APM TERMINALS
Lifting Global Trade

APM TERMINALS BAHRAIN B.S.C.
ANNUAL REPORT 2023

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


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.

OUR WOW

Our Way of Working (WoW) 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 WoW 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 WoW 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 Way of Working 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 BUSINESS SYSTEM

Kaizen
We aim to continuously improve our business performance. From frontline to CEO, from daily to global Kaizens, Kaizen is our way of life and involves all of us. This is how we eliminate waste, boost productivity and promote innovation every day.

People
We develop, upskill and coach our people to give and be their best version of themselves every day. We ensure safety for our people in everything we do. We create an engaging workplace by working in a way that builds on the creativity and contribution of our people.

Standards
We define and follow standards to save time and pave the way for better collaboration. We learn from and with each other by basing our work on best practice standards. We continuously improve our processes, and we never stop learning

Performance
We deliver business results consistently for our stakeholders. We include the voice of the customer in everything we do to constantly improve the customer experience. We drive cost leadership across the entire business.

CHAIRMAN'S MESSAGE

CHARTING A NEW COURSE FOR GROWTH

Trade volumes in 2023 continued to be impacted following post-pandemic economic recovery and the turbulent transportation and logistics market in 2022. Global growth was muted and inflationary pressure continued to negatively impact trade.

In Bahrain we witnessed similar trends and experienced a 7% YoY drop in imports. Demand for project cargo during the year also remained low. On the positive side, the 2023-2024 cruise season got off to a flying start with 12 calls/29,000 passengers visiting Khalifa Bin Salman Port ("KBSP") in Q4 2023, restoring the confidence of cruise operators in Bahrain. Proactive cost saving measures drove efficiencies in our unit cost, namely, improved resource deployment, cost reductions and enhanced equipment utilization. These actions led to a drop in our operating cost reducing the downside on profit overall resulting from lower volumes. Hence we were able to retain our EBIT margin in line with last year.

The first tariff revision in 6 years was successfully implemented towards the year end with support from the regulator and ministries involved, and is expected to contribute an incremental USD 6.9m in annualized revenue.
In December the 2030 KBSP Growth Strategy was presented to the government. This drives the journey towards a 1m TEU terminal by 2030, as well as taking long strides towards our net zero ambitions by 2040.. The four growth pillars that support this strategy include KBSP as gateway to KSA, ship & steel recycling, establishing a food security hub and a path for handling building materials, besides other opportunities and organic growth. Bolstered by our highly capable Bahraini workforce, we make significant contributions to the Bahrain economy and our growth strategy will further develop this contribution.

Global trade was negatively impacted during the end of 2023 through the attacks on shipping in the Red Sea and the capacity reduction of the Panama Canal. As a result, transportation cost has increased quite significantly and goods spend more time in transit. Events as these highlights the need to have efficient ports and supports our strategy to use KBSP and Bahrain as a gateway to the Levant and beyond.

KBSP's push towards modernization continues into 2024, with the rollout of our truck appointment system, further gate automation and implementation of more efficient operating systems in the port.

APM Terminals Bahrain successfully navigates challenges with resilience, maintaining profitability margins, launching ambitious growth and decarbonization strategies, and celebrating a vibrant start to the cruise season, all supported by a dedicated workforce and robust safety measures.

DECARBONIZATION

APM Terminals Bahrain announced its decarbonization plans during 2023, which aim to reduce greenhouse gas emissions by 70% by 2030 and achieve net zero by 2040. This is in line with Bahrain's Crown Prince and Prime Minister, His Royal Highness Prince Salman bin Hamad Al Khalifa plans to reduce the kingdom's emissions by 30% by 2035 and achieve net zero by 2060.

Our decarbonisation plan consists of three pillars: a) decarbonizing our energy supply via the solar power project, b) electrification of our container handling equipment and c) energy optimization.

Our ground-breaking solar power project is planned for go live in 2024 and will reduce carbon emissions by 65% by meeting the full electricity requirements of the port while also securing a reliable and sustainable source of energy, effectively marking KBSP the region's first solar powered seaport. It will also pave the way for other green energy opportunities such as providing shore power for vessels calling KBSP.

OUR PEOPLE

Our People are at the core of it all! And at APM Terminals Bahrain, we continue to pursue excellence in our Employee Experience. This is evident in our People Strategy which focuses on upskilling our workforce, developing the pipeline of leadership and expertise across the company through our agile Performance and Talent conversation process. This ensures a safe workplace both physically and mentally and applying the right policies and measures for the wellbeing of our People.

This extends to include all our Third-Party Contractors as well as people in the community through our Corporate Social Responsibilities Initiatives such as developing the future leaders of logistics and supporting youth to have the right first experience with a global outlook to kick start their careers and we shall continue to do so.

Moreover, we have always been proud that APM Terminals Bahrain being considered a hub for expertise and one of our main go-to Terminals when support is required regionally or globally within the APM Terminals Group.

SAFETY AND SUSTAINABLE DEVELOPMENT

At APM Terminals Bahrain, we are committed to protect our people, our business partners, the communities we work alongside and the customers we serve, and I am proud to report that not only did we successfully achieve our zero-fatality goal in 2023 but we also reduced the number of classified (severe) incidents by 60% versus last year. The positive safety performance was the result of an improved quality of leader-led activities, the implementation of a new risk management process, increased awareness and reporting of observations, execution of safety Kaizen events, as well as effective follow up and immediate corrective action implemented. In fact, more than 97% of the safety observations reported resulted in corrective actions being implemented.

The Board of Directors and the management team relentlessly focuses on safety by continuously building and improving our organizational capacity and operational controls. Management has committed themselves to strengthen the risk management process, leading daily and weekly leader-led activities followed by immediate improvement actions and kaizen events. Preparedness in emergency response and crisis management activities also contributed as barriers to incidents that could otherwise have escalated to cause more severe outcomes.

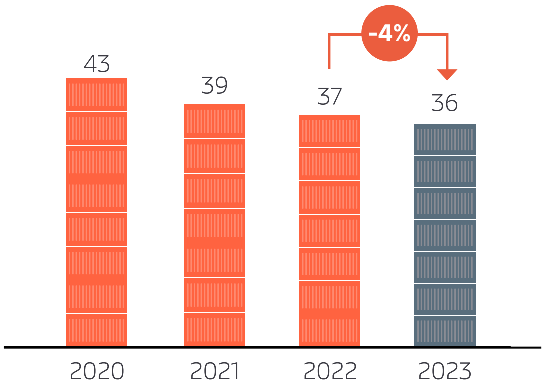
ACKNOWLEDGEMENT

The Board of Directors extends heartfelt appreciation to the leadership team and our dedicated employees for their relentless passion in driving the continued transformation of our company. Their loyalty and focus have not only secured our distinct position but also formed the bedrock for our future endeavors. Equally, we express gratitude to our external stakeholders and loyal customers for their support, which remains instrumental in propelling our company's growth and success. We eagerly anticipate ongoing collaboration, achieving new milestones together in the journey ahead.

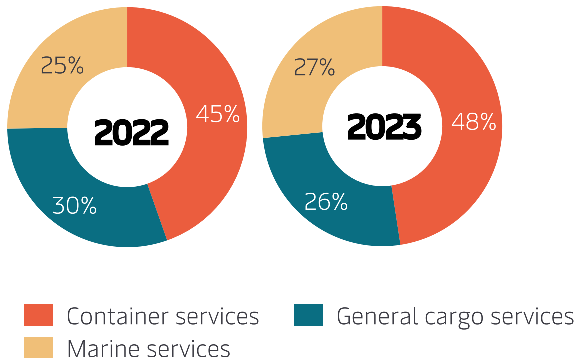
2023 FINANCIAL HIGHLIGHTS

2023 FINANCIAL HIGHLIGHTS

REVENUE BHD MILLION

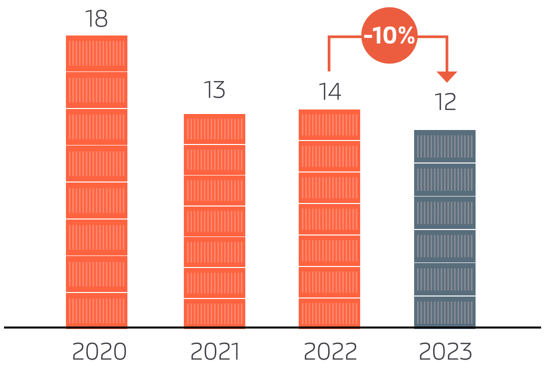


REVENUE BREAKDOWN

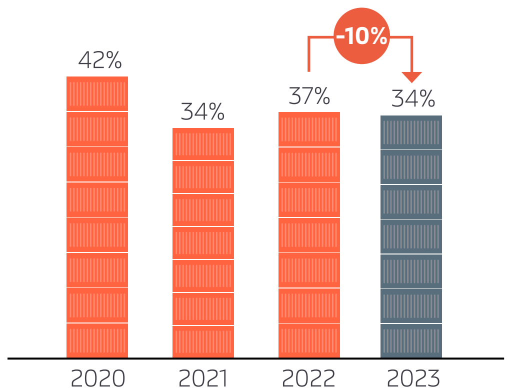


Loss of SULB and shift of Aluminum to Container from General Cargo revenue resulted in lower revenue in 2023

GROSS PROFIT BHD MILLION

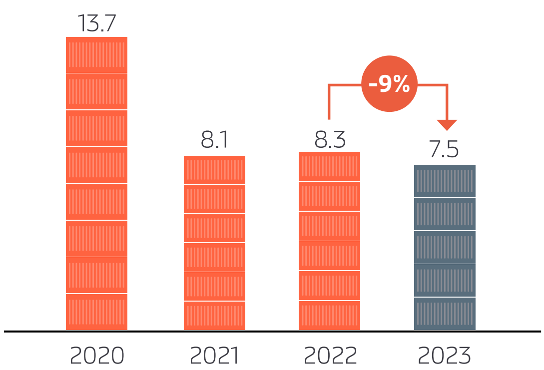


GROSS PROFIT MARGIN (%)

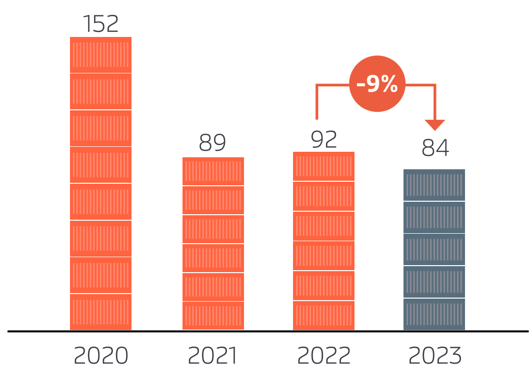


Decrease in Gross Profit is mainly driven lower revenue slightly off set by cost optimizations

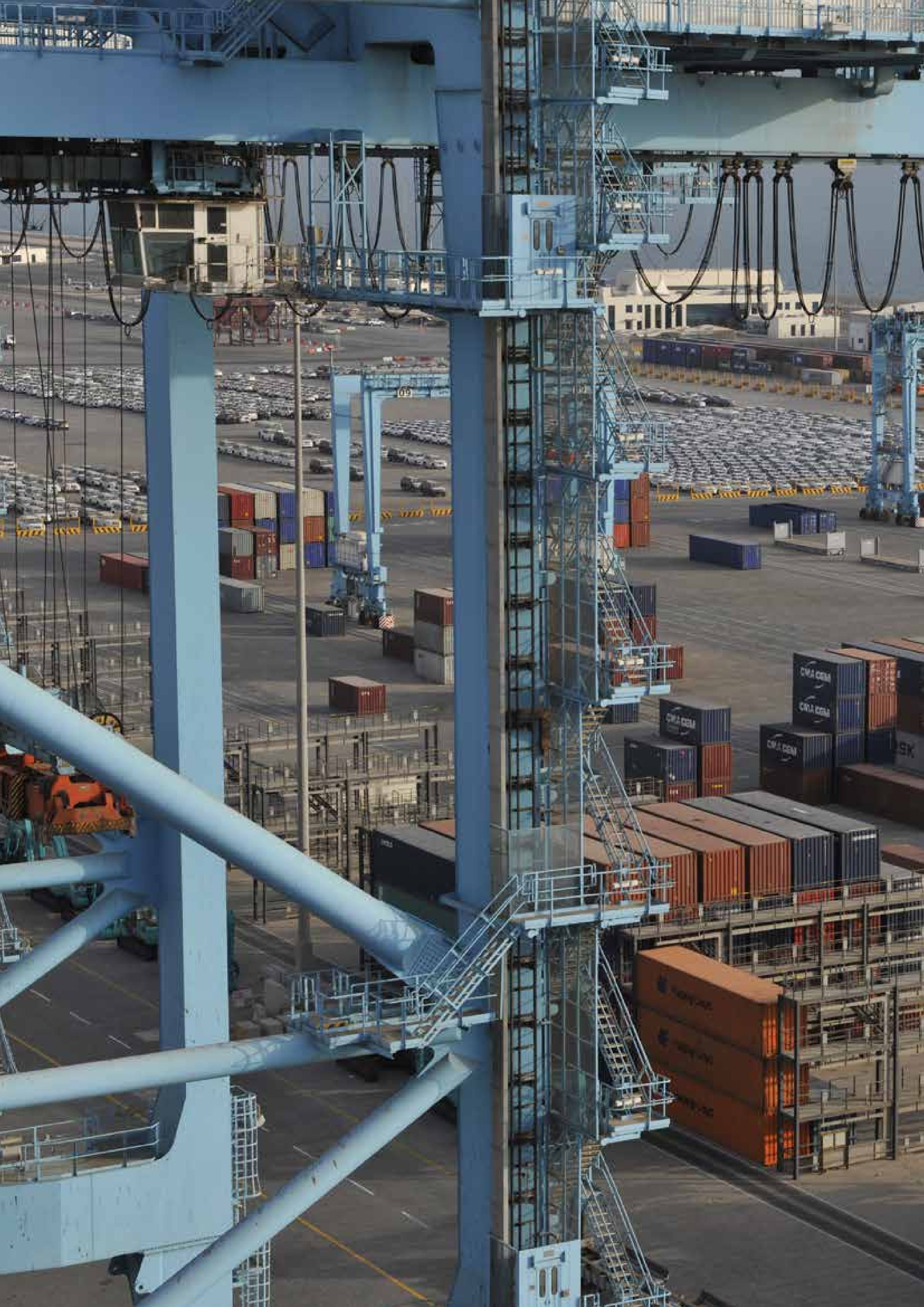
PROFIT FOR THE YEAR (BHD MILLION)



EARNINGS PER SHARE (FILS)



2023 FY net profit decreased by 9% vs. last year, mainly driven by drop in revenue.
However, adjusting for one off reversals, the profit remained in line on a like for like basis.



2023 CORPORATE GOVERNANCE REPORT

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 Director's 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 2023

Nationality	No. of Shareholders	No. of Shares	Shareholding %
Bahrain	635	30,440,410	33.82
Netherlands	1	57,600,000	64
Saudi Arabia	13	208,737	0.23
Oman	3	521,974	0.58
Kuwait	5	385,197	0.43
UAE	1	361,566	0.4
Others	76	482,116	0.54
Total	**734**	**90,000,000**	**100**

OWNERSHIP ACCORDING TO PERCENTAGE/ NO. OF SHARES AS OF 31 DECEMBER 2023

Shareholding (share)	No. of Shareholders	No. of Shares	Shareholding %
Less than 1%	730	14,338,315	15.93
1 % up to less than 5%	2	3,661,685	4.07
5 % up to less than 10%	-	-	
10 % up to less than 20%	1	14,400,000	16.00
More than 50%	1	57,600,000	64.00
Total	**734**	**90,000,000**	**100**
< 50,000	675	5,268,209	5.85
50,000 to 500,000	53	7,799,037	8.67
Greater than 500,000 to 5,000,000	4	4,932,754	5.48
>5,000,000	2	72,000,000	80.00
Total	**734**	**90,000,000**	**100**

MAJOR SHAREHOLDERS (5% AND ABOVE) AS OF 31 DECEMBER 2023

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 Asia, 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 and National Bank of Bahrain B.S.C.
- He holds a bachelor's degree in Business Administration from Southwest Texas State University.

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Jonathan (Jon) R. Goldner
Executive Director

- Jonathan has been part of the. A.P. Moller-Maersk organization for over 26 years. He has been a member of APM Terminals' Executive Management Team for the last six 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 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 81,500 for the year 2023 was paid to the Board of Directors as remuneration for their services as follows:
- BHD 62,000 as fixed fee
- BHD 19,500 as sitting fee

Director Name	Type	Term
Soren S. Jakobsen	12,000.00	4,500.00
Fawzi Kanoo	10,000.00	1,750.00
Jesper Kjaedegaard	10,000.00	3,750.00
Mohamed Ebrahim Alshroogi	10,000.00	2,750.00
Nadhem Saleh Al Saleh	10,000.00	3,500.00
Jonathan Goldner	10,000.00	3,250.00
Total	**62,000.00**	**19,500.00**

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	20 Feb	8-Mar	11 May (i)	14 May (ii)	20-Jun	9 Aug	4-Oct	7 Nov	13 Dec
Soren S. Jakobsen	*	✓	*	*	✓	*	✓	*	*
Fawzi Ahmed Kanoo	*	✓	*	×	✓	×	✓	*	*
Jonathan R. Goldner	*	✓	×	*	✓	*	✓	×	*
Jesper Kjaedegaard	*	✓	*	*	✓	*	✓	*	*
Mohamed Bin Ebrahim Alshroogi	*	*	*	*	*	*	✓	*	*
Nadhem Saleh Al Saleh	*	✓	*	*	✓	*	✓	*	*

ARCC Meeting	20 Feb	11 May (i)	14 May (ii)	9 Aug	7 Nov
Nadhem Saleh Al Saleh	*	*	*	*	*
Soren Sjostrand Jakobsen	*	*	*	*	*
Mohamed Bin Ebrahim Alshroogi	*	*	×	*	*

NRGC Meeting	28 Feb	15 Jun
Mohamed Bin Ebrahim Alshroogi	*	*
Nadhem Saleh Al Saleh	*	*
Jesper Kjaedegaard	*	*

✓ Physical Attendance | × 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	-	18,244	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 2023 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)

- Mathew 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)

- Isa joined the company as the Chief Government and Security Affairs Officer in 2015.
- He has an extensive 34-years of experience within the government sector; fostering strong relationships between various government authorities and the private sector.
- His expertise in logistics, aviation maintenance and government relations cultivated from his distinguished service as a Colonel in the Bahrain Defense Force under the Bahrain Royal Air Force.
- Since joining APM Terminals Bahrain in 2015, he has been a vital member of the company's strategic leadership team, driving coordination with various government authorities to enable the smooth functioning of the port.

Abdelrahman Elshamy
Chief Operating Officer (COO)

- Abdelrahman has an overall international experience of 18 years in ports and logistics industry.
- He completed his bachelor's degree in law from University of Alexandria, Egypt.
- He is a Certified Lean and Six Sigma Black Belt from Accenture, Netherlands, Certified TPM Facilitator from TPM Club India, Certified Lean Trainer from APM Terminals HQ in the Hague, Netherlands, and Certified Leader of Leaders, Maersk Leadership Center, Rolighed, Denmark.

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.
- 16 out of Yosra's 20 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 also an Advanced Lean Practitioner. Additionally, she is a qualified trainer, a certified John Maxwell's coach and a passionate youth mentor.
- Her experience also includes a global touch with her involvement in major projects abroad, the most recent being the successful completion of her Short-Term Assignment in the Hague, Netherlands.
- She enjoys working with Talent Management, Transformational Projects, strategy development and implementation and employee relations with core strengths in driving for results while maintaining a high team engagement.

Karl Gnonlonfin
Head of HSE and Transformation

- Karl has been part of APM Terminals since 2005 and joined APM Terminal Bahrain in 2021.
- He has 17 years of experience with APM Terminals on various Terminal Operations and Safety senior Leadership roles and his areas of expertise are Port and Terminal Operations, workplace Health & Safety Management as well as Lean Leadership and management.
- He holds a Master's degree in Environment Management and NEBOSH International General Certificate in Health & Safety. He is a certified PFSO, a certified Lean Six Sigma Green Belt and a Lean Six Sigma Black Belt trained as well as a certified Leader of Others and Leader of leaders. Karl is a 2008 Magnet graduate and a 2018 Magnum graduate.

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

CORPORATE GOVERNANCE REPORT

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	-
Abdelrahman Elshamy	Chief Operating Officer	-
Aryavansh Shukla	Chief Commercial Officer	-
Yosra Abdulla	GM, Human Resources	-
Karl Darius Gnonlonfin	Head of HSE and Transformation	-
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 2023, including salaries, benefits, allowances, increases, etc. is ~BHD 744,000

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

Pricewaterhouse Coopers Middle East Limited (PwC) have been the external auditor of the Company for the Financial Year 2023.

Pricewaterhouse Coopers Middle East Limited (PwC) have been appointed as external auditors since 2021. PwC have operated in the Middle East region for more than 40 years. Collectively, PwC Middle East network employs in the region more than 6,000 people including 267 partners working from 23 offices (in 22 locations) across 12 countries.

PwC's services have been satisfactory throughout their engagement with us. 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 %	PwC Middle East
Years of service as the Company's external auditor	Three years
Name of the partner in charge of the Company's audit	John Molloy
The partner's years of service as the partner in charge of the Company's audit	Three years
Audit and related services fee for the FY year 2023 (BHD)	26,194
Non-audit service fee	1,400

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 2023, 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 22 to the Financial Statements.

The Company has entered into the following related party transactions in the financial year 2023.

RELATED PARTY TRANSACTIONS

S.N	Entity Name	Expenses (BHD'000)	Revenue (BHD'000)	Justification
APM Terminals B.V. Related Transactions				
1	Maersk A/S.	12	-	FTE outsourcing to assist in reporting
2	Svitzer Bahrain (S.P.C)	3,588	-	Marine services obtained pursuant to sub concession agreement.
3	Aqaba Container Terminal	3		Expenses - mainly training related
4	APMT Management B.V.	671	-	Services provided pursuant to Technical Service Agreement: mainly IT related services.
5	APM Terminals Apapa Limited	41	-	Expenses - mainly staff cost
6	APM Terminals Crane & Engineering Services Limited	8	-	Expenses - mainly inspection of equipment
7	Maersk Training DWC	5	-	Expenses - mainly training related
8	APM Terminals B.V.	340	-	Services provided pursuant to Technical Service Agreement: mainly management fees
9	A.P. Møller - Mærsk A/S	2	1,063	Interest earned on excess cash deposited with group
APM Terminals B.V. and Yusuf Bin Ahmed Kanoo (Holdings) Co. W.L.L. Related Transactions				
10	Maersk Kanoo Bahrain W.L.L.	-	2,269	Services provided as business as usual and governed by standard terms
Yusuf Bin Ahmed Kanoo (Holdings) Co. W.L.L. Related Transactions				
11	Al Manhal Water Factory	5	-	Lowest bidder among all qualified suppliers. Also, reliable delivery and quality
12	Bahrain Int'l Cargo Services	-	129	We also provide space for storage for certain special general cargo at agreed price
13	APL (Bahrain) W.L.L.	-	1,576	Services provided as business as usual and governed by standard terms
14	Hapag-Lloyd Bahrain Co. W.L.L.	-	2,270	Services provided as business as usual and governed by standard terms
15	Yousuf Bin A. Kanoo	44	336	• 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.
16	Kanoo Travel	7	-	Travel related expenses

CORPORATE GOVERNANCE REPORT

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 2023, has deposited ~BHD 25M 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 continuation of pandemic and various other global business factors FY 2023 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 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.

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.

CORPORATE SOCIAL RESPONSIBILITY

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 2023 is ~BHD 181,743.72 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. The week-long series of activities were in partnership with key stakeholders such as Svitzer.

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

As a part of the campaign, the Company held environmental sessions for the children of our employees, and carried out port clean-up activities and informative sessions throughout the port.

CORPORATE SOCIAL RESPONSIBILITY

SOLAR PROJECT

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 2024.

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.

Furthermore, the driving force behind the solar power initiative is in line with the vision of His Majesty King Hamad bin Isa Al Khalifa for a more prosperous and sustainable Bahrain, and follows the carbon-neutral commitment made by the Crown Prince and Prime Minister, His Royal Highness Prince Salman bin Hamad Al Khalifa to reduce the Kingdom's emissions by 30% by 2035 and achieve net zero by 2060.

TALENT ACCELERATION PROGRAM BEكن

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

THE LEADERSHIP TRACK:

4 leaders have joined APM Terminals Bahrain in 2022 in an initiative to support people who have lost their jobs due to the Covid-19 Pandemic and those who are looking for a career in the logistics field. This initiative is 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. This covers areas including Asset Management, Human Resources, Port Operations, Transformation, and Health, Safety & Environment.

The program has started in May 2022 and continues for 2 years until April 2024.

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 alternate phases of academic studies at the College and sea-time apprenticeship aboard a Maersk Vessel. It continues until 2025-2026 where the students shall take the certifying exam after which they become officially certified Deck Officers.

CORPORATE SOCIAL RESPONSIBILITY

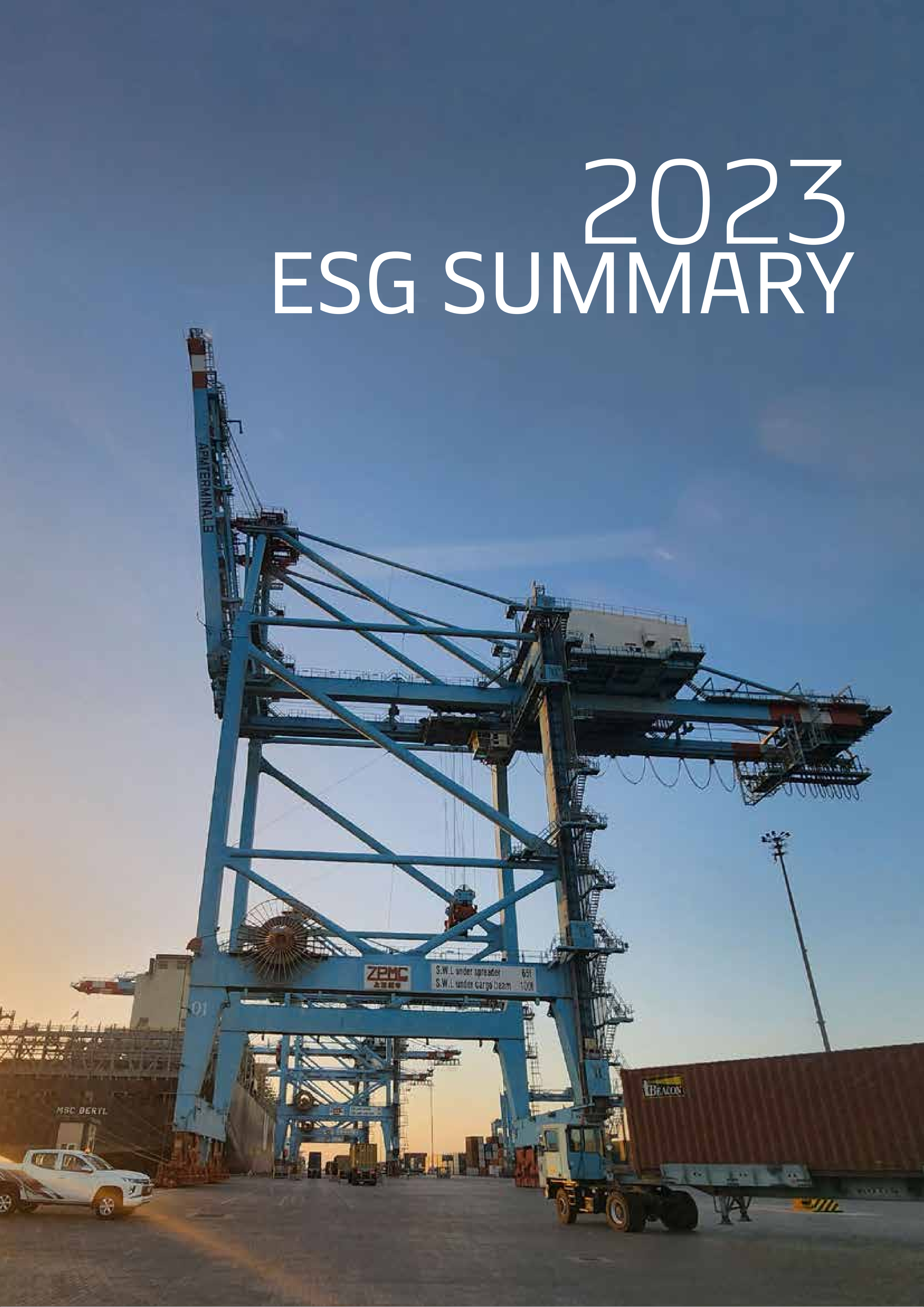
INTERNSHIP PROGRAM

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 university students the opportunity to gain the required course credits and work experience as part of their curriculum.

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 2023, a total of 10 students out of which 9 were from the Bahrain Polytechnic University have been offered the opportunity to work on different real-life projects in the Terminal Operations, Commercial, Health & Safety, and Human Resources.

2023
ESG SUMMARY



APM TERMINALS BAHRAIN'S VISION

APM Terminals Bahrain (the "Company") is pleased to present our 2023 Environmental, Social, and Governance (ESG) summary. As a responsible corporation in the Kingdom of Bahrain, we remain dedicated to transparently communicating our sustainability initiatives and performance to our stakeholders.

This year, we mark the inaugural publication of our ESG summary - a major milestone in our sustainability journey; we continue to embed key ESG priorities into our operations and strategy. As a subsidiary of A.P. Moller-Maersk, we integrate our parent company's three sustainability commitments:

- Decarbonize Logistics
- Ensure Employee Wellbeing
- Operate Responsibly

The past year presented new sustainability challenges and opportunities - both globally and locally. We aim to transparently highlight our response efforts and our vision for continuously improving ESG performance at APM Terminals Bahrain in the years ahead.

CEO'S MESSAGE

APM TERMINALS BAHRAIN CEO MESSAGE

At APM Terminals Bahrain, we are driven by a steadfast commitment to responsible business practices that permeate every aspect of our strategy and operations. Sustainability lies at the core of our global mission to deliver world-class logistics services while locally uplifting the surrounding communities which we serve.

Recognising the urgency of addressing climate change, we have embarked on a comprehensive sustainability strategy aimed at reducing our carbon footprint, exploring better utilization of recycled materials and fortifying our governance framework to prioritize and evaluate environmental, social, and governance (ESG) initiatives. Our decarbonization journey is a collective endeavor, fueled by the unwavering commitment of our people across all functions.

Cross-functional teams have been at the forefront of identifying the root causes of rising carbon emissions and implementing targeted initiatives. We have optimized logistics operations for fuel efficiency, upgraded facilities with eco-friendly technologies, and are in the process of installing a roof-mounted 11.4 MWp solar plant to harness renewable power. As part of our ambitious goal to achieve net-zero emissions by 2040, we remain vigilant in tracking and minimizing non-renewable energy consumption.

Safety is a paramount concern for us, with the well-being of our customers, vendors, employees, and stakeholders being our utmost priority. We foster a preventative safety culture through intensive leadership engagement, hazard awareness programs, fast-tracked remediation processes, and continuous enhancement of safety protocols.

The achievements highlighted in this ESG summary are a testament to the dedication and hard work of our staff at all levels. As we look ahead, our people will remain the driving force behind our sustainability initiatives, ethical practices, and outstanding service quality. We are committed to doubling down on our efforts to promote the health and well-being of our people, providing them opportunities for skills advancement, and empowering them to continue innovating the industry.

Together, we will continue to uphold our values, prioritize sustainable practices, and deliver exceptional service to our customers while contributing to the betterment of the communities we serve.

ENVIRONMENT

Our commitment

We are committed to minimizing our environmental impact by:

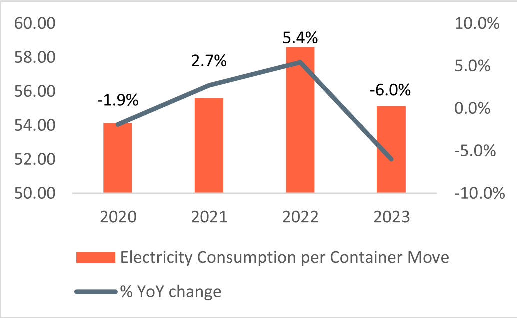
- Continuously improving energy efficiency and exploring renewable energy options
- Responsibly managing waste, water, and other resource usage
- Tracking and reducing greenhouse gas emissions from our operations

Energy efficiency and climate action (SDG 13: Climate Action)

- **Energy**

  Energy Efficiency

  Khalifa Bin Salman Port ("KBSP") is closely monitoring its emissions intensity benchmarks; it has adopted multiple metrics such as electricity usage per container movement which has reduced by 6% when compared with the previous year. Moreover, the Company has started implementing energy efficiency and conservation initiatives to optimize consumption.



- **Decarbonization**

  The Company has set an ambitious vision to become a leader in decarbonizing the port and terminal industry. The Company recognizes the urgent need to transition terminal operations and maritime logistics to a low-carbon model to combat climate change and environmental degradation.

- **Emissions reduction targets**

  By 2030, we are striving to reduce total carbon emissions at Khalifa Bin Salman Port by 70%. This near-term science-based target aligns with the Paris Agreement's goal to limit global warming and matches leading corporate climate commitments.

  The solar power project represents a significant milestone in the Company's global decarbonisation plans, which strive to reduce greenhouse gas emissions by 70% by 2030 and achieve net-zero emissions by 2040. As a subsidiary of A.P. Moller-Maersk, the Company is committed to leading the charge in promoting sustainability within the maritime industry, with the solar power project in Bahrain standing as a cornerstone of its overall decarbonisation journey.

  The driving force behind this groundbreaking initiative in Bahrain aligns with the vision of His Majesty King Hamad bin Isa Al Khalifa for a more prosperous and sustainable Bahrain. Additionally, it echoes the carbon-neutral commitment made by Bahrain's Crown Prince and Prime Minister, His Royal Highness Prince Salman bin Hamad Al Khalifa, to reduce the Kingdom's emissions by 30% by 2035 and achieve net-zero emissions by 2060.

  Beyond its 2030 target, APM Terminals Bahrain has set an even more ambitious long-term vision to fully decarbonize terminal operations at Khalifa Bin Salman Port. The Company aims to achieve net zero carbon emission across KBSP by 2040. This goal to reach carbon neutrality nearly two decades ahead of Bahrain's national 2060 net zero target demonstrates the Company's climate leadership and commitment to driving faster industry transition.

Three-pillar implementation strategy

Renewable Energy Installation

KBSP is implementing a large-scale rooftop solar plant to transition to renewable electricity supply, the solar plant will have the capacity of 11.4 MWp and capable of generating 18.6 GWh annually, the plant will be fully functional in Q3-2024, making it the first port in the region to run on 100% renewable energy. This renewable energy transition will abate 62% of CO2 emissions annually which equates to approximately 8,700 tCO2.

Equipment Electrification

The Company has developed a comprehensive plan to fully electrify 69 vehicles and equipment from 2026. This transition from diesel to electric power will eliminate 34% of CO2 emissions per year (approximately 4,700 tCO2). Some of the key equipment undergoing electrification include rubber-tyred gantry cranes (RTG), terminal tractors, reach stackers, forklifts, and utility vehicles.

ENVIRONMENT

Energy Optimization

KBSP will deploy advanced solutions to enhance operational and energy efficiency across the port ecosystem. Key initiatives include optimizing RTG efficiency, upgrading buildings, shifting to LED lighting, and reefer management. These optimization efforts intend to abate 4% of CO2 emissions annually which equates to approximately 600 tCO2.

- Solar Project

Project overview

The Company is installing an extensive rooftop solar photovoltaic system – 26,960 solar panel modules - spanning 71,000 square meters across Khalifa Bin Salman Port's warehouse roofs. This large-scale rooftop solar plant is projected to generate approximately 18.6 gigawatt-hours of renewable electricity annually by the end of 2024. The solar power produced will be sufficient to meet 100% of KBSP's annual electricity consumption needs.

Implementation approach

The Company intends to implement the solar project by the end of 2024 The Solar plant will have the Capacity of 11.4 MWp and capable of generating 18.6 GWh annually. The solar project will be deployed in multiple phases to enable a smooth transition. Hence, the implementation of the solar project will significantly enhance KBSP's energy resilience and reliability.

The rooftop solar project is a critical enabler for KBSP transitioning its terminal operations to be fully powered by renewable energy. The annual solar generation will be more than sufficient to meet KBSP's current electricity consumption of around 15.6 GWh. Therefore, the excess capacity will ensure provision for future electrification projects and growth plans.

Solar Project Milestones

- Tender process and contractor selection

The Company conducted a transparent global tender for the rooftop solar plant construction in 2023.
After multiple rounds of technical and commercial evaluation, the tender was awarded to Bhageria, an experienced solar Engineering, Procurement, and Construction (EPC) firm.

- Construction timelines and progress

The solar project EPC contract has been signed and the construction has commenced. Current workstreams include waterproofing the rooftops of warehouses 5 and 6 and preparing for solar module installation. The Company has already received the initial shipment of solar panels for these zones from Bhageria.

In parallel, APM Terminals Bahrain is in the process of obtaining necessary approvals from Bahrain's Electricity and Water Authority (EWA) Zones

Environmental Impact

The solar project once functional will reduce grid electricity consumption at KBSP and eliminate associated carbon emissions. Based on KBSP's current emissions profile, installing the large-scale solar system is projected to significantly decrease tonnes of CO2 emissions annually. This accounts for a substantial reduction in KBSP's scope 2 carbon footprints compared to 2021 baseline levels. The remaining 38% of emissions at KBSP, post-solar project implementation, will be from fuel combustion in vehicles and equipment, which the Company plans to address through electrification.

Regional first with fully green terminal

Upon completion of the solar project, Khalifa Bin Salman Port will become the region's first fully solar energy-powered seaport terminal in the Middle East. KBSP will eliminate its reliance on fossil fuel-generated grid electricity and transition to 100% renewable power for terminal operations. This pioneering industry accomplishment demonstrates the Company's leadership in sustainable port development and green shipping initiatives. It will serve as a model and inspiration for other major ports across the Arabian Gulf and globally to invest in renewable energy installations.

It is a blueprint for terminals to seamlessly integrate renewables within port infrastructure, enhancing climate resilience. In tandem with its electrification and efficiency roadmap, KBSP's decarbonization journey will make it a leading case study for other ports. The Company aims to share best practices and insights to enable wider industry progress towards sustainable port ecosystems.

ENVIRONMENT

Our commitment

Reinforcing APM Terminals Bahrain ESG commitments

The solar project and broader decarbonization roadmap at Khalifa Bin Salman Port reinforces the Company's robust Environmental, Social and Governance (ESG) framework. As a global port operator, the Company recognizes its responsibility to integrate sustainability into its strategy, operations, and value chain; investing significantly in renewable energy, electrification and efficiency reflects its commitment to environmental stewardship.

Mr. Farooq Zuberi, Chief Finance Officer and Head of Bahrain decarbonisation stated, "We are very excited to take the first major step in our decarbonisation plans, which will make Khalifa Bin Salman Port the region's first seaport to be fully powered by renewable energy. Our decarbonisation strategy for the port is in line with the vision of HM The King and the commitment of HRH the Crown Prince and Prime Minister for Bahrain, as well as APM Terminals' global goal of being safer, better, and bigger". He continued, "We are constantly striving to develop more sustainable and responsible business practices in order to serve better our customers and the communities in which we work."


KBSP to become region's first energy self-sufficient terminal

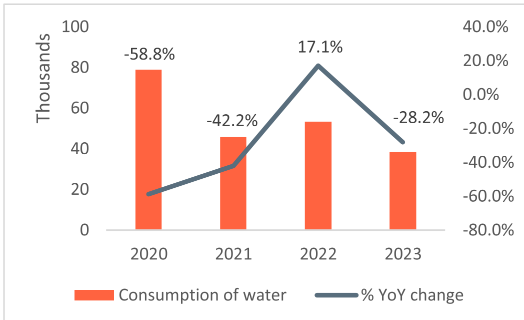
While the solar project is a major step forward, the Company has a defined multi-year roadmap to make KBSP a zero-emissions terminal. This includes advancing electrification technology solutions for terminal vehicles and equipment by replacing all diesel-powered assets by 2040. Energy optimization through intelligent equipment/building control systems and data analytics will further enhance efficiencies.

The Company also continues exploring other innovations like solar-battery microgrids and hydrogen/renewable fuel bunkering to drive deeper decarbonization and aims to leverage its first-mover experience in renewable adoption at KBSP to accelerate green transitions across its global network of 64 terminals.

Water Management (SDG 12: Responsible Consumption and Production)

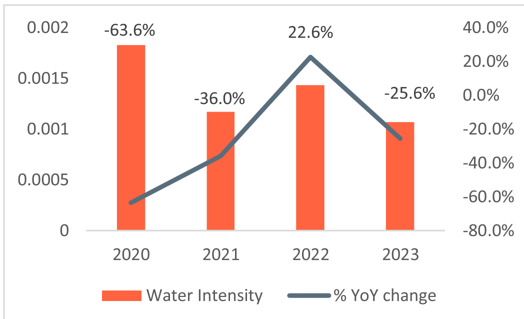
- Water Usage

  The Company is committed to the responsible use of water resources across its operations. We actively track and manage our water consumption through conservation initiatives focused on efficiency upgrades and employee engagement programs. This diligent water stewardship directly enabled a 28.2% year-over-year reduction in water usage from 53,470 m³ in 2022 to 38,396 m³ in 2023. Continual improvement in sustainable water management remains an ongoing environmental priority.



- Water Intensity

  The Company actively monitors water intensity to quantify sustainable resource utilization. In 2023, the Company's water consumption declined by 25.6% YoY for every million BD of revenue. By systematically optimizing processes to minimize utilization relative to economic productivity, the Company has achieved impressive efficiency improvements that limit environmental externalities amid business expansion.



SOCIAL

Our commitment

We are committed to:

- Providing a safe, healthy, and secure working environment for employees
- Respecting human rights and labour rights throughout our operations and supply chain
- Fostering a diverse and inclusive workplace with equal opportunities
- Investing in our local communities through social initiatives

Human Rights Policy Statement

As part of the A.P. Moller–Maersk group of companies, APM Terminals Bahrain B.S.C. is committed to conducting business in a responsible and upright manner and to respect human rights across our activities, in line with our corporate values: Constant Care, Humbleness, Uprightness, Our Employees and Our Name.

We commit to respect all internationally recognised human rights referenced in the International Bill of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work. These rights include core labour rights such as the rights of freedom of association and collective bargaining, the rights to not be subjected to forced labour, child labour or discrimination in respect of employment and occupation, and standards on working hours and the safety & health of workers. We regularly assess our human rights impacts. In the context of our end-to-end logistics strategy, digitalization transformation and ambitious decarbonization goals, we have a heightened focus on salient human rights issues that include health & safety, access to remedy and our subcontractors' labour conditions, as well as emerging issues such as data ethics and supporting a just energy transition. When issues are identified, we manage, mitigate, and remediate our impacts.

- **Health, Safety and Security**

  We are committed to protect our people, our business partners, the communities we work alongside and the customers we serve, by ensuring our operations are carried out in a healthy, safe, and secure way with minimal impact to the environment every single day.

- **Equal Opportunity and Diversity**

  We will treat every employee with respect and dignity and will not tolerate discrimination or harassment of any kind. Employment-related decisions are based on a variety of relevant factors such as qualifications, skills, performance, and relevant experience.

- **Child and Forced Labour**

  We will comply rigorously with all local laws and regulations and will in no event employ children below the age of 15 years. APM Terminals Bahrain will not permit hazardous work or night work for children below the age of 18 years. APM Terminals Bahrain will not use any form of forced or involuntary labour and refrains from practices that can give rise to a risk of involuntary labour.

- **Freedom of Association and the Right to Collective Bargaining**

  APM Terminals Bahrain respects its employees' right to associate freely, form or join organisations of their choosing and to bargain collectively in accordance with recognised international instruments, local laws, and regulations, in full freedom and without fear of reprisal, intimidation or harassment. APM Terminals Bahrain also recognises its employees' right to refrain from collective representation. APM Terminals Bahrain is committed to conducting collective bargaining with freely chosen employee representatives of (a) legally recognised trade union(s).

- **Compensation**

  APM Terminals Bahrain will provide its employees with compensation and employment-related benefits on a competitive basis. APM Terminals Bahrain recognises that wages are essential to meeting employees' basic needs and will at least pay the minimum wage and mandated benefits required by local law.

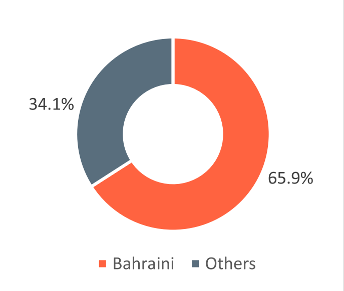
SOCIAL

- Fair Procedures

We are committed to upholding the privacy of our employees. APM Terminals Bahrain undertakes to follow fair disciplinary, grievance and dismissal procedures which are provided for by company policies and collective bargaining agreements including, upon request, the provision of exit conversations for employees leaving the company.

- Nationalization

We remain dedicated to recruiting, training, and promoting local Bahraini talent to drive sustainable growth. Bahrainisation is an integral pillar of both our talent strategy and broader business operations. Today, Bahrainis represent 65.9% of our workforce - a strong indication of our commitment to empowering local communities by attracting and retaining national talents.

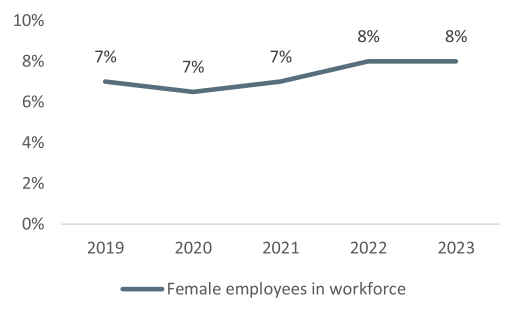


- Diversity
  - Female employees in top management

We are committed to promoting equal opportunities for women to rise into leadership roles. Although currently only 1 out of 10 senior executives is a woman, we aim to continually improve female representation through targeted policies, development programs, and a supportive culture for women advancing their careers. This will enable greater innovation, responsiveness to our customers, and sustainable growth.

  - Female employees in work force

We strive to empower female talent and improve gender diversity across all levels of our workforce. Currently, women represent 8% of our workforce. We have proactively implemented policies and programs to support the recruitment, inclusion, retention, and advancement of women. By taking proactive measures to overcome gender gaps, we aim to develop a vibrant work environment where women can utilize their skills to drive innovation.



  - Ethnic and cultural mix

While we maintain a strong emphasis on Nationalization, the Company also welcomes talent from around the world. Currently, our workforce comprises employees from 12 nationalities. We value diversity of backgrounds and perspectives as this fuels innovation and reflects the global nature of our parent organization and operations.

- Human Capital
  - Temporary Workers Ratio

We carefully leverage temporary employees to address business needs, while ensuring fair working conditions; currently, the Company engages approximately 400 part-time staff. We have implemented broad policies to safeguard temporary workers' rights in alignment with our Company's values and ethical obligations. This includes competitive pay, clearly defined assignments, and reasonable working hours that provide work-life balance.

- Community Engagement (SDG 11: Sustainable Cities and Infrastructure)
  - Talent Acceleration Program

Leadership Track

In 2022, APM Terminals Bahrain launched an inclusive hiring initiative to empower 4 talented individuals who lost their jobs due to the COVID-19 pandemic, with skills and leadership development. Participants undergo a 2-year program focused on mentoring, training, and hands-on experience across key fields including Asset Management, Human Resources, Operations, Transformation, and Health, Safety & Environment.

By nurturing expertise in high-demand logistics capabilities, we aim to create employable local leaders equipped to thrive in global trade environments with oversight from our veterans. This program also delivers societal value by turning setbacks into strengths for diverse candidates establishing careers. Starting from May 2022, our participants have begun applying learned concepts to drive innovation. We look forward to their future contributions as ambassadors of Bahraini ingenuity in the logistics sector.

SOCIAL

Youth Track

Seeking to cultivate strong Bahraini talent for the maritime industry, the Company instituted a competitive scholarship program in partnership with the Ministry of Transportation & Telecommunications and Bahrain Polytechnic. Following an extensive selection process, the Company awarded full scholarships to three exceptional candidates aged 20-30 to undertake specialized Deck Officer training.

The three-year program, conducted at South Tyneside College in the United Kingdom, combines academic education and practical sea apprenticeships aboard Maersk vessels. By 2025-2026, participants will undergo certification exams to qualify as certified Deck Officers. Through this initiative, the Company aims to ignite passion for global maritime careers and build national capacity to meet future talent needs.

- Internship program

We are committed to developing youth and giving back to our community in alignment with Bahrain's Vision 2030. Beyond our Talent Acceleration Program, we provide unique internship opportunities for university students to gain practical work experience and mentorship.

In 2023, we hosted 10 student interns, with 9 from Bahrain Polytechnic University, for a minimum of one-month rotations tailored to their fields of study. During their time with us, they collaborate on real-life projects across departments including Terminal Operations, Commercial, Health & Safety, and Human Resources. We further enrich their professional growth through training in areas such as Project Management, Lean Methodologies, and more

By empowering talented young citizens with industry exposure and in-demand future skills, we aim to support the next generation while benefiting from fresh perspectives that propel responsible business practices.

- Standalone Initiatives

Go Green Initiative

APM Terminals Bahrain organized a weeklong Go Green Initiative in partnership with key stakeholders such as Svitzer. It concentrated on raising awareness of the sustainable use of resources and the importance of the 3Rs: Reduce, Reuse, and Recycle. This initiative welcomed employees' children to attend informational sessions and port clean-up exercises.

SOCIAL

School Visits

To inspire young minds about the logistics industry, APM Terminals Bahrain hosted students from local schools, such as New Millennium School, The Indian School and The Multinational School Bahrain, for an informative visit to Khalifa Bin Salman Port.

Through interactive exposure to on-site experts from customs clearance, shipping, health and safety, the students gained first-hand knowledge of the diverse functions working collectively behind the scenes to expedite global trade. Such industry outreach aligns with APM Terminals Bahrain's commitment to engage youth in envisioning their future careers.

GOVERNANCE

Our commitment

We are committed to ethical business practices through:

- Maintaining strong corporate governance and board oversight
- Embedding anti-corruption practices across our operations
- Ensuring data privacy and security safeguards are in place.
- Requiring suppliers to adhere to our ethical Supplier Code of Conduct

Board Assessment

- Board diversity

  While our Board of Directors and sub-committees are entirely comprised of men, we actively welcome nominations for qualified female directors to bring in diverse perspectives. As a company grounded in ethical business practices, we recognize the value of balanced gender representation in guiding strategy and governance oversight.

- Board Independence

  At APM Terminals Bahrain, we separate the roles of CEO and Chairman of the Board in line with corporate governance best practices for accountability. Currently, none of our executive leaders hold concurrent board seats. In addition, 2 out of 6 board directors qualify as independent members, enabling impartial guidance and oversight. By structuring leadership this way, we instil checks and balances across business operations, strategy setting, risk management and financial controls.

- Ethics & Anti-Corruption

  We maintain zero tolerance for corruption and bribery, which violate our duty to society. As part of A.P. Moller-Maersk, we have adopted group-wide anti-corruption policies outlining strict protocols. This enables proactive identification, mitigation, and management of misconduct risks across interactions.

- Data Privacy

  We are committed to managing all data, especially personal information, in an ethical and compliant manner. As part of the A.P. Moller-Maersk group, we have adopted strict data policies and principles aligned with global regulations including the EU's GDPR which serves as our minimum data protection standard. By embedding integrity into our daily data practices across business functions, we aim to build trust with stakeholders, mitigate risks, and support long-term, sustainable success.

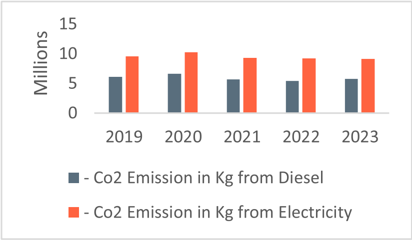
- Supplier code of conduct

  We are committed to responsible practices not just within our operations, but across our supply chain partnerships. Our Supplier Code of Conduct, embedded into procurement contracts, requires direct and select sub-suppliers to comply with all labour laws, health/safety regulations, environmental standards, and ethical business principles.

AREAS OF IMPROVEMENT

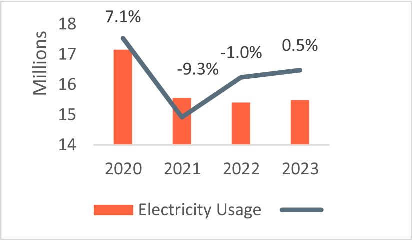
- Green House Gas Emissions

  In 2023, APM Terminals Bahrain experienced an increase in total greenhouse gas (GHG) emissions, including a 5.4% rise in carbon dioxide from diesel consumption. Recognizing this as a critical priority, we will undertake initiatives to curb emissions growth.



- Electricity Usage

  In 2023, the Company's electricity consumption increased by 0.5% when compared with the previous year. This increase in usage represents an area for focus. We see an opportunity to closely integrate electricity requirements with evolving productivity needs as part of optimizing resource utilization across the company.



2023
FINANCIAL STATEMENTS

APM Terminals Bahrain B.S.C.

FINANCIAL STATEMENTS

31 DECEMBER 2023

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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	PricewaterhouseCoopers M.E Limited

APM Terminals Bahrain B.S.C
DIRECTORS' REPORT
for the year ended 31 December 2023

On behalf of the Board of Directors, it is our pleasure in presenting the Company's financial statements (pages 11 to 45) for the year ended 31 December 2023.

Financial highlights (BD 000's)	2023	2022
Revenue	**35,936**	37,257
Profit for the year	**7,537**	8,316
Total equity	**21,646**	21,992
Total assets	**54,636**	56,319

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	10	3	-	-	13	-	-	-	-	-	-	-	-
2-Nadhem Saleh Al Saleh	10	3	-	-	13	-	-	-	-	-	-	-	-

Second: Non-Executive Directors:													
1-Jesper Kjaedegaard	10	4	-	-	14	-	-	-	-	-	-	-	-
Third: Executive Directors:													
1- Soren S. Jakobsen	12	4	-	-	16	-	-	-	-	-	-	-	-
2- Fawzi Ahmed Kanoo	10	2	-	-	12	-	-	-	-	-	-	-	-
3- Jonathan Goldner	10	3	-	-	13	-	-	-	-	-	-	-	-
Total	62	19	-	-	81	-	-	-	-	-	-	-	-

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 2023	Aggregate Amount
Top 6 remunerations for executives, including CEO* and Senior Financial Officer**	686	58	-	744
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 2023 have been conducted in accordance with the Commercial Companies Law and other relevant statutes of the Kingdom of Bahrain.

There have been no events subsequent to 31 December 2023, which would in any way invalidate the financial statements on pages 11 to 45.

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 PricewaterhouseCoopers M.E Limited.

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 8,146 thousands.

Soren Sjostrand Jakobsen
Chairman

Nadhem Saleh Al-Saleh
Director

28 February 2024

Independent auditor's report to the shareholders of APM Terminals Bahrain B.S.C.

Report on the audit of the financial statements

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of APM Terminals Bahrain B.S.C. (the "Company") as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Company's financial statements comprise:

- the statement of financial position as at 31 December 2023;
- the statement of profit or loss and other comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include material accounting policies and other explanatory information.

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 *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and the ethical requirements that are relevant to our audit of the financial statements in the Kingdom of Bahrain. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our audit approach

Overview

Key Audit Matter	-	Accounting under concession arrangement

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where the Board of Directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which the Company operates.

PricewaterhouseCoopers M.E Limited, Office no. 4701, Building no. 1459, Road no. 4626,
Block no. 346, P.O. Box 60771, Manama/Sea Front, Kingdom of Bahrain, Floor 47, West Tower,
Bahrain Financial Harbour, T: +973 17 118800, F: +973 17 540556, www.pwc.com/me, CR no. 47378

Independent auditor's report to the shareholders of APM Terminals Bahrain B.S.C.

Report on the audit of the financial statements (continued)

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.

Key audit matter	How our audit addressed the key audit matter
Accounting under concession agreement As described in note 3 (c), the Company has entered into the Khalifa Bin Salman Port Concession Agreement ("KBSP Agreement") dated 8 November 2006, with the Government of the Kingdom of Bahrain (the "Government"), whereby the Government has granted the Company an exclusive right and privilege to operate the Khalifa Bin Salman Port for a period of 25 years starting from 1 April 2009. The Board of Directors reassessed the accounting treatment of the KBSP Agreement and in doing so have exercised significant judgements in assessing the key clauses of the KBSP Agreement. The judgements included: - Interpretation and assessment of the key clauses of the KBSP Agreement, to ensure that the rights arising from the KBSP Agreement meet the requirements of the "intangible asset" model under IFRIC 12 — Service Concession Arrangements; and - Assessment of fixed and variable payments for the recognition of financial liability with corresponding recognition of intangible assets arising from a fixed fee, payable to the Government over the life of the KBSP Agreement. We considered this as a key audit matter as the appropriate accounting treatment of the KBSP Agreement is fundamental to the users' understanding of the financial statements taken as a whole as it impacts the recognition, classification and measurement of assets, liabilities, income and expenses. Refer to note 3 (c).	Our audit procedures included: - Obtaining the Board of Directors interpretation and assessment of the key clauses of the KBSP Agreement and its potential impact on the financial statements in line with IFRS requirements; - Evaluating, with the assistance of our internal financial reporting experts, the key terms of the KBSP Agreement to identify clauses where Board of Directors have applied significant judgements that have a resultant impact on the financial statements; - Assessing the appropriateness of the accounting policies applied by the Board of Directors in relation to the accounting and the recognition and measurement of a financial liability with corresponding recognition of intangible assets arising from a fixed fee, payable to the Government over the life of the KBSP Agreement; and - Assessing the adequacy of the disclosures made in the financial statements around this matter.

Independent auditor's report to the shareholders of APM Terminals Bahrain B.S.C.

Report on the audit of the financial statements (continued)

Other information

The Board of Directors is responsible for the other information. The other information comprises the Directors' Report (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report and the Annual Report which is 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 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, 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.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of the 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 the Bahrain Commercial Companies Law number (21) of 2001, as amended (the "Commercial Companies Law"), 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.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's 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 auditor's 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 judgment and maintain professional skepticism 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.

Auditor's responsibilities for the audit of the financial statements (continued)

- 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's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's 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's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's 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 to 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 auditor's 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 auditor's report to the shareholders of APM Terminals Bahrain B.S.C.

Report on the audit of the financial statements (continued)

Report on other legal and regulatory requirements

A) As required by the Commercial Companies Law, we report that:

i. the Company has maintained proper accounting records and the financial statements are in agreement therewith;

ii. the financial information included in the Directors' Report is consistent with the financial statements;

iii. nothing has come to our attention which causes us to believe that the Company has, during the year, breached any of the applicable provisions of the Commercial Companies Law or the items of its Memorandum and Articles of Association which would have a material adverse effect on its activities for the year ended 31 December 2023 or its financial position as at that date; and

iv. satisfactory explanations and information have been provided to us by the management in response to all our requests.

B) As required by the Ministry of Industry and Commerce in its letter dated 30 January 2020 in respect of Article (8) of Section (2) of Chapter (1) of the Bahrain Corporate Governance Code, we report that the Company:

i. has appointed a corporate governance officer; and

ii. has a Board of Directors approved written guidance and procedures for corporate governance.

The partner in charge of the audit resulting in this independent auditor's report is John Molloy.

PricewaterhouseCoopers

Partner's Registration Number: 255
PricewaterhouseCoopers M.E Limited
Manama, Kingdom of Bahrain
28 February 2024

APM Terminals Bahrain B.S.C.
STATEMENT OF FINANCIAL POSITION
as at 31 December 2023

BD 000's

	Note	**31 December 2023**	31 December 2022 (Restated)	1 January 2022 (Restated)
ASSETS				
Intangible assets	4	4,038	4,459	4,863
Equipment and vehicles	5	20,964	21,509	21,622
Total non-current assets		**25,002**	25,968	26,485
Inventories	6	544	409	362
Trade receivables	7	1,724	1,671	1,550
Other receivables and prepayments	8	567	738	285
Due from related parties	22	849	977	788
Balances with Group Treasury	22	25,033	25,199	25,512
Cash and cash equivalents	9	917	1,357	1,730
Total current assets		**29,634**	30,351	30,227
Total assets		**54,636**	56,319	56,712
EQUITY AND LIABILITIES				
Equity				
Share capital	10	9,000	9,000	9,000
Statutory reserve	11	4,500	4,500	4,500
Retained earnings		8,146	8,492	8,160
Total equity		**21,646**	21,992	21,660
Liabilities				
Lease and other financial liabilities	12	22,379	24,006	24,330
Employee leaving indemnities	13	995	864	738
Total non-current liabilities		**23,374**	24,870	25,068
Trade and other payables	14	7,685	7,301	8,035
Due to related parties	22	295	618	514
Lease and other financial liabilities	12	1,636	1,538	1,435
Total current liabilities		**9,616**	9,457	9,984
Total liabilities		**32,990**	34,327	35,052
Total equity and liabilities		**54,636**	56,319	56,712

The financial statements were approved by the Board of Directors on 28 February 2024 and signed on its behalf by:

Soren Sjostrand Jakobsen
Chairman

Nadhem Saleh Alsaleh
Board Member

The accompanying notes 1 to 29 are an integral part of these financial statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 December 2023 BD 000's

	Note	**2023**	2022 (Restated)
Revenue	15	35,936	37,257
Direct operating expenses	16	(13,743)	(14,096)
Other direct expenses	17	(9,926)	(9,521)
Gross profit		**12,267**	13,640
Other operating income		96	154
Gain on disposal of equipment and vehicles		11	-
General and administrative expenses	18	(4,278)	(4,201)
Charge from expected credit losses on trade receivables		-	(77)
Operating profit		**8,096**	9,516
Finance income		1,161	496
Finance expense	19	(1,720)	(1,696)
Net finance costs		**(559)**	(1,200)
Profit for the year		**7,537**	8,316
Other comprehensive income		-	-
Total comprehensive income for the year		**7,537**	8,316
Earnings per share			
Basic and diluted earnings per share (in fils)	20	**84**	92

These financial statements were approved for issue by the Board of Directors of the Company on 28 February 2024 and signed on its behalf by:

Soren Sjostrand Jakobsen
Chairman

Nadhem Saleh Alsaleh
Board Member

The accompanying notes 1 to 29 are an integral part of these financial statements.

for the year ended 31 December 2023 BD 000's

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 (Note 21)	-	-	(7,883)	(7,883)
At 31 December	**9,000**	**4,500**	**8,146**	**21,646**

2022 - Restated	Share capital	Statutory reserve	Retained earnings	Total
At 1 January 2022 – as previously reported	9,000	4,500	7,984	21,484
Effect of restatement	-	-	176	176
At 1 January 2022 – restated	9000	4,500	8,160	21,660
Total comprehensive income for the year	-	-	8,316	8,316
Transactions with shareholders in their capacity as shareholders				
Dividend for 2021 (Note 21)	-	-	(7,984)	(7,984)
At 31 December	9,000	4,500	8,492	21,992

The accompanying notes 1 to 29 are an integral part of these financial statements.

for the year ended 31 December 2023 BD 000's

	Note	**2023**	2022 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year		**7,537**	8,316
Adjustments for:			
Amortisation	4	442	424
Depreciation	5	2,231	2,182
Finance expense		1,720	1,696
Gain on sale of equipment and vehicles		(11)	-
Charge of impairment on trade receivables	7	-	77
(Reversal)/charge of provision for impairment of inventories	6	(49)	24
Finance income		(1,066)	(379)
Employee leaving indemnities – charge	13	156	149
Changes in:			
- Inventories		(86)	(71)
- Trade receivables		(53)	(198)
- Other receivables and prepayments		171	(453)
- Due from related parties		(132)	22
- Trade and other payables		384	(734)
- Due to related parties		(323)	104
Employee leaving indemnities – paid	13	(25)	(23)
Net cash generated from operating activities		**10,896**	11,136
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of equipment and vehicles		(1,700)	(812)
Purchase of intangible assets	4	(21)	(20)
Proceeds from maturity of placements with Group Treasury		11,161	24,411
Placements with Group Treasury		(9,669)	(23,930)
Proceeds from disposal of equipment and vehicles		11	-
Net cash used in investing activities		**(218)**	(351)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of lease liabilities and other financial liabilities		(1,515)	(1,478)
Payment of finance expenses		(1,720)	(1,696)
Dividend paid	21	(7,883)	(7,984)
Net cash used in financing activities		**(11,118)**	(11,158)
Net decrease in cash and cash equivalents during the year		**(440)**	(373)
Cash and cash equivalents at beginning of the year		1,357	1,730
Cash and cash equivalents at end of the year	9	**917**	1,357

Non-cash activities include remeasurement of right-of-use assets and lease liabilities of BD 14 (2023: BD 1,257).

The accompanying notes 1 to 29 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, Commerce and Tourism. 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. Maersk Holding B.V, Rotterdam is the Ultimate Parent Company of 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 2023 is 31% (2022: 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 of the shareholders, 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 (IASB) and, IFRIC Interpretations and the Commercial Companies Law.

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.

2 BASIS OF PREPARATION (continued)

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.

d) Early adoption of standards

The Company has not early adopted any new standards in 2023.

e) New standards, amendments and interpretations effective from 1 January 2023

- IFRS 17 Insurance Contracts
- Definition of Accounting Estimates – amendments to IAS 8
- International Tax Reform – Pillar Two Model Rules – amendments to IAS 12
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – amendments to IAS 12
- Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2.]
- Amendments to IAS 1 – Classification of Liabilities as Current or Non-current and Amendments to IAS 1 – Non-current Liabilities with Covenants.

These standards did not have a material impact on the entity in the current reporting period.

f) New standards issued and not yet applicable or early adopted by the Company for the periods starting on or after 1 January 2023:

Certain amendments to accounting standards have been published that are not mandatory for 31 December 2023 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.

Judgements:
Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Note 3(q) – leases: whether the Company is reasonably certain to exercise extension options and use of discount rate.
- Note 29 (a) – IFRIC 12 service concession arrangement: classification of equipment related to the service concession arrangement.

Assumptions and estimation uncertainties:
Information about assumptions and estimation uncertainties at 31 December 2023 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:

- Note 3(b) – Useful life and residual value of equipment and vehicle
- Note 3(o) – impairment of inventory
- Note 3(o) – measurement of ECL allowance for trade receivables; and
- Note 3(o) – impairment of non-financial assets

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 Contract 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 a wide range of services related to the management and operation of the Khalifa Bin Salman Port (KBSP), container services, general cargo services and marine services. 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.

- 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.

3 MATERIAL ACCOUNTING POLICIES (continued)

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.

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 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.

3 MATERIAL ACCOUNTING POLICIES (continued)

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.

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 on hand and at bank and bank deposits that have an original maturity of three months or less, realisable on demand.

g) Trade payable 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.

3 MATERIAL ACCOUNTING POLICIES (continued)

k) Employee benefits

Short-term employee benefits:
Short-term employee benefits are expensed as the related service is provided.

End of service benefits:
Pension rights (and other social benefits) for Bahraini employees are covered by the Social Insurance Organisation scheme to which employees and employers contribute monthly on a fixed-percentage-of-salaries basis. The Company's share of contributions to this funded scheme, which is a defined contribution scheme under IAS 19 – *Employee Benefits*, is recognised as an expense in the profit or loss.

Expatriate employees are entitled to leaving indemnities payable under the Bahrain Labour Law for the Private Sector 2012, based on length of service and final salary and other allowances paid. Provision for this unfunded commitment, which represents a defined benefit scheme under IAS 19 – *Employee Benefits*, has been made by calculating the notional liability had all employees left at the reporting date, is recognised as an expense in the profit or loss.

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

Classification
The Company classified its financial assets as those measured at amortised cost except for derivatives measured at fair value through profit or loss. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

A financial asset is measured at amortised cost if the objective of the business model is to hold the financial asset for the collection of the contractual cash flows under the instrument solely represents payments of principal and interest. These financial assets are included in current assets, except for maturities greater than 12 months after the reporting date, which are classified as non-current assets. The Company's financial assets at amortised cost are "other receivables", "trade receivable", "amounts due from related parties", "balances with Group treasury" and "cash and cash equivalents".

3 MATERIAL ACCOUNTING POLICIES (continued)

m) Financial instruments

Derivative financial instruments
The Company holds derivative financial instruments for its foreign currency exposure in the form of foreign exchange forward and FX swap. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

Recognition and derecognition
Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Measurement
At initial recognition, the Company measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest "if any' are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the statement of profit or loss and other comprehensive income. Impairment losses are presented as separate line item in the statement of profit or loss and other comprehensive income.

Subsequent measurement
Subsequent to the initial recognition, financial assets are carried at amortised costs using the effective interest method.

n) 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.

o) Impairment

(i) Financial assets
The Company recognises loss allowance for expected credit loss on financial assets measured at amortized cost. Loss allowance for trade receivables is always measured at an amount equal to the life-time expected credit losses.

At each reporting date, the Company assesses whether financial assets carried at amortized 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 significant financial difficulty of the debtor, a breach of contract such as a default or it is probable that the debtor will enter bankruptcy or other financial reorganization.

The Company has three types of financial assets that are materially subject to the expected credit loss model which are trade receivables, due from related parties and balances with group treasury.

While cash at bank, other receivables, balances due from related parties and balances with group treasury are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

3 MATERIAL ACCOUNTING POLICIES (continued)

o) Impairment (continued)

(i) Financial assets (continued)

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all financial assets.

The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

To measure the expected credit losses, financial assets have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 12 month before 31 December 2023 or 1 January 2023 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers and the related parties to settle the receivables.

The details for the calculation of the expected credit losses are disclosed in Note 24.

(ii) Non-financial assets

Non-financial assets are reviewed 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. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date. 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.

p) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right, not contingent on any future events, to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

q) 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.

3 MATERIAL ACCOUNTING POLICIES (continued)

q) Leases (continued)

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 (including in-substance 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.

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.

3 MATERIAL ACCOUNTING POLICIES (continued)

q) Leases (continued)

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.

r) 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.

s) Royalty

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

t) 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.

u) Share capital

Ordinary shares are classified as equity.

v) 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.

For the year ended 31 December 2023 BD 000's

4 INTANGIBLE ASSETS

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**

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

For the year ended 31 December 2023 BD 000's

4 INTANGIBLE ASSETS (continued)

2022	Service concession rights	Software and licenses	Total (Restated)
Cost			
Balance as at 1 January	9,731	830	10,561
Additions	-	20	20
At 31 December	**9,731**	**850**	**10,581**
Accumulated amortisation			
At 1 January	4,961	737	5,698
Amortisation	389	35	424
At 31 December	**5,350**	**772**	**6,122**
Net book value 31 December	**4,381**	**78**	**4,459**

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

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5 EQUIPMENT AND VEHICLES

2023	Marine Service Equipment	Leased Forklifts	Leased Flats	Computer Equipment	Cranes & Transtainers	Furniture & Fixtures	Machinery & Equipment	Vehicles	Tools	Leasehold Improvement	Capital work-in progress	Total
Cost												
Balance as 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**

* Remeasurement relates to change in future financial liabilities payments arising from a change in index during the year for the assets – marine service equipment.

For the year ended 31 December 2023 BD 000's

5 EQUIPMENT AND VEHICLES (continued)

2022	Marine Service Equipment	Leased Forklifts	Leased Flats	Computer Equipment	Cranes & Transtainers	Furniture & Fixtures	Machinery & Equipment	Vehicles	Tools	Leasehold Improvement	Capital work-in progress	Total (Restated)
Cost												
Balance as at 1 January	20,694	145	148	1,283	17,407	189	3,040	1,565	60	30	-	44,561
Remeasurement during the year *	1,257	-	-	-	-	-	-	-	-	-	-	1,257
Additions	-	-	-	2	-	17	26	-	6	-	761	812
Disposals	-	-	(148)	(5)	-	(3)	-	-	-	-	-	(156)
At 31 December	21,951	145	-	1,280	17,407	203	3,066	1,565	66	30	761	46,474
Accumulated depreciation												
At 1 January	3,969	41	74	1,110	13,604	103	2,463	1,505	40	30	-	22,939
Depreciation	1,418	29	74	109	312	22	182	29	7	-	-	2,182
Disposals	-	-	(148)	(5)	-	(3)	-	-	-	-	-	(156)
At 31 December	5,387	70	-	1,214	13,916	122	2,645	1,534	47	30	-	24,965
Net book value 31 December	16,564	75	-	66	3,491	81	421	31	19	-	761	21,509

* Remeasurement relates to change in future financial liabilities payments arising from a change in index during the year for the assets – marine service equipment.

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6 INVENTORIES

	2023	2022
At 1 January	908	837
Purchased during the year	2,018	647
Consumed during the year	(1,932)	(576)
	994	908
Less: Provision for obsolescence	**(450)**	(499)
At 31 December	**544**	409

Movement in provision for obsolescence:	**2023**	2022
At 1 January	499	475
(Reversal) / charge for the year, net	(49)	24
At 31 December	**450**	499

7 TRADE RECEIVABLES

	2023	2022
Trade receivables	2,219	2,166
Less: Provision for loss allowance	(495)	(495)
	1,724	1,671

Movement in provision for loss allowance:	**2023**	2022
At 1 January	495	418
Charge for the year	-	77
At 31 December	**495**	495

The fair values of trade receivables approximate their carrying values. Information about the Company's exposure to credit risk is included in note 24.

8 OTHER RECEIVABLES AND PREPAYMENTS

	2023	2022
Prepayments	34	52
Advances to suppliers	370	498
Fair value of derivatives (refer note 28)	37	40
Other receivables	126	148
	567	738

9 CASH AND CASH EQUIVALENTS

	Ratings	2023	2022
Balances with banks	A+ to BB+	**917**	1,357

Information about the Company's exposure to credit risk is included in note 24.

10 SHARE CAPITAL

Authorized share capital / issued and fully paid up

	2023	2022
90,000,000 shares of 100 fils each (2022: 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. All rights attached to the Company's shares held by the Company are suspended until those shares are re-issued.

(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%	14,338	730	15.9%
1 % up to less than 5%	3,662	2	4.1%
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**	**734**	**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 2022 and 31 December 2023.

For the year ended 31 December 2023 BD 000's

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 15,070 (2022: BD 16,639) (note 5).

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ii) Lease and other financial liabilities

	2023	2022
Marine service equipment (Financial liability)	16,948	18,182
Service concession rights (Financial liability)	6,951	7,282
Lease of forklifts (Lease liability)	51	80
Lease of flats (Lease liability)	65	-
	24,015	25,544

	2023	2022
Non-current portion of lease and other financial liability	22,379	24,006
Current portion of lease and other financial liability	1,636	1,538
	24,015	25,544

b) Amounts recognised in the profit or loss:

	2023	2022
Depreciation charge on right-of-use assets (note 5)	1,555	1,521
Interest expense on financial liabilities (included in finance expense note 19)	1,619	1,680
Interest expense on lease liabilities (included in finance expense note 19)	6	27
Expense relating to short-term leases	79	77
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	-	-

c) The total cash outflow for leases in 2023 was BD 1,515 (2022: BD 1,478).

13 EMPLOYEES LEAVING INDEMNITIES

Employee benefits related to salaries and related costs have been disclosed in notes 16 and 18. The charge for indemnity is included in the respective notes based on function i.e., direct operating expenses or administrative expenses. Provision for employees' indemnity liability is as follows:

	2023	2022
At 1 January	864	738
Charge for the year	156	149
Paid during the year	(25)	(23)
At 31 December	**995**	864

For the year ended 31 December 2023 BD 000's

13 EMPLOYEES LEAVING INDEMNITIES (continued)

	2023	2022
Charge for the year		
General and administrative expenses	35	41
Direct operating expenses	121	108
At 31 December	**156**	149

14 TRADE AND OTHER PAYABLES

	2023	2022
Royalty payable to the Government of Bahrain	3,009	2,939
Trade payables	541	89
Advances from customers	283	200
Accrued expenses	3,798	3,918
Provisions	54	155
	7,685	7,301

15 REVENUE

	2023	2022
Container services	17,103	16,620
General cargo services	9,281	11,253
Marine services	9,552	9,384
	35,936	37,257

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

	2023	2022
Salaries and related costs	5,054	5,199
Subcontracting charges	2,723	2,880
Depreciation (Note 5)	2,231	2,182
Maintenance and repairs	1,767	1,420
Fuel and electricity	1,004	1,205
Amortization (Note 4)	442	424
Operational insurance	239	174
Equipment hiring charges	211	521
Customs duty and freight charges	70	45
(Reversal)/Charge for provision on inventories (note 6)	(49)	24
Other expenses	51	22
	13,743	14,096

17 OTHER DIRECT EXPENSES

	2023	2022
Royalty to Government of Bahrain	**9,926**	9,521

As per the concession agreement with the Government of Bahrain, the Company is required to pay royalty calculated as a percentage of the revenue to the Port and Maritime Affairs.

18 GENERAL AND ADMINISTRATIVE EXPENSES

	2023	2022
Salaries and related costs	2,286	2,210
Computer expenses	502	398
Management and administration fee	340	332
Security costs	242	235
Subcontracting charges	192	183
Corporate social responsibility	182	121
Office expenses	120	275
Legal and professional charges	96	74
Board of Directors' fee	81	76
Training expenses	59	41
Travel expenses	47	20
Communication expenses	31	27
Repair and accident claims	-	80
Other expenses	100	129
	4,278	4,201

19 FINANCE EXPENSE

	2023	2022
Financial liabilities interest expense	1,619	1,680
Bank charges	50	37
Lease interest expense	6	27
Foreign exchange loss / (gain), net	45	(48)
	1,720	1,696

20 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:

	2023	2022
Profit for the year (BD 000's)	7,537	8,316
Weighted average number of shares (000's)	90,000	90,000
Basic and diluted earnings per share (fils)	**84**	92

21 APPROPRIATIONS

The Board of Directors have proposed the following appropriations for the year 2023:

	2023	2022
Cash dividend proposed	**8,146**	7,883

At the Annual General Meeting of the shareholders held on 28 March 2023, the shareholders approved a cash dividend of BD 7,883 for the year ended 31 December 2022.

For the year ended 31 December 2023 BD 000's

22 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 on market terms with its associates. The following are the major transactions:

Description	Immediate Parent company	Group company and its subsidiaries	Entities which shareholders and/or directors have significant influence in	Total
As at 31 December 2023				
Current Assets				
Due from related parties				
Trade receivable	405	-	423	828
Other receivables	-	21	-	21
	405	21	423	849
Balances with Group Treasury (a)	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 payables	6	54	1	61
Accrued expenses	2	194	3	199
Management fee payable	29	-	-	29
	37	248	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				
Marine Service Equipment	-	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	12	349	44	405

(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 5.39% p.a. (2022: 3.45% p.a.).

A cash outflow of BD 2,119 (2022: BD 2,135) related to lease rental payments were made to the Group company and BD 32 (2022: BD 32) to other shareholders during the year.

For the year ended 31 December 2023 BD 000's

22 RELATED PARTY TRANSACTIONS (continued)

Description	Immediate Parent company	Group company and its subsidiaries	Entities which shareholders and/or directors have significant influence in	Total
As at 31 December 2022				
Assets				
Due from related parties				
Trade receivables	-	183	462	645
Interest receivable	260	-	-	260
Other receivables	-	72	-	72
	260	255	462	977
Balances with Group Treasury	25,199	-	-	25,199
Non-Current Liabilities				
Due to related parties				
Non-current portion of financial liabilities	-	17,004	51	17,055
Current Liabilities				
Trade payables	-	37	-	37
Accrued expenses	-	546	8	554
Management fee payable	27	-	-	27
	27	583	8	618
Current portion of financial liabilities	-	1,177	29	1,206
For the year ended 31 December 2022				
Income				
Revenue	2,390	-	5,427	7,817
Finance income	371	-	-	371
	2,761	**-**	**5,427**	**8,188**
Expenses				
Marine Service Equipment	-	3,576	-	3,576
Management and administration fee	332	-	-	332
Computer expenses	386	-	-	386
Maintenance and repairs	-	-	24	24
Board Remuneration	39	-	37	76
Other expenses	54	105	167	326

Other related party transactions for the year ended 31 December

Description	**Parent/ Group company**		**Other related parties**		**Total**	
	2023	2022	**2023**	2022	**2023**	2022
Purchase of inventories	**-**	**-**	**12**	20	**12**	20

For the year ended 31 December 2023 BD 000's

22 RELATED PARTY TRANSACTIONS (continued)

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:

	2023	2022
Salaries and other short-term benefits	**764**	904
Post-employment benefits for the year	**14**	22
Board remuneration and sitting fees for the year	**81**	76
Post-employment benefits payable	**32**	66

23 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.

24 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 and other payables, 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.

For the year ended 31 December 2023 BD 000's

24 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:

	2023	2022
Balances with banks	917	1,357
Trade receivables	1,724	1,671
Other receivables	126	148
Due from related parties	849	977
Balances with Group Treasury	25,033	25,199
	28,649	29,352

For the year ended 31 December 2023 BD 000's

24 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

a) Credit risk (continued)

(ii) Impairment Losses

The aging of trade receivables at the reporting date was:

	2023			2022		
	Gross	**Weighted Average Loss Rate**	**Loss Allowance**	Gross	Weighted Average Loss Rate	Loss Allowanc e
Current (not past due)	1,479	1%	9	1,171	1%	7
Past due:						
0-90 days	224	1%	2	402	1%	4
91-180 days	22	10%	2	39	10%	4
181-270 days	6	30%	2	93	30%	28
271-365 days	16	50%	8	18	50%	9
Over 365 days	472	100%	472	443	100%	443
	2,219	**22%**	495	2,166	23%	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 2023 and 2022, based on contractual payment dates and current market interest rates.

2023	**Carrying amount**	**Contractual Cash flows**	**6 months or less**	**7 - 12 months**	**1 - 2 years**	**More than 2 years**
Trade and other payables	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**
2022						
Trade and other payables	6,946	6,946	6,946	-	-	-
Due to related parties	618	618	618	-	-	-
Lease and other financial liabilities	25,544	36,151	2,035	1,129	3,022	29,965
	33,108	43,715	9,599	1,129	3,022	29,965

24 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. Change in market interest rate will not have a significant effect on the carrying value of these balances due to the short-term characteristics of these balances and fixed interest rates.

(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.

For the year ended 31 December 2023 BD 000's

24 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

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.

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 2023 and 2022, 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 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 and other payables	-	-	7,402	7,402
Due to related parties	-	-	295	295
Lease and other financial liabilities	-	-	24,015	24,015
	-	**-**	**31,712**	**31,712**

31 December 2022	**Financial assets at amortised cost**	**Financial assets at fair value through profit or loss**	**Financial liabilities at amortised cost**	**Total carrying value**
Trade receivables	1,671	-	-	1,671
Other receivables	148	40	-	188
Due from related parties	977	-	-	977
Balances with Group Treasury	25,199	-	-	25,199
Cash and cash equivalents	1,357	-	-	1,357
	29,352	40	-	29,392
Trade and other payables	-	-	7,301	7,301
Due to related parties	-	-	618	618
Lease and other financial liabilities	-	-	25,544	25,544
	-	-	33,463	33,463

25 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 and other payables, 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.

26 COMMITMENTS AND CONTINGENT LIABILITIES

	2023	2022
Capital commitments	**4,241**	1,487
Contingent liabilities	**10**	10

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27 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 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**

	Liabilities	Equity			
	Lease and other financial liability	Share capital	Statutory reserve	Retained earnings	Total
Balance at 1 January 2022	25,765	9,000	4,500	7,984	47,249
Effect of restatement	-	-	-	176	176
Remeasurement of IFRS 16	1,257	-	-	-	1,257
Changes from financing cash flows					
Lease and other financial liability	(1,478)	-	-	-	(1,478)
Finance expense	(1,707)	-	-	-	(1,707)
Dividends paid	-	-	-	(7,984)	(7,984)
Total changes from financing cash flows	(3,185)	-	-	(7,984)	(11,169)
Liability-related changes	1,707	-	-	-	1,707
Equity-related changes	-	-	-	8,316	8,316
Balance at 31 December 2022	25,544	9,000	4,500	8,492	47,536

28 DERIVATIVES

The Company has entered into foreign currency forward and swap contracts with a bank with nominal value of BD 24,704 (2022: BD 25,997) maturing within one year. The fair value as at the year end amounted to BD 37 (2022: BD 40) and is included under other assets.

29 RESTATEMENT OF CORRESPONDING AMOUNTS

A. Reclassification of equipment purchased under the concession agreement

Management has concluded that certain items of equipment purchased by the Company were incorrectly classified as intangible assets under the provisions of IFRIC 12 "Service concession arrangements" in the statement of financial position in prior years. The correct treatment would be to classify this equipment under IAS 16 "*Property Plant and Equipment*" and IFRS 16 "*Leases*" as this equipment does not meet the recognition criteria under IFRIC 12 "*Service concession arrangements*". This judgement is based on the Khalifa bin Salman Port Concession Agreement between the Government of the Kingdom of Bahrain and the Company which may not necessarily obligate the Company to transfer this equipment at the end of the concession.

B. Remeasurement of the finance lease liability

In accordance with the requirements of IFRS 16, "*Leases*", management has restated corresponding amount to adjust for the correction of error in the prior year's financial statements. The error is related to the Marine Service Equipment. According to the contract, the rates are adjusted annually in accordance with the American Consumer Price Index ("CPI"). Management have incorrectly calculated the remeasurement of the variable payments by calculating the net present value of the adjusted cashflow retrospectively.

In accordance with IFRS 16 "*Leases*", the modification should have been accounted for as of the effective date of the modification (in a prospective manner) and the difference booked as a remeasurement to the Right of Use asset.

The earnings per share for the year ended 31 December 2022 increased from 88 fils to 92 fils as a result of the restatement.

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29 RESTATEMENT OF CORRESPONDING AMOUNTS (continued)

Discrete effect on financial statements line items in the statement of financial position as at 31 December 2022, statement of profit or loss and other comprehensive income and cash flows statement for the year ended 31 December 2022 and the relevant notes to the financial statements.

Statement of financial position:

	31 December 2021 (Previously reported)	Adjustment (A)	Adjustment (B)	**1 January 2022 (Restated)**	**31 December 2022 (Previously reported)**	Adjustment (A)	Adjustment (B)	**31 December 2022 (Restated)**
Intangible assets	25,639	(20,776)	-	4,863	24,206	(19,747)	-	4,459
Equipment and vehicles	670	20,776	176	21,622	1,153	19,747	609	21,509
Total non-current assets	**26,309**	**-**	**176**	**26,485**	**25,359**	**-**	**609**	**25,968**
Total assets	**56,536**	**-**	**176**	**56,712**	**55,710**	**-**	**609**	**56,319**
Retained earnings	7,984	-	176	8,160	7,883	-	609	8,492
Total equity	**21,484**	**-**	**176**	**21,660**	**21,383**	**-**	**609**	**21,992**
Total equity and liabilities	**56,536**	**-**	**176**	**56,712**	**55,710**	**-**	**609**	**56,319**

Statement of profit or loss and other comprehensive income:

	31 December 2022 (Previously reported)	Adjustment (B)	**31 December 2022 (Restated)**
Direct operating expenses	(14,297)	201	(14,096)
Gross profit	**13,439**	**201**	**13,640**
Operating profit	**9,315**	**201**	**9,516**
Net finance costs	**(1,432)**	**232**	**(1,200)**
Profit for the period	**7,883**	**433**	**8,316**
Total comprehensive income for the period	**7,883**	**433**	**8,316**

Statement of cash flows:

	31 December 2022 (Previously reported)	Adjustment (A)	Adjustment (B)	**31 December 2022 (Restated)**
Profit for the period	7,883	-	433	8,316
Amortization	2,478	(2,054)	-	424
Depreciation	329	2,054	(201)	2,182
Finance expenses	1,928	-	(232)	1,696
Net cash generated from operating activities	**11,136**	**-**	**-**	**11,136**
Net cash used in investing activities	**(351)**	**-**	**-**	**(351)**
Net cash used in financing activities	**(11,158)**	**-**	**-**	**(11,158)**
Net decrease in cash and cash equivalents during the period	**(373)**	**-**	**-**	**(373)**
Cash and cash equivalents at end of the period	**1,357**	**-**	**-**	**1,357**

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29 RESTATEMENT OF CORRESPONDING AMOUNTS (continued)

Notes to the financial statements:

	31 December 2022 (Previously reported)	Adjustment (A)	Adjustment (B)	**31 December 2022 (Restated)**
Amortization	2,478	(2,054)	-	424
Depreciation	329	2,054	(201)	2,182