

2026

ARAVAK
PORT DEVELOPMENT

ANNUAL REPORT

A SMARTER PORT.
A STRONGER FUTURE.



MISSION

Consistently delivering operational excellence

VISION

Operational excellence to maximise value through people development and technology

APD · 2026 ANNUAL REPORT

CONTENTS

3 **COMPANY OVERVIEW**

5 FINANCIAL **HIGHLIGHTS**

6 CHAIRMAN'S **STATEMENT**

11 APD **BOARD OF DIRECTORS**

13 PRESIDENT'S **REPORT**

18 **KEY ACHIEVEMENTS** OF 2026

25 **APD** TEAM

- 25 **EXECUTIVE TEAM**
- 28 **MANAGEMENT TEAM**

30 EMPLOYEE **OF THE YEAR**

32 **COMMUNITY PARTNERSHIPS**

34 **2027 OUTLOOK**

35 MANAGEMENT **DISCUSSION & ANALYSIS**

AUDITED FINANCIAL STATEMENTS

- 43 Independent Auditor's Report
- 46 Statement of Financial Position
- 47 Statement of Comprehensive Income
- 48 Statement of Changes in Equity
- 49 Notes to Financial Statements

Arawak Port Development (APD)

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.

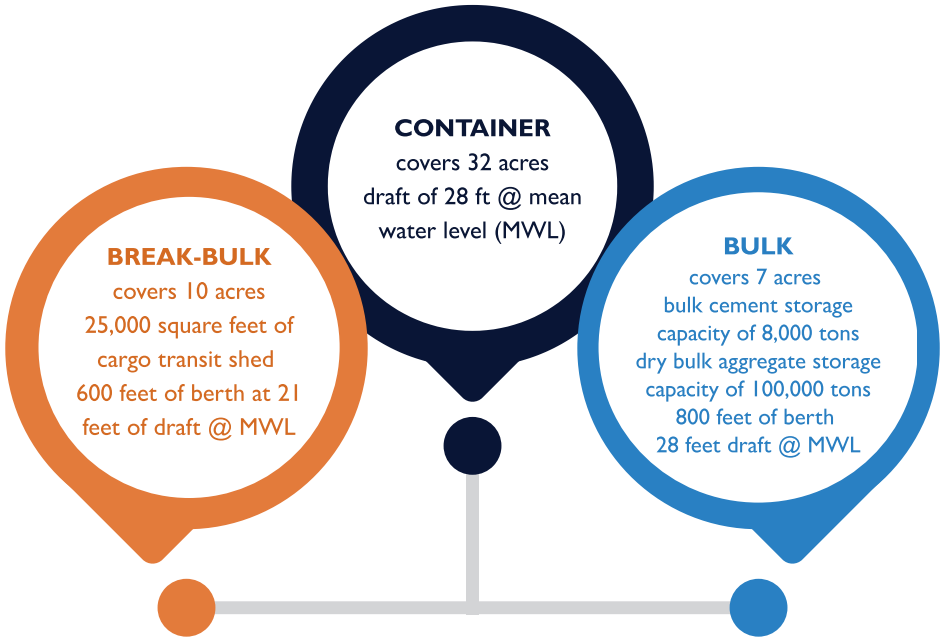
APD represents a unique public-private partnership. **Ownership is shared** between the Government of The Bahamas (40%) and Arawak Cay Port Development Holdings Limited (ACPDHL) (40%), while **more than 12,000 Bahamians hold the remaining 20%** through a landmark IPO launched in 2012. Each stakeholder 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

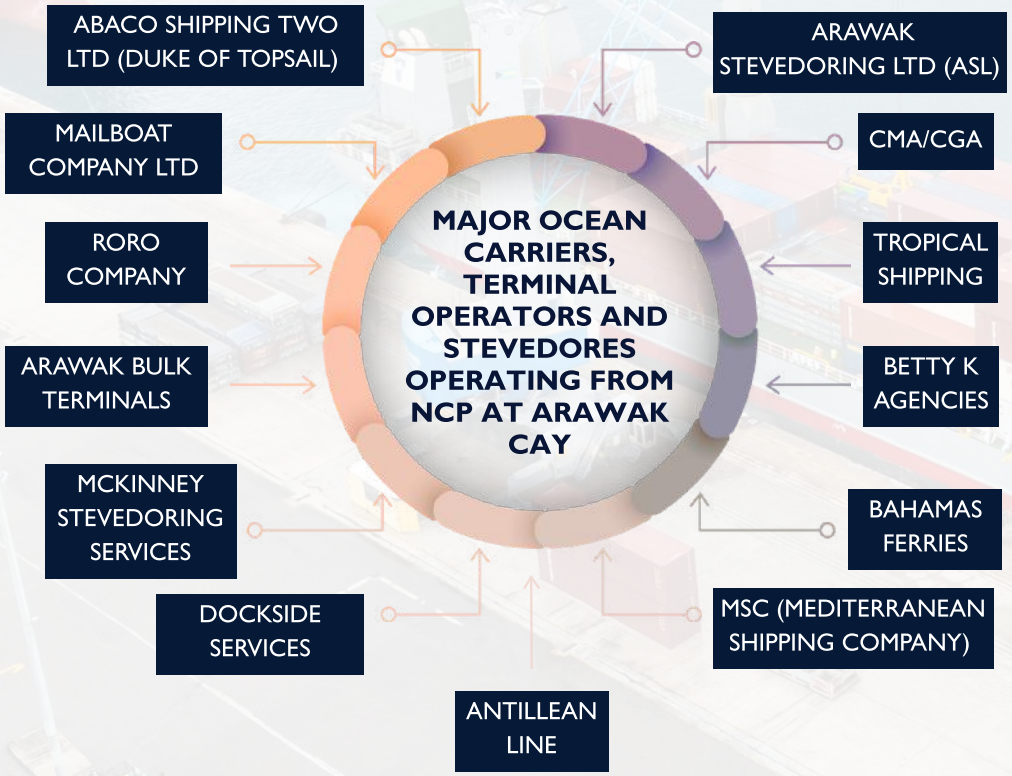
1. *General cargo, container, bulk and break-bulk operations*
2. *Meets ISPS code requirements and is supported by surveillance cameras and 24/7 security presence*
3. *Dedicated deconsolidation and LCL facilities*
4. *Onsite Customs Department to provide entry processing and freight inspection*
5. *Three 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

- HOEGH AUTO LINERS
- K-LINE
- EUKOR
- GLOVIS HYUNDAI
- NIPPON YUSEN KAISHA LINE (NYK)
- MITSUI (MOL)

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.



FINANCIAL HIGHLIGHTS

INCOME STATEMENT	2027 Budget	2026	2025	2024	2023	2022	2021
	$	$	$	$	$	$	$
Total Revenue	40,931,465	41,246,579	38,560,347	35,738,054	35,838,636	29,960,128	28,774,831
Total Operating Expenses	21,774,489	19,790,200	18,581,026	17,364,199	17,160,722	14,866,912	14,235,255
Depreciation & Financing Costs	6,742,386	6,610,589	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	**12,414,590**	**14,845,790**	**13,113,765**	**11,910,377**	**9,686,825**	**7,417,988**	**6,671,578**
Basic and diluted earnings per share	**2.48**	**2.97**	**2.62**	**2.38**	**1.94**	**1.48**	**1.34**

Balance Sheet	2026	2025	2024	2023	2022	2021
Assets						
Total Current Assets	30,506,761	23,147,353	25,494,279	24,113,724	25,440,556	22,088,505
Net PP&E	76,767,849	78,992,913	81,581,620	78,935,014	78,451,796	81,523,145
Right-of-Use Asset	50,177,733	50,236,891	50,685,075	49,709,236	45,023,241	45,586,032
Investments	10,045,212	9,619,250	3,201,138	2,903,738	425,000	-
Total Assets	**167,497,555**	**161,996,407**	**160,962,112**	**155,661,712**	**149,340,593**	**149,197,682**
Liabilities and Shareholders' Equity						
Total Current liabilities	8,279,106	6,082,573	7,501,953	5,104,030	4,987,166	33,253,178
Non-current liabilities	73,280,984	74,828,329	76,743,818	77,256,950	73,743,838	47,256,297
Total Liabilities	**81,560,090**	**80,910,902**	**84,245,771**	**82,360,980**	**78,731,004**	**80,509,475**
Total Equity	**85,937,465**	**81,085,505**	**76,716,341**	**73,300,732**	**70,609,589**	**68,688,207**
Total Liabilities and Shareholders' Equity	**167,497,555**	**161,996,407**	**160,962,112**	**155,661,712**	**149,340,593**	**149,197,682**

Cash Flow	2026	2025	2024	2023	2022	2021
Net Cash Provided by Operating Activities	22,459,786	22,482,681	17,099,412	19,031,743	14,815,384	14,770,463
Net Cash (Used) by Investing Activities	(1,300,092)	(7,064,147)	(3,078,062)	(10,747,493)	(1,660,109)	(4,448,157)
Net Cash Provided (Used) by Financing Activities	(15,281,958)	(15,496,680)	(12,446,923)	(11,906,984)	(10,945,145)	(11,042,446)



CHAIRMAN'S STATEMENT

The strength of a nation's economy depends, in no small measure, on the reliability of the infrastructure that supports it.

Ports, power generation facilities and transportation networks are more than commercial assets. They are essential to national competitiveness, economic stability and the well-being of the communities they serve.

Across the Caribbean, governments and industries are navigating a period of considerable transformation. Energy security, evolving trade patterns, rising infrastructure costs and the demands of international commerce are reshaping investment priorities. For small island economies, where the cost of importing goods and generating electricity affects virtually every household and business, these decisions carry particular significance.

The Bahamas is no exception. Our nation is undertaking an important transformation of its energy sector, while continued investment in tourism, real estate and commercial development places growing demands on the infrastructure supporting our economy.

For Arawak Port Development Ltd. (APD), these developments present both a responsibility and an opportunity. Our responsibility is to maintain the safe, reliable and efficient movement of cargo upon which New Providence and the surrounding islands depend. Our opportunity is to anticipate the country's changing needs and make the investments necessary to serve them.

This is the thinking behind our theme, *A Smarter Port. A Stronger Future.*

It reflects a principle that has guided APD since its establishment: that prudent investment, sound governance and disciplined management must work together to create lasting value for our shareholders and the Bahamian economy.

SUPPORTING A NATIONAL ENERGY TRANSFORMATION

For fourteen years, the Nassau Container Port (NCP) has served as a critical gateway for the movement of goods supporting government, commerce and the daily lives of Bahamian residents. Throughout this period, APD has demonstrated that the port's value extends beyond cargo handling. It lies equally in our ability to respond to changing national priorities and provide the infrastructure necessary to support them.
Today, one of those priorities is energy.

APD is pleased to be contributing to the transformation of The Bahamas' energy sector through its investment in Island Power Producers Ltd. (IPPL) and the development of a fourth terminal at the Nassau Container Port, to be known as the Energy Terminal.

This development represents an important expansion of the port's role in the national economy. The Energy Terminal will support the receipt and distribution of liquefied natural gas (LNG), facilitating power generation in New Providence and the Family Islands, including Abaco and Eleuthera.

Under the planned arrangements, Island Power Producers Ltd. will operate the power generation components of the terminal, while Domicisle LNG will manage LNG supply and distribution.

Progress is already evident. In July 2026, the first LNG storage tanks arrived in Nassau, marking an important milestone in the project's development. Further deliveries and construction activity are planned as the facilities advance toward commissioning.

Looking ahead, new power generation facilities in Abaco and Eleuthera are expected to be commissioned during the second quarter of 2027, with LNG supplied through the Nassau Container Port. The IPPL power plant located at the Energy Terminal is scheduled to begin generating electricity in the third quarter of 2027, with the planned expansion of generating capacity expected to be completed in the first quarter of 2028.

These investments are significant, not only for their scale but for what they represent: the ability of established national infrastructure to support new industries, respond to emerging requirements and contribute to the long-term development of our country.

STRENGTHENING THE ECONOMICS OF THE PORT

The addition of the Energy Terminal also introduces an important dimension to APD's long-term financial and operating model.

There is a direct relationship between cargo throughput and the cost of operating a port. **Greater cargo volumes allow operating costs to be distributed across a broader revenue base, reducing the pressure to recover those costs through increased port charges.** This relationship is particularly important in The Bahamas, where the cost of imported goods ultimately affects businesses, consumers and the wider economy.

The introduction of LNG as a new cargo stream is therefore expected to deliver benefits beyond the additional revenue it will generate. By contributing to the port's shared operating costs, these volumes will help mitigate pressure for future tariff increases. Our objective is not simply to expand APD's commercial activities, but to strengthen the company's financial position in ways that support competitive charges, continued investment and reliable service.

The Energy Terminal represents precisely the kind of opportunity that responsible infrastructure stewardship demands: one that creates shareholder value while serving a broader national interest.

INVESTING IN CAPACITY AND RELIABILITY

As the Nassau Container Port has developed, so too have the demands placed upon its infrastructure.

When APD began planning the port in 2011, our operating model anticipated three mobile harbour cranes. Two would support vessel operations, while the third would provide the flexibility necessary to undertake scheduled maintenance and repairs without compromising service.
It was a deliberate approach, designed to balance operational capacity with equipment reliability.

Since then, vessel calls have increased, ships have become larger, and cargo requirements have grown more demanding. These developments have reinforced the importance of maintaining adequate capacity and operational flexibility.

APD is therefore expanding its mobile harbour crane fleet through the acquisition of a Liebherr 550, with a lifting capacity of 154 tons.

By 2027, the port is expected to operate a fleet comprising two Konecranes ESP 6 units, a Liebherr 420 and the new Liebherr 550. Three cranes will be available for operations at any given time, allowing the fourth to undergo scheduled maintenance.

This investment will strengthen cargo-handling capacity while protecting the equipment availability upon which our shipping partners depend. **A smarter port is not simply one with greater capacity. It is one that anticipates demand, manages its assets responsibly and invests before operational constraints become obstacles to growth.**

STRENGTHENING GOVERNANCE AND SHAREHOLDER ENGAGEMENT

Good corporate governance requires more than compliance with established obligations. It requires a continuing commitment to transparency, accountability and the interests of those who have invested in the company.

During the fiscal year, the APD Board directed management to seek authorization from the Securities Commission of The Bahamas to provide the company's own Registrar and Transfer Agent (RTA) services.

I am pleased to report that the necessary authorization has been received, and APD expects to introduce these services during fiscal year 2027.

Bringing these functions within the company will allow us to improve shareholder communication, strengthen administrative responsiveness and provide more direct assistance to our investors.

We are pleased that Ms. Bianca Aranha will lead this initiative as RTA Department Manager.

As APD continues to grow and diversify, the Board remains committed to ensuring that our governance arrangements and shareholder services evolve accordingly.

Our shareholders have placed their confidence in this company, and we have a continuing responsibility to ensure that confidence is well founded.

BOARD LEADERSHIP AND INSTITUTIONAL CONTINUITY

The progress achieved during the year reflects the commitment of a Board whose members bring considerable experience, sound judgment and a shared understanding of APD's responsibilities.

I wish to acknowledge the contributions of our standing committees.

The ***Government Affairs Committee***, chaired by Roger Minnis, with James Mosko, David Davis and myself, continues to provide valuable guidance on matters relating to government engagement and the regulatory environment.

The ***Human Resources and Compensation Committee***, chaired by Franklyn Butler II, with my participation, provides oversight of executive leadership, compensation and organizational development.

The ***Audit Committee***, which I chair alongside Patrick Davis and Craig Symonette, remains focused on financial accountability, sound controls and the integrity of the company's reporting.

I extend sincere appreciation to each member for his time, expertise and dedication.

I also wish to recognize Mr. David Davis for his tireless service and valued contributions over the past several years. We are equally pleased to welcome Mr. Creswell Sturrup, who rejoined the Board effective July 1, 2026, and will succeed Mr. Davis on the Government Affairs Committee.

Institutional strength depends upon continuity of judgment, accountability and purpose. These qualities remain essential as APD enters its next phase of development.

LEADERSHIP AND THE FUTURE OF APD

The Board recognizes that the company's continued success depends upon the quality of its leadership and the dedication of the men and women who carry out its work each day.

As APD expands its operations, attracting and retaining capable professionals remains a priority.

We wish to recognize Mr. Rudolph Tener-Knowles for his meaningful contributions during his tenure with the company. His service has been greatly appreciated. The Human Resources and Compensation Committee is working closely with management to recruit a strong executive who will support APD's future development and our continued ambition to operate as a best-in-class cargo port.

Leadership continuity is an important responsibility of any Board. It requires foresight, careful planning and a commitment to developing the institutional capabilities necessary to sustain performance over time.

We are fortunate to have Mr. Dion Bethell, President and Chief Financial Officer, whose experience, sound judgment and steady leadership continue to guide the company.

I also acknowledge Mrs. Rita Ramsay, Assistant Vice President of Human Resources, Occupational Health, Safety and Environment, and Mr. Kino Williamson, Assistant Vice President of Finance and Information and Communications Technology, for their valued contributions.

Together with the wider management team and staff, they continue to demonstrate the professionalism and commitment necessary to steward an asset of considerable national importance.

LOOKING AHEAD

We anticipate fiscal year 2027 to be another relatively strong year, supported by continued activity in tourism, real estate development and the energy sector.

At the same time, the international operating environment remains uncertain. Global trade patterns, energy costs and climate-related disruptions will continue to influence the conditions under which ports throughout our region operate. These realities reinforce the importance of prudent financial management, disciplined investment and resilient infrastructure.

Our priorities are clear: advance the Energy Terminal, strengthen cargo-handling capacity, improve operational reliability, enhance shareholder services and ensure that APD has the leadership necessary to support its next stage of growth.

We will pursue these objectives with the same measured approach that has guided the company since its establishment.

GRATITUDE AND CLOSING REFLECTIONS

On behalf of the Board of Directors, ***I extend sincere appreciation to the Government of The Bahamas, our shipping and commercial partners, regulatory agencies and the many stakeholders whose cooperation contributes to the successful operation of the Nassau Container Port.***

I thank my fellow Directors for their invaluable support, thoughtful counsel and continued commitment to the responsible stewardship of this important national asset.

To Mr. Dion Bethell, his executive leadership team and all APD employees, I offer the Board's gratitude for another year of dedicated service and hard work.

Most importantly, ***I thank our shareholders for their continued confidence and support.*** Your investment has helped build an institution that serves an essential function in the economic life of our country, and we remain committed to protecting and strengthening the value of that investment.

When APD was established, the objective was to create a modern, efficient and reliable port capable of meeting the trading needs of The Bahamas. That responsibility has not changed. What has changed is the scope of the opportunity before us.

Today, we are investing not only in the movement of goods, but in infrastructure that will help power our country, support new economic activity and strengthen the foundations of national development. That is the responsibility we embrace, and the future we are working to build.

A Smarter Port. A Stronger Future.



MIKE MAURA JR.
Chairman,
APD BOARD OF DIRECTORS

APD **BOARD OF DIRECTORS**



MICHAEL **MAURA JR.** CHAIRMAN

Appointed by ACPDHL and approved by the Prime Minister of The Bahamas

Michael J. Maura Jr. is a founding APD Director and was named Chairman of the APD Limited Board on 1 November 2018. In July 2019, he was appointed Regional Director of the Americas for 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 over nearly 30 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 playing a key role in the development of the Public-Private Partnership between APD and the Government of The Bahamas in 2010. Passionate about the quality development of the maritime industry of The Bahamas and the country's economy, Mr. Maura is a past 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 serves as Director of ACPDHL and continues to serve on various boards in the retail, energy, and port sectors throughout the Americas.



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 Saint Augustine's 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 K.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 President & CEO of Cable Bahamas Group, leading one of The Bahamas' foremost technology and telecommunications companies. Shaped by his own family's generational transition, he brings a deep commitment to purposeful leadership and to building organizations — and communities — that last.

Since taking the helm in 2018, Franklyn has championed initiatives that develop Bahamian talent and strengthen local communities. He is Founder and Director of the Butler Legacy Foundation, co-host of the Butler Legacy Podcast, and an active mentor to young Bahamian professionals.

He is married to Eugeina T. Butler, and they have one daughter. Outside the boardroom, Franklyn enjoys traveling, reading, and time on the water — but counts mentoring the next generation of Bahamian leaders among his favorite roles.



PATRICK **DAVIS** DEPUTY SECRETARY

Appointed by Government

Patrick Davis is the former National Coordinator for Information Technology with the Bahamas Government in the Ministry of Economic Affairs and 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.

APD **BOARD OF DIRECTORS**



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 Island Site Development, 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

Mr. Craig Symonette was educated at St. Andrews School in Nassau, The Leys in Cambridge, England and UWO in Canada where he obtained an HBA in business administration. Mr. Symonette was a founding member of Bahamas Ferries, a passenger and cargo transportation company operating within the islands of The Bahamas. He is also active in several local businesses and serves as a director on the Boards of Commonwealth Bank, The BHM Group and Waterfront Marina Ltd.



CRESWELL **STURRUP** DIRECTOR

Appointed by Government

Mr. Creswell Godfrey Sturrup is the Permanent Secretary in the Office of the Prime Minister of The Bahamas and serves as Secretary to the National Security Council, Energy Committee, Land Reform Committee, and The Bahamas Investment Authority.

A native of Nassau, New Providence, Mr. Sturrup was educated at Saint Augustine's College and earned a Bachelor's Degree in Government from St. John's University, Minnesota. He also holds a Postgraduate Diploma in Public Administration from the University of the West Indies and an LLB (Hons) from the University of London. He was called to the Bar of England and Wales (Middle Temple) and the Bar of The Bahamas.

With more than 40 years of distinguished public service, Mr. Sturrup began his career as an Executive Officer in the Ministry of Home Affairs and advanced through the ranks to become Permanent Secretary. He has served as Permanent Secretary in several key ministries, including Youth and Personal Development, Health, Social Development and Housing, Education, Agriculture and Marine Resources, and the Office of the Prime Minister.

Mr. Sturrup has also represented the Government of The Bahamas on the Boards of Arawak Port Development Company and the Bahamas Telecommunications Corporation.

A Fond Farewell to

MR. DAVID DAVIS,
FORMER DIRECTOR



The Board of Directors, management and staff of APD extend our sincere thanks to Mr. David Davis, who is stepping down from the Board after his second period of service, which began in February 2020.

Throughout his tenure, Mr. Davis contributed extensive experience and insight to the governance and strategic direction of APD. His service on the Government Affairs Committee was among his most notable contributions. There, he played an important role in fostering and maintaining our relationships with government stakeholders, and his guidance helped support constructive engagement between APD and government entities on matters of strategic importance.

As a committee member, Mr. Davis helped monitor legislative and regulatory developments that could affect our operations and future growth. His participation ensured the Board remained informed of emerging policy matters and was positioned to respond effectively to changes in the regulatory environment. He contributed to discussions and decisions that supported the long-term sustainability, governance and operational objectives of the Port.

Mr. Davis was respected for his thoughtful, measured and collaborative approach. He brought a balanced perspective to Board discussions and a steady commitment to sound governance and informed decision making. His dedication has left a meaningful and lasting impact on the organization.

Thank you, Mr. Davis, and we wish you continued success in your future endeavours.

PRESIDENT'S REPORT

Every successful organization eventually reaches a point when doing more is no longer enough. **The more important question becomes: *How can we do what we do better?***

For Arawak Port Development Ltd., that question has shaped much of our work over the past year.

The Nassau Container Port is operating in an environment that is becoming more congested. Cargo volumes are growing. The equipment moving through our facilities is becoming larger and more specialized. Energy costs remain significant. Climate and weather-related risks require greater attention. And technology is rapidly changing what is possible in logistics, security, data analysis and customer service. These changes create challenges, but they also create opportunity.

Our theme this year, ***"A Smarter Port. A Stronger Future,"*** reflects our belief that the best way to prepare for what is ahead is not simply to expand, but to become more intelligent in how we operate: using better information to make decisions earlier, investing in technology that improves efficiency, strengthening the infrastructure on which our operations depend, managing resources more carefully, and developing people who are prepared to lead.

Technology is an important part of that story. But it is not the whole story.

A smarter port is ultimately one that anticipates rather than reacts. It understands its vulnerabilities and addresses them. It finds efficiencies that allow it to manage costs responsibly. It invests in its people alongside its systems. And it never loses sight of the larger purpose it serves.

For APD, that purpose is particularly important.

We operate one of the principal gateways through which the goods that sustain New Providence enter the country. Food, medicine, building materials, vehicles, household goods, equipment and countless other necessities pass through our facilities before becoming part of everyday life in The Bahamas. That means the quality of our operations has consequences well beyond the boundaries of the port.

This year, we strengthened APD's ability to serve the country today while preparing for the demands of tomorrow. One of the most consequential changes taking place at APD is also one of the least visible from outside the organization: we are improving our ability to understand what is happening across our operations in real time.



DION BETHELL
President and Chief Financial Officer, APD Limited

Historically, some operational information could only be fully assessed after a vessel had completed its work and departed. New digital capabilities are changing that.

Through our investment in Stoopa.AI, Inc. and the introduction of its technology alongside our existing terminal operating system, our teams can now monitor critical operational indicators while vessels are being worked. We can see whether vessel discharge and backload operations are tracking against established Key Performance Indicators, identify potential problems earlier and intervene while there is still an opportunity to improve the outcome.

This may sound like a technical distinction, but it represents an important change in how decisions are made.

Information is most valuable when it arrives in time to act on it.

The same principle is informing improvements across the organization. Digital dashboards are making information more accessible. Accounting processes are becoming more efficient. Processes that historically relied on paper are being digitized. And a live public vessel schedule has reduced dependence on manually updated reports.

Our objective is not digitization for its own sake. It is to remove friction, improve visibility and give our people better tools with which to do their jobs. That is the foundation of a smarter port.

Investing in the People Behind the Technology

Technology can improve an organization, but it cannot replace judgment, accountability or leadership.

For that reason, one of the investments I value most is the one we continue to make in our people. Our internal theme for 2026 is *CDI: Commit. Deliver. Improve*. The idea is intentionally simple. Commit to excellence and to the people we serve. Deliver what is expected of us. Then ask what we can do better. What has been encouraging this year is seeing that philosophy move beyond the executive and management levels and become increasingly embedded throughout APD.

We continue to invest in technical development, including our apprenticeship programmes. One of last year's crane operator apprentices has now progressed to become a full-time crane operator, an outcome that demonstrates the value of deliberately creating opportunities for Bahamians to develop specialized skills.

But we are equally focused on leadership. I have challenged our managers to become more confident decision-makers. The objective is to create a culture in which people know that they are trusted to think, exercise judgment and lead. Over time, this matters enormously. Developing a capable leadership bench is as important to APD's future as any investment we make in technology or equipment.

Building Capacity Before We Need It

The physical demands on the port are also changing. Volumes continue to increase, while the scale and complexity of some of the equipment and project cargo entering New Providence are placing new demands on our operations.

Equipment downtime reinforced the need for additional resources to ensure we can meet all of our commitments. We are therefore investing in a mobile harbour crane which will increase our lifting capacity and provide greater operational flexibility. By 2027, we expect to have four cranes in our fleet, allowing us to maintain three in operation while the fourth undergoes scheduled maintenance. This allows us to prepare for growing demand before constraints become critical.

We are applying the same forward-looking approach to the changing energy landscape. The development of the Energy Terminal at the Nassau Container Port will introduce a fourth terminal alongside our existing operations. The project represents a significant development for the port and illustrates how existing infrastructure can support new economic activity. The additional revenue will strengthen our ability to manage operating costs across a broader base of activity, helping us limit the pressure for future increases in cargo tariffs.

Using Efficiency to Manage Costs

Some of the most important innovations are not dramatic. They simply allow an organization to use its resources more effectively.

Energy is a good example. Rising global fuel and electricity costs affect APD just as they affect businesses and households throughout The Bahamas. Our cranes require fuel. Our facilities require electricity. Power interruptions also require the use of standby generators.

During the year, APD made the decision to absorb increased fuel costs rather than introduce an additional fuel surcharge for our services. We can make decisions like this because we continually look for other ways to operate more efficiently.

One significant example is solar energy. APD has contracted an additional 425-kilowatt solar installation, which will build upon our existing 156-kilowatt system. Once completed, the expanded system will substantially increase renewable generation at the port and reduce our reliance on conventional electricity.

The environmental benefit is important. So is the economic one. ***Managing our own operating costs helps us manage the pressure on port fees.*** In an economy where so many goods are imported, keeping the cost of moving those goods as efficient as possible has implications far beyond APD. This is one of the reasons we view sustainability and efficiency as complementary rather than competing objectives.

Measuring Our Environmental Impact

You cannot improve what you do not understand. This year, APD became the first port facility in The Bahamas to voluntarily contribute emissions data to the national emissions registry.

We also delivered our first company-wide ESG awareness programme, reaching approximately 90 to 95 percent of employees before extending training to port licensees, tenants and stakeholders. In addition, we began collecting baseline air-quality data at the port. These initiatives give us something essential: a starting point.

Good environmental policy depends upon reliable information. Establishing baselines and improving the quality of our data will allow future decisions to be based increasingly on evidence rather than assumptions. That approach (measure, learn and improve) is consistent with how we are trying to operate across APD.

Resilience Beyond the Port

Not every challenge can be solved within our gates. The condition of the Nassau Harbour breakwaters is perhaps the clearest example.

APD's interest in the Western Harbour Breakwater began with a practical operational concern. Its deterioration allows significant wave energy into the harbour, creating conditions that can affect vessels alongside the Nassau Container Port and interrupt cargo operations. But the more closely we examined the issue, the clearer it became that this is not simply a port problem.

The same harbour conditions can affect cruise vessels, properties along the waterfront and Junkanoo Beach. When adverse weather prevents a cruise ship from entering Nassau Harbour, the economic consequences extend to taxi drivers, tour operators, retailers, restaurants, beach vendors and many others whose livelihoods depend upon visitors coming ashore.

APD has therefore engaged specialist engineering expertise to reassess the western and eastern breakwaters and consider solutions capable of providing greater long-term resilience.

We believe the objective should extend beyond repairing what has deteriorated. The question is how Nassau Harbour can be better prepared for the severe weather events it may face in the future. We are also examining potential financing approaches so that our engagement with Government can be constructive and solutions-oriented. ***Good infrastructure is often most appreciated when it fails. Our responsibility is to do everything we reasonably can to address known vulnerabilities before that happens.***

Security in a More Connected World

As APD becomes more digitally connected, the definition of port security is also changing. Security still means protecting vessels, cargo, facilities and people. But increasingly it also means protecting information and digital infrastructure.

Following our previous experience with a ransomware attack, we have continued to strengthen APD's cybersecurity posture through investments in hardware, software, timely system updates and 24/7 monitoring. Just as importantly, we continue to invest in awareness.

The sophistication of cyber threats is increasing, including through the use of artificial intelligence. No system can eliminate risk entirely. The goal is to build multiple layers of protection and ensure that our employees understand the role they play in maintaining them.

Our broader commitment to security and safety remained equally strong. APD successfully completed audits associated with our three ISO certifications—ISO 9001, ISO 14001 and ISO 45001—as well as our annual ISPS security audit.

We also had the opportunity to contribute our expertise beyond The Bahamas, working with the Organization of American States and international and Bahamian partners on practical training to strengthen maritime security and container-inspection capabilities for members of the Haitian police force.

A stronger port should contribute to a stronger maritime community around it.

A More Direct Relationship With Our Shareholders

APD's more than 10,000 shareholders make our ownership structure particularly significant.

During the year, the Board and Management decided to bring APD's Registrar and Transfer Agency functions in-house. Regulatory approval has been received, and work is underway to establish the systems and internal capacity required for the transition, which is anticipated in 2027.

Our focus is on building stronger connections with our shareholders and ensuring their interactions with APD are positive, seamless, and meaningful.

Technology will support that work, but the underlying principle is one we have applied throughout the year: where we can reduce distance, improve information and serve people more effectively, we should.

Why the Work Matters

There is a tendency in infrastructure businesses to describe success primarily through numbers: volumes handled, turnaround times, revenue, uptime and efficiency. Those measures matter, and we track them carefully. But they do not fully capture APD's role.

There are occasions when the hospital needs something released outside normal working hours. There are times when BPL needs equipment to support the electricity system. There are countless less visible moments when a business or individual is waiting for something essential that has arrived through our port. Those moments are useful reminders that APD is not simply moving cargo. We are supporting commerce and, through it, daily life in The Bahamas. That does not mean every request requires extraordinary treatment. In fact, the opposite is true. Our objective should be to operate with such consistency and excellence that people do not need extraordinary intervention to receive the level of service they should reasonably expect. That is the standard we continue to set for ourselves.

A SMARTER PORT. A STRONGER FUTURE.

The future of APD will not be defined by a single technology, project or investment. It will be shaped by hundreds of decisions: whether we invest before capacity becomes constrained; whether we use data early enough to change an outcome; whether we address vulnerabilities before they become crises; whether we manage costs responsibly; whether we prepare our people for new technology; and whether we develop leaders capable of carrying the organization forward.

Taken individually, many of these decisions may seem incremental. Taken together, they determine what kind of organization APD becomes.

I am optimistic about that future because I see the capabilities we are building now. I see a port that is becoming more connected and data-driven. I see an organization taking environmental responsibility seriously while remaining disciplined about efficiency. And, most importantly, I see Bahamian professionals developing the skills, judgment and confidence to lead increasingly sophisticated operations.

Technology gives us better tools, but our people determine what we do with them.

If we continue to invest in both, APD will not simply be prepared for the future. We will help shape it.

I extend my sincere appreciation to our Chairman, Mr. Michael Maura Jr., and the Board of Directors for their continued stewardship; to our Executive and Management Teams; to our Government and regulatory partners; to Customs, the Port Department, carriers, stevedores, truckers, tenants and the wider port community; and especially to every member of the APD team. Your commitment to Commit. Deliver. Improve. is reflected throughout the progress recorded in this report.

Together, we are building a smarter port and a stronger future for The Bahamas.

DION BETHELL

President and Chief Financial Officer,
APD Limited



KEY HIGHLIGHTS
BY DEPARTMENT

2025/26

Facilities Department

The Facilities Department is responsible for the maintenance and operation of the Nassau Container Port, Break Bulk Terminal and Gladstone Freight Terminal. The team spent 2026 ensuring these critical assets remained safe and operational while advancing investments in technology, energy management and sustainability.

That evolution is increasingly data-driven. Facilities continued to expand its use of real-time systems and smart metering, allowing the team to monitor electricity consumption across the property from a central dashboard. Better visibility into usage is helping identify changes, manage costs and inform decisions, shifting facilities management from simply responding to operational needs to anticipating them.

During the year, APD advanced a significant grid-tied solar carport project, with construction expected to begin in November. The investment is expected to reduce electricity costs and APD's carbon footprint, demonstrating how environmental responsibility can also support operational efficiency and long-term financial performance.



At the same time, the department is preparing for broader changes in APD's energy landscape, including the development of a 60-megawatt LNG generation facility on the property.

Together with solar generation and smarter energy management, these developments have the potential to significantly reduce APD's reliance on the national electricity grid, improve energy resilience and create new opportunities for the port.

Following a period of staffing transitions, two new technicians joined the team and have distinguished themselves through their enthusiasm, training and willingness to take on new responsibilities. The department's custodial team also continued to be among its unsung heroes, maintaining standards that earned particular recognition during APD's recent ISO audit. Together, these contributions have helped lift team morale to what Facilities Manager Felix Rolle describes as its highest level in some time.

For Facilities, progress is increasingly about connecting infrastructure, information and responsible resource management. **By embracing technology and investing in projects that reduce environmental and operational risk, the department is helping APD operate more efficiently today while preparing for what comes next.**

Human Resources

For Human Resources, 2026 was ultimately a year about continuity: sustaining employee programmes and engagement with a lean team while preparing APD's people for the future.

A temporary staffing gap placed additional demands on the department, yet HR maintained its full programme of activities while keeping employee morale and support at the centre of its work. Succession planning and staff development also became increasingly important as the department prepares the next generation of leadership.

That future focus is changing how HR works as well as whom it develops. *The department has begun reviewing processes to identify opportunities to reduce manual administration and move toward more efficient digital systems.* Event registration and RSVPs are already being managed electronically, with vacation requests, training records and other paper-based processes targeted for digitization. Recruitment has also expanded across digital and social media platforms, helping APD reach a broader pool of prospective employees even as finding qualified candidates remains a challenge.

Perhaps the clearest evidence of the value of investing in people came through internal development. *The Crane Operator Apprenticeship Programme produced a successful female crane operator, while another participant was redirected into a trainee technician pathway that builds on skills gained through the programme and creates a new opportunity for advancement.* These stories reflect an approach to talent development that looks beyond a single role to recognize potential and create opportunities for employees to grow within APD.

Wellness activities expanded during the year, alongside practical initiatives designed to support employees working in demanding conditions. **Plans also progressed for an on-site gym and green space**, reinforcing APD's commitment to creating a workplace where employees feel supported and valued.

For HR, **modernization is as much about people as process.** By simplifying administrative work through technology the department is creating greater continuity without losing the human connections at the heart of APD's culture.



Information and Communication Technology (ICT)

As APD becomes more digitally connected, the reliability of the technology behind its operations becomes increasingly critical. In 2026, the Information and Communications Technology (ICT) Department continued modernizing the infrastructure that supports the port while building greater technical capacity within its own team.

ICT Jr. Network Administrator Dario Hutcheson and ICT Technician Tosh Archer played a key role in supporting the department's operational and strategic initiatives throughout the year. Through their day-to-day management of technical issues, user support, and infrastructure maintenance, they helped ensure the successful delivery of several important projects and improvements across the organization.

A key achievement was the successful execution of Phase 1 of the Network Refresh Project, which focused on upgrading the Port's core network infrastructure. The replacement of aging core switches with modern, high-performance equipment enhanced network speed, reliability, and resiliency while strengthening the Port's cybersecurity posture through improved security features, access controls, and support for current security standards. These upgrades established a stronger foundation for future digital initiatives and increased operational efficiency across the organization.

The department also continued the stabilization of the Port's surveillance infrastructure, maintaining camera availability at approximately 99 percent. In addition, the team developed a solution to integrate third-party mobile surveillance equipment into APD's existing system, enabling video feeds from previously separate equipment to be accessed alongside the Port's wider surveillance network.

This integration improved visibility, streamlined monitoring operations, and enhanced overall situational awareness for security personnel.

The next phase of ICT's work will include continued modernization of critical applications and infrastructure, with particular attention to functionality, security, and resilience. As part of this effort, APD is also advancing more secure methods of data exchange and communication with shipping carriers, business partners, and other stakeholders. By transitioning to modern, secure file transfer and integration platforms, APD will strengthen the protection of operational data, improve reliability, and reduce cybersecurity risks associated with traditional communication methods.

The growing use of artificial intelligence also presents both opportunities and emerging considerations for APD, particularly around cybersecurity and responsible integration.

ICT's role is therefore expanding alongside APD's digital ambitions. The goal is not technology for technology's sake, but infrastructure and systems that make the organization more productive, responsive, and prepared for an increasingly digital operating environment. Through enhanced security, stronger partner connectivity, and resilient digital services, ICT is helping to position APD for sustainable growth and future operational excellence.

Occupational Health, Safety and the Environment

Safety at APD is increasingly supported by smarter systems, earlier visibility and a company-wide approach to managing risk. In 2026, the OHSE Department continued advancing that culture while embracing digital tools that allow the team to work more proactively and efficiently. A major milestone was the successful recertification of APD's Integrated Management System (IMS), with OHSE serving as the company-wide hub for standards spanning quality, environmental management, and occupational health and safety.

Digitization is changing day-to-day operations. The introduction and expansion of the digital Property Project Surveillance (PPS) process gives OHSE greater visibility into projects and contractor activity across APD facilities, enabling the team to identify risks earlier, coordinate with Security and Surveillance, and respond more efficiently. This has been particularly valuable as the department manages increasingly complex external projects and operational considerations.

The human side of safety remained equally important. APD's Health and Safety Fair expanded in 2026, attracting broader participation and incorporating a greater environmental focus. Within the team, increased responsibility has been delegated to Safety Officers Javen Gibson and Alexis Woodside, building leadership capacity and reinforcing a culture in which employees are empowered to grow.

As environmental expectations evolve, OHSE is preparing for changes to ISO 14001 requirements while continuing to advance APD's environmental and ESG framework. The objective is broader than compliance: to embed safety, environmental responsibility and effective risk management into the way APD operates every day.

Terminal Planning

EVERY EFFICIENT CARGO MOVEMENT BEGINS WITH A PLAN.

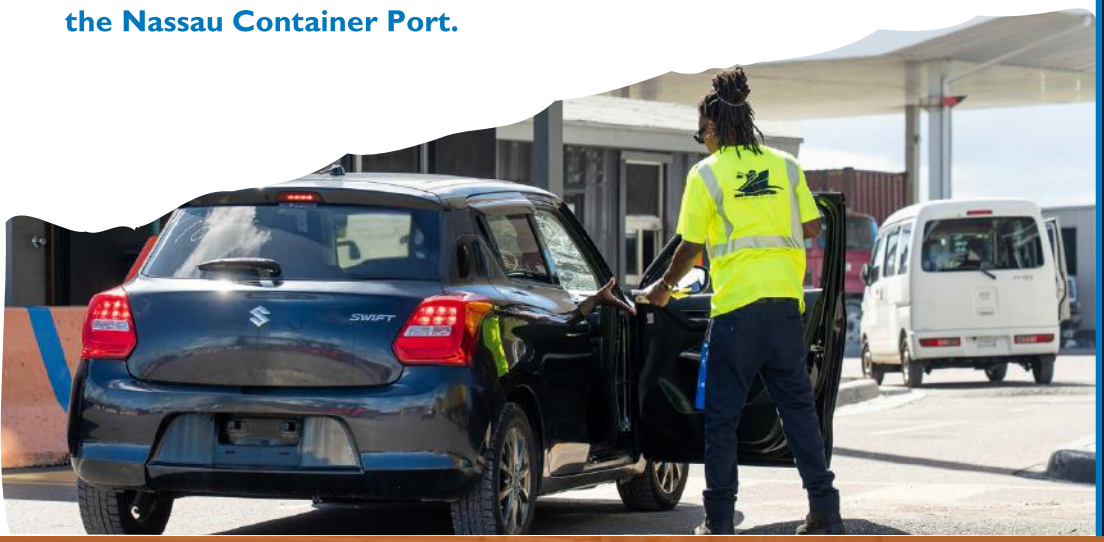
In 2026, Terminal Planning managed increased activity at the Nassau Container Port while maintaining the accuracy, coordination and visibility required to keep vessels, containers and yard operations aligned. **Despite staffing constraints, team members moved across roles and responsibilities as needed to ensure the planning function continued without disruption.**

Digital transformation was central to that work. **The introduction of TURI provided teams with greater access to live operational information, improving visibility across vessel activity, container movements and yard operations. Information that previously required manual reports can increasingly be accessed in real time, creating a shared view across Terminal Planning, Operations and Accounts and supporting faster, more informed decision-making.**

The department also *continued moving away from paper-based processes* through the introduction of JotForm, allowing berth-side information to be entered digitally on tablets and submitted immediately. The shift has improved both the timeliness and accuracy of reporting while reducing the need to complete, scan and distribute paper forms.

Technology was only part of the story. Supervisors and team leads assumed additional responsibilities to keep posts covered during staffing shortages, while greater responsibility for weekly scheduling was delegated within the team, expanding ownership and leadership at the operational level.

With TURI providing greater visibility across the port, Terminal Planning is increasingly equipped to anticipate rather than simply respond to operational demands. **The priority now is to translate better information and coordination into improved turnaround times, a better customer experience at the gate and consistently high performance across the Nassau Container Port.**



Finance

Behind the movement of every vessel and container is a financial system that must operate with equal precision. In 2026, the Finance Department remained focused on efficiency, productivity and excellence, ensuring APD's systems continue to support timely invoicing, accurate reporting and sound financial management. Clearly defined KPIs provided a disciplined framework for performance, complemented by training, coaching and cross-training across the team.

One of the year's most important developments was APD's continued digital transformation, particularly the introduction and testing of the TURI platform. Designed to work alongside the terminal operating system, TURI has the potential to connect operational and financial information more seamlessly, from vessel activity and cargo movements through to invoicing and payment. As implementation progresses, *the platform is expected to reduce manual processes, improve access to real-time data and create greater efficiencies across departments.*

Alongside technology, Finance continued refining the processes that underpin APD's day-to-day reliability. Regular reviews, coaching and corrective measures help the team identify opportunities for improvement, while cross-training is building broader capability across accounts payable, receivables and financial reporting.

For Finance, digital transformation is ultimately about connection: enabling information to move more efficiently from operations to finance and giving employees greater capacity to work across functions.

Security and Surveillance

Prevention and preparedness remained at the heart of APD's approach to security in 2026. As activity around the facility increased (including greater contractor and personnel movement associated with the LNG project) the Security and Surveillance Department maintained disciplined access controls while adapting its procedures and systems to the port's growing operational demands.

A significant achievement came in March, when *APD successfully completed its review under the United States Coast Guard International Port Security Program*. The visiting team commended APD's security procedures, access-control systems, patrols, facility standards and response protocols, affirming the effectiveness of the systems the department has built and sustained.

Throughout the year, **the department also maintained 100% ISPS compliance,** an essential requirement for APD to safely receive and serve international vessels. Improvements to the Control Centre have enhanced communication and coordination, creating a more effective central point for incident response and operational information.

The security landscape itself continues to evolve. Artificial intelligence and increasingly sophisticated digital threats present both opportunities and emerging risks that will require vigilance and responsible management. In parallel, the team remains focused on developing clearer career pathways for security personnel and cultivating a culture in which professionalism, leadership and continuous improvement are shared responsibilities.

For Security and Surveillance, protecting the port increasingly means anticipating risk in both the physical and digital environments. That combination of preparedness, technology and disciplined governance will remain central as APD continues to grow.

Terminal Operations

FEW AREAS EXPERIENCE THE PACE OF THE PORT AS DIRECTLY AS TERMINAL OPERATIONS.

Increased vessel activity, the addition of another shipping line and staffing constraints placed considerable demands on the team in 2026, yet cargo continued to move safely and efficiently through the Nassau Container Port. Team members stepped into expanded roles when needed, keeping posts covered and operations moving without interruption.

Technology is increasingly supporting that execution. The introduction of TURI is providing teams with more accurate, real-time operational information, reducing reliance on manually generated reports and creating greater visibility across departments. Working alongside NAVIS, the platform allows Operations and Accounts to access the same live information, from vessel activity to container locations, improving coordination and supporting faster decision-making. The department also expanded its use of digital JotForms, enabling information from the berth to be recorded and submitted electronically rather than through paper-based processes.

Through every operational change, safety remained fundamental to performance. **In an environment where precision matters every day, completing operations safely and ensuring employees return home safely is itself an important measure of success.**

The next opportunity is to translate better information and improved technology into even greater operational performance. With the right systems and resources in place, Terminal Operations is focused on reducing turnaround times, improving the customer experience at the gate and exceeding established performance targets while continuing to move cargo safely and efficiently.

Heavy Equipment

Reliability took on particular importance for Heavy Equipment in 2026. Under new leadership, the department focused on the people, equipment and working practices required to keep APD moving, closing communication and skills gaps, creating greater accountability and building a team capable of responding quickly in a demanding operating environment.

Day-to-day discipline became a key priority, from maintenance schedules and inventory management to record-keeping, shift handovers and staff scheduling. These changes have created a more organized operation, with team members clearer about their responsibilities and senior staff taking greater ownership of the shop. The addition of specialized equipment has also improved efficiency, allowing the team to move critical crane components independently and reduce delays when repairs are required.

That approach was put to the test during one of APD's busiest periods to date. With one of three cranes unavailable for an extended period and vessel activity remaining consistently high, the department worked to keep the remaining equipment operational and cargo moving. The experience underscored the importance of preventive maintenance, reliable equipment and a team prepared to respond at a moment's notice.

Investment in people produced equally tangible results. Apprentice crane operator Thyrell Thompson progressed to operating alongside veteran colleagues and is now achieving APD's benchmark of 23 container moves per hour. Mechanic Charles Bain similarly emerged as a trusted team leader, taking on greater responsibility and helping improve communication across the department.

As cargo volumes continue to grow, *Heavy Equipment is building its pipeline of crane operators and mechanics while planning for future equipment needs.* Disciplined maintenance and equipment planning are not only operational priorities; they are essential to managing business risk, protecting productivity and ensuring APD has the capacity to meet future demand safely, efficiently and reliably.



ESG PLATFORM

ADVANCING SUSTAINABILITY, PEOPLE AND GOOD GOVERNANCE

In 2026, Arawak Port Development Ltd. continued translating its Environmental, Social and Governance (ESG) commitments into meaningful action, advancing initiatives that strengthen environmental responsibility, employee wellbeing, operational efficiency and institutional accountability. Guided by its ESG Framework and 18 Strategic Value Initiatives (SVIs), APD made measurable progress toward building a more sustainable, connected and resilient port.

ENVIRONMENTAL STEWARDSHIP

A significant milestone was **APD becoming the first port facility in The Bahamas to voluntarily contribute greenhouse gas emissions data to the National Emissions Registry**, reinforcing its commitment to environmental transparency and supporting national climate reporting efforts.

Environmental monitoring also advanced, with three air-quality and noise-monitoring units collecting data at Nassau Container Port since January 2026. APD continued strengthening its clean-energy strategy, solidifying plans for a solar car park that will increase installed solar capacity from 156 kW to 581 kW. Additional initiatives included environmental cleanups and an assessment of organic-waste diversion opportunities, laying the groundwork for future improvements in resource management.

PEOPLE, WELLBEING AND COMMUNITY

Recognizing that sustainability begins with people, **APD delivered its first company-wide ESG Awareness Training Program**, reaching approximately 90% of employees and extending engagement to port licensees, tenants and stakeholders.

Employee wellbeing remained a priority through mental-health awareness initiatives, access to confidential counselling resources, wellness activities and the annual Health and Safety Fair.

The establishment of the APD Sea Vipers, the company's first dragon-boat team, further strengthened camaraderie, physical wellness and collaboration across departments, while creating opportunities for engagement with maritime students.

GOVERNANCE AND DIGITAL TRANSFORMATION

APD continued modernizing its systems to strengthen transparency, accountability and operational performance. The introduction of a live vessel-schedule dashboard improved access to timely information for employees, customers and stakeholders, while digital asset-management tools enhanced equipment inspections and maintenance visibility.

A central development was the implementation and beta testing of TURI, a digital platform designed to centralize operational information and improve real-time visibility across port activities. Working alongside existing systems, TURI is helping reduce reliance on manual reporting, strengthen coordination and support more informed decision-making.

Together, these initiatives reflect an increasingly integrated approach to ESG, one that connects environmental stewardship, investment in people and responsible governance with the Port's long-term performance.

For APD, sustainability is not a separate undertaking. It is becoming part of how the Port operates, how its people work and how it prepares to serve The Bahamas for generations to come.

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

FINANCIAL ADVISORS

KPMG CORPORATE FINANCE

5th Floor, Montague Sterling Centre East Bay Street, P.O. Box N-123
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

REGISTRAR & TRANSFER AGENTS

BAHAMAS CENTRAL SECURITIES DEPOSITORY

310 Cotton Tree Plaza, East Bay Street
Unit 4 P.O. Box N-9307
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.

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 holds 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.



RITA RAMSAY, MBA, CHRM

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

Rita M. Ramsay serves as Assistant Vice President of Human Resources and Occupational Health, Safety and Environment (OHSE) at APD Limited, a role she assumed in 2023. With nearly 26 years of human resources experience, she provides strategic leadership in employee relations, recruitment, performance management, compensation, training and policy development. She also oversees the company's ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 recertification efforts, promoting quality, safety and continuous improvement.

Her career spans the insurance and airline industries, with additional experience in property management, marketing, public relations, security and procurement. She holds an Associate of Arts in Management, a Bachelor of Science in Management and an MBA. She is also a Certified Human Resources Manager (CHRM), Certified International Project Manager (CIPM) and member of the Bahamas Society for Human Resource Management.

Beyond work, Mrs. Ramsay actively serves her church as a Eucharistic Minister, Parish Council member and soup kitchen volunteer. She cherishes time with her beloved spouse and dog, family and close friends and enjoys cooking, baking, travelling and watching sports.



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.

FAREWELL AND

BEST *Wishes*



Honouring Rudolph "Rudy" Tener-Knowles

After five years of dedicated service, Arawak Port Development Ltd. (APD) bids a fond farewell to Rudolph "Rudy" Tener-Knowles, whose leadership, professionalism and commitment to people have left a lasting impression on the company.

Joining APD's executive team in 2022 as Assistant Vice President, Rudy provided oversight of Facilities, Planning and Gate Operations, helping to strengthen the infrastructure, systems and teams essential to the Port's daily operations.

A hands-on leader, Rudy was rarely confined to his office. He was most often found in the field, working alongside his teams, addressing operational challenges and ensuring that the Port continued to meet high standards of safety and efficiency.

Among his notable contributions were infrastructure improvements, the revitalization of APD's Crane and Mechanic Apprenticeship Program, and specialized training opportunities for crane operators and technicians in Germany to support the maintenance of the Port's newly acquired Kone crane.

Beyond these accomplishments, Rudy's most enduring contribution may well be the people he helped develop. Respected by managers and frontline employees alike, he balanced high expectations with approachability, mentorship and genuine concern for the wellbeing and professional growth of his colleagues.

As Rudy begins his next chapter, he leaves behind more than strengthened operations and improved facilities. He leaves a foundation upon which others can continue to build, and a reminder that the true measure of leadership lies in the people we empower along the way.

On behalf of the entire APD family, we extend our sincere appreciation to Rudy for his dedicated service, friendship and contributions to the Port's continued progress. We wish him every success and fulfillment in the years ahead.

With Appreciation,

YOUR APD FAMILY

> *"True leadership is not measured by the facilities we build or the projects we complete, but by the people we develop and the foundation we leave for future generations to succeed."*



MANAGEMENT TEAM



BRANDO GLINTON
TERMINAL OPERATIONS

Holder of an LLB degree, 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.



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 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. Mrs. Miller completed a diploma in Paralegal Studies in 2006 at Success Training College.



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.



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.



SHAWN GILBERT
HEAVY EQUIPMENT

Mr. Gilbert is a proud husband and father of three whose fascination with mechanics began in childhood. He vividly remembers dismantling his toy cars at the age of three, eager to understand how they worked. That curiosity grew into a lifelong passion, and in his late teens, a chance encounter while walking past Nassau Ready Mix sparked the connection with heavy machinery. That summer, he joined their mechanic shop, setting the foundation for his career.

Mr. Gilbert's professional journey advanced when he joined Tropical Shipping Company in 2005, gaining valuable experience and completed training in crane operation and hydraulic systems. In 2012, he became Lead Technician at Arawak Port Development (APD), witnessing and contributing to the port's remarkable transformation. From mastering the company's first state-of-the-art cranes to helping integrate newer Liebherr and Kone models, he has taken pride in ensuring our equipment operates at the highest standard.

Today, as H.E.O. Manager at APD, Shawn remains committed to excellence, innovation, and mentorship. His goal is to bridge the past, present, and future by developing new talent and advancing the company's technical capabilities—ensuring APD continues to deliver exceptional service to The Bahamas for years to come.



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 service 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.



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 and a Bachelor's Degree in Biblical and Theological Studies. 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.



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.

EMPLOYEE OF THE YEAR

PAIGE BASTIAN



For Paige Bastian, **Sustainability Officer at Arawak Port Development (APD)**, success is not simply about fulfilling responsibilities. It is about recognizing opportunities, challenging established practices and leaving things better than she found them.

"For me, success means embracing challenges and delivering measurable results."

It is a philosophy that has distinguished her contributions to APD and earned her recognition as the company's 2025 Employee of the Year, alongside the Team Improvement Award.

Paige's relationship with APD began in 2018, when she joined the company as an intern from the University of The Bahamas. At the time, APD was beginning to examine its environmental footprint and explore new approaches to sustainability. Her academic background in small island sustainability and marine science made the port a natural place to begin her professional journey. She subsequently earned a prestigious Chevening Scholarship to pursue postgraduate studies in the United Kingdom before returning to APD in 2024.

Today, her role extends well beyond traditional environmental management. Working across departments, **Paige helps identify opportunities to improve processes, strengthen accountability and support the company's broader sustainability and digital transformation objectives.**

> *What I enjoy most is identifying opportunities for improvement and having the freedom to turn ideas into action.*

That initiative has translated into tangible improvements. Recognizing that APD was not fully utilizing its existing asset management software, Paige led an effort to expand its use across departments. The initiative introduced digital inspections, mobile work orders and more effective data collection, replacing several paper-based processes with systems that provide greater visibility into equipment maintenance and operational performance.

The transition required more than introducing new technology. It meant encouraging colleagues to reconsider familiar ways of working.

"There was some initial resistance, but seeing colleagues embrace the technology and begin identifying new opportunities for improvement has been incredibly rewarding."

Perhaps one of the clearest examples of her resourcefulness came when she *identified an opportunity to modernize APD's daily vessel schedule*. Previously distributed as a PDF to employees and external port stakeholders, the schedule required repeated circulation and offered limited flexibility.

With management's support, **Paige researched alternative approaches, taught herself the fundamentals of website development and, within two weeks, launched an interactive online vessel schedule**. Today, the live schedule is displayed digitally across the port and accessible to external partners, allowing users to search vessel information directly. It is precisely the kind of practical, forward-looking improvement that reflects APD's commitment to becoming a smarter, more connected port.

Her contributions also extend to environmental accountability. Through APD's greenhouse gas emissions reporting, Paige helped position the company among the early port facilities in The Bahamas to voluntarily provide emissions data to national climate authorities. The initiative reflects an understanding that sustainability requires both environmental responsibility and the systems necessary to measure progress. For Paige, the importance of this work is inseparable from the port's role in national development.

> *"Most Bahamians rarely think about how the goods we depend on reach our shores. Our work is essential to everyday life, and that responsibility is something I take seriously."*

Helping people understand the relationship between climate resilience, reliable port operations and everyday life in The Bahamas is something she considers particularly meaningful. Yet her contributions are not confined to systems, data and environmental performance.

As **captain of APD's inaugural dragon boat team**, Paige helped bring together employees from operational and administrative departments, creating an opportunity for colleagues who rarely interact during the workday to build relationships beyond their respective roles. The team may not have finished first, but for Paige, the achievement was something else entirely: seeing colleagues become a more connected team. Her enthusiasm for bringing people together reflects another dimension of her leadership. Although she does not occupy a traditional management position, she has earned a reputation as someone willing to take responsibility, mobilize colleagues and see an initiative through.

"I believe in taking initiative. When I see an opportunity to make something better, I start working on a solution."

Behind that confidence is a personal journey shaped by determination and an enduring belief in the power of education. Having navigated circumstances that required her to chart her own path, Paige credits perseverance and a willingness to pursue opportunity as defining influences in her life.

Her advice to her younger self is simple:
"Keep going, even when no one is cheering you on. Perseverance will take you further than you imagine." It is a perspective she carries into her work and shares with new employees during orientation. *"Don't approach this as just a job. Embrace the opportunities, contribute wherever you can and make the most of your time here."* For Paige, that means participating fully in the life of the company, contributing beyond one's immediate responsibilities and recognizing that even small improvements can create lasting value.

Her story is one of initiative, resilience and the conviction that meaningful change begins with a willingness to act. And as APD continues its journey toward A Smarter Port. A Stronger Future., Paige Bastian represents the people whose ideas, determination and everyday contributions are helping make that future possible.



COMMUNITY PARTNERSHIPS





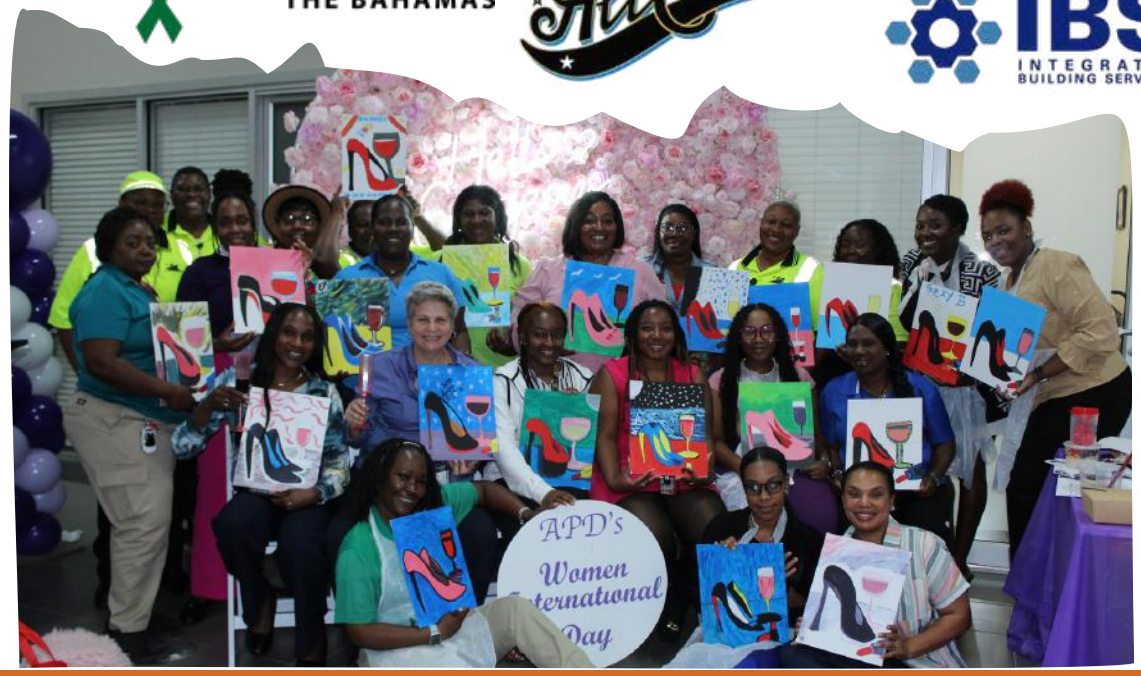












THE CANCER SOCIETY OF THE BAHAMAS

BAHAMAS All Stars

KINGDOR NATIONAL PARKINSON FOUNDATION

IBS INTEGRATED BUILDING SERVICES

Bahamas DOWN SYNDROME Association

BICA

Camp Abaco Summer CAMP

Techcited Online Institute

BAHAMAS NATIONAL NEIGHBOURHOOD WATCH COUNCIL

Junior Baseball League of Nassau JBLN Baseball

THE BAHAMAS CHILDREN'S EMERGENCY HOSTEL

STAPLEDON SCHOOL
Special people with a purpose.

2027 OUTLOOK

As Arawak Port Development Ltd. (APD) looks ahead to 2027, the company is focused on translating the progress of the past year into lasting operational improvements. Guided by the theme A Smarter Port. A Stronger Future., APD will continue investing in the people, technology and infrastructure needed to strengthen efficiency, resilience and service delivery. These priorities reflect a clear commitment to ensuring that the Port remains responsive to the evolving needs of The Bahamas and the demands of an increasingly complex global shipping environment.

Across its operations, digital transformation will remain a central priority, with continued integration of TURI and other technology-driven solutions to improve real-time reporting, strengthen coordination and support more informed decision-making. Investments in equipment reliability, preventative maintenance and cargo-handling capacity will further enhance operational performance. At the same time, APD will continue developing its workforce through technical training, leadership development and opportunities for professional advancement, recognizing that a smarter port depends as much on its people as it does on its systems.

Looking beyond its immediate operations, APD will advance strategic infrastructure priorities, including the proposed Energy Terminal and ongoing efforts to strengthen the Port's resilience to climate-related risks. Environmental stewardship will remain integral to this work, with continued investment in renewable energy, energy efficiency and responsible resource management. Together, these initiatives will support APD's long-term sustainability while reinforcing its contribution to national development.

As global trade patterns shift and expectations for modern port management continue to rise, APD enters 2027 with a clear sense of purpose and responsibility. Strengthening partnerships, maintaining financial discipline and delivering reliable service will remain essential to its success. A Smarter Port. A Stronger Future. is more than a statement of ambition; it reflects a commitment to building an institution that is better equipped to anticipate change, create opportunity and serve the Bahamian economy for generations to come.



MANAGEMENT DISCUSSION & 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, 2026, 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 28, 2026.

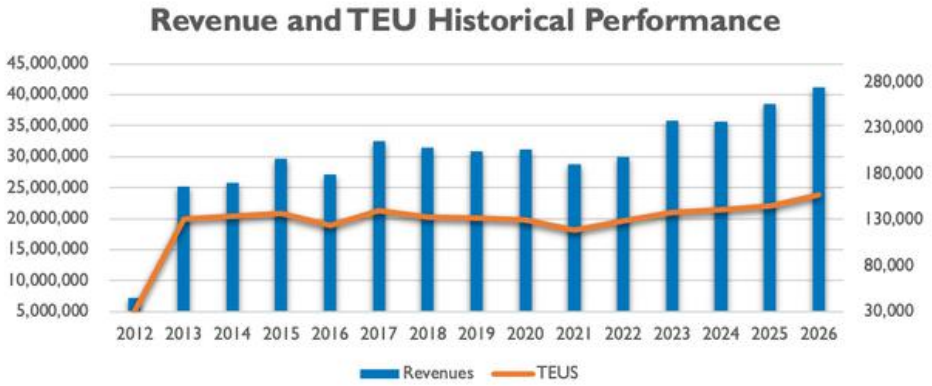
Forward Looking Disclaimer

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, 2026, marked fourteen years since the Company commenced full operations in May 2012. Our GFT facility was opened in August 2012.

FINANCIAL PERFORMANCE



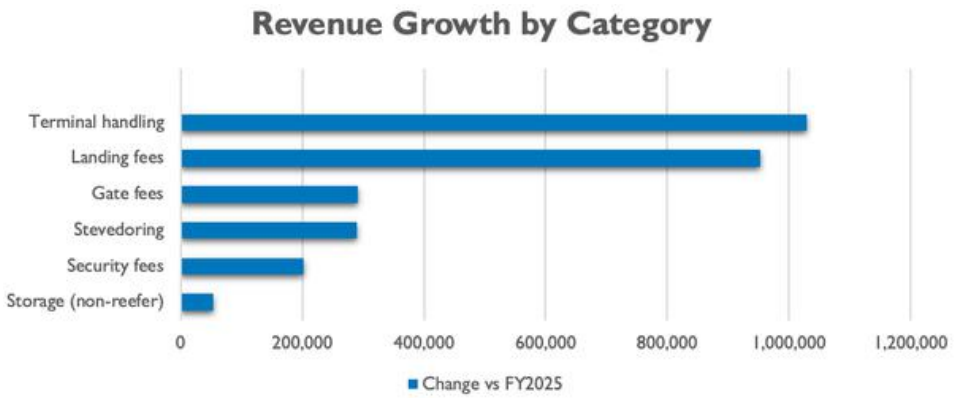
For the year ended June 30, 2026, NCP processed 157,010 (2025: 146,167) inbound/outbound Twenty-foot Equivalent Units (TEUs). This represents a 7% increase in container volumes over financial year 2025 (FY25) volumes. This steady rise in container throughput reflects ongoing demand across both domestic and project-related cargo segments.

In addition to containerized cargo, vehicle volumes totaled 19,431 units in financial year 2026 (FY26) (2025: 19,299), representing a 1% increase compared to the prior year and 2% above the budgeted level of 19,000 units. The variance reflects relatively stable vehicle import demand, with a modest improvement over the prior year and slightly stronger-than-anticipated volumes. This performance demonstrates continued resilience in the vehicle import market despite fluctuations in consumer demand and broader economic conditions.

Break-bulk and bulk tonnage increased significantly, reaching 451,481 tons (2025: 417,947), which represents an 8% year-over-year increase and exceeded the budgeted level of 408,000 tons by 43,481 tons or 11%. 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 FY26, APD delivered another year of strong financial performance, surpassing both budgeted net income projections and prior year results. Budgeted net income for FY26 was $12,612,438 (2025: $11,649,856) while actual net income was $14,845,790 (2025: $13,113,765), representing an increase of $2,233,352 or 18% over budget and $1,732,025 or 13% above the prior year.

The increase in profitability was driven primarily by revenue growth. Total revenues for the Company in FY26 amounted to $41,246,579 (2025: $38,560,347), exceeding the budget figure of $37,020,751 (2025: $35,988,665) by $4,225,828 or 11%. Revenue growth was supported by strong performance across key revenue streams, particularly terminal handling, landing fees and stevedoring, reflecting increased cargo handling activity and the continued contribution of construction and development-related imports. These results underscore APD's strong operating fundamentals and its ability to sustain revenue growth and profitability amid changing economic conditions.



The following section provides a detailed analysis of the principal revenue streams and their contribution to APD's FY26 performance relative to budget and the prior year:

- **Terminal Handling Fees**: Terminal handling fees represent revenue earned by APD in connection with the movement of containerized and non-containerized cargo through the port, including services physically performed by the Common Terminal Operator (CTO). Revenue totaled $6,637,440 (2025: $5,607,827), exceeding budget by $1,360,120 or 26% and increasing by $1,029,613 or 18% over the prior year. This strong performance was driven primarily by increased cargo handling activity within CTO operations, supported in part by cargo associated with ongoing construction and infrastructure development projects. CTO volumes increased by 21% over the prior year and exceeded budget by 22%. In contrast, PTO volumes remained relatively stable, increasing by less than 1% compared with FY25. The growth in CTO activity was therefore a significant contributor to the increase in terminal handling revenue.
- **Landing Fees**: Landing fees, APD's largest revenue stream, totaled $17,052,266 (2025: $16,099,605), exceeding budget by $407,199 or 2% and increasing by $952,661 or 6% over the prior year. The increase reflects higher containerized cargo activity and associated landing charges, partially offset by lower-than-budgeted vehicle-related landing fees. This performance underscores the contribution of cargo volumes and cargo composition to the Company's overall revenue growth.
- **Gate Fees**: Gate fee revenue amounted to $2,830,523 (2025: $2,539,725), exceeding budget by $170,458 or 6% and increasing by $290,798 or 11% compared to the prior year. This favourable performance reflects increased gate-related activity associated with the movement of cargo through the port.

- **Stevedoring Revenue:** Stevedoring operations generated $4,278,255 (2025: $3,988,385), exceeding budget by $972,888 or 29% and surpassing the prior year's total by $289,870 or 7%. The favourable budget variance was driven primarily by increased second-crane usage and overtime charges, which together exceeded budget by $525,447, as well as higher containerized cargo handling revenue, which exceeded budget by $287,596. Break-bulk handling also contributed positively, generating $81,645 against a budget of $30,000. Overall, the increase in revenue reflects stronger cargo handling activity, including project-related cargo, and additional operational services required during the year.
- **Security Fees:** Security fee revenue totaled $3,226,739 (2025: $3,024,576), exceeding budget by $199,159 or 7% and increasing by $202,163 or 7% over the prior year. This favourable performance reflects increased cargo handling activity and the associated security charges on cargo moving through the port.
- **Non-Reefer Storage Fees**: Storage fees, excluding those from reefer units, totaled $2,741,264 (2025: $2,687,570), exceeding budget by $401,264 or 17% and increasing by $53,694 or 2% over the prior year. Empty container storage generated $751,090, broadly in line with the budget of $750,000, while full container storage totaled $1,990,174, exceeding budget by $400,174 or 25%. The favourable budget variance was therefore driven primarily by full container storage, while overall storage revenue remained relatively stable compared to FY25.
- **Reefer Income**: Income from reefer units, including reefer storage fees, totaled $1,420,150 (2025: $1,540,450), exceeding budget by $215,150 or 18%, but declining by $120,300 or 8% compared to the prior year. The year-over-year reduction was primarily attributable to lower reefer monitoring income, which decreased by $110,700 or 9%, while reefer storage income declined by $9,600 or 3%. Despite these reductions, both monitoring and storage income exceeded their respective FY26 budgets, contributing to the overall favourable budget variance. Over time, APD has expanded its reefer monitoring capacity by approximately 97%, from 72 to 142 connections, strengthening its ability to accommodate demand for refrigerated cargo.

Overall, APD's revenue performance reflected increased cargo handling activity and favourable results across its principal revenue streams, providing a strong foundation for the Company's profitability in FY26.

Our Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) reached a record $21,456,379 (2025: $19,979,321), exceeding budget by $2,168,994 or 11% and surpassing the prior year's result by $1,477,058 or 7%. Our EBITDA margin remained stable at 52% (2025: 52%), broadly in line with the budgeted margin of 52%, reflecting the Company's ability to maintain strong profitability despite increases in certain operating costs.

Our Direct Operating Margin (DOM) for FY26 improved to 43% (2025: 41%), exceeding the budgeted DOM of 41%. This improvement reflects stronger operating performance and the Company's ability to maintain healthy margins despite increased costs associated with cargo handling and other operational activities.

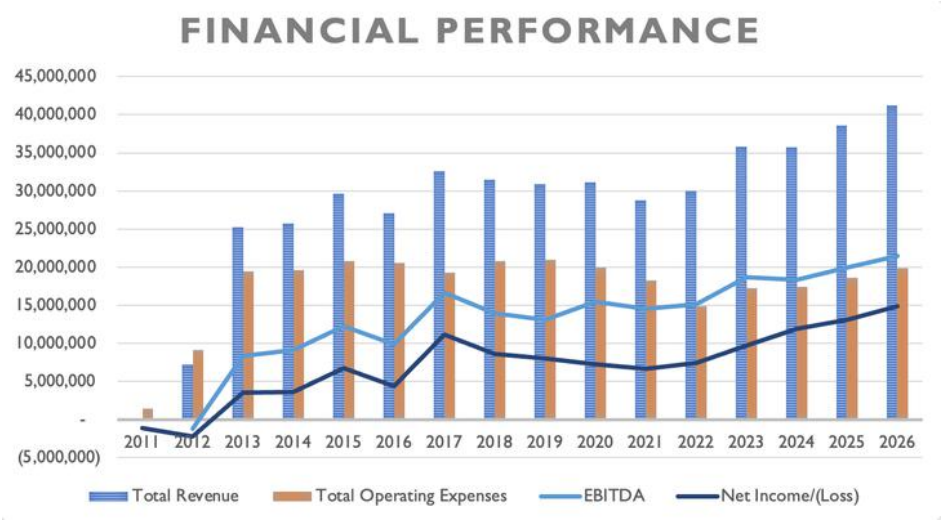
During the year, APD declared and paid its highest dividend to ordinary shareholders since inception, totaling $9,993,830 (2025: $8,744,601), representing $2.00 (2025: $1.75) per share. As of June 30, 2026, basic and diluted earnings per share increased to $2.97 (2025: $2.62), reflecting the Company's continued growth in profitability and commitment to delivering returns to shareholders.



Operating expenses, including depreciation and amortization, totaled $23,656,529 (2025: $22,627,966) for the year ended June 30, 2026, representing an increase of $1,028,563 or 5% over the prior year. This was $1,990,700 or 9% above the FY26 budget of $21,665,830. The increase in operating expenses was driven primarily by higher terminal handling costs associated with increased cargo handling activity, higher utility expenses reflecting increased electricity and fuel charges, and higher Government lease expenses resulting from increased TEU volumes and CPI-related adjustments to the applicable lease rate.

Despite the increase in electricity and fuel costs, APD absorbed these additional expenses without introducing a corresponding surcharge to customers. These increases were partially offset by lower depreciation and the non-recurrence of the $632,998 inventory write-down recognized in FY25. Nevertheless, the Company maintained a strong EBITDA margin, reflecting its ability to sustain profitability alongside revenue growth.

Net finance costs ended the year at $2,744,260 (2025: $2,818,616), representing a decrease of $74,356 or 3% compared to the prior year and remaining broadly in line with the FY26 budget of $2,742,483. The reduction was primarily attributable to lower interest expense on borrowings and higher interest income, partially offset by an increase in interest expense on lease liabilities. This performance reflects the Company's continued focus on managing financing costs while maintaining a strong financial position and sufficient liquidity to support its operations and strategic priorities.



Total current assets increased to $30,506,761 (2025: $23,147,353), an increase of $7,359,408 or 32%. This growth was driven primarily by an increase in cash and cash equivalents of $5,877,736, from $17,690,628 to $23,568,364, reflecting the Company's continued strong cash generation. Accounts receivable also increased by $1,017,543, while prepayments and other assets increased by $498,003.

Cash generated from operating activities remained strong, totaling $22,459,786 (2025: $22,482,681), broadly consistent with the prior year.

These inflows supported dividend payments of $9,993,830 (2025: $8,744,601), principal and interest payments totaling $5,288,128 (2025: $6,752,079) on the CIBC loan and lease obligations, and capital expenditures of $981,031 (2025: $815,796). Despite these outflows, cash and cash equivalents increased by $5,877,736 during the year. These movements reflect APD's ability to fund its ongoing operations, meet financing commitments, invest in its infrastructure, and provide returns to shareholders while strengthening its liquidity position.

Cash used in investing activities amounted to $1,300,092 (2025: $7,064,147), a significant reduction compared with the prior year, when the Company invested a combined $6,000,000 in Bahamas Grid Company Limited and Island Power Producers Ltd. Investing activities in FY26 included capital expenditures of $981,031 and net investment purchases of $547,987, partially offset by investment interest receipts of $228,926. Investment activity during the year included an additional $100,000 equity-related investment in Stoopa.AI, Inc., together with continued participation in the CFAL Bond Fund and U.S. Treasury Bill investments. These activities remain consistent with APD's approach to maintaining liquidity while pursuing investment opportunities that support its longer-term financial objectives.

The current ratio remained strong at 3.68x (2025: 3.81x), while the quick ratio was 3.68x (2025: 3.80x), reflecting the Company's continued strong liquidity position and ability to meet its short-term obligations.

Total non-current assets decreased to $136,990,794 (2025: $138,849,054), a reduction of $1,858,260 or 1%. Property, plant and equipment decreased to $76,767,849 (2025: $78,992,913), primarily reflecting depreciation exceeding capital additions during the year. Right-of-use assets, representing the Company's leasehold interest in land leased from the Government of The Bahamas, decreased slightly to $50,177,733 (2025: $50,236,891). Non-current investments increased to $10,045,212 (2025: $9,619,250), reflecting continued investment activity and movements in the carrying values of existing investments. The Company's investment portfolio includes Bahamas Government Bonds, U.S. Treasury Bills, the CFAL Bond Fund, the Bahamas Investment Fund, and investments in private companies, including Bahamas Grid Company Limited, Island Power Producers Ltd. and Stoopa.AI, Inc.

Total liabilities as of June 30, 2026, were $81,560,090 (2025: $80,910,902), an increase of $649,188 or 1% compared to the prior year. This movement primarily reflects an increase in current liabilities, including amounts due to related parties, partially offset by principal repayments on the CIBC loan. The Company's financial position remained strong, with shareholders' equity increasing to $85,937,465 (2025: $81,085,505), supported by earnings retained after dividend distributions.

Financial Performance

Income Statement	2026	2025	2024	2023	2022
	$	$	$	$	$
Total Revenue	41,246,579	38,560,347	35,738,054	35,838,636	29,960,128
Total Operating Expenses	23,656,529	22,627,966	21,071,984	23,197,514	19,334,863
Total income for the period attributable to equity shareholders	14,845,790	13,113,765	11,910,365	9,686,825	7,417,988
Basic and diluted earnings (loss) per share	2.97	2.62	2.38	1.94	1.48

Balance Sheet	2026	2025	2024	2023	2022
Assets					
Total Current Assets	30,506,761	23,147,353	25,494,279	24,113,724	25,440,556
Total Non-Current Assets	136,990,794	138,849,054	135,467,833	131,547,988	123,900,037
Total Assets	**167,497,555**	**161,996,407**	**160,962,112**	**155,661,712**	**149,340,593**
Liabilities and Shareholder's Equity					
Total Current liabilities	8,279,106	6,082,573	7,501,953	5,104,030	4,987,166
Non-current liabilities	73,280,984	74,828,329	76,743,818	77,256,950	73,743,838
Total Liabilities	**81,560,090**	**80,910,902**	**84,245,771**	**82,360,980**	**78,731,004**
Total Equity	**85,937,465**	**81,085,505**	**76,716,341**	**73,300,732**	**70,609,589**

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.

Looking ahead to financial year 2027 (FY27), several construction and infrastructure development projects across New Providence are expected to continue contributing to cargo activity, including ongoing residential, commercial, and energy-related developments.

Management has budgeted total container volumes of approximately 160,000 TEUs for FY27, reflecting expectations of continued activity in the construction and import sectors. Nevertheless, management remains cautious in its outlook, recognizing that the timing and scale of project-related imports may influence actual cargo volumes and financial performance.

For the first two months of FY27, ended August 31, 2026, total TEU volumes were approximately 1% below the year-to-date budget, while revenue exceeded budget by approximately 2%. EBITDA was approximately 2% below budget, with an EBITDA margin of 50% compared with the year-to-date budgeted margin of 52%. These early results provide an indication of the Company's performance entering FY27, with the outlook for the remainder of the year subject to changes in cargo volumes and operating conditions.

LIQUIDITY AND CAPITAL RESOURCES

APD's liquidity position remained strong at June 30, 2026, supported by cash generated from operations, existing cash reserves and available credit facilities. These resources provide the Company with flexibility to meet its operating and financial commitments while supporting planned capital investments.

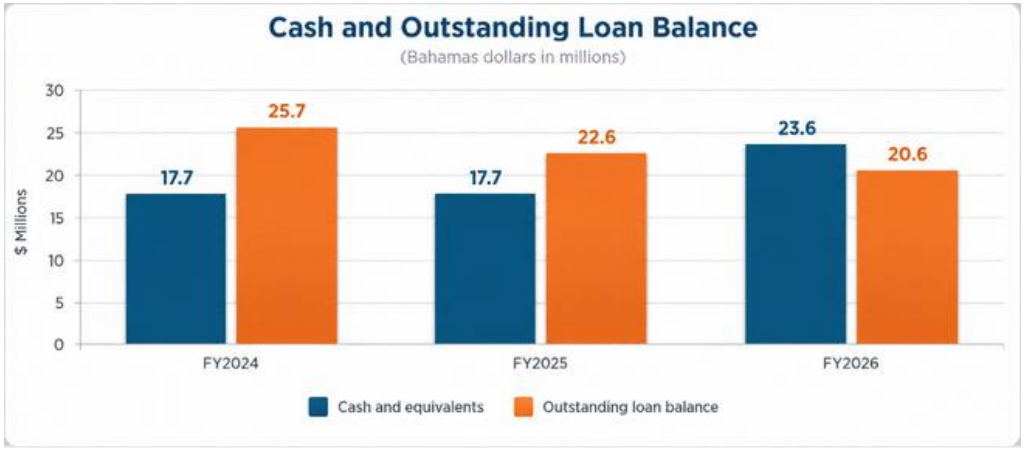
Liquidity is managed through several sources, including operating cash flows, and the available $2,150,000 portion of the Company's $3,000,000 revolving credit facility with CIBC. This facility carries an interest rate based on the BSD prime rate of 4.25%, less a margin of 0.25%, resulting in a current rate of 4% on outstanding balances.

The Company also maintains an undrawn overdraft facility of $3,000,000 with RBC, bringing total available credit facilities to $5,150,000 and providing additional flexibility for short-term working capital requirements.

- **Cash and Cash Equivalents:** At the close of FY26, the Company held $23,568,364 in cash and cash equivalents (2025: $17,690,628), representing an increase of $5,877,736 or 33%. Of the FY26 balance, $5,535,087 was restricted in accordance with the terms and conditions of the Company's CIBC credit facility, leaving $18,033,277 in unrestricted cash available for general operating purposes.

- **Capital Expenditures:** APD invested a total of $981,031 (2025: $815,796) in capital expenditures during FY26, primarily supporting the maintenance and enhancement of its operational infrastructure and equipment at the NCP and GFT facilities. At June 30, 2026, the Company also had capital commitments of approximately $1,287,669, principally relating to the construction and installation of a solar parking canopy system.
- **Debt Management:** Total outstanding bank borrowings, excluding lease liabilities, were $20,570,666 at the end of FY26 (2025: $22,627,733), reflecting a reduction of $2,057,067 or 9% compared with the prior year. With total shareholders' equity increasing to $85,937,465 (2025: $81,085,505), APD's debt-to-equity ratio improved to 0.24 (2025: 0.28), reflecting continued progress in reducing debt obligations and strengthening the Company's financial position.

At June 30, 2026, total cash and cash equivalents, including restricted cash, exceeded outstanding long-term debt by approximately $2,997,698, compared with a net debt position of approximately $4,937,105 in FY25.



APD's principal uses of cash include funding operating expenditures, capital investments, dividend payments to ordinary shareholders, interest and principal payments on long-term debt, and mandatory quarterly lease payments on port lands to the Government of The Bahamas. Given the Company's cash and cash equivalents, available credit facilities, and demonstrated ability to generate cash from operations, management believes APD has sufficient liquidity to meet its anticipated financial obligations and operating requirements for at least the next 12 months.

Based on the Company's current financial forecasts and liquidity position, management assesses the risk of default on its financial obligations as low. As of June 30, 2026, $850,000 of the $3,000,000 CIBC revolving credit facility was allocated to Bahamas Customs Bonds, leaving $2,150,000 available. The Company had not drawn on its $3,000,000 RBC overdraft facility. In the event of an unanticipated adverse variance from financial forecasts, management has several potential mitigating measures available, including reducing or deferring discretionary expenditures, reviewing capital investment priorities, adjusting tariff rates where necessary, and securing additional financing where appropriate.

We believe an important measure of APD's liquidity is unlevered free cash flow. This measure is a useful indicator of the Company's ability to generate cash to meet its liquidity requirements and provides investors with additional insight into operating performance and management's effectiveness in managing cash. We define unlevered free cash flow as net cash provided by operating activities, adjusted to remove the impact of interest payments and deducting capital expenditures on property and equipment additions. This measure provides a supplementary assessment of cash generated by APD's core operations before financing costs, while recognizing the capital investments required to maintain and develop port infrastructure.

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 Centre on Arawak Cay.

For FY26, the minimum annual rent of 50,000 TEUs at $50.91 (2025: $50.35) was $2,545,500 (2025: $2,517,500).

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 LONG-TERM 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$30,856,000 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: 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 June 30, 2026, is $18,513,600 (2025: $20,570,667) and the current portion of the debt outstanding is $2,057,066 (2025: $2,057,066).

Facility B: A $3,000,000 demand revolving credit facility available by way of overdraft, bearing interest at the BSD prime rate of 4.25% less a margin of 0.25%, resulting in an interest rate of 4.0% on the outstanding balance. Of this facility, $850,000 was utilized to cover Bahamas Customs Bonds, leaving $2,150,000 available.

The facilities represent unsecured obligations of the Company and are subject to the financial covenants and other conditions stipulated in the credit agreement.

CONTROLS AND PROCEDURES

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 risk management framework to identify, assess and mitigate risks that could affect its operations and financial performance. The Company's principal risks include operational disruptions and equipment reliability, fluctuations in cargo volumes and customer concentration, climate-related events, and cybersecurity and information systems risks.

Operational risks are managed through preventative maintenance, equipment inspections, safety procedures and contingency planning. Cargo volumes remain influenced by economic conditions, major customers and developments in the construction and import sectors. APD continues to monitor these factors as part of its operational and financial planning.

Given the Company's coastal operations, severe weather events and other climate-related risks could disrupt port activities or damage infrastructure. APD maintains insurance coverage and emergency preparedness procedures to support business continuity. The Company continues to assess the condition and long-term resilience of its marine infrastructure, including its breakwaters, to inform future maintenance and capital investment requirements.

APD also recognizes the importance of cybersecurity and reliable information systems and continues to invest in technology, security controls, data protection and system resilience to reduce the risk of operational disruptions.

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG)

APD remains committed to integrating environmental, social, and governance (ESG) principles into its operations. The Company maintains ISO 9001 (Quality Management), ISO 14001 (Environmental Management), and ISO 45001 (Occupational Health and Safety) certifications, reflecting its commitment to maintaining internationally recognized standards across its operations.

During FY26, the Company continued to advance its sustainability initiatives, including the commencement of its solar parking canopy project. This project remained in progress at June 30, 2026, with completion anticipated during the fourth quarter of FY27. Once operational, the system is expected to increase APD's use of renewable energy, reduce reliance on purchased electricity and contribute to long-term energy cost savings and a reduced environmental footprint. APD also maintained its focus on operational efficiency, environmental responsibility, employee development, and community engagement.

LOOKING AHEAD

While APD Limited delivered another year of strong financial and operational performance in FY26, management remains mindful of the broader global landscape, including economic volatility, climate change, and geopolitical developments that continue to influence supply chains and trade activity. The Company will maintain its disciplined focus on operational efficiency, cost management, and strategic investment to support sustainable long-term growth.

In FY27, APD will continue to prioritize optimizing the performance and reliability of its existing infrastructure and equipment, strengthening its digital capabilities, and advancing renewable energy initiatives. APD's ongoing implementation of TURI, an operational analytics and automation platform developed by Stoopa.AI, Inc. is expected to enhance operational visibility, streamline reporting processes, and support more informed decision-making. The Company will also focus on maintaining the long-term integrity of its port infrastructure, including ongoing assessments and planning for future maintenance and capital requirements. During FY27, APD also expects to complete the transition of its Registrar and Transfer Agent functions in-house, following receipt of the necessary regulatory approvals.

Planned capital investments include the ongoing solar parking canopy project, dredging works, and infrastructure maintenance and equipment improvements. As cargo volumes and lifting requirements continue to evolve, APD is planning to expand its crane fleet to strengthen cargo-handling capacity, improve equipment reliability and provide greater operational flexibility.

In addition, the proposed development of an LNG facility adjacent to the port presents potential opportunities for additional revenue associated with LNG importation and related port services.

Looking ahead, EBITDA margins may be influenced by changes in cargo mix, inflationary pressures and operating costs. Management will continue to monitor these factors while maintaining its focus on operational efficiency and cost management.

APD will continue to evaluate strategic investment opportunities that complement its core operations and support long-term value creation, while maintaining a disciplined approach to capital allocation and preserving its strong financial position.

CONCLUSION

FY26 was another year of strong financial and operational achievement, reflecting APD's resilience and disciplined execution of its strategic priorities. The Company achieved record revenues, EBITDA, and net income, maintained strong liquidity, and further strengthened its balance sheet.

As APD enters FY27, management remains committed to operational excellence, prudent financial management, and sustainable long-term shareholder value. The Board and management express their appreciation to all employees, customers, partners, and shareholders for their continued support and trust.



AUDITED FINANCIAL STATEMENTS

43 Independent Auditor's Report
46 Statement of Financial Position
47 Statement of Comprehensive Income
48 Statement of Changes in Equity
49 Notes to Financial Statements

pwc

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 2026, 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, 2026;
- 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.

PricewaterhouseCoopers, 2 Bayside Executive Park,
West Bay Street & Blake Road, P.O. Box N-3910,
Nassau, Bahamas
T: + 1 242 302 5300, F: + 1 242 302 5350

www.pwc.com/bs

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) as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Our audit approach

Overview



- Overall materiality: $726,000 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	$726,000
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 $36,300, 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
Potential impairment of property, plant and equipment Refer to notes 2(a)(i), 2(g), 2(h), and 10 to the financial statements for disclosures of related accounting policies and balances. As at June 30, 2026, property, plant and equipment amounted to $76,767,849 and 46% of total assets of the Company. No impairment losses were recognised during the year. 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. 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;	Our approach to addressing the matter, included the following procedures amongst others: • Evaluated the appropriateness of management's determination that the assets comprise a single cash-generating unit (CGU) for the purposes of impairment testing against management's accounting policies and accounting framework. • 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. • Using management's impairment indicator factors, examined external sources of information such as data published by credit rating agencies, local news articles and stock exchange data 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.

- 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.

We focused on the potential impairment of property, plant and equipment due to the magnitude of the balance and because the factors in determining whether impairment exists involves significant management judgement.

- 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 2026 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 2026 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.

PricewaterhouseCoopers
Chartered Accountants
Nassau, Bahamas
October 8, 2026

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

Statement of Financial Position
As at June 30, 2026
(Amounts expressed in Bahamian dollars)

	Notes	2026 $	2025 $
ASSETS			
Current assets			
Cash and cash equivalents	3	23,568,364	17,690,628
Accounts receivable	4	4,152,372	3,134,829
Tax receivable		792,566	1,057,983
Deposits, prepayments and other assets	6	1,333,535	835,532
Spare parts inventory	9	8,022	4,612
Investments	7	651,902	423,769
Total current assets		30,506,761	23,147,353
Non-current assets			
Property, plant and equipment	10	76,767,849	78,992,913
Right-of-use asset	14	50,177,733	50,236,891
Investments	7	10,045,212	9,619,250
Total non-current assets		136,990,794	138,849,054
Total assets		167,497,555	161,996,407
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable		431,532	375,344
Due to related parties	5	3,891,323	2,150,617
Accrued expenses and other liabilities	11	1,808,782	1,413,988
Current portion of lease liability	14	90,403	85,558
Current portion of long term debt	8	2,057,066	2,057,066
Total current liabilities		8,279,106	6,082,573
Non-current liabilities			
Long term debt	8	18,513,600	20,570,667
Lease liability	14	54,467,321	53,957,599
Deposits held	14	300,063	300,063
Total non-current liabilities		73,280,984	74,828,329
Total liabilities		81,560,090	80,910,902
Equity			
Share capital	12	49,969	49,969
Share premium		49,192,308	49,192,308
Retained earnings		36,695,188	31,843,228
Total equity		85,937,465	81,085,505
Total liabilities and equity		167,497,555	161,996,407

Approved by the Board of Directors on October 7, 2026 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, 2026
(Amounts expressed in Bahamian dollars)

	Notes	2026 $	2025 $
Revenue			
Landing fees	15	17,052,266	16,099,605
Terminal handling fees	15	6,637,440	5,607,827
Stevedoring fees	15	4,278,255	3,988,385
Security	15	3,226,739	3,024,576
Gate fees	15	2,830,523	2,539,725
Storage fees	15	2,741,264	2,687,570
Subleases	14	1,744,523	1,833,324
Reefer line	15	1,420,150	1,540,450
Hazmat fees	15	545,850	445,750
Dockage	15	369,524	352,195
Other income	15	264,895	328,090
Line handling fees	15	135,150	112,850
Total revenue		**41,246,579**	**38,560,347**
Expenses			
Salaries, employee benefits, and training		5,488,644	5,489,093
Terminal handling costs		6,646,755	5,557,612
Government fees and taxes		1,189,278	1,060,465
Repairs and maintenance		1,215,036	1,260,311
Utilities		1,652,965	1,322,705
Government lease	14	1,451,291	1,162,256
Security		376,479	360,424
Legal and other professional fees	16	705,311	547,224
Insurance		409,927	434,818
Other operating expenses		310,016	437,170
Office supplies, postage and delivery		212,255	183,769
Company meetings and events		132,243	122,190
Loss on disposal of property, plant & equipment		-	9,991
Write down of obsolete inventory	9	-	632,998
Total expenses		**19,790,200**	**18,581,026**
Earnings before interest, depreciation and amortisation		**21,456,379**	**19,979,321**

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

APD LIMITED

Statement of Comprehensive Income (Continued)
For the year ended June 30, 2026
(Amounts expressed in Bahamian dollars)

	Notes	2026 $	2025 $
Depreciation - property, plant and equipment	10	3,206,095	3,394,511
Depreciation - right-of-use-asset	14	660,234	652,429
Total depreciation and amortisation		**3,866,329**	**4,046,940**
Earnings before interest		**17,590,050**	**15,932,381**
Finance costs			
Interest on lease liability	14	2,458,990	2,435,626
Interest expense		685,561	751,514
Interest income		(400,291)	(368,524)
Total finance costs, net		**2,744,260**	**2,818,616**
Total earnings for the year attributable to the equity shareholders		**14,845,790**	**13,113,765**
Net income and total comprehensive income		**14,845,790**	**13,113,765**
Basic and diluted earnings per share	13	**2.97**	**2.62**

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

APD LIMITED

Statement of Changes in Equity
For the year ended June 30, 2026
(Amounts expressed in Bahamian dollars)

	Share capital $	Share premium $	Retained earnings $	Total $
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)	-	-	(8,744,601)	(8,744,601)
Balance at July 1, 2025	**49,969**	**49,192,308**	**31,843,228**	**81,085,505**
Total comprehensive income for the year	-	-	14,845,790	14,845,790
Dividends paid (Note 12)	-	-	(9,993,830)	(9,993,830)
Balance at June 30, 2026	**49,969**	**49,192,308**	**36,695,188**	**85,937,465**

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

APD LIMITED

Statement of Cash Flows
For the year ended June 30, 2026
(Amounts expressed in Bahamian dollars)

	Notes	2026 $	2025 $
Cash flows from operating activities			
Net income for the year		14,845,790	13,113,765
Adjustments for:			
Depreciation - property, plant and equipment	10	3,206,095	3,394,511
Depreciation - right-of-use-asset	14	660,234	652,429
Amortisation of bond discount		(171,365)	(150,395)
Unrealised loss / (gain) on investments		65,258	(13,098)
Write down of obsolete inventory	9	-	632,998
Loss on disposal of property, plant & equipment		-	9,991
Interest received on financial assets held as investments		(228,926)	(218,129)
Interest on lease liability	14	2,458,990	2,435,626
Loan interest expense		685,561	751,514
Operating profit before changes in working capital		**21,521,637**	**20,609,212**
(Increase) / decrease in spare parts inventory		(3,410)	49,911
crease) / decrease in deposit, prepayments & other assets		(498,003)	515,674
(Increase) / decrease in accounts receivable		(1,017,543)	1,641,519
Decrease / (increase) in tax receivable		265,417	(359,461)
Increase in deposits held		-	23,200
Increase in accounts payable		56,188	138,159
Increase / (decrease) in due to related parties		1,740,706	(45,614)
Increase / (decrease) in accrued expense and other liabilities		394,794	(89,919)
Net cash provided by operating activities		**22,459,786**	**22,482,681**
Cash flows from investing activities			
Net acquisition of property, plant and equipment	10	(981,031)	(815,796)
Net purchases of investments		(547,987)	(6,466,480)
Interest received on financial assets held as investments		228,926	218,129
Net cash used in investing activities		**(1,300,092)**	**(7,064,147)**
Cash flows from financing activities			
Principal payments on lease liability		(86,511)	(81,874)
Principal payments on long term debt		(2,057,066)	(3,085,600)
Interest expense paid		(685,561)	(1,148,979)
Interest expense paid on lease liability		(2,458,990)	(2,435,626)
Dividends paid to ordinary shareholders	12	(9,993,830)	(8,744,601)
Net cash used in financing activities		**(15,281,958)**	**(15,496,680)**
Increase / (Decrease) in cash and cash equivalents		**5,877,736**	**(78,146)**
Cash and cash equivalents, beginning of year		**17,690,628**	**17,768,774**
Cash and cash equivalents, end of year	3	**23,568,364**	**17,690,628**

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

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.

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.

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:

	2026 $	2025 $
Earnings before interest, depreciation and amortisation	21,456,379	19,979,321
Dividend income	(233,240)	(224,910)
Unrealised loss / (gain) on investments	85,031	(4,118)
Depreciation - property, plant and equipment	(3,206,095)	(3,394,511)
Depreciation - right-of-use-asset	(660,234)	(652,429)
Operating profit	**17,441,841**	**15,703,353**

(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, 2025, 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, 2026 (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, 2026 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.

1. Amendments to IFRS 9, *Financial Instruments* and IFRS 7, *Financial Instruments: Disclosures*

   The IASB issued targeted amendments to IFRS 9 and IFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

   - clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
   - clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
   - add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
   - make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

   These amendments are effective for annual reporting periods beginning on or after January 1, 2026. Accordingly, the Company will apply the new standard from the fiscal year ending June 30, 2027.

2. 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:

2. Material accounting policies (Continued)

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

New standards, amendments, and interpretations issued but not yet effective (continued)

2. IFRS 18 *Presentation and Disclosure in Financial Statements* (continued)

- 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.

(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.

APD LIMITED

Notes to Financial Statements
June 30, 2026 (continued)

2. Material accounting policies (Continued)

(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.

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.

2. Material accounting policies (Continued)

(g) Property, plant and equipment (continued)

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.

(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.

APD LIMITED

Notes to Financial Statements
June 30, 2026 (continued)

2. Material accounting policies (Continued)

(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.

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

2. Material accounting policies (Continued)

(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, 2026 (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.

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, 2026 (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.

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, 2026 (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.

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, 2026 (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% (2025: 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, a reduced VAT rate of 5% was introduced on qualifying unprepared food items, which was subsequently reduced to 0% effective April 1, 2026.

(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 corresponding disclosure of the Company's aggregate future minimum lease payments receivable under subleases has been adjusted to conform with the current-year presentation changes.

3. Cash and cash equivalents

	2026 $	2025 $
Cash on hand	7,575	3,525
Cash held with bank	18,025,702	13,012,584
Restricted cash	5,535,087	4,674,519
	23,568,364	**17,690,628**

4. Accounts receivable

	2026 $	2025 $
Customers' account - gross:		
Trade receivables -		
Third parties	609,332	1,024,121
Related parties (Note 5)	3,520,573	2,088,241
	4,129,905	3,112,362
Less: Allowance for expected credit losses	-	-
	4,129,905	**3,112,362**
Accrued interest receivables	22,467	22,467
	4,152,372	**3,134,829**

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 days $	31-60 days $	61-90 days $	More than 90 days $
2026	4,129,905	2,121,898	1,206,026	298,647	124,822	378,512
2025	3,112,362	1,646,404	1,052,091	124,932	44,496	244,439

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, 2026 (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:

	2026 $	2025 $
Due from Shareholder	1	1
Due from other related parties - affiliates	3,520,572	2,088,240
	3,520,573	**2,088,241**

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:

	2026 $	2025 $
Due to Shareholder	3,823,717	2,348,864
Due to other related parties - affiliates	566,652	300,799
	4,390,369	**2,649,663**

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 $3,891,323 (2025: $2,150,617) and accrued expenses and other liabilities $499,046 (2025: $499,046) on the statement of financial position.

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

5. Related party balances and transactions (Continued)

(c) Sales and purchases of services:

	2026 $	2025 $
Sales of services		
Other related parties - affiliates	32,876,761	30,711,268

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 64% (2025: 66%) of total revenues during the year, amounting to $13,740,546 (2025: $14,170,684) and $12,701,586 (2025: $11,453,163) respectively.

	2026 $	2025 $
Purchases of services		
Other related parties - affiliates	7,377,279	6,145,354

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:

	2026 $	2025 $
Salaries	745,334	723,471
Short term employee benefits	494,631	497,983
Retirement benefits	27,802	27,329
	1,267,767	1,248,783

6. Deposits, prepayments and other assets

	2026 $	2025 $
Security deposits	272,540	272,540
Prepayments	1,060,995	562,992
	1,333,535	835,532

APD LIMITED

Notes to Financial Statements
June 30, 2026 (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:

		Carrying Value		Interest Income		Bond Amortisation		Unrealised (Loss)/Gain	
Category	Classification	2026 $	2025 $	2026 $	2025 $	2026 $	2025 $	2026 $	2025 $
Mutual funds:									
Bahamas Investment Fund (a)	FVTPL	488,750	590,410	-	-	-	-	(101,660)	-
Fixed rate investments:									
Government bonds (b)	Amortised cost	2,932,489	2,761,123	206,700	206,700	171,366	150,395	-	-
U.S. Treasury Bills (c)	Amortised cost	651,902	423,769	19,773	8,981	-	-	-	-
Investments in private companies (d)	FVTPL	6,100,000	6,000,000	-	-	-	-		-
Investment Funds:									
CFAL Bond Fund (e)	FVTPL	523,973	267,717	-	-	-	-	16,629	4,118
Total investments		10,697,114	10,043,019	226,473	215,681	171,366	150,395	(85,031)	4,118

(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, 2026 was $488,750 (2025: $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.

7. Investments (continued)

(b) Fixed rate government bonds (continued)

Description	Face Value		Amortised cost	
	2026	2025	2026	2025
	$	$	$	$
6.00%; 2028	3,445,000	3,445,000	2,761,123	2,610,728
Amortisation of bond discount	-	-	171,366	150,395
	3,445,000	**3,445,000**	**2,932,489**	**2,761,123**

(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, 2026. 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 $
27-Feb-25	330,000	31-Jul-25	-	5,577
23-May-25	100,000	31-Jul-25	-	654
30-Jul-25	434,000	29-Jan-26	-	8,551
24-Nov-25	112,000	29-Jan-26	-	643
29-Jan-26	546,000	30-Apr-26	-	4,348
29-Apr-26	550,000	31-Jul-26	545,424	-
29-May-26	107,000	31-Jul-26	106,478	-
			651,902	**19,773**

(d) Investments in private companies

The Company holds investments in three privately held companies as follows:

- Stoopa AI, Inc. – $100,000 invested in March 2026 through a Simple Agreement for Future Equity ("SAFE").
- 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 common shares purchased in November 2024 at $20 per share for a total cost of $5,000,000.

APD LIMITED

Notes to Financial Statements
June 30, 2026 (continued)

7. Investments (continued)

(d) Investments in private companies (continued)

The total carrying value at June 30, 2026 was $6,100,000 (2025: $6,000,000). These investments are classified as FVTPL. Management determined that cost represents an appropriate estimate of fair value at June 30, 2025 and, accordingly, no fair value adjustment was recognised during the year.

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 prior 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.

Net additions to the Fund during the year amounted to $239,626 (2025: $263,600). At June 30, 2026, the investment had a market value of $523,973 (2025: $267,717), which included an unrealised gain of $16,629 (2025: $4,118).

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, 2026 is $20,570,666 (2025: $22,627,733), comprising the non-current portion of long-term debt of $18,513,600 (2025: $20,570,667) and the current portion of long-term debt of $2,057,066 (2025: $2,057,066).

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

No write-down of spare parts inventory was recognized during the year ended June 30, 2026. 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.

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, 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**
Year ended June 30, 2026							
Opening net book value	31,426,044	13,810,556	32,210,703	315,107	872,475	358,028	78,992,913
Additions	-	-	-	-	-	981,031	981,031
Transfers	145,218	332,166	29,834	79,349	46,153	(632,720)	-
Disposals	-	-	-	-	-	-	-
Depreciation charge for the year	(1,061,958)	(691,615)	(1,074,245)	(115,103)	(263,174)	-	(3,206,095)
Closing net book value	**30,509,304**	**13,451,107**	**31,166,292**	**279,353**	**655,454**	**706,339**	**76,767,849**
At June 30, 2026							
Cost	45,044,647	20,366,343	44,474,423	1,105,745	6,125,269	706,339	117,822,766
Accumulated depreciation and impairment	(14,535,343)	(6,915,236)	(13,308,131)	(826,392)	(5,469,815)	-	(41,054,917)
Net book value	**30,509,304**	**13,451,107**	**31,166,292**	**279,353**	**655,454**	**706,339**	**76,767,849**

Capital work in progress includes costs incurred as of June 30, 2026 in connection with ongoing construction and special projects at the Port. These projects are expected to be completed during the 2027 fiscal year.

Notes to Financial Statements
June 30, 2026
(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, 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**

11. Accrued expenses and other liabilities

	2026	2025
	$	$
Accrued real property tax	499,046	499,046
General accruals	1,309,736	914,942
	1,808,782	**1,413,988**

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 (2025: 4,996,915) ordinary shares that were fully paid for by the shareholders with a value of $49,969 (2025: $49,969).

During the year, the Company declared and paid dividends to ordinary shareholders of $9,993,830 (2025: $8,744,601) representing $2.00 (2025: $1.75) 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.

	2026	2025
	$	$
Total earnings for the year attributable to the equity shareholders	14,845,790	13,113,765
Weighted average number of ordinary shares in issue	4,996,915	4,996,915
Basic and diluted earnings per share	**2.97**	**2.62**

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.

APD LIMITED

Notes to Financial Statements
June 30, 2026
(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;

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, 2026, the total rent expense recognised in the statement of comprehensive income amounted to $1,451,291 (2025: $1,162,256). Interest expense on the lease liability amounted to $2,458,990 (2025: $2,435,626).

APD LIMITED

Notes to Financial Statements
June 30, 2026
(Continued)

14. Significant agreements (Continued)

(b) Leases (continued)

As of the end of the reporting period, lease payable to the Government amounted to $54,557,724 (2025: $54,043,157) 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:

	2026 $	2025 $
Right-of-use asset		
Land	50,177,733	50,236,891
Lease liabilities		
Current	90,403	85,558
Non-current	54,467,321	53,957,599
	54,557,724	54,043,157

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:

	2026 $	2025 $
Depreciation charge of right-of-use assets		
Land	660,234	652,429
Interest expense (included in finance costs)	2,458,990	2,435,626

The total cash outflow for leases in 2026 was $2,545,500 (2025: $2,517,500).

(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, 2026 (2025: $300,063). Additionally, during the year the Company executed certain short-term leases, which are on a month-to-month basis.

Income amounting to $1,744,523 (2025: $1,833,324) 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:

	2026 $	2025 $
No later than one year	1,212,651	1,468,888
Between 1 & 2 years	554,999	823,134
Between 2 & 3 years	460,078	363,870
Between 3 & 4 years	385,337	310,484
Between 4 & 5 years	346,047	235,743
Later than 5 years	673,175	550,065
	3,632,287	**3,752,184**

APD LIMITED

Notes to Financial Statements
June 30, 2026
(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 $	2026 Total $
Landing fees	17,052,266	-	17,052,266
Terminal handling fees	6,637,440	-	6,637,440
Stevedoring fees	4,278,255	-	4,278,255
Security	3,226,739	-	3,226,739
Gate fees	2,830,523	-	2,830,523
Storage fees	-	2,741,264	2,741,264
Reefer line	-	1,420,150	1,420,150
Other income	1,142,701	-	1,142,701
Total	**35,167,924**	**4,161,414**	**39,329,338**

	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	**32,269,975**	**4,228,020**	**36,497,995**

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, gain on disposal of assets 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.

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.

APD LIMITED

Notes to Financial Statements
June 30, 2026
(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:

	2026 $	2025 $
Legal and other professional fees	465,544	311,569
Audit fees	119,250	115,000
Regulatory fees	120,517	120,655
	705,311	**547,224**

17. Retirement benefits

Pension costs for the year which are included in salaries, employee benefits and training in the statement of comprehensive income totalled $111,847 (2025: $107,431). 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.

18. Commitments and contingencies

As at June 30, 2026, the Company had capital commitments of $1,287,669 (2025: $Nil), principally relating to the construction and installation of a solar parking canopy system.

As of June 30, 2026, 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 (2025: $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, 2026, 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.

APD LIMITED

Notes to Financial Statements
June 30, 2026
(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, 2026 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, 2026 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.

19. Financial risk management (Continued)

(c) Liquidity risk

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, 2026. The amounts disclosed in the table are the contractual undiscounted cash flows.

As of June 30, 2026	Carrying amount $	Contractual cash flows $	0-12 months $	1-5 years $	More than 5 years $
Liabilities					
Accounts payable	431,532	431,532	431,532	-	-
Due to related parties	3,891,323	3,891,323	3,891,323	-	-
Accrued expenses and other liabilities	1,808,782	1,808,782	1,808,782	-	-
Lease liabilities	54,557,724	193,033,750	2,545,500	12,727,500	177,760,750
Long term debt	20,570,666	23,922,212	2,678,946	10,079,579	11,163,687
Deposits held	300,063	300,063	248,621	51,442	-
Total financial liabilities	**81,560,090**	**223,387,662**	**11,604,704**	**22,858,521**	**188,924,437**

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**

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.

APD LIMITED

Notes to Financial Statements
June 30, 2026
(Continued)

19. Financial risk management (Continued)

(c) Liquidity risk (continued)

As disclosed in Note 18, the Company had outstanding capital commitments of $1,287,669 as at June 30, 2026 (2025: $Nil), principally relating to the construction and installation of a solar parking canopy system.

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.

21. Capital management (Continued)

Long term debt covenants (continued)

- 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, 2026, 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, 2026, the debt to EBITDA ratio was 0.96 (2025: 1.13).

- 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 complied with this covenant throughout the reporting period, with the major maintenance reserve balance maintained at the minimum required level.

- 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, 2026, the current ratio was 3.68 (2025: 3.81).

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.





ARAWAK

PORT DEVELOPMENT

NASSAU CONTAINER PORT

HOURS OF OPERATION

Monday - Friday, 8:00am - 4:00pm

THANK YOU

@nassaucontainerport

@Nassau Container Port

LinkedIn

Arawak Port Development Limited

Email: **info@apdport.com**

Phone: **242.323.7064**

P.O. BOX SP-63958 | Arawak Cay, Nassau, The Bahamas

Website: www.**nassaucontainerport**.com