of performance of Board and its committees in accordance with CBB guidelines. Performance of the Board in 2024 has been satisfactory.

INDEPENDENCE OF DIRECTORS

In line with the requirements of the HC Module, the Company has put in place Board-approved criteria to determine 'Independence' using formal requirements as specified in the CBB rule book. The independent directors disclose personal interests on a regular basis. Such determines whether the Director is independent of management and any business or other relationships, which could materially interfere with the Director's ability to exercise objective, unfettered or independent judgement; or the Director's ability to act in the best interests of the Company.

EXECUTIVE MANAGEMENT



Matthew Luckhurst
Chief Executive Officer (CEO)

- Matthew was appointed Managing Director for the company effective 2nd of July 2023.
- Matthew, a British national, joins APM Terminals from his current role as Vice President for Container Shipping at Milaha based in Qatar.
- His previous roles include Vice President of Bahri Logistics in Saudi Arabia and Managing Director United Africa Feeder Line out of Mauritius.
- Additionally, Matthew held multiple roles with P&O Nedlloyd and Maersk Line, across East Africa, Indonesia, Korea and Japan, as well as roles with Kuehne & Nagel in Kenya.



Farooq Zuberi
Chief Financial Officer (CFO)

- Farooq joined the Company as CFO in June 2018. He is responsible for APMTs Bahrain's Accounting & Finance, Investor Relations, Legal Affairs & Procurement. In addition, he is also leading the decarbonization efforts for the company to reduce their carbon emissions and achieve net-zero.
- Prior to joining the Company, he has worked in senior leadership roles with Global Fortune 500 companies across several industries.
- He has worked with PwC, Unilever, GSK & Emirates Group in roles covering finance business partnering, project delivery & strategic initiatives.
- He is a Chartered Accountant from ICAP as well as Chartered Certified Accountant from ACCA – UK.



Isa Al-Qetami
Chief Government and Security Affairs Officer (CGSO)

- Mr. Al-Qetami, joined APMT in 2015, as the Chief Government and Security Affairs Officer. He is as a key member of the strategic leadership team.
- Oversees Government Relations and Security operations, aligning company activities with Bahrain's National Strategy and Vision. Maintains the highest standards of port security.
- Brings 34 years of government sector experience, building strong ties with government authorities and private entities. Specialized in logistics, aviation maintenance, and government relations.
- Drives stakeholder management and coordinates with government authorities.
- Holds a master's degree in system management from the Naval Postgraduate School, Monterey, California, USA.
- Holds CAA License Engineer from the Brunel College, Bristol, England.



Kamal Al Hraishat
Chief Operating Officer (COO)

- Kamal started working in APM Terminals group in September 2004 and joined APM Terminals Bahrain as COO in July 2024.
- He comes from his hometown Aqaba Jordan where he spent his last 5 years as COO of Aqaba Container Terminal. Prior to that, he worked in different countries including Angola and Saudi Araba, where he was the Commercial Director of the Red Sea Gateway Terminal in Jeddah during 2014 to 2016 before rejoining APM Terminals in 2017.
- With over 20 years of experience Kamal took on various responsibilities and worked in several roles including Commercial, Employee Relations and Operations.
- He holds a bachelor degree in Law from Mutah University in Jordan and is a MAGNUM Program graduate from APM Terminals and Esade Business School .

EXECUTIVE MANAGEMENT



Aryavansh Shukla
Chief Commercial Officer (CCO)

- Aryavansh joined APM Terminals in December 2023. He has international experience of over 10 years in ports and logistics with a large focus on the Middle East.
- Prior to joining APM Terminals, he has held commercial leadership positions with JM Baxi Ports & Logistics and Hutchison Ports.
- He holds a MBA in Finance and Entrepreneurship, from Amity Business School, India as well as a Bachelor of Engineering from the University of Leeds, United Kingdom.



Yosra Abdulla
Head of People Function - Bahrain

- Yosra joined APM Terminals Bahrain in November 2019. She started her career back in 2004 in a family business industry with Khalil Bin Ebrahim Kanoo
- 17 out of Yosra's 21 Years of work experience has been in the field of Human Resources. She is a BSc. Degree holder in International Studies, certified in establishing fair recruitment processes – ILO and an Advanced Lean Practitioner. Additionally, she is a qualified trainer, a certified John Maxwell's coach and a passionate youth mentor
- She is a visionary leader with expertise in driving business transformation through people and delivering strategic HR solutions aligned with organizational growth. Her experience also includes a global touch with her involvement in major projects abroad
- She has a proven record in industrial and employee relations, ESG initiatives, and change management and is recognized for ensuring compliance with International Labour Organization (ILO) standards and private sector labor laws
- Effective 08th December,2024 Yosra has joined the Academic Industry Advisory Board (AIAB) at Bahrain Polytechnic University.



Sanjay Singh
Head of HSE

- Sanjay Singh joined APM Terminals Bahrain in October 2024 as Head HSE.
- Prior to joining APM Terminals Bahrain he worked with APM Terminals Pipavav, India for 24 years as Head of HSSE managing safety of container, bulk and break-bulk, RoRo, Oil, gas and Chemical handling.
- Certified OHSAS lead auditor and lean practitioner



Ahmed Gamal
Head of Asset Maintenance

- Ahmed has been part of APM Terminals since 2011 and joined APM Terminal Bahrain in 2013. He has an overall experience of 16 years in the field of Maintenance Management and Asset Management for ports and heavy equipments.
- He holds a Master's degree in Mechanical Engineering from University of Alexandria, Egypt.
- He is Certified Asset Management Assessor , certified Lean and Six Sigma Green & Black Belt ,Certified Maintenance & Reliability Professional from society of maintenance and reliability "SMRP" and Certified TPM Facilitator from TPM Club India

EXECUTIVE MANAGEMENT SHAREHOLDING

Executive Management	Position	No. of Shares
Matthew Luckhurst	Chief Executive Officer	-
Farooq Zuberi	Chief Finance Officer	4,546
Isa Al Qetami	Chief Government and Security Affairs Officer	-
Kamal Alhraishat	Chief Operating Officer	-
Aryavansh Shukla	Chief Commercial Officer	-
Yosra Abdulla	GM, Human Resources	-
Sanjay Singh	Head of HSE	-
Ahmed Gamal	Head of Asset Maintenance	-

TOTAL REMUNERATION PAID TO KEY EXECUTIVE OFFICERS

Total remunerations paid to the top 6 executive management members for the year 2024, including salaries, benefits, allowances, increases, etc. is ~BHD 545,000

REMUNERATION AND PERFORMANCE-LINKED INCENTIVES

The Company's remuneration policy for its executive management and its employees is designed to attract, retain and motivate qualified and talented professionals. The Company does not currently have any share ownership or option schemes for its employees.

CORPORATE GOVERNANCE FRAMEWORK

Company's Corporate Governance framework comprises of Board and Committees Charters, Whistle Blowing Policy, Code of Conduct, Corporate Social Responsibility Policy, Standard Operating Policies and Procedures (SOPs), internal controls and risk management process/systems; compliance procedures; internal and external audit; effective communications and transparent disclosure; and measurement and accountability.

In order to ensure good governance, the Company has appointed a corporate governance officer, a company secretary, internal auditors and external auditors, who directly report to the Board of Directors.

A Corporate Governance Report is submitted by the Corporate Governance Officer (Compliance Officer) annually to the NRGC and to the Board of Directors.

LEGAL MANAGER, CORPORATE GOVERNANCE OFFICER, COMPANY SECRETARY AND INVESTOR RELATIONS OFFICER

Name	Qualification	Contact Details
Dana Abdulrahman Alsendi	LLB Law (University of Leicester), LLM International Corporate Governance & Financial Regulation (University of Warwick), Qualified in the Kingdom of Bahrain	1736 5512

EXTERNAL AUDITORS

KPMG Fakhro have been the external auditor of the Company for the Financial Year 2024 and have been appointed in 2024. KPMG is a network of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. The global structure of KPMG is designed to support consistency of service quality and adherence to agreed values, wherever in the world our member firms operate. KPMG offers a full range of Advisory, Audit and Tax services to suit our clients' needs. KPMG Fakhro, a member firm of KPMG international, was established in 1968 as the first national accounting and auditing firm and has grown to be one of the largest professional services firms in the country.

The ARCC reviews the appointment of the external auditors, as well as their relationship with the Company, including monitoring the Company's use of the auditors for non-audit services. Please see the details in the table below:

Name of the audit firm %	KPMG Fakhro
Years of service as the Company's external auditor	One year
Name of the partner in charge of the Company's audit	Jaffar Al Qubaiti
The partner's years of service as the partner in charge of the Company's audit	One year
Audit and related services fee for the FY year 2024 (BHD)	30,500
Non-audit service fee	2,500

INTERNAL AUDITOR

The Board has appointed BDO Consulting WLL as Company's Internal Auditor. BDO Bahrain was established in 1980. BDO is one of the leading accounting and advisory firms in Bahrain. A thorough internal audit plan was prepared by BDO for financial year 2024, which was approved by ARCC. The Internal Auditor conducted audits in accordance with the approved audit plan throughout the year and submitted reports to ARCC for review, approval and relevant actions.

CORPORATE COMMUNICATIONS

Company conducts all communications with its stakeholders in a professional, honest, transparent, understandable, accurate and timely manner. Main communications channels include the Company website, regular regulatory announcements in the local media and Bahrain Bourse and the Annual Report.

RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST

The Company is party to a number of agreements and arrangements with its shareholders and other related parties. The Company has in place and acts in accordance with a robust Corporate Governance Manual which governs related party transactions. Standard operations procedures and approvals are followed for all contracts that are entered into, to seek and ensure that there are no conflicts or preferences given to any specific entity.

The Directors make every practicable effort to arrange their personal and business affairs to avoid a conflict of interest situation with the Company. The Directors are required to disclose their interests in other entities or activities to the NRGC committee on an annual basis and inform the Company of any conflict of interest whenever it arises and abstain from voting on any related subject matter.

The related party transaction details are disclosed in Note 21 to the Financial Statements.

The Company has entered into the following related party transactions in the financial year 2024.

RELATED PARTY TRANSACTIONS

Entity Name	Expenses (BHD'000)	Revenue (BHD'000)	Justification
APM Terminals B.V.			
Svitzer Bahrain (S.P.C) (BH005U)	3,625	-	Marine services obtained pursuant to sub concession agreement
Aqaba Container Terminal	2	-	Expenses - mainly training related
APMT Management B.V. (NL030E)	405	-	Services provided pursuant to Technical Service Agreement: mainly IT related services.
Maersk Training (DK033D)	7		Expenses - mainly training related
APM Terminals B.V. (NL100U)	524	-	Services provided pursuant to Technical Service Agreement: mainly management fees
GPRO Services India Private Limited	13	-	FTE outsourcing to assist in procurement
A.P. Møller - Mærsk A/S (DK186U)	42	-	Interest earned on excess cash deposited with group
APM Terminals AMI Management DMCEST (AE006L)	9	-	Expenses - travel expenses recharges
Suez Canal Container Terminal	1	-	Expenses - travel expenses recharges
APM Terminals Management (Singapore) Pte Ltd (SG024L)	2	-	Expenses - travel expenses recharges
Yusuf Bin Ahmed Kanoo (Holdings) Co. W.L.L			
AL Manhal Water Factory	7	-	Lowest bidder among all qualified suppliers. Also, reliable delivery and quality
Bahrain INT L Cargo Services	-	84	We also provide space for storage for certain special general cargo at agreed price
APL (Bahrain) W.L.L.	-	1,685	Services provided as business as usual and governed by standard terms
Hapag-Lloyd Bahrain Co. W.L.L.	-	1,812	Services provided as business as usual and governed by standard terms
Yousuf Bin A. Kanoo	70	1,136	Services provided as business as usual and governed by standard terms Only dealer of hyster and cummins forklift for spares Leasing of 3Ton forklift for 5 Years, selected after getting multiple quotations and found competitive prices and technically approved.
APM Terminals B.V. and Yusuf Bin Ahmed Kanoo (Holdings) Co. W.L.L			
Maersk Kanoo Bahrain W.L.L	16	3,075	Services provided as business as usual and governed by standard terms

In addition to the foregoing, pursuant to the treasury advisory function provided by APM Terminals Management B.V. and Board approval, the Company deposits its excess cash with the parent company A.P. Moller-Maersk of its major shareholder (APM Terminals B.V.). The Company, as of 31 December 2024, has deposited ~BHD 24.1 M with A.P. Moller-Maersk A/S. The deposits are excess cash which are deposited as part of the treasury advisory and execution services provided by APM Terminals Management B.V. under the technical services agreement and direct agreement with the Company. These deposits offer interest rate benchmarked to the USD Libor along with foreign currency swap contracts with an additional premium such that the Company earns an annualized Net All-in-Yield of ~0.25% over the deposit rate offered by one of the international banks.

None of the directors appointed by the APM Terminals B.V. participated in voting in relation to this transaction.

COMPLIANCE WITH HC MODULE AND CORPORATE GOVERNANCE CODE

The Company is in compliance with the Corporate Governance Code and HC Module except for the following:

- HC- 1.4.6 and HC 1.4.8 of HC Module and Principle 1 First (a) (3) of Corporate Governance Code stipulates that the Chairman of the Board of Directors should be an independent director. Effective August 2022, Soren S. Jakobsen, an executive director has been elected Chairman of the Board. This is to ensure that APM Terminals will be able to deliver its obligations under the direct agreement, it has entered with the Government for management and operations of KBSP and the support that APM Terminals is required to provide. However, this does not compromise high standards of corporate governance as the Company follows strict policies to manage conflict of interest in Board decisions.

MANAGEMENT ANALYSIS AND PRINCIPAL RISKS

On 8 November 2006, the Company signed a 25-year Concession with the Government of Bahrain ("Concession") with numerous rights as listed in the Concession. Due to various local and global business factors FY 2024 faced certain principal risks and uncertainties which includes the following:

KEY PERFORMANCE INDICATORS (KPIS)

The Company is required by clause 13 of the Concession Agreement to adhere to certain minimum KPI's. There are four KPI targets set in relation to (i) vessel working rate (ii) crane rate (iii) labour rate and (iv) throughput per berth meter (each as defined and described in the Concession Agreement).

If the Company fails to meet one or more of the KPIs for a period of 4 years or any further years thereafter, except as a result of force majeure, then the Nominated Percentage element of the Revenue Charge (i.e. an element in the calculation of the Revenue Charge payable by the Company to the Government in consideration of the rights granted by the Government to the Company under the Concession Agreement) will be increased by an additional 1% above the level set out in the Agreement for such fourth year of failure and by a further 1% for each further year's failure thereafter. Such additional charges will continue until the Company produces a KPI report demonstrating compliance with the relevant KPIs in respect of the applicable year. This additional charge was applied in 2017 and 2018. However, the Company has successfully achieved all KPIs for the financial years 2019 and 2020 and accordingly no additional charge was applied in 2020 in relation to the KPI targets. The Company has not met its 'throughput per berth meter' KPI target in 2021, however, no penalty was imposed on the 2021 Revenue Charge, in accordance with the Concession Agreement. The Company has successfully met all KPIs for the financial year financial year 2022. The Company has successfully achieved the 'throughput per berth meter' and 'labour rate' KPIs for the financial year 2023, however, did not meet the 'vessel working rate' and 'crane rate' KPIs. For the financial year 2024, all KPIs were met with the exception of 'throughput per berth meter'.

Failure to meet KPIs for a period of 5 consecutive years would also constitute an event of default under clause 33.1 of the Concession Agreement which provides a right of termination of the Concession on the part of the Government, should it choose to exercise it.

TRANSHIPMENT TARGET

One of the requirements of the Concession Agreement is that the Company must meet certain annual transhipment volumes. According to the Concession Agreement, in the event that the transhipment target for the year 2015 or any later year shows that the average level of transhipment at KBSP, over the previous four consecutive years, has failed to meet 60% of the transhipment targets set in relation to those four years (taken on an average basis over the relevant four year period) then the Government shall have the right, but not the obligation, to terminate the Concession Agreement as an event of default by the Company on 30 days' notice. The right of the Government to terminate does not apply in the event that Company can demonstrate to the Government's satisfaction both:

- That it has taken all reasonable steps (including expenditure of time and money) to market KBSP so as to secure transhipment business for KBSP during the four consecutive years in question; and

- That, notwithstanding the efforts of Company, external economic or other factors beyond Company's and APM Terminals control have prevented Company from achieving the required level of transhipment volume at KBSP.

Since commercial operations began at KBSP, Company has failed to meet the transhipment volumes required under the Concession and is therefore at risk that the Government may terminate the Concession Agreement. However, the Ministry of Transportation and Telecommunication issued a letter to the Company, dated 28 June 2015, in which the Ministry stated that it shall not apply the termination right in the Concession so long as the Company continues its efforts to reach the required transhipment level and the Ministry is comfortable with the Company's efforts.

COMPLIANCE RISK

Noncompliance with laws, regulations, rules, prescribed practices or contractual agreements can result in reputational loss, limited business opportunities and cessation of operations. The Company ensures adherence to all applicable regulations, including regulations prescribed by CBB and Bahrain Bourse. Besides, Company internal policies and code of conduct are in line with international business standards ensuring that best practices are adopted and implemented by the Company.

DOMESTIC TOP UP TAX

The Government of Bahrain has announced the implementation of the Domestic Minimum Top-Up Tax (DMTT), which applies to multinational enterprises with consolidated annual revenues exceeding EUR 750 million.
The DMTT will be effective for financial years beginning on or after 1 January 2025 and will ensure a minimum effective tax rate of 15%. As the Company meets the criteria for the tax, it is expected to impact the financial results of future periods. The Company is in the process of assessing the implications of the DMTT on its financial position and performance.

CORPORATE SOCIAL RESPONSIBILITY 2024



CORPORATE SOCIAL RESPONSIBILITY

APM Terminals aims to be the leader in its sector. At the same time, it recognizes that leadership and success go beyond the bottom line to incorporate the principles of sustainable business practice.

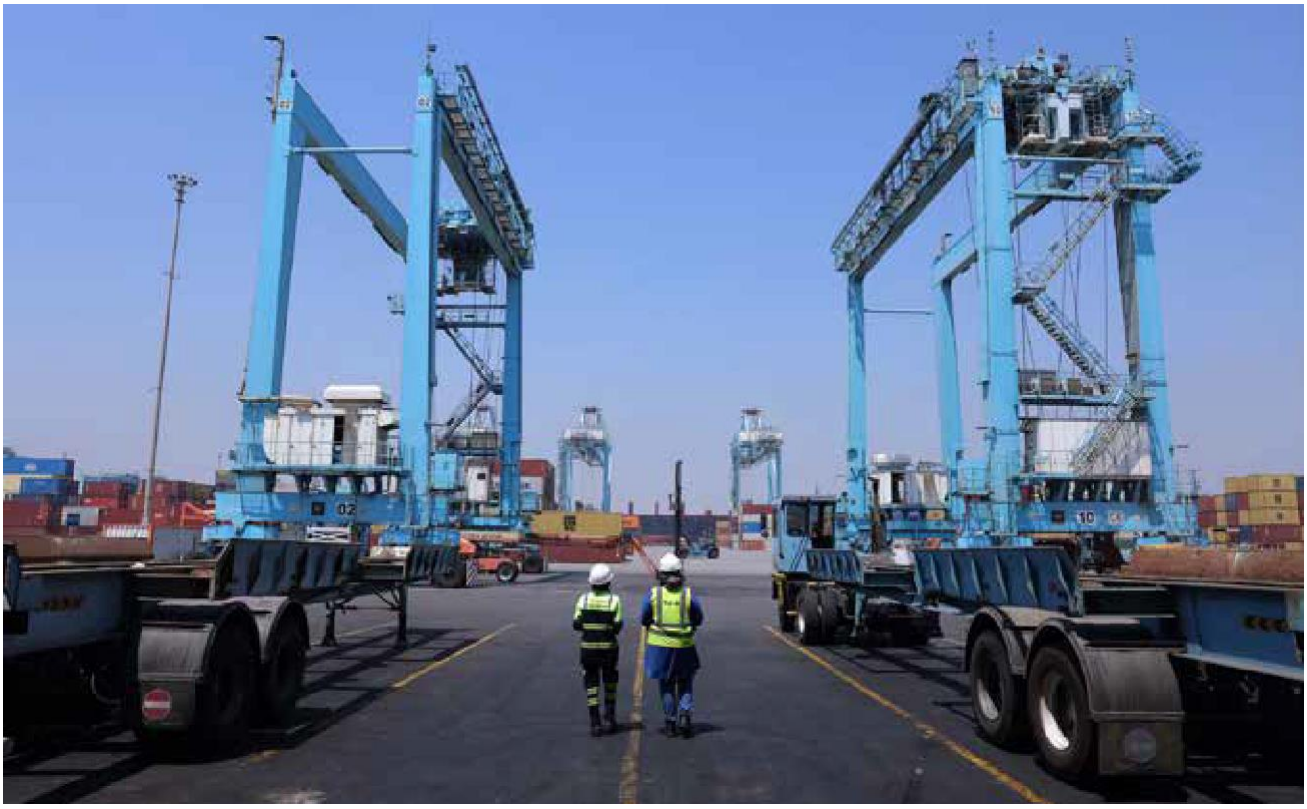
The group also measures its progress according to its safety record, its environmental performance, and its contribution towards uplifting its people and their communities.

APM Terminals Bahrain believes that its contribution to society extends beyond the port and extends to the ongoing development of the local community.

We have a regular program of social engagement, including outreach programs for disadvantaged children, placement schemes for young students, and contribution of our time and other resources to help the local communities develop.

The total amount spent on Corporate Social Responsibility for the year 2024 is ~BHD 63,300 in addition to time devoted by members of the Company. The Corporate Social Responsibility Policy of the Company sets out the Company's commitment to continuing its efforts to incorporate sustainability into its business process. The Company's approach to corporate social responsibility is led by the executive management, headed by the CEO.

APM Terminals Bahrain is committed to integrating its own community-based activities as well as supporting those of its employees.



CORPORATE SOCIAL RESONSIBILITY INITIATIVES

Socio-Economic Development

Social responsibility is one of our main sustainability pillars. We recognize the importance of being a good corporate citizen, contributing to local communities and making a difference to their wellbeing. Equally, we believe in improving people's quality of life and thus investing in the future of our country.

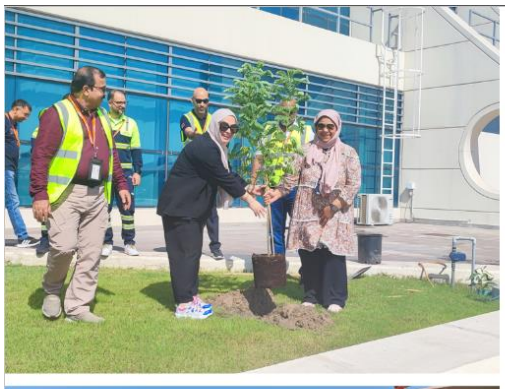
APM Terminals Bahrain is committed to ensuring that its socio-economic investments have a sustainable impact on the local community. APM Terminals has sponsored and participated in various charity events that were all for a good cause. Employees are also encouraged to take part in such events..

GO GREEN WEEK

APM Terminals Bahrain organised its Go Green initiative in the month of June which was a week-long series of activities carried out in partnership with key stakeholders.

The main focus was to raise awareness about the sustainable utilization of resources and highlight the importance of the 3Rs: Reduce, Reuse, and Recycle and the importance of plantations.

As a part of the campaign, the Company carried out a series of plantations in different areas, a competition among employees for best sustainable solutions and focused on the implementation of solar solutions to power supply.








SOLAR PROJECT

In 2023, APM Terminals Bahrain announced the launch of a ground-breaking solar power project worth approximately BHD3.8 million (USD 10 Million), which will make the port energy self-sufficient in 2025.

By implementing this project, the port will reduce its carbon emissions by 65% while also securing a reliable and sustainable source of energy, effectively making Khalifa Bin Salman Port the region's first fully energy-sufficient seaport.



The solar power project is part of APM Terminals' global decarbonisation plans, which aim to reduce greenhouse gas emissions by 70% by 2030 and achieve net zero by 2040. As a subsidiary of A.P. Moller-Maersk, APM Terminals is committed to leading the way in promoting sustainability within the maritime industry, and the solar power project in Bahrain is one of the main pillars in its overall decarbonisation journey.

APM Terminals Bahrain has installed 11.4 MWp solar power plant on the rooftops of APM Terminals' warehouses located within the terminal, covering a total area of 71,000 square meters generating a minimum of 17 GWh guaranteed electricity generation annually. This has made APM Terminals Bahrain the first Port in the whole middle east to use renewable energy sources for its 100% electricity requirements. With the solar power plant, APM Terminals Bahrain carbon emission has reduced by 62%.



TALENT ACCELERATION PROGRAM BE كن

In collaboration with the Ministry of Transportation & Telecommunications, APM Terminals has launched its nationwide Acceleration Program with both its tracks:

THE LEADERSHIP TRACK:

The program has closed successfully in April 2024 with 75% out of the 4 participants being employed as full-time employees at APM Terminals Bahrain in Asset Management, Human Resources, and Transformation.

The 4 leaders initially joined APM Terminals Bahrain in May 2022 in a 2-year development program with an employment opportunity to be mentored, developed, and be prepared to become the future leaders in the Logistics Industry.

Today, the 3 women who have been selected to continue with us are all part of the Middle Management Team at APM Terminals Bahrain

THE YOUTH TRACK:

Aiming to re-ignite the passion of Maritime and ensure strong Bahraini caliber are the right candidates for future careers in the industry, APM Terminals Bahrain launched a full scholarship program where 3 students have been chosen amongst over 100 applicants between the ages of 20 and 30 to undergo a Level 3 Diploma, Deck Officer Training at South Tyneside College, UK. The selection has gone through an extensive process to determine the top 3 students, and it included members of APM Terminals Bahrain, Ministry of Transportation & Telecommunications and Bahrain Polytechnic.

The program includes 5 mandatory phases alternating between academic terms at the College and sea-time apprenticeship aboard Maersk Vessels. The students are now at phase 4 which is the second sea time aboard Maersk vessels. They are preparing to start phase 5 in April 2025, the last academic term, after which they will undergo the certification exam and graduate as planned in July of the same year.



YOUTH DEVELOPMENT PROGRAM

As part of our commitment towards giving back to the community, developing our Youth, and being active in our contribution to Bahrain's Vision 2030, and in addition the Talent Acceleration Program, APM Terminals Bahrain offers school and university students as well as fresh graduates the opportunity to gain the required course credits, work experience, and global exposure in preparation for them to enter the corporate world.

INTERNSHIP PROGRAM:

What makes APM Terminals Bahrain's program different is the practical working experience for a minimum of one month based on mutual agreement that also includes mentoring, upskilling their knowledge, training them on Project Management Tools, and certifying them as Lean Practitioners.

In 2024, a total of 9 students from the Bahrain Polytechnic University have been offered the opportunity to work at the Terminal in the Operations and Health, Safety and Environment Functions.

SKILL – UP PROGRAM:

The launch of Skill Up came in collaboration with the Ministry of Labor's Furas Program, Tamkeen, and local universities in the Kingdom, to give the opportunity to young Bahraini job seekers to kick start their careers in the logistics industry with a hands-on experience and a global exposure, supporting them to develop their skills, enhance their knowledge, and refine their experiences to make them more competitive in the labor market and make Bahraini youth the ideal choice for employment.

During 2024, 14 candidates have benefited from the program in various functions including Operations, Asset Management, Commercial, and Finance. The candidates are graduates from different universities in Bahrain. Out of 14 candidates and based on the business needs APM Terminals Bahrain had offered full time employment to 04 candidates in both the Container terminal & General Cargo.

WOMEN IN MARITIME

APM Terminals Bahrain has uniquely celebrated International Day for Women in Maritime by hosting the "Women in Maritime Forum 2024". The forum focused on opportunities for women in the maritime sector, the challenges they face, and strategies for overcoming these challenges. It also aimed to encourage new generations to pursue careers in the maritime sector, highlighted the contributions of women in the traditionally male-dominated industry, and celebrated their achievements in promoting gender equality, diversity, and inclusion.

The event featured a panel discussion attended by esteemed guests, including H.E. Bader Hood Al Mahmood, Undersecretary for Port and Maritime Affairs at the Ministry of Transportation and Telecommunications, H.E. Dana Al Zayani, Undersecretary for Planning, Family Reconciliation and Alimony at the Ministry of Justice, Islamic Affairs and Endowments and Member of the Supreme Council for Women, APM Terminals Bahrain Managing Director Matthew Luckhurst and management team, executive representatives from partnering companies, Bahrain Polytechnic University representatives and logistics students.

The panel discussion included representatives from Ports and Maritime Affairs, APM Terminals Bahrain, Gulf Aviation Academy (GAA), Svitzer, BASREC, and a BILM program Graduate from Bahrain Polytechnic University.

During the event, APM Terminals Bahrain honored 11 nominated women from the partnering entities for their contributions to the maritime sector. The criteria for nominations included length of service in maritime, uniqueness of job roles, and significant achievements within the field.



As we conclude the Corporate Governance Report 2024, APM Terminals Bahrain reaffirms its commitment to transparency, responsible business practices and the highest standards of corporate governance. We extend our gratitude to our shareholders, regulators and all stakeholders for their continued support.

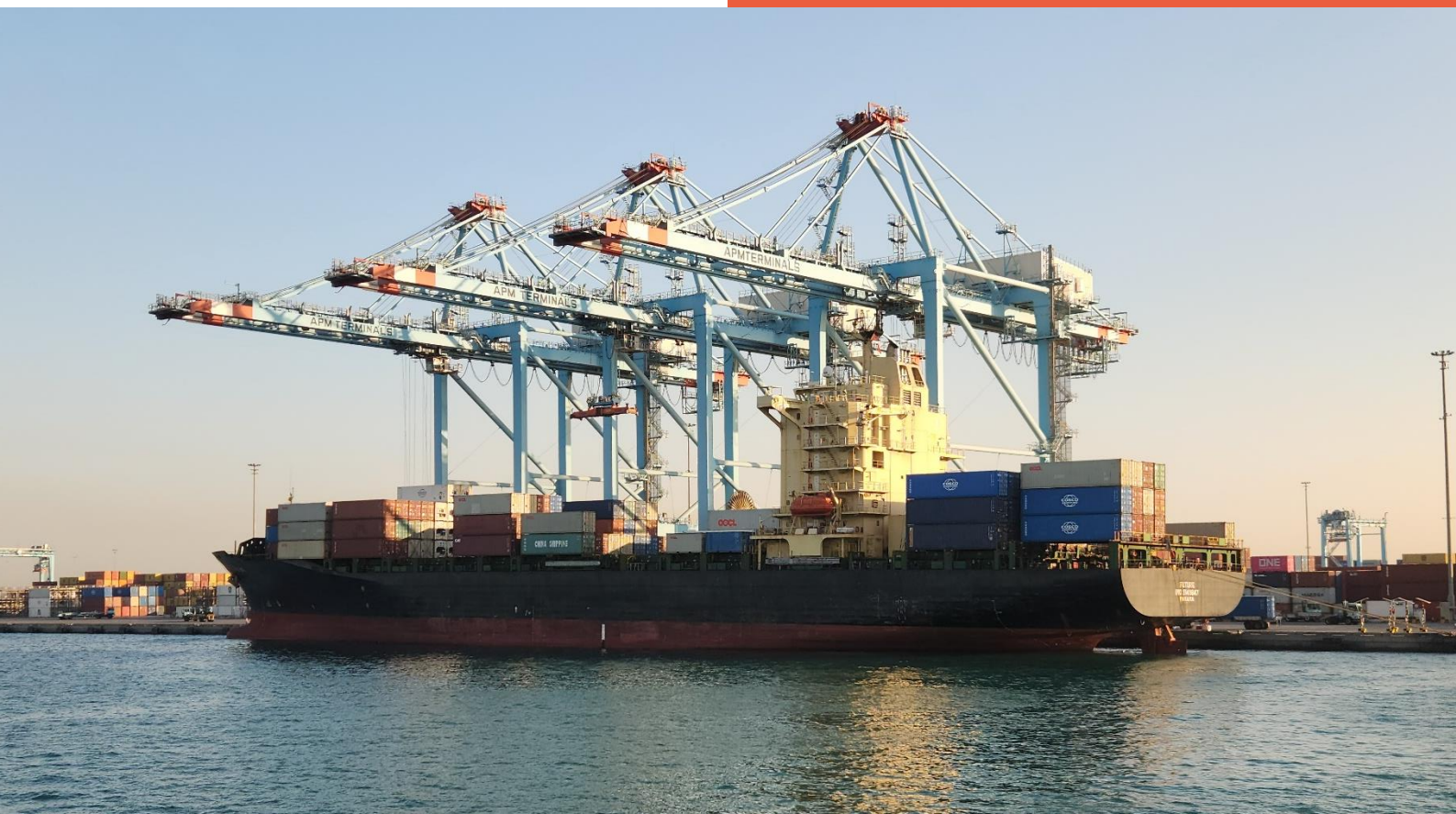
For any additional information, please contact our Investor Relation department.

On behalf of APM Terminals Bahrain BSC

Soren S. JakobSen

Chairman of the Board of Directors

FINANCIAL STATEMENTS 2024



APM Terminals Bahrain B.S.C.

FINANCIAL STATEMENTS

31 DECEMBER 2024

APM Terminals Bahrain B.S.C.

FINANCIAL STATEMENTS
For the year ended 31 December 2024

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Corporate Information

Commercial Registration	60982 - 1
Registered Office	P.O. Box 50490, Hidd Kingdom of Bahrain Telephone: +973 17 365500 Fax: +973 17 365505

Directors

Name	**Designation**	**Date of appointment**	**Date of reappointment**
Soren Sjostrand Jakobsen	*Chairman*	13 Dec 2018	31 Mar 2022
Fawzi Ahmed Kanoo	*Vice-chairman*	13 Dec 2018	31 Mar 2022
Jonathan Goldner	*Executive Director*	10 Aug 2022	-
Jesper Kjaedegaard	*Non-Executive Director*	13 Dec 2018	31 Mar 2022
Mohamed Ebrahim Alshroogi	*Independent Director*	13 Dec 2018	31 Mar 2022
Nadhem Saleh Al-Saleh	*Independent Director*	13 Dec 2018	31 Mar 2022

Audit, Risk and Compliance Committee	Nadhem Saleh Al-Saleh Mohamed Ebrahim Alshroogi Soren Sjostrand Jakobsen
Nomination, Remuneration and Governance Committee	Mohamed Ebrahim Alshroogi Nadhem Saleh Al-Saleh Jesper Kjaedegaard
Company Secretary and Corporate Governance Officer	Dana AlSendi
Registrar	Bahrain Clear Harbour Gate, 4th Floor, Bahrain Financial Harbour Bahrain
Bankers	HSBC Ahli United Bank
Auditor	KPMG Fakhro

APM Terminals Bahrain B.S.C.

Directors' Report
For the year ended 31 December 2024

On behalf of the Board of Directors, it is our pleasure in presenting the Company's financial statements for the year ended 31 December 2024.

Financial highlights (BD 000's)	**2024**	2023
Revenue	**39,312**	35,936
Profit for the year	**9,865**	7,537
Total equity	**23,365**	21,646
Total assets	**55,951**	54,636

Director's remuneration

The Board of Directors' remuneration and the executive management expenses for the year are as follows:

Name	**Fixed remunerations**					**Variable remunerations**					**End-of-service award**	**Aggregate amount** (Does not include expense allowance)	**Expenses Allowance**
	Remunerations of the chairman	Total allowance for attending Board and committee meetings	Salaries	Others*	Total	Remunerations of the chairman and BOD	Bonus	Incentive plans	Others**	Total			
First: Independent Directors:													
1- Mohamed Al Shroogi	10	2	-	-	12	-	-	-	-	-	-	-	-
2-Nadhem Saleh Al Saleh	10	3	-	-	13	-	-	-	-	-	-	-	-
Second: Non-Executive Directors:													
1-Jesper Kjaedegaard	10	3	-	-	13	-	-	-	-	-	-	-	-
Third: Executive Directors:													
2- Soren S. Jakobsen	12	4	-	-	16	-	-	-	-	-	-	-	-
3- Fawzi Ahmed Kanoo	10	2	-	-	12	-	-	-	-	-	-	-	-
4- Jonathan Goldner	10	2	-	-	12	-	-	-	-	-	-	-	-
Total	62	16	-	-	78	-	-	-	-	-	-	-	-

Note: All amounts must be stated in Bahraini Dinars.

Other remunerations:
*** It includes in-kind benefits – specific amount - remuneration for technical, administrative and advisory works (if any).**
**** It includes the board member's share of the profits - Granted shares (insert the value) (if any).**

Second: Executive management remuneration details:

Executive management	Total paid salaries and allowances	Total paid remuneration (Bonus)	Any other cash/ in kind remuneration for 2024	Aggregate Amount
Top 6 remunerations for executives, including CEO* and Senior Financial Officer**	483	62	-	545

Note: All amounts must be stated in Bahraini Dinars.

*** The highest authority in the executive management of the company, the name may vary: (CEO, President, General Manager (GM), Managing Director...etc).**
**** The company's highest financial officer (CFO, Finance Director, ...etc)**

Representations and audit
The Company's activities for the year ended 31 December 2024 have been conducted in accordance with the Commercial Companies Law 2001 (as amended) and other relevant statutes of the Kingdom of Bahrain.

There have been no events subsequent to 31 December 2024, which would in any way invalidate the financial statements.

The Company has maintained proper, complete accounting records and these, together with all other information and explanations, have been made freely available to the auditors KPMG Fakhro.

Proposed Appropriations
Based on the financial results, the Board of directors has recommended for the approval of Shareholders at the upcoming Annual General Meeting, a full year cash dividend of BD 9,865 thousands.

Soren Sjostrand Jakobsen
Chairman
20 February 2025

Nadhem Saleh Al-Saleh
Director

KPMG Fakhro
Audit
12th Floor, Fakhro Tower,
P.O. Box 710, Manama,
Kingdom of Bahrain

Telephone: +973 17224807
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Website: www.kpmg.com/bh
CR No.: 6220 - 2

Independent auditors' report

To the Shareholders of

APM Terminals Bahrain B.S.C.
Hidd, Kingdom of Bahrain

Opinion

We have audited the financial statements of APM Terminals Bahrain B.S.C. (the "Company"), which comprise the statement of financial position as at 31 December 2024, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

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

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in the Kingdom of Bahrain, and we have fulfilled our other ethical responsibilities in accordance with these requirements and 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Revenue Recognition

Refer to note 3 (a) for the accounting policy and note 15 for the category breakdown

The key audit matter	How the matter was addressed in our audit
We focus on this area because of: • The significance of amounts involved in revenue transactions; and • There is an inherent risk around the accuracy of revenue recorded given the different nature of revenue streams and high volume of transactions involved.	Our audit procedures included, among others, those described below: • Obtained an understanding of the Company's revenue and billing processes from contract initiation to final measurement, recognition, and recording; • Evaluated the appropriateness of the Company's revenue recognition accounting policies and assessed compliance with IFRS 15 ""Revenue from Contracts with Customers"; • Tested on a sample basis, whether the revenue recognised during the year agrees with underlying contractual arrangements; • Performed substantive testing in respect of sales transactions, including issuance of credit notes, recorded during the period closer to the year end and subsequent to the year end; • Tested the reconciliations between the general ledgers and system reports for all the key revenue streams; • Verified the supporting evidence for manual journal entries posted to revenue accounts; • Evaluated the adequacy of the financial statement disclosures related to revenue recognition by reference to the relevant accounting standards.

Other Matter

The financial statements of the Company as at and for the year ended 31 December 2023 were audited by another auditor who expressed an unmodified opinion on those financial statements on 28 February 2024.

Other Information

The board of directors is responsible for the other information. The other information comprises the annual report but does not include the financial statements and our auditors' report thereon. Prior to the date of this auditors' report, we obtained the Directors' report which forms part of the annual report, and the remaining sections of the annual report are expected to be made available to us after that date.

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

In connection with our audit of the 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 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 this auditors' 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.

Responsibilities of Board of Directors for the Financial Statements

The board of directors is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as the board of directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the board of directors is responsible for assessing the Company'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 the board of directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 Company internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors.
- Conclude on the appropriateness of the board of directors' 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 Company ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors 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 the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 Regulatory Requirements

1) As required by the Commercial Companies Law 2001 (as amended), we report that:
a) the Company has maintained proper accounting records and the financial statements are in agreement therewith;
b) the financial information contained in the directors' report is consistent with the financial statements;
c) we are not aware of any violations during the year of the Commercial Companies Law 2001 (as amended) or the terms of the Company's memorandum and articles of association that would have had a material adverse effect on the business of the Company or on its financial position; and
d) satisfactory explanations and information have been provided to us by management in response to all our requests.

2) As required by the Ministry of Industry and Commerce in their letter dated 30 January 2020 in respect of the requirements of Article 8 of Section 2 of Chapter 1 of the Corporate Governance Code, we report that the Company has:
a) a corporate governance officer; and
b) a Board approved written guidance and procedures for corporate governance.

The engagement partner on the audit resulting in this independent auditors' report is Jaafar AlQubaiti.

KPMG Fakhro
Partner Registration Number 83
20 February 2025

APM Terminals Bahrain B.S.C.

STATEMENT OF FINANCIAL POSITION
as at 31 December 2024 **BD 000's**

	Note	31 December 2024	31 December 2023
ASSETS			
Intangible assets	4	3,732	4,038
Equipment and vehicles	5	22,214	20,964
Total non-current assets		**25,946**	25,002
Inventories	6	326	544
Trade receivables	7	2,552	1,724
Prepayments and other assets	8	477	567
Due from related parties	21	719	849
Balances with Group Treasury	21	24,125	25,033
Cash and cash equivalents	9	1,806	917
Total current assets		**30,005**	29,634
Total assets		**55,951**	54,636
EQUITY AND LIABILITIES			
Equity			
Share capital	10	9,000	9,000
Statutory reserve	11	4,500	4,500
Retained earnings		9,865	8,146
Total equity		**23,365**	21,646
Liabilities			
Lease and other financial liabilities	12	20,831	22,379
Employee leaving indemnities	13	1,019	995
Total non-current liabilities		**21,850**	23,374
Trade payables and other liabilities	14	8,783	7,685
Due to related parties	21	242	295
Lease and other financial liabilities	12	1,711	1,636
Total current liabilities		**10,736**	9,616
Total liabilities		**32,586**	32,990
Total equity and liabilities		**55,951**	54,636

The financial statements were approved by the Board of Directors on 20 February 2025 and signed on its behalf by:

Soren Sjostrand Jakobsen
Chairman

Nadhem Saleh Al-Saleh
Director

The accompanying notes 1 to 28 are an integral part of these financial statements.

APM Terminals Bahrain B.S.C.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 31 December 2024 **BD 000's**

	Note	**2024**	2023
Revenue	15	39,312	35,936
Direct operating expenses	16	(24,802)	(23,669)
Gross profit		**14,510**	12,267
Other operating income		87	96
Gain on disposal of equipment and vehicles		25	11
General and administrative expenses	17	(4,316)	(4,278)
Operating profit		**10,306**	8,096
Finance income		1,172	1,161
Finance expense	18	(1,613)	(1,720)
Net finance costs		**(441)**	(559)
Profit for the year		**9,865**	7,537
Other comprehensive income		**-**	-
Total comprehensive income for the year		**9,865**	7,537
Earnings per share			
Basic and diluted earnings per share (in fils)	19	**110**	84

These financial statements were approved for issue by the Board of Directors of the Company on 20 February 2025 and signed on its behalf by:

Soren Sjostrand Jakobsen
Chairman

Nadhem Saleh Al-Saleh
Director

The accompanying notes 1 to 28 are an integral part of these financial statements.

APM Terminals Bahrain B.S.C.

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2024 **BD 000's**

2024	**Share capital**	**Statutory reserve**	**Retained earnings**	**Total**
At 1 January	9,000	4,500	8,146	21,646
Total comprehensive income for the year	-	-	9,865	9,865
Transactions with shareholders in their capacity as shareholders				
Dividend for 2023 (Note 20)	-	-	(8,146)	(8,146)
At 31 December	**9,000**	**4,500**	**9,865**	**23,365**

2023	Share capital	Statutory reserve	Retained earnings	Total
At 1 January	9,000	4,500	8,492	21,992
Total comprehensive income for the year	-	-	7,537	7,537
Transactions with shareholders in their capacity as shareholders				
Dividend for 2022	-	-	(7,883)	(7,883)
At 31 December	9,000	4,500	8,146	21,646

The accompanying notes 1 to 28 are an integral part of these financial statements.

APM Terminals Bahrain B.S.C.

STATEMENT OF CASH FLOWS
for the year ended 31 December 2024 **BD 000's**

	Note	**2024**	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year		**9,865**	7,537
Adjustments for:			
Amortisation	4	540	442
Depreciation	5	2,316	2,231
Finance expense		1,613	1,720
Gain on sale of equipment and vehicles		(25)	(11)
Reversal of impairment on trade receivables	7	(9)	-
Charge for / (reversal of) provision for impairment of inventories	6	90	(49)
Finance income		(1,086)	(1,066)
Employee leaving indemnities – charge	13	195	156
Changes in:			
- Inventories		128	(86)
- Trade receivables		(819)	(53)
- Prepayments and other assets		90	171
- Due from related parties		130	(132)
- Trade payables and other liabilities		1,098	384
- Due to related parties		(53)	(323)
Employee leaving indemnities – paid	13	(171)	(25)
Net cash generated from operating activities		**13,902**	10,896
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of equipment and vehicles		(3,428)	(1,700)
Purchase of intangible assets	4	(234)	(21)
Proceeds from maturity of placements with Group Treasury		10,870	11,161
Placements with Group Treasury		(8,876)	(9,669)
Proceeds from disposal of equipment and vehicles		25	11
Net cash used in investing activities		**(1,643)**	(218)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of lease liabilities and other financial liabilities		(1,611)	(1,515)
Payment of finance expenses		(1,613)	(1,720)
Dividend paid		(8,146)	(7,883)
Net cash used in financing activities		**(11,370)**	(11,118)
Net increase / (decrease) in cash and cash equivalents during the year		**889**	(440)
Cash and cash equivalents at beginning of the year		917	1,357
Cash and cash equivalents at end of the year	9	**1,806**	917

The accompanying notes 1 to 28 are an integral part of these financial statements.

1 REPORTING ENTITY

APM Terminals Bahrain B.S.C. (the "Company") is a joint stock company incorporated in the Kingdom of Bahrain on 11 May 2006 under Commercial Registration (CR) number 60982 by the Ministry of Industry and Commerce. The Company's registered office is P.O. Box 50490, Hidd, Kingdom of Bahrain. The Company is a subsidiary of APM Terminals B.V (the "Immediate Parent Company"), a Dutch Company, which is controlled by Maersk Holding B.V, Rotterdam (the "Group"). The Group is ultimately controlled through A.P. Møller Holding A/S, Copenhagen, Denmark, which is owned by the foundation A.P. Møller og Hustru Chastine Mc-Kinney Møller Fond til almene Formaal.

The Company commenced operations on 8 December 2006, following the signing of the Mina Salman Concession Agreement (the "MSP agreement") with the Government of the Kingdom of Bahrain ("Government"), wherein the Government has granted the Company an exclusive right and privilege to operate the Mina Salman Port. The Mina Salman concession agreement was in force for a period commencing from 8 December 2006 and expired on the Commercial Operation Date of the Khalifa Bin Salman Port (KBSP), 1 April 2009.

The Company also signed the Khalifa Bin Salman Port Concession Agreement ("KBSP Agreement") dated 8 November 2006, with the Government whereby the Government has granted the Company an exclusive right and privilege to operate the KBSP for a period of 25 years starting 1 April 2009. The Company paid BD 924 as concession fee for the KBSP concession period on commencement of operations at the KBSP (refer note 4).

In consideration for granting the concessions, the Company pays a royalty fee to the Government of the Kingdom of Bahrain and is calculated as follows:

- A fixed fee of BD 700 per annum is payable for lease agreement increasing at the rate of 2% per annum; and

- A variable royalty fee calculated in accordance with the terms set out in the KBSP Agreement. The variable royalty fee on revenue for 2024 is 31% (2023: 31%) and 3% penalty in case of failure to meet transhipment target or key performance indicators set out in the concession agreement.

In accordance with the KBSP agreement, at an Extraordinary General Meeting held on 11 June 2018, the shareholders resolved to convert the Company's status to a Bahraini Public Joint Stock Company. Subsequent to the Initial Public Offering (IPO) of 20% of the existing shares, the Company became a Bahraini Public Joint Stock Company effective 9 December 2018 and was listed on the Bahrain Bourse.

2 BASIS OF PREPARATION

a) Statement of compliance

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by International Accounting Standards Board (IFRS Accounting Standards).

b) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Bahraini Dinars, which is the Company's functional and presentation currency. All financial information presented has been rounded to the nearest thousands, except when otherwise indicated.

c) Basis of measurement

The financial statements have been prepared under the historical cost basis, except for derivatives which are measured at fair value through profit or loss.

2 BASIS OF PREPARATION (continued)

d) Early adoption of standards

The Company has not early adopted any new standards in 2024.

e) New standards, amendments and interpretations effective from 1 January 2024

- Non-current Liabilities with Covenants - Amendments to IAS 1 and Classification of Liabilities as Current or Non-current - Amendments to IAS 1
- Lease Liability in a Sale and Leaseback - Amendments to IFRS 16
- Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

These amendments to standards did not have a material impact on the Company's financial statements.

f) New standards issued and not yet applicable or early adopted by the Company for the periods starting on or after 1 January 2024:

- Lack of Exchangeability – Amendments to IAS 21
- Classification and Measurement of Financial Instruments- Amendments to IFRS 9 and IFRS 7
- Annual Improvements to IFRS Accounting Standards – Volume 11
- IFRS 18 Presentation and Disclosure in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28

The above amendments to accounting standards have been published and are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Company. The Company is currently assessing the impact of these new and amended standards issued but not yet effective on the Company's financial statements.

g) Use of estimates and judgements

In preparing these financial statements, management has made judgements and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Assumptions and estimation uncertainties:
Information about assumptions and estimation uncertainties at 31 December 2024 that have a risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

(i) Note 3(b) – Useful life and residual value of equipment and vehicle
The Company reviews the useful life and residual value of the property, plant and equipment at each reporting date to determine whether an adjustment to the useful life and residual value is required.

(ii) Note 3(d) – impairment of inventory
The Company reviews the carrying amounts of inventories at each reporting date to determine whether the inventories have been impaired.

(iii) Note 3(m) – Impairment of financial assets
At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Financial assets are measured at amortised cost are *assessed for impairment using the expected credit loss model.*

(iv) *Note 3(n) – impairment of non-financial assets*
The Company reviews non-financial assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

3 MATERIAL ACCOUNTING POLICIES

The material accounting policies applied in the preparation of these financial statements are set out below. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year, except as set out below.

a) Revenue recognition

The Company recognises revenue from contracts with customers based on a five-step model as set out in IFRS 15 - Revenue from Contracts with Customers ("IFRS 15"):

1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

3. Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

5. Recognise revenue when (or as) the entity satisfies a performance obligation at a point in time or over time.

The Company provides container services, general cargo services and marine services related to the management and operation of the Khalifa Bin Salman Port (KBSP). If the contract with a customer includes any separate services, the Company identifies performance obligations of the services to be rendered.

The Company recognizes revenue when the amount of revenue and related costs can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue comprises the fair value of the consideration received or receivable for the services rendered in the ordinary course of the Company's activities. Revenue is shown net of value added tax and discounts.

Revenue includes income from container services, general cargo services and marine services, which are recognized at a point in time after completion of service, which is vessel departure in most cases.

- Container services represent the activities relating to handling containers and container vessels including storage and other related activities.
- General cargo services represent the activities relating to handling general cargo vessels and stuffing, unstuffing, and storage of non-containerized and bulk cargo.
- Marine services represent activities relating to pilotage and towage in KBSP, MSP and other private jetties.

b) Equipment and vehicles

Equipment and vehicles are stated at cost less depreciation and allowances for impairment, if any. Cost includes purchase price of the items and expenditure that is directly attributable to the acquisition of the items.

3 MATERIAL ACCOUNTING POLICIES (continued)

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 Company and the cost of the item or repairs can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation is calculated on a straight-line basis to allocate the cost of equipment and vehicles to their residual values over their estimated useful lives, as follows:

Asset category	Estimated useful life in years
ROU - Leased marine Service Equipment	Life of the lease
ROU - Leased forklifts	Life of the lease
ROU – Leased flats	Life of the lease
Computer equipment	3
Quay cranes	25
RTG cranes	10
Spreaders & straddle carriers	5
Vehicles	5
Tools	5
Machinery and equipment	5
Furniture, fixtures and equipment	5

All depreciation is charged to profit or loss. The total amount of depreciation is classified into operating expenses based on the use of the related asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting period. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are recognised in the Statement of profit or loss and other comprehensive income.

c) Intangible assets

Intangible assets include the amount of concession fee paid to the Government of the Kingdom of Bahrain in accordance with the Khalifa Bin Salman Concession Agreement entered with the Government for the operation of the Khalifa Bin Salman Port and the present value of the minimum lease payments of Khalifa Bin Salman Port. These intangible assets have finite useful life and are measured at cost less amortisation and accumulated impairment loss, if any.

Amortisation is recognised in profit or loss on a straight-line basis over the concession agreement period of 25 years.

Intangible assets also include software and licenses acquired by the Company and are measured at cost less accumulated amortisation and any accumulated impairment losses. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred. Software and licenses are amortised on a straight-line basis in the profit or loss over their estimated useful life, from the date on which it is available for use. The estimated useful life is three years. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

d) Inventories

Inventories mainly consist of consumables and spares. Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in-first-out principle and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

The net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

3 MATERIAL ACCOUNTING POLICIES (continued)

e) Trade receivables

Receivables are recognized initially at fair value and subsequently measured at amortized cost less provision for impairment.

f) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and bank deposits that have an original maturity of three months or less, realisable on demand.

g) Trade payables and accruals

Payables are recognised for amounts to be paid in the future for goods or services received, whether billed by the supplier or not. These are recognized initially at their fair value and subsequently measured at amortized cost

Trade payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

h) Provisions

A provision is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

i) Dividends

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are declared but not yet paid.

j) Earnings per share

The Company presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of shares outstanding during the period. The weighted average number of ordinary shares outstanding during the period and for all periods presented is adjusted for the issue of bonus shares.

k) Employee benefits

Short-term employee benefits:
Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present obligation to pay this amount as a result of a past service provide by the employee and the obligation can be estimated reliably.

End of service benefits:
Pensions and other social Benefits for Bahraini employees are covered by the Social Insurance Organisation ("SIO") scheme to which employees and employers contribute monthly on a fixed-percentage-of-salaries basis. The Company's contribution to this scheme, which represents a defined contribution scheme under International Accounting Standard 19 – Employee Benefits, is expensed as incurred.

Expatriate employees are entitled to leaving indemnities payable under the Bahraini Labour Law for the Private Sector, based on length of service and final remuneration. The provision for this unfunded commitment which represents a defined benefit plan under International Accounting Standard 19 – Employee benefits, is made by calculating the notional liability had all employees left at the reporting date. Effective 1 March 2024, all Bahrain based employers are required to make monthly contributions in relation to the expatriate indemnity to SIO, who would be responsible to settle leaving indemnities for expatriates at the time of end of service. Any indemnity liability prior to 1 March 2024 and pending transfer to the SIO in subsequent periods remains the obligation of the Company.

3 MATERIAL ACCOUNTING POLICIES (continued)

l) Foreign currency transactions

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional and presentation currency of the Company is Bahraini dinars ("BD").

Transactions in foreign currencies are translated to Bahraini Dinars at the foreign exchange rate prevailing at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into Bahraini Dinars at the foreign exchange rate prevailing at that date.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated into Bahraini Dinars at the exchange rate at the date that the fair value was determined. Foreign exchange differences resulting from the settlement of such foreign currency transactions and from the translation of monetary and non-monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the profit or loss.

m) Financial instruments

(i) Initial recognition and measurement
Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

(ii) Classification and subsequent measurement
On initial recognition, the Company classifies its financial assets as measured at: amortised cost, FVTOCI, or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

3 MATERIAL ACCOUNTING POLICIES (continued)

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

Financial assets at amortised cost are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

(iii) Recognition

Regular way purchases and sales of financial assets are recognised on trade date, i.e., the date on which the Company commits to purchase or sell the asset.

(iv) Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Company is recognised as a separate asset or liability.

In transactions in which the Company neither retains nor transfers substantially all of the risks and rewards of ownership of a financial asset and it retains control over the asset, the Company continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

(v) Offsetting

Financial assets and financial liabilities are only offset and the net amount reported in the statement of financial position when there is a legally enforceable right to set off the recognised amounts and the Company intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously. Income and expense are presented on a net basis only when permitted by accounting standards, or for gains and losses arising from a Company of similar transactions.

This is not generally the case with master netting agreements, therefore, the related assets and liabilities are presented gross in the statement of financial position.

3 MATERIAL ACCOUNTING POLICIES (continued)

(vi) Impairment
The Company recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost.

The Company measures loss allowances for trade and other receivables and due from contract customers at an amount equal to lifetime ECLs. Loss allowance for bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition are measured at 12-month ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment including forward-looking information.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs
ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets
At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- it is probable that the issuer will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

n) Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

3 MATERIAL ACCOUNTING POLICIES (continued)

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses of other assets are recognised in prior periods and assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

o) Leases

Leases are recognized as assets of the right to use and corresponding liabilities on the date that the leased assets are available for use to the Company. Each lease payment is distributed between the obligation and the financing cost. The cost of financing is charged to profit or loss over the term of the lease to obtain a constant periodic rate of interest payable on the remaining balance of liabilities for each period. Depreciation is calculated on the assets of the right to use over the useful life of the asset or lease term, whichever is shorter, using the straight-line method.

The value of right of use is reviewed at the date of the financial statement, the estimated useful lives of these assets are also reviewed and any changes to be made in the coming periods.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments less any lease incentives receivable,
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date,
- amounts expected to be payable by the Company under residual value guarantees,
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received,
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company, which does not have recent third-party financing, and
- makes adjustments specific to the lease, ex term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Company use that rate as a starting point to determine the incremental borrowing rate.

3 MATERIAL ACCOUNTING POLICIES (continued)

Lease payments are allocated between principal and finance cost. The finance cost is charged to the statement of profit or loss and other comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received, and
- any initial direct costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The Company has recognised the right-of-use assets for leased forklifts and flats (refer note 5), which are presented under equipment and vehicles. Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option. Low-value assets comprise IT equipment and small items of office furniture.

Extension and termination options
Extension and termination options are included in a number of leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable by the Company or by the respective lessor.

p) Finance income and finance expense

The Company's finance income includes interest income on balances with Group Treasury and bank balances, and finance costs includes interest expense on leases. Interest income or expense is recognised using the effective interest method.

q) Royalty

Royalty expense is computed in line with the concession agreement as a percentage of the revenue earned and is recognized as direct expenses in the profit or loss, in the period it is incurred.

r) Government grants

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises expenses for which the grants are intended to compensate. In the case of grants related to assets, requires setting up the grant as deferred income or deducting it from the carrying amount of the asset.

s) Share capital

Ordinary shares are classified as equity.

t) Statutory reserve

According to the Bahrain Commercial Companies Law, the Company should deduct 10% of its annual net profit to transfer to the statutory reserve and continue to do so each year provided that the total deducted amounts for the reserve do not exceed 50% of the Company's capital. For the purposes of this law. This reserve is not available for distribution to shareholders.

4 INTANGIBLE ASSETS

2024	**Service concession rights**	**Software and licenses**	**Total**
Cost			
Balance as at 1 January	9,731	871	10,602
Additions	-	234	234
At 31 December	**9,731**	**1,105**	**10,836**
Accumulated amortisation			
At 1 January	5,739	825	6,564
Amortisation	389	151	540
At 31 December	**6,128**	**976**	**7,104**
Net book value 31 December	**3,603**	**129**	**3,732**

Service concession rights include BD 924 paid as concession fee for the KBSP concession period on commencement of operations at the KBSP (note 1).

2023	Service concession rights	Software and licenses	Total
Cost			
Balance as at 1 January	9,731	850	10,581
Additions	-	21	21
At 31 December	9,731	871	10,602
Accumulated amortisation			
At 1 January	5,350	772	6,122
Amortisation	389	53	442
At 31 December	5,739	825	6,564
Net book value 31 December	3,992	46	4,038

5 EQUIPMENT AND VEHICLES

2024	Leased marine Service Equipment	Leased Forklifts	Leased Flats	Computer Equipment	Cranes and Transtainers	Furniture and Fixtures	Machinery and Equipment	Vehicles	Tools	Leasehold Improvement	Capital work-in progress	Total
Cost												
At 1 January	21,810	145	127	1,396	17,407	202	3,597	1,470	66	11	1,686	47,917
Additions	-	138	-	65	153	22	60	-	2	-	3,126	3,566
Transfers	-	-	-	-	-	-	908	-	-	-	(908)	-
Disposals	-	-	-	-	(443)	-	(120)	-	-	-	-	(563)
At 31 December	**21,810**	**283**	**127**	**1,461**	**17,117**	**224**	**4,445**	**1,470**	**68**	**11**	**3,904**	**50,920**
Accumulated depreciation												
At 1 January	6,849	99	64	1,293	14,227	146	2,744	1,468	52	11	-	26,953
Depreciation	1,462	47	63	60	325	22	328	2	7	-	-	2,316
Disposals	-	-	-	-	(443)	-	(120)	-	-	-	-	(563)
At 31 December	**8,311**	**146**	**127**	**1,353**	**14,109**	**168**	**2,952**	**1,470**	**59**	**11**	**-**	**28,706**
Net book value 31 December	**13,499**	**137**	**-**	**108**	**3,008**	**56**	**1,493**	**-**	**9**	**-**	**3,904**	**22,214**

5 EQUIPMENT AND VEHICLES (continued)

2023	Leased marine Service Equipment	Leased Forklifts	Leased Flats	Computer Equipment	Cranes and Transtainers	Furniture and Fixtures	Machinery and Equipment	Vehicles	Tools	Leasehold Improvement	Capital work-in progress	Total
Cost												
At 1 January	21,951	145	-	1,280	17,407	203	3,066	1,565	66	30	761	46,474
Remeasurement during the year	(141)	-	-	-	-	-	-	-	-	-	-	(141)
Additions	-	-	127	34	-	-	147	-	-	-	1,519	1,827
Transfers	-	-	-	82	-	-	512	-	-	-	(594)	-
Disposals	-	-	-	-	-	(1)	(128)	(95)	-	(19)	-	(243)
At 31 December	21,810	145	127	1,396	17,407	202	3,597	1,470	66	11	1,686	47,917
Accumulated depreciation												
At 1 January	5,387	70	-	1,214	13,916	122	2,645	1,534	47	30	-	24,965
Depreciation	1,462	29	64	79	311	25	227	29	5	-	-	2,231
Disposals	-	-	-	-	-	(1)	(128)	(95)	-	(19)	-	(243)
At 31 December	6,849	99	64	1,293	14,227	146	2,744	1,468	52	11	-	26,953
Net book value 31 December	14,961	46	63	103	3,180	56	853	2	14	-	1,686	20,964

6 INVENTORIES

	2024	2023
At 1 January	994	908
Purchased during the year	900	2,018
Write-offs	(163)	-
Consumed during the year	(1,028)	(1,932)
	703	994
Less: Provision for obsolescence	(377)	(450)
At 31 December	**326**	544

Movement in provision for obsolescence:	**2024**	2023
At 1 January	450	499
Write-offs	(163)	-
Charge / (reversal) for the year, net	90	(49)
At 31 December	**377**	450

7 TRADE RECEIVABLES

	2024	2023
Trade receivables	3,038	2,219
Less: Provision for loss allowance	(486)	(495)
	2,552	1,724

Movement in provision for loss allowance:	**2024**	2023
At 1 January	495	495
Reversal for the year	(9)	-
At 31 December	**486**	495

The fair values of trade receivables approximate their carrying values. Information about the Company's exposure to credit risk is included in note 23 (a).

8 PREPAYMENTS AND OTHER ASSETS

	2024	2023
Prepayments	16	34
Fair value of derivative (refer note 27)	35	37
Advances to suppliers	54	370
Other receivables	372	126
	477	567

9 CASH AND CASH EQUIVALENTS

	Ratings	2024	2023
Balances with banks	A+ to BB+	**1,806**	917

Information about the Company's exposure to credit risk is included in note 23.

10 SHARE CAPITAL

Authorized share capital / issued and fully paid up

	2024	2023
90,000,000 shares of 100 fils each (2023: 90,000,000 of 100 fils each)	**9,000**	9,000

(i) Names and nationalities of the major shareholders and the number of equity shares held:

Name of the shareholder	Nationality	Number of shares (000s)	% of holding
APM Terminals B.V	Netherland	57,600	64%
Yusuf Bin Ahmed Kanoo (Holdings) W.L.L	Bahrain	14,400	16%

(ii) The Company has one class of equity shares and the holders of these shares have equal voting rights. Holders of ordinary shares are entitled to dividends from time to time and are entitled to one vote per share at general meetings of the Company.

(iii) The following is a distribution schedule of equity shares setting out the number of holding and percentage:

Categories*	Number of shares (000s)	Number of shareholders	% of total shares
Less than 1%	13,027	737	14.5%
1 % up to less than 5%	4,973	3	5.5%
5 % up to less than 10%	-	-	-
10 % up to less than 20%	14,400	1	16.0%
20 % up to less than 50%	-	-	-
50% and above	57,600	1	64.0%
Total	**90,000**	**742**	**100.0%**

* Expressed as percentage of total issued and fully paid shares of the Company.

11 STATUTORY RESERVE

In accordance with the Commercial Companies Law and the Company's Articles of Association, a minimum of 10% of the net profit for the year is appropriated to a statutory reserve. The Company may elect to discontinue such appropriation when the reserves reach 50% of the capital. This reserve is not distributable, except in the circumstances stipulated in the Commercial Companies Law. As this requirement has been met, no transfer has been made to the statutory reserve for the year ended 31 December 2023 and 31 December 2024.

12 LEASE AND OTHER FINANCIAL LIABILITIES

a) Amounts recognised in the statement of financial position

i) Right of use assets include marine service equipment, leased forklifts and leased flats amounting to BD 13,636 (2023: BD 15,070) (note 5).

ii) Lease and other financial liabilities

	2024	2023
Marine service equipment (Lease liability)	15,826	16,948
Service concession rights (Financial liability)	6,575	6,951
Lease of forklifts (Lease liability)	141	51
Lease of flats (Lease liability)	-	65
	22,542	24,015

	2024	2023
Non-current portion of lease and other financial liability	20,831	22,379
Current portion of lease and other financial liability	1,711	1,636
	22,542	24,015

b) Amounts recognised in the profit or loss:

	2024	2023
Depreciation charge on right-of-use assets (note 5)	**1,574**	1,555
Interest expense on financial liabilities (included in finance expense note 18)	**562**	593
Interest expense on lease liabilities (included in finance expense note 18)	**970**	1,032
Expense relating to short-term and low value leases	**95**	79

c) The total cash outflow for leases in 2024 was BD 1,611 (2023: BD 1,515).

13 EMPLOYEES LEAVING INDEMNITIES

Employee benefits related to salaries and related costs have been disclosed in notes 16 and 17. The charge for indemnity is included in the respective notes based on function i.e., direct operating expenses or general and administrative expenses. Provision for employees' indemnity liability is as follows:

	2024	2023
At 1 January	995	864
Charge for the year	195	156
Paid to employees during the year	(63)	(25)
Transferred to SIO during the year	(108)	-
At 31 December	**1,019**	995

13 EMPLOYEES LEAVING INDEMNITIES (continued)

	2024	2023
Charge for the year:		
General and administrative expenses	40	35
Direct operating expenses	155	121
At 31 December	**195**	156

14 TRADE PAYABLES AND OTHER LIABILITIES

	2024	2023
Royalty payable to the Government of Bahrain	3,465	3,009
Trade payables	278	541
Advances from customers	359	283
Accrued expenses	4,627	3,798
Provisions	54	54
	8,783	7,685

15 REVENUE

	2024	2023
Container services	18,825	17,103
General cargo services	10,732	9,281
Marine services	9,755	9,552
	39,312	35,936

Revenue is generated only in the Kingdom of Bahrain.
Revenue income from container services, general cargo services and marine services are recognized at a point in time.

16 DIRECT OPERATING EXPENSES

	2024	2023
Royalty to Government of Bahrain	10,957	9,926
Salaries and related costs	5,022	5,054
Subcontracting charges	2,955	2,723
Depreciation (Note 5)	2,316	2,231
Maintenance and repairs	1,272	1,767
Fuel and electricity	1,159	1,004
Amortization (Note 4)	540	442
Equipment hiring charges	253	211
Operational insurance	187	239
Charge for / (reversal of) provision on inventories (note 6)	90	(49)
Customs duty and freight charges	16	70
Other expenses	35	51
	24,802	23,669

17 GENERAL AND ADMINISTRATIVE EXPENSES

	2024	2023
Salaries and related costs	2,454	2,286
Computer expenses	543	502
Management and administration fee	340	340
Security costs	143	242
Subcontracting charges	133	192
Legal and professional charges	118	96
Office expenses	98	120
Travel expenses	92	47
Board of Directors' fee	78	81
Corporate social responsibility	63	182
Training expenses	52	59
Communication expenses	31	31
Other expenses	171	100
	4,316	4,278

18 FINANCE EXPENSE

	2024	2023
Interest expense on lease and other financial liabilities	1,532	1,625
Bank charges	54	50
Foreign exchange loss, net	27	45
	1,613	1,720

19 EARNINGS PER SHARE

Earnings per share is calculated by dividing the profit attributable to the ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year excluding the average number of ordinary shares purchased by the Company and held as treasury shares, are as follows:

	2024	2023
Profit for the year (BD 000's)	9,865	7,537
Weighted average number of shares (000's)	90,000	90,000
Basic and diluted earnings per share (fils)	**110**	84

20 APPROPRIATIONS

The Board of Directors have proposed the following appropriations for the year 2024:

	2024	2023
Cash dividend proposed	**9,865**	8,146

At the Annual General Meeting of the shareholders held on 28 March 2024, the shareholders approved a cash dividend of BD 8,146 for the year ended 31 December 2023.

21 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties include entities over which the Company exercises significant influence, major shareholders, directors and key management personnel of the Company. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form. All transactions with related parties are made at agreed terms. The following are the major transactions:

Description	Parent/ Group company	Entities which shareholders and/or directors have interest in	Total
As at 31 December 2024			
Current Assets			
Due from related parties			
Trade receivable	282	403	685
Other receivables	34	-	34
	316	**403**	**719**
Balances with Group Treasury (a)	**24,125**	**-**	**24,125**
Non-Current Liabilities			
Due to related parties			
Non-current portion of financial liabilities	14,592	2	14,594
Current Liabilities			
Trade payables	189	5	194
Accrued expenses	22	1	23
Management fee payable	25	-	25
	236	**6**	**242**
Current portion of financial liabilities	1,234	18	1,252
For the year ended 31 December 2024			
Income			
Revenue	3,075	4,716	7,791
Finance income	1,086	-	1,086
	4,161	**4,716**	**8,877**
Expenses			
Subcontracting Charges	3,625	-	3,625
Management and administration fee	340	-	340
Computer expenses	347	-	347
Maintenance and repairs	-	15	15
Board remuneration	41	37	78
Other expenses	332	62	394

(a) The Company has maintained balances with Group Treasury pursuant to the technical services agreement whereby treasury advice and execution services are provided and earns an average interest of 4.38% p.a. (2023: 5.39% p.a.).

21 RELATED PARTY TRANSACTIONS (continued)

Description	Parent/ Group company	Entities which shareholders and/or directors have interest in	Total
As at 31 December 2023			
Assets			
Due from related parties			
Trade receivables	405	423	828
Other receivables	21	-	21
	426	423	849
Balances with Group Treasury	25,033	-	25,033
Non-Current Liabilities			
Due to related parties			
Non-current portion of financial liabilities	15,461	20	15,481
Current Liabilities			
Trade payables	-	6	6
Other payable	60	1	61
Accrued expenses	196	3	199
Management fee payable	29	-	29
	285	10	295
Current portion of financial liabilities	1,183	31	1,214
For the year ended 31 December 2023			
Income			
Revenue	2,269	4,311	6,580
Finance income	1,063	-	1,063
	3,332	4,311	7,643
Expenses			
Subcontracting Charges	3,589	-	3,589
Management and administration fee	340	-	340
Computer expenses	381	-	381
Maintenance and repairs	-	12	12
Board Remuneration	43	38	81
Other expenses	361	44	405

21 RELATED PARTY TRANSACTIONS (continued)

Other related party transactions for the year ended 31 December

Description	Parent/ Group company		Other related parties		Total	
	2024	2023	**2024**	2023	**2024**	2023
Purchase of inventories	**-**	**-**	**12**	12	**12**	12

Key management personnel
Key management personnel of the Company comprise of the Board of Directors and key members of management including employees promoted as executives during the year, having authority and responsibility for planning, directing and controlling the activities of the Company. The key management personnel compensation is as follows:

	2024	2023
Salaries and other short-term benefits	**545**	554
Post-employment benefits for the year	**48**	35
Board remuneration and sitting fees for the year	**78**	81
Post-employment benefits payable	**11**	57

22 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker of the Company. Chief Executive Officer and Chief Financial Officer of the Company are the chief operating decision maker. The Company operates only in one Business Segment i.e. 'Port Services' which primarily includes services such as Container services, General Cargo services and Marine services and the activities incidental thereto within Bahrain. The revenue, expenses and results are reviewed only at Company level and therefore no separate operating segment results and disclosures are provided in these financial statements.

23 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments include financial assets and financial liabilities. Financial assets of the Company include trade receivables, cash and cash equivalents, balances with Group Treasury, due from related parties and other financial assets. Financial liabilities of the Company comprise of trade payables and other liabilities, due to related parties and lease and other financial liabilities.

The Company has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk
- operational risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. The note also presents certain quantitative disclosures in addition to the disclosures throughout the financial statements.

23 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, 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 Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

a) Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation and cause the Company to incur a financial loss. The Company is exposed to credit risk primarily on its cash and cash equivalents, trade receivables, other receivables, balances due from related parties and balances with group treasury.

The significant receivables are from customers and balances with Group Treasury. The receivables from customers represent revenue billed to the customers.

The Company has a practice, which ensures that each new customer is analyzed individually for creditworthiness before the Company's standard payment conditions are offered. In addition, the Company has a practice of collecting bank guarantee for the entire credit limit approved for all the customers. There is no significant geographical concentration of credit risk involved in trade receivable balances and there was no concentration of credit risk on the local customers.

The Company considers that the trade receivable balances are of good credit quality as these are primarily:

- government-owned companies;
- well established private companies; or
- related parties with a good financial position.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit loss.

Company's credit risk on cash and cash equivalents is limited as these are placed with an international bank and Ahli United Bank.

There was no concentration of credit risk on the other receivables and due from related parties at the reporting date. The Company has significant concentration risk in balances with the Group Treasury.

(i) Exposure to credit risk
The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2024	2023
Balances with banks	1,806	917
Trade receivables	2,552	1,724
Other receivables	372	126
Due from related parties	719	849
Balances with Group Treasury	24,125	25,033
	29,574	28,649

23 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

(ii) Impairment Losses
The aging of trade receivables at the reporting date was:

	2024			2023		
	Gross	**Weighted Average Loss Rate**	**Loss Allowance**	Gross	Weighted Average Loss Rate	Loss Allowance
Current (not past due)	2,088	1%	15	1,479	1%	9
Past due:						
0-90 days	387	1%	5	224	1%	2
91-180 days	73	10%	8	22	10%	2
181-270 days	41	30%	12	6	30%	2
271-365 days	7	50%	4	16	50%	8
Over 365 days	442	100%	442	472	100%	472
	3,038	**16%**	**486**	2,219	22%	495

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Liquidity risk may result from an inability to collect a financial asset within a reasonable period at close to its fair value.

The liquidity position of the Company is monitored by the Chief Executive Officer and the Chief Financial Officer. The Company ensures that it has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The table below summarises the maturities of the Company's undiscounted financial liabilities at 31 December 2024 and 2023, based on contractual payment dates and current market interest rates.

2024	**Carrying amount**	**Contractual Cash flows**	**6 months or less**	**7 - 12 months**	**1 - 2 years**	**More than 2 years**
Trade payables and other liabilities	8,370	8,370	8,370	-	-	-
Due to related parties	242	242	242	-	-	-
Lease and other financial liabilities	22,542	30,043	2,001	1,132	3,192	23,718
	31,154	**38,655**	**10,613**	**1,132**	**3,192**	**23,718**
2023						
Trade payables and other liabilities	7,348	7,348	7,348	-	-	-
Due to related parties	295	295	295	-	-	-
Lease and other financial liabilities	24,015	33,099	2,157	1,232	3,337	26,373
	31,658	40,742	9,800	1,232	3,337	26,373

23 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

(i) Interest rate risk
Interest rate risk is the risk that the Company's earnings will be affected as a result of movements in interest rates.

The Company's interest rate risk is limited to its interest bearing balances with Group Treasury of BD 24,125 (2023: BD 25,033). A change in 100 basis points in interest rate in the interest-bearing financial instruments would have increased / (decreased) equity by BD 241 (2023: BD 250). This analysis assumes that all other variables remain constant.

(ii) Foreign exchange risk
Foreign exchange risk is the risk that the Company's earnings will be affected as a result of fluctuations in foreign currency exchange rates. The Company is exposed to currency risk on purchases of US Dollars. Majority of Company's transactions are in Bahraini Dinars and in US Dollars (USD), to which the Bahraini Dinars is currently pegged.

d) Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior. Operational risks arise from all of the Company's operations.

The Company's objective is to manage risks so as to balance the avoidance of financial losses and damage to the Company's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each business unit. This responsibility is supported by the development of overall Company standards for the management of operational risk in the following areas:

- Requirements for appropriate segregation of duties, including the independent authorization of transactions.
- Requirements for the reconciliation and monitoring of transactions.
- Compliance with regulatory and other legal requirements.
- Documentation of controls and procedures.
- Requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified.
- Requirements for the reporting of operational losses and proposed remedial action.
- Development of contingency plans.
- Training and professional development.
- Ethical and business standards.
- Risk mitigation, including insurance where this is effective.

e) Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor and Government's confidence and to be able to meet the requirements of the Khalifa Bin Salman Concession Agreement. The Board of Directors monitors that there is sufficient capital to ensure smooth working of the current operations and investments.

23 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

The Company monitors capital by monitoring the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings as shown in the statement of financial position less cash and cash equivalents. Total capital is the total equity, as shown in the statement of financial position, plus net debt. No gearing ratio was presented as the Company does not have any outstanding borrowings. There were no changes in the Company's approach to capital management during the year.

f) Financial instruments by category

At 31 December 2024 and 2023, all the Company's financial assets and financial liabilities were financial assets at amortised cost and financial liabilities at amortised cost, respectively, except for derivatives which are measured at financial assets through profit and loss. The classification of financial assets and liabilities, together with the carrying amounts presented in the statement of financial position, are as follows:

31 December 2024	**Financial assets at amortised cost**	**Financial assets at fair value through profit or loss**	**Financial liabilities at amortised cost**	**Total carrying value**
Trade receivables	2,552	-	-	2,552
Other receivables	372	35	-	407
Due from related parties	719	-	-	719
Balances with Group Treasury	24,125	-	-	24,125
Cash and cash equivalents	1,806	-	-	1,806
	29,574	**35**	**-**	**29,609**
Trade payables and other liabilities	-	-	8,424	8,424
Due to related parties	-	-	242	242
Lease and other financial liabilities	-	-	21,073	21,073
	-	**-**	**29,739**	**29,739**

31 December 2023	Financial assets at amortised cost	Financial assets at fair value through profit or loss	Financial liabilities at amortised cost	Total carrying value
Trade receivables	1,724	-	-	1,724
Other receivables	126	37	-	163
Due from related parties	849	-	-	849
Balances with Group Treasury	25,033	-	-	25,033
Cash and cash equivalents	917	-	-	917
	28,649	37	-	28,686
Trade payables and other liabilities	-	-	7,402	7,402
Due to related parties	-	-	295	295
Lease and other financial liabilities	-	-	24,015	24,015
	-	-	31,712	31,712

24 FAIR VALUES OF FINANCIAL INSTRUMENTS

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 in the principal, or in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measures:

Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.

Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The Company has not disclosed the fair value for financial instruments such as trade and other receivables, trade payables and other liabilities, balances with Group Treasury and cash and bank balances, because their carrying amounts are a reasonable approximation of fair values, due to their short-term nature.

The Company's financial assets and financial liabilities are all classified under the amortized cost category. Derivative financial instruments measured at fair value were Level 2 as per the fair value hierarchy.

25 COMMITMENTS AND CONTINGENT LIABILITIES

	2024	2023
Capital commitments	**1,104**	4,241
Contingent liabilities	**10**	10

26 RECONCILIATION OF MOVEMENTS OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	Liabilities	Equity			
	Lease and other financial liability	Share capital	Statutory reserve	Retained earnings	Total
Balance at 1 January 2024	24,015	9,000	4,500	8,146	45,661
Changes from financing cash flows					
Lease and other financial liability	(1,611)	-	-	-	(1,611)
Finance expense	(1,613)	-	-	-	(1,613)
Dividends paid	-	-	-	(8,146)	(8,146)
Total changes from financing cash flows	**(3,224)**	**-**	**-**	**(8,146)**	**(11,370)**
Liability-related changes	1,751	-	-	-	1,751
Equity-related changes	-	-	-	9,865	9,865
Balance at 31 December 2024	**22,542**	**9,000**	**4,500**	**9,865**	**45,907**

	Liabilities	Equity			
	Lease and other financial liability	Share capital	Statutory reserve	Retained earnings	Total
Balance at 1 January 2023	25,544	9,000	4,500	8,492	47,536
Remeasurement of IFRS 16	(141)	-	-	-	(141)
Changes from financing cash flows					
Lease and other financial liability	(1,515)	-	-	-	(1,515)
Finance expense	(1,625)	-	-	-	(1,625)
Dividends paid	-	-	-	(7,883)	(7,883)
Total changes from financing cash flows	(3,140)	-	-	(7,883)	(11,023)
Liability-related changes	1,752	-	-	-	1,752
Equity-related changes	-	-	-	7,537	7,537
Balance at 31 December 2023	24,015	9,000	4,500	8,146	45,661

27 DERIVATIVES

The Company has entered into foreign currency forward and swap contracts with a bank with nominal value of underlying asset of BD 23,809 (2023: BD 24,704) maturing within one year. The fair value of derivative as at the year-end amounted to BD 35 (2023: BD 37) and is included under other assets.

28 DOMESTIC MINIMUM TOP-UP TAX (DMTT)

The Government of Bahrain has announced the implementation of the Domestic Minimum Top-Up Tax (DMTT), which applies to multinational enterprises with consolidated annual revenues exceeding EUR 750 million.

The DMTT will be effective for financial years beginning on or after 1 January 2025 and will ensure a minimum effective tax rate of 15%. As the Company meets the criteria for the tax, it is expected to impact the financial results of future periods. The Company is in the process of assessing the implications of the DMTT on its financial position and performance.

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