

APM Terminals Bahrain B.S.C.

FINANCIAL STATEMENTS

31 DECEMBER 2025

FINANCIAL STATEMENTS
For the year ended 31 December 2025

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Corporate Information

Commercial Registration 60982 - 1

Registered Office P.O. Box 50490, Hidd
Kingdom of Bahrain
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Directors

Name	Designation	Date of appointment	Date of reappointment
Soren Sjostrand Jakobsen	<i>Chairman</i>	13 Dec 2018	27 Mar 2025
Faisal Khalid Kanoo	<i>Vice-chairman</i>	27 Mar 2025	-
Jonathan Goldner	<i>Executive Director</i>	10 Aug 2022	27 Mar 2025
Kevin Donegan	<i>Non-Executive Director</i>	27 Mar 2025	-
Rakan Al Otaishan	<i>Independent Director</i>	27 Mar 2025	-
Tala Fakhro	<i>Independent Director</i>	27 Mar 2025	-

Audit, Risk and Compliance Committee Tala Fakhro
Rakan Al Otaishan
Soren Sjostrand Jakobsen

Nomination, Remuneration and Governance Committee Rakan Al Otaishan
Tala Fakhro
Kevin Donegan

Company Secretary and Corporate Governance Officer Dana AlSendi

Registrar Bahrain Clear
Harbour Gate, 4th Floor
Bahrain Financial Harbour
Bahrain

Bankers HSBC
Kuwait Finance House

Auditor KPMG Fakhro

APM Terminals Bahrain B.S.C.

Directors' Report

For the year ended 31 December 2025

On behalf of the Board of Directors, it is our pleasure in presenting the Company's financial statements for the year ended 31 December 2025.

Financial highlights (BD 000's)

Revenue
Profit for the year
Total equity
Total assets

	2025	2024
Revenue	39,863	39,312
Profit for the year	9,119	9,865
Total equity	22,619	23,365
Total assets	61,120	55,951

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 and BOD	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***	2500	-	-	-	2500	-	-	-	-	-	-	-	-
2-Nadhem Saleh Al Saleh***	2500	1000	-	-	3500	-	-	-	-	-	-	-	-
3-Rakan Al Otaishan	7500	3250	-	-	10750	-	-	-	-	-	-	-	-
4-Tala Fakhro	7500	2250	-	-	9750	-	-	-	-	-	-	-	-
Second: Non Executive Director:													
5-Jesper Kjaedegaard***	2500	1250	-	-	3750	-	-	-	-	-	-	-	-
6-Fawzi Ahmed Kanoo***	2500	500	-	-	3000	-	-	-	-	-	-	-	-
7-Faisal Khalid Kanoo	7500	1250	-	-	8750	-	-	-	-	-	-	-	-
8-Kevin Donegan	7500	2500	-	-	10000	-	-	-	-	-	-	-	-
Third: Executive Director:													
9- Soren S. Jakobsen	12000	4250	-	-	16250	-	-	-	-	-	-	-	-
10-Jonathan Goldner	10000	3250	-	-	13250	-	-	-	-	-	-	-	-
Total	62000	19500	-	-	81500	-	-	-	-	-	-	-	-

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).

***Retired during the year

Second: Executive management remuneration details:

Executive management	Total paid salaries and allowances	Total paid remuneration (Bonus)	Any other cash/ in kind remuneration for 2025	Aggregate Amount
Top 6 remunerations for executives, including CEO* and Senior Financial Officer**	448	115	-	563
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 2025 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 2025, 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 9,119 thousands.



Soren Sjostrand Jakobsen
Chairman



Tala Fakhro
Director



KPMG Fakhro
Audit
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Kingdom of Bahrain

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CR No.: 6220 - 2

Independent auditors' report

To the Shareholders of

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

Report on the Audit of the financial statements

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 2025, 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 2025, 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), as applicable to audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in the Kingdom of Bahrain. We have also 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.



Independent auditors' report (continued)
APM Terminals Bahrain B.S.C.

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
<p>We focus on this area because of:</p> <ul style="list-style-type: none"> • 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. 	<p>Our audit procedures included, among others, those described below:</p> <ul style="list-style-type: none"> • 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 statements disclosures related to revenue recognition by reference to the relevant accounting standards.
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.



Independent auditors' report (continued)
APM Terminals Bahrain B.S.C.

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.



Independent auditors' report (continued)
APM Terminals Bahrain B.S.C.

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
26 February 2026

STATEMENT OF FINANCIAL POSITION
as at 31 December 2025

BD 000's

	Note	31 December 2025	31 December 2024
ASSETS			
Non-current assets			
Intangible assets	4	3,212	3,732
Equipment and vehicles	5	29,362	22,214
Total non-current assets		32,574	25,946
Current assets			
Inventories	6	242	326
Trade receivables	7	2,060	2,552
Prepayments and other assets	8	716	477
Due from related parties	21	592	719
Balances with Group Treasury	21	23,602	24,125
Cash and cash equivalents	9	1,334	1,806
Total current assets		28,546	30,005
Total assets		61,120	55,951
EQUITY AND LIABILITIES			
Equity			
Share capital	10	9,000	9,000
Statutory reserve	11	4,500	4,500
Retained earnings		9,119	9,865
Total equity		22,619	23,365
Liabilities			
Non-current liabilities			
Lease and other financial liabilities	12	25,600	20,831
Employee leaving indemnities	13	950	1,019
Total non-current liabilities		26,550	21,850
Current liabilities			
Trade payables and other liabilities	14	8,068	8,783
Due to related parties	21	732	242
Lease and other financial liabilities	12	3,151	1,711
Total current liabilities		11,951	10,736
Total liabilities		38,501	32,586
Total equity and liabilities		61,120	55,951

The financial statements were approved by the Board of Directors on 26 February 2026 and signed on its behalf by:



Soren Sjostrand Jakobsen
Chairman



Tala Fakhro
Director

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 31 December 2025

BD 000's

	Note	2025	2024
Revenue	15	39,863	39,312
Direct operating expenses	16	(24,619)	(24,802)
Gross profit		15,244	14,510
Other operating income		103	87
(Loss) / gain on disposal of equipment and vehicles		(5)	25
General and administrative expenses	17	(4,428)	(4,316)
Operating profit		10,914	10,306
Finance income		933	1,172
Finance expense	18	(1,657)	(1,613)
Net finance costs		(724)	(441)
Profit before taxation		10,190	9,865
Taxation	28	(1,071)	-
Profit after taxation		9,119	9,865
Other comprehensive income		-	-
Total comprehensive income for the year		9,119	9,865
Earnings per share			
Basic and diluted earnings per share (in fils)	19	101	110



Soren Sjostrand Jakobsen
 Chairman



Tala Fakhro
 Director

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

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2025

BD 000's

2025	Share capital	Statutory reserve	Retained earnings	Total
At 1 January	9,000	4,500	9,865	23,365
Total comprehensive income for the year	-	-	9,119	9,119
Dividend for 2024 (Note 20)	-	-	(9,865)	(9,865)
At 31 December	9,000	4,500	9,119	22,619

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
Dividend for 2023 (Note 20)	-	-	(8,146)	(8,146)
At 31 December	9,000	4,500	9,865	23,365

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

STATEMENT OF CASH FLOWS
for the year ended 31 December 2025

BD 000's

	Note	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year		9,119	9,865
<i>Adjustments for:</i>			
Amortisation	4	520	540
Depreciation	5	2,867	2,316
Finance expense		1,657	1,613
Loss / (gain) on sale of equipment and vehicles		5	(25)
Reversal of impairment on trade receivables	7	(27)	(9)
Impairment on trade receivables written off	7	(323)	-
Charge for provision for impairment of inventories	6	21	90
Finance income		(933)	(1,086)
Employee leaving indemnities – charge	13	186	195
Tax expense	28	1,071	-
<i>Changes in:</i>			
- Inventories		63	128
- Trade receivables		842	(819)
- Prepayments and other assets		(239)	90
- Due from related parties		127	130
- Trade payables and other liabilities		(996)	1,098
- Due to related parties		490	(53)
Tax paid		(791)	-
Employee leaving indemnities paid	13	(255)	(171)
Net cash generated from operating activities		13,404	13,902
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of equipment and vehicles		(1,556)	(3,428)
Purchase of intangible assets	4	-	(234)
Proceeds from maturity of placements with Group Treasury		12,880	10,870
Placements with Group Treasury		(11,508)	(8,876)
Proceeds from disposal of equipment and vehicles		-	25
Net cash used in investing activities		(184)	(1,643)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of lease liabilities and other financial liabilities		(2,170)	(1,611)
Payment of finance expenses		(1,657)	(1,613)
Dividend paid		(9,865)	(8,146)
Net cash used in financing activities		(13,692)	(11,370)
Net (decrease) / increase in cash and cash equivalents during the year		(472)	889
Cash and cash equivalents at beginning of the year		1,806	917
Cash and cash equivalents at end of the year	9	1,334	1,806

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 2025 is 31% (2024: 31%) and 3% penalty in case of failure to meet transshipment 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.

NOTES TO THE FINANCIAL STATEMENTS**For the year ended 31 December 2025****BD 000's****2 BASIS OF PREPARATION (continued)****d) Early adoption of standards**

The Company did not early adopted any new standards in 2025.

e) New standards, amendments and interpretations effective from 1 January 2025

- Lack of Exchangeability – Amendments to IAS 21

This amendment to the standard 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 2025:

- 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 2025 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 2025 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)(vi) – 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.

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.

NOTES TO THE FINANCIAL STATEMENTS**For the year ended 31 December 2025****BD 000's****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.

NOTES TO THE FINANCIAL STATEMENTS**For the year ended 31 December 2025****BD 000's****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.

NOTES TO THE FINANCIAL STATEMENTS**For the year ended 31 December 2025****BD 000's****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:

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

BD 000's

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.

NOTES TO THE FINANCIAL STATEMENTS**For the year ended 31 December 2025****BD 000's**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.

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").

NOTES TO THE FINANCIAL STATEMENTS**For the year ended 31 December 2025****BD 000's****3 MATERIAL ACCOUNTING POLICIES (continued)**

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.

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.

NOTES TO THE FINANCIAL STATEMENTS**For the year ended 31 December 2025****BD 000's****3 MATERIAL ACCOUNTING POLICIES (continued)**

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.

u) Income Tax

The Company accounts for domestic minimum top-up tax (DMTT) as a current income tax in accordance with IAS 12 Income Taxes. DMTT is recognized where the Company's effective tax rate is below the minimum rate of 15% and is measured as the difference between the tax expense calculated at the minimum rate and the current tax expense for the period, based on adjusted accounting profit determined under applicable legislation. The Company applies the mandatory temporary exception from recognizing and disclosing deferred tax assets and liabilities related to DMTT and recognizes DMTT in profit or loss in the period in which the obligation arises, presented within income tax expense.

4 INTANGIBLE ASSETS

2025

	Service concession rights	Software and licenses	Total
Cost			
Balance as at 1 January	9,731	1,105	10,836
At 31 December	9,731	1,105	10,836
Accumulated amortisation			
At 1 January	6,128	976	7,104
Amortisation	391	129	520
At 31 December	6,519	1,105	7,624
Net book value 31 December	3,212	-	3,212

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

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

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2025

BD 000's

5 EQUIPMENT AND VEHICLES

2025	Leased marine Service Equipment	Leased Forklifts & Vehicles	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	283	127	1,461	17,117	224	4,445	1,470	68	11	3,904	50,920
Additions	6,329	45	-	-	-	3	38	-	21	-	1,494	7,930
Modifications	2,090	-	-	-	-	-	-	-	-	-	-	2,090
Transfers	-	-	-	250	284	-	4,372	-	-	-	(4,906)	-
Disposals	-	-	(127)	-	-	-	(10)	-	-	-	-	(137)
At 31 December	30,229	328	-	1,711	17,401	227	8,845	1,470	89	11	492	60,803
Accumulated depreciation												
At 1 January	8,311	146	127	1,353	14,109	168	2,952	1,470	59	11	-	28,706
Depreciation	1,878	53	-	81	341	28	478	-	8	-	-	2,867
Disposals	-	-	(127)	-	-	-	(5)	-	-	-	-	(132)
At 31 December	10,189	199	-	1,434	14,450	196	3,425	1,470	67	11	-	31,441
Net book value 31 December	20,040	129	-	277	2,951	31	5,420	-	22	-	492	29,362

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2025

BD 000's

5 EQUIPMENT AND VEHICLES (continued)

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

6 INVENTORIES

	2025	2024
At 1 January	703	994
Purchased during the year	882	900
Write-off during the year	-	(163)
Consumed during the year	(945)	(1,028)
	640	703
Less: Provision for obsolescence	(398)	(377)
At 31 December	242	326

Movement in provision for obsolescence:

	2025	2024
At 1 January	377	450
Charge for the year, net	21	90
Write-off during the year	-	(163)
At 31 December	398	377

7 TRADE RECEIVABLES

	2025	2024
Trade receivables	2,196	3,038
Less: Provision for loss allowance	(136)	(486)
	2,060	2,552

Movement in provision for loss allowance:

	2025	2024
At 1 January	486	495
Reversal for the year	(27)	(9)
Written off during the year	(323)	-
At 31 December	136	486

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

	2025	2024
Prepayments	68	16
Fair value of derivative (refer note 27)	19	35
Advances to suppliers	121	54
Other receivables	508	372
	716	477

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2025

BD 000's

9 CASH AND CASH EQUIVALENTS

	Ratings	2025	2024
Balances with banks	A+ to BB+	1,334	1,806

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

	2025	2024
90,000,000 shares of 100 fils each (2024: 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%	13,977	808	15.5%
1 % up to less than 5%	4,023	3	4.5%
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	813	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 2024 and 31 December 2025.

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 20,169 (2024: BD 13,636) (note 5).

ii) Lease and other financial liabilities

	2025	2024
Marine service equipment (Lease liability)	22,477	15,826
Service concession rights (Financial liability)	6,143	6,575
Lease of forklifts & vehicles (Lease liability)	131	141
	28,751	22,542

	2025	2024
Non-current portion of lease and other financial liability	25,600	20,831
Current portion of lease and other financial liability	3,151	1,711
	28,751	22,542

b) Amounts recognised in the profit or loss:

	2025	2024
Depreciation charge on right-of-use assets (note 5)	1,931	1,572
Interest expense on lease liabilities (included in finance expense note 18)	1,055	970
Interest expense on financial liabilities (included in finance expense note 18)	527	562
Expense relating to short-term and low value leases	84	95

c) The total cash outflow for leases in 2025 was BD 2,170 (2024: BD 1,611).

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:

	2025	2024
At 1 January	1,019	995
Charge for the year	186	195
Paid to employees during the year	(87)	(63)
Paid to SIO during the year*	(168)	(108)
At 31 December	950	1,019

*As per the changes in end-of-service benefits system for expatriate employees introduced by Social Insurance Organization ("SIO") effective from 1 March 2024, employers are required to pay the monthly end-of-service contributions electronically through the SIO portal in relation to the expatriate employees. SIO would be responsible to settle leaving indemnities for expat employees 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.

NOTES TO THE FINANCIAL STATEMENTS**For the year ended 31 December 2025****BD 000's****13 EMPLOYEES LEAVING INDEMNITIES (continued)**

	2025	2024
Charge for the year:		
General and administrative expenses	48	40
Direct operating expenses	138	155
At 31 December	186	195

14 TRADE PAYABLES AND OTHER LIABILITIES

	2025	2024
Royalty payable to the Government of Bahrain	3,430	3,465
Trade payables	218	278
Advances from customers	365	359
Accrued expenses	3,721	4,627
Income tax payable	280	-
Provisions	54	54
	8,068	8,783

15 REVENUE

	2025	2024
Container services	18,674	18,825
General cargo services	10,795	10,732
Marine services	10,394	9,755
	39,863	39,312

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

	2025	2024
Royalty to Government of Bahrain	11,060	10,957
Salaries and related costs	4,914	5,022
Depreciation (Note 5)	2,867	2,316
Subcontracting charges	2,653	2,955
Maintenance and repairs	1,413	1,272
Fuel and electricity	820	1,159
Amortization (Note 4)	520	540
Equipment hiring charges	130	253
Operational insurance	115	187
Customs duty and freight charges	42	16
Charge for provision on inventories (note 6)	21	90
Other expenses	64	35
	24,619	24,802

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2025

BD 000's

17 GENERAL AND ADMINISTRATIVE EXPENSES

	2025	2024
Salaries and related costs	2,396	2,454
Computer expenses	619	543
Management and administration fee	342	340
Legal and professional charges	272	118
Security costs	113	143
Office expenses	110	98
Board of Directors' fee	82	78
Travel expenses	81	92
Subcontracting charges	67	133
Training expenses	58	52
Communication expenses	30	31
Corporate social responsibility	24	63
Other expenses	234	171
	4,428	4,316

18 FINANCE EXPENSE

	2025	2024
Interest expense on lease and other financial liabilities	1,582	1,532
Bank charges	48	54
Foreign exchange loss, net	27	27
	1,657	1,613

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:

	2025	2024
Profit for the year (BD 000's)	9,119	9,865
Weighted average number of shares (000's)	90,000	90,000
Basic and diluted earnings per share (fils)	101	110

20 APPROPRIATIONS

The Board of Directors have proposed the following appropriations for the year 2025:

	2025	2024
Cash dividend proposed	9,119	9,865

At the Annual General Meeting of the shareholders held on 27 March 2025, the shareholders approved a cash dividend of BD 9,865 for the year ended 31 December 2024.

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 2025			
Current Assets			
<i>Due from related parties</i>			
Trade receivable	189	338	527
Other receivables	65	-	65
	254	338	592
Balances with Group Treasury (a)	23,602	-	23,602
Non-Current Liabilities			
<i>Due to related parties</i>			
Non-current portion of financial liabilities	19,856	-	19,856
Current Liabilities			
Trade payables and other liabilities	526	50	576
Accrued expenses	126	4	130
Management fee payable	26	-	26
	678	54	732
Current portion of financial liabilities	2,620	-	2,620
For the year ended 31 December 2025			
Income			
Revenue	2,265	4,310	6,575
Finance income	849	-	849
	3,114	4,310	7,424
Expenses			
Subcontracting Charges	4,190	-	4,190
Management and administration fee	342	-	342
Computer expenses	450	-	450
Maintenance and repairs	46	5	51
Board remuneration	42	40	82
Other expenses	371	45	416

(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 4.11% p.a. (2024: 4.38% p.a.).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

BD 000's

21 RELATED PARTY TRANSACTIONS (continued)

Description	Parent/ Group company	Entities which shareholders and/or directors have interest in	Total
As at 31 December 2024			
<u>Assets</u>			
<i>Due from related parties</i>			
Trade receivable	282	403	685
Other receivables	34	-	34
	316	403	719
Balances with Group Treasury (a)	24,125	-	24,125
<u>Non-Current Liabilities</u>			
<i>Due to related parties</i>			
Non-current portion of financial liabilities	14,592	2	14,594
<u>Current Liabilities</u>			
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			
<u>Income</u>			
Revenue	3,075	4,716	7,791
Finance income	1,086	-	1,086
	4,161	4,716	8,877
<u>Expenses</u>			
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

NOTES TO THE FINANCIAL STATEMENTS**For the year ended 31 December 2025****BD 000's**21 *RELATED PARTY TRANSACTIONS (continued)***Other related party transactions for the year ended 31 December**

Description	Parent/ Group company		Other related parties		Total	
	2025	2024	2025	2024	2025	2024
Purchase of inventories	-	-	73	12	73	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:

	2025	2024
Salaries and other short-term benefits	563	545
Post-employment benefits for the year	110	48
Board remuneration and sitting fees for the year	82	78
Post-employment benefits payable	19	11

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.

NOTES TO THE FINANCIAL STATEMENTS**For the year ended 31 December 2025****BD 000's****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 Kuwait Finance House.

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:

	2025	2024
Balances with banks	1,334	1,806
Trade receivables	2,060	2,552
Other receivables	508	372
Due from related parties	592	719
Balances with Group Treasury	23,602	24,125
	28,096	29,574

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

BD 000's

23 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

(ii) Impairment Losses

The aging of trade receivables at the reporting date was:

	2025			2024		
	Gross	Weighted Average Loss Rate	Loss Allowance	Gross	Weighted Average Loss Rate	Loss Allowance
Current (not past due)	1,841	1%	20	2,088	1%	15
Past due:						
0-90 days	161	1%	2	387	1%	5
91-180 days	76	10%	8	73	10%	8
181-270 days	12	30%	4	41	30%	12
271-365 days	7	50%	3	7	50%	4
Over 365 days	99	100%	99	442	100%	442
	2,196	6%	136	3,038	16%	486

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 2025 and 2024, based on contractual payment dates and current market interest rates.

	2025		6 months or less	7 - 12 months	1 - 2 years	More than 2 years
	Carrying amount	Contractual Cash flows				
Trade payables and other liabilities	7,649	7,649	7,649	-	-	-
Due to related parties	732	732	732	-	-	-
Lease and other financial liabilities	28,751	40,435	2,053	2,815	4,882	30,685
	37,132	48,816	10,434	2,815	4,882	30,685
	2024					
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

NOTES TO THE FINANCIAL STATEMENTS**For the year ended 31 December 2025****BD 000's**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 23,602** (2024: BD 24,125). A change in 100 basis points in interest rate in the interest-bearing financial instruments would have increased / (decreased) equity by **BD 236** (2024: BD 241). 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 behaviour. 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.

NOTES TO THE FINANCIAL STATEMENTS**For the year ended 31 December 2025****BD 000's****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 2025 and 2024, 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 2025

	Financial assets at amortised cost	Financial assets at fair value through profit or loss	Financial liabilities at amortised cost	Total carrying value
Trade receivables	2,060	-	-	2,060
Other receivables	508	19	-	527
Due from related parties	592	-	-	592
Balances with Group Treasury	23,602	-	-	23,602
Cash and cash equivalents	1,334	-	-	1,334
	28,096	19	-	28,115
Trade payables and other liabilities	-	-	7,703	7,703
Due to related parties	-	-	732	732
Lease and other financial liabilities	-	-	28,751	28,751
	-	-	37,186	37,186

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	-	-	22,542	22,542
	-	-	31,208	31,208

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

Under Clause 13 of the Concession Agreement with the Ports Organisation, the Company is contractually required to meet specified minimum Key Performance Indicators ("KPIs") relating to Vessel Working Rate, Crane Rate, Elapsed Labour Rate (TEU per blue-collar staff), and Throughput per Berth Metre. In accordance with the Concession Agreement, failure to meet any of the required KPIs for four consecutive years triggers a contractual penalty payable in the year following the fourth year of non-compliance. The penalty, if triggered, is calculated based on the revenue for the year in which the fourth consecutive failure occurs. As of the reporting date:

- The Company did not meet one or more of the KPIs in 2023, 2024, and 2025.
- The year 2026 represents the final year within the four-year assessment period.
- If the Company does not meet all required KPIs in 2026, a penalty will become due in 2027.
- Based on current revenue projections, the estimated amount of such penalty is approximately USD 3 million.

Other commitments and contingent liabilities	2025	2024
Capital commitments	58	1,104
Contingent liabilities	10	10

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

	Liabilities Lease and other financial liability	Equity			Total
		Share capital	Statutory reserve	Retained earnings	
Balance at 1 January 2025	22,542	9,000	4,500	9,865	45,907
<i>Changes from financing cash flows</i>					
Lease and other financial liability	(2,170)	-	-	-	(2,170)
Finance expense	(1,582)	-	-	-	(1,582)
Dividends paid	-	-	-	(9,865)	(9,865)
Total changes from financing cash flows	(3,752)	-	-	(9,865)	(13,617)
Liability-related changes	9,961	-	-	-	9,961
Equity-related changes	-	-	-	9,119	9,119
Balance at 31 December 2025	28,751	9,000	4,500	9,119	51,370

	Liabilities Lease and other financial liability	Equity			Total
		Share capital	Statutory reserve	Retained earnings	
Balance at 1 January 2024	24,015	9,000	4,500	8,146	45,661
Remeasurement of IFRS 16					
<i>Changes from financing cash flows</i>					
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

27 DERIVATIVES

The Company has entered into foreign currency forward and swap contracts with a bank with nominal value of underlying asset of **BD 23,418** (2024: BD 23,809) maturing within one year. The fair value of derivative as at the year-end amounted to **BD 19** (2024: BD 35) and is included under other assets.

28 DOMESTIC MINIMUM TOP-UP TAX (DMTT)

Effective 1 January 2025, Kingdom of Bahrain introduced the Domestic Minimum Top-Up Tax (DMTT) applicable to in-scope multinational enterprise groups. The Company meets the criteria for applicability under the new regulations.

Accordingly, a charge of **BD 1,071** has been recognized in these financial statements in line with the requirements of IAS 12 Income Taxes, reflecting the estimated impact of the DMTT for the period between 1 January 2025 to 31 December 2025.