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.

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.

For the year ended 31 December 2023 BD 000's

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				
<u>Current Assets</u>				
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
<u>Non-Current Liabilities</u>				
Due to related parties				
Non-current portion of financial liabilities	-	15,461	20	15,481
<u>Current Liabilities</u>				
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				
<u>Income</u>				
Revenue	2,269	-	4,311	6,580
Finance income	1,063	-	-	1,063
	3,332	**-**	**4,311**	**7,643**
<u>Expenses</u>				
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.

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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

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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 Allowance
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