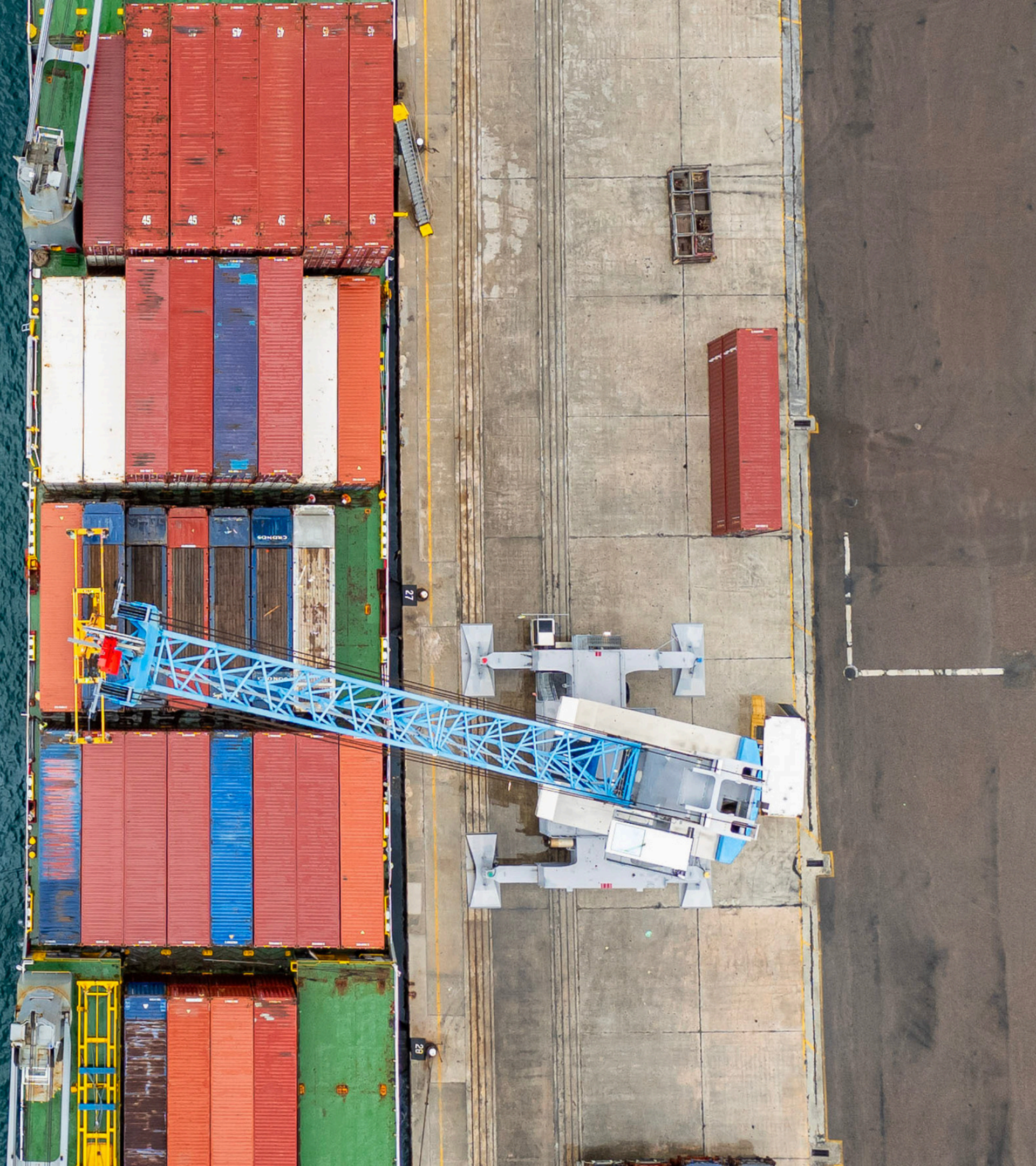




2025 ANNUAL REPORT

ANCHORED IN PROGRESS

RESILIENT TODAY, TRANSFORMING TOMORROW



MISSION

Consistently delivering
operational excellence

VISION

Operational excellence to
maximize value through people
development and technology



APD · 2025 ANNUAL REPORT

CONTENTS

5 COMPANY OVERVIEW

9 FINANCIAL HIGHLIGHTS

11 CHAIRMAN'S STATEMENT

15 PRESIDENT'S REPORT

21 KEY ACHIEVEMENTS OF 2025

37 APD BOARD OF DIRECTORS

41 APD TEAM

41 EXECUTIVE TEAM

45 MANAGEMENT TEAM

49 IN MEMORIAM

51 COMMUNITY PARTNERSHIPS

55 2026 OUTLOOK

57 MANAGEMENT DISCUSSION & ANALYSIS

AUDITED FINANCIAL STATEMENTS

67 Independent Auditor's Report

73 Statement of Financial Position

74 Statement of Comprehensive Income

76 Statement of Changes in Equity

78 Notes of Financial Statements

APD Limited, incorporated in 2009, is the owner and operator of the Nassau Container Port (NCP) and Gladstone Freight Terminal (GFT).

Specifically, APD Limited was established to:

- Facilitate the redevelopment of Downtown Nassau, the capital of The Bahamas
- Fuel growth of the essential and lucrative commercial shipping sector in The Bahamas
- Bring exciting new employment and skill-building opportunities to Bahamians
- Introduce efficiencies and border controls to the trade sector
- Stimulate business growth in New Providence

Built to modernise The Bahamas’ maritime infrastructure, state-of-the-art facilities NCP and GFT opened in 2012 and today serve as **the hub for all international sea imports and exports to and from New Providence** under a 20-year agreement with the Government of The Bahamas. Recognised as **one of the most efficient ports in the region**, NCP is fully ISPS-compliant and has achieved several firsts, including multiple ISO certifications, ISO 14001:2015, ISO 9001:2015 in June 2019 and ISO 45001:2018 in August 2023, underscoring APD’s commitment to service quality, safety, and environmental stewardship.

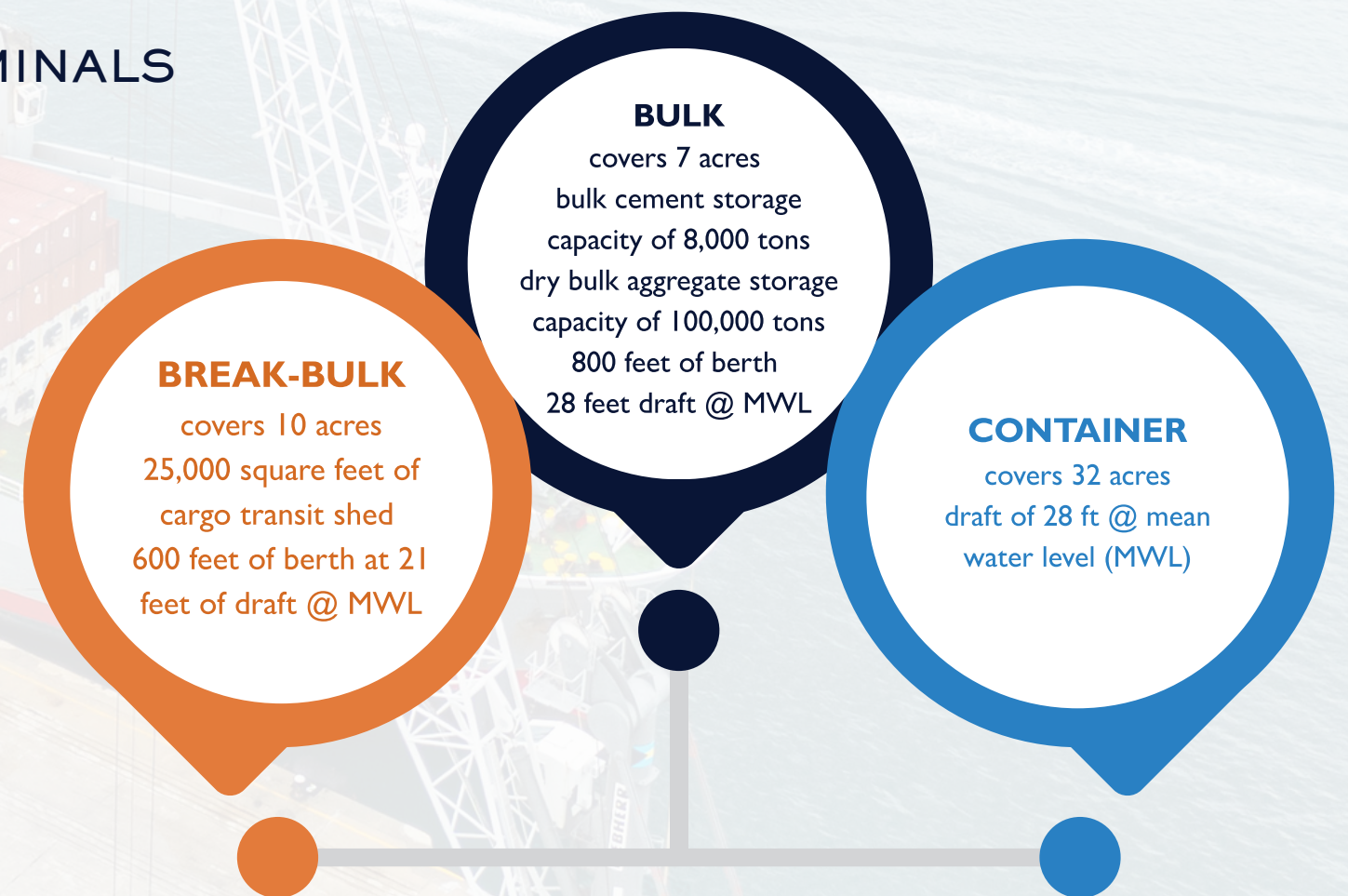
APD represents a unique public-private partnership. **Ownership is shared** between the Government of The Bahamas (40%) and Arawak Cay Port Development Holdings Limited (ACPDHL) (40%), while **more than 12,000 Bahamians hold the remaining 20%** through a landmark IPO launched in 2012. Each stakeholder has invested in the Port operating company, APD Limited. Supported by key government agencies and operational partners, including Arawak Stevedoring Limited (ASL), 24/7 Port Security, Bahamas Customs Department, Department of Immigration, Department of Agriculture, and Department of Environmental Health Services, APD continues to play a **vital role in driving trade, creating employment, and supporting economic growth.**

Looking ahead, APD remains focused on strengthening national infrastructure and expanding opportunities for Bahamians, ensuring the port’s continued contribution to a stronger and more prosperous future for the country.

PORT ADVANTAGES

1. General cargo, container, bulk and break-bulk operations
2. Meets ISPS code requirements and is supported by surveillance cameras and 24/7 security presence
3. Dedicated deconsolidation and LCL facilities
4. Onsite Customs Department to provide entry processing and freight inspection
5. Three container vessel berths, with 28-foot draft
6. Terminal Operating System that tracks containers
7. Greater Bahamas Customs control facilitates faster cargo delivery
8. Backup power and emergency fuel storage in the event of a natural disaster
9. Monday through Friday 8 a.m. to 4 p.m. – excluding public holidays, the port will accommodate requests to serve carriers and importers outside of the regular operating hours; additional fees and rules will apply.

TERMINALS

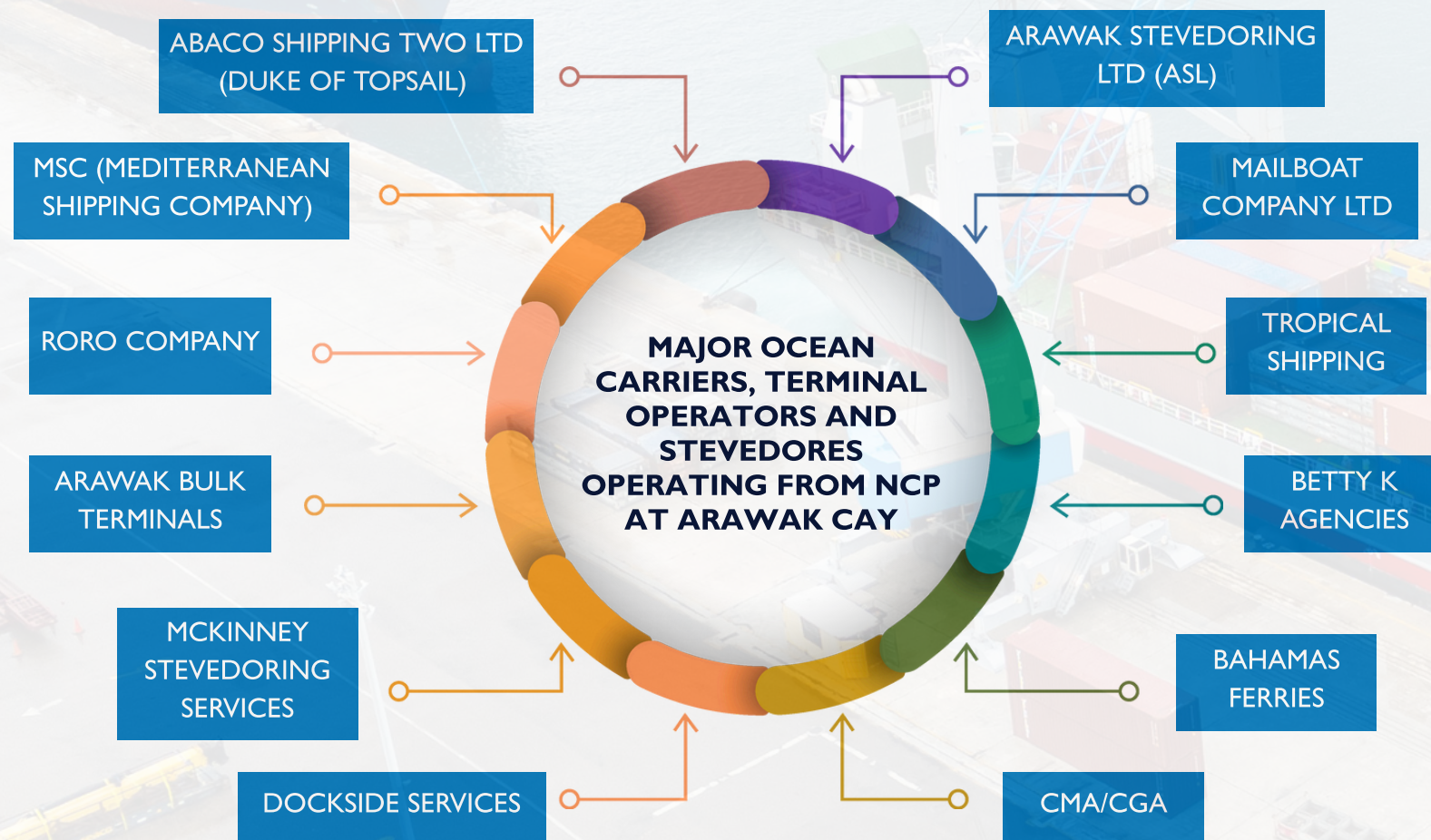


NASSAU CONTAINER PORT (NCP)



APD Limited's Maritime Centre at NCP is the company's headquarters and the administrative and nerve centre of the Port. The building is central to APD's mission to create **a one-stop shop in port operations**. In support of this goal, The Maritime Centre brings together units of the Environmental Health, Customs, Immigration and Agriculture Departments and the shipping companies in a readily accessible, comfortable facility. Among the features contributing to the ease of customers doing business at the port are an ATM machine, Wi-Fi

connectivity, working stations for brokers and proximity to the ships. The Maritime Centre and its infrastructure place an emphasis on the protection of port data and enabling business to continue uninterrupted in times of inclemency. **Shipping accounts for 90% of the global trade, ensuring a steady supply of food, fuel and medicines to consumers across the world.**



BULK CAR CARRIERS



GLADSTONE FREIGHT TERMINAL (GFT)

The 15-acre Gladstone Freight Terminal is NCP's inland terminal, situated in the centre of New Providence. The facility offers 100,000 square feet of cargo warehousing and deconsolidation space. With comprehensive Customs services available at GFT, importers have access to entry processing and can pay their ocean freight and customs duties and collect their goods in a single trip, saving valuable time. GFT is extensively monitored by surveillance cameras and is supported by the Royal Bahamas Police Force and has a backup power supply and fuel storage capabilities. In the event of a natural disaster, both Nassau Container Port and Gladstone Freight Terminal have the means to become operational should key elements of the island's utility supply temporarily become unavailable and require additional time to come online.

GLADSTONE FREIGHT TERMINAL



FINANCIAL HIGHLIGHTS

INCOME STATEMENT	2026 Budget	2025	2024	2023	2022	2021
	\$	\$	\$	\$	\$	\$
Total Revenue	37,016,563	38,560,347	35,738,054	35,838,636	29,960,128	28,774,831
Total Operating Expenses	17,733,366	18,581,026	17,364,199	17,160,722	14,866,912	14,235,255
Depreciation & Financing Costs	6,710,614	6,865,556	6,463,478	8,991,089	7,675,228	7,867,998
Total income for the period attributable to the equity shareholders	12,572,583	13,113,765	11,910,377	9,686,825	7,417,988	6,671,578
Basic and diluted earnings per share	2.52	2.62	2.38	1.94	1.48	1.34
Balance Sheet		2025	2024	2023	2022	2021
Assets						
Total Current Assets		23,147,353	25,494,279	24,113,724	25,440,556	22,088,505
Net PP&E		78,992,913	81,581,620	78,935,014	78,451,796	81,523,145
Right-of-Use Asset		50,236,891	50,685,075	49,709,236	45,023,241	45,586,032
Investments		9,619,250	3,201,138	2,903,738	425,000	-
Total Assets		161,996,407	160,962,112	155,661,712	149,340,593	149,197,682
Liabilities and Shareholders' Equity						
Total Current liabilities		6,082,573	7,501,953	5,104,030	4,987,166	33,253,178
Non-current liabilities		74,828,329	76,743,818	77,256,950	73,743,838	47,256,297
Total Liabilities		80,910,902	84,245,771	82,360,980	78,731,004	80,509,475
Total Equity		81,085,505	76,716,341	73,300,732	70,609,589	68,688,207
Total Liabilities and Shareholders' Equity		161,996,407	160,962,112	155,661,712	149,340,593	149,197,682
Cash Flow		2025	2024	2023	2022	2021
Net Cash Provided by Operating Activities		22,482,681	17,099,412	19,031,743	14,815,384	14,770,463
Net Cash Used In Investing Activities		(7,064,147)	(3,078,062)	(10,747,493)	(1,660,109)	(4,448,157)
Net Cash Used In Financing Activities		(15,496,680)	(12,446,923)	(11,906,984)	(10,945,145)	(11,042,446)



CHAIRMAN'S STATEMENT

The past year reminded the world that trade is a living current — shaped by shifting geopolitics, climate events, technology risks, and demand cycles that can turn on a headline. Tensions in key shipping corridors, volatility in energy and insurance markets, and the relentless march of climate-driven disruption once again tested the resilience of global supply chains.

In such an environment, ports are not merely points on a map; they are strategic assets, guardians of national well-being, and instruments of recovery and growth.

In our hemisphere, Caribbean ports have operated as the hinges of hemispheric trade — small islands bearing outsized responsibility. We sit at the arteries that connect North and South America to Europe and, increasingly, to Africa and Asia. For The Bahamas, that geography is more than providence; it is a mandate. Our task is to translate position into performance, connectivity into competitiveness, and throughput into national progress. That is the work of Arawak Port Development Ltd. (APD) and the Nassau Container Port (NCP).

As Chairman, I am proud to report that APD continues to approach this mandate with clarity of purpose and steadiness of hand. We have kept the lifeline open for households and businesses, protected our people and assets, strengthened key partnerships, and invested deliberately in the systems and skills that will carry this company — and our country — **anchored in progress, resilient today, transforming tomorrow.**

Fifteen Years of National Progress: Engineering Order from Fragmentation

This year marks the **15th anniversary of Arawak Port Development Ltd.**, an achievement that invites reflection not only on corporate milestones but on national progress. APD's creation was born of necessity — a recognition by successive governments of the need to engineer greater control and transparency into our border management processes.

Before the establishment of the Nassau Container Port (NCP) and Gladstone Freight Terminal (GFT), cargo operations in New Providence were fragmented across five separate international terminals along Bay Street. This system, while familiar, was inefficient and vulnerable — enabling inconsistencies in inspection, opportunities for smuggling, and fiscal leakage through fraudulent declarations.

As former Comptroller of Customs, **Mr. John Rolle**, once noted, *“Consolidation of cargo operations under a single, well-regulated facility gives the state the oversight it needs to ensure that every shipment is accountable — and every declaration traceable.”*

The establishment of NCP and GFT was therefore not just an infrastructural project but a **national strategy**: to place a microscope on the trade border process by channeling all imports and exports through two intentional, purpose-built locations. This design enabled Customs to selectively post highly trained officers, standardize procedures, and close the gaps that once facilitated illicit trade. The results — greater efficiency, reduced fraud, and enhanced fiscal protection — have validated the vision that guided the port's founding.

Operational Transformation and Efficiency Gains

Consolidating from five ports to one has yielded operational efficiencies once unimaginable. Vessel operations transitioned from using **construction-grade Manitowoc cranes**, with limited reach and lifting capacity, to **purpose-built Konecranes mobile harbor cranes** capable of lifting up to 100 tons with an outreach of **46 meters** — allowing an entirely new class of ships to call on Nassau.

Where once cargo had to be routed through South Florida or Freeport for transshipment, today NCP receives vessels directly from major ports including **Kingston, Miami, Port Everglades, Palm Beach, and Dania Beach** — reducing transit times, costs, and carbon emissions. As one senior executive at **Tropical Shipping** remarked, “The modernized infrastructure at NCP has positioned Nassau as a first-call port rather than a feeder destination — a shift that has transformed logistics efficiency for the entire country.”

Ship sizes have grown from carrying **150 to over 550 40-foot containers**, multiplying capacity and enhancing the reliability of our supply chain.

The Minister of Energy & Transport, Hon. JoBeth Coleby Davis this year offered the following, congratulations, while noting NCP's unique position as a driver of national development.

“I commend Nassau Container Port for its unwavering dedication to our country. The Port's ongoing investments in state-of-the-art equipment, cutting-edge technology, and workforce development are both significant and essential.,” the minister remarked. “These initiatives not only improve the efficiency of our trade and logistics operations, but also bolster our collective capacity to detect and combat smuggling, fraud, and other illicit activities that threaten the security of our borders. Nassau Container Port's pursuit of excellence and its tangible contributions to our national progress are truly admirable, underscoring the Port's critical role in advancing the sustainable development of The Bahamas.”

Transparency, Fair Competition, and Integrity

A single-port system has also improved **process integrity, transparency, and fair trade**. With all cargo handled under one regulated facility, unethical practices that once plagued fragmented operations have been materially reduced. Customs oversight is now unified, allowing for consistent inspection protocols and stronger data collection.

These structural improvements have strengthened public confidence, enhanced revenue collection, and ensured that every importer — large or small — operates on a level playing field. The result is a logistics environment that rewards compliance, efficiency, and trust.



Modernizing Human Capital and Customs Efficiency

Consolidation has likewise empowered **Bahamas Customs** to allocate personnel more effectively across the nation's 30+ ports of entry. Concentrating the highest trade volumes in one location has allowed the agency to modernize systems, adopt electronic clearance platforms, and measure productivity more precisely — including trade value processed per officer, a key efficiency indicator.

The result is a Customs workforce that is more agile, more specialized, and more capable of managing the complexities of international trade — a quiet but significant dividend of the single-port model.

Sustainability and the Green Transition

Our national progress is not only measured in containers and cranes, but in carbon. The consolidation of international freight through NCP directly supports The Bahamas' **green agenda**, reducing carbon emissions associated with cargo handling and vessel operations.

Partnering with our key stakeholders, APD has accelerated the **transition to lower-carbon equipment**.

- **Tropical Shipping** has replaced its older yard tractors with more fuel-efficient models.
- **ASL** has modernized its fleet with electric forklifts.
- **APD** has upgraded its Liebherr cranes to **Konecranes**, achieving higher load capacity with reduced fuel consumption.

Centralizing cargo management in a single high-volume location reduces the number of active heavy machines required island-wide, meaning fewer emissions per ton or pallet moved. The government's intentional design of this system ensures that efficiency and sustainability advance together.

Looking ahead, APD is developing an **incentive framework** to reward partners who invest in low-carbon technologies — helping to shape a logistics culture that is as environmentally conscious as it is operationally sound.

Energy Transition: LNG and the Future of Power

As part of The Bahamas' energy transformation, APD will play a catalytic role in the **introduction and transshipment of LNG (liquefied natural gas)**. The port will serve as the primary receiving facility for LNG supplies to a new, smaller-scale power plant adjacent to the port and as a hub for LNG shipments to the Family Islands, including Eleuthera and Abaco.

This new operational stream aligns with the nation's drive to reduce dependency on diesel and heavy fuel oil and avail shore power to ships, while providing APD with a **new, sustainable revenue source** that supports ongoing operations.

Investing in People, Safety, and Inclusion

Our 2025 commitments remain anchored in our people — the ultimate measure of resilience.

- **Staff Development:** Expanding technical and leadership training, which serves to both increase skill capacity while instilling pride in improved performance and productivity, including a strengthened apprenticeship pipeline for crane operators.
- **Health & Safety:** Enhancing hazard identification, modernizing PPE, and ensuring every worker returns home safely.
- **Well-Being:** Improving wellness, rest, and psychosocial support across all shifts.
- **Diversity, Equity & Inclusion:** Opening doors in traditionally male-dominated roles and ensuring equal opportunity for all.

These are not programs; they are promises — to our employees, to our shareholders and to the nation we serve.

Gratitude and Charge

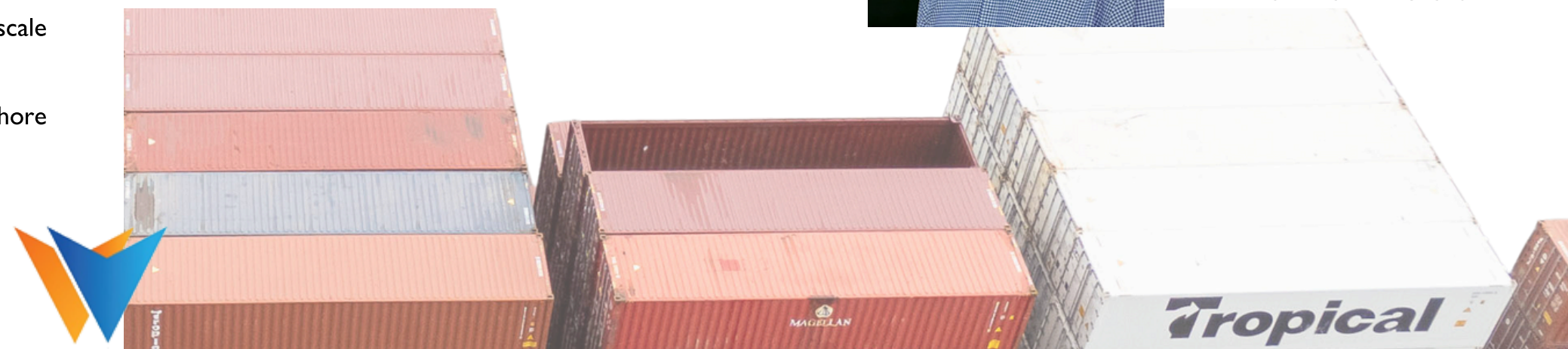
I extend sincere thanks to the members of the APD Board for their commitment and leadership in setting the course. On behalf of the Board, I also extend our deepest gratitude to our President & CFO, **Mr. Dion Bethell**, whose steady leadership continues to guide our ecosystem; to our management and staff for turning strategy into service; to our shipping and regulatory partners for their professionalism; and to the Government and people of The Bahamas for their confidence.

The charge before us is clear: **Keep the chain strong. Keep the people safe. Keep the nation supplied.** And as we mark fifteen years of transformation, let us remain **anchored in progress — resilient today, transforming tomorrow.**



A stylized, handwritten signature in black ink, appearing to read 'Mike Maura Jr.'.

MIKE MAURA JR.
Chairman,
APD BOARD OF DIRECTORS





DION BETHELL

President and Chief Financial Officer, APD Limited

PRESIDENT'S REPORT

Anchored in Progress — Resilient Today, Transforming Tomorrow

The maritime economy rewards those who plan beyond the next tide. In The Bahamas—an archipelago that imports the vast majority of what we consume and build—reliable port services are not simply commercial; they are foundational. At APD, our responsibility each year is to translate long-term vision into daily execution: ships safely berthed, cargo handled efficiently, systems secured, people empowered, and investments sequenced to strengthen resilience and unlock growth.

This year, under the theme *Anchored in Progress — Resilient Today, Transforming Tomorrow*, we advanced that discipline in tangible ways across operations, people, technology, security, and environmental stewardship—delivering continuity for our country's supply chain while laying the foundation for the decade ahead.

Operating Context: Navigating Volatility with Consistency

The global trading environment remained uneven—marked by shifting freight patterns, climate-driven disruptions, and inflationary pressure on energy and equipment. Domestically, construction and tourism continued to serve as bellwethers of confidence and volume. Against that backdrop, the Nassau Container Port (NCP) and the Gladstone Freight Terminal (GFT) upheld dependable service and demonstrated readiness for the physical and digital shocks that now define modern logistics.

Performance remained strong across all major indicators:

- Net income: \$13.1 million — an increase of approximately 10.0% or \$1.2 million over the prior year.
- EBITDA: ~\$20 million — up 8.7% (or ~\$1.6 million) year-over-year.
- Revenue: ~7.2% above budget, reflecting robust demand and disciplined execution.
- Expenses: Up 4.9% against budget, primarily driven by inventory write-down and retired legacy cranes.
- Earnings per share: \$2.62 — the highest in APD's history, underscoring strong shareholder returns and continued demand for APD shares on the Bahamas International Securities Exchange.

Safety, Reliability, and the “Port Ecosystem”

Our ability to keep the national supply chain moving rests on a single truth: excellence is ecosystemic. Vessel safety, yard discipline, equipment reliability, motivated teams, and coordinated partnerships across Customs, Brokers, Stevedores, Truckers, and Carriers must all work in concert.

This year:

- **Marine & Terminal Safety:** We upheld stringent ISPS protocols and enforced zero-compromise PPE and access standards, especially during surge conditions.
- **Gate & Turn-Times:** Despite periodic weather disruptions, gate performance remained within target thresholds, supported by flexible, cross-trained teams.
- **Equipment Readiness:** Proactive maintenance improved fleet availability on high-volume days, reducing downtime and ensuring continuity.

Modernization and Decarbonization: Progress in Practice

Sustainability at APD is pragmatic and cumulative — built on choices that improve efficiency while reducing environmental impact.

- **Lower-Emission Equipment:** Expanded hybrid and electric assets in Heavy Equipment Operations.
- **On-Site Solar:** Increased renewable generation capacity, offsetting grid dependence.
- **LED and Energy Optimization:** Full conversion and load scheduling advanced our Scope 2 reduction targets.
- **Data-Driven Environmental Social Governance (ESG):** Embedded 18 Strategic Value Initiatives (SVIs) across departments, now reviewed by the Board alongside financial results.

Cyber Resilience: A New Standard of Vigilance

Following last year’s ransomware incident, APD moved decisively from response to resilience—strengthening perimeter defenses, refining backup segmentation, and increasing restore drill frequency. In a digitized economy, the port is both physical and virtual—and both must be fortified.

People: Skills, Safety, and Leadership Pathways

Ports are powered by people. This year, we:

- Expanded paid training hours and relaunched the crane and heavy-equipment apprenticeship program.
- Broadened the Manager Shadow Programme to deepen leadership capacity.
- Strengthened Occupational Health Safety and Environment (OHSE) frameworks and expanded wellness initiatives.
- Increased women’s participation in operational and supervisory roles, reinforcing a performance-based culture.

Ease of Doing Business: Sequencing Improvements that Matter

We continued to implement initiatives that simplify trade and enhance the user experience:

- **Vehicle Processing:** Planning advanced for integrated on-dock inspections and licensing.
- **Process Digitalization:** Enhanced direct billing integration and automated document flows.
- **Family Island Support:** Reaffirmed readiness to support Family Island ports with ISPS compliance, workforce training, and operational setup.

Critical Infrastructure: The Western Harbour Breakwater

The Western Harbour Breakwater remains the single most consequential infrastructure risk for safe cargo operations. This year, severe weather once again underscored the urgency of action—crippling cargo operations while cruise vessels remained relatively unaffected, and causing significant coastal erosion along Junkanoo Beach, one of the region’s busiest tourism sites.

APD continues to advocate for an immediate, public–private solution. Every season of delay compounds risk for vessels, crews, and commerce. Addressing this vulnerability will be a defining act of national resilience.

Performance and Volume Highlights

Our operational metrics reflect steady growth and demand:

- Container throughput: 146,138 TEUs — a 3.3% increase over the prior year (~4,669 TEUs).
- Bulk cargo: 417,948 tons — up 22.6% (~77,150 tons).
- Vehicle imports: 19,299 units — slightly below last year (~451 fewer vehicles).
- Storage revenue: Up 43% (~\$2.7 million), driven by increased storage on empty and full containers.

These results reflect strong fundamentals and the continued centrality of APD’s operations to national commerce and trade.

Community, Education, and Industry Development

We deepened engagement where our expertise adds value:

- **Education & Careers:** Expanded internships and collaborations with LJM Maritime Academy.
- **Targeted Corporate Social Responsibility:** Refined community investments around education, safety, and workforce readiness—mirroring our operational ethos.
- **Service Excellence:** Rolled out company-wide *5-Star Customer Service Training*, reinforcing our commitment to world-class service and consistently bringing excellence to the forefront of every customer interaction.

Governance and Transparency

Strong governance remains a competitive advantage. This year, we:

- Continued Board education on evolving ISSB sustainability disclosure standards.
- Embedded ESG KPIs into management dashboards.
- Maintained tariff discipline while diversifying non-volume revenue streams.

Outlook: Resilience Today, Transformation by Design

Looking ahead, our priorities are clear:

- **Protect the Approach:** Advance the breakwater solution through urgency and partnership.
- **Modernize for Efficiency:** Transition to lower-emission equipment and expand renewable generation.
- **Digitize What Matters:** Deepen cyber readiness and process automation.
- **Grow Skills at Scale:** Broaden apprenticeships and leadership pipelines.
- **Strengthen Resilience:** Align operations with climate realities and build adaptive capacity.

Our path forward is deliberate. Anchored in progress, we remain resilient today and transforming tomorrow — a port system that learns, adapts, and leads with integrity.

Appreciation

I extend sincere thanks to our Chairman, Mr. Michael Maura Jr., and the Board for steady governance; to our Executive and Management Teams for their exacting standards; to Customs, the Port Department, Arawak Stevedoring, carriers, truckers, tenants, and brokers for partnership; and to every APD team member for professionalism, pride, and purpose.

Together, we are anchored in progress—resilient today, transforming tomorrow—and continuing to deliver reliability, growth, and trust, ship by ship, day by day.





HUMAN RESOURCES

The Human Resources Department experienced a year of renewal, welcoming a new team member while advancing succession planning to strengthen internal leadership for the future. The department also celebrated the contributions of long-serving staff, including APD’s first employee, Margaret Malone, whose institutional knowledge remains invaluable.

Employee engagement efforts were revitalized through the return of Family Fun Day, the End-of-Year Celebration, and APD’s four internal teams — The Wranglers, Pioneers, Mustangs, and Renegades — which foster camaraderie through friendly competitions and community events. The reintroduction of Power Hour provided a platform for open dialogue between executives and staff, generating valuable feedback to guide improvements.

A company-wide Five-Star Customer Service Training enhanced service delivery and team cohesion, while a well-being survey was conducted to inform future initiatives such as green spaces and a potential on-site gym. Competitive wages were maintained well above the national minimum, complemented by seasonal support programs and employee recognition events.

A highlight of the year was a collaboration with local reform schools to create vibrant murals now displayed at the port entrance, reflecting APD’s ongoing commitment to community upliftment. These efforts underscore HR’s role in building a resilient, engaged workforce — anchored in progress today and preparing talent to transform tomorrow.

SECURITY

In 2025, the Security Department focused on strengthening compliance and cultivating a culture of leadership and teamwork. As an ISPS-compliant facility, APD maintained its perfect record of 100% compliance through strict protocols and continuous improvement.

This year, the department launched an internal recognition program to celebrate excellence and motivate staff. These efforts have boosted morale, uniting the team around a shared sense of purpose.

Operationally, the department advanced digital transformation initiatives, streamlining processes to improve efficiency and reduce environmental impact. Planning also began for the adoption of new surveillance and analytics technology to enhance threat detection and operational oversight.

Looking ahead, the team is focused on building clear career pathways and integrating innovative tools to ensure APD remains a safe, secure, and future-ready port — resilient today, transforming tomorrow.

HEAVY EQUIPMENT OPERATIONS

In 2025, the Heavy Equipment Department played a critical role in advancing this year’s theme. Responsible for APD’s cranes, vehicles, generators, and other key equipment, the team focused on innovation, reliability, and operational excellence.

A major milestone was the transition to a fully digital maintenance system, enabling real-time tracking and proactive management of equipment. This shift has reduced downtime, streamlined communication, and improved efficiency across all operations.

The department also responded quickly to challenges, including a crane failure during peak activity, restoring full operations within 24 hours and maintaining a 95% vessel turnaround rate. New daily equipment checks further enhanced safety and extended the lifespan of critical assets.

Looking ahead, plans are underway to send team members aboard for simulation training to prepare the next generation of crane operators and ensure long-term sustainability. Through teamwork, innovation, and adaptability, Heavy Equipment Operations continues to anchor present-day reliability while building the capabilities that will transform tomorrow.

TERMINAL PLANNING

In 2025, APD advanced its mission to position the Nassau Container Port as a model of operational excellence, innovation, and sustainability — navigating a dynamic global shipping environment while reinforcing its role as the primary gateway for 95% of The Bahamas’ imports.

The year was marked by strategic investments in technology, people, and processes. Digitization remained a cornerstone, with Terminal Planning and Terminal Operations integrating advanced systems to streamline workflows, enhance visibility, and improve decision-making—reducing processing times, eliminating paper-based inefficiencies, and bolstering resilience during disruptions.

Workforce development was a key focus, with apprenticeship programs, cross-training, and leadership succession planning to build the next generation of port professionals. Hybrid crane operator training and ongoing employee engagement further nurtured a culture of safety, innovation, and excellence.

Despite challenges, including staffing shortages and severe weather events, teams demonstrated adaptability and dedication, ensuring seamless operations and uninterrupted service to the nation.

Looking forward, APD is preparing for emerging trends in automation, sustainability, and cleaner energy solutions—reducing environmental footprint while strengthening efficiency. Anchored in progress, the port remains resilient today and ready to transform tomorrow — delivering long-term value for The Bahamas and the region.

TERMINAL OPERATIONS

For the Terminal Operations Department, 2025 was a year defined by versatility and adaptability — qualities at the heart of APD’s commitment to resilience and transformation. The team continued to oversee the complex choreography that drives APD’s core business: the seamless movement of containers, cargo, and vehicles through the Nassau Container Port. Responsible for every unit that crosses the apron, the department ensures that vessels are unloaded, trucks processed, and goods distributed with efficiency and precision.

The past year brought both challenges and achievements. Reduced vehicle laydown space required more strategic planning and coordination, particularly during peak arrivals when up to 800 vehicles could arrive in a single week. Yet the team maintained operational fluidity, optimizing space and workflows to keep cargo moving safely and efficiently. The department also advanced its digital transformation, replacing paper-heavy planning and reporting systems with digital JotForms and new crane-mounted tablets. These upgrades have reduced paperwork, improved safety, and streamlined operations — saving time and increasing accuracy in vessel planning and container handling.

The team’s resilience under pressure was evident throughout the year. On one occasion, three vessels were serviced simultaneously with just a single crane — a challenge met through careful planning and teamwork. In another standout moment, crane operator Dave Nagee completed over 300 container moves in under 11 hours, exemplifying the department’s commitment to performance and excellence. The introduction of a hybrid inspector model, which cross-trained staff to work both gate and berth operations, further enhanced efficiency, reduced staffing needs, and opened pathways for career advancement.

Terminal Operations’ impact on APD’s success cannot be overstated. With average truck turn times under 18 minutes— well below industry benchmarks — and a strong record of on-time vessel departures, the department ensures the timely flow of goods that sustain The Bahamas, where up to 95% of all consumed products arrive by sea.

Behind the scenes, the department’s ability to innovate, problem-solve, and deliver under shifting conditions continues to anchor APD’s progress, proving that versatility is not just a strength — it is the foundation for the company’s continued transformation.

FACILITIES

The Facilities Department oversees the maintenance and operation of two critical APD assets — the Nassau Container Port and the Gladstone Freight Terminal. In 2025, the team continued to play an essential role in ensuring both sites remain safe, efficient, and welcoming for tenants, partners, and visitors, while also advancing major operational improvements that reflect APD’s broader commitment to being resilient today while transforming for tomorrow.

This year was defined by a significant transition toward digitalization, an essential step in building the adaptive infrastructure needed for the port’s future. The department phased out paper-based systems in favor of real-time digital platforms for preventive maintenance, daily inspections, and vendor work orders. The shift improved efficiency, allowing multiple inspections and reports to be submitted and tracked simultaneously, providing instant access to data across the team. Even third-party contractors are now integrated into this digital workflow, creating greater accountability and faster resolution of maintenance tasks.

The team’s collaborative spirit was evident throughout the year. When faced with staffing challenges, members worked collectively to ensure operations continued without interruption. They also took on new responsibilities, completing the full fit-out of Bay 13, a new multi-purpose meeting space, entirely in-house — demonstrating both initiative and cost savings. The installation of smart AMI meters further enhanced operational oversight, allowing real-time tracking of electricity consumption and more accurate budgeting.

Environmental stewardship and sustainability remained a priority, reinforcing APD’s long-term vision of progress. The department assisted with the planting of ten silver buttonwood trees to expand green space on site and is actively exploring a solar car park field to reduce energy consumption and support APD’s ESG commitments. Preparations are also underway to adapt to broader energy shifts, including solar grid integration and LNG adoption, which are expected to reduce costs and environmental impact over the long term.

Despite being a lean team of just ten members, the Facilities Department’s dedication was reflected daily — from maintaining one of the cleanest port environments in the region to ensuring every detail, from restroom readiness to refrigerated cargo storage, operated seamlessly. Their behind-the-scenes efforts continued to anchor APD’s operational progress while positioning the company for the transformative opportunities ahead.



FINANCE

The Finance Department focused on enhancing efficiency, accuracy, and customer service, reinforcing APD’s reputation for operational excellence. With strong emphasis on training and mentorship, the team continued to build internal capacity through structured coaching and performance appraisals.

Key advancements included digital tools that streamlined financial processes. JotForm-based workflows significantly improved the timeliness and completeness of critical reports—such as vessel activity reports which are essential for accurate invoicing. This reduced delays, minimized errors, and improved responsiveness to customers.

In alignment with APD’s commitment to innovation, the department advanced the **Electronic Funds Transfer (EFT) Project** with RBC. While still in testing, this initiative is a major step toward reducing manual interventions, improving payment accuracy, and accelerating transaction times.

By prioritizing process improvements, timely invoicing, and accurate reporting, Finance strengthened both performance and client trust — anchoring present-day reliability while enabling tomorrow’s transformation.

OCCUPATIONAL HEALTH, SAFETY AND THE ENVIRONMENT (OHSE)

In 2025, the OHSE Department strengthened APD’s culture of safety and wellness, guided by the mantra SAFE – Safety, Accountability Fosters Excellence. A major highlight was the successful external audit of APD’s Integrated Management System (IMS), passed with no major or minor findings — demonstrating excellence in compliance and cross-department collaboration.

Team members earned advanced certifications and shared knowledge across the company. The return of APD’s Health and Safety Fair brought free screenings and wellness resources to employees and the community, while operational improvements — such as tire tread depth gauges — enhanced inspections and efficiency.

Aligned with APD’s ESG goals, OHSE led impactful outreach, including the Simpson Penn Centre for Boys and Williamae Pratt Centre for Girls container murals at the port entrance. These efforts reflect a commitment to safety, accountability, and positive community impact — resilient in practice today and shaping a safer tomorrow.



ESG PLATFORM

During the 2025 fiscal year, APD continued to strengthen its partnership with KPMG and further its progress in its ESG journey. In the previous 2024 fiscal year, an action plan was crafted to support APD’s overall goals and objectives, and includes targeted outcomes and milestones, which will serve as an assessment tool through which success may be measured as APD’s journey continues.

Building on the 18 Strategic Value Initiatives (SVIs) established in 2023, APD continued to integrate ESG principles into daily operations. These initiatives remain the backbone of our strategy, guiding measurable action on climate resilience, digital transformation, workforce empowerment, and governance excellence:

- 1. Climate and Decarbonization:** Reduce the greenhouse gas (GHG) emissions footprint of the port and its tenants, with initial focus on Scope 1 & 2 emissions.
- 2. Port Modernization:** Enhance our ability to provide clean energy to customers, with an initial focus on reduction of reliance on fossil fuels for APD’s own operations.
- 3. Climate Resilience:** Protect the Port from adverse physical impacts of climate change, making it more resilient to catastrophic events such as hurricanes.
- 4. Environmental Care:** Minimize the Port’s impact on the environment (air, water, soil, acoustic environment, biodiversity).
- 5. Waste Management:** Reduce the amount of waste from the Port that ends up in landfill / enhance awareness of the waste challenge.
- 6. Staff Professional Development:** Focus on developing a skilled workforce for the future and remaining an attractive employer of choice.
- 7. Health & Safety:** Protect staff, contractors, and customers from health & safety hazards
- 8. Well-being Support:** Improve the well-being of employees.
- 9. Cybersecurity:** Reduce exposure to cyber risk.
- 10. Investing in Local Community – Education:** Create lasting improvements in the quality of life for local communities through education.
- 11. Local Business Support:** Foster a healthy local business environment for businesses in the vicinity of the port, as well as our users.
- 12. Safeguard for Families – Education:** Support local working families by providing schoolchildren with maritime interest access to scholarships.
- 13. Diversity, Equity & Inclusion:** Promote diversity and inclusion across the organization.
- 14. Responsible Business:** Promote an ethical work culture with robust governance.
- 15. Digitalization of Processes:** Improve agility, productivity value to the community, and supply chains. In addition, reduce costs and increase employee productivity by moving to digital processes where more efficient.
- 16. Digitalization of Operations:** Develop a Port community system to improve efficiency and effectiveness.
- 17. Transparency & Stakeholder Engagement, including Shareholder Education:** Promote transparency for stakeholders.
- 18. Executive Incentives:** Manage ESG-related business risks and pursue opportunities.

While originally developed during the 2023 fiscal year, these SVIs remain a constant feature of daily operations. Monitoring, assessing, and reevaluating these SVIs and their associated KPIs are critical in ensuring that our commitments are upheld. Data is gathered consistently throughout the year to measure progress, an initiative made more efficient with the introduction of interactive dashboards. Major progress under this framework is noted below.

ENVIRONMENTAL

Decarbonization and Port Modernization

Our upgrades to Konecranes proved to be worthwhile regarding our greenhouse gas (GHG) emissions footprint, with major Scope 1 reductions in crane fuel consumption noted in comparison against our 2023 baseline year. The introduction of more fuel-efficient equipment also contributed to declines. Additionally, an energy audit was completed to pinpoint opportunities to support the reduction in our Scope 2 emissions and energy consumption. Major energy efficiency upgrades and the introduction of advanced metering infrastructure (AMI) took place as a result. Further opportunities for renewable energy generation are currently being explored.

Climate Resilience

With the assistance of KPMG we engaged in meetings with international climate experts to discuss data surrounding our resiliency, quantifying the impacts of exposure to threats and challenges. Ultimately, in short, medium and long-term scenarios, the unfortunate degradation of Nassau Harbour’s western breakwater remains the most prominent threat to the Nassau Container Port and surrounding establishments along the harbour.

Environmental Care

Progress towards minimizing the impact of APD’s operations in relation to air, water, and noise pollution within the port and support was underpinned by the procurement of air quality monitoring equipment. Installation is on target for late 2025. With this investment, we aim to establish a baseline for air quality, data will then be able to inform measurable sustainability-related initiatives in the future.

Waste Management

Responsible waste management and reduction strategies continued to be considered during the 2025 fiscal year. APD is actively exploring waste reduction strategies and strategic partnerships.

SOCIAL

Well-being

Several initiatives are underway as a result of a well-being survey distributed to staff during the 2025 fiscal year. Additionally, a number of well-being and fitness-related challenges and other initiatives took place throughout the year, including the introduction of APD-sponsored sessions led by a reputable fitness instructor. Further promoting a sense of interconnectivity and staff appreciation, the company’s quarterly newsletter, “The Anchor”, was relaunched for the first time in years. The relaunch has proven to be a point of excitement, and the employee highlights or interview sections provide an opportunity to strengthen the bonds and familiarity within APD.

Cybersecurity

Cybersecurity resilience continued to be a focus with heightened awareness visible across all departments. This was underpinned by training and phishing simulations, which target all levels of staff to ensure everyone at APD remains sharp.

Health & Safety

Our strong focus on health and safety and its supporting systems proved to be successful with another year of decreased incidents and an increase in time elapsed between incidents.

Corporate Social Responsibility (CSR)

APD has continued to invest the skills, knowledge, and time of its people, and funds into various national development programs and community-based initiatives. Supporting organizations and charities involved in meeting and addressing the needs and challenges of The Bahamas and its people is core to APD’s values.

One of the most notable engagements this year was the mural partnership with the Simpson Penn Centre for Boys and the Willie Mae Pratt Centre for Girls. These centers are home to children remanded to alternative educational and behavioral programs by the Government’s Juvenile Court System. Executives and team members from APD spent time painting with the children and meeting with them to impart words of wisdom and encouragement. The children visited the Nassau Container Port for exposure to port operations, the maritime industry and potential career opportunities.

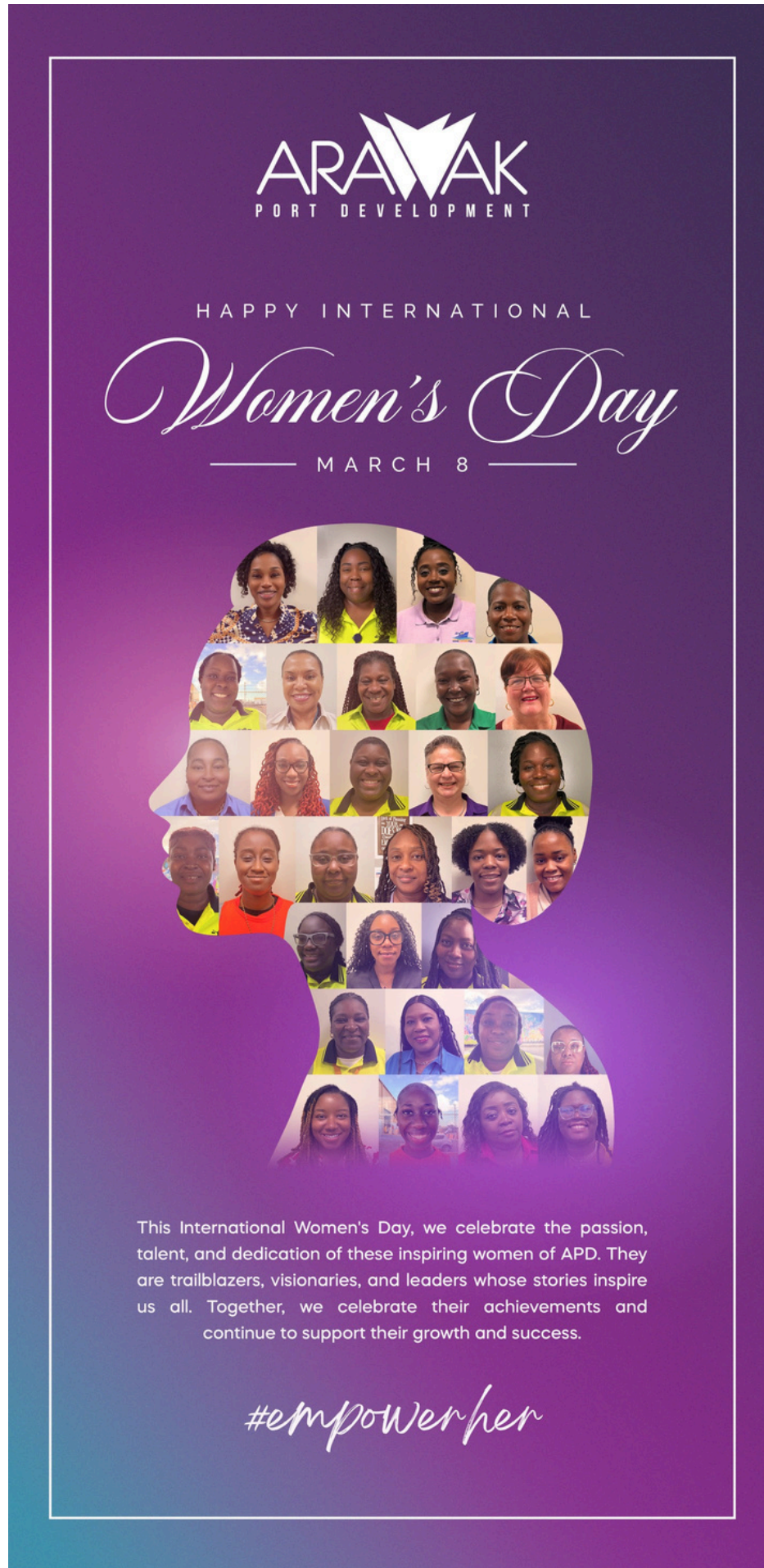


Staff Professional Development

The 2025 fiscal year continued to echo the success of the previous year, with another increase in average training hours per employee. This trend was reflected in males and females, with a total of just under 7,000 hours of training for all staff, an increase of over 16% compared to the previous fiscal year. Furthermore, a new training segment based on sustainability and our ESG framework became a permanent installation in our orientation sessions, mandatory for all incoming staff. This ensures that even those new to APD are well acquainted with our goals and commitments and their role in furthering our progress.

Diversity, Equity & Inclusion

Noting the international industry trends, APD continues to work to achieve gender equality among male and female staff. We have placed increased focus on encouraging women to embrace their place in this industry. Notably, we partnered with the Nassau Cruise Port throughout the year to highlight women transforming the maritime sector and provide exposure and encouragement to female cadets at the LJM Maritime Centre. Additionally, our newest female crane operator apprentice serves as another beacon of APD's commitment to progress related to Diversity, Equity & Inclusion.



This International Women's Day, we celebrate the passion, talent, and dedication of these inspiring women of APD. They are trailblazers, visionaries, and leaders whose stories inspire us all. Together, we celebrate their achievements and continue to support their growth and success.

#empowerher

GOVERNANCE

Responsible Business

We continue to assess the results of the review of our current code of conduct, which included a benchmarking exercise with several other leading ports around the world to make the most impactful changes.

Digitalization of Processes & Operations

This fiscal year was transformative as we pushed to shift towards digitalization. A slew of digital forms and processes across departments have replaced paper-based workflows. By the end of the 2025 fiscal year, over 18,000 submissions have been processed digitally, creating a centralized, traceable, and secure system for inspections, service requests, checklists, and daily logs. This year also marked the strengthened adoption of a digital asset management system, modernizing the way equipment, maintenance schedules, and service histories are tracked and managed. These advancements have strengthened internal audit capabilities and compliance through digital timestamps and structured data, while advancing ESG goals by reducing paper use, improving operational efficiency, and enabling real-time reporting and dashboard integration. To further enhance communication and accessibility, two internal digital signage boards and one public-facing digital display in the Maritime Centre of the Nassau Container Port have been deployed, supporting real-time operational updates and employee engagement.

Transparency & Stakeholder Engagement, including Shareholder Education

To promote transparency in our annual reporting we are considering the two inaugural global sustainability disclosure standards, published by the International Sustainability Standards Board (ISSB) in June 2023. The Board of Directors previously received training on the ISSB standards. In addition, we have begun improvements in transparency in our reporting at our annual general shareholders meeting. We will continue to explore how we may further improve transparency in our reporting and likewise improve trust and confidence in disclosures about sustainability to help inform stakeholders' decision-making.

Executive Incentives

With digitization efforts ramping up to provide timely data and actionable insights, and the establishment and evaluation of KPI's, we are becoming closer to aligning our efforts on sustainability with incentives ensuring accountability of top executives while rewarding them for making decisions that are good for the environment and society, as well as for APD. The proposed plans are subject to change based on the outcomes of discussions between parties to agree on the most appropriate actions moving forward.

CRANE APPRENTICE PROGRAM



“We could have filled these roles by hiring experienced operators from outside. Instead, we made a deliberate decision to invest in our people — growing talent from within and ensuring APD has the skills and knowledge needed for decades to come.”

— Rudolph Tener-Knowles, AVP of Operations and Facilities



The strength of any port lies not only in its infrastructure but in the skill and dedication of the people who keep it running. At Arawak Port Development Ltd. (APD), this principle guided the launch of our Crane Apprenticeship Program — a groundbreaking initiative designed to secure the future of port operations by cultivating a new generation of highly skilled crane operators.

This year, APD proudly introduced its inaugural cohort of apprentices, creating a structured pathway for internal talent to advance into one of the most vital and specialized roles at the Nassau Container Port. With several senior crane operators nearing retirement, this program ensures business continuity, operational excellence, and a sustainable pipeline of expertise, while offering ambitious employees the opportunity to elevate their careers.

The Crane Apprenticeship Program is the **first of its kind in New Providence**, positioning APD as a leader in workforce development and skills training. Government officials have already expressed interest in replicating the model to expand training opportunities into other sectors, including port mechanics and logistics.

WORLD-CLASS TRAINING FOR A WORLD-CLASS PORT

The eight-month Crane Apprenticeship Program combined international expertise with rigorous on-the-job experience. It unfolded in three phases:

1. **Simulation Training Abroad** – Apprentices began their journey with two weeks at Liebherr’s Miami facility, mastering the fundamentals of crane operation through state-of-the-art simulators.
2. **On-Site Practical Training** – Liebherr trainers then traveled to Nassau to deliver two weeks of hands-on instruction, bridging theory and real-world application.
3. **Mentored On-the-Job Experience** – For the remainder of the program, apprentices work alongside seasoned crane operators, gradually increasing their skill and speed while operating under direct supervision.

Apprentices also received instruction in rigging fundamentals, learning to manage oversized or out-of-gauge cargo safely. Safety protocols are woven throughout the curriculum, from daily checklists to refresher courses and international certification.

“Safety is number one. From day one, we were taught that every decision, every move, begins with keeping our team and the port safe.” — Thyrell Thompson

A RIGOROUS SELECTION PROCESS

When the apprenticeship program was announced, interest was immediate. Eight employees applied for three coveted spots, demonstrating the **depth of talent and ambition within APD’s workforce**.

Candidates underwent a comprehensive selection process, including structured interviews, performance and attendance record reviews, and specialized physical assessments. These **evaluations tested stamina, focus, and readiness to work at heights exceeding 100 feet**. Reliability was especially critical, as crane operators play a vital role in ensuring vessel schedules are met safely and efficiently.

From this competitive process, **three outstanding apprentices were chosen**:

- Thyrell Thompson, formerly Operations Department
- Deneko Smith, formerly Facilities Department
- Leo Hepburn, formerly Operations Department

Their selection marked a milestone for APD and the industry, with Thyrell breaking new ground as the **second woman to join APD’s crane operator ranks**.

“This role requires total focus and discipline. From the very beginning, we wanted to ensure the right people were chosen — individuals who would set the standard for the future of our operations.” — Rudolph Tener-Knowles, AVP of Operations and Facilities

MEET OUR APPRENTICES



THYRELL THOMPSON

When Thyrell joined APD as an Operations Inspector in February 2024, she never imagined she would soon be training to operate cranes towering more than 100 feet above the port. From her first day, she was fascinated by the specialized work of crane operators.



“For years, only a handful of operators kept things moving. Now, we’re building a new generation to carry this work into the future.”

“The first time I saw the crane, I knew I wanted to be up there,” Thyrell recalled. “I like challenges, and this role demands precision and focus — every lift matters because even the smallest mistake can affect safety or the vessel itself.”

As one of the first female apprentices, Thyrell’s journey reflects APD’s commitment to creating pathways for women in traditionally male-dominated industries.

“It feels good to be a visible example for other women,” she said. “I hope more young Bahamians, especially women, see this as a pathway to a rewarding and meaningful career.”

LEO HEPBURN

Before joining APD, Leo worked in hospitality, where interactions with international guests sparked his interest in finance and introduced him to the world of trade and logistics. That exposure ultimately led him to APD.

“When I learned about APD, I thought, this is a company where I can build a future,” Leo said. “I applied online, and when I got the call, I was thrilled to know I’d have a chance to grow here.”

Starting as an Operations Inspector, Leo worked closely with vessel operations and container logistics. When the apprenticeship program was announced, he submitted a letter of intent, highlighting his interest in machinery, strong hand-eye coordination, and drive to learn.

“I’ve always been fascinated by machinery,” he explained. “And I’m a gamer, so my hand-eye coordination is sharp. When I saw this opportunity, I jumped at it.”



DENEKO SMITH

Deneko joined APD’s Facilities Department in 2021, bringing a strong work ethic and extensive experience with heavy machinery, including forklifts and man lifts. Known for his dependability and team-first attitude, he quickly distinguished himself as someone who could be trusted with greater responsibility.



“At APD, we function like a family,” Deneko explained. “Even if I’m not 100%, I still come to work because my team depends on me. If I stay home, the workload and stress fall on others — and nothing moves forward.”

For Deneko, the apprenticeship is more than just career advancement. It represents an opportunity to deepen his skills, embrace new challenges, and contribute to APD’s future success.

LOOKING TO THE HORIZON

By **November 2025**, APD expects to have **seven trained crane operators**, ensuring operational resilience and readiness to meet increasing cargo demands. While **apprentices begin independent operation within three to four months**, it typically takes two to four years to reach **APD's benchmark of 23 container moves per hour**.

For Leo, that goal is just the beginning.

“My dream is to master this craft and keep moving up,” he said. “One day, I’d love to rise through the ranks — maybe even to a VP role. This program is just the first step.”

As APD looks forward, the Crane Apprenticeship Program **embodies our theme: Anchored in Progress — Resilient Today, Transforming Tomorrow**. By investing in its people, APD is setting new standards for excellence in The Bahamas’ maritime industry.

“It’s exciting to know that a company of our size is leading the way nationally,” said Mr. Tener-Knowles. “Through this program, we are building skills, careers, and resilience for the future.”

Program Highlights

- **Cohort:** 3 apprentices — Thyrell Thompson (Operations), Deneko Smith (Facilities), Leo Hepburn (Operations)
- **Training Duration:** 8 months
- **International Training:** Liebherr simulation in Miami
- **On-Site Training:** Hands-on instruction with Liebherr trainers at APD
- **Proficiency Benchmark:** 23 container moves per hour, typically achieved in 2–4 years
- **Operational Impact:** Expands APD’s crane operator team to seven, ensuring seamless succession planning as senior operators transition toward retirement

APD wants this program to represent the beginning of a legacy. By developing internal talent and pioneering specialized training, APD is **anchored in progress today** and building a workforce ready to **transform tomorrow**, shaping the future of The Bahamas’ maritime sector.





MICHAEL MAURA JR.

CHAIRMAN

Appointed by ACPDHL

Michael J Maura Jr. was named chairman of the APD Limited Board on 1 November 2018. In July 2019, he was appointed regional director for the Caribbean and Americas of Global Ports Holding (GPH), the world's largest independent cruise port operator. GPH, the Bahamian Investment Fund ("BIF") and the Yes Foundation form Nassau Cruise Port Ltd, a consortium, which was awarded the tender for a 25-year concession for the Prince George Wharf and related areas at Nassau Cruise Port. A Bahamian, Mr Maura had previously led APD Limited for nine years as president and chief executive officer. He brings to the APD Board the knowledge and experience garnered from over 20 years in Shipping and Logistics, working both in the United States and The Bahamas. He played a foundational role in the development of APD Limited and the company's Nassau Container Port and Gladstone Freight Terminal. Mr Maura is credited with drafting the Nassau Container Port's conceptual plan and played a key role in the development of the Public-Private Partnership between APD and the Government of The Bahamas in 2010. He serves as a director of Arawak Cay Port Development Holdings Limited and APD Limited. Passionate about the quality development of the maritime industry of The Bahamas and the country's economy, Mr Maura recently served as Chairman of the Bahamas Chamber of Commerce & Employers Confederation and was a committee member of the "WTO working group" charged with understanding how WTO accession may impact the Bahamian economy. He is a director of AML Foods, one of the country's largest food retailers. He is also a member of the National Ease of Doing Business Committee and was appointed to the Government's National Reconstruction & Disaster Committee. Mr. Maura is a former director of the Bahamas Trade Commission. At home and abroad, including such countries as Korea, Jamaica, and the U.S., he has served as a panelist in various forums addressing "Efficient Port Infrastructure" and "Public Private Partnerships". In 2021, the American Caribbean Maritime Foundation (ACMF) honoured Michael Maura with its Anchor Award as "trailblazer and legend" in the maritime industry. He is a graduate of Rollins College in Winter Park, Florida, with a B.A. degree in Economics and a minor in Business Administration. Mr. Maura has completed postgraduate courses in Public Private Partnerships, Single Window for Foreign Trade, Maritime and Supply Chain Security and, most recently, a Harvard Kennedy School Executive Programme on Mastering Trade Policy.



ROGER MINNIS

DEPUTY CHAIRMAN

Appointed by Government

An attorney-at-law by profession, Roger Minnis was born in historic Bain Town in the capital, but spent his earliest years at Calabash Bay, Andros. A 1971 graduate of St. Augustine College, Mr. Minnis went on to complete tertiary-level studies in Canada, beginning at Toronto's Meisterschaft College. He graduated from York University in 1980 with a Bachelor of Arts degree in Economics. In 1982, following a brief stint as a management trainee in the employ of Canadian Imperial Bank of Commerce, Mr. Minnis entered law school at the University of Buckingham. He obtained a Bachelor of Laws (LLB) degree in 1985 and, in the same year, began articling under Hubert Ingraham, a partner at Christie, Ingraham & Co. He was called to The Bahamas Bar in October of 1990, his petition presented by Phillip "Brave" Davis Q.C, a partner at Christie, Ingraham & Co (later Davis & Co). He entered private practice on 1 June 1991 and continues to present. Roger Minnis is a former member of the Board of the Bank of The Bahamas, serving as Chairman of the Credit Risk Committee for about two years. He is a member of the Anglican Community and a Freemason affiliated with Lodge St. David of the Scottish Constitution since June of 2000.



FRANKLYN BUTLER II

SECRETARY

Appointed by ACPDHL

Franklyn Butler II serves as an independent Director. He is Chairman of the Milo Butler Groups and President and Managing Director of Milo B Butler & Sons Co. Ltd. Mr. Butler had managed the latter company's Sales and Operations units for ten years previously. Having served as Vice-Chairman since June 2017, Mr. Butler was appointed CEO of Cable Bahamas Ltd. in May 2018, the first Bahamian to lead the company since its inception in 1994. He also holds the following positions: Chairman of AML Foods Limited; Chairman of Aliv, as well as Chairman of the Board of NewCo 2015 Limited (NewCo), recipient of the nation's second license for the provision of cellular and data services. He serves as a director of several companies, including Tuscan Shores Developments Company. Mr. Butler is a graduate of St. Anne's High School, Fox Hill, New Providence. He furthered his education in England at Trent College in Nottingham, England, where he studied for and received his A' levels. He went on to the University of Warwick in Coventry, England, graduating with a Bachelor of Science degree in Accounting and Finance.



PATRICK DAVIS

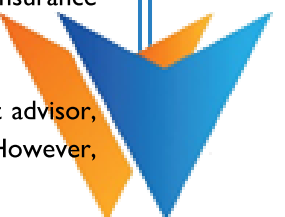
DEPUTY SECRETARY DIRECTOR

Appointed by Government

Patrick Davis currently serves as the National Coordinator for Information Technology with the Bahamas Government in the Ministry of Economic Affairs. He is a retired Chartered Accountant who has accumulated extensive experience in his field of expertise. Mr. Davis began his professional career at the private sector accounting firm Coopers & Lybrand, where he held various staff and executive positions. He focused on managing corporate IT, the finance and accounting departments. Additionally, he contributed knowledge and experience in utilities, transportation, land development and local government municipalities operations. He is also a passionate Bahamian entrepreneur and small business advocate with past and present holdings in restaurant franchises, petroleum, retail and the delivery of financial and accounting management and advisory services.

Mr. Davis is a lifelong learner, and his educational journey has taken him to many places and, ultimately, has granted him access to the achievements he now enjoys. He began his college career at home, attending the College of The Bahamas, where he received an Associate of Arts in Accounting in 1985. Later, he graduated Magna Cum Laude from Temple University in Philadelphia, USA, with a Bachelor of Science in Accounting. Subsequently, he completed the unified certified public accountancy examination and qualification from the State of Colorado. An early member of the Bahamas Institute of Chartered Accountants, Mr. Davis credits his faith and work ethic as fundamental to his life's journey. Among a wealth of civic involvements, Mr. Davis has served on Boards such as The Anglican Central Education Authority, the National Insurance Board and the Grand Bahama Chamber of Commerce.

His love for working with our youth is evident. In this regard, he served as a Junior Achievement advisor, Sunday school teacher and basketball coach at the Bishop Michael Eldon School. However, accomplishments and civic duties aside, Mr. Davis' greatest joy is being a father to his son Navah.





JAMES MOSKO DIRECTOR

Appointed by ACPDHL

James Mosko returned to the Board of Directors in June 2021 after a hiatus of seven years. Mr. Mosko served as Chairman of the Board from the inception of APD in 2009 until February of 2014, when he retired from the post. He led the company through the construction of Nassau Container Port and Gladstone Freight Terminal, a challenging yet exciting undertaking. A seasoned civil engineer and the President of the Mosko Group of Companies, he brought over decades of professional experience, which has included demanding projects throughout the islands of The Bahamas. Among the ventures to which he contributed his expertise were Phase II & III of the Atlantis Resort on Paradise Island.



R. CRAIG SYMONETTE DIRECTOR

Appointed by ACPDHL

Craig Symonette was educated at St Andrew's School in Nassau, The Leys School in England and the UWO in Canada, where he obtained his HBA in business administration. Mr Symonette was the founding partner of Bahamas Ferries, a passenger and cargo transportation company operating within the islands of The Bahamas. Mr. Symonette is also active in local business and serves as a director on the boards of Commonwealth Bank and RBC Trust.



DAVID DAVIS DIRECTOR

Appointed by Government

David Davis brings to the APD Board a wealth of knowledge and experience as a career public servant, having contributed to several government ministries in various capacities since 1980, most recently as Permanent Secretary (PS) in the Ministry of Environment & Natural Resources. Before this, his postings have included stints as PS in the Office of the Prime Minister (OPM), the Ministry of Trade & Industry, Immigration and the Ministry of Labour. Previously, he held the post of Director of Investments with the Bahamas Investment Authority from 2007 to 2008 and, in the latter year, was first appointed Permanent Secretary (OPM). Among Mr. Davis' other professional experiences, he spent a year as Technical Assistant to the Executive Director Caribbean Constituency of the Inter-American Development and Inter-American Investment Corporation, Washington, D.C., USA. Mr. Davis is a graduate of Florida International University with a Master of Arts degree in Economics (1986). He holds a BSc (Hons.) in Economics from the University of the West Indies (1980) and is also a graduate of the International Monetary Fund Institute with a focus on Government Finance Statistics. He has also participated in the International Visitor Programme of (ISIA) Industrial Security Integration & Application of the US Defense Counterintelligence and Security Agency.





EXECUTIVE TEAM



**DION BETHELL,
CPA, C.DIR**

**President &
Chief Financial Officer (CFO)**

Dion Bethell is President and Chief Financial Officer of APD with over 14 years' experience in international shipping, having served as CFO at Container Terminals Ltd; a subsidiary of Tropical Shipping Ltd. Prior to this, Mr. Bethell spent over 16 years working in the financial services industry with his last role being that of Director, Vice President and CFO at W&P Fund Services Ltd. /The St. James Bank & Trust Company Ltd. Mr Bethell serves as Chairman of the Bahamasair Employees Provident Fund.

Mr. Bethell has a Bachelor of Business Administration degree in Accounting from Tiffin University in Ohio, U.S.A. and is a licensed Chartered Accountant with the Bahamas Institute of Chartered Accountants and also ICA International Diplomas in Anti-Money Laundering and in Compliance. Mr. Bethell also completed Portfolio Concepts and Management programmes at Aresty Institute Executive Education Programme – Wharton, University of Pennsylvania.



**RUDOLPH
TENER-KNOWLES**

**Assistant Vice President, Sr. Manager
of Operations & Facilities**

Rudolph C. Tener-Knowles is APD's Assistant Vice President/Sr. Manager of Operations & Facilities, having more than two decades of expertise in the business, including stints at the Freeport Harbour, Freeport Container Port, and Grand Bahama Airport Company in Grand Bahama. He is skilled at managing client relationships, formulating corporate strategy, and ensuring operational efficiency.

Mr. Tener-Knowles holds a bachelor's degree in business from Valdosta State University, as well as credentials in finance and entrepreneurship, and has attended industry trade fairs both locally and globally.



KINO WILLIAMSON, CPA

**Assistant Vice President,
Sr. Manager of Finance & ICT**

Kino Williamson is the Assistant VP/Senior Manager of Finance with over 20 years' experience in the accounting profession. He started his career at Deloitte, before moving to The Hongkong and Shanghai Banking Corporation Limited (HSBC) as the Finance Manager. More recently, Mr. Williamson served as the Head of Finance at Cable Bahamas where he had direct responsibility over all financial matters including financial reporting, debt financing, cash flow management, budget and strategic planning for the Group. In 2018, he transitioned into the telecom space as a Consultant with the Finance team at BeAliv Limited.

Mr. Williamson attained a Bachelor of Business Administration degree with a focus in Accounting from Acadia University in Nova Scotia, Canada. He is a Certified Public Accountant (CPA) and a member of the Bahamas Institute of Chartered Accountants. Mr. Williamson also completed his certification in the Canadian Securities Course.



**RITA RAMSAY,
MBA, CHRM**

**Assistant Vice President,
Sr. Manager HR & Occupational
Health, Safety & Environment**

Rita Ramsay has 20-plus years' experience in the field of Human Resources as a human resources generalist providing support to Management in the following areas: staffing, employee relations, performance management, human resource policies, compensation and benefits, and training and development.

Prior to joining APD Limited, Mrs. Ramsay served as Human Resources Manager in the insurance and airline industries. Her passion lies in managing and helping people as well as managing properties, having spent her entire career in those fields. She has a broad range of experience in managing properties, marketing, public relations, training, airline security and asset procurement.

Mrs. Ramsay holds an Associate of Arts degree in Management from The College of the Bahamas, a Bachelor of Science degree in Management, and a Master of Business Administration (MBA) both from The University of Nova Southeastern University. She is also a Certified International Project Manager (CIPM) and a Certified Human Resources Manager (CHRM). She is a current member of The Bahamas Society for Human Resource Management (BSHRM).

MANAGEMENT TEAM



ANTHONY COOKE
FINANCE
(OPERATIONS & REPORTING)

Anthony Cooke, with over 12 years at APD, has accumulated over 20 years of experience in the financial services sector, serving as Accounts Manager at Cooke-McIver & Co and Operations Manager and Money Laundering Reporting Officer at The St. James Bank & Trust Company.

Mr. Cooke holds a Bachelor of Science degree in Accounting and Finance from Florida State University in Tallahassee, Florida and ICA International Diplomas in Anti-Money Laundering and in Compliance.



BRANDO GLINTON
TERMINAL OPERATIONS

Holder of an LLB degree (LLB), Brando Glinton brings a wealth of certifications and professional experiences to his role as Terminal Operations Manager. Previously, he served successfully as Gate Interchange & Berthing Manager at APD. Before joining the team at Nassau Container Port, Mr Glinton worked for over 24 years in various roles with the Bahamas Customs Department, ultimately as a Customs/Revenue Officer.

In his pursuit of professional development, he has attended numerous customs, intelligence and detection training courses. Most notably, he is certified to operate both the MT1213LT Mobile Container Scanner and the Heimman-Smith X-Ray portable Scanner. Mr Glinton earned his LLB Law degree from the University of Huddersfield, England. He also holds an Associate of Arts degree in Management & Marketing from the Bahamas Baptist Community College in Nassau.



CHRISTLE JOSEPH
SECURITY AND SURVEILLANCE/PFSO

Christle Joseph is the PFSO-Security & Surveillance Manager at APD. In joining the company, she brought her valuable experiences gained as a leading Surveillance Investigator at the Atlantis Resort. The combination of this exposure with more than a decade of dedicated and exceptional services at APD, she now adds to her credit over 18 years of experience in the security/surveillance sector.

At APD, Mrs. Joseph specializes in maritime security with emphasis on the International Ship and Port Facility Security (ISPS) Code. She earned a BSc. degree in Business Management from Brigham Young University-Idaho.



JUSTINA MILLER
TERMINAL PLANNING

Justina Miller joined the APD family in November of 2011 as the official first woman gate inspector. Shortly after joining the company, there came the development of the Planning Department to which unit she was then transferred. Working in planning enabled Mrs. Miller to gain great knowledge of the Port's terminal operating system and vessel operations. She has since played an integral role in Navis upgrades and in training the terminal operators in XPS. She was promoted to Planning Lead, then elevated to Planning Supervisor, followed by her current appointment as Terminal Planning Manager.



FELIX ROLLE
FACILITIES MAINTENANCE

Felix Rolle brings to his position as the Port's Facilities Maintenance Manager an extensive background as a contractor, building single and multifamily dwellings, commercial buildings and schools. For years, Mr Rolle owned his own construction company, Felix Rolle & Sons, and was responsible for overseeing construction projects from concept to the finished product. His professional education includes an electronics degree from the College of The Bahamas in Nassau. He also received extensive training and systems certifications as a communications technician who worked closely with air traffic controllers in the civil aviation industry. Additionally, he holds the designation of Certified International Project Manager from the American Academy of Project Management.



WILLIAM HALL
HEAVY EQUIPMENT

William Hall has 26 years of experience in the Heavy Equipment repairs industry. Prior to his current employment, he served as Heavy Equipment Maintenance Manager at Impac Waste Ltd. Mr Hall has 10 years of experience in the shipping industry from his employment at the Freeport Container Port. During his tenure there, he received extensive overseas training earning credits and certificates. He is also certified in Mobile Harbour Cranes PLC programming from Gottwald Port Technologies in Germany. His passion for the industry has led him to become a Mechanical Instructor for the University of The Bahamas.



DARON DUNCOMBE
INFORMATION COMMUNICATION AND TECHNOLOGY

Mr. Duncombe is the Information Communication and Technology Manager at APD Limited. A dedicated and results-driven IT professional, who previously managed the IT department at PharmaChem Technologies G.B. Limited. Mr. Duncombe brings over 28 years of extensive experience, specializing in the support and management of complex IT systems. With a proven track record of leading high-performing IT teams, he excels in driving technological innovation, optimizing system performance, and enhancing overall business operations.

Mr. Duncombe is skilled at aligning IT strategy with organizational objectives to ensure maximum efficiency, security, and regulatory compliance. His leadership and deep industry knowledge continue to play a vital role in delivering reliable and forward-thinking technology solutions that support the company's growth and success.

Mr. Duncombe holds an Associate of Science Degree in Computer Hardware Technology from New England Institute of Technology in West Palm Beach, Florida.



JEMINGTON JOHNSON
OCCUPATIONAL HEALTH, SAFETY AND THE ENVIRONMENT (OHSE)

Before his promotion to his current post on the Management Team to which he was promoted in February 2023, Mr. Johnson served in APD's Gate Department as an Interchange & Berthing Inspector and Supervisor for more than nine years. He was the company's premier designate for the operational hybrid programme that encompassed key roles in Security, Planning, Shipside Checking & Operations Coordination. He has also served as co-captain of APD's First Responder & Emergency Preparedness teams. Before joining the company, he had contributed almost a decade to the hospitality services sector, not only as a Destination Manager but also worked in commercial and private safety and security firms.

FINANCIAL ADVISORS

KPMG CORPORATE FINANCE
5th Floor, Montague Sterling Centre East
Bay Street, P.O. Box N-123
Nassau, The Bahamas

ESCROW AGENTS

ROYAL FIDELITY LTD
51 Frederick Street P.O. Box N 7502
Nassau, The Bahamas

REGISTRAR & TRANSFER AGENTS

BAHAMAS CENTRAL SECURITIES DEPOSITORY
2nd Floor, Fort Nassau Centre Suite 202,
British Colonial Hilton P.O. Box N-9307
Nassau, The Bahamas

AUDITORS

PRICEWATERHOUSECOOPERS
Bayside Executive Park, Building No. 2
West Bay Street and Blake Road
P.O. Box N-3910 Nassau, The Bahamas

BANKERS

RBC ROYAL BANK (BAHAMAS) LIMITED
East Hill Street P.O. Box N-7549
Nassau, The Bahamas

CIBC FIRSTCARIBBEAN INTERNATIONAL BANK

Shirley Street P.O. Box N-8350
Nassau, The Bahamas

LEGAL COUNSEL

HIGGS & JOHNSON
Ocean Centre, Montagu Foreshore
P.O. Box N-3247 Nassau, The Bahamas

REGISTERED OFFICE

HIGGS & JOHNSON CORPORATE SERVICES
Ocean Centre, Montagu Foreshore P.O.
Box N-3247
Nassau, The Bahamas
Support Unit of the Royal Bahamas
Police Force Reserves.



IN MEMORIAM



MRS. PATRICIA GLINTON-MEICHOLAS

The passing of Mrs. Patricia Glinton-Meicholas, was a blow to the nation and impacted APD Limited profoundly. It is with the deepest respect and deepheartfelt sorrow that we honour the life and legacy of Mrs. Patricia Glinton-Meicholas, such a towering figure in Bahamian literature, culture, and education. Born on February 19, 1950, in Port Howe, Cat Island, Mrs. Glinton-Meicholas devoted her life to preserving, interpreting, and celebrating Bahamian identity through her many roles as writer, historian, educator, and cultural critic.

A pioneering voice, she was the first woman to deliver the Sir Lynden Pindling Memorial Lecture and the inaugural recipient of the Bahamas Cacique Award for Writing. Her extraordinary contributions were further recognized with the Silver Jubilee of Independence Medal for Literature (1998) and the Order of Merit (2021) for her service to culture, education, and the arts. Her works — including *An Evening in Guanima*, *Chasing Light*, and *How To Be a True-True Bahamian* — have become foundational texts that capture the complexity, humour, and spirit of Bahamian life.

Beyond her literary accomplishments, Mrs. Glinton-Meicholas played an extremely valued role within the APD family. For many years, she was responsible for drafting APD's Annual Report, a task she approached with unmatched attention to detail, eloquence, and an abiding respect for the company's mission and impact. Her deep understanding of APD's work — and her ability to translate that work into compelling narrative — made her an integral part of how we told our story to the nation and the world.

Mrs. Glinton-Meicholas will be remembered not only for her undeniable intellectual contributions but also for her generosity of spirit, mentorship, and unwavering belief in the power of storytelling to shape national identity. Her legacy continues to illuminate the path forward, reminding us of the enduring strength and beauty of Bahamian culture — and of the vital role she played in chronicling APD's own journey.



MR. HARVEY TYNES, KC

In 2025, APD Limited was saddened by the passing of Mr. Harvey Tynes, KC, who served as a Government-appointed Director on our Board from 2021 to 2022. During his tenure, Mr. Tynes brought invaluable guidance, sound leadership, and unwavering dedication to advancing APD's mission and strategic growth. His thoughtful counsel and principled approach shaped many of the company's most important decisions, leaving a legacy that continues to influence our path forward.

A towering figure in The Bahamas' legal landscape, Mr. Tynes was widely regarded as one of the nation's leading constitutional law experts. Over the course of more than five decades in practice, he handled landmark cases, co-chaired the 2002 Constitutional Review Commission, and mentored countless legal minds with characteristic generosity and rigor. Yet beyond his formidable intellect and fierce advocacy, those who worked alongside him remember a man of deep integrity, humility, and humour — a trusted advisor, a passionate mentor, and a steadfast friend.

Mr. Tynes' impact extended far beyond the courtroom and the boardroom. He was a devoted family man, a proud nationalist, and a champion for justice and equity. His legacy of service, excellence, and principled leadership will continue to guide and inspire us at APD for generations to come.

COMMUNITY PARTNERSHIPS





2026 OUTLOOK

As APD Limited (APD) looks ahead to 2026 and beyond, the company is poised to **leverage a year of foundational progress to chart new pathways for sustainable growth**. The coming year will focus on **strengthening operational resilience, investing in people and technology, and deepening community partnerships** to ensure APD remains a leading model for modern port management in the region.

Across every department, the groundwork laid in 2025 positioned APD to **expand capacity and efficiency** while maintaining the highest standards of safety, environmental stewardship, and customer service. Key initiatives include the continued rollout of the **Crane Apprenticeship Program**, which will build a skilled internal pipeline of future leaders, and enhancements to systems and processes to improve performance and streamline operations.



Externally, APD will strengthen its role as a **critical gateway for The Bahamas**, contributing to national economic growth through strategic partnerships and infrastructure planning. Community engagement will remain a priority, with programs that **connect local talent to global opportunity** and foster pride in the port's contribution to the nation's prosperity.

As global shipping trends evolve and regional competition intensifies, APD is prepared to navigate change with **innovation and foresight**. Guided by this year's theme, *Anchored in Progress – Resilient Today, Transforming Tomorrow*, the company enters 2026 with a clear vision: to serve as a **centre of excellence**, where operational strength, empowered people, and community impact come together to create lasting value for stakeholders and the country at large.



MANAGEMENT DISCUSSION & ANALYSIS

MANAGEMENT DISCUSSION AND ANALYSIS

This management discussion and analysis (MD&A) should be read in conjunction with the audited financial statements of APD Limited (the Company or APD) for the year ended June 30, 2025, and related notes. The financial statements have been prepared in accordance with IFRS Accounting Standards and are expressed in Bahamian dollars. This MD&A is dated October 27, 2025.

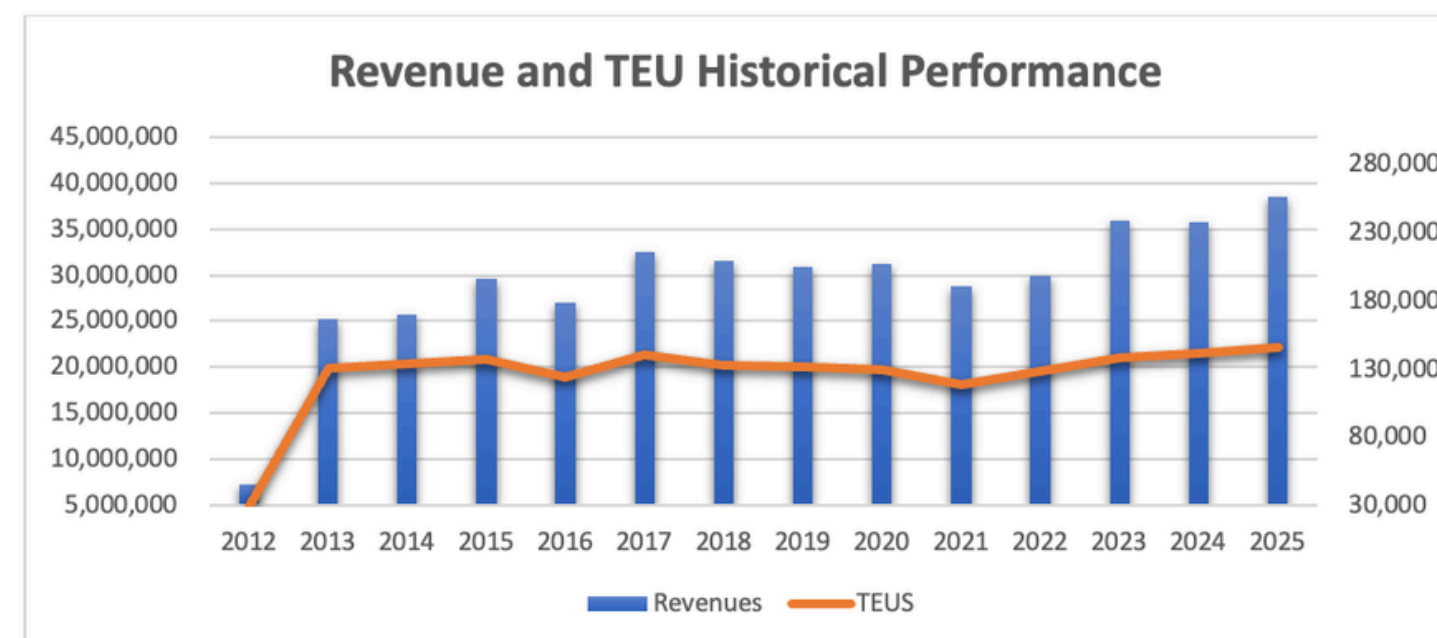
Forward Looking Disclaimer

From time to time, we make written or oral forward-looking statements. By their very nature, forward-looking statements involve numerous factors and assumptions which give rise to the possibility that these forward-looking statements may not be achieved. We caution readers not to place undue reliance on these statements as a number of important factors, including domestic and external influences, including unknown and unplanned economic and operational factors, could cause our actual results to differ materially from the expectations expressed in these forward-looking statements.

OVERVIEW

APD Limited owns, operates, and maintains the commercial port at Arawak Cay known as “Nassau Container Port” (the Port or NCP), an inland terminal on Gladstone Road known as “Gladstone Freight Terminal” (the Depot or GFT) and administrative offices on Arawak Cay known as “NCP Maritime Centre”. The financial year ended June 30, 2025, represents the thirteenth full year of operations after officially opening in May 2012. Our GFT facility was opened in August 2012.

FINANCIAL PERFORMANCE



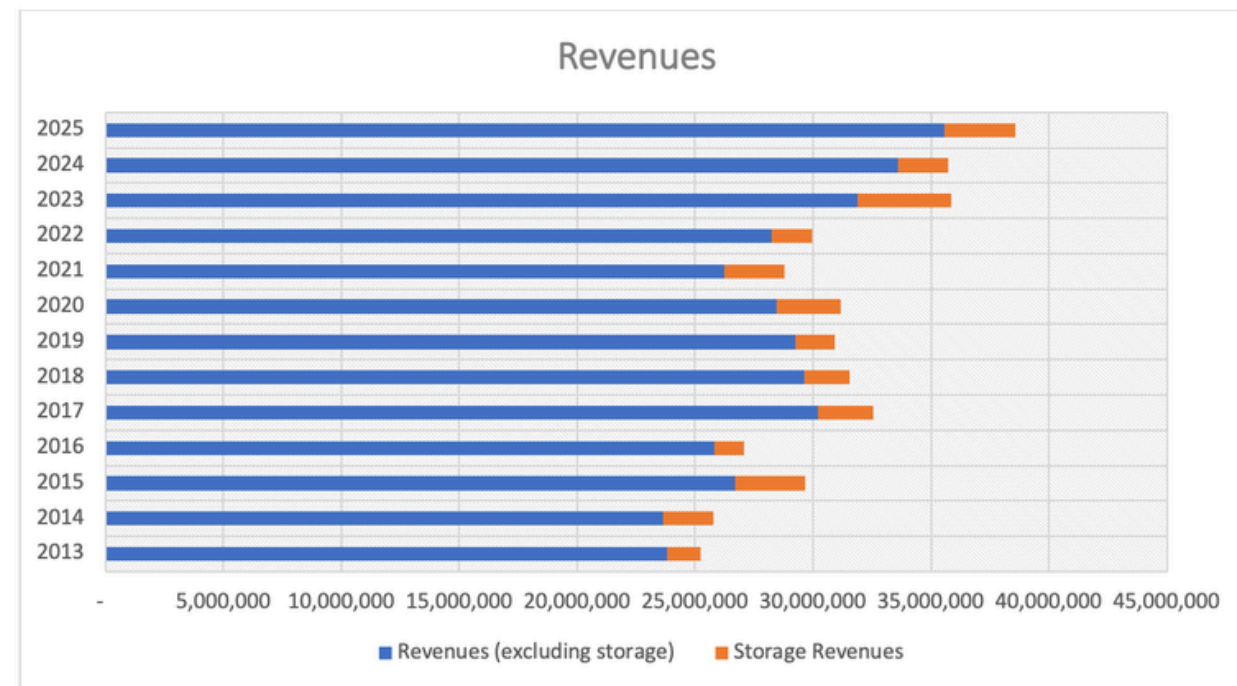
For the year ended June 30, 2025, NCP had processed 146,167 (2024: 141,470) inbound/outbound Twenty-foot Equivalent Units (TEUs). This represents a 3% increase in container volumes over financial year 2024 (FY24) volumes. This steady rise in container throughput reflects ongoing demand across both domestic and project-related cargo segments.

In addition to containerized cargo, vehicle volumes totaled 19,299 units in financial year 2025 (FY25) (2024: 19,750), representing a 2% decline compared to the prior year and 11% below the budgeted level of 21,750 units. The variance primarily reflects lower import demand across vehicle categories following a period of elevated volumes in the prior year.

Conversely, break-bulk and bulk tonnage increased significantly, reaching 417,947 tons (2024: 340,987), which represents a 23% year-over-year increase and exceeded the budgeted level of 412,000 tons by 5,947 tons or 1%. This strong performance was supported by continued demand for construction materials and project-related cargo linked to infrastructure and real estate developments across New Providence.

In FY25, APD delivered another year of strong financial performance, surpassing both budgeted net income projections and prior year results. Budgeted net income for FY25 was \$11,649,856 (2024: \$10,375,050) while actual net income was \$13,113,765 (2024: \$11,910,365), representing an increase of \$1,463,909 or 13% over budget and \$1,203,401 or 10% above the prior year.

The increase in profitability was fueled by total revenues. Total revenues for the Company in FY25 amounted to \$38,560,347 (2024: \$35,738,054) exceeding the budget figure of \$35,988,665 (2024: \$33,721,112) by \$2,571,682 or 7%. Revenue gains were broad-based, supported by higher project-related TEU volumes, resilient non-TEU income streams such as storage and reefer fees, and strong returns on invested funds. This combination underscores APD's diversified revenue base and its ability to sustain growth amid changing economic conditions.



The strong revenue outcome was driven by gains across multiple sources — particularly terminal handling, stevedoring, storage, reefer and other income.

The following section provides a detailed breakdown of the primary revenue streams that contributed to the overall positive variance for FY25.

- **Terminal Handling Fees:** Terminal handling fees, which are tied to the movement of both containerized and non-containerized cargo handled by APD or its agent, share a direct relationship with the import volumes for the Container Terminal Operations (CTO). These fees ended the year at \$5,607,827 (2024: \$5,326,677) reflecting a positive variance of \$397,874 or 8% to budget and an increase of \$281,150 or 5% over the prior year.
- **Stevedoring Revenue:** Stevedoring operations generated \$3,988,385 (2024: \$3,504,613), exceeding budget by \$720,933 or 22% and surpassing the prior year's total by \$483,772 or 14%. This performance highlights stronger activity in both containerized and break-bulk segments during FY25.

- **Non-Reefer Storage Fees:** Storage fees, excluding those from reefer units, totaled \$2,687,570 (2024: \$1,881,612) for the year surpassing the budget by \$1,143,570 or 74%. This increase was driven by both empty and full container storage. Empty container storage totaled \$787,200 (2024: \$301,190), which was up to budget by \$487,200 or 162%. Full container storage totaled \$1,900,370 (2024: \$1,580,422) which was up to budget by \$319,948 or 20%.
- **Reefer Income:** Income from reefer units, including reefer storage fees, ended the year at \$1,540,450 (2024: \$1,288,700) exceeding the budget by \$340,450 or 28%. The main contributor to this positive variance was reefer monitoring charges, which accounted for approximately 70% of the total variance while storage fees for reefers remaining beyond the free time accounted for the remaining 30% of the overall variance.
- **Other Income:** Other income represents revenue not arising from APD's core cargo operations and includes equipment rentals, weighing charges, and investment returns. Other income totaled \$328,090 (2024: \$281,705), exceeding budget by \$281,090 or 598%. The primary contributor was investment income from the Nassau Cruise Port, which generated \$224,910 in dividends during FY25 compared to \$165,410 in unrealized gains recognized in FY24. On a combined basis, the related returns increased by approximately 36% year over year, underscoring the positive performance of the investment portfolio.

Overall, revenue growth was broad-based, supported by stable cargo volumes and strong operational performance, providing a solid foundation for continued profitability.

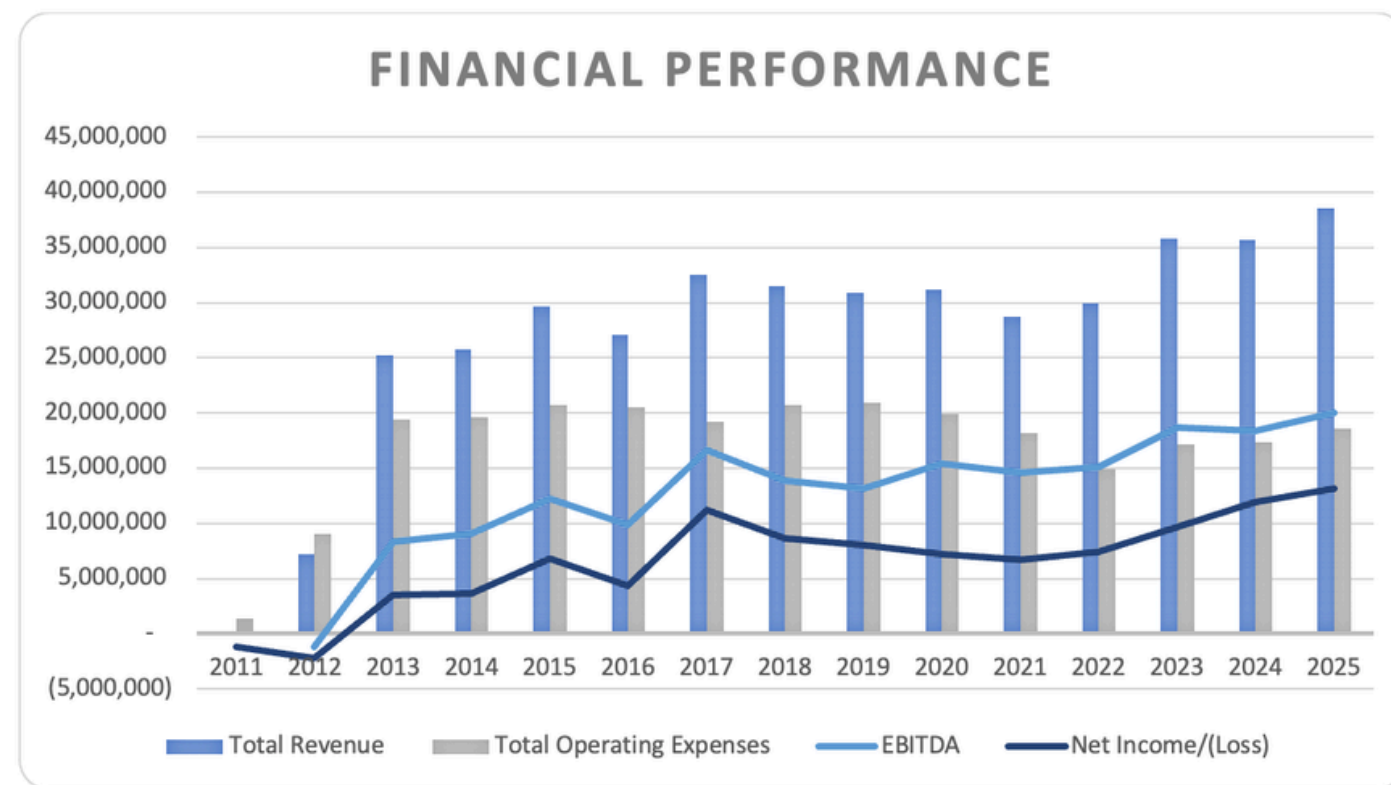
Our Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) reached a record \$19,979,321 (2024: \$18,373,843) delivering a notably strong outperformance exceeding both budget by \$1,698,245 or 9% and the prior year of \$1,605,478 or 9%. Our EBITDA margin of 52% (2024: 52%), was slightly above the budgeted margin of 51% reflecting the effectiveness of management's cost discipline and efficiency initiatives.

Our Direct Operating Margin (DOM) for FY25 remains strong and stable at 41% (2024: 41%) and slightly above the budgeted DOM of 40%. For the two-month period ended 31 August 2025, our DOM further improved to 46% which is 3% more than our budgeted DOM for the same period.

During the year, APD declared and paid its highest dividend to ordinary shareholders since inception totaling \$8,744,601 (2024: \$8,494,756) representing \$1.75 (2024: \$1.70) per share. As of June 30, 2025, basic and diluted earnings per share were \$2.62 (2024: \$2.38).

Operating expenses including depreciation and amortization totaled \$22,627,966 (2024: \$21,071,984) for the year ended June 30, 2025, which were \$1,110,088 or 5% above the FY25 budget of \$21,517,877. The increase in operating expenses was driven primarily by a \$632,998 inventory write-down of spare parts associated with legacy cranes retired from active service, and \$250,000 in accelerated depreciation relating to the L3 crane's salvage value adjustment. These items reflect the Company's strategic decision to modernize its equipment fleet, transitioning to newer, dual-powered cranes that offer improved efficiency and reduced long-term maintenance costs.

Net finance cost ended the year at \$2,818,616 (2024: \$2,755,705) remaining broadly in line with the FY25 budget of \$2,820,931. This stability reflects the Company's prudent financial management strategy, which continues to focus on maintaining a low cost of capital. Over recent years, APD has implemented several measures to achieve this, including the refinancing of preference shares at more favorable rates through facilities such as the CIBC loan, and a disciplined approach to strategic investments and portfolio diversification aimed at optimizing returns on available liquidity.



Total current assets decreased to \$23,147,353 (2024: \$25,494,279), a decline of \$2,346,926 or 9%. This movement was mainly driven by a reduction in accounts receivable of \$1,641,519 and a non-cash reduction in spare parts inventory of \$632,998, reflecting the write-down of obsolete components as the Company continues to modernize its crane fleet.

Cash generated from operating activities remained strong, totaling \$22,482,681 (2024: \$17,099,412), an increase of \$5,383,269 or 32% year-over-year reflecting consistent profitability and effective working capital management. These inflows were partially offset by dividend payments of \$8,744,601 (2024: \$8,494,756), principal and interest payments of \$6,752,079 (2024: \$3,952,167) on the CIBC loan and lease obligations, and capital expenditures of \$815,796 (2024: \$5,708,512) primarily related to terminal and freight-handling equipment upgrades. The higher loan servicing outflow compared to the prior year reflects a timing difference, as the semi-annual payment originally due on June 30, 2024, was processed on July 1, 2024, and therefore captured in the FY25 reporting period. These cash movements are consistent with APD's balanced approach to reinvestment and shareholder returns.

Cash used in investing activities amounted to \$7,064,147 (2024: \$3,078,062), primarily reflecting net investment activity of \$6,466,480, consistent with the Company's ongoing strategy to diversify its investment portfolio. This net movement included additional equity investments in Bahamas Grid Company Limited of \$1,000,000 and Island Power Producers Ltd. of \$5,000,000, along with continued participation in the CFAL Bond Fund and U.S. Treasury Bill transactions. These activities align with APD's investment strategy focused on liquidity preservation, stable returns, and strategic long-term growth opportunities.

The current ratio stood at 3.81x (2024: 3.40x), while the quick ratio was 3.80x (2024: 3.31x), reflecting the Company's strong liquidity position and effective working capital management.

Total non-current assets increased to \$138,849,054 (2024: \$135,467,833), representing growth of 3%. Property, plant and equipment decreased to \$78,992,912 (2024: \$81,581,620), while right-of-use assets, representing the Company's leasehold interest in land leased from the Government of The Bahamas, decreased slightly to \$50,236,892 (2024: \$50,685,075).

The non-current portion of investments rose sharply to \$9,619,250 (2024: \$3,201,138), an increase of \$6,418,112 or 201%, primarily due to the new equity investments made during the year. This figure includes the Company's holdings in The Nassau Cruise Port, fixed-rate U.S. dollar Bahamas Government Bonds, and equity stakes in the two Bahamian companies.

Total liabilities as of June 30, 2025, were \$80,910,902 (2024: \$84,245,771), a decrease of \$3,334,869 (4%) compared to the prior year. The reduction primarily reflects principal payments on the CIBC loan, partially offset by the remeasurement of the lease liability associated with the Government land lease.

Financial Performance					
Income Statement	2025	2024	2023	2022	2021
	\$	\$	\$	\$	\$
Total Revenue	38,560,347	35,738,054	35,838,636	29,960,128	28,774,831
Total Operating Expenses	18,581,025	17,364,211	23,197,514	19,334,863	18,207,783
Total income for the period attributable to equity shareholders	13,113,765	11,910,365	9,686,825	7,417,988	6,671,578
Basic and diluted earnings (loss) per share	2.62	2.38	1.94	1.48	1.34
Balance Sheet	2025	2024	2023	2022	2021
Assets					
Total Current Assets	23,147,353	25,494,279	24,113,724	25,440,556	22,088,505
Total Non-Current Assets	138,849,054	135,467,833	131,547,988	123,900,037	127,109,177
Total Assets	161,996,407	160,962,112	155,661,712	149,340,593	149,197,682
Liabilities and Shareholder's Equity					
Total Current liabilities	6,082,573	7,501,953	5,104,030	4,987,166	33,253,178
Non-current liabilities	74,828,329	76,743,818	77,256,950	73,743,838	47,256,297
Total Liabilities	80,910,902	84,245,771	82,360,980	78,731,004	80,509,475
Total Equity	81,085,505	76,716,341	73,300,732	70,609,589	68,688,207

Management maintains active oversight of operational and financial performance to ensure alignment with the Company's strategic priorities. Performance is regularly assessed through budget-to-actual analyses, forecasts, and key performance indicators, providing valuable insight into both short-term execution and long-term strategic progress.

While there are numerous projects scheduled to begin or continue in FY26, such as the Ritz Carlton, Goldwynn 2, UB dormitories, RCI, Albany Condos, Lyford Cay Condos, Venetian Village, Bahamas Grid and Island Power Producers management remains cautious and does not anticipate a significant increase in project volumes in FY26 compared to those experienced in FY25. Total market volumes are projected to be approximately 146,000 TEUs for FY26, which is consistent with the budgeted volumes for FY25.

As of August 31, 2025, NCP's TEU volumes, are projected to close the year approximately 4% ahead of budget. Total revenues are anticipated to exceed the budget by approximately 15%, and EBITDA is on track to be 18% above budget, with an EBITDA margin of 55%.

LIQUIDITY AND CAPITAL RESOURCES

APD continues to demonstrate prudent liquidity management, supported by strong cash generation and access to committed credit facilities. The Company's principal source of operating liquidity is cash flows generated from operations, including working capital. APD maintains an adequate level of liquidity to support ongoing business activities and capital needs.

Liquidity is managed through several sources, including operating cash flows, as well as an unused \$2,150,000 credit facility with CIBC with an interest rate of BSD prime rate of 4.25% minus a margin of 0.25%, for a total interest rate of 4% on the outstanding balance. The Company also maintains an overdraft facility of \$3,000,000 with RBC providing additional flexibility for short-term working capital requirements.

- **Cash and Cash Equivalents:** At the close of FY25, the Company held \$17,690,628 in cash and cash equivalents, compared to \$17,768,774 at the end of FY24.
- **Capital Expenditures:** APD invested a total of \$815,796 (2024: \$5,708,512) in capital expenditures during FY25, primarily focused on improving efficiency and safety at the NCP and GFT facilities.
- **Debt Management:** Total debt at the end of FY25 was \$22,627,733, compared to \$25,713,333 at the end of FY24, reflecting continued progress in reducing debt obligations. With total shareholders' equity at \$81,085,505 (2024: \$76,716,341), APD's debt to equity ratio improved to 0.28 (2024: 0.34) indicating a moderate level of debt financing.

As of June 30, 2025, APD's financing needs are well supported by the available line of credit and cash flows from operations.

APD's principal uses of cash are to fund planned operating expenditures, capital investments, dividend payments on ordinary shares, interest and principal payments on the long-term debt and any mandatory quarterly lease payments on port lands to the Government. Given the cash and cash equivalents on our statement of financial position and our ability to generate cash from operations over the course of a year, we believe we have sufficient liquidity to meet our ongoing needs for at least the next 12 months.

Based on the Company's current financial forecast, our default risk is assessed as low. To-date we have utilized \$850,000 of the \$3,000,000 CIBC credit facility for Bahamas Customs Bonds and have not drawn down on any portion of the \$3,000,000 overdraft facility with RBC. In the event of an unanticipated adverse variance compared to the financial forecast, which might lead to an event of default, we have the opportunity to take certain mitigating actions in order to avoid such default including reducing or deferring discretionary expenditures, adjusting our tariff rates, and securing additional sources of financing or investment.

We believe an important measure of APD's liquidity is unlevered free cash flow. This measure is a useful indicator of our ability to generate cash to meet our liquidity demands. We believe unlevered free cash flow provides investors with a better understanding of how the Company is performing and measures management's effectiveness in managing cash. We define unlevered free cash flow as net cash, which is provided by/ (used in) operating activities from continuing operations, adjusted to remove the impact of interest payments, and deducting the impact of capital expenditures on property and equipment additions. We believe this measure gives management and investors a better understanding of the cash flows generated by our core business, as interest payments are primarily associated with our debt obligations while capital expenditures are mainly linked to the development and operation of the port.

TRANSACTIONS WITH RELATED PARTIES

APD is 40% owned by Arawak Cay Port Development Holdings Limited (ACPDHL), a consortium of private companies operating in The Bahamas that are involved in shipping or maritime services. Most of the revenues of the Company are derived from the services to companies that have some ownership stake in ACPDHL.

APD sub-lets warehouse space to Betty K Agencies Ltd., Tropical Shipping, Bahamas Customs and Gladstone Warehouse Services Ltd., at competitive market rates. APD also sub-lets administrative office space to the Ministry of Finance – Department of Inland Revenue, Arawak Stevedoring Limited, MSC and Tycoon Management at the GFT inland facility and at the Maritime Center on Arawak Cay.

For FY25 the minimal annual rent of 50,000 TEUs at \$50.35 (2024: \$50.16) will be no less than \$2,517,500 (2024: \$2,508,000).

CRITICAL ACCOUNTING ESTIMATES

Management determines the estimated useful lives of the property, plant and equipment, based on the period over which the assets are expected to be available for use. The Company annually reviews the estimated useful lives of property, plant and equipment based on factors that include, but are not limited to, asset utilization, internal technical evaluation, technological changes, environmental and anticipated use of assets. It is possible that the future results of operations could be materially affected by changes in these estimates brought about by changes in the above-mentioned factors.

LOANS AND LT DEBT

On 3 September 2021 the Company executed a credit agreement with FirstCaribbean International Bank (Bahamas) Limited (the Lender). The Lender extended credit in the form of Facility A loans in an aggregate principal amount not in excess of B\$33,856,000 and Facility B loans in an aggregate principal amount not in excess of B\$3,000,000. The proceeds from the Facility A loans were used to early redeem the preference shares.

Facility A: Long term debt being a \$30,856,000 senior, non-revolving reducing term loan for a fifteen (15) year period, amortized over fifteen (15) years with principal and interest payable semi-annually in arrears at a rate of BSD Prime rate of 4.25% minus a margin of 1.15%, for a total interest rate of 3.1%. Considering possible changes in the BSD prime rate, the credit agreement stipulates a minimum interest rate of 3.1% and a maximum rate of 4.75%. The long-term portion of the principal outstanding as of 30 June 2025 is \$20,570,667 (2024: \$22,627,733) and the current portion of the debt outstanding is \$2,057,066 (2024: \$3,085,600).

Facility B: \$3,000,000 demand revolving credit facility by way of an overdraft facility at a rate of BSD prime rate of 4.25% minus a margin of 0.25%, for a total interest rate of 4.0% on the outstanding balance. There have been no drawdowns against this facility.

The above facilities are secured by the following:

- Security/Collateral
- Loan agreement and associated documentation;
- Promissory note for the facility amount.

CONTROLS AND PROCEDURES

Our Management, with the participation of the Company's Chief Financial Officer, has evaluated the effectiveness of its disclosure controls and procedures. Based on the evaluation performed, the Company's Chief Financial Officer concluded that the Company's disclosure controls and procedures are effective.

The Company maintains disclosure controls and procedures designed to provide reasonable assurance that information required to be disclosed in reports filed under the Securities Industry Act of 2011 (the "Act") is recorded, processed, summarized and reported within the specified time periods and communicated to management, including its Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

CHANGES IN INTERNAL CONTROLS OVER FINANCIAL REPORTING

There have been no material changes in internal control over the financial reporting period to which this report relates that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

RISK MANAGEMENT

APD maintains a comprehensive risk management framework to identify, assess, mitigate, and manage risks that could impact its operational and financial performance. This framework includes insurance coverage, safety protocols, emergency preparedness plans, and financial controls.

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG)

APD is committed to embracing ESG principles in its operations. The Company continued its investments in renewable energy, waste reduction, and community engagement initiatives during FY25.

LOOKING AHEAD

While APD Limited delivered another year of strong performance in FY25, management remains mindful of the broader global landscape, including the impacts of economic volatility, climate change, and geopolitical developments that continue to shape supply chains and trade activity. The Company will maintain its disciplined focus on operational efficiency, cost optimization, and strategic investment to strengthen its competitive position and support sustainable long-term growth.

In FY26, APD will emphasize optimizing the performance of its existing asset base, strengthening digital capabilities, and expanding renewable energy initiatives to further reduce operating costs and environmental impact. The Company will also continue to pursue strategic investment opportunities that complement its core operations and support sustainable growth, while maintaining a disciplined approach to cost management and capital allocation.

CONCLUSION

FY25 was another year of solid financial and operational achievement, underscoring APD's resilience and disciplined execution of its strategic objectives. The Company continued to deliver strong results, maintain robust liquidity, and strengthen its balance sheet, all while advancing initiatives that enhance efficiency and long-term competitiveness.

APD's commitment to sustainability and innovation remains central to its strategy. With the modernization of its crane fleet largely complete, the focus now shifts toward maximizing asset utilization, continuing the phased renewal of other aging equipment, investing in technologies, energy-efficient solutions and leveraging data-driven decision-making to support ongoing productivity gains.

The Company also remains committed to community engagement and social impact, recognizing that long-term success is built not only on financial performance but also on meaningful contributions to the broader community.

As APD enters FY26, management is confident that its strong financial position, modern infrastructure, and capable team will continue to drive sustainable growth and deliver lasting value to shareholders. The Board and management express their appreciation to all employees, customers, partners, and shareholders for their continued support and trust.

AUDITED FINANCIAL STATEMENTS

67	Independent Auditor's Report
73	Statement of Financial Position
74	Statement of Comprehensive Income
76	Statement of Changes in Equity
78	Notes of Financial Statements

Independent auditors' report

To the Shareholders of APD Limited

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 APD Limited (the Company) as at June 30, 2025, 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 June 30, 2025;
- the statement of 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, comprising material accounting policy information 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 *Auditors' 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). We have also fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Our audit approach

Overview



- Overall materiality: \$633,000, which represents approximately 5% of net income and total comprehensive income.
- In addition to determining materiality, we also assessed, amongst other factors, the following in designing our audit:
 - the risk of material misstatement in the financial statements
 - significant accounting estimates
 - the risk of management override of internal controls
- Potential impairment of property, plant and equipment

Audit scope

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 management 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.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

Overall materiality	\$633,000
How we determined it	Approximately 5% of net income and total comprehensive income
Rationale for the materiality benchmark applied	We chose net income and total comprehensive income as the benchmark because, in our view, it is the benchmark against which the performance of the Company is commonly measured by users and is a generally accepted benchmark. We chose 5% which is within a range of acceptable benchmark thresholds.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above \$31,650, as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Key audit matters

Key audit matters are those matters that, in our professional judgement, 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
<p><i>Potential impairment of property, plant and equipment</i></p> <p><i>Refer to notes 2(a)(i), 2(g), 2(h), and 10 to the financial statements for disclosures of related accounting policies and balances.</i></p> <p>As at June 30, 2025, property, plant and equipment amounted to \$78,992,913 and 49% of total assets of the Company. No impairment losses were recognised during the year.</p> <p>The commercial port at Arawak Cay known as Nassau Container Port (the Port) and an inland terminal on Gladstone Road, known as Gladstone Freight Terminal (the Depot), encompass all of the Company's property, plant and equipment. Management, in assessing the Port and Depot operation as a cash-generating unit, determined that there were no impairment indicators over the course of financial year under audit on its property, plant and equipment.</p> <p>We focused on the potential impairment of property, plant and equipment due to the</p>	<p>Our approach to addressing the matter involved the following procedures, amongst others:</p> <p>Assessed the reasonableness of management's accounting policies related to property, plant and equipment.</p> <p>Obtained and evaluated management's impairment assessment, which included an analysis of all of the Company's assets by asset class, and agreed the information in the analysis to the fixed asset register, which was reconciled to the general ledger and financial statements.</p> <p>Using management's impairment indicator factors, examined external sources of information such as data published by credit rating agencies, local news</p>

magnitude of the balance and because the factors in determining whether impairment exists involves significant judgement by management. In determining whether circumstances indicating impairment existed, management considered the following factors:

A decline in the asset's market value that is significantly greater than would be expected as a result of the passage of time or normal use;

- Significant adverse changes in the technological, market, economic or legal environment;
- Increases in interest rates or other market rates of return;
- Obsolescence or physical damage affecting the asset;
- Significant adverse changes that have taken place or are expected in the way that an asset is used or expected to be used;
- Deterioration in the expected level of the asset's performance; and
- Management's own forecasts of future net cash inflows or operating profits showing a significant decline from previous budgets and forecasts.

articles and the Company's listing on the Bahamas International Securities Exchange website to obtain evidence of both local and global industry performance as well as movements in the Company's share price.

Compared budgeted to actual financial results to evaluate management's forecast assumptions. This included testing revenue and expenses, on a sample basis, through the inspection of underlying source documents.

Evaluated management's assumptions used in determining if an asset is impaired, and challenged management's process by examining a sample of assets which had not been identified by management as potentially impaired and formed our own independent conclusion as to whether there were indicators of impairment. This included the inspection of a sample of assets to determine whether these items were in working condition or if there was evidence of damage or obsolescence.

Other information

Management is responsible for the other information. The other information comprises the 2025 APD Limited Annual Report (but does not include the financial statements and our auditors' report thereon), which is expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available 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

When we read the 2025 APD Limited 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 management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards and for such internal control as management 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, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company'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 auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.


- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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 those charged with governance 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 those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Carlton Cartwright Jr.


Chartered Accountants
Nassau, Bahamas

October 10, 2025

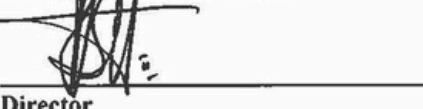
APD LIMITED
(Incorporated under the laws of the Commonwealth of The Bahamas)

Statement of Financial Position
As at June 30, 2025
(Amounts expressed in Bahamian dollars)

	Notes	2025 \$	2024 \$
ASSETS			
Current assets			
Cash and cash equivalents	3	17,690,628	17,768,774
Accounts receivable	4	3,134,829	4,776,348
Tax receivable		1,057,983	698,522
Deposits, prepayments and other assets	6	835,532	1,351,206
Spare parts inventory	9	4,612	687,521
Investments	7	423,769	211,908
Total current assets		23,147,353	25,494,279
Non-current assets			
Property, plant and equipment	9	78,992,913	81,581,620
Right-of-use asset	14	50,236,891	50,685,075
Investments	7	9,619,250	3,201,138
Total non-current assets		138,849,054	135,467,833
Total assets		161,996,407	160,962,112
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable		375,344	237,185
Due to related parties	5	2,150,617	2,196,231
Accrued expenses and other liabilities	11	1,413,988	1,901,372
Current portion of lease liability	14	85,558	81,565
Current portion of long term debt	8	2,057,066	3,085,600
Total current liabilities		6,082,573	7,501,953
Non-current liabilities			
Long term debt	8	20,570,667	22,627,733
Lease liability	14	53,957,599	53,839,222
Deposits held	14	300,063	276,863
Total non-current liabilities		74,828,329	76,743,818
Total liabilities		80,910,902	84,245,771
Equity			
Share capital	12	49,969	49,969
Share premium		49,192,308	49,192,308
Retained earnings		31,843,228	27,474,064
Total equity		81,085,505	76,716,341
Total liabilities and equity		161,996,407	160,962,112

Approved by the Board of Directors on 7th October 2025 and signed on its behalf by:


Director


Director

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

APD LIMITED

Statement of Comprehensive Income
For the year ended June 30, 2025
(Amounts expressed in Bahamian dollars)

	Notes	2025 \$	2024 \$
Revenue			
Landing fees	15	16,099,605	15,667,781
Terminal handling fees	15	5,607,827	5,326,677
Stevedoring fees	15	3,988,385	3,504,613
Security	15	3,024,576	2,977,482
Storage fees	15	2,687,570	1,881,612
Gate fees	15	2,539,725	2,446,973
Subleases	14	1,833,324	1,506,589
Reefer line	15	1,540,450	1,288,700
Hazmat fees	15	445,750	365,350
Dockage	15	352,195	386,572
Line handling fees	15	112,850	104,000
Other income	15	328,090	281,705
Total revenue		38,560,347	35,738,054
Expenses			
Salaries, employee benefits, and training		5,489,093	5,004,221
Terminal handling costs		5,557,612	5,086,603
Government fees and taxes		1,060,465	1,083,727
Repairs and maintenance		1,260,311	1,505,226
Utilities		1,322,705	1,278,095
Government lease	14	1,162,256	1,040,037
Security		360,424	391,600
Legal and other professional fees	16	547,224	1,000,019
Insurance		434,818	396,187
Other operating expenses		437,170	346,548
Office supplies, postage and delivery		183,769	120,361
Company meetings and events		122,190	107,644
Loss on disposal of property, plant & equipment		9,991	3,943
Write down of obsolete inventory	9	632,998	-
Total expenses		18,581,026	17,364,211
Earnings before interest, depreciation and amortisation		19,979,321	18,373,843

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

APD LIMITED

Statement of Comprehensive Income (Continued)
For the year ended June 30, 2025
 (Amounts expressed in Bahamian dollars)

	Notes	2025 \$	2024 \$
Depreciation - property, plant and equipment	10	3,394,511	3,057,963
Depreciation - right-of-use-asset	14	<u>652,429</u>	<u>649,810</u>
Total depreciation and amortisation		<u>4,046,940</u>	<u>3,707,773</u>
Earnings before interest		<u>15,932,381</u>	<u>14,666,070</u>
Finance costs			
Interest on lease liability	14	2,435,626	2,429,948
Interest expense		751,514	813,099
Interest income		<u>(368,524)</u>	<u>(487,342)</u>
Total finance costs, net		<u>2,818,616</u>	<u>2,755,705</u>
Total earnings for the year attributable to the equity shareholders		<u>13,113,765</u>	<u>11,910,365</u>
Net income and total comprehensive income		<u>13,113,765</u>	<u>11,910,365</u>
Basic and diluted earnings per share	13	<u>2.62</u>	<u>2.38</u>

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

APD LIMITED

Statement of Changes in Equity
For the year ended June 30, 2025
 (Amounts expressed in Bahamian dollars)

	Share capital \$	Share premium \$	Retained earnings \$	Total \$
Balance at July 1, 2023	49,969	49,192,308	24,058,455	73,300,732
Total comprehensive income for the year	-	-	11,910,365	11,910,365
Dividends paid (Note 12)	-	-	<u>(8,494,756)</u>	<u>(8,494,756)</u>
Balance at July 1, 2024	49,969	49,192,308	27,474,064	76,716,341
Total comprehensive income for the year	-	-	13,113,765	13,113,765
Dividends paid (Note 12)	-	-	<u>(8,744,601)</u>	<u>(8,744,601)</u>
Balance at June 30, 2025	<u>49,969</u>	<u>49,192,308</u>	<u>31,843,228</u>	<u>81,085,505</u>

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

APD LIMITED

Statement of Cash Flows
For the year ended June 30, 2025
(Amounts expressed in Bahamian dollars)

	Notes	2025 \$	2024 \$
Cash flows from operating activities			
Net income for the year		13,113,765	11,910,365
Adjustments for:			
Depreciation - property, plant and equipment	10	3,394,511	3,057,963
Depreciation - right-of-use-asset	14	652,429	649,810
Amortisation of bond discount		(150,395)	(186,085)
Unrealised gain on investments		(13,098)	(171,512)
Write down of obsolete inventory	9	632,998	-
Loss on disposal of property, plant & equipment		9,991	3,943
Interest received on financial assets held as investments		(218,129)	(301,257)
Interest on lease liability	14	2,435,626	2,429,948
Loan interest expense		751,514	813,099
Operating profit before changes in working capital		20,609,212	18,206,274
Decrease in spare parts inventory		49,911	6,550
Decrease / (increase) in deposit, prepayments & other assets		515,674	(19,678)
Decrease / (increase) in accounts receivable		1,641,519	(1,948,268)
Increase in tax receivable		(359,461)	(113,729)
Increase in deposits held		23,200	2,200
Increase / (decrease) in accounts payable		138,159	(78,705)
(Decrease) / increase in due to related parties		(45,614)	724,008
(Decrease) / increase in accrued expense and other liabilities		(89,919)	320,760
Net cash provided by operating activities		22,482,681	17,099,412
Cash flows from investing activities			
Net acquisition of property, plant and equipment	10	(815,796)	(5,708,512)
Net (purchases) / sales of investments		(6,466,480)	2,329,193
Interest received on financial assets held as investments		218,129	301,257
Net cash used in investing activities		(7,064,147)	(3,078,062)
Cash flows from financing activities			
Principal payments on lease liability		(81,874)	(78,053)
Principal payments on long term debt		(3,085,600)	(1,028,533)
Interest expense paid		(1,148,979)	(415,633)
Interest expense paid on lease liability		(2,435,626)	(2,429,948)
Dividends paid to ordinary shareholders	12	(8,744,601)	(8,494,756)
Net cash used in financing activities		(15,496,680)	(12,446,923)
(Decrease) / Increase in cash and cash equivalents		(78,146)	1,574,427
Cash and cash equivalents, beginning of year		17,768,774	16,194,347
Cash and cash equivalents, end of year	3	17,690,628	17,768,774

APD LIMITED

Notes to Financial Statements
June 30, 2025

1. General information

APD Limited (the Company) was incorporated on February 24, 2009, under the Companies Act, 1992 of the Commonwealth of The Bahamas (The Bahamas). The Company is 40% owned by The Treasurer of The Bahamas, 40% owned by Arawak Cay Port Development Holdings Limited (ACPDHL) and 20% owned by the general public, hereinafter collectively referred to as the Shareholders. ACPDHL is owned by a consortium of private companies operating in The Bahamas. The principal activity of the Company is to manage, operate and maintain a commercial port at Arawak Cay known as Nassau Container Port (the Port) and an inland terminal on Gladstone Road, known as Gladstone Freight Terminal (the Depot) (Note 14).

The Company is a public company listed on the Bahamas International Securities Exchange. The Company's registered office is located at Ocean Centre, Montagu Foreshore, East Bay Street, New Providence, The Bahamas.

Operations of the Port include a break bulk, a bulk and a container terminal. The container terminal has the capability of handling at least 200,000 Twenty-foot Equivalent Units (TEUs) annually. The Depot is comprised of 100,000 square feet and 10,000 square feet of warehouse and administrative office space respectively and serves as a deconsolidation and distribution centre.

2. Material accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The Company's financial statements have been prepared in accordance with IFRS Accounting Standards (IFRS) which comprise IFRS Accounting Standards, IAS Standards, and Interpretations developed by the IFRS Interpretations Committee (IFRIC interpretations) or its predecessor body, the Standing Interpretations Committee (SIC Interpretations). The financial statements have been prepared on a historical cost basis, except for certain financial assets which are measured at fair value.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the Company's accounting policies. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The areas involving a higher degree of judgment or complexity or areas where assumptions and estimates are significant to the financial statements are as follows:

(i) Critical accounting estimates and assumptions*Useful lives of property, plant and equipment*

Management determines the estimated useful lives of property, plant and equipment based on the period over which the assets are expected to be available for use. The Company annually reviews the estimated useful lives of property, plant and equipment based on factors that include, but are not limited to, asset utilisation, internal technical evaluation, technological changes, environmental and anticipated use of assets. It is possible that the future results of operations could be materially affected by changes in these estimates brought about by changes in the above-mentioned factors.

APD LIMITED

Notes to Financial Statements
June 30, 2025 (continued)

2. Material accounting policies (Continued)

(a) Basis of preparation (continued)

(i) Critical accounting estimates and assumptions (continued)

Impairment of non-financial assets

Items of property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Identifying and assessing circumstances that indicate that the carrying amount of an item of property, plant and equipment may not be recoverable requires significant judgment. In determining whether circumstances indicating impairment exist, management, at a minimum, considers the following factors:

- A decline in the asset's market value that is significantly greater than would be expected as a result of the passage of time or normal use;
- Significant adverse changes in the technological, market, economic or legal environment;
- Increases in interest rates or other market rates of return;
- Obsolescence or physical damage affecting the asset;
- Significant adverse changes that have taken place or are expected in the way that an asset is used or expected to be used;
- Deterioration in the expected level of the asset's performance; and
- Management's own forecasts of future net cash inflows or operating profits showing a significant decline from previous budgets and forecasts.

Measurement of the Expected Credit Loss (ECL) allowance

The measurement of the ECL allowance for financial assets measured at amortised cost is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses). A number of significant judgements are also required in applying the accounting requirements for measuring the ECLs, such as:

- Definition of default
- Determining the criteria for significant increase in credit risk
- Choosing appropriate models and assumptions for the measurement of ECLs
- Establishing the number and relative weightings of forward-looking scenarios for each type of product and the associated ECLs

The Company applies the IFRS 9 simplified approach to measuring expected credit losses. Explanation of the inputs, assumptions and estimation techniques used in measuring the ECLs are further detailed in Note 19.

The Company regularly reviews and validates the models and inputs to the models to reduce any differences between ECL estimates and actual credit loss experience.

A sensitivity analysis is not disclosed as the impact of reasonable changes in key assumptions would not be material to the ECL.

APD LIMITED

Notes to Financial Statements
June 30, 2025 (continued)

2. Material accounting policies (Continued)

(a) Basis of preparation (continued)

(ii) Critical judgment in applying the entity's accounting policies

Capitalisation of directly attributable costs related to the acquisition of property, plant and equipment

International Accounting Standard (IAS) 16 'Property, Plant and Equipment' requires that the cost of an item of property, plant and equipment should include directly attributable costs of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Determining directly attributable costs requires significant judgment. Management determines directly attributable costs as those that are incremental in nature and/or would be necessarily incurred by a third party in bringing the asset to the location and condition necessary for it to be used for the intended purpose.

(iii) Alternative performance measures

Management has determined that earnings before interest, depreciation and amortisation is the most useful performance measure to the users of the financial statements as it can be useful in comparing companies with different debt profiles and depreciation policies and is a widely accepted performance measure. Earnings before interest, depreciation and amortisation as presented on the statement of comprehensive income reconciles to operating profit as follows:

	2025	2024
	\$	\$
Earnings before interest, depreciation and amortisation	19,979,321	18,373,843
Dividend income	(224,910)	-
Unrealised gain on investments	(4,118)	(171,512)
Depreciation - property, plant and equipment	(3,394,511)	(3,057,963)
Depreciation - right-of-use-asset	(652,429)	(649,810)
Operating profit	<u>15,703,353</u>	<u>14,494,558</u>

(b) Changes in applicable accounting policy and disclosures

New standards, amended standards and interpretations adopted by the Company

Standards, amendments, and interpretations to published standards, that became effective for the Company's financial year, beginning on July 1, 2024, were not relevant or not significant to the Company's operations and accordingly did not have a material impact on the Company's accounting policies or the financial statements.

APD LIMITED

Notes to Financial Statements
June 30, 2025 (continued)

2. Material accounting policies (Continued)

(b) Changes in applicable accounting policy and disclosures (continued)

New standards, amendments, and interpretations issued but not yet effective

At the date of authorisation of these financial statements, certain new accounting standards and amendments to accounting standards have been published that are not mandatory for June 30, 2025 reporting periods and have not been early adopted by the Company. The Company's assessment of the impact of these new standards and amendments is set out below.

IFRS 18 *Presentation and Disclosure in Financial Statements* (IFRS 18) will replace IAS 1 *Presentation of Financial Statements*, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of comprehensive income and providing management-defined performance measures within the financial statements. Management is currently assessing the detailed implications of applying the new standard on the Company's financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of IFRS 18 will have no impact on the Company's net income, management expects that grouping items of income and expenses in the statement of comprehensive income into the new categories will impact how operating profit is calculated and reported.
- The line items presented in the primary financial statements might change as a result of the application of the concept of "useful structured summary" and the enhanced principles of aggregation and disaggregation.
- The group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:
 - management-defined performance measures; and
 - for the first annual period of application of IFRS 18, a reconciliation for each line item in the statement of comprehensive income between the restated amounts presented by applying IFRS 18 and the amounts previously presented applying IAS 1.

The standard is effective for annual periods beginning on or after January 1, 2027. Accordingly, the Company will apply the new standard from the fiscal year ending June 30, 2028. Retrospective application is required, and so the comparative information for the financial year ending June 30, 2027 will be restated in accordance with IFRS 18.

APD LIMITED

Notes to Financial Statements
June 30, 2025 (continued)

2. Material accounting policies (Continued)

(c) Foreign currency translation

(i) Functional and presentation currency

The financial statements are presented in Bahamian dollars, which is the Company's functional and presentation currency, as it represents the currency of the primary economic environment in which the Company operates.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

(d) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cash held with banks and other short-term, highly liquid investments with original maturities of three (3) months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(e) Accounts receivable

Accounts receivable are amounts due from customers for services performed in the ordinary course of business. They are generally due for settlement within 15 days and are therefore all classified as current. Accounts receivable are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognised at fair value.

The Company holds the accounts receivable with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance. Impairment of accounts receivable is discussed in Note 2(n).

(f) Inventory

Inventory primarily includes spare crane parts that are valued at the lower of cost or net realisable value (NRV). Cost is determined using the first-in, first-out (FIFO) method. NRV is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Inventory is derecognised when the parts are used in operations.

(g) Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical costs include expenditure that is directly attributable to the acquisition of the asset.

APD LIMITED

Notes to Financial Statements
June 30, 2025 (continued)

2. Material accounting policies (Continued)

(g) Property, plant and equipment (continued)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company, and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. Repairs and maintenance are charged to the statement of comprehensive income during the period in which they are incurred.

Buildings under construction, termed capital work in progress, are carried at cost and not depreciated until construction is complete and the assets are ready for their intended use. At that time, the accumulated cost is transferred from capital work in progress to the appropriate asset category.

All other items of property, plant and equipment are depreciated using the straight-line method to allocate their cost less residual values, over their estimated useful lives, as follows:

Container terminal	5 to 44 years
Freight handling equipment (cranes)	15 to 25 years
Other freight handling equipment	1 to 33 years
Buildings and improvements	2 to 44 years
Motor vehicles	1 to 5 years
Furniture and fixtures, communications and office equipment	2 to 20 years

The assets' residual values and estimated useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount [Note 2(h)].

At the time of disposal or retirement of assets, the cost and related accumulated depreciation are eliminated, and any resulting gain or loss is reflected in the statement of comprehensive income.

(h) Impairment of non-financial assets

Items of property, plant and equipment 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 of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows [Cash Generating Units (CGUs)]. Non-financial assets that incurred impairment charges are reviewed for possible reversal of the impairment at each reporting date.

APD LIMITED

Notes to Financial Statements
June 30, 2025 (continued)

2. Material accounting policies (Continued)

(i) Accounts payable

Accounts payable represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Accounts payable are classified as current liabilities if payment is due within twelve (12) months after the reporting period. If not, they are presented as non-current liabilities.

Accounts payable are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(j) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve (12) months after the reporting period.

General and specific borrowing costs directly attributable to the acquisition, and construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

APD LIMITED

Notes to Financial Statements
June 30, 2025 (continued)

2. Material accounting policies (Continued)

(j) Borrowings (continued)

All other borrowing costs are recognised in the statement of comprehensive income in the period in which they are incurred.

(k) Share capital and share premium

Ordinary shares are classified as equity. Total value of shares issued in excess of the par value is recognised as share premium. Mandatorily redeemable preference shares are classified as liabilities.

Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction from the proceeds.

(l) Revenue and expense recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of services provided in the ordinary course of the Company's activities. Revenue is shown net of returns, rebates and discounts.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and when specific criteria have been met for each of the Company's activities as described below:

Revenue from services

Revenue from general cargo and vessel services comprises landing fees, terminal handling fees, security, stevedoring fees, hazmat fees, dockage, and line handling fees. Revenue from port services includes gate fees, storage fees and reefer line. The above revenues are recognised upon delivery of services.

Revenue from rental and other fixed-term contracts is recognised using a straight-line basis over the term of the contract.

Interest income and expense

Interest income and expense for all interest-bearing financial assets and liabilities are recognised in the statement of comprehensive income using the effective interest method.

All other costs and expenses are recognised in the statement of comprehensive income as incurred.

APD LIMITED

Notes to Financial Statements
June 30, 2025 (continued)

2. Material accounting policies (Continued)

(m) Leases

Accounting as lessee

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.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, 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
- makes adjustments specific to the lease, e.g. term, country, currency and security.

The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the statement of 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
- any initial direct costs, and
- restoration 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.

APD LIMITED

Notes to Financial Statements
June 30, 2025 (continued)

2. Material accounting policies (Continued)

(m) Leases (continued)

Extension and termination options

Extension and termination options are included in a number of property leases. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The extension and termination options held are exercisable only by the Company and not by the lessor.

Critical judgements in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For the Company's leases, the following factors are the most relevant:

- If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate).
- Otherwise, the Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The extension option on the land lease has been included in the lease liability, because the Company could not replace the leasehold improvements without significant cost or business disruption.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

Accounting as lessor

Lease income on operating leases is recognised over the term of the lease on a straight-line basis. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the statement of financial position based on their nature.

APD LIMITED

Notes to Financial Statements
June 30, 2025 (continued)

2. Material accounting policies (Continued)

(n) Financial instruments

i) Financial assets

Initial recognition and measurement

IFRS 9 establishes three primary categories for financial assets: amortised cost, fair value through profit or loss (FVTPL), and fair value through other comprehensive income (FVOCI). The Company classifies financial assets, at initial recognition as subsequently measured at amortised cost.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. The Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest' (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Regular-way purchases and sales of financial assets are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

Subsequent measurement

Subsequent measurement depends on the Company's business model for managing the asset and the cash flow characteristics of the asset.

Financial assets at FVTPL include financial assets held for trading, financial assets designated upon initial recognition at FVTPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVTPL, irrespective of the business model.

APD LIMITED

Notes to Financial Statements
June 30, 2025 (continued)

2. Material accounting policies (Continued)

(n) Financial instruments (continued)

i) Financial assets (continued)

Subsequent measurement (continued)

Financial assets and liabilities are classified at FVOCI if the financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

There were no financial assets which met the criteria to be classified as financial assets at FVOCI.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in other gains/(losses) in the statement of comprehensive income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Financial assets at amortised cost

This category is the most relevant to the Company. The Company's financial assets at amortised cost include 'cash and cash equivalents', 'investments' and 'accounts receivable' in the statement of financial position.

The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

APD LIMITED

Notes to Financial Statements
June 30, 2025 (continued)

2. Material accounting policies (Continued)

(n) Financial instruments (continued)

i) Financial assets (continued)

Financial assets at amortised cost (continued)

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset and has transferred substantially all the risks and rewards of the asset.

Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Company measures ECL and recognises a credit loss allowance, if material, at each reporting date.

The measurement of ECL reflects: (i) an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes, (ii) time value of money and (iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions and forecasts of future conditions.

Financial instruments measured at amortised cost are presented in the statement of financial position, net of the allowance for ECL.

For accounts receivable, the group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

APD LIMITED

Notes to Financial Statements
June 30, 2025 (continued)

2. Material accounting policies (Continued)

(n) Financial instruments (continued)

i) Financial assets (continued)

Dividends

Dividends are received from financial assets measured at FVTPL and at FVOCI. Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of an investment. In this case, the dividend is recognised in OCI if it relates to an investment measured at FVOCI.

ii) Financial liabilities

Financial liabilities are classified as subsequently measured at amortised cost.

Derecognition

Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).

(o) Retirement benefit costs

The Company has a defined contribution pension plan for all eligible employees whereby the Company makes contributions to a privately administered pension plan. The Company has no legal or constructive obligations to pay further contributions if the plan does not hold sufficient assets to pay all employees the benefits relating to employee service in the current or prior years. The Company and employees make contributions based on eligible earnings, and the Company's contributions are recognised in the statement of comprehensive income in the financial period to which they relate. Enrolment in the defined contribution pension plan is at the discretion of the employee.

(p) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive management that makes strategic decisions.

APD LIMITED

Notes to Financial Statements
June 30, 2025 (continued)

2. Material accounting policies (Continued)

(q) Taxation

Under the current laws of The Bahamas, the Company is not subject to income, capital or other corporate taxes. The Company's operations do not subject it to taxation in any other jurisdiction. The Company is however subject to value added tax (VAT), assessed at a rate of 10% (2024: 10%), and is required to assess VAT on all commercial leases and other services, to be payable to the Government. The Company also incurs VAT on certain goods and services acquired during the normal course of business which are offset against this payable. Effective April 1, 2025, the Government also introduced a reduced VAT rate of 5% (2024: \$Nil) applicable to designated food items.

(r) Earnings per share

(a) Basic

Basic earnings per share is calculated by dividing:

- the earnings attributable to the equity shareholders, excluding any costs of servicing equity other than ordinary shares.
- by the weighted average number of ordinary shares outstanding during the financial year, excluding treasury shares, if any.

(b) Diluted

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares, if any.

(s) Dividend distribution

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 approved by the Company's Board of Directors.

(t) Corresponding figures

Where necessary, certain corresponding figures have been adjusted to conform with changes in presentation in the current year. The classification of certain items within the statement of cash flows, the alternative performance measures disclosure, and the revenue from contracts with customers disclosure have been adjusted.

APD LIMITED

Notes to Financial Statements
June 30, 2025 (continued)

3. Cash and cash equivalents

	2025	2024
	\$	\$
Cash on hand	3,525	8,840
Cash held with bank	13,012,584	14,159,774
Restricted cash	4,674,519	3,600,160
	<u>17,690,628</u>	<u>17,768,774</u>

4. Accounts receivable

	2025	2024
	\$	\$
Customers' account - gross:		
Trade receivables -		
Third parties	1,024,121	1,068,292
Related parties (Note 5)	2,088,241	3,685,589
	<u>3,112,362</u>	<u>4,753,881</u>
Less: Allowance for expected credit losses	-	-
	<u>3,112,362</u>	<u>4,753,881</u>
Accrued interest receivables	22,467	22,467
	<u>3,134,829</u>	<u>4,776,348</u>

There were no movements in the allowance for expected credit losses during the year. The loss allowance calculated after the application of the impairment requirements of IFRS 9 was immaterial to the financial statements and was therefore not recognised.

The other classes within accounts receivable do not contain impaired assets.

As of the reporting date, the aging analysis of trade receivables is as follows:

	Total	Current	1-30	31-60	61-90	More than
	\$	\$	days	days	days	90 days
	\$	\$	\$	\$	\$	\$
2025	3,112,362	1,646,404	1,052,091	124,932	44,496	244,439
2024	4,753,881	2,199,057	1,488,197	754,471	159,460	152,696

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The credit quality of accounts receivable that are neither past due nor impaired at reporting date can be assessed by reference to historical information about counterparty default rates. Credit risk is discussed in Note 19(b).

APD LIMITED

Notes to Financial Statements
June 30, 2025 (continued)

5. Related party balances and transactions

A party is related to the Company if:

- (i) directly, or indirectly through one or more intermediaries, the party:
 - controls, is controlled by, or is under common control with, the Company;
 - has an interest in the Company that gives it significant influence over the Company;
- (ii) the party is a member of the key management personnel, including directors and officers, of the Company or its shareholders;
- (iii) the party is a close member of the family of any individual referred to in (ii) above; and
- (iv) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entities resides with, directly or indirectly, any individual referred to in (ii) or (iii) above.

(a) Amounts due from related parties included in accounts receivable comprise:

	2025	2024
	\$	\$
Due from Shareholder	1	1
Due from other related parties - affiliates	2,088,240	3,696,993
	<u>2,088,241</u>	<u>3,696,994</u>

The amount due from Shareholder represents amounts paid on behalf of the Shareholder. The amount due from other related parties - affiliates arise mainly from the services provided by the Company. The receivables are unsecured and bear no interest.

(b) Amounts due to related parties comprise:

	2025	2024
	\$	\$
Due to Shareholder	2,348,864	2,404,151
Due to other related parties - affiliates	300,799	540,823
	<u>2,649,663</u>	<u>2,944,974</u>

The due to Shareholder includes real property taxes payable and lease payable to the Government relevant to the lease of the Port and Depot Lands (Note 14) and customs security surcharges collected on behalf of the Bahamas Customs & Excise Department. The amounts due to other related parties - affiliates arise mainly from services provided to the Company in the ordinary course of business and services obtained for terminal handling operations. These amounts are included in due to related parties \$2,150,617 (2024: \$2,196,231) and accrued expenses and other liabilities \$499,046 (2024: \$748,743) on the statement of financial position.

Settlement of the above payables is within the payment terms agreed in the agreements and invoices.

APD LIMITED

Notes to Financial Statements
June 30, 2025 (continued)

5. Related party balances and transactions (Continued)

(c) Sales and purchases of services:

	2025	2024
	\$	\$
<i>Sales of services</i>		
Other related parties - affiliates	<u>30,711,268</u>	<u>27,869,714</u>

Sales of services to other related parties - affiliates pertains to the various general cargo and vessel services, port services, and rental income with terms as agreed in the invoices and agreements and are recognised as revenues in the statement of comprehensive income.

Revenue from transactions with two customers amount to 10% or more of the Company's total revenues. Transactions with these two customers included in sales of services account for 66% (2024: 69%) of total revenues during the year, amounting to \$14,170,684 (2024: \$13,107,052) and \$11,453,163 (2024: \$11,397,704) respectively.

	2025	2024
	\$	\$
<i>Purchases of services</i>		
Other related parties - affiliates	<u>6,145,354</u>	<u>5,639,769</u>

The services purchased from other related parties - affiliates are related to services provided by the common terminal operator at the Port facilities.

(d) Key management compensation

Key management includes the directors of the Company and senior management. The compensation paid or payable to key management for their services is shown below:

	2025	2024
	\$	\$
Salaries	723,471	667,796
Short term employee benefits	497,983	440,873
Retirement benefits	<u>27,329</u>	<u>25,613</u>
	<u>1,248,783</u>	<u>1,134,282</u>

6. Deposits, prepayments and other assets

	2025	2024
	\$	\$
Security deposits	272,540	272,540
Prepayments	<u>562,992</u>	<u>1,078,666</u>
	<u>835,532</u>	<u>1,351,206</u>

APD LIMITED

Notes to Financial Statements
June 30, 2025 (continued)

7. Investments

The Company's investments which include financial assets at amortised cost and financial assets at fair value through profit or loss comprise the following individual investments:

Category	Classification	Carrying Value		Interest Income		Bond Amortisation		Unrealised Gains	
		2025	2024	2025	2024	2025	2024	2025	2024
		\$	\$	\$	\$	\$	\$	\$	\$
Mutual funds:									
Bahamas Investment Fund (a)	FVTPL	590,410	590,410	-	-	-	-	-	-
Fixed rate investments:									
Government bonds (b)	Amortised cost	2,761,123	2,610,728	206,700	286,024	150,395	259,647	-	-
U.S. Treasury Bills (c)	Amortised cost	423,769	211,908	8,981	6,102	-	-	-	-
Equity investments:									
private companies (d)	FVTPL	6,000,000	-	-	-	-	-	-	-
Investment Funds:									
CFAL Bond Fund (e)	FVTPL	<u>267,717</u>	-	-	-	-	-	4,118	-
Total investments		<u>10,043,019</u>	<u>3,413,046</u>	<u>215,681</u>	<u>292,126</u>	<u>150,395</u>	<u>259,647</u>	<u>4,118</u>	-

(a) Mutual funds

The Company purchased 85,000 Bahamas Investment Fund (BIF) Class A Investor Shares at \$5.00 per share in December 2022. The fund has an annual net asset value calculated on March 31 of each year. Directors of the fund, along with the Investment Manager, have determined appropriate valuation methods for The Nassau Cruise Port shares which are owned by BIF. Directors intend to use the book value of BIF's ownership stake in Nassau Cruise Port as a base case for the value of the shares. Accordingly, the net asset value will reflect movements in Nassau Cruise Port's equity and primarily be driven by the performance of the company. The investment is classified as a financial asset at FVTPL. The carrying value at June 30, 2025 was \$590,410 (2024: \$590,410).

(b) Fixed rate government bonds

In November 2022, the Company purchased fixed-rate USD Bahamas Government Bonds at a discount as follows (i) 3,445,000 6% bonds at \$68.25 due to mature November 21, 2028 and (ii) 2,535,000 5.75% bonds at \$94.31 which matured on January 16, 2024. The purpose of the remaining bond is to hold to maturity and collect the interest earned over the bond term. The investment is measured at amortised cost.

APD LIMITED

Notes to Financial Statements
June 30, 2025 (continued)

7. Investments (continued)

(b) Fixed rate government bonds (continued)

Description	Face Value		Amortised cost	
	2025	2024	2025	2024
	\$	\$	\$	\$
6.00%; 2028	3,445,000	3,445,000	2,610,728	2,351,081
Amortisation of bond discount	-	-	150,395	259,647
	<u>3,445,000</u>	<u>3,445,000</u>	<u>2,761,123</u>	<u>2,610,728</u>

(c) US Treasury Bills

The Company invested in short-term U.S. Treasury Bills with maturities ranging from three to six months. The maturity date of the remaining T-bills is July 31, 2025. These are measured at amortised cost in accordance with the business model for managing financial assets.

Schedule of Treasury Bills

Purchase Dates	Face Value \$	Maturity Dates	Carrying Value \$	Interest Income \$
18-Apr-24	110,000	26-Sep-24	-	2,450
4-Jun-24	106,000	26-Sep-24	-	1,642
26-Sep-24	220,000	27-Feb-25	-	3,799
22-Nov-24	105,000	27-Feb-25	-	1,090
27-Feb-25	330,000	31-Jul-25	324,423	-
23-May-25	100,000	31-Jul-25	99,346	-
			<u>423,769</u>	<u>8,981</u>

(d) Equity Investments

During the year, the Company purchased common shares in two privately held Bahamian companies:

- Bahamas Grid Company Limited – 50,000 common shares purchased in July 2024 at \$20 per share for a total cost of \$1,000,000.
- Island Power Producers Ltd – 250,000 shares purchased in November 2024 at \$20 per shares for a total cost of \$5,000,000.

APD LIMITED

Notes to Financial Statements
June 30, 2025 (continued)

7. Investments (continued)

(d) Equity Investments (continued)

The total carrying value at June 30, 2025 was \$6,000,000 (2024: \$Nil). These investments are classified as FVTPL.

Dividend income, if declared, will be recognised in the statement of comprehensive income when the Company becomes entitled to receive it.

(e) Investment Fund

During the year, the Company invested in the CFAL Bond Fund, a pooled investment fund managed by Colina Financial Advisors Ltd. that primarily invests in fixed-income securities.

The total cost of shares acquired during the year amounted to \$263,600 (2024: \$Nil). At June 30, 2025, the investment had a market value of \$267,717 (2024: \$Nil), which included an unrealised gain of \$4,118 (2024: \$Nil).

8. Long term debt

On September 3, 2021 the Company executed a credit agreement with FirstCaribbean International Bank (Bahamas) Limited (the Lender). The Lender extended credit in the form of Facility A loans in an aggregate principal amount not in excess of B\$33,856,000 and Facility B loans in an aggregate principal amount not in excess of B\$3,000,000.

Facility A: Long term debt being a \$30,856,000 senior, non-revolving reducing term loan for a fifteen (15) year period, amortised over fifteen (15) years with principal and interest payable semi-annually in arrears at a rate of BSD Prime rate of 4.25% minus a margin of 1.15%, for a total interest rate of 3.1%. Considering possible changes in the BSD prime rate, the credit agreement stipulates a minimum interest rate of 3.1% and a maximum rate of 4.75%.

The principal outstanding as of June 30, 2025 is \$22,627,733 (2024: \$25,713,334), comprising the non-current portion of long-term debt of \$20,570,667 (2024: \$22,627,733) and the current portion of long-term debt of \$2,057,066 (2024: \$3,085,600).

Facility B: \$3,000,000 demand revolving credit facility by way of an overdraft facility at a rate of BSD prime rate of 4.25% minus a margin of 0.25%, for a total interest rate of 4.0% on the outstanding balance. To date, \$850,000 has been drawn from the available facility.

The above facilities are unsecured.

9. Spare parts inventory

During the year ended June 30, 2025, an expense of \$632,998 was recognized in the Statement of Comprehensive Income relating to obsolete spare parts inventory written down to NRV.

APD LIMITED

Notes to Financial Statements
June 30, 2025
(Continued)

10. Property, plant and equipment

	Container terminal	Freight handling equipment	Buildings, improvements & office trailers	Motor vehicles	Furniture & fixtures, communications and office equipment	Capital work in progress	Total
	\$	\$	\$	\$	\$	\$	\$
At July 1, 2024							
Cost	44,694,315	17,582,653	44,459,274	1,102,132	5,410,914	5,738,078	118,987,366
Accumulated depreciation and impairment	(12,423,869)	(8,062,487)	(11,238,585)	(727,901)	(4,952,904)	-	(37,405,746)
Net book value	32,270,446	9,520,166	33,220,689	374,231	458,010	5,738,078	81,581,620
Year ended June 30, 2025							
Opening net book value	32,270,446	9,520,166	33,220,689	374,231	458,010	5,738,078	81,581,620
Additions	-	-	-	-	-	817,746	817,746
Transfers	205,116	5,195,240	64,277	48,556	684,607	(6,197,796)	-
Disposals	-	(6,287)	(4,029)	-	(1,626)	-	(11,942)
Depreciation charge for the year	(1,049,518)	(898,563)	(1,070,234)	(107,680)	(268,516)	-	(3,394,511)
Closing net book value	31,426,044	13,810,556	32,210,703	315,107	872,475	358,028	78,992,913
At June 30, 2025							
Cost	44,899,430	20,121,367	44,481,506	1,112,910	6,079,116	358,028	117,052,357
Accumulated depreciation and impairment	(13,473,386)	(6,310,811)	(12,270,803)	(797,803)	(5,206,641)	-	(38,059,444)
Net book value	31,426,044	13,810,556	32,210,703	315,107	872,475	358,028	78,992,913

Capital work in progress includes costs incurred as of June 30, 2025 in connection with ongoing construction and special projects at the Port. These projects are expected to be completed during the 2026 fiscal year.

APD LIMITED

Notes to Financial Statements
June 30, 2025
(Continued)

10. Property, plant and equipment (Continued)

	Container terminal	Freight handling equipment	Buildings, improvements & office trailers	Motor vehicles	Furniture & fixtures, communications and office equipment	Capital work in progress	Total
	\$	\$	\$	\$	\$	\$	\$
At July 1, 2023							
Cost	44,706,787	17,584,410	43,897,902	886,269	5,384,416	856,926	113,316,710
Accumulated depreciation and impairment	(11,386,421)	(7,563,665)	(10,152,742)	(624,502)	(4,654,366)	-	(34,381,696)
Net book value	33,320,366	10,020,745	33,745,160	261,767	730,050	856,926	78,935,014
Year ended June 30, 2024							
Opening net book value	33,320,366	10,020,745	33,745,160	261,767	730,050	856,926	78,935,014
Additions	-	-	-	-	-	5,708,512	5,708,512
Transfers	-	397	532,875	237,687	56,401	(827,360)	-
Disposals	-	(6,287)	(4,029)	-	(1,626)	-	(3,943)
Depreciation charge for the year	(1,049,920)	(500,976)	(1,057,346)	(125,223)	(324,498)	-	(3,057,963)
Closing net book value	32,270,446	9,520,166	33,220,689	374,231	458,010	5,738,078	81,581,620
At June 30, 2024							
Cost	44,694,315	17,582,653	44,459,274	1,102,132	5,410,914	5,738,078	118,987,366
Accumulated depreciation and impairment	(12,423,869)	(8,062,487)	(11,238,585)	(727,901)	(4,952,904)	-	(37,405,746)
Net book value	32,270,446	9,520,166	33,220,689	374,231	458,010	5,738,078	81,581,620

Notes to Financial Statements
June 30, 2025
(Continued)

11. Accrued expenses and other liabilities

	2025	2024
	\$	\$
Accrued real property tax	499,046	499,046
General accruals	914,942	1,402,326
	<u>1,413,988</u>	<u>1,901,372</u>

12. Share capital

The Company has an authorised capital of \$65,000 divided into 5,000,000 ordinary shares and 150,000 cumulative preference shares with a par value of \$0.01 and \$0.10 each, respectively.

As of the reporting date, the Company has issued 4,996,915 (2024: 4,996,915) ordinary shares that were fully paid for by the shareholders with a value of \$49,969 (2024: \$49,969).

During the year, the Company declared and paid dividends to ordinary shareholders of \$8,744,601 (2024: \$8,494,756) representing \$1.75 (2024: \$1.70) per share.

13. Basic and diluted earnings per share

The calculation of basic and diluted earnings per share is based on the profit attributable to the equity shareholders divided by the weighted average number of ordinary shares outstanding during the period.

	2025	2024
	\$	\$
Total earnings for the year attributable to the equity shareholders	<u>13,113,765</u>	<u>11,910,365</u>
Weighted average number of ordinary shares in issue	<u>4,996,915</u>	<u>4,996,915</u>
Basic and diluted earnings per share	<u>2.62</u>	<u>2.38</u>

14. Significant agreements

(a) Memorandum of Understanding (MOU)

On May 10, 2010, the Company and the Government of The Bahamas (the Government) entered into a Memorandum of Understanding (MOU), whereby the Government initiated the relocation of the freight, cargo and port handling activities from downtown Bay Street on the island of New Providence to Arawak Cay, New Providence, and the Company agreed to design, develop, construct, manage, operate and maintain a new commercial port at Arawak Cay to be known as Nassau Container Port (the Port) and an inland terminal on Gladstone Road, to be known as Gladstone Freight Terminal (the Depot).

In accordance with the MOU, 20% of the Company's ordinary shares were offered for sale to the general public through an Initial Public Offering (IPO) held in February 2012. At the conclusion of the IPO, the Government and ACPDHL each owned 40% and the general public owned 20% of the ordinary share capital of the Company.

Notes to Financial Statements
June 30, 2025
(Continued)

14. Significant agreements (Continued)

(a) Memorandum of Understanding (MOU) (continued)

The Port and Depot facilities were developed on 56.55 acres of land on Arawak Cay, New Providence (the Port Land) and 15 acres of land at Gladstone Road, New Providence (the Depot Land). On June 21, 2011, the Minister responsible for Lands and Survey, acting on behalf of the Government leased the Port Land and Depot Land and licensed 27.88 acres of seabed for use of the Company for 45 years which became effective May 1, 2012 and August 13, 2012, respectively, when the Port and Depot facilities were substantially completed.

The MOU states that the Government will allow the Company to make such adjustments to fees and tariffs as may be required from time to time to maintain an Internal Rate of Return (IRR) of no less than 10%.

Under the MOU, the Government has granted the Company an exclusive arrangement whereby no other port (including sufferance wharfs) or container terminals (whether inland or not) can be established on the islands of New Providence and Paradise Island as well as within 20 miles of the shoreline of New Providence for a period of twenty (20) years from the date of the substantial completion.

The MOU also provides that so long as the Government will hold at least 40% of the Company's issued capital, no action or decision shall be taken by the Board of Directors (BOD) in relation to specific matters in the MOU (hereinafter referred to as the Reserved Matters) unless prior approval from the Government has been obtained. Where the context provides, the Reserved Matters are applicable to the Company and its subsidiaries, if any, from time to time (the Company and its subsidiaries are hereinafter referred to as the Group Members). The Reserved Matters are summarised as follows:

- adopting or altering the Memorandum of Association, Articles of Association or other constitutive documents;
- changing the authorised or issued share capital, granting share options or issuing instruments carrying rights of conversion into ordinary shares;
- incurring financial indebtedness which would result in the secured debt exceeding 3 times the Earnings Before Interest, Taxation, Depreciation and Amortisation or Debt Service Coverage Ratio that is less than 1.5 times;
- making loans or advances to any person other than in the ordinary course of the business;
- selling, transferring, leasing, assigning or otherwise disposing of a material part of undertaking, property and/or assets except for sub-leases made in the ordinary course of business;
- creating encumbrances over all or a material part of undertaking, property and/or assets, or giving guarantees or indemnities for any purpose other than as security in respect of the financial indebtedness which is not otherwise prohibited under the terms of the MOU;
- entering into any contract, liability or commitment which (a) is unusual or onerous or outside the ordinary course of business, or (b) is other than at commercial arm's length terms, except where such contract, liability or commitment satisfies authorisation criteria agreed between the Company and the Government;

Notes to Financial Statements
June 30, 2025
(Continued)

14. Significant agreements (Continued)

(a) Memorandum of Understanding (MOU) (continued)

- awarding of contracts, transactions or arrangements, other than contracts for provision of goods and services being at arm's length whose value does not exceed B\$5 million in a 12 month period, with (a) ACPDHL (b) a Director of ACPDHL and/or (c) an affiliate of ACPDHL, or any director or employee of such affiliate, except where such contracts, transactions or arrangements are awarded in compliance with procedures governing the awards of such that may be agreed between the Company and the Government;
- imposing fees and charges, save for such charges and fees preapproved by the Government, which are required to maintain a minimum IRR of 10% per annum;
- taking of any corporate action, legal proceedings or other procedures or steps in relation to (a) suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, liquidation, administration or reorganisation of Group Members (b) a composition, compromise, assignment or arrangement with, or for the benefit of, any creditor of the Group Members or (c) appointment of liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Group Members or any of its assets.

The consent and approval of the Government to a Reserved Matter will only be deemed to have been given where a document confirming such consent or approval has been delivered to the Company's registered office. If a consent or refusal of a Reserved Matter is not delivered within twenty (20) business days after receipt of the matter by the Government, the Reserved Matter request shall be deemed to have been approved.

The Company's financial statements shall be subject to annual audits. The auditor of the Company shall also review and report on the Company's compliance with the provisions of the MOU relating to the Reserved Matters.

(b) Leases

Pursuant to the terms of the MOU, on June 21, 2011 the Company entered into forty-five (45) year lease agreements for 56.55 and 15 acres of the Port Land and the Depot Land, respectively, with the Minister responsible for Lands and Survey. Payments commenced upon Substantial Completion of the Port and Depot which was deemed to have occurred at such time as all works necessary for the full operation of the Port and the Depot were duly completed and evidenced by (i) the issuance of performance certificates or taking over certificates pursuant to the construction contracts and (ii) certificates of occupancy. Substantial Completion of the Port and Depot were achieved on May 1, 2012 and August 13, 2012, respectively.

Under the terms of the lease agreement for the Port land, the Company shall pay an annual rent of \$40 per TEU until such time as the Substantial Completion is achieved. Once Substantial Completion is achieved, the Company will pay a minimum annual rent of \$2,000,000 or \$40 per TEU, whichever is greater. The fixed rent is payable quarterly in advance during the term and any adjustments based on the rent per TEU is payable within 14 days from the end of each quarter. The rent is subject to annual increases based on the increases in the cost of living. For the year ended June 30, 2025, the total rent expense recognised in the statement of comprehensive income amounted to \$1,162,256 (2024:

Notes to Financial Statements
June 30, 2025
(Continued)

14. Significant agreements (Continued)

(b) Leases (continued)

\$1,040,035). Interest expense on the lease liability amounted to \$2,435,626 (2024: \$2,429,948).

As of the end of the reporting period, lease payable to the Government amounted to \$54,043,157 (2024: \$53,920,786) which is included in lease liabilities in the statement of financial position.

The annual rent on the Depot Land is \$1, payable annually in advance.

Under the provision of Item 2 of the Second Schedule of the Stamp Act (revised), the leases of the Port Land and Depot Land were exempt from imposition of stamp tax as the leases were issued on behalf of the Government of the Commonwealth of The Bahamas.

Upon expiration of the term of the above leases, the Company shall have an option to renew the same for another term of forty-five (45) years on the same terms and conditions but at an annual rent to be agreed between the parties.

Contemporaneously with the signing of the lease agreements on June 21, 2011, the Company was granted a forty-five (45) year license by the Minister responsible for Lands and Survey to use the 27.88 acres of seabed for purposes ancillary to the adjacent Port facility, for an annual license fee of \$1, payable annually in advance. Upon expiration of the term of the license, the Company can apply for renewal of the license for another term of forty-five (45) years but at an annual license fee to be agreed between the parties.

Amounts recognised in the statement of financial position

The statement of financial position shows the following amounts relating to leases:

	2025	2024
	\$	\$
Right-of-use asset		
Land	<u>50,236,891</u>	<u>50,685,075</u>
Lease liabilities		
Current	85,558	81,565
Non-current	<u>53,957,599</u>	<u>53,839,222</u>
	<u>54,043,157</u>	<u>53,920,787</u>

Notes to Financial Statements
June 30, 2025
(Continued)

14. Significant agreements (Continued)

(b) Leases (continued)

Amounts recognised in the statement of comprehensive income

The statement of comprehensive income shows the following amounts relating to leases:

	2025	2024
	\$	\$
Depreciation charge of right-of-use assets		
Land	652,429	649,810
Interest expense (included in finance costs)	2,435,626	2,429,948

The total cash outflow for leases in 2025 was \$2,517,500 (2024: \$2,508,000).

(c) Subleases

The lease terms for existing lease agreements began in September 2011 and range from less than one (1) year to ten (10) years with options to renew for monthly to ten (10) year periods. The lease agreements provide at varying terms for the annual lease to be adjusted based on The Bahamas Consumer Price Index but there are no other variable lease payments that depend on an index or rate.

Although the risks associated with rights the Company retains in the underlying assets are not considered to be significant, the Company employs strategies to further minimize these risks. The Company requires the lessee to submit a cash security deposit upon signing the lease for the majority of its lease contracts. Additionally, although the Company is exposed to changes in the residual value at the end of the current leases, the Company typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases. Deposits held as per the lease agreements totalled \$300,063 as of June 30, 2025 (2024: \$276,863). Additionally, during the year the Company executed certain short-term leases, which are on a month-to-month basis.

Income amounting to \$1,833,324 (2024: \$1,506,589) is shown as subleases income in the statement of comprehensive income. At year end, the analysis of the Company's aggregate future minimum lease payments receivable under the lease is as follows:

	2025	2024
	\$	\$
No later than one year	1,468,888	1,147,100
Later than one year and no later than five years	2,008,263	613,966
Greater than five years	275,033	-
	<u>3,752,184</u>	<u>1,761,066</u>

Notes to Financial Statements
June 30, 2025
(Continued)

15. Revenue from contracts with customers

a) Disaggregation of revenue from contracts with customers

The Company derives revenue from the delivery of services over time and at a point in time in the following major revenue streams:

	At a point in time	Over time	2025
	\$	\$	Total
			\$
Landing fees	16,099,605	-	16,099,605
Terminal handling fees	5,607,827	-	5,607,827
Stevedoring fees	3,988,385	-	3,988,385
Security	3,024,576	-	3,024,576
Gate fees	2,539,725	-	2,539,725
Storage fees	-	2,687,570	2,687,570
Reefer line	-	1,540,450	1,540,450
Other income	1,009,857	-	1,009,857
Total	<u>32,269,975</u>	<u>4,228,020</u>	<u>36,497,995</u>
	At a point in time	Over time	2024
	\$	\$	Total
			\$
Landing fees	15,667,781	-	15,667,781
Terminal handling fees	5,326,677	-	5,326,677
Stevedoring fees	3,504,613	-	3,504,613
Security	2,977,482	-	2,977,482
Gate fees	2,446,973	-	2,446,973
Storage fees	-	1,881,612	1,881,612
Reefer line	-	1,288,700	1,288,700
Other income	966,115	-	966,115
Total	<u>30,889,641</u>	<u>3,170,312</u>	<u>34,059,953</u>

Other income includes hazmat fees, dockage and line handling fees as presented on the statement of comprehensive income. A portion of other income on the statement of comprehensive income, except for dividend income and unrealised gains on investments is also included.

b) Performance obligations

Landing fees are charges for the use of the Nassau Container Port (NCP) wharves and piers. The performance obligation is satisfied at a point in time, i.e. when the cargo lands at NCP. There is no significant financing component as payment is typically due and payable upon presentation of an invoice or within 15 calendar days of the invoice date. The consideration is fixed based on the size and type of cargo and there are no elements of variable consideration.

Notes to Financial Statements
June 30, 2025
(Continued)

15. Revenue from contracts with customers (Continued)

b) Performance obligations (continued)

Terminal handling fees are charges for the use of freight handling equipment and operating costs associated with moving containers, trailers and non-containerised cargo in the common terminal area. The performance obligation is satisfied at a point in time, i.e. when the cargo is moved. There is no significant financing component as payment is typically due and payable upon presentation of an invoice or within 15 calendar days of the invoice date. The consideration is fixed based on the size and type of cargo and there are no elements of variable consideration.

Stevedoring fees are charges for all containers, vehicles or non-containerised cargo discharged or loaded by cranes at NCP. The performance obligation is satisfied at a point in time, i.e. when the cargo is discharged or loaded. There is no significant financing component as payment is typically due and payable upon presentation of an invoice or within 15 calendar days of the invoice date. The consideration is fixed based on the size and type of cargo and is charged per Twenty-foot Equivalent Unit (TEU). There are no elements of variable consideration.

Security fees are charges for providing security services at the Port and are assessed to all cargo entering NCP. The performance obligation is satisfied at a point in time, i.e. when the cargo enters the Port. There is no significant financing component as payment is typically due and payable upon presentation of an invoice or within 15 calendar days of the invoice date. The consideration is fixed based on the size and type of cargo and there are no elements of variable consideration.

Gate fees are charges for containers, chassis and trailers entering or leaving the Port's gates. The performance obligation is satisfied at a point in time, i.e. when the cargo moves through the gate. There is no significant financing component as payment is typically due and payable upon presentation of an invoice or within 15 calendar days of the invoice date. The consideration is fixed and is charged per container.

Storage and reefer fees are charges for the time that cargo remains at NCP or GFT beyond an established free time period. The performance obligation is satisfied over time, i.e. during the period that the cargo remains on site. There is no significant financing component as payment is typically due and payable upon presentation of an invoice or within 15 calendar days of the invoice date. The consideration is fixed based on the type of cargo and there are no elements of variable consideration.

Hazmat fees are charges for handling hazardous cargo. The performance obligation is satisfied at a point in time, i.e. when the cargo arrives at the Port. There is no significant financing component as payment is typically due and payable upon presentation of an invoice or within 15 calendar days of the invoice date. The consideration is fixed based on the weight of the cargo and there are no elements of variable consideration.

Notes to Financial Statements
June 30, 2025
(Continued)

15. Revenue from contracts with customers (Continued)

b) Performance obligations (continued)

Dockage fees are charges assessed on a vessel for berthing or making use of any of the dock space at NCP. The performance obligation is satisfied at a point in time, i.e. when the vessel berths. There is no significant financing component as payment is typically due and payable upon presentation of an invoice or within 15 calendar days of the invoice date. The consideration is fixed based on the Length Overall (LOA) of the vessel and there are no elements of variable consideration.

Line handling fees are charges for mooring the vessel to the berth and are assessed when a ship moves berth. The performance obligation is satisfied at a point in time, i.e. when the vessel berths, unberths, or moves berth. There is no significant financing component as payment is typically due and payable upon presentation of an invoice or within 15 calendar days of the invoice date. The consideration is fixed based on the size of the vessel and there are no elements of variable consideration.

Other income includes charges for equipment rental and weighing charges. The performance obligation is satisfied at a point in time, i.e. when the equipment is rented or when the cargo is weighed. There is no significant financing component as payment is typically due and payable upon presentation of an invoice or within 15 calendar days of the invoice date. The consideration is fixed based on the type of equipment or weight and there are no elements of variable consideration.

16. Legal and other professional fees

Legal and other professional fees comprise the following:

	2025	2024
	\$	\$
Legal and other professional fees	311,569	780,782
Audit fees	115,000	97,333
Regulatory fees	120,655	121,904
	<u>547,224</u>	<u>1,000,019</u>

17. Retirement benefits

Pension costs for the year which are included in salaries, employee benefits and training in the statement of comprehensive income totalled \$107,431 (2024: \$97,892). The Company's contributions to the pension plan vest 50% with the employees upon completion of five (5) years of employment, incrementally vesting annually, with full vesting upon completion of ten (10) years of employment.

Notes to Financial Statements
June 30, 2025
(Continued)

18. Commitments and contingencies

The Company has no outstanding capital commitments as of June 30, 2025 (2024: \$Nil).

As of June 30, 2025, the Company is contingently liable to its bankers in respect of customs bonds issued to the Bahamas Government and corporate credit cards in the total amount of \$970,000 (2024: \$970,000). There is an annual bank charge of 1.25% on the face value of each bond.

19. Financial risk management

The Company's activities expose it to a variety of financial risks such as market risk, credit risk and liquidity risk. The Company's overall risk management framework seeks to minimise potential adverse effects of these risks on the Company's financial performance by understanding and effectively managing these risks.

Risk management is carried out by senior management of the Company under policies approved by the Board of Directors.

(a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's objective when managing market risk is to maintain risk exposure at a level that would optimise return on risk. The Company is exposed to the following types of market risks:

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign exchange risk arises from future transactions, recognised assets and liabilities.

In the normal course of the business, the Company is exposed to foreign exchange risk arising primarily with respect to the United States dollar.

The exchange rate between the Bahamian dollar and the United States dollar is fixed at 1:1 and therefore, the Company's exposure to currency risk is considered minimal.

(ii) Cash flow and fair value interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of the financial interest will fluctuate because of changes in the market interest rates.

As of June 30, 2025, the Company held variable interest rate financial instruments which could possibly expose it to significant fair value or cash flow interest rate risk. The long-term debt is subject to the prevailing market interest rate: the BSD prime rate. This rate has not fluctuated significantly in prior years and the credit agreement stipulates a minimum and maximum interest rate, limiting the exposure to interest rate risk. Management does not foresee cash flow and fair value interest rate risks on the financial liability to be significant.

Notes to Financial Statements
June 30, 2025
(Continued)

19. Financial risk management (Continued)

(b) Credit risk

Credit risk arises from the potential failure of a counterparty to perform according to the terms of the contract. The Company's exposure to credit risk is concentrated in its cash and deposits with bank and accounts receivable. The carrying amount of these financial assets represents the maximum credit exposure to the Company.

The Company seeks to mitigate such risk from its cash and cash equivalents by placing its cash with financial institutions in good standing with the Central Bank of The Bahamas. The credit risk from accounts receivable is mitigated by monitoring the payment history of the counterparties before continuing to extend credit to them. The Company does not have a significant concentration of credit risk as it transacts and deals with various customers and counterparties.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and other receivables. While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, all cash balances are held with a reputable financial institution which is a branch of a bank which holds under Moody's an external credit rating of Aa2 and under Fitch an external credit rating of AA, and as such are in stage 1. Given the strong credit worthiness of the bank, management does not expect a material ECL on the cash balances.

To measure the expected credit losses, trade receivables and other receivables have been grouped based on shared credit risk characteristics and the days past due. The other receivables relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables. The Company has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the other receivables. These two balances are grouped together as accounts receivable on the statement of financial position.

The expected loss rates are based on the payment profiles of sales over a period of 12 months before June 30, 2025 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 to settle the receivables. The Company has identified gross domestic product (GDP) of The Bahamas and the geographical location in which it operates which make it prone to potential hurricanes to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

On that basis, the loss allowance as at June 30, 2025 was determined to be immaterial and no adjustments were booked.

Trade receivables and other receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Company, and a failure to make contractual payments for a period of greater than 365 days past due.

Notes to Financial Statements
June 30, 2025
(Continued)

19. Financial risk management (Continued)

(c) Liquidity risk

Impairment losses on trade receivables and other receivables are presented as net impairment losses within EBITDA. Subsequent recoveries of amounts previously written off are credited against the same line item.

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with financial liabilities that are to be settled by delivering cash or another financial asset.

Management monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs at all times so that the Company does not default on its contractual obligations.

The table below analyses the Company's financial liabilities in relevant maturity groupings based on the remaining period at the contractual maturity date as of June 30, 2025. The amounts disclosed in the table are the contractual undiscounted cash flows.

As of June 30, 2025	Carrying amount \$	Contractual cash flows \$	0-12 months \$	1-5 years \$	More than 5 years \$
Liabilities					
Accounts payable	375,344	375,344	375,344	-	-
Due to related parties	2,150,617	2,150,617	2,150,617	-	-
Accrued expenses and other liabilities	1,413,988	1,413,988	1,413,988	-	-
Lease liabilities	54,043,157	193,427,917	2,517,500	10,070,000	180,840,417
Long term debt	22,627,733	26,664,927	2,742,715	10,334,655	13,587,557
Deposits held	300,063	300,063	227,719	72,344	-
Total financial liabilities	80,910,902	224,332,856	9,427,883	20,476,999	194,427,974
As of June 30, 2024	Carrying amount \$	Contractual cash flows \$	0-12 months \$	1-5 years \$	More than 5 years \$
Liabilities					
Accounts payable	237,185	237,185	237,185	-	-
Due to related parties	2,196,231	2,196,231	2,196,231	-	-
Accrued expenses and other liabilities	1,901,372	1,901,372	1,901,372	-	-
Lease liabilities	53,920,786	195,206,000	2,508,000	10,032,000	182,666,000
Long term debt	25,713,334	30,499,944	3,835,018	10,589,731	16,075,195
Deposits held	276,863	276,863	225,519	51,344	-
Total financial liabilities	84,245,771	230,317,595	10,903,325	20,673,075	198,741,195

The Company has sufficient cash flows from operations to meet its liquidity needs. In addition, the Company has an undrawn line of credit with FirstCaribbean International Bank (Bahamas) Limited totalling \$2,150,000 (\$3,000,000 Facility B as described in Note 8 less customs bonds issued to the Bahamas Government of \$850,000) and an undrawn line of credit with RBC Royal Bank (Bahamas) Limited totalling \$3,000,000.

Notes to Financial Statements
June 30, 2025
(Continued)

19. Financial risk management (Continued)

(c) Liquidity risk (continued)

As disclosed in Note 18, the Company has no outstanding capital commitments as of June 2025 (2024: \$Nil).

20. Fair value of financial instruments

Financial instruments utilised by the Company include recorded financial assets and liabilities. Except for long term debt, redeemable preference shares and deposits held, the Company's financial liabilities are principally short term in nature. Due to the short-term nature of these instruments, management does not consider the estimated fair values of financial instruments to be materially different from the carrying values of each major category of the Company's financial assets and liabilities as of the reporting date.

For long term debt, redeemable preference shares and deposits held, the respective market interest rates have not experienced significant changes since origination and therefore fair values approximate carrying values. The Bahamian dollar prime rate was reduced by 0.50% effective January 2017, and prior to this change had not experienced any changes since the year ended June 30, 2011.

Fair value hierarchy and measurements

The Company ranks its financial instruments based on the hierarchy of valuation techniques required by IFRS, which is determined based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Company's market assumptions. These two types of inputs lead to the following fair value hierarchy:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

This hierarchy requires the use of observable market data when available. The Company considers relevant and observable market prices in its valuations where possible.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset.

The determination of what constitutes 'observable' requires significant judgment by the Company. The Company considers observable data to be that market data that is readily

APD LIMITED

Notes to Financial Statements
June 30, 2025
(Continued)

20. Fair value of financial instruments (Continued)

Fair value hierarchy and measurements (continued)

available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

	Level 1 \$	Level 2 \$	Total \$
As at June 30, 2025			
FINANCIAL ASSETS			
Financial assets at amortised cost			
Cash and cash equivalents	17,690,628	-	17,690,628
Accounts receivable	-	3,134,829	3,134,829
Investments	-	3,184,892	3,184,892
Investments at fair value through profit or loss	-	6,858,127	6,858,127
Total financial assets	17,690,628	13,177,848	30,868,476
FINANCIAL LIABILITIES			
Financial liabilities at amortised cost			
Accounts payable	-	375,344	375,344
Due to related parties	-	2,150,617	2,150,617
Accrued expenses and other liabilities	-	1,413,988	1,413,988
Current portion of long-term debt	-	2,057,066	2,057,066
Current portion of lease liability	-	85,558	85,558
Long term debt	-	20,570,667	20,570,667
Long term lease liability	-	53,957,599	53,957,599
Deposits held	-	300,063	300,063
Total financial liabilities	-	80,910,902	80,910,902
As at June 30, 2024			
FINANCIAL ASSETS			
Financial assets at amortised cost			
Cash and cash equivalents	17,768,774	-	17,768,774
Accounts receivable	-	4,776,348	4,776,348
Investments	-	2,822,636	2,822,636
Investments at fair value through profit or loss	-	590,410	590,410
Total financial assets	17,768,774	8,189,394	25,958,168
FINANCIAL LIABILITIES			
Financial liabilities at amortised cost			
Accounts payable	-	237,185	237,185
Due to related parties	-	2,196,231	2,196,231
Accrued expenses and other liabilities	-	1,901,372	1,901,372
Current portion of long-term debt	-	3,085,600	3,085,600
Current portion of lease liability	-	81,565	81,565
Long term debt	-	22,627,733	22,627,733
Long term lease liability	-	53,839,222	53,839,222
Deposits held	-	276,863	276,863
Total financial liabilities	-	84,245,771	84,245,771

APD LIMITED

Notes to Financial Statements
June 30, 2025
(Continued)

20. Fair value of financial instruments (Continued)

Fair value hierarchy and measurements (continued)

For a period of 1 year after December 31, 2021 the shareholders of BIF will not be able to transfer, sell, pledge, grant any option to purchase, otherwise dispose of, any shares in the fund and for a period of 3 years after December 31, 2021, the shareholders will not be able to redeem any shares in the fund.

The Company does not have any financial instruments with a Level 3 classification at June 30, 2025 and 2024. There were no transfers between levels during the year.

21. Capital management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

In order to achieve the above objective, the Company may adjust the amount of dividends paid to shareholders, raise additional capital through equity and/or debt financing, return capital to shareholders and/or sell assets to reduce debt.

The frequency of dividends and the dividend payout ratio are at the sole discretion of the Board of Directors. The Company will seek to distribute free cash flows after maintenance of the minimum capital reserve, and meeting its capital and other financial commitments.

In addition to the above, the MOU has imposed other restrictions on the Company as it relates to capital management, which are detailed in Note 14.

Total capital represents equity shown in the statement of financial position plus net debt.

Long term debt covenants

Under the terms of the borrowing facilities (Note 8), the Company is required to comply with the following financial covenants:

- to maintain a debt service coverage ratio of at least 2.00:1.00

The Company has complied with this covenant throughout the reporting period. As at June 30, 2025, the debt service coverage ratio was 14.35 (2024: 6.40).

- to maintain in the debt service reserve account an amount in cash equal to or exceeding the minimum debt service reserve cash balance

The Company has complied with this covenant throughout the reporting period. As at June 30, 2025, the balance in the debt service reserve account exceeded the minimum debt service reserve cash balance.

- to maintain a debt to EBITDA ratio of less than 3.00:1.00

The Company has complied with this covenant throughout the reporting period. As at June 30, 2025, the debt to EBITDA ratio was 1.13 (2024: 1.40).

APD LIMITED

Notes to Financial Statements
June 30, 2025
(Continued)

21. Capital management (Continued)*Long term debt covenants (continued)*

- to make minimum major maintenance reserve payments equal to 3% of gross annual revenues as shown in the audited financial statements until the major maintenance reserve account is equal to or exceeds the minimum major maintenance reserve balance, and to maintain the minimum major maintenance reserve balance at any time thereafter.

The Company has complied with this covenant throughout the reporting period. As at June 30, 2025, payments made to the major maintenance reserve account exceed 3% of revenues as shown in the June 30, 2025 audited financial statements.

- to maintain a minimum current ratio of 1.00:1.00

The Company has complied with this covenant throughout the reporting period. As at June 30, 2025, the current ratio was 3.81 (2024: 3.40).

22. Segment reporting

Management determines the operating segments based on the information reported to the Company's operating decision maker. The executive management is identified as the chief operating decision maker of the Company. The Company is engaged in the operation of a commercial port facility in Arawak Cay and an inland depot terminal on Gladstone Road located in Nassau, Bahamas. Resources of the Company are allocated based on what is beneficial to the Company in enhancing the value of both the Port and Depot facilities rather than any specific unit. The executive management considers that the performance assessment of the Company should be based on the results of both facilities as a whole. Therefore, management considers the port operations to be only one operating segment under the requirements of IFRS 8, *Operating Segments*.

23. Subsequent Events

There were no subsequent events that require disclosure or adjustment to the financial statements.



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