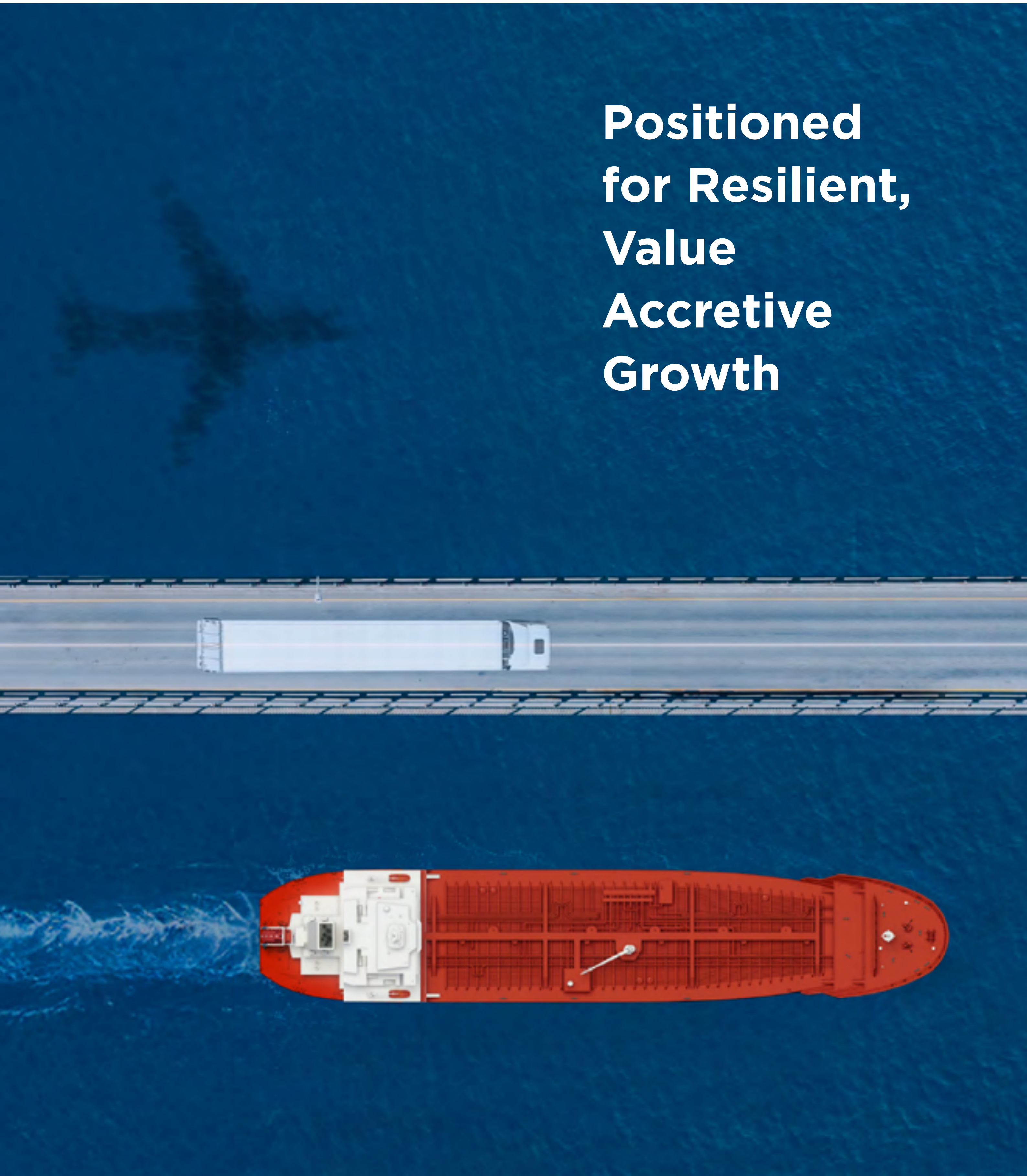
Annual Report
2024

Positioned for Resilient, Value Accretive Growth



بسم الله الرحمن الرحيم

King Salman bin Abdulaziz Al Saud

Custodian of the Two Holy Mosques

His Royal Highness Prince Mohammad bin Salman bin Abdulaziz Al Saud

Crown Prince and Prime Minister

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For nearly five decades, Bahri has exemplified growth, diversification, and innovation, evolving into a global leader in the shipping and logistics industry.

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About Bahri

Founded in 1978 as the National Shipping Company of Saudi Arabia, Bahri has established itself as the Kingdom's leading shipping and logistics company and a global leader in maritime transportation. Headquartered in Riyadh, Saudi Arabia, we operate a fleet of 93 owned vessels, 16 vessels under long-term leases, and two floating seawater desalination barges as of December 2024. We are also recognized as one of the world's largest owners of Very Large Crude Carriers (VLCCs).

Our diversified operations span a wide range of services, including the transportation of crude oil, refined products, chemicals and dry bulk and breakbulk cargo, and the purchase, sale, chartering and operation of ships in support of this. Additionally, we provide integrated logistics solutions such as freight forwarding, warehousing, cargo clearance and stowage and contract logistics. In 2024, we further diversified our portfolio by entering the seawater desalination industry with the operation of two mobile desalination barges.

Our business activities are organized across four business units – Bahri Oil, Bahri Chemicals, Bahri Integrated Logistics and Bahri Dry Bulk – supported by the Bahri Ship Management shared service platform. A fifth business unit, Bahri Marine Services, entered its start-up phase in 2024.

Bahri also owns non-controlling equity interests in Petredec Group, a leading liquified petroleum gas shipping and trading company, National Grain Company which operates a grain handling terminal in Yanbu, Saudi Arabia, and Saudi shipbuilder International Maritime Industries.

Driven by a team of over 4,800 professionals across our onshore and offshore operations, Bahri is deeply committed to advancing Saudi Vision 2030, transforming the Kingdom into a strategic regional shipping hub and logistics gateway, and remaining a vital and responsible leader in the global supply chain.

Our Vision and Mission

Vision

To create value and share prosperity by connecting economies through excellence in global logistics solutions.

Mission

To be the best service provider, operating to world-class standards. We are relentless in applying responsible business fundamentals. We shall incorporate sustainable capabilities to provide fit-for-purpose solutions for our business partners and stakeholders, based on our values, to achieve mutual benefit.

2024 Highlights

Well positioned for resilient, value accretive growth

Financial highlights

Net profit rose to

⃁ **2.17 billion**

the highest in Bahri's 46-year history

Revenue reached a record

⃁ **9.48 billion**

Capital expenditure of

⃁ **5.48 billion**

for fleet modernization and expansion

USD **756 million**

Murabaha financing to partly fund fleet investment

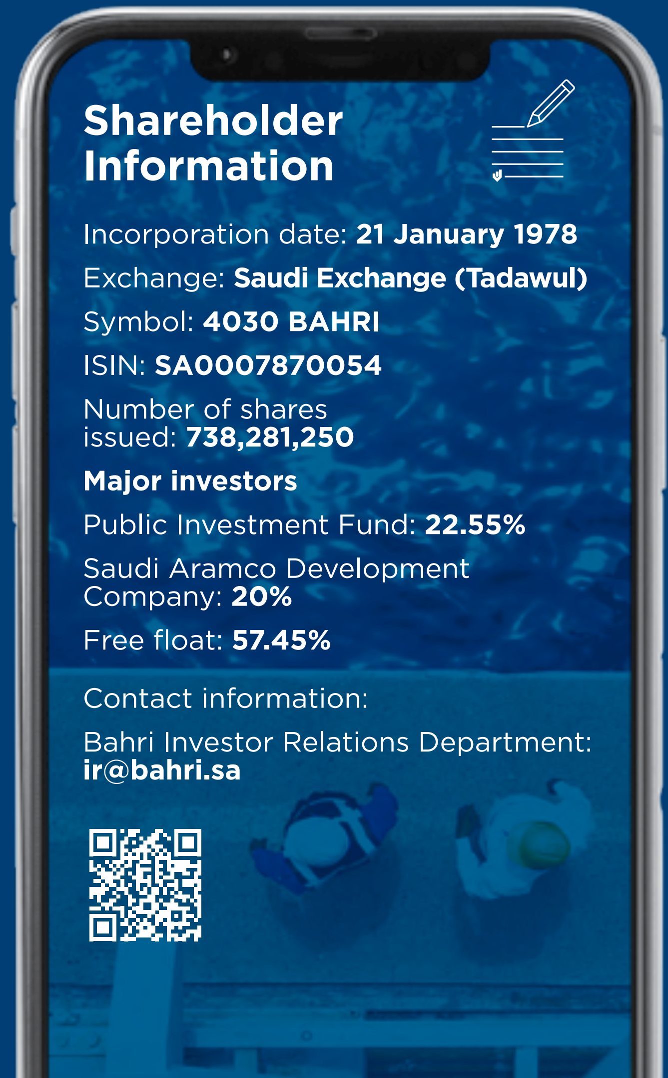
Operational highlights

Acquired 15 vessels, of which 11 became operational in 2024, and divested 6 older vessels. Long-term charter-ins increased to 16 vessels. In all, the operated fleet expanded to 109 vessels at end-2024 from 98 a year ago.

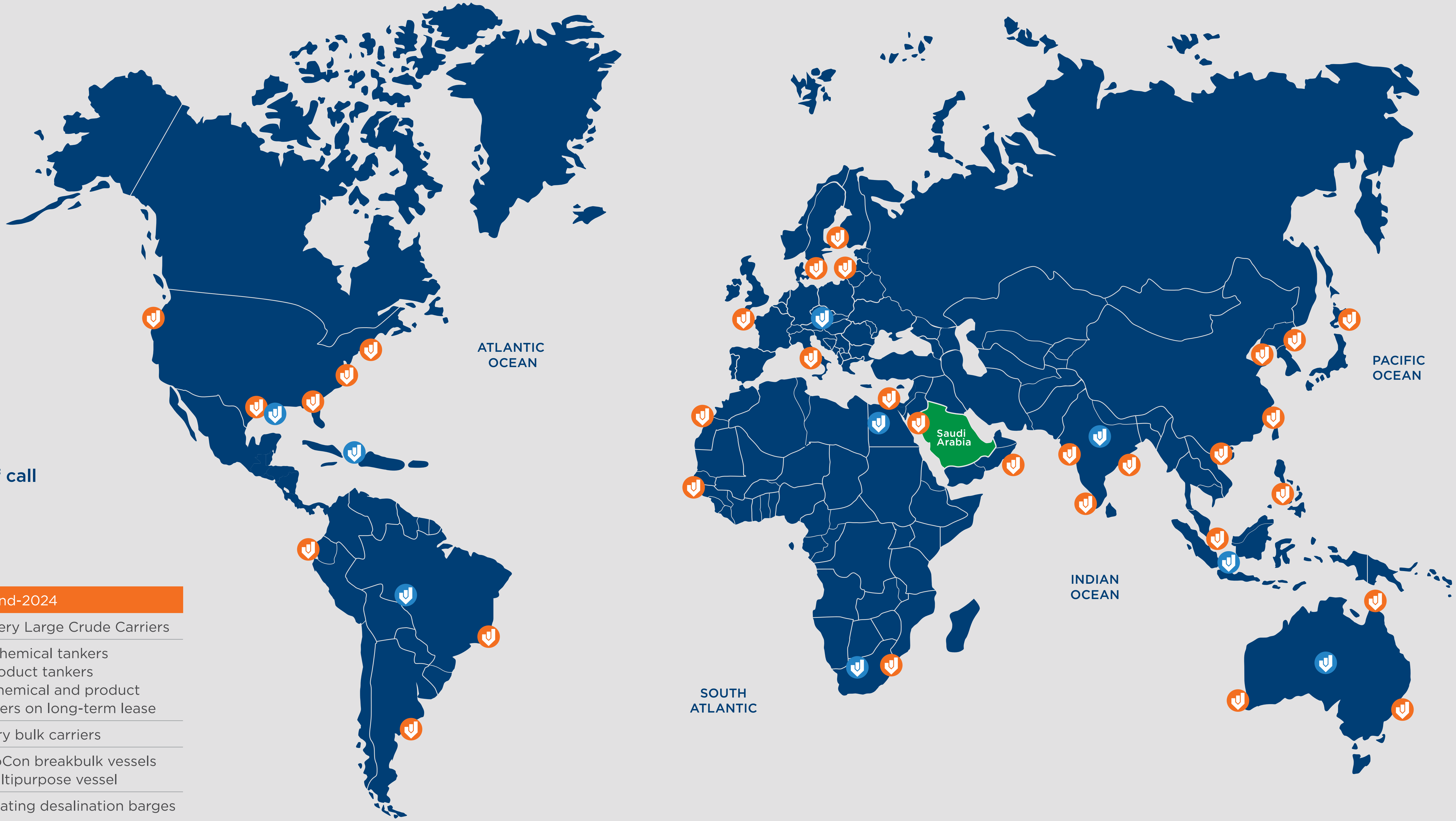
Successful cargo volume expansion with double-digit growth in chemicals (17% YoY), dry bulk (67%) and breakbulk/RoRo (29%) cargo.

Commenced operations of two floating desalination barges, enhancing diversification of revenue streams.

Zero fatalities, zero oil spills and 270 voyages through the Red Sea / Gulf of Aden with no disruptions despite heightened geopolitical tensions.



Where We Operate



Major ports of call

Global offices

Bahri operated fleet, end-2024	
Bahri Oil	• 41 Very Large Crude Carriers
Bahri Chemicals	• 28 chemical tankers • 5 product tankers • 16 chemical and product tankers on long-term lease
Bahri Dry Bulk	• 12 dry bulk carriers
Bahri Integrated Logistics	• 6 RoCon breakbulk vessels • 1 multipurpose vessel
Bahri Marine Services	• 2 floating desalination barges

Our Journey

The Kingdom's shipping and logistics champion

Guided by a clear vision of continuous expansion and diversification, we have consistently pushed boundaries to drive value creation and support Saudi Arabia's economic ambitions, establishing Bahri as a symbol of excellence and resilience in maritime shipping and logistics.

1978

Founded by royal decree

Established as the National Shipping Company of Saudi Arabia and started operations as a general cargo carrier.

1983

Expanded fleet to six vessels

Ended the year with a fleet of six vessels for general cargo, after two years of vessel acquisitions.

1985

Acquired two chemical tankers

Entered the chemical shipping market with the purchase of two chemical tankers.

1990

Established a chemical transport JV with SABIC

Formed the National Chemical Carriers Company, an 80/20 JV with Saudi Basic Industries.

1996

Entered the crude oil transport market

Began transporting crude oil for Saudi Aramco with a fleet of five VLCCs.

Brought ship management in-house

Established Mideast Ship Management (now Bahri Ship Management) with technical partner Acomarit Services Maritime, to provide in-house technical management of Bahri's fleet. Bahri bought out Acomarit's 20% equity stake in 2005.

2002

Started freight forwarding services

Diversified to freight forwarding to provide a more comprehensive logistics solution service offering.

2005

Acquired 30% of LPG shipper Petredec

Invested in Petredec, one of the industry's largest LPG shipping and trading companies. Equity stake increased to 40% in 2023.

2010

Diversified into dry bulk transport

Formed Bahri Dry Bulk as a 60/40 JV with the Arabian Agricultural Services Company for shipping dry bulk cargo.

2014

Acquired Vela, Aramco's shipping subsidiary

Acquired Vela International Marine, Saudi Aramco's wholly owned subsidiary managing its crude oil shipping operations, and became the exclusive transporter for Aramco's CIF crude sales. In exchange, Aramco gained a 20% equity stake in Bahri.

2017

Expanded into logistics and supply chain management

Established a 60/40 logistics JV with Bollore Logistics to serve KSA and the broader region. In 2022, Bahri acquired the entire Bollore equity stake.

Invested 20% equity in IMI

Formed a JV with Aramco, Hyundai Heavy Industries and Lamprell to create International Maritime Industries, an integrated maritime yard with full-service facilities at Ras Al-Khair along the Arabian Gulf.

2020

Formed a JV with SALIC for a grain handling terminal

Entered into a 50/50 JV with Saudi Agricultural and Livestock Investment Company (SALIC) to establish the National Grain Company and build a flagship grain handling terminal at Yanbu Commercial Port along the Red Sea. The terminal became operational in 2024.

2024

Started operations of desalination barges

Commenced operations of the first two of three floating seawater desalination barges stationed off Yanbu, Saudi Arabia.

Initiated third-party ship management

Began ship management services for Folk Maritime Services, a new Saudi-based feeder and short-sea shipping operator.

Year in Review

February

First multipurpose vessel joined the fleet

Bahri Line acquired its first multipurpose vessel, a type of ship designed to carry a wide variety of cargo types, initially to cater to requirements of renewable energy and infrastructure projects.

Bahri Oil exits refined product shipping

Bahri Oil sold its remaining product tanker, marking its exit from petroleum product transport.

Logistics Center construction at Jeddah Islamic Port

Construction commenced at the Jeddah Port for a state-of-the-art storage and handling facility with an annual throughput capacity of 900,000 pallets, with completion targeted for 2025.

Guinness World Record for largest desalination barge

Guinness World Records recognized Bahri's new desalination facility as the largest floating desalination plant built on a marine barge.

April

First desalination barge's commercial operation

Bahri completed construction of its first 50 million liter per day seawater desalination barge stationed off Yanbu, Saudi Arabia, and started potable water delivery to offtaker Saudi Water Authority.

June

Cash dividends declared

The Bahri General Assembly approved a cash dividend distribution to shareholders of ⃁ 0.55 per share, equivalent to a 25% pay-out ratio on 2023 earnings.

July

MoU with Folk Maritime

Bahri Ship Management (BSM) signed a Memorandum of Understanding with Folk Maritime, a newly formed feeder and short-sea shipping operator, to collaborate on technical ship management and crewing of vessels, marking BSM's first venture of extending its expertise beyond Bahri's own fleet.

Training agreement with Saudi Logistics Academy

Bahri forged a two-year agreement for Saudi Logistics Academy to train and qualify young Saudis for placement in Bahri's business units.

August

Bahri finalized purchase agreement for nine VLCCs

Bahri signed a USD 1 billion purchase agreement with Capital Maritime and Trading Corp to acquire nine modern second-hand eco VLCCs to be delivered in batches up to mid-2025.

October

Murabaha financing agreement secured

A USD 756 million Murabaha credit facility was secured to partially fund Bahri's purchase of nine VLCCs from Capital Maritime.

November

Bahri received two awards at The Maritime Standard Awards 2024

Bahri was recognized as Shipping Company of the Year and Tanker Operator of the Year by The Maritime Standard Awards.

December

Completion of Bahri's second desalination barge

Bahri commenced operation of the second of its three desalination barges, also stationed off Yanbu, Saudi Arabia.

National Grain Company terminal began operations

The National Grain Company, a 50/50 joint venture by Bahri and Saudi Agricultural Livestock Investment Company (SALIC), started operating its grain handling terminal at Yanbu Commercial Port, designed to handle three million tons of grain annually.

Investment Case

Bahri offers a unique and compelling proposition in the global shipping and logistics industry with its diversified and profitable portfolio that spans oil, chemicals and bulk transport, integrated logistics services, and seawater desalination, seamlessly supported by a world-class in-house ship management platform enabling operational excellence, innovation and scalability.

With a strong financial foundation, a broad global reach and almost five decades of proven success, we have built trusted relationships with our core customers and strategic partners. This positions us to capitalize on significant market opportunities, drive substantial expansion, and deliver sustained value for our shareholders.

Global reach and proven track record

For 46 years, Bahri has established itself as Saudi Arabia's leading shipping and logistics company, achieving top rankings in the global maritime industry.

- **Industry leader:** Our fleets are among the largest in their respective sectors, serving ports and customers across six continents, with our home ports strategically located at the crossroads of global maritime trade routes. We are helmed by a seasoned leadership team with proven track records in shipping and logistics, and adjacent industries.
- **Operational excellence:** Our in-house ship management enhances operational efficiency, safety, environmental and regulatory compliance, and technology adoption across our 93 owned vessels, providing a competitive edge in cost, reliability and scalability. The safety of our people is our top priority, and we invest and innovate to reduce our fleet's impact on the climate and the marine environment.
- **Customer trust:** We have built a reputation for reliable, high-quality service, fostering strong relationships with our core customers, which bolsters our market presence and drives demand.

Solid financial foundation

Bahri's strong financial performance underpins its growth and resilience.

- **Earnings growth:** Our profits have grown at a compounded annual rate of 28% over the past five years, surpassing the ⃁ 2 billion milestone for the first time to reach ⃁ 2.17 billion in 2024, driven by consistent outperformance of market benchmarks.
- **Financial resilience:** Our strong earnings support the sustained investment in fleet modernization and expansion without compromising balance sheet health, enabling flexibility for future investment and growth.
- **Diversified revenue streams:** Our diversified business portfolio mitigates sector cyclicality risk, providing a degree of stability to earnings and cash flow across cycles.

Substantial growth potential across our markets

Bahri is well positioned to capitalize on untapped customer demand and market opportunities.

- **Preferred provider:** Across all our markets, we are the preferred partner for our core customers, many of whom have substantial cargo requirements that remain untapped by Bahri.
- **Alignment with Vision 2030:** Our growth strategy aligns with Saudi Vision 2030, supporting the Kingdom's goals of reducing economic value leakage through supply chain localization, and of establishing the Kingdom as a global hub for shipping and logistics.
- **Strategic partnerships:** Our partnerships with our major shareholders – Public Investment Fund, the driving force behind Vision 2030, and Saudi Aramco, the world's largest energy company – channel market opportunities to us that drive growth and network expansion. We are also committed to expanding our network of partners to foster mutually beneficial relationships.

Commitment to value-driven growth

Bahri's growth strategy is driven by investments in fleet expansion and modernization, underpinned by a disciplined approach focused on long-term shareholder value creation.

- **Opportunistic approach:** We adopt an opportunistic approach to vessel acquisition and divestment, strategically timing our investments to capitalize on favorable conditions and opportunities amidst volatility in the vessel market.
- **Flexible funding:** We will apply a variety of funding mechanisms for fleet expansion, ensuring that chosen structures support value accretion while effectively managing financial risk.
- **Responsive to market dynamics:** We will quickly adapt to changing market dynamics, balancing profitability, operational efficiency and business risk by leveraging market intelligence to optimize revenue streams, ship deployment and voyage planning, and vessel acquisition and divestment.

Our journey remains firmly directed towards delivering sustained value to our shareholders, advancing the transformation of Saudi Arabia's shipping and logistics sector in support of Vision 2030, and strengthening our role as a vital and responsible leader in the global supply chain.

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Chairman’s Statement

Strengthening economies and delivering value

Our commitment to fleet modernization and expansion is a key pillar of our growth strategy. In 2024, we contracted the acquisition of 22 vessels, of which 15 were delivered before year-end and the remaining seven are scheduled for delivery in the first half of 2025.

Mr. Mohammed A. Al-Sarhan
Chairman

I am proud to share that Bahri once again fulfilled its role as a vital and responsible leader in the global supply chain, and as Saudi Arabia’s shipping and logistics champion. In 2024, we played a crucial role in connecting economies and people worldwide by reliably facilitating the movement of more than 750 million barrels of crude oil, 19 million tons of chemicals and clean petroleum products, two million tons of fertilizers, one million tons of grain and one million cubic meters of breakbulk and RoRo cargo to wherever these were needed around the world.

We accomplished this with an unwavering commitment to safety, operational excellence and adherence to the rules of the seas. Not a single fatality was recorded among our seafarers, our vessels faced no detentions at port due to deficiencies, and our ships passed through waterways beset by heightened geopolitical tensions without disruptions. Throughout the year, we ensured full compliance with environmental and maritime regulations, underscoring our commitment to responsible and sustainable business practices.

Bahri also contributed significantly to advancing the ambitions of Saudi Arabia’s Vision 2030 for the shipping and logistics sector. We facilitated Saudi trade and economic advancement through strong volume growth across multiple markets, with the majority of our cargo shipped to or from Saudi Arabia. Additionally, we expanded our logistics business, increasing our assets and customer base, and enhancing synergies with our shipping operations. These moves strengthened the localization of the Kingdom’s supply chains and positioned Bahri as a key enabler of Saudi Arabia’s broader economic transformation. Meanwhile, we commenced operations of our floating seawater desalination barges, pioneering an innovative solution to the Kingdom’s water needs while adding stability and diversification to our revenue streams.

Our commitment to fleet modernization and expansion is a key pillar of our growth strategy. In 2024, we contracted the acquisition of 22 vessels, of which 15 were delivered before year-end and the remaining seven are scheduled for delivery in the first half of 2025. This strategic investment directly supports Vision 2030’s goal of positioning Saudi Arabia as a global hub for shipping and logistics, while ensuring that Bahri remains at the forefront of the industry.

Financially, we achieved unprecedented success, which reflected our strong operational performance and disciplined approach to growth. Bahri’s ⃁ 2.17 billion net profit for 2024, as well as the ⃁ 9.48 billion revenue underpinning this, were the highest in our history. In addition, we remained committed to returning value to our shareholders. In March 2025, we announced the Board’s recommendation to the General Assembly to distribute cash dividends of ⃁ 738 million for fiscal year 2024, as well as a grant of one share for every four owned shares.

As we look ahead to 2025, we remain steadfast in our mission to drive economic prosperity – both globally and within the Kingdom – and in delivering value to our shareholders. We will continue to expand our market presence, refine our operations for greater efficiency and navigate challenges with agility and foresight.

On behalf of the Board, I extend my sincere appreciation to our shareholders for their trust and confidence, and to the Government of Saudi Arabia for its steadfast support to our industry and its commitment to the Kingdom’s economic transformation.

CEO's Message

A transformational year for Bahri

"

2024 marked a defining moment in Bahri's journey, as we strengthened our leadership in the global shipping and logistics sector through strategic growth, diversification, operational excellence and strong financial performance.

Eng. Ahmed A. Al-Subaey
CEO

Delivering record financial performance

We delivered our highest net profit in our 46-year history, reaching ⃁ 2.17 billion – a 34% year-on-year increase – underscoring the strength of our diversified portfolio and the success of our strategic initiatives. We capitalized on robust demand across multiple markets, expanded our demand channels and outperformed market benchmarks, resulting in record revenues of ⃁ 9.48 billion. Central to this achievement is the trust and reputation for reliability that we have built with our customers, supported by our employees' dedication to delivering excellence.

Disciplined cost management and operational optimization also played a crucial role in our success, expanding our net profit margin to 23% from 18% in 2023. The strength of our earnings enabled us to reinvest in our growth strategy while maintaining a resilient balance sheet. Additionally, we secured ⃁ 2.84 billion in financing to support our fleet expansion, complemented by a ⃁ 3 billion revolving credit facility arranged post-2024 to support working capital and capital expenditure requirements, enhancing our capacity to seize future growth opportunities.

Expanding and modernizing our fleet

In 2024, we took significant steps to expand and modernize our fleet with the acquisition of 15 modern second-hand vessels, 11 of which were operationalized and commercially deployed before year-end. We also divested six older vessels. In all, these actions brought the number of our owned vessels in operation to 93 at end-2024, up from 88 at end-2023.

Additionally, we increased the number of charter-in vessels we operate on long-term lease contracts from 10 at the beginning of 2024 to 16 at year-end.

Likewise, we secured the purchase of seven other vessels during the year, scheduled for delivery in the first half of 2025.

This strategic expansion enabled us to meet rising customer demand, enhanced our operational capacity and efficiency, broadened our service offerings and market presence, and improved our fleet's environmental profile. Our commitment to modernization also extended to sustainability, with continued investment in eco-friendly technologies and in maintaining compliance to evolving global maritime regulations.

Alongside fleet expansion, we strengthened our in-house ship management capabilities to maintain the highest standards of safety, reliability and performance across our operations, ensuring seamless scalability as our fleet continues to grow.

Operational excellence and digital transformation

Throughout the year, we remained steadfast in our commitment to operational excellence. We prioritized safety, achieving a year of zero fatalities and no major incidents in our sea voyages despite heightened geopolitical tensions. Our performance in port inspections globally continued to substantially outperform industry averages, reflecting our commitment to best-in-class operations.

Our investments in digital transformation also gained momentum, enhancing our ability to optimize fleet deployment, streamline logistics operations, and drive efficiency through automation and AI-driven analytics. By leveraging real-time data analytics and advanced digital tools, we enhanced decision-making and operational agility, reinforcing our competitive edge in an increasingly technology-driven industry.

Diversification and growth beyond shipping

Key milestones in our diversification strategy include the launch of commercial operations of our floating seawater desalination barges. These barges provide an innovative and sustainable solution to Saudi Arabia's water needs, while creating a stable, long-term revenue stream for Bahri.

Additionally, the completion of the Yanbu Grain Handling Terminal with our partner SALIC strengthens our role in supporting food security and supply chain localization in the Kingdom.

Meanwhile, we have taken significant strides in transforming our logistics business, with its contract logistics segment reaching sustainable mass and substantial market presence. We also began operations at our first bonded zone facility at King Fahad International Airport in Dammam, while a larger facility at Jeddah Islamic Port is set for completion in 2025.

These developments align with our broader strategy of creating synergies across our businesses and unlocking new revenue streams beyond core shipping operations.

A future of resilient, value accretive growth

The milestones achieved in 2024 positioned Bahri for strong, value accretive growth in 2025 and beyond. We anticipate growth to be driven by the sustained and balanced expansion of our fleet, underpinned by the substantial untapped demand in the markets we serve, and coupled with strengthening our presence in our non-shipping businesses.

At the same time, we remain committed to strengthening resilience as we execute our growth strategy. We will proactively navigate potential challenges, including market volatility, global economic shifts, geopolitical tensions and the cyclical nature of our industry. Our investment approach will be both opportunistic and strategic, and we aim to optimize funding structures to maintain balance sheet health.

Ultimately, our journey remains firmly directed towards delivering sustained value to our shareholders, advancing the transformation of Saudi Arabia's shipping and logistics sector in support of Vision 2030, and strengthening our role as a vital and responsible leader in the global supply chain.

These accomplishments would not have been possible without the dedication and expertise of our people – both offshore and onshore – and the leadership of my fellow members in the Executive Management team. I also extend my gratitude to our Board of Directors for their wisdom, guidance and vision.

Finally, I want to thank our customers, whose trust and partnership has driven our success and will continue to shape our future.

With a strong foundation now established, we enter 2025 with confidence, ready to embrace new opportunities, and deliver greater value to all our stakeholders.

Business Model

Bahri owns and charters a diverse fleet of vessels to transport crude oil, chemicals, clean petroleum products, dry bulk, breakbulk, roll-on/roll-off and container cargo, as well as providing end-to-end logistics solutions. With a global presence and Saudi Arabia as our strategic hub, we capitalize on the Kingdom's key export and import activities to drive core operations.

We also aim to diversify into adjacent markets where we can leverage our knowledge and expertise, including the operation of mobile seawater desalination barges that launched in 2024, along with equity investments in associated companies.

Our resources

Operating assets
- 93 owned vessels and 16 vessels on long-term leases
- Two mobile desalination barges
- In-house ship management organization
- Leased warehouses and logistics hubs

Financial capital
- ⃁ 5.48 billion capital expenditure in 2024
- ⃁ 26.6 billion total assets at end-2024

Workforce
- 771 full-time employees
- 4,110 seafarers deployed on a contractual basis

Partners
- Customers and suppliers
- Financial institutions
- Regulatory authorities and governments
- Shareholders, including PIF and Saudi Aramco
- SABIC and ARASCO as equity partners in Bahri Chemicals and Bahri Dry Bulk, respectively
- Associated companies Petredec, IMI and NGC

How we create value

Revenue streams
- Long-term and short-term Contracts of Affreightment
- Spot contracts, mainly for return cargo / backhaul voyages
- Chartering owned vessels to customers
- Revenue from non-shipping logistics services
- Revenue from other contracts
- Contributions from associated companies

Safe, reliable and cost-efficient operations
- Vessel maintenance, dry-docking and upgrades
- Fleet renewal with replacement of older vessels
- Safety training, equipment, programs and policies
- Regulatory compliance
- Voyage planning and optimization

Value created in 2024

Financial results
- ⃁ 2.17 billion net income
- ⃁ 738 million cash dividends to be paid for fiscal year 2024
- 18% return on equity

Business expansion
- 15 vessels acquired, with 11 of these in operation
- Two desalination barges and one bonded zone facility in operation

Economic value-added
- 769 million barrels of crude oil, 21.5 million tons of chemicals and clean petroleum products, 6.3 million tons of dry bulk cargo and 1.5 million cubic meters of breakbulk and RoRo cargo transported
- ⃁ 5.43 billion cash spending injected in the economy
- Additional 93 full-time employees hired

Operational performance
- Zero fatalities and zero oil spills
- 0.42 per million work hours lost time injury frequency rate
- Zero port detentions with 0.58 deficiency findings per port inspection
- 494 kg CO2e per nautical mile greenhouse gas emissions

Strategy

Value accretive fleet modernization and expansion

Strategic objectives

- Secure access to untapped demand among core customers
- Target domestic value leakage in Saudi Arabia through Vision 2030 initiatives like the National Industrial Development and Logistics Program
- Modernize and acquire new vessels to capitalize on increasing demand

Increased diversification with balanced investments

Strategic objectives

- Invest strategically across the core businesses and in desalination to provide business cycle hedges
- Leverage global presence to offer integrated logistics solutions spanning land, sea and air transport
- Expand capacity for end-to-end services, including contract logistics, freight forwarding, and specialized solutions

Optimization-driven profit improvement

Strategic objectives

- Employ value-driven strategies for revenue mix, vessel deployment and voyage optimization to ensure profitability is not purely market-driven
- Reduce cost through continuous improvements in cost efficiencies
- Leverage in-house ship management capabilities to ensure operational excellence, safety and reliability across the fleet

Strategic partnerships to expand demand channels

Strategic objectives

- Secure access to demand channels by forging new strategic partnerships, expanding market presence, and benefiting from cost advantages
- Build on alignment with Vision 2030 and strong backing from strategic shareholders to expand demand channels
- Leverage relationship with Aramco to expand market beyond CIF crude oil sales

Alignment with Vision 2030

- Expanding into new markets and growing the fleet and shipping routes while targeting domestic flows and value leakage
- Developing state-of-the-art warehousing and logistics facilities across Saudi Arabia
- Building a global logistics hub based in KSA to enable manufacturing industries
- Driving further growth in Bahri Oil and Bahri Chemicals
- Establishing opportunities in LPG and ammonia transport and exploring LNG transport

Bahri البحري

VISION رؤية 2030
المملكة العربية السعودية
KINGDOM OF SAUDI ARABIA

National Industrial Development and Logistics Program

- Improve local, regional, and international connectivity of trade and transport networks
- Create and improve performance of logistics hubs
- Localize promising manufacturing industries
- Develop oil and gas adjacent industries
- Increase gas production and distribution capacity

Digital Transformation

Digital transformation journey

In 2023, Bahri embarked on a comprehensive digital transformation journey aimed at enhancing our digital capabilities and establishing a robust, scalable foundation to support growth and our evolving operational needs. This strategic move underscores Bahri's commitment to innovation and operational excellence, ensuring that we remain at the forefront of the industry's digital landscape.

Our digital transformation strategy is structured into three stages, each spanning one year from 2024 to 2026.

2024
Stage 1

Automation / Digitization
Digitize the basics across predefined areas

Build a solid and scalable foundation

2025
Stage 2

Digitalization
Leverage the foundation to adopt innovative solutions

Technology-driven digitalization of processes

2026
Stage 3

Digital by Default
Enhance adoption of innovative solutions and expand data integration

Establishment of the Bahri Digital Ecosystem

2024 progress and achievements

Throughout 2024, we worked on building a robust digital foundation for future scalability. The components of this foundation included the creation of the enterprise architecture practice, development of the service-based architecture framework for integrations, establishment of data governance frameworks, deployment of multiple robotic process automation solutions and delivery of multiple artificial intelligence (AI) applications.

These digital products primarily focused on automating routine workflows complemented with key analytics for deeper insights.

Building the foundation

Enterprise architecture

- Map strategy, technology, data flows and application dependencies
- Improve IT visibility and control across scaling environments
- Uncover technological gaps and redundancies

Service-based architecture

- Seamlessly integrate Bahri systems and third-party platforms
- Automate and streamline workflows
- Build components for faster future development

Data governance

- Improve accuracy, security and compliance
- Improve governance of data across systems for real-time analysis
- Establish a foundation for managing increasing volumes and types of data as the organization grows

Robotic process automation

- Automate manual operations
- Scale operations with minimal resources
- Ensure accuracy and speed across documents and data for compliance
- Utilize AI to enable automated insights and strategic decision-making

Looking forward

Building on the foundational work completed in 2024, Bahri will advance to the next stage of our digital transformation journey in 2025, with a focus on developing new applications that drive further operational efficiency and business insights. In addition to automating work processes, our efforts will concentrate on enhancing analytical capabilities, leveraging more data sources, and expanding data integration across the organization.

In 2024, Bahri recorded an 8% year-on-year increase in revenue, reaching ⃁ 9.48 billion, supported by increased cargo volumes across all business units on the back of the expansion of the operated fleet, as well as generally favorable freight rates.

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CFO's Message

2024 has been a landmark year of growth and strategic progress for Bahri. For the first time in our history, we broke through the ⃁ 2 billion profit mark, achieving a net profit of ⃁ 2.17 billion.

This milestone underscores the exceptional skills and dedication of our team in seizing market opportunities, balancing our revenue streams, increasing cargo volumes, optimizing voyage planning, and investing in our fleet modernization and expansion program. Additionally, we had a strong income contribution from our associated company Petredec, propelled by growth in its profits and the increase in our equity stake in the company during the fourth quarter of 2023. All these efforts leveraged our 8% growth in revenues to a 34% surge in net profit.

We also laid a robust foundation for sustained growth through significant investments in 2024. These included the acquisition of 15 vessels as part of our fleet modernization and expansion program, partially funded with capital recycled from the divestment of six older ships. As a result, our capital expenditure reached ⃁ 5.48 billion, funded mainly by cash generated from operations during the year, and partly with new borrowings. We ended the year with a healthy net debt-to-EBITDA multiple of 1.68x, with the increase in net debt partially but significantly offset by the strong earnings of the year.

To further strengthen our financial position, we expanded our funding pool with a USD 756 million secured Murabaha financing agreement in October 2024, as well as a USD 800 million revolving credit facility which was secured in January 2025 to support working capital and capital expenditures, as needed.

These actions and achievements reflect our confidence in Bahri's resilient fundamentals, substantial growth potential and the capabilities of our people to drive sustained value creation for our shareholders. We remain committed to delivering long-term growth and reinforcing Bahri's position as a global leader in logistics and shipping.

Mr. Basil A. Abulhamayel
Chief Financial Officer

Earnings

Income statement summary

(⃁ million)	2024	2023	% YoY	2022	2021	2020
Revenue	**9,482**	**8,778**	***8%***	**8,583**	**5,351**	**8,393**
Net operating costs	(6,782)	(6,704)	*1%*	(7,111)	(4,795)	(6,271)
General and administrative expenses, and provisions	(342)	(244)	*40%*	(175)	(168)	(235)
Other income	245	340	*-28%*	187	36	(20)
Operating profit	**2,604**	**2,170**	***20%***	**1,483**	**425**	**1,866**
Operating margin	27%	25%	*3%pt*	17%	8%	22%
Income from associates	433	266	*63%*	60	47	97
Net finance cost	(536)	(542)	*-1%*	(287)	(180)	(254)
Zakat and income tax	(115)	(101)	*14%*	(93)	(58)	(94)
Net profit	**2,386**	**1,793**	***33%***	**1,163**	**234**	**1,615**
Net profit attributable to Bahri shareholders	**2,169**	**1,613**	***34%***	**1,041**	**192**	**1,571**
EBITDA	**4,707**	**3,841**	***23%***	**2,875**	**1,670**	**3,136**
Return on beginning equity	**18%**	**15%**	***3%pt***	**11%**	**2%**	**17%**

Notes: Numbers presented may not add up precisely to the totals provided due to rounding. Refer to the Non-IFRS Financial Measures section for the definitions of these measures. Return on beginning equity is the ratio of net profit attributable to Bahri shareholders over the end-2023 balance of equity attributable to Bahri shareholders.

Revenue

In 2024, Bahri recorded an 8% year-on-year (YoY) increase in revenue, reaching ⃁ 9.48 billion, supported by increased cargo volumes across all business units (BUs) on the back of the expansion of the operated fleet, as well as generally favorable freight rates.

Oil and chemical freight rates were generally favorable during the year, while dry bulk rates were weaker than a year ago. Across all three markets, however, our fleet consistently achieved time charter equivalent (TCE) rates that outperformed market benchmarks. This outperformance was driven by proactive balancing of our revenue mix, effective voyage optimization, and enhanced cost efficiencies from the modernization of the fleet.

Revenue growth was also underpinned by the expansion and modernization program of our operated fleet. Under this program, we acquired 15 modern, cost-efficient and environmentally sustainable second-hand vessels in 2024, of which 11 became operational and were commercially deployed before year-end. The vessels deployed in 2024 included five Very Large Crude Carriers (VLCCs), four chemical tankers, one dry bulk carrier, and one multipurpose vessel. During the year, we also sold six older vessels – two VLCCs and a product tanker owned by the Oil BU, and three chemical tankers belonging to the Chemicals BU – with the goal of maintaining an optimal average age for the fleet. With these, our owned vessels in operation increased to 93 vessels from 88 at the start of the year.

Earnings continued

2024 owned fleet movement

Business Units	End-2023	Additions	Divestments	End-2024	Delivered in 2024 but operational only in 2025	Ordered for delivery in 2025
Oil	39	+5	-3	41	3	7
Chemicals	32	+4	-3	33	-	-
Integrated Logistics	6	+1	-	7	-	-
Dry Bulk	11	+1	-	12	1	-
Total	**88**	**+11**	**-6**	**93**	4	7

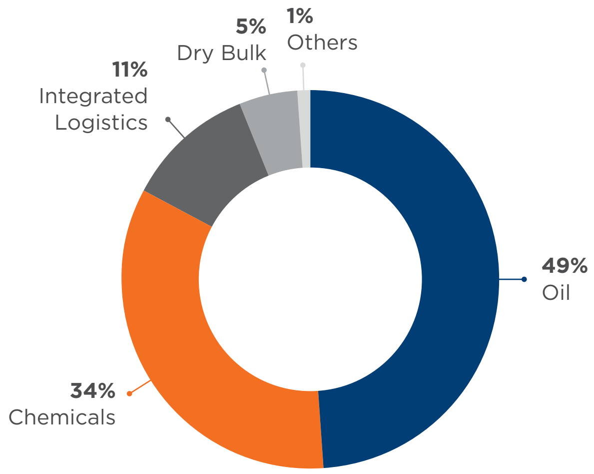
We expanded our chartered fleet to 16 chemical tankers on long-term leases, up from 10 at the beginning of the year to further meet increased demand from renewed Contracts of Affreightment (COAs).

In total, we ended 2024 with a significantly expanded and modernized fleet of 103 vessels from 98 a year ago, enabling us to handle increased cargo volumes across all of our BUs. Fleet expansion supported cargo growth in 2024 – 17% YoY in chemicals and clean petroleum products, 5% in crude oil, 65% in dry bulk and 29% in breakbulk and roll-on/roll-off (RoRo) cargo.

Four of the 15 vessels we acquired in 2024 were commercially deployed in January 2025, having been delivered only in December 2024. These consisted of three VLCCs and one dry bulk carrier. In addition, we have ordered seven VLCCs and expect delivery of these during the first half of 2025.

Chemicals led revenue growth with a 19% YoY increase, comprising a third of Group revenue. Dry Bulk and Integrated Logistics grew 74% and 13%, respectively, while Oil revenue declined 4% but remained the largest contributor at nearly half of Group revenue.

BU contribution to Group revenue



Operating profit

Operating profit rose 20% YoY to ⃁ 2.60 billion, driven by revenue growth and effective cost efficiency measures. Net operating costs – operating cost less bunker subsidy – grew marginally by 1% to ⃁ 6.78 billion, with operating costs rising by 4%, slower than the 7% revenue growth, while income from bunker subsidy increased two-fold. Bunker subsidy is a benefit provided by the Saudi Government to Saudi-flagged vessels fueling within the Kingdom. Our strong operating cost performance reflected effective cost containment, agile voyage planning and savings from fleet modernization.

General and administrative expenses and provisions grew 40% YoY to ⃁ 342 million, primarily attributed to increased employee compensation, and higher spending for digitalization and sustainability initiatives, as well as special projects.

Other income declined 28% YoY to ⃁ 245 million, largely because we had an ⃁ 88 million one-off income in 2023 from a settlement with a supplier relating to our tanker coating claims.

The Oil and Chemicals BUs were the major contributors to operating profit. The Oil BU contributed an operating profit of ⃁ 1.52 billion, up 17% YoY, as a 6%-point increase in its operating margin offset its 4% revenue decline. The Chemicals BU added another ⃁ 1.20 billion, a 25% increase, on the back of an 18% revenue growth and a 2%-point operating margin expansion.

Net profit

2024 net profit attributable to Bahri shareholders increased by 34% YoY to ⃁ 2.17 billion, driven by the 20% growth in operating profit, a 63% surge in income from associates, and a 1% decline in net finance cost. The growth in net profit boosted Bahri's return on equity to 18% from 15% in 2023.

Income from associates rose 63% YoY to ⃁ 433 million, driven by increased earnings contribution from Petredec Group, a leading liquified petroleum gas shipping and trading company, which contributed ⃁ 619 million, up 53%. Bahri's share of Petredec earnings was further enlarged by the increase in Bahri's equity stake in Petredec to 40% in October 2023 from 30% previously. Petredec's strong contribution was partially offset by losses incurred by Bahri's other associates – 20%-owned International Maritime Industries and 50%-owned National Grain Company. Bahri's share of their losses amounted to ⃁ 187 million, 34% higher compared to 2023.

Net finance costs declined 1% YoY to ⃁ 536 million, reflecting a lower average net debt balance in 2024 compared to the previous year.

2024 EBITDA reached ⃁ 4.71 billion, up 23% YoY, driven by the increase in revenues due to higher cargo volume and generally favorable freight rates, operating margin expansion from successful cost containment, and higher income from associates. The Chemicals BU was the major contributor to EBITDA growth, followed by the Oil BU.

EBITDA (⃁ million)

EBITDA margin

Notes: Refer to the Non-IFRS Financial Measures section for the definitions of these measures.

Cash Flows

Cash flow statement summary

(⃁ million)	2024	2023	% YoY	2022	2021	2020
Operating activities						
Net profit				1,163	234	1,615
Pre-tax profit	2,501	1,894	*32%*			
Adjustments to cash	892	790	*13%*	1,194	1,157	1,103
Working capital changes	13	877	*-99%*	(368)	(586)	1,045
Net operating cash flow	**3,406**	**3,561**	***-4%***	**1,990**	**806**	**3,763**
Investing activities						
Capital expenditure	(5,479)	(1,647)	*233%*	(1,310)	(1,151)	(1,324)
Proceeds from asset sales	524	685	*-24%*	694	-	184
Other cash flows from investing	311	80	*291%*	224	(257)	(13)
Net investing cash flow	**(4,643)**	**(882)**	***426%***	**(392)**	**(1,408)**	**(1,154)**
Financing activities						
Net loan availment/ (repayments)	1,067	(1,868)	*n.m.*	(91)	708	(635)
Payment of lease liabilities	(518)	(180)	*188%*	(113)	(112)	(25)
Dividends paid	(406)	(246)	*65%*	-	(788)	(772)
Other cash flows from financing	(60)	-	*n.m.*	(41)	(3)	-
Net financing cash flow	**146**	**(2,294)**	***n.m.***	**(246)**	**(194)**	**(1,432)**
Net cash flow	**(1,092)**	**384**	***n.m.***	**1,351**	**(797)**	**1,177**
Free cash flow	**(2,073)**	**1,913**	***n.m.***	**679**	**(345)**	**2,438**

Notes: Numbers presented may not add up precisely to the totals provided due to rounding. Refer to the Non-IFRS Financial Measures section for the definitions of these measures. n.m.: Not measurable.

Operating cash flows

We generated a net operating cash inflow of ⃁ 3.41 billion, down 4% from ⃁ 3.56 billion recorded in 2023 due to a lower 2024 cash inflow from changes in working capital compared to 2023. This in turn was due to the reversion in 2023 of our trade receivables and contract assets balance to a more typical level compared to a significantly high balance at end-2022, which resulted to a large cash inflow in 2023.

Investing and free cash flows

Net investing cash outflow reached ⃁ 4.64 billion in 2024, compared to ⃁ 882 million in the prior year. The increase was driven by our capital expenditure, which amounted to ⃁ 5.48 billion in 2024 compared to ⃁ 1.65 billion in 2023.

The increase in capital expenditure was primarily due to full payment for the 15 vessels we acquired during the year, as well as partial payments for the seven vessels we had ordered for delivery in 2025. These full and partial payments amounted to ⃁ 4.82 billion, 88% of 2024 capital expenditure.

Because of the large 2024 capital expenditure, our free cash flow for the year was an outflow of ⃁ 2.07 billion, a reversal from the ⃁ 1.91 billion cash inflow recorded in 2023.

We also recycled ⃁ 524 million of capital through the cash proceeds from the sale of six older vessels. This compares to proceeds of ⃁ 685 million in 2023 from the divestment of nine vessels.

Financing and net cash flows

Net financing cash flow amounted to a cash inflow of ⃁ 146 million in 2024, reversing the ⃁ 2.29 billion outflow in 2023. The 2024 cash inflow reflected borrowings of ⃁ 2.53 billion, partly offset by loan repayments of ⃁ 1.46 billion, resulting in a net loan availment of ⃁ 1.07 billion. This compares to a net loan repayment of ⃁ 1.87 billion during the prior year.

In total, Bahri recorded a net cash outflow of ⃁ 1.09 billion in 2024, which decreased our end-2024 cash balance to ⃁ 1.82 billion. In 2023, we had a net cash inflow of ⃁ 384 million and ended the year with a cash balance of ⃁ 2.91 billion.

2024 sources and uses of cash

(⃁ million)	2024
Sources	
Net cash from operations	3,406
Reduction in cash balance	1,092
Net loan availment	1,067
Proceeds from asset sales	524
Other investing cash flows	311
Total	**6,400**
Uses	
Capital expenditure	5,479
Lease payments	455
Dividend payments	406
Other financing cash flows	60
Total	**6,400**

Notes: Numbers presented may not add up precisely to the totals provided due to rounding. Refer to the Non-IFRS Financial Measures section for the definitions of these measures.

Financial Position

Balance sheet summary

(⃁ million)	2024	2023	*% YoY*	2022	2021	2020
Assets						
Cash and cash equivalents	1,822	2,913	*-37%*	2,529	1,178	1,975
Receivables and other current assets	2,423	2,384	*2%*	3,039	2,713	1,932
Fixed and right of use assets	19,856	15,576	*27%*	15,316	15,763	15,294
Equity accounted investees	2,175	1,834	*19%*	1,575	1,498	1,343
Other non-current assets	333	399	*-17%*	438	497	561
Total assets	**26,609**	**23,106**	***15%***	**22,898**	**21,650**	**21,105**
Liabilities						
Current borrowings and lease liabilities	896	797	*12%*	1,078	5,186	890
Trade payables and other current liabilities	2,165	2,003	*8%*	1,742	1,479	1,482
Non-current borrowings and lease liabilities	8,829	7,559	*17%*	8,879	4,946	8,159
Other non-current liabilities	135	104	*29%*	84	79	76
Total liabilities	**12,024**	**10,464**	***15%***	**11,783**	**11,690**	**10,607**
Equity						
Shareholders' equity	13,625	11,839	*15%*	10,491	9,413	9,990
Non-controlling interests	960	804	*19%*	624	547	509
Total equity	**14,585**	**12,642**	***15%***	**11,115**	**9,960**	**10,498**
Net debt	**7,903**	**5,443**	***45%***	**7,427**	**8,953**	**7,074**
Gearing	**35%**	**30%**	***5%pt***	**40%**	**47%**	**40%**
Net debt-to-EBITDA	**1.68**	**1.42**	***0.26x***	**2.58**	**5.36**	**2.26**

Notes: Numbers presented may not add up precisely to the totals provided due to rounding. Refer to the Non-IFRS Financial Measures section for the definitions of these measures.

Financial position and funding

At the close of 2024, Bahri's total asset base expanded by 15% YoY to ⃁ 26.61 billion, driven primarily by a 27% increase in fixed and right-of-use assets, which reached ⃁ 19.86 billion. This was partially offset by a 37% decrease in cash and cash equivalents, which fell to ⃁ 1.82 billion.

Total liabilities amounted to ⃁ 12.02 billion, up 15% YoY, reflecting a 16% increase in gross debt (consisting of borrowings and lease liabilities) to ⃁ 9.72 billion. This increase was primarily to support our fleet modernization and expansion program.

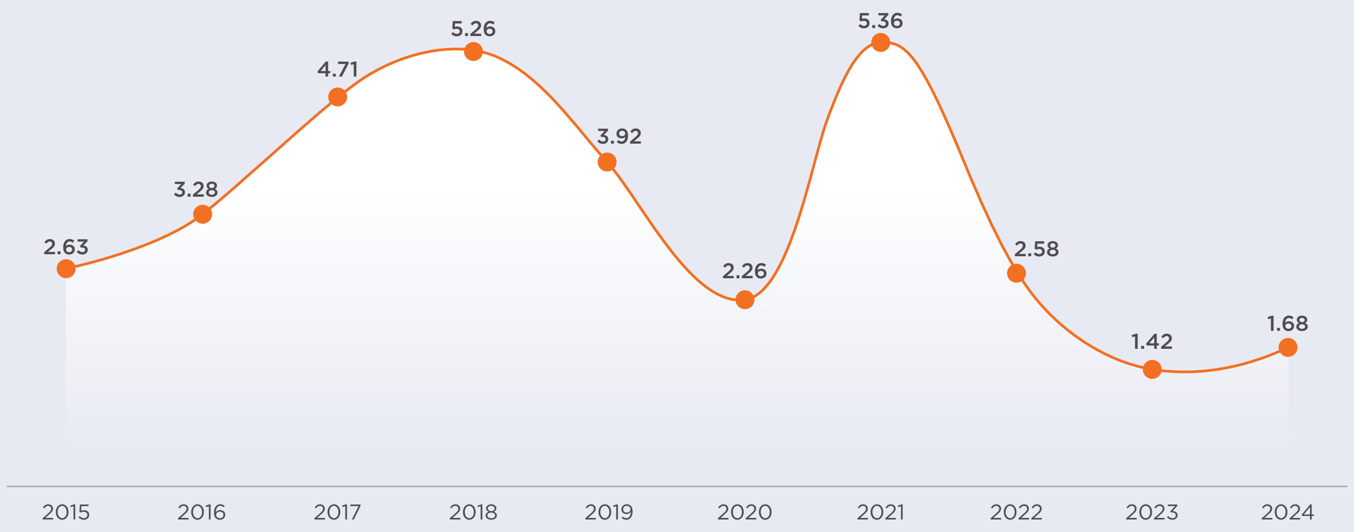
During the year, we secured additional funding through a USD 756 million (⃁ 2.84 billion) Murabaha financing agreement with a Saudi bank. This facility was structured to finance approximately 70% of the purchase value of nine second-hand VLCCs we acquired from Capital Maritime and Trading Corporation and secured against the vessels' value.

By the end of 2024, USD 304 million (⃁ 1.14 billion) of the facility had been utilized, reflecting full payment for four VLCCs already delivered and downpayments for the remaining five vessels.

As of end-2024, Bahri's net debt balance stood at ⃁ 7.90 billion, compared to ⃁ 5.44 billion at the end of 2023. As a result, gearing increased to 35% from 30% in the prior year. Similarly, net debt-to-EBITDA rose to 1.68x, up from 1.42x in 2023.

Following the close of 2024, Bahri further strengthened its financial position by signing a five-year Murabaha Revolving Credit Facility agreement in January 2025 for USD 800 million (⃁ 3.00 billion). This facility is intended to support working capital and capital expenditure requirements as needed, providing additional flexibility for our operations and growth plans.

Net debt-to-EBITDA



Notes: Refer to the Non-IFRS Financial Measures section for the definitions of these measures.

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Business Unit Results

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Bahri Oil

41 VLCCs
12.8 million DWT

769 million
barrels

Bahri Oil is one of the world's leading owners and operators of VLCCs and is consistently among the top five VLCC owners globally. Ending 2024 with 41 VLCCs having a total deadweight tonnage of 12.8 million metric tons, Bahri Oil's operated fleet represents about 5% of the global VLCC capacity. Bahri Oil's primary cargo load region is the Arabian Gulf market, but the business unit also caters to requirements across all major VLCC routes worldwide. Bahri Oil is the exclusive transporter of Saudi Aramco VLCC crude cargos sold on a delivered basis around the world. Saudi Aramco is the world's largest crude oil producer and holds a 20% equity stake in Bahri.

Bahri Oil continued

In 2024, Bahri Oil delivered its strongest financial performance yet since 2020, reaching significant milestones in operational excellence and strategic growth. A major highlight was securing a long-term COA with Rongtong, the shipping arm of Rongsheng Petrochemical. This marked our second long-term third-party contract after S-Oil and is the first of its kind with a Chinese customer. It is a pivotal step in expanding our third-party cargo portfolio and strengthening Bahri's presence in Asia.

Bahri Oil also made substantial progress in its fleet expansion and modernization strategy with the acquisition of a fleet of eco scrubber-fitted VLCCs, and the divestment of older vessels to enhance overall fleet efficiency. These accomplishments, alongside proactive voyage planning and operational flexibility, underscore Bahri Oil's resilience and commitment to delivering value in a complex and evolving market.

Mr. Hisham N. Al-Nughaimish
President, Bahri Oil

VLCC market in 2024

The Very Large Crude Carrier (VLCC) tanker market experienced greater uncertainty in 2024 compared to 2023, with volatility driven by shifting demand dynamics, geopolitical tensions, and evolving trading patterns. The year began with strong market rates attributable to robust crude oil demand, particularly from Asian markets. However, tonne mile demand faced challenges later in the year due to the slowdown of China's economy, extension of OPEC+ production cuts and continued geopolitical risks.

While VLCC supply fundamentals remained positive, with limited newbuild deliveries and an aging global fleet, these were tempered by uncertainties surrounding oil demand, particularly in China.

Major trade routes

Bahri Oil continued

Flexible fleet deployment strategy

Bahri Oil successfully navigated the challenging market environment through its dynamic and flexible fleet scheduling strategy, complemented further by proactive voyage planning. Tensions in the Red Sea, in particular, disrupted tanker operations, necessitating a shift in Bahri Oil's traditional vessel deployment approach. This shift was successfully executed, ensuring the Kingdom's energy supply flows continued reliably and uninterrupted throughout the year.

To optimize fleet utilization, the business unit (BU) employed timely front-haul outchartering, minimizing idle time and supporting time charter equivalent (TCE) rate performance.

Fleet renewal

Bahri Oil made significant strides in its fleet modernization and expansion program during the year. Eight modern eco scrubber-fitted second-hand VLCCs were acquired, while two older VLCCs were sold. Of the eight VLCCs purchased, five were commercially deployed before end-2024. With these vessel movements, Bahri Oil's operated VLCC fleet size expanded to 41 vessels by the end of the year, compared to 38 at the end of 2023, facilitating the BU's 5% year-on-year (YoY) growth in cargo volume to 769 million barrels, and providing additional capacity to handle growing cargo volumes in support of Bahri's broader growth strategy.

These upgrades also reduced the fleet's average age to approximately 10% below the global fleet average, positioning Bahri Oil ahead of the industry with a more competitive and cost-efficient fleet.

The remaining three VLCCs purchased were delivered in December 2024 and joined the operated fleet only in January 2025. Additionally, the purchase of seven other VLCCs has been secured, with delivery of these expected by the first half of 2025, setting the BU up for further progress in 2025 for its fleet modernization and expansion program.

In February 2024, Bahri Oil fully exited the product tanker segment by divesting its last product tanker. This transaction, which generated a substantial gain on sale, marked the final step in the BU shifting focus to core business operations.

The BU also advanced its scrubber retrofitting program, equipping nine vessels with scrubbers during the year. Combined with the newly acquired VLCCs, a total of 27 vessels are now equipped with this system, a significant increase from just 10 vessels in 2023. This investment enhances Bahri Oil's cost competitiveness by enabling the use of cheaper high-sulfur fuel oil while maintaining compliance with international emissions standards.

Rongtong COA

In late 2024, Bahri Oil entered a landmark long-term Contract of Affreightment (COA) with Rongtong Logistics Co., a subsidiary of Rongsheng Petrochemical Co., a leading Chinese petrochemical company. This COA marks Bahri Oil's first long-term agreement with a Chinese customer, and represents a major milestone in its strategy to expand its third-party customer base.

The Rongtong COA not only strengthens Bahri Oil's presence in China, the world's largest crude oil import market, but also diversifies its revenue streams with assured cargo volumes. This milestone underscores Bahri Oil's commitment to building strategic partnerships and capturing growth opportunities in key global markets.

Key performance indicators for owned vessels

Realized TCE rate (USD/day)

Trading days

Vessels in operation (year-end)

Financial performance

Bahri Oil income statement summary

(⃁ million)	2024	2023	% YoY
Revenue	**4,604**	**4,796**	***-4%***
Net operating costs	(3,167)	(3,627)	*-13%*
General and administrative expenses, and provisions	(2)	(12)	*-84%*
Other income	81	141	*-42%*
Operating profit	**1,516**	**1,298**	***17%***
Operating margin	33%	27%	*6%pt*
EBITDA	**2,279**	**2,054**	***11%***
EBITDA margin	50%	43%	*7%pt*

Bahri Oil delivered its strongest financial performance since 2020 despite challenges arising from constantly shifting trading patterns and geopolitical uncertainties. This was driven by Bahri Oil's proactive approach to voyage planning and strategic route optimization, while successfully managing an increasingly complex operational environment.

This flexible strategy enabled Bahri Oil to outperform the market benchmark route "BITR TD3C VLCC - Arabian Gulf to China" with the BU's realized TCE rate rising 8% year-on-year (YoY) compared to a 3% decline in the benchmark. This outperformance was largely due to Bahri Oil's optimal fleet deployment strategy focused on capturing high earning routes, as well as enhanced cost competitiveness driven mainly by the higher proportion of scrubber-equipped VLCCs in its fleet.

Bahri Oil's EBITDA grew by 11% YoY to ⃁ 2.28 billion, with EBITDA margin expanding to 50% from 43% a year ago. This reflected the same factors that contributed to TCE outperformance. On the other hand, EBITDA growth was tempered by a 4% revenue decline coming from decreased charter-in revenues and the BU's exit in February 2024 from the non-VLCC market, as well as lower other income due to fewer vessel sales – three vessels were sold in 2024 compared to five a year ago.

Outlook

The outlook for the VLCC market presents a mix of optimism and caution. Market rates will be supported by supply fundamentals which are expected to remain favorable. However, demand side indicators are mixed. Demand may be supported by global economic growth expected to be driven by emerging markets, and an anticipated increase in crude oil movements to the East vis-à-vis the Atlantic, which results in longer tonne-miles. However, uncertainties surrounding China's economy and oil demand picture remain a key concern. Geopolitical risks are also a factor, as well as variable factors that can potentially reverse the market's direction, such as possible U.S. pivots on economic, energy and foreign relation policies, and ambiguity around the OPEC+ decision to reverse production cuts.

Given the uncertainties in the VLCC market, Bahri Oil is adopting a balanced strategy, preparing for both market opportunities and potential headwinds in the year ahead, while maintaining its focus on advancing Bahri's growth strategy, delivering sustained long-term value to its stakeholders, and contributing to the Kingdom's Vision 2030.

Bahri Chemicals

33 vessels at 1.69 million DWT
16 leased vessels

21.5 million tons of cargo

Bahri Chemicals owns and operates a diverse fleet of tankers that transports a wide array of liquid cargos, including chemicals, clean petroleum products, vegetable oils and biofuels to customers worldwide. The BU's customers include chemical producers, integrated oil companies and refiners, commodity traders and players in the vegetable oil / biofuel markets, with Saudi Aramco and Saudi Basic Industries Corporation (SABIC) as its major customers. Bahri Chemicals is actively involved not only in the spot market, but also in COAs and time charter arrangements, and the sale and purchase of vessels. The BU is incorporated as the National Chemical Carriers Company, and is 80% owned by Bahri Company, with the remaining 20% owned by SABIC.

Bahri Chemicals continued

2024 was a landmark year for Bahri Chemicals, defined by record-breaking financial achievements and strategic advancements. We successfully optimized Saudi volumes while divesting aging tonnage at the right time, reinforcing our market leadership. Moreover, we played a pivotal role in mitigating supply chain disruptions caused by the attacks on shipping around the Bab El Mandeb Strait, ensuring an uninterrupted flow of chemicals, products and palm oil to Saudi customers.

Anticipating strong momentum in both the chemical and product tanker markets, we secured additional tonnage on time charter to capitalize on favorable market conditions and maximize trading days. Through close collaboration with our customers and technical managers, we optimized vessel schedules, improved tank cleaning efficiencies and enhanced cargo intake – ultimately reducing voyage costs and increasing earnings.

Our commitment to sustainable growth was further demonstrated by the successful renewal of all expiring COAs at higher freight rates, effectively hedging against spot market volatility. We also invested strategically in fleet renewal, acquiring four state-of-the-art IMO2 MR tankers while divesting three older vessels, ensuring our fleet remains modern and competitive.

Looking ahead, Bahri Chemicals remains committed to delivering long-term value to our shareholders, customers and employees. We will continue to drive sustainable growth, enhance operational flexibility, and strengthen our market position through strategic investments, and a steadfast focus on innovation and employee engagement.

Mr. Faisal S. Al-Husseini
President, Bahri Chemicals

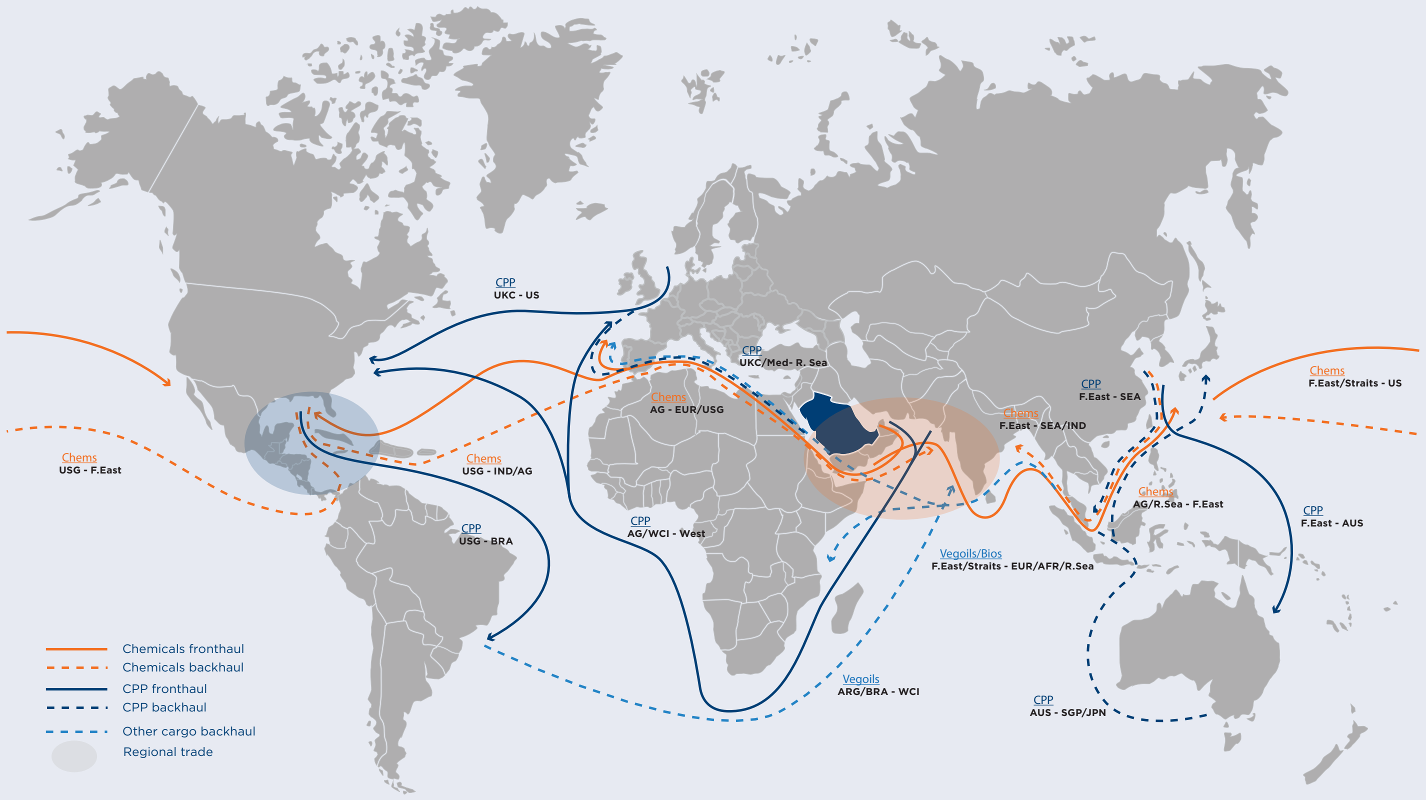
Chemical and product tanker markets in 2024

The chemical tanker market experienced record-high market rates during the first half of 2024, driven by geopolitical disruptions. These influences subsided by mid-year and weaker demand took precedence, leading to a downward correction in freight rates starting in the summer, reverting to levels comparable to 2023.

On the supply side, investment in new vessels by shipowners remained constrained. High newbuild costs, and the expenses and complexity relating to emissions regulations continued to deter fleet expansion.

Product tanker market rates softened during the second half of 2024 after an extended period of strength that started in 2022. This decline was primarily due to lower refinery throughput, weaker oil demand and competition from crude tonnage carrying clean petroleum product cargoes.

Major trade routes



Bahri Chemicals continued

Operating highlights

Bahri Chemicals capitalized on the strong chemical and product tanker markets during the first half of 2024 by strategically supplementing its owned fleet with charter-in vessels. This enabled the BU to carry 21.5 million tons of cargo, an 18% increase compared to 2023.

The BU expanded its long-term charter-in fleet to 16 vessels by end-2024, up from 10 at the start of the year. Additionally, it utilized short-term charters, ranging from three to five vessels on average during 2024. In total, the chartered fleet accounted for about a third of the BU's 2024 revenue.

Bahri Chemicals also invested in expanding and modernizing its owned fleet. During the year, it acquired four modern second-hand IMO2 MR chemical tankers while divesting three older vessels, resulting to an owned fleet size of 33 vessels from 32 at end-2023. Furthermore, energy efficiency of its five product tankers was improved by equipping these with propeller boss cap fins.

To enhance stability of its revenue streams, the BU successfully renewed all COAs that were due to expire during the year, with additional agreements currently under negotiation. The proportion of cargo under COAs rose to 24% in 2024, up from 19% in the previous year, bolstering resilience should there be a softening market.

Financial performance

Bahri Chemicals income statement summary

(⃁ million)	2024	2023	% YoY
Revenue	**3,252**	**2,723**	***19%***
Net operating costs	(2,161)	(1,929)	*12%*
General and administrative expenses, and provisions	(34)	(21)	*58%*
Other income	141	184	*-23%*
Operating profit	**1,199**	**958**	***25%***
Operating margin	37%	35%	*2%pt*
EBITDA	**1,915**	**1,463**	***31%***
EBITDA margin	59%	54%	*5%pt*

Bahri Chemicals recorded a 19% YoY increase in revenue, reaching ⃁ 3.25 billion in 2024. Growth was propelled by stronger freight rates, as reflected in the 23% increase in the average TCE rate realized for the owned fleet, and contributions from leased vessels, which expanded from 10 at the start of the year to 16 at year-end. Cargo volumes across owned and leased vessels grew by 17%, totaling 21.5 million tons.

The BU likewise achieved outperformance against the market, particularly for its IMO2 MR vessels which comprised 82% of its fleet. The realized TCE rate of the BU's IMO2 MR vessels outperformed its market benchmark of a basket of eco MRs by 54% on average during the year.

Key performance indicators for owned vessels

	Realized TCE rate (USD/day)	Trading days	Vessels in operation (year-end)
2024	*+23%* 35,411	*-7%* 11,422	*+3%* 33
2023	28,697	12,250	32

Net operating costs increased at a slower pace than revenue growth, rising by 12% YoY to ⃁ 2.16 billion, mainly attributed to lower bunker cost, higher bunker subsidy and reduced dry-docking activities.

Other income amounted to ⃁ 141 million, lower by 23% compared to ⃁ 184 million recorded last year. This was primarily due to an ⃁ 88 million one-off income in 2023 from a settlement with a supplier relating to tanker coating claims.

Consequently, Bahri Chemicals' operating profit rose 25% YoY to ⃁ 1.20 billion, with operating margin improving to 37% from 35% in the prior year. EBITDA grew by 31%, reaching ⃁ 1.91 billion, with an EBITDA margin of 59%, up from 54% in 2023.

Outlook

Global chemical trade is expected to grow by 1-2% in 2025. However, there are potential headwinds that can reduce traded volume, such as tariffs, trade restrictions and more stringent environmental regulations. On the supply side, the growth of the global chemical tanker fleet is expected to be minimal in 2025, followed by a 2% increase in 2026.

Meanwhile, the product tanker market is anticipated to face weakness, as transportation demand growth of approximately 3% is likely to fall short of a projected 6% increase in global fleet capacity. Supply-demand dynamics and freight rates may be further influenced by various factors, including the state of the global economy, geopolitical developments, and the resurgence of vessels operating outside mainstream commercial markets.

Bahri Chemicals aims to reinforce stability in its revenue streams by securing COAs on key trade lanes and chartering out select vessels. At the same time, the BU intends to remain agile in the spot market, identifying opportunities to capture higher earning cargoes.

Bahri Integrated Logistics

7 vessels
187,910 DWT

1.48 million cubic meters breakbulk and RoRo cargo
3,224 TEUs container cargo

Bahri Integrated Logistics is the leading supplier of direct shipping services from the United States' eastern and Gulf coasts to Jeddah, Dubai, Dammam and Mumbai, including moorages in the Mediterranean region and European ports en route, and is one of the top 10 breakbulk and roll-on/roll-off vessels globally. The BU also provides land, sea and air freight forwarding, customs clearance, container services, contract logistics, warehousing and other supply chain services for aerospace, defense, construction, perishable, pharmaceutical and healthcare, oil and gas, hotel and automotive companies and institutions.

Bahri Integrated Logistics is organized into two business lines: Bahri Line for shipping breakbulk, RoRo and container cargo, and Bahri Logistics for end-to-end logistics services.

Bahri Integrated Logistics continued

2024 was a pivotal year for us at Bahri Integrated Logistics as we built on our strengths and achieved remarkable growth in our two core businesses, Bahri Line and Bahri Logistics.

Bahri Line capitalized on favorable market dynamics, utilizing its specialized fleet and expertise to drive the Bahri Integrated Logistics' 65% growth in operating profit, reaching ⃁ 99 million for the year. The addition of its first multipurpose vessel this year was a key milestone, enabling it to expand capacity, and to take advantage of the rapidly growing project cargo market.

In parallel, Bahri Logistics achieved significant milestones, securing major contracts in the oil and gas, defense and aerospace verticals, expanding its commercial presence in the Kingdom and the UAE, and building its contract logistics business to a larger sustainable scale. It demonstrated steady progress in transforming its business, growing its customer base, and enhancing operational efficiency.

These accomplishments are a testament to the dedication of our team and the trust of our customers and partners. Together, I am confident in our ability to navigate the challenges and seize the opportunities that lie ahead, advancing our vision of transforming the Kingdom – with Bahri as the key enabler – into a global shipping and logistics hub.

Eng. Soror Basalom
President, Bahri Integrated Logistics

Bahri Line highlights

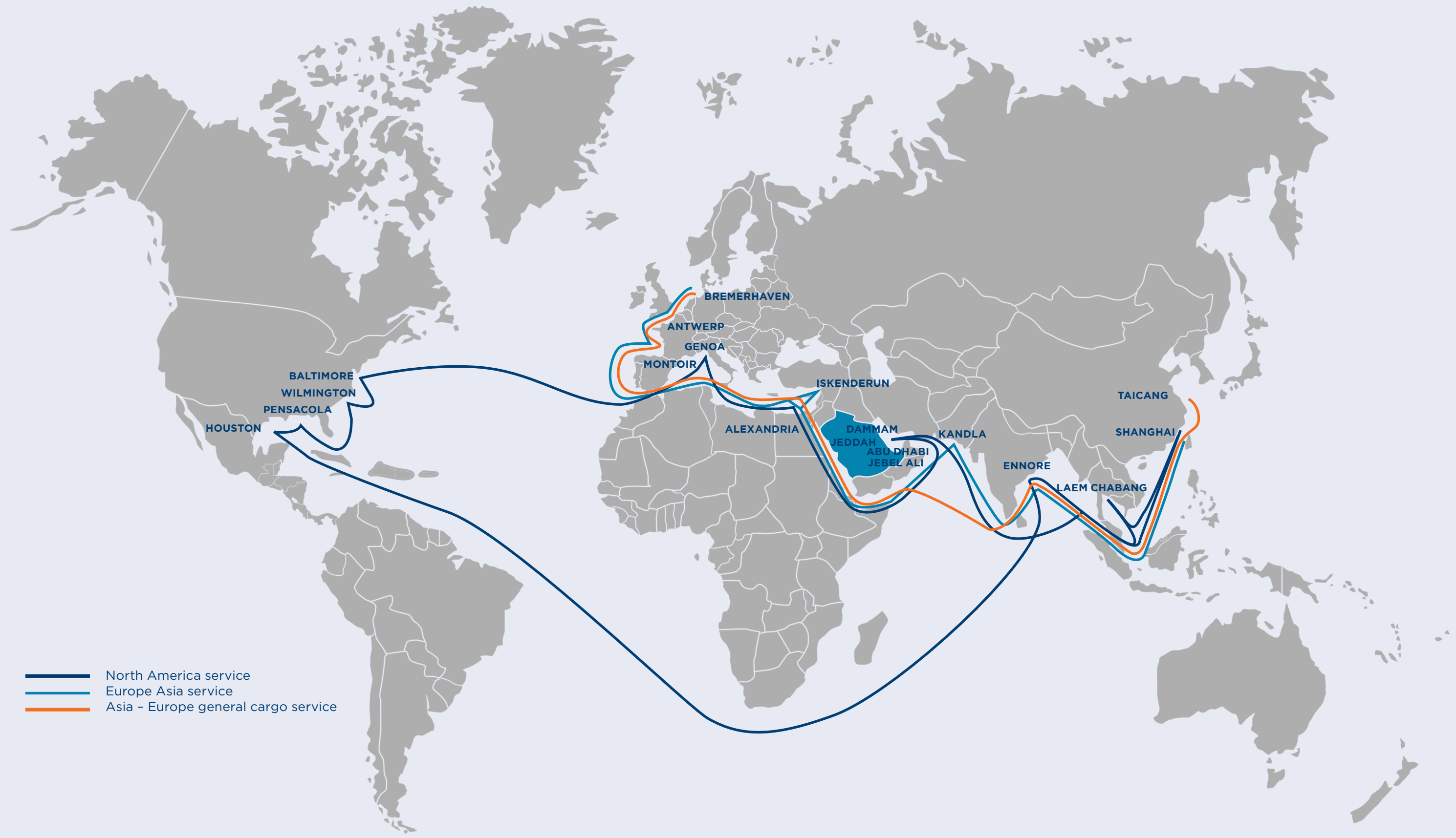
Bahri Line, the shipping arm of Bahri Integrated Logistics, experienced robust market demand in 2024, driven by a 5% average growth in global supply chains and limited vessel availability within its niche market of breakbulk, roll-on/roll-off (RoRo) and container cargo shipping. Freight rates also increased, reflecting heightened tensions along shipping routes traversing the Middle East.

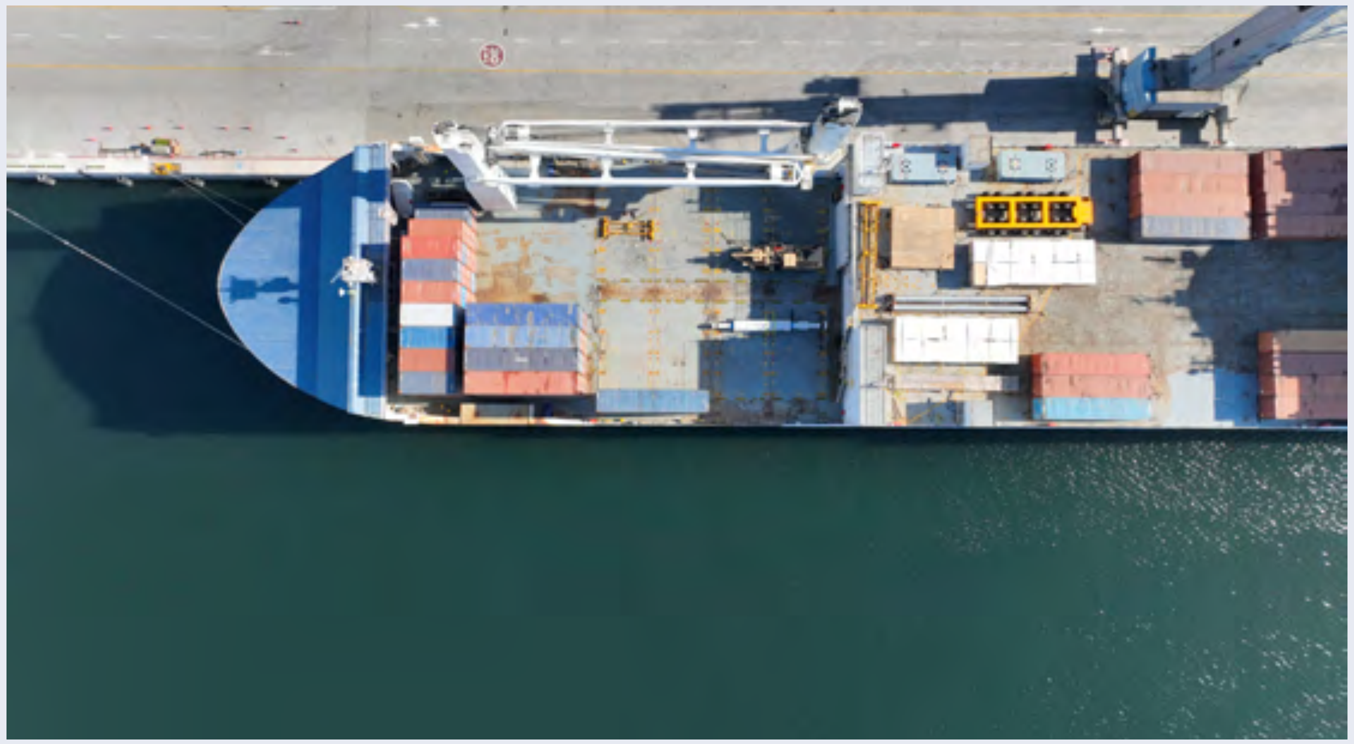
These favorable market dynamics, coupled with the addition of a cost-efficient multipurpose vessel (MPV) in February 2024 to its fleet of six RoCon ships, led to a 29% YoY increase in breakbulk and RoRo cargo, reaching 1.48 million cubic meters. Container cargo, while representing a smaller segment of Bahri Line's revenues, grew significantly to 3,224 TEUs, marking a 42% increase from 2023.

During the year, Bahri Line successfully entered the Thai market, transporting Original Equipment Manufacturer (OEM) cargo for export to India and the U.S. We also expanded our services into Japan, focusing on RoRo and project cargo. Overall, we established new agreements and renewed partnerships with major customers.

Bahri Line's newly acquired MPV was strategically deployed to service project cargo – large, complex and high-value equipment and goods for specific projects. During 2024, the vessel was utilized to transport renewable energy cargo from Asia to Europe, and there are plans to add the Americas to its routes in 2025 and onwards.

Major trade routes





Bahri Integrated Logistics continued

Bahri Logistics highlights

In 2024, Bahri Logistics, our non-shipping logistics business line, reached significant milestones in strengthening its presence within the Saudi and regional logistics market. Key accomplishments included securing major freight forwarding contracts with Saudi Entertainment Ventures, Saudi International Petrochemical Company, National Unified Procurement Company, TAQA Well Services, and Johnson Controls. Additionally, it secured the majority of contracts from a consortium of aviation companies for transporting engines between Saudi Arabia and the United Arab Emirates (UAE). A standout achievement was the signing of a three-year contract with SLB, underscoring its deepening engagement in the oil and gas sector.

Bahri Logistics' contract logistics operations grew significantly during the year, with leased warehouse space expanding from 100,000 square meters (sq.m.) at the end of 2023 to 160,000 sq.m. by the close of 2024 in 12 multi-user warehouses across Saudi Arabia, while its customer base rose to 19 from four a year ago. In addition, construction commenced in early 2024 on a 95,000 sq.m. bonded warehouse at the Jeddah Islamic Port, scheduled for completion in the second half of 2025. This complements the 40,000 sq.m. bonded zone facility established in King Fahad International Airport, which launched operations in December 2024.

It also initiated preparations for an agency office in Yanbu, building on the fully operational agency services established in Ras Tanura. These initiatives aim to reduce Bahri Oil's reliance on external agencies and minimize value leakage within the Bahri Group.

Regionally, Bahri Logistics began operations at Dubai World Central, a hub envisioned by the UAE as a global center for business and logistics. This strategic expansion enhances Bahri Logistics' accessibility and positions it to capitalize on growth opportunities across the region and beyond.

Financial performance

Bahri Integrated Logistics income statement summary

(⃁ million)	2024	2023	% YoY
Revenue	**1,084**	**963**	***13%***
Net operating costs	(945)	(886)	*7%*
General and administrative expenses, and provisions	(44)	(19)	*127%*
Other income	4	2	*120%*
Operating profit	**99**	**60**	***65%***
Operating margin	9%	6%	*3%pt*
EBITDA	**198**	**134**	***48%***
EBITDA margin	18%	14%	*4%pt*

Key performance indicators for owned vessels

Breakbulk and RoRo cargo volume
(million cubic meters)

Number of owned vessels
(year-end)

Bahri Integrated Logistics achieved a 13% YoY increase in 2024 revenue to ⃁ 1.08 billion, propelled by the strong volume and freight rate performance of Bahri Line, as well as growth in Bahri Logistics' revenue.

Net operating costs amounted to ⃁ 945 million, up by 7% YoY, driven by increased business activity but grew slower than revenue growth due to successful cost containment measures.

General and administrative expenses and provisions grew sharply by 127% YoY to ⃁ 44 million, primarily due to ⃁ 18 million in provisions recorded for 2024, compared to a reversal of ⃁ 2 million in the previous year.

Operating profit climbed by 65% to ⃁ 99 million, while EBITDA improved 48% to ⃁ 198 million. These results were largely attributed to robust revenue growth coupled with moderate cost increases at Bahri Line. Meanwhile, Bahri Logistics contributed minimally to overall earnings in 2024, but had demonstrated steady quarter-to-quarter improvements as it continued transforming its business. expanding its asset base, growing its customer portfolio, and enhancing operational capabilities.

Outlook

The breakbulk, RoRo and container market is expected to remain strong in 2025, driven by tight vessel supply and sustained demand, supporting freight rates. Notably, significant growth in project cargo is expected, fueled by energy sector projects across the world.

To capitalize on these opportunities, Bahri Line aims to strengthen its position as a global leader in delivering reliable and versatile scheduled multipurpose shipping solutions for project cargo. Its efforts will focus on key sectors such as energy, infrastructure, industrial projects, manufacturing, and industries with heavy and recurring cargo volumes such as mining. To ensure stable revenue streams, Bahri Line will seek major long-term contracts with customers, ensuring mutual growth and reliability. Additionally, it plans to acquire a second MPV in 2025, reinforcing its capacity to meet growing market demand.

Bahri Logistics will continue to innovate and refine its service offerings in 2025, focusing on growing market share and building team capabilities. It aims to expand its agency business, including serving as an agent for air cargo providers, and to enhance operational efficiency to boost productivity. Bahri Logistics also plans to increase its presence in road freight, while implementing cost-savings measures for air freight operations. In contract logistics, its efforts will center on fully utilizing warehouse capacity and commencing operations at the Jeddah bonded warehouse.

Bahri Dry Bulk

12 vessels
922,665 DWT

6.3 million tons
of cargo

Established in 2010 through a 60/40 joint venture between Bahri and the Arabian Agricultural Services Company, Bahri Dry Bulk is a fully integrated shipowner and operator in the regional and global transportation of dry bulk commodities, with focus on inbound and outbound cargo to and from Saudi Arabia. Headquartered in Riyadh with a regional office in Dubai, Bahri Dry Bulk transports bulk cargoes, primarily grain, fertilizers, coal and iron ore, along worldwide shipping routes to supply the world's food and energy needs. It has a diversified fleet employment strategy that includes spot market, COAs and time charter agreements.

Bahri Dry Bulk continued

In 2024, Bahri Dry Bulk navigated the challenges of a tough market, marked by slowing demand growth and waterway disruptions. Despite these headwinds, we achieved a 74% increase in revenue, reaching ⃁ 489 million, the highest in our history.

This success was driven by our strategic focus on securing more contractual business, deepening customer relationships through proximity and responsiveness, and consistently delivering superior reliability and service. To further enhance our capabilities, we have reorganized our customer-facing functions, strengthening both customer support and operational efficiency.

Another significant milestone this year was the acquisition of two geared Ultramax vessels. These acquisitions not only increased our operational capacity but also enhanced our ability to serve both inbound and outbound routes to and from the Kingdom, and strengthened our position in this market. The fleet expansion likewise enabled a broader range of service offerings, while improving operational flexibility.

Through these achievements, Bahri Dry Bulk has reinforced its role as a key contributor to the Kingdom's maritime ecosystem, and a trusted partner in the global dry bulk market.

Eng. Mohammed A. Bin Battal
President, Bahri Dry Bulk

Dry bulk carrier market in 2024

2024 started with freight rates strengthening due to disruptions in key waterways. Geopolitical tensions in the Red Sea and the drought impacting the Panama Canal forced vessels to take longer routes, reducing the number of carriers available at sea. At the same time, vessel supply remained tight, with global fleet growth at 3%, mirroring the pace of 2023.

However, after a strong first quarter, the market experienced a decline. The Baltic Dry Index, a key indicator of freight rates for dry bulk cargo, dropped by about 50% at end-2024 from its high mark in March, driven by weakening demand. Weather-related challenges, primarily in South America, and China's increasing reliance on domestic grain harvests contributed to this decline. In addition, Black Sea grain exports have not recovered to levels prior to the Ukraine conflict, further dampening demand.

Revenue growth

Despite the market downturn, Bahri Dry Bulk achieved a remarkable 74% YoY increase in revenue, reaching ⃁ 489 million, driven by a 65% rise in cargo volume. This performance reflected our ability to adapt to market challenges, ensuring uninterrupted service despite waterway disruptions and the complexities of the dry bulk market. Our focus on operational excellence and customer satisfaction allowed us to continue delivering high service levels.

A significant milestone in 2024 was the expansion of our partnerships with two leading Saudi cargo owners, resulting in a 135% YoY increase in volumes from these two customers, a stronger position as their major shipping partner, and a steady flow of cargo revenue with clear contractual terms to ensure reliability of service.

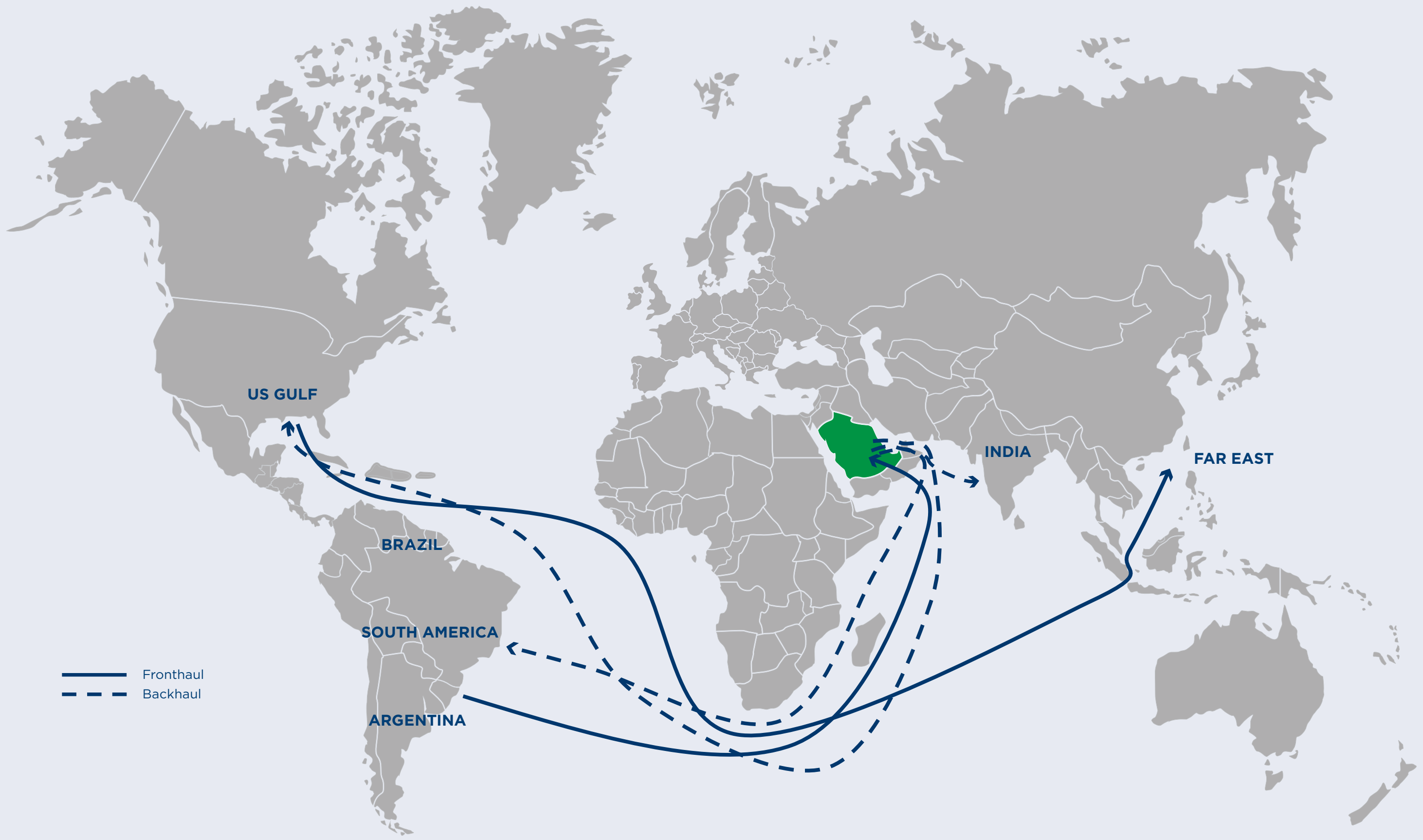
Fleet expansion

Another major development was the acquisition of a geared Ultramax vessel in July 2024 and a second vessel in late December 2024, at the bottom of the cycle in the vessel market. These added significant value to our business by supporting our growing market share, as our fleet had been at full utilization in recent years. The new vessels will likewise allow us to increase service offerings, improve operational efficiency, and provide greater flexibility in meeting customer needs.

With the addition of the first Ultramax vessel, Bahri Dry Bulk ended 2024 with 12 ships in its operated fleet, consisting of nine Kamsarmax and three geared Ultramax vessels. The second 2024 acquisition only became commercially available in January 2025, and is therefore not included in the operated fleet at end-2024.

The BU's entire fleet is modern, eco-friendly, has a relatively young average age of under 10 years, and is continually maintained to ensure full compliance with regulations.

Major trade routes



Bahri Dry Bulk continued

Financial performance

Bahri Dry Bulk income statement summary

(⃁ million)	2024	2023	% YoY
Revenue	**489**	**281**	***74%***
Net operating costs	(405)	(185)	*119%*
General and administrative expenses, and provisions	(20)	(16)	*26%*
Other income	1	2	*-70%*
Operating profit	**65**	**82**	***-21%***
Operating margin	13%	29%	*-16%pt*
EBITDA	**126**	**136**	***-7%***
EBITDA margin	26%	48%	*-23%pt*

Key performance indicators for owned vessels

Realized TCE rate (USD/day)

2024	*-4%*	15,711
2023		16,391

Trading days

2024	*+8%*	4,060
2023		3,742

Number of owned vessels (year-end)

2024	*+9%*	12
2023		11

Bahri Dry Bulk's 2024 revenue surged 74% YoY to ⃁ 489 million, driven by a 67% increase in cargo volume to 6.3 million metric tons. The growth was propelled by a sixfold increase in charter hire revenue from third-party channel business, while revenue from owned vessels also grew by a robust 12%, reflecting the expansion in the owned fleet.

Despite challenging market conditions, the BU's realized TCE rate outperformed its Baltic Dry Index benchmark by 10%, demonstrating strong operational performance.

Net operating costs rose 119% YoY to ⃁ 405 million, largely due to increased charter hire expenses, which grew in tandem with charter hire revenue.

Operating profit fell by 21% YoY to ⃁ 65 million, while EBITDA saw a more modest 7% decline to ⃁ 126 million. These declines were largely driven by margin compression caused by the market downturn, along with the increased proportion of lower-margin charter hire revenue in 2024 compared to the previous year.

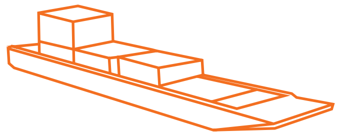
Outlook

The market is expected to remain weak in 2025, with demand continuing to decelerate, and waterway disruptions likely to normalize.

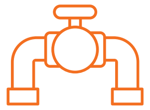
In response, Bahri Dry Bulk will focus on defending its market share gains, strengthening long-term relationships with core customers by consistently delivering value, and pursuing opportunities for revenue growth.

To improve profitability, the BU will prioritize utilization of its owned vessels for higher earning trade routes. Additionally, it plans to explore new ways of managing chartered tonnage, while minimizing spot voyages to limit its exposure to market volatility.

Bahri Marine Services



2 desalination barges



100 million liters per day capacity

Bahri Marine Services, a newly operationalized business, is pioneering an innovative approach to seawater desalination using floating mobile barges. The business operates with a 20-year guaranteed offtake agreement with the Saudi Water Authority. Construction of three desalination barges began in 2020, with the first barge commencing commercial operation in April 2024. This barge, recognized by the Guinness World Records as the largest of its kind in the world, marked a significant milestone in the seawater desalination industry. The second barge became operational in December 2024. Each barge is equipped to desalinate seawater up to 50 million liters per day. The barges are stationed off the coast of Yanbu, Saudi Arabia.

Bahri Marine Services continued

This year, we reached a significant milestone with the operation of two of our three desalination barges. This achievement not only advances the diversification of Bahri's asset portfolio by creating a stable, long-term revenue stream, but also showcased our commitment to addressing water scarcity through a real-world, pioneering solution.

The versatility of mobile seawater desalination is transformative – once constructed, these barges can be swiftly deployed wherever they are needed, without the delays of traditional infrastructure. This innovation underscores our dedication to leverage the skills and knowledge of the Bahri team to deliver impactful solutions that make a difference in people's lives.

Mr. Mohit Sibal
President, Bahri Marine Services

Business highlights

In 2024, Bahri Marine Services achieved a major milestone by commencing operations of the desalination barge project. This marked a pivotal step in the development of an innovative solution poised to transform the provisioning of a sustainable water supply to Saudi Arabia and other water-deficient regions. For Bahri, it also established a new source of stable, long-term revenue streams to partially hedge against the cyclical nature of its core shipping businesses.

With the first desalination barge beginning commercial operations in April 2024, Bahri Marine Services began supplying desalinated water to the Saudi Water Authority under its 20-year offtake agreement. Completion of the second barge followed in December 2024. By year-end, the business had generated ⃁ 42 million in revenue and achieved positive EBITDA.

In 2025, the BU's focus will be operationalizing the third desalination barge. Following this, its goal will be to stabilize and optimize operations and maintenance activities, setting the stage for sustained operational success and revenue stability.

Bahri Ship Management was established in 1996 to provide a full range of ship management and marine support services for all vessels owned by the Company with the goal of maximizing the fleet's commercial potential. BSM serves as the cornerstone of the Bahri fleet, ensuring all managed vessels are technically sound, seaworthy and crewed by skilled professionals. It oversees operational compliance with international safety standards and maritime regulations, leads the integration of advanced technologies, drives technical innovations to enhance operational performance and efficiency, prepares newly acquired vessels for deployment at sea, and provides essential administrative support to the business units, ranging from regulatory communications to port clearance documentation.

5

Ship Management

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Ship Management (continued)

As we reflect on 2024, I am proud to acknowledge the outstanding achievements of the Bahri Ship Management team, the backbone of the Bahri fleet. We successfully prepared and crewed 11 newly acquired vessels for deployment during the year, and another four vessels that were deployed in January 2025.

Meanwhile, our ships' performance under the Port State Control framework remained exemplary, with zero port detentions, and a vessel deficiency score that significantly outperformed global averages. In addition, the U.S. Coast Guard awarded 52 of our vessels with the prestigious Qualship-21 designation, a mark for meeting stringent standards only 10% of non-U.S. flagged vessels calling in American ports qualify for.

Safety remains our top priority. We concluded the year with no fatalities, and notably, conducted 270 transits through the Red Sea and the Gulf of Aden without incidents, despite heightened geopolitical tensions. In September, we transitioned to SIRE 2.0, an enhanced ship inspection reporting framework offering deeper insights into vessel safety and operational performance.

Our commitment to environmental stewardship was reinforced with the completion of ballast water treatment system installations in all our ships, ensuring compliance to the International Maritime Organization's 2024 deadline. We also put in place digital dashboards in our vessels to manage compliance with the European Union's new greenhouse gas emissions regulations introduced in 2024.

The continuing fleet-wide roll-out of the SMARTShip® data collection and analysis system, now covering 73 vessels, further supported regulatory compliance, while providing us with timely insights for optimizing voyages and predicting emerging technical issues.

This year also marked a significant milestone with our partnership with Folk Maritime Services as its ship management provider, BSM's first venture beyond the Bahri fleet.

I extend my deepest gratitude to BSM's dedicated offshore and onshore teams for your hard work and commitment to excellence, delivering a year of growth, resilience and innovation. Together, we will continue to build on our successes, push boundaries, and drive sustained value for our Company and its stakeholders.

Eng. Khalid Y. Al-Hammad
President, Bahri Ship Management

Fleet Operations

In 2024, BSM achieved new milestones in operational excellence, innovation and industry leadership. Our team successfully prepared 11 newly acquired vessels for deployment – a two-fold increase from 2023 – providing these vessels with crew, advanced communication, digital and maintenance systems, and all necessary certifications. Another four vessels that were received in December 2024 became fully deployed in January 2025.

Our commitment to operational excellence was reflected in our vessels' exceptional performance under the Port State Control (PSC) framework. None of our ships were detained at any port, and our fleet achieved a low 0.61 deficiencies per inspection ratio, which significantly outperformed global 2023 benchmarks, which were the most recently published. Our 0.61 deficiencies per inspection ratio was 78% lower than the Paris Memorandum of Understanding (MoU) 2.81 average score for vessels calling European and North Atlantic ports, and 69% lower than the Tokyo MoU 1.96 average for vessels calling Asia-Pacific ports.

Meanwhile, 52 Bahri vessels were awarded Qualship-21 status by the United States Coast Guard (USCG). Qualship-21, or Quality Shipping for the 21st Century, is a program run by the USCG to identify high-quality, well-maintained non-U.S. flagged vessels meeting stringent safety, environmental and regulatory standards. Approximately only 10% of non-U.S. flagged vessels that call in U.S. ports are granted this recognition.

We also continued the roll-out of the SMARTShip® high-frequency data collection and analysis system across the fleet, with installations in 15 vessels during the year, bringing the total to 73 vessels by year-end, a 26% increase from 2023. SMARTShip® is an advanced digital platform that enables real-time tracking, optimized route planning, improved fuel efficiency, and predictive maintenance capabilities.

Fleet digitalization initiatives in other areas likewise progressed, with efforts ongoing to implement electronic logbooks for cargo, garbage, ballast and maintenance activities, as well as automated dashboards for emissions and other metrics.

The PSC framework involves the inspection of foreign-flagged vessels by the regulatory authorities of the port's country (the Port State) to verify compliance with international maritime regulations. PSC MoUs are regional agreements established to enforce these regulations, and publish inspection statistics useful for benchmarking. The Paris MoU includes European and North Atlantic ports, while the Tokyo MoU covers Asia-Pacific, which together represent major ports of call for Bahri vessels.

Deficiencies may include expired or missing certificates, structural damage, inadequate safety and pollution prevention measures, and insufficient crew competency or training. Severe deficiencies may lead to vessel detention at port until corrective actions are taken.

Safety Performance

2024 concluded with no fatalities across the entire fleet. Our Loss Time Injury Frequency rate amounted to 0.42 injuries per million hours worked, compared to 0.35 in 2023. Meanwhile, safety audits conducted by external parties during the year revealed no major findings.

Despite heightened geopolitical tensions, BSM successfully conducted 270 transits through the Red Sea and the Gulf of Aden without incident. Our RoCon vessel, Bahri Yanbu, further demonstrated our commitment to maritime safety by successfully conducting a high-seas rescue of four French nationals in the Atlantic Ocean.

In September 2024, we transitioned to the upgraded Ship Inspection Report (SIRE) Program known as SIRE 2.0, launched in the same month by the Oil Companies International Maritime Forum. This new inspection standard placed greater emphasis on human factors and adopted a risk-based approach to enable better insights into a vessel's safety and operational performance. Under the previous standard, we recorded a 2024 average of 1.81 findings per ship inspection, a 16% improvement over the 2.15 average in 2023. Our score was likewise better than the 2.30 industry average reported by the International Association of Independent Tanker Owners, of which Bahri is a member.

Environmental Protection

We completed the installation of ballast water treatment systems (BWTS) across our owned fleet, ensuring full compliance with the 2024 deadline set by the International Maritime Organization (IMO). During the year, we installed BWTS in the remaining nine vessels of the fleet, compared to 10 installations in 2023.

The IMO's Ballast Water Management Convention has set a September 2024 deadline for all ships that carry and discharge ballast water during international voyages to treat ballast water to meet specific discharge concentrations of aquatic organisms and water-borne pathogens to protect marine ecosystems. Ballast water is the seawater that vessels take on or discharge to maintain draft, stability and balance during voyages. The previous IMO requirement is for ships to minimize risk for coastal ecosystems by exchanging ballast water in open sea, with no requirement for water treatment.

Additionally, exhaust gas cleaning systems (or scrubbers) were installed on nine VLCCs during the year. Scrubber installation allows vessels to use cheaper high-sulfur fuel oil while maintaining compliance with international sulfur oxide emissions standards and enhancing market value of the vessels.

In response to the European Union's inclusion of the maritime sector in its Emissions Trading System (EU ETS) at the beginning of January 2024, we developed systems and dashboards to streamline accounting, trading, tracking and reporting of European Union Allowances (EUAs). This initiative ensures each BU has up-to-date voyage-specific data on EUA balances and transactions, as well as third-party validated EUA statements.

In January 2024, the EU included the maritime sector in its EU ETS regulatory framework, a market-based mechanism aimed at advancing the EU's climate policy objective of reducing greenhouse gas (GHG) emissions. Under this regulation, vessels with at least a 5,000 gross tonnage calling at EU ports or operating within EU waters are required to bear the cost of their GHG emissions, with the proportion of covered emissions increasing over time.

The primary compliance tool under EU ETS is the European Union Allowance, a tradable financial instrument issued by the European Commission. Vessels subject to this regulation must purchase EUAs and then "surrender" these to EU authorities in accordance with their verified actual emissions.

Crew Management

During the year, we transitioned crew recruitment to a fully online platform, streamlining processes and data handling, and improving quality, timeliness and scalability for crewing our vessels.

Meanwhile, over 2,000 crew members received comprehensive onboard safety training across all 93 vessels of our fleet, with each vessel trained by in-house fleet safety trainers. The use of in-house trainers, instead of third-party agencies, ensured the consistent application of safety standards across all vessels. In addition, we implemented a tailored, industry-leading behavior-based safety program designed to mitigate accident risks by shaping behaviors at the worksite.

BSM continued its close collaboration with Saudi maritime learning centers such as the King Abdulaziz Maritime Academy and the National Maritime Academy. In 2024, we provided onboard training to 224 Saudi cadets, including five female cadets – a 22% increase from the 183 cadets trained in the previous year.

Strategic Growth and Rebranding

In July 2024, BSM expanded beyond the Bahri fleet by partnering with Folk Maritime Services Company, a newly established Saudi-based feeder and short-sea shipping operator backed by the Public Investment Fund to advance Saudi Arabia's logistics and maritime sector growth and reduce value leakage from Saudi Arabia in this sector. Under this partnership, BSM will provide a comprehensive range of services to Folk Maritime, including crewing, technical management, shipbuilding supervision, and technical assessments for second-hand vessels planned for acquisition. By end-2024, Folk Maritime's fleet consisted of two vessels, with plans to expand this in 2025.

We ended the year with an official corporate name change from the legacy name Mideast Ship Management to Bahri Ship Management, fully aligning the organization with the Bahri brand and strengthening Bahri's global visibility. Mideast Ship Management was BSM's original name when it was incorporated in 1996, with Acomarit Services Maritime S.A., Bahri's technical partner, owning a 20% equity share. Bahri bought out Acomarit's stake in BSM in 2005, making it a wholly owned subsidiary.

Outlook

For the coming year, BSM remains focused on delivering high-quality ship management support to Bahri's expanding fleet. We will continue efforts to further enhance safety practices, operational performance and cost efficiencies, while leveraging digital transformation initiatives to deliver added value. Maintaining compliance to evolving environmental regulations will likewise be a focus, particularly with the EU rolling out in 2025 its new FuelEU Maritime Regulation targeted at incentivizing GHG intensity reductions for vessels calling at EU ports.

Bahri is committed to remain a vibrant, ethical and resilient enterprise that supports prosperity for the Kingdom while advancing the well-being of our people and protecting the environment, particularly in the sea lanes where we operate.

6

Sustainability

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Our Approach to Sustainability

We aspire to integrate this commitment into every aspect of our daily operations. Our initiatives are organized in alignment with our sustainability framework that covers four main focus areas:

- **Safeguarding the environment**
- **Anchoring our talent**
- **Propelling value creation**
- **Navigating with integrity**

These strategic pillars, informed by material sustainability issues, are aligned to the United Nations' Sustainable Development Goals, as well as to Saudi Vision 2030.

Key ESG topics

- Energy and Climate Change
- Governance and Business Ethics
- Occupational Health and Safety
- Human Rights
- Biodiversity and Marine Pollution
- Risk Management
- Digitization and Data Security
- Customer Satisfaction
- Diversity and Inclusion
- Sustainable Supply Chain
- Talent Attraction, Retention and Engagement
- Community Engagement

High impact | Moderate impact | Low impact

The Board sets and reviews key principles and policies relating to our sustainability framework. In 2024, the Company embarked on a reorganization of its sustainability program with the creation of a Sustainability Department under Integrated Planning to lead Group-level planning, management and coordination of sustainability initiatives, promoting alignment of these with the Company's strategy and plans.

In 2024, we published the 2023 Sustainability Report which presented in greater detail the goals, activities, key performance indicators and outcomes of Bahri's sustainability initiatives.

Safeguarding the Environment

"Safeguarding the environment" is our commitment to protecting the natural environment, particularly the marine environment, underpinned by initiatives relating to energy and climate change, waste and water management, and the conservation of biodiversity.

Environmental management

Bahri Ship Management (BSM) is the lead organization tasked with implementing Bahri's environmental management program.

BSM is certified for ISO 14001: Environmental Management Systems (EMS), a globally recognized standard developed by the International Organization for Standardization (ISO) providing a framework for designing and implementing an EMS, and for continuously improving performance. This certification reflects our commitment to managing our environmental responsibilities in a systematic and effective manner.

Our commitment is also reflected in our Environment and Energy policy which outlines our resolve to comply with all maritime regulations, continuing efforts to improve energy and environmental performance, and the active promotion of awareness and training to ensure our people are aligned to these objectives. Our energy policy is implemented using ISO 5001: Energy Management Systems, for which BSM is likewise certified.

Energy and climate change

We are committed to decarbonizing our activities. Our ambition is to reduce our direct (Scope 1) greenhouse gas (GHG) emissions to at least 20% reduction by 2030 compared to 2008 levels, and to at least 70% reduction by 2040, also compared to 2008 levels. These goals are fully aligned to the indicative international shipping checkpoints set by the International Maritime Organization (IMO) to reach net-zero GHG emissions by 2050.

In 2024, Bahri's GHG emissions intensity amounted to 494 kg of CO_2 equivalent per nautical mile, down 1% from 2023.

Direct GHG emissions intensity
(kg CO_2 eq / nautical mile)

A critical driver of GHG emission reduction is improving the energy efficiency of our vessels. To achieve this, we operate a centralized Fleet Performance Monitoring Center which leverages data-driven insights to optimize vessel energy performance. Additionally, each vessel has a tailored Ship Energy Efficiency Management Plan for improving key factors such as main engine fuel efficiency, hull resistance reduction, propeller efficiency, heat balance efficiency, auxiliary generators efficiency, passage planning, weather routing and speed optimization. These plans are reviewed on a quarterly basis to ensure continuous improvement and fine-tuning to achieve energy efficiency goals.

Total fuel intensity of the Bahri fleet reached 156 kg per nautical mile in 2024, reflecting a 1% year-on-year (YoY) decline.

Total fuel intensity (kg/nautical mile)

Biodiversity and marine pollution

To minimize our impact on the marine environment and biodiversity, Bahri fully complies to maritime regulations relating to treated water discharges, waste management and recycling requirements, and sulfur emissions from fuel, as well as the stricter guidelines when sailing in designated sensitive sea areas.

Our fleet recorded zero oil spills in 2024, marking the second consecutive year we had no incidents.

We had likewise completed the installation of ballast water treatment systems in all our vessels, meeting IMO's 2024 target for implementation in all vessels of a treatment system for ballast water discharges to prevent the spread of invasive species and pathogens from port to port.

All our vessels follow a waste management plan which provides guidelines for minimizing, handling and disposal of waste materials. In 2024, waste generated by our fleet declined to 52 cubic meter per vessel from 59 cubic meters the previous year.

Ballast water treatment installations (% of vessels)

Total waste generated (cubic meter per vessel)

Anchoring our Talent

"Anchoring our talent" refers to our commitment to prioritizing, above all, the safeguarding of the lives and well-being of our people, and to build a dynamic and innovative workforce through programs to attract, retain and develop top-tier talent.

Occupational health and safety

The health and safety of our people has always been a top priority at Bahri. We are committed to achieving zero fatalities, maintaining a Lost Time Injury Frequency (LTIF) of less than 0.44 per million man-hours, and making continuous progress towards a "Goal Zero" accident days across all vessels in our fleet for over a year.

Bahri's Occupational Health and Safety Management Program is certified under ISO 45001: Occupational Health and Safety Management Systems. To minimize health and safety risks, especially in the inherently challenging maritime environment, we have implemented a range of initiatives and tools, including an organizational culture diagnostic tool that provides predictive indicators of safety performance, comprehensive training programs for all workers at sea, covering areas such as safe cargo operations, firefighting, survival at sea and first aid, and task-specific risk assessments to anticipate and address operational hazards, the provision of personal protective equipment that exceed industry standards, and wellness programs to promote healthy habits, manage stress and stay active at sea.

We also empower our workforce through a STOP Work Authority policy, allowing all offshore staff to halt any activity they believe pose a risk to people, property or the environment. Our Just Culture policy ensures individuals involved in non-safe activities are held accountable while being treated fairly. In addition, we encourage reporting of near-miss incidents, offering our people the option to report anonymously. Near-miss reports are reviewed by the appropriate management team within 24 hours, and impactful reporting is rewarded to promote a proactive safety culture.

There were no fatalities in both 2023 and 2024, reflecting our steadfast commitment to continuous improvement in health and safety. Meanwhile, Bahri's 2024 LTIF increased to 0.42 per million man-hours, compared to 0.35 a year ago.

Lost Time Injury Frequency
(incident per million man-hours)

Diversity and inclusion

Promoting diversity and equal opportunity is a key priority for Bahri, enabling us to leverage a broader range of perspectives and expertise. A significant focus is on increasing the participation of women in the workforce. The proportion of women among full-time employees was 22% in 2024, marginally lower from 23% in 2023. To support female employee retention, Bahri offers parental leave benefits, including 10 weeks of paid maternity leave for mothers in Saudi Arabia.

Female workforce participation
(% female among full-time employees)

Talent attraction, retention and engagement

To ensure continuing competitiveness and unlock the full potential of its growth strategy, Bahri recognizes the importance of attracting and retaining a talented workforce. Our Career Development Policy is designed to foster a supportive and dynamic work environment that empowers our people to thrive both professionally and personally.

We run separate training programs for our crew members and our employees. Crew members are offered training on core maritime skills, technical certifications, various e-learning courses, and career progression programs along the cadet-to-senior officer pathway. Employees benefit from training covering all aspects of our operations, alongside specialized programs for fresh graduates and for those advancing through the management career track.

Aligned with Vision 2030, Bahri is also committed to increasing the number of Saudi nationals in its workforce. In 2024, Saudi nationals comprised 58% of our full-time global workforce from 47% in 2023.

The number of our full-time employees reached 771 at the end of 2024, an increase of 14% from the previous year, while employee turnover rate was unchanged at 12% YoY.

Talent attraction, retention and engagement	2024	2023
Number of full-time employees	771	678
Employee turnover rate (%)	12	12
Saudization rate (% Saudi nationals among full-time global workforce)	58	47
Average hours of training per employee	15	12
Average hours of training per crew member	34	35

Propelling Value Creation

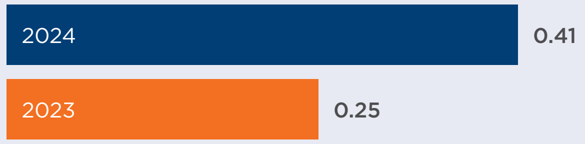
"Propelling Value Creation" embodies our commitment to align our business objectives with our social and environmental responsibilities. We deliver value for the communities where we operate by driving financial performance that benefits a broad range of stakeholders, including suppliers, employees, contractors and shareholders. Through our operations, we facilitate business growth for our customers, create meaningful job opportunities, and contribute to capital formation through our investments in Saudi Arabia and other countries where we have a presence.

Economic value-added

In 2024, Bahri injected approximately ⃁ 5.43 billion in cash operating costs and general expenses into the economies where we operate, driving wealth creation for our suppliers, contractors and employees. Full-time employment at Bahri grew by 14% YoY to a headcount of 771, further supporting job creation. Additionally, Bahri shareholders received cash dividends totaling ⃁ 406 million, while tax jurisdictions benefited from ⃁ 140 million in tax and Zakat payments. Lastly, Bahri supported capital formation through ⃁ 5.48 billion in capital investments made during the year.

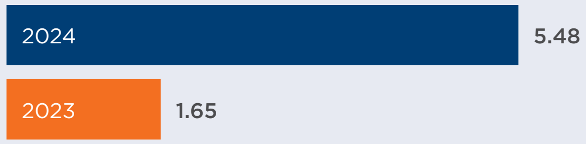
Cash operating costs and general expenses
(⃁ billion)

Dividends paid
(⃁ billion)



Tax and Zakat payments to governments
(⃁ billion)

Capital expenditure
(⃁ billion)



Community engagement

As in previous years, Bahri's community engagement efforts prioritized developing human capital, with a particular focus on funding training programs for students and young professionals to prepare them for careers in the maritime sector. In 2024, we invested ⃁ 6.34 million in these initiatives, a 29% increase YoY, reflecting higher funding for cadet training.

Community investments
(⃁ million)

Digitization and data security

Our digital transformation strategy, discussed in the Strategy Review chapter of this report, includes digitization and data security as part of its three-year implementation plan.

Navigating with Integrity

"Navigating with integrity" represents our commitment to responsible business. We strive to ensure that everyone who interacts with Bahri is treated with respect and dignity, and that we uphold the highest standards of ethics and corporate governance, maintaining a clear understanding of risks and opportunities to strengthen the resilience of our business.

Human rights and a sustainable supply chain

Respect and protection of the human rights of our employees, clients and the communities where we operate is a core value at Bahri. Internally, we have robust policies in place to support whistleblower reporting and protection, ensuring all employees are informed of these measures upon joining the Company.

Externally, we engage only with reputable vendors who adhere to best practices, particularly regarding the prohibition of child and forced labor. To ensure compliance, we conduct regular, proactive audits of our vendors, assessing not only their operational and financial capabilities but also their adherence to our Supplier Code of Conduct, which emphasizes ethical and responsible business practices.

In 2024, we audited 26 vendors, resulting in the termination of contracts with two suppliers due to non-compliance. While we are addressing the impact of these terminations, they have not had a material effect on our operations.

Number of suppliers that were subject to audits

Governance and business ethics

Bahri's corporate governance structure is anchored by a 10-member Board of Directors, supported by three permanent Board Committees, and an Executive Management team led by the CEO. The Board's Audit Committee, and Nomination and Remuneration Committee are both chaired by independent directors. The Chairman of the Board also heads the Board's Executive Committee, which is responsible for shaping and overseeing the Company's investment strategy and decisions.

As a publicly listed company, Bahri complies with the Corporate Governance Regulations of Saudi Arabia's Capital Market Authority. We maintain transparency by regularly disclosing our quarterly and annual financial and operational results, as well as announcements of corporate events which can have a potential material impact on Bahri's share price. Effective and proactive engagement with shareholders and the broader investment community is further fostered through our Investor Relations Department.

To uphold integrity and accountability, Bahri has a comprehensive internal audit process in place led by the Internal Audit Department which reports directly to the Board. This internal audit process ensures compliance with applicable laws, regulations and internal policies, as well as the review of procedures for the handling of employee grievances to guarantee fair treatment. Internal Audit also investigates potential instances of fraud, corruption and anti-competitive practices. In 2024, there were no reported breaches against Bahri's code of conduct, similar to the previous year.

Risk management

Details on our policies, processes and governance framework for risk management are in the chapter on Regulatory Disclosures. This chapter also discusses our major risks, and the mitigation measures we have put in place for these.

7

Regulatory Disclosures

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Bahri's Board of Directors

Bahri is committed to the principles of good governance, especially the principles of transparency and disclosure, and to enhancing the role of the Board of Directors and executive management by defining their tasks and responsibilities. In addition, Bahri is adopting advanced mechanisms to enhance internal control, risk management, and compliance to ensure their effectiveness. The governance measures and procedures implemented by Bahri are also consistent with the rules and regulations issued by the regulatory authorities and best-in-class practices.

The Board of Directors has established governance rules and oversees their implementation on an ongoing basis. These rules include policies, general instructions and procedures in order to ensure the effective performance of the Company's business.

Furthermore, these rules define the rights of shareholders, and the tools that enable shareholders to use their rights effectively, in alignment to best practices. These governance rules reinforce accountability and transparency while fostering strategic relationships with Bahri's stakeholders.

The Board of Directors consists of 10 members elected by the General Assembly for a period of three years. The current Board of Directors began its term on 16 January 2023.

The Board of Directors has instituted three committees to support its work. These are the Audit Committee, the Nomination and Remuneration Committee, and the Executive Committee.

Bahri's Board of Directors continued

Mr. Mohammed A. Al-Sarhan
Chairman

Non-Executive

Mr. Fahad A. Al-Saif
Vice Chairman

Independent

Dr. Abdulmalik A. Al-Hogail
Board Member

Independent

Committees legend
Audit Committee
Nominations and Remuneration Committee
Executive Committee

Eng. Ahmed A. Al-Subaey
Board Member and CEO

Executive

Eng. Ahmed M. Al-Khunaini
Board Member

Independent

Eng. Mohammed K. Al-Mulhim
Board Member

Independent

Mr. Raid A. Ismail
Board Member

Independent

Mr. Saleh A. Al-Debasi
Board Member

Non-Executive

Mr. Saeed A. Al-Hadrami
Board Member

Independent

Mr. Jesper Kjaedegaard
Board Member

Independent

Bahri's Board of Directors continued

Mr. Mohammed A. Al-Sarhan

Academic Credentials
- Bachelor's degree in Mathematics and Computer Science from Oregon State University, USA
- Studied many specialized courses at international universities such as Harvard University, the London Business School, and Institute for Management Development in Switzerland

Current Positions
- Chairman and member of several boards of joint-stock companies

Professional Experience & Previous Leadership Roles
- Advisor to Al Faisaliah Group
- Chairman of Al Safi Danone
- Vice President for Al Faisaliah Group Holding
- Managing Director and CEO of Al Safi Danone Ltd.
- Managing Director of Al Safi Food Company
- Vice President of the Saudi Arabian Marketing and Refining Company
- General Manager of Petromin Refinery in Riyadh
- Managing Director of Petromin Refinery in Riyadh

Current Professional Affiliations
- CATRION Catering Holding Co.
- Almozaini Real Estate Company
- Al Sharq Ready-Mix Concrete Company
- General Authority of Civil Aviation

Previous Affiliations
- Al Safi Danone Company
- Al Faisaliah Group Holding
- Saudi Civil Aviation Holding Company
- IKEA Company, Saudi Arabia and Bahrain
- Bayan Realty Estate Company
- Saudi Arabia Public Transport Company
- Bahri Dry Bulk Company
- Bahri Chemicals Company
- Goknur Foods Import Export Trading and Distribution Company (outside Saudi Arabia)
- Venture Capital Bank (outside Saudi Arabia)

Mr. Fahad A. Al-Saif

Academic Credentials
- Bachelor's degree in Management Information Systems from King Fahd University of Petroleum and Minerals, KSA

Current Positions
- Head of Global Capital Finance Division at Saudi Arabia's Public Investment Fund

Professional Experience & Previous Leadership Roles
- Advisor to His Excellency, the Minister of Finance
- CEO of National Center of Debt Management
- Vice MD at Saudi British Bank
- General Manager of Services & Global Banking at Saudi British Bank
- General Manager and Head of Corporate Finance and Capital Markets at HSBC Saudi Arabia
- General Manager and Head of Debt Management at HSBC Saudi Arabia
- Head of Risk Advisory, Treasury Department of Saudi British Bank
- Head of Investment and Trade, Treasury Department of Saudi British Bank

Current Professional Affiliations
- Aircraft Leasing Company (AVILEASE)
- Emaar Company (KAEC)
- King Salman Airport Development Company.
- Saudi Real Estate Refinance Company
- Voluntary Carbon Market Company
- ACWA Power
- NEOM
- Gulf International Bank (outside Saudi Arabia)

Previous Affiliations
- Exports Bank
- Capital Market Authority
- Islamic Financial Corporation (ITFC)
- Government Guarantees Company
- Corporate Leadership Program
- Public Pension Agency
- Private Sector Stimulation for Financial Balance Program
- National Strategic Supervisory Committee for Small and Medium Enterprises

Dr. Abdulmalik A. Al-Hogail

Academic Credentials
- PhD and Master's in Accounting from Case Western Reserve University, USA
- Bachelor's in Accounting from King Saud University, KSA

Current Positions
- Chairman and member of several boards of joint-stock companies

Professional Experience & Previous Leadership Roles
- Vice President and Chief Financial Officer of Al Faisaliah Group Holding
- Faculty member for the Institute of Public Administration

Current Professional Affiliations
- Alinma Bank
- Americana Restaurants International Company (outside Saudi Arabia)
- Americana Group (outside Saudi Arabia)

Previous Affiliations
- National Chemical Carriers Company
- Public Pension Agency
- Saudi Electricity Company
- International Medical Holding Company
- Alinma Investment
- Pharma International Company
- Electronics and Systems Holding Company
- Philips Healthcare Saudi Arabia Company
- Accenture Saudi Arabia

Eng. Ahmed A. Al-Subaey

Academic Credentials
- Bachelor's and Master's degrees in Electrical Engineering from Northern Arizona University, USA
- Executive MBA from Stanford University, USA

Current Positions
- CEO & Board member of Bahri

Professional Experience & Previous Leadership Roles
- Vice President of Marketing, Sales and Supply Planning at Saudi Aramco
- President of Saudi Petroleum Overseas Ltd. in Tokyo
- President and Chief Executive of Saudi Petroleum International Inc. in New York
- CEO and Representative Director of S-Oil Corporation in South Korea

Current Professional Affiliations
- POSCO Engineering and Construction (outside Saudi Arabia)
- Bahri Dry Bulk Company
- National Chemical Carriers Company
- Petredec Group (outside Saudi Arabia)
- International Maritime Industries
- Aston Martin Lagonda Global Holdings PLC (outside Saudi Arabia)

Previous Affiliations
- Saudi Aramco Products Trading Company
- Saudi Aramco Base Oil Company
- Arab Petroleum Pipelines Company (outside Saudi Arabia)
- Saudi Aramco Asia Company (outside Saudi Arabia)
- Saudi Petroleum International Inc. (outside Saudi Arabia)
- Saudi Petroleum Overseas Ltd. (outside Saudi Arabia)
- Aramco Development Company

Bahri's Board of Directors continued

Eng. Ahmed M. Al-Khunaini

Academic Credentials
- Bachelor's degree in Industrial Engineering from King Fahd University of Petroleum and Minerals, KSA

Current Positions
- Senior Vice President of Marketing, Sales and Supply Planning at Saudi Aramco

Professional Experience & Previous Leadership Roles
- Previously worked in a number of fields, such as CEO and Representative Director of Saudi Petroleum Overseas Ltd.

Previous Affiliations
- Aramco Fuels Poland (outside Saudi Arabia)
- Aramco Overseas Limited – UK (outside Saudi Arabia)
- Aramco Services Company (outside Saudi Arabia)
- Saudi Aramco Asia Limited (outside Saudi Arabia)
- Aramco Trading Company
- Saudi International Petroleum Company (outside Saudi Arabia)
- Arab Petroleum Pipelines Company (outside Saudi Arabia)

Eng. Mohammed K. Al-Mulhim

Academic Credentials
- Bachelor's degree in Industrial Engineering from King Fahd University of Petroleum and Minerals, KSA
- Executive University Program at the Institute for Management Development in Switzerland

Current Positions
- CEO of Aramco Trading Company

Professional Experience & Previous Leadership Roles
- Vice President of Supply and Trading at Aramco Trading Company
- Managing Director at Saudi Petroleum Limited – Singapore

Previous Affiliations
- Aramco Trading Company – Fujairah (outside Saudi Arabia)
- Aramco Trading Company – Singapore (outside Saudi Arabia)
- Aramco Trading Company – London (outside Saudi Arabia)
- Arab Petroleum Pipelines Company (outside Saudi Arabia)

Mr. Raid A. Ismail

Academic Credentials
- MBA from the London Business School
- Bachelor's degree in Finance from George Mason University, USA

Current Positions
- Senior Director, Co-Head of MENA Direct Investments, Head of Operational Value Creation Group at Public Investment Fund

Professional Experience & Previous Leadership Roles
- General Manager at Mawarid Food Company Ltd.
- Founder and General Manager of Retail House Ltd.
- CEO of the Saudi Tadawi Healthcare Group
- General Manager of Olayan Food Services Company
- Secondee, Corporate Finance Department at Saudi Capital Market Authority
- Senior Director of Global Investment Banking Advisory at HSBC Bank

Current Professional Affiliations
- Elm Company
- GDC Middle East Company
- Tahakom Investments Company
- The Helicopter Company
- The National Unified Procurement Company "NUPCO"
- Americana Restaurants International (outside Saudi Arabia)
- The Kuwait Food Company (outside Saudi Arabia)
- Kayanee Company
- Cruise Saudi
- Aviation Services Company "Riyadh Air"
- Noon Investment Company
- Water Solutions Company
- Al Nassr Club Company
- Saudi Company for Artificial Intelligence "SCAI"
- Leen Company
- Saudi Post "SPL"

Previous Affiliations
- ACWA Power Company
- Saudi Arabia Credit Suisse Bank

Mr. Saleh A. Al-Debasi

Academic Credentials
- Master's degree in General Management from the University of Pittsburgh, USA
- Bachelor's degree in Scientific Management

Current Positions
- Deputy Chief of State Security for Financial Affairs and Support Services at the Presidency of State Security

Professional Experience & Previous Leadership Roles
- Undersecretary of the Ministry of Finance for Budget and Organization Affairs

Current Professional Affiliations
- Tatweer Educational Transportation Services Company
- Almoammar Information Systems Company – Audit Committee

Previous Affiliations
- Bahri Dry Bulk Company
- Tatweer Education Holding Company
- Marafiq Services Company
- Asma Invest (outside Saudi Arabia)

Bahri's Board of Directors continued

Mr. Saeed A. Al-Hadrami

Academic Credentials
- Bachelor's degree in Industrial Management Sciences and an MBA from King Fahd University of Petroleum and Minerals, KSA
- General Management Program at Harvard Business School, USA

Current Positions
- Chairman and member of several boards of joint-stock companies

Professional Experience & Previous Leadership Roles
- Vice President at Saudi Aramco, 1990-2021
- President of the Saudi Center for International Strategic Partnerships in Riyadh, 2016-2017

Current Professional Affiliations
- Saudi Ground Services Company
- Saudi Company for Industrial Investments

Previous Affiliations
- Saudi Aramco Total Refining and Petrochemical Co.
- Tas'helat Marketing Co.
- Petrolube Company
- Aramco Lubricants and Retail Company
- Aramco Trading Company
- Aramco Chemicals Company
- S-Oil Corporation (outside Saudi Arabia)
- Arab Petroleum Pipeline Company (outside Saudi Arabia)
- Fujian Refining and Petrochemical Company (outside Saudi Arabia)
- PREFCHEM Refining and Chemicals – Malaysia (outside Saudi Arabia)
- Motiva – USA (outside Saudi Arabia)
- Aramco Overseas Company – Netherlands (outside Saudi Arabia)
- Motor Oil Hellas – Greece (outside Saudi Arabia)

Mr. Jesper Kjaedegaard

Academic Credentials
- Bachelor's degree from the University of Copenhagen
- Academy Profession Degree in Maritime
- HBS-AMP degree from Harvard Business School, USA

Current Positions
- Chairman and member of several boards of joint-stock companies

Professional Experience & Previous Leadership Roles
- CEO of The Maersk Company
- CEO of Maersk Line
- President of the UK Chamber of Shipping and subsequently Chairman of Maritime UK

Current Professional Affiliations
- Red Sea Gateway Terminal
- Folk Maritime Services Company
- Marcura Company (outside Saudi Arabia)
- APMT Bahrain Company (outside Saudi Arabia)

Previous Affiliations
- Marine Services Company (outside Saudi Arabia)
- Zeneta International Company (outside Saudi Arabia)

Board of Directors' Meetings and Attendance

The Company's Board of Directors held six meetings during 2024. The following are the Board meetings and members' attendance records:

#	Name	18-Mar	25-Mar	11-Jun	8-Sep	4-Dec	5-Dec	Total
1	Mr. Mohammed A. Al-Sarhan - Chairman	✓	✓	✓	✓	✓	✓	6
2	Mr. Fahad A. Al-Saif - Vice Chairman	✓	✓	✓	✓	✗	✗	4
3	Dr. Abdulmalik A. Al-Hogail	✓	✓	✓	✓	✓	✓	6
4	Eng. Ahmed A. Al-Subaey	✓	✓	✓	✓	✓	✓	6
5	Eng. Ahmed M. Al-Khunaini	✓	✓	✓	✓	✓	✓	6
6	Eng. Mohammed K. Al-Mulhim	✓	✓	✓	✓	✓	✓	6
7	Mr. Raid A. Ismail	✓	✗	✓	✓	✓	✓	5
8	Mr. Saleh A. Al-Debasi	✓	✓	✓	✓	✓	✓	6
9	Mr. Saeed A. Al-Hadrami	✓	✓	✓	✓	✓	✓	6
10	Mr. Jesper Kjaedegaard	✓	✓	✓	✓	✓	✓	6

Board and Committees Assessment

An independent external entity has been engaged to evaluate the performance of the Board and its members. This assessment involved attending Board meetings, holding individual interviews with each member, analyzing collected data, and submitting a report on the effectiveness and performance of the Board and its members. The assessment also included interacting with the Board alongside Executive management, and identifying strengths as well as opportunities that could contribute towards enhancing the effectiveness of the Board's performance.

Board Committees

Audit Committee

Composition
The Audit Committee consists of four members appointed by the Board of Directors in a resolution dated 03/07/1444 AH (corresponding to 25 January 2023).

Duties and Responsibilities
- Examines and expresses opinions and recommendations on the interim and consolidated Annual Financial Statements of the Group. Additionally, the Committee studies reports provided by the external auditor and ensures measures taken to address such reports are implemented.
- Ensures the efficiency of internal control systems and applicable policies and procedures, as well as the tasks, work, and reports of the Internal Audit Department. It also ensures the implementation of measures taken to address the recommendations of such reports in order to achieve the Company's objectives and protect shareholders' interests.
- Reviews regulatory authorities' reports and measures taken by the Executive management to address them.
- Makes recommendations to the Board of Directors on the appointment of an external auditor, defines their remuneration, assesses their performance, verifies their independence, and reviews the scope of work and contractual terms.
- Monitors the work and activities of Executives and managers responsible for risk management.

Meetings Attendance
The Audit Committee convened five meetings during 2024 as shown in the following table:

#	Name	30-Jan	13-Mar	2-May	25-Jul	30-Oct	Total
1	Dr. Abdulmalik A. Al-Hogail - Chairman	✓	✓	✓	✓	✓	5
2	Eng. Mohammed K. Al-Mulhim	✓	✓	✓	✓	✓	5
3	Mr. Saleh A. Al-Debasi	✓	✓	✓	✓	✓	5
4	Mr. Mohammed I. Al-Arifi	✓	✓	✓	✓	✓	5

External Audit Committee Member

Mr. Mohammed I. Al - Arifi

Academic Credentials
- Bachelor's in Accounting from King Saud University, KSA

Current Positions
- CEO of Group Finance at Awj Holding Company

Professional Experience & Previous Leadership Roles
- Chief Financial Officer of Mohammed Ibrahim Alsubeaei & Sons Investment Co., August 2014 - December 2016
- Chief Financial Officer at Elm Company, August 2004 - August 2014
- Chief Auditor at Ernst & Young, July 2002 - July 2004
- Senior Auditor at Arthur Andersen, January 1998 - June 2002

Nomination and Remuneration Committee

Composition
The Nomination and Remuneration Committee consists of four members appointed by the Board of Directors in a resolution dated 03/07/1444 AH (corresponding to 25 January 2023).

Duties and Responsibilities
- Ensures that the Board is composed of individuals capable of undertaking their responsibilities in line with the law and highest governance standards.
- Ensures the implementation of appropriate measures that evaluate the remuneration granted to Board members and senior Executives.
- Develops and obtains approval from the Board of Directors on a clear policy on the remuneration of Board members, Committee members, and Executive management members.
- Conducts periodic reviews of the remuneration policy and evaluates its efficiency.
- Defines key performance indicators (KPIs) for all Board and Committee members and conducts annual performance appraisals against such KPIs.
- Controls and monitors the selection process for senior Executives.
- Ensures there is an active succession plan and that this is periodically updated.
- Develops a set of governance standards that define the main responsibilities of the Board and its Committees, in addition to reviewing human resources-related duties, policies, and programs, as well as formulating relevant recommendations to the Board and implementing these.
- Ensures compliance with corporate governance guidelines and regulations issued by regulatory and supervisory bodies and authorities.

Meetings Attendance
The Nomination and Remuneration Committee convened five meetings during 2024 as shown in the following table:

#	Name	29-Jan	17-Mar	5-Jun	7-Sep	19-Nov	Total
1	Mr. Jesper Kjaedegaard - Chairman	✓	✓	✓	✓	✓	5
2	Mr. Mohammed A. Al-Sarhan	✓	✓	✓	✓	✓	5
3	Mr. Saleh A. Al-Debasi	✓	✓	✓	✓	✓	5
4	Mr. Raid A. Ismail	✗	✓	✓	✓	✓	4

Board Committees continued

Executive Committee

Composition

The Executive Committee consists of five members who were appointed by the Board of Directors in a resolution dated 03/07/1444 AH (corresponding to 25 January 2023).

Duties and Responsibilities

- Works with the Executive management to develop the Company's investment strategy and policy in line with the nature of its work, the activities it practices, and the risks it is exposed to, and formulates relevant recommendations to obtain relevant Board approvals.
- Periodically reviews the investment strategy and policy to ensure its alignment with the changes that may occur to the environment in which the Company is operating, the regulations governing its business, or its strategic objectives.
- Ensures compliance with the provisions of the Company's Articles of Association, as well as all applicable laws, rules, and regulations with regards to all investment activities of the Company.
- Applies due diligence and conducts appropriate feasibility studies for investment opportunities to make effective and wise investment decisions.
- Approves investment and reinvestment of Company's capital within the defined limits in line with the authority matrix applicable in the Company.
- Defines the standards for selecting investment managers/advisors, periodically reviews their performance, and approves the ending of their service.
- Generally oversees investment activities of the Company, and develops appropriate measures to evaluate and assess investment performance to ensure compliance with investment policies and guidelines and achieve sought objectives.
- Monitors the Company's investments by reviewing the periodic reports of the Executive management.
- Evaluates investment performance based on comparing actual returns against the Company's investment return targets.
- Studies and evaluates the investment opportunities proposed by the Executive management.

Meetings Attendance

The Executive Committee convened three meetings during 2024 as shown in the following table:

#	Name	10-Feb	29-Jul	16-Oct	Total
1	Mr. Mohammed A. Al-Sarhan - Chairman	✓	✓	✓	3
2	Mr. Fahad A. Al-Saif	✓	✗	✓	2
3	Eng. Ahmed A. Al-Subaey	✓	✓	✓	3
4	Mr. Saeed A. Al-Hadrami	✓	✓	✓	3
5	Mr. Raid A. Ismail	✗	✓	✓	2

Executive Management

Eng. Ahmed A. Al-Subaey
Chief Executive Officer & Board member

Academic Credentials

- Bachelor's and Master's degrees in Electrical Engineering from the Northern Arizona University, USA
- Executive MBA from Stanford University, USA

Professional Experience & Previous Leadership Roles

- Vice President of Marketing, Sales and Supply Planning at Saudi Aramco
- President of Saudi Petroleum Overseas Ltd. in Tokyo
- President and Chief Executive of Saudi Petroleum International Inc. in New York
- CEO and Representative Director of S-Oil Corporation in South Korea

Mr. Basil A. Abulhamayel
Chief Financial Officer

Academic Credentials

- MBA from the Massachusetts Institute of Technology, USA
- Bachelor's degree in Economics from the University of Texas at Austin, USA

Professional Experience & Previous Leadership Roles

- General Manager of New Business Development at Saudi Aramco
- President and CEO of Aramco Services Company, USA
- Board member of Saudi Refining Inc., Motiva Enterprises, Saudi Petroleum International Inc., Saudi Aramco Energy Ventures US LLC
- Executive Head of Treasury at Saudi Aramco
- Vice President of Corporate Planning at Petron Corporation

Mr. Hisham N. Al-Nughaimish
President, Bahri Oil

Academic Credentials

- Bachelor's degree in Computer Science from the University of Nebraska, Omaha, USA

Professional Experience & Previous Leadership Roles

- Senior Vice President at Bahri Oil
- Vice President of Commercial and Operations at Bahri Oil (Seconded by Saudi Aramco)
- Chartering Director at Bahri Oil (Seconded by Saudi Aramco)
- Chartering and Operations Manager at Saudi Petroleum Overseas Limited – London
- Head of Contracting at Vela International Marine Limited – Dubai
- Contract Specialist at Vela International Marine Limited – Dhahran
- System Analyst at Saudi Aramco – Dhahran

Executive Management continued

Mr. Faisal S. Al-Husseini
President, Bahri Chemicals

Academic Credentials
- Executive MBA from Hult & Ashridge Business School, UK
- Bachelor's degree in Finance from Albright College, Pennsylvania, USA

Professional Experience & Previous Leadership Roles
- Vice President of Commercials and Operations at Bahri Chemicals
- Director of Chartering at National Chemicals Company
- Shipbroker at Braemar Seascope – Singapore
- Shipbroker at ICAP – UK
- Manager at Saudi Petroleum Overseas Limited – UK

Eng. Mohammed A. Bin Battal
President, Bahri Dry Bulk

Academic Credentials
- Bachelor's degree in Chemical Engineering from King Saud University, KSA
- Attended several Executive leadership programs at London Business School, Cranfield School of Management and Babson College

Professional Experience & Previous Leadership Roles
- Business Digitalization Director at Saudi Basic Industries Corporation
- Global Supply Chain Director at Saudi Basic Industries Corporation
- Polymers Sales Senior Manager at SABIC Americas, Inc.
- Marketing Specialist at Saudi Basic Industries Corporation

Eng. Soror Basalom
President, Bahri Integrated Logistics

Academic Credentials
- Bachelor's degree in Industrial Systems Engineering from King Fahad University of Petroleum and Minerals, KSA.

Professional Experience & Previous Leadership Roles
- Chief Commercial Officer for Matara
- Managing Director of Transport and Logistics for the Ministry of Investment
- Executive Director of Business Development for Saudi Airlines Cargo, Ground Handling
- Western Province Operations Manager at Yusuf Bin Ahmed Kanoo – Logistics Division
- Founder of JAMED Logistics
- General Manager at Bahakim Group
- Country Import/Export Leader & Systems Champion in Schlumberger

Eng. Khalid Y. Al-Hammad
President, Bahri Ship Management

Academic Credentials
- Bachelor's degree in Electrical and Electronics Engineering from Oregon State University, USA.
- Saudi Aramco Leadership Program

Professional Experience & Previous Leadership Roles
- Vice President of Bahri Ship Management
- Fleet Manager at Vela International Marine
- Tanker Construction Manager at Vela International Marine

Mr. Mohit Sibal
President, Bahri Marine Services

Academic Credentials
- Master of Science (Honors) in Chemistry from BITS Pilani, India
- Bachelor of Engineering (Honors) in Chemical Engineering from BITS Pilani, India

Professional Experience & Previous Leadership Roles
- Senior Vice President and Head of Business Development for Middle East & Africa at Wabag Group
- Vice President and International Business Head of Water at Shapoorji Pallonji Group
- Vice President, Middle East & India at GS Inima (GS E&C)
- Business Development Director, Middle East & Australia with Cadagua (Ferrovial Group)

Mr. Hisham H. Al-Khaldi
Chief Support Officer

Academic Credentials
- Bachelor's in Business Administration
- Level Five Certificate in Leadership from the British Institute of Leadership and Management (ILM)
- CIPD LEVEL 7 – Chartered Fellow, for HR professional and people development

Professional Experience & Previous Leadership Roles
- Director of Human Resources for Alshaya International Trading Company

Executive Management continued

Mr. Abdulaziz M. Al-Babtain
Chief Internal Auditor

Academic Credentials
- Master's degree in Finance from the University of Portsmouth, UK
- Bachelor's degree in Accounting from King Saud University, KSA

Professional Experience & Previous Leadership Roles
- Audit Manager at the Saudi Hollandi Bank
- Audit Manager at Al Rajhi Bank
- Senior Auditor at KPMG Saudi Arabia

Mr. Taher A. Al-Dabbagh
Acting Chief Integrated Planning Officer

Academic Credentials
- Executive MBA from Hult International Business School
- Bachelor's degree (Honors) in Management Information Systems from King Fahd University of Petroleum and Minerals, KSA

Professional Experience & Previous Leadership Roles
- Senior Vice President of Operations Services at International Maritime Industries
- Senior Vice President of Business Support at International Maritime Industries
- Chief Human Resources and Corporate Affairs Officer at Landmark Group Arabia
- Chief Consumer Sales Officer at Mobily
- Public Sector Manager at Microsoft Arabia

Mr. Abdullah A. Al-Mosa
General Legal Counsel and Board Secretary

Academic Credentials
- Master's degree in International Law from the Southern Methodist University, USA
- Bachelor's degree in Sharia from Al-Imam Mohammad Ibn Saud Islamic University, KSA

Professional Experience & Previous Leadership Roles
- Legal Adviser at Al-Jadaan & Partners Law Firm
- Legal Adviser at BNP Paribas
- Legal Adviser at Clifford Chance Company

Compensation and Remuneration

Board, Committee Members' and Executive Management Remuneration Policy

The charter of the Nomination and Remuneration Committee has been disclosed in the announcement published on 5 December 2023 on the website of the Saudi Stock Exchange (Tadawul) inviting shareholders to attend the Company's second Ordinary General Assembly.

On 26 December 2023, the General Assembly of Shareholders approved the charter, which stated that the Nomination and Remuneration Committee should prepare a clear policy on the compensation and bonuses of Board members, Committees, and Executive management.

Additionally, the same policy should be presented to the Board of Directors to obtain final approval without prejudice to the provisions of the Companies Law and Corporate Governance Regulations.

The Board approved the Compensation and Bonuses Policy on 2 November 2023.

Board Members' Remuneration

The following table shows remuneration of the members of the Board of Directors for the year 2024 (⃁):

Member Name	Fixed Remunerations							Variable Remunerations						End-of-service award	Aggregate amount	Expenses allowance
	Specific amount	Allowance for attending Board meeting	Total allowance for attending Committee meetings	In-kind benefits	Remunerations for technical, managerial and consultative work	Remunerations of the Chairman, Managing Director or Secretary, if a member	Total	Percentage of the profits	Periodic remunerations	Short-term incentive plans	Long-term incentive plans	Granted shares (the value)	Total			
First: Independent Directors																
Mr. Fahad A. Al-Saif	250,000	18,000	6,000	-	-	-	274,000	-	-	-	-	-	-	-	274,000	-
Dr. Abdulmalik A. Al-Hogail	500,000	33,000	30,000	-	-	-	563,000	-	-	-	-	-	-	-	563,000	-
Eng. Ahmed M. Al-Khunaini	500,000	27,000	-	-	-	-	527,000	-	-	-	-	-	-	-	527,000	-
Eng. Mohammed K. Al-Mulhim	500,000	30,000	15,000	-	-	-	545,000	-	-	-	-	-	-	-	545,000	-
Mr. Raid A. Ismail	500,000	24,000	21,000	-	-	-	545,000	-	-	-	-	-	-	-	545,000	-
Mr. Jesper Kjaedegaard	500,000	33,000	21,000	-	-	-	554,000	-	-	-	-	-	-	-	554,000	-
Mr. Saeed A. Al-Hadrami	500,000	33,000	9,000	-	-	-	542,000	-	-	-	-	-	-	-	542,000	-
Total	3,250,000	198,000	102,000	-	-	-	3,550,000	-	-	-	-	-	-	-	3,550,000	-
Second: Non-Executive Directors																
Mr. Mohammed A. Al-Sarhan	600,000	36,000	36,000	-	-	-	672,000	-	-	-	-	-	-	-	672,000	-
Mr. Saleh A. Al-Debasi	500,000	33,000	48,000	-	-	-	581,000	-	-	-	-	-	-	-	581,000	-
Total	1,100,000	69,000	84,000	-	-	-	1,253,000	-	-	-	-	-	-	-	1,253,000	-
Third: Executive Director																
Eng. Ahmed A. Al-Subaey	500,000	36,000	15,000	-	-	-	551,000	-	-	-	-	-	-	-	551,000	-
Total	500,000	36,000	15,000	-	-	-	551,000	-	-	-	-	-	-	-	551,000	-
Grand Total	4,850,000	303,000	201,000	-	-	-	5,354,000	-	-	-	-	-	-	-	5,354,000	-

The Board members' total remuneration and compensation were calculated based on the Board, Committee Members', and Executive Management Remuneration Policy, and there were no material deviations from that policy.

The total remuneration for the members of the Board of Directors in 2023 amounted to ⃁ 8,129,000.

Compensation and Remuneration continued

Committee Members' Remuneration

The following table shows remuneration of Committee members for the year 2024 (⃁):

Member Name	Fixed Remuneration (Except for the allowance for attending Board meetings)	Allowance for Attending Board Meetings	Total
Audit Committee Members			
Dr. Abdulmalik A. Al-Hogail	250,000	30,000	280,000
Eng. Mohammed K. Al-Mulhim	200,000	15,000	215,000
Mr. Saleh A. Al-Debasi	200,000	24,000	224,000
Mr. Mohammed I. Al-Arifi	200,000	30,000	230,000
Total	850,000	99,000	949,000
Nomination and Remuneration Committee Members			
Mr. Jesper Kjaedegaard	250,000	21,000	271,000
Mr. Mohammed A. Al-Sarhan	200,000	27,000	227,000
Mr. Saleh A. Al-Debasi	200,000	24,000	224,000
Mr. Raid A. Ismail	200,000	15,000	215,000
Total	850,000	87,000	937,000
Executive Committee Members			
Mr. Mohammed A. Al-Sarhan	250,000	9,000	259,000
Mr. Fahad A. Al-Saif	100,000	6,000	106,000
Eng. Ahmed A. Al-Subaey	50,000	15,000	65,000
Mr. Raid A. Ismail	100,000	6,000	106,000
Mr. Saeed A. Al-Hadrami	200,000	9,000	209,000
Total	700,000	45,000	745,000

The Committees members' remuneration and compensation was calculated based on the Board, Committee Members', and Executive Management Remuneration Policy, and there are no material deviations from that policy.

Remunerations of Senior Executives

The following table shows remunerations of the top Five Senior Executives, including the CEO and CFO for the year 2024 (⃁):

Fixed Remunerations	Salaries	8,296,132
	Allowances	3,557,046
	In-kind benefits	-
	Total	11,853,179
Variable Remunerations	Periodic remunerations	8,210,536
	Profits	-
	Short-term incentive plans	-
	Long-term incentive plans	1,137,437
	Granted shares (the value)	-
	Total	9,347,973
End of Service Award		1,721,208
Total Remunerations for Board Executives (if any)		551,000
Aggregate Amount		23,473,360

The Senior Executives' remuneration was calculated based on the Board, Committee Members', and Executive Management Remuneration Policy, and there are no material deviations from that policy.

Board of Directors and Executive Management Ownership Interests

Board of Directors

The following table shows the ownership balances of the members of the Board of Directors in Bahri's capital at the beginning and end of 2024 (in number of shares):

#	Name	Year-Begin Balance	Year-End Balance	Net Change	Change %
1	Mr. Mohammed A. Al-Sarhan	751,875	751,875	-	-
2	Mr. Fahad A. Al-Saif	-	-	-	-
3	Dr. Abdulmalik A. Al-Hogail	337,500	337,500	-	-
4	Eng. Ahmed A. Al-Subaey	-	-	-	-
5	Eng. Ahmed M. Al-Khunaini	56,250	56,250	-	-
6	Eng. Mohammed K. Al-Mulhim	-	-	-	-
7	Mr. Raid A. Ismail	-	-	-	-
8	Mr. Saleh A. Al-Debasi	20,437	20,437	-	-
9	Mr. Saeed A. Al-Hadrami	-	-	-	-
10	Mr. Jesper Kjaedegaard	-	-	-	-

Ownership of the Board members and their relatives (husband, wife, and minor children). There are no rights or debt instruments issued by the Company or any of its subsidiaries.

Executive Management

The following table shows the ownership balances of the Executive Management members in Bahri's capital at the beginning and end of 2024 (in number of shares):

#	Name	Year-Begin Balance	Year-End Balance	Net Change	Change %
1	Eng. Ahmed A. Al-Subaey	-	-	-	-
2	Mr. Basil A. Abulhamayel	-	-	-	-
3	Mr. Hisham N. Al-Nughaimish	-	-	-	-
4	Mr. Faisal S. Al-Husseini	-	-	-	-
5	Eng. Mohammed A. Bin Battal	-	-	-	-
6	Eng. Soror Basalom	-	-	-	-
7	Eng. Khalid Y. Al-Hammad	-	-	-	-
8	Mr. Mohit Sibal	-	-	-	-
9	Mr. Hisham H. Al-Khaldi	-	-	-	-
10	Mr. Abdulaziz M. Al-Babtain	-	-	-	-
11	Mr. Taher A. Al-Dabbagh	3,310	-	-3,310	-100%
12	Mr. Abdullah A. Al-Mosa	-	-	-	-

Ownership of Executive management and their relatives (husband, wife, and minor children). There are no rights or debt instruments issued by the Company or any of its subsidiaries.

Dividend Policy and Distributed Dividends

Dividend Distribution Policy

Dividend distribution depends on net profit, cash flows, and future expectations for Bahri's key investments while taking into consideration the importance of maintaining a strong financial position in order to respond to any fundamental organizational, market, or economic changes, in accordance with the provisions of Article 38 and Article 39 of the Companies Law, which are stated as follows:

Article 38: Formation of Reserves

- When determining the portion of shares in net profits, the Ordinary General Assembly may decide to form reserves, to the extent that serves the interest of the Company, or provide the distribution of fixed profits - as much as possible - to shareholders. The aforementioned Assembly may also deduct amounts from the net profits to achieve social purposes for the Company's employees.
- The General Assembly shall determine the percentage that must be distributed to shareholders from the net profits after deducting reserves, if any.

Article 39: Distribution of Profits

- The Company may distribute interim dividends on a semi-annual or quarterly basis by resolution of the Board of Directors, based on a mandate from the Ordinary General Assembly, which is renewed annually in accordance with the regulatory procedures issued by the Capital Market Authority.

2024 Dividend Distribution

The table below details the dividends distributed and approved during the year 2024:

Dividends Period	Announcement Date	Eligibility Date	Distribution Date	Dividend per Share (⃁)	Ratio to Par Value (%)	Total Amount Distributed (⃁ Million)
For the financial year ended 31 December 2024	19/03/2025	At the end of Shareholders General Meeting, which will be announced later	Will be announced later	1.00	10%	738.3
For the financial year ended 31 December 2023	19/03/2024	04/06/2024	01/07/2024	0.55	5.5%	406

General Assembly Meetings

The Company convened one General Assembly meeting during the year 2024. The Ordinary General Assembly was held on 4 June 2024 through modern technology using the Tadawulaty system. The following is the attendance record of Board members:

#	Name	4-Jun
1	Mr. Mohammed A. Al-Sarhan - Chairman	✓
2	Mr. Fahad A. Al-Saif - Vice Chairman	✓
3	Dr. Abdulmalik A. Al-Hogail	✓
4	Eng. Ahmed A. Al-Subaey	✓
5	Eng. Ahmed M. Al-Khunaini	✗
6	Eng. Mohammed K. Al-Mulhim	✗
7	Mr. Raid A. Ismail	✓
8	Mr. Saleh A. Al-Debasi	✗
9	Mr. Saeed A. Al-Hadrami	✓
10	Mr. Jesper Kjaedegaard	✗

Shareholder Suggestions

The Board of Directors and Executive Management place significant importance on shareholder proposals and feedback. To facilitate effective communication, the Board of Directors has authorized the Company to implement the necessary measures to enable shareholders to communicate through the Investor Relations Department, their concerns and proposals, using various communication channels such as e-mail, direct telephone, and the Company's official website.

The Investor Relations Department continuously collects shareholder queries and questions, which it then reports to the Board of Directors. Moreover, a shareholder can communicate directly with the Board of Directors during the Company's General Assemblies, as sufficient time is scheduled during the Assembly to answer all questions.

Bahri also discloses all relevant information through the Company's website and other digital means.

Shareholder Register

During 2024, the Company requested the Shareholder Register 18 times from the Securities Depository Center (Edaa). The following are the dates of these requests and reasons for these:

No.	Request Date	Reasons for Request
1	16-Jan-2024	General Assembly Meeting
2	17-Jan-2024	Corporate Actions
3	07-Feb-2024	Corporate Actions
4	14-Feb-2024	Corporate Actions
5	29-Feb-2024	Corporate Actions
6	15-Apr-2024	Corporate Actions
7	30-Apr-2024	Corporate Actions
8	05-Jun-2024	Dividends Distribution
9	09-Jun-2024	Corporate Actions
10	11-Jul-2024	Corporate Actions
11	13-Aug-2024	Corporate Actions
12	01-Sep-2024	Corporate Actions
13	01-Sep-2024	General Assembly Meeting
14	20-Oct-2024	Corporate Actions
15	03-Nov-2024	Corporate Actions
16	02-Dec-2024	Corporate Actions
17	02-Dec-2024	Corporate Actions
18	03-Dec-2024	Corporate Actions

Company Risks

Identifying and mitigating risks that impact our business and industry are fundamental to Bahri's strategic approach and operational framework. This proactive stance enables us to build resilience while capitalizing on opportunities that may emerge from these risks.

Bahri has an Enterprise Risk Management (ERM) framework that comprehensively addresses a broad spectrum of internal and external risk sources and their potential impacts, including those relating to sustainability considerations. Our ERM is aligned with ISO 31000, the internationally recognized standard for risk management principles and processes. In addition, business continuity management (BCM) has been integrated within the ERM framework, following guidelines based on ISO 22301, the global standard for BCM systems.

In 2024, our key risk exposures, ranked by potential impact, included economic, geopolitical and security, operational and financial risks.

- Economic risks: These risks arise from potential economic downturns in the markets where Bahri operates, and volatility in supply-demand dynamics within the maritime transport sector. To mitigate such risks, we strategically balance our spot and charter arrangements to ensure revenue stability, and optimize the timing of vessel acquisitions and disposals. Additionally, Bahri's diversified business portfolio serves as a partial natural hedge against cyclical fluctuations across its various segments.
- Geopolitical and security risks: These include threats such as terrorism, armed conflicts, and piracy. Throughout 2024, we maintained a high level of vigilance, implementing robust mitigation measures to protect our seafarers and vessels. As a result of these proactive efforts, no adverse incidents affected our people or assets during the year.
- Operational risks: Risks such as marine accidents, cargo damage, personnel injuries, and unplanned vessel downtime are managed through rigorous, in-house ship management practices, comprehensive risk assessment and mitigation protocols and procedures, and extensive safety training for crew members. Additionally, Bahri maintains insurance coverage for its vessels, cargo and crew to mitigate potential financial impacts.
- Financial risks: These risks may arise as a consequence of any of the aforementioned challenges. Bahri actively manages market (currency, price and commission rate), liquidity and credit risks through continuous financial performance monitoring, and the implementation of various strategic initiatives. These risk mitigation practices are enumerated in Note 28 of the Notes to the Consolidated Financial Statements.

By adopting a structured and proactive approach to risk management, Bahri remains well-positioned to navigate uncertainties, and pursue sustainable growth opportunities in a dynamic business environment.

Bank Borrowings and Sukuk

The following table shows the balances of bank borrowings and Sukuk as of the end of 2024 (amounts are in ⃁ '000):

Company	Lender	Original Loan Amount	Loan Duration	Payments During the Year	Loans' Remaining Balance	Total Indebtedness of the Company and its Subsidiaries
Bahri	Sukuk	3,900,000	7	-	3,900,000	8,769,569
	International Banks, Local Banks & Public Investment Fund	3,728,213	10	601,204	3,136,388	
Bahri Chemical	International Banks, Local Banks & Public Investment Fund	1,230,000	10	86,100	1,100,850	
Bahri Dry Bulk	Local Banks	653,411	10	60,535	632,331	

Subsidiary Companies and Associates

The subsidiary companies whose financial information are incorporated into Bahri's consolidated financial statements are as follows:

#	Company Name	Country of Incorporation and Operation	Capital (⃁ '000)	Ownership	Activity
1	National Shipping Company of Saudi Arabia (NSCSA), USA	Based in Houston, Texas, USA, with its base of operations in the USA	3,750	100%	Company's ship agent
2	Mideast Ship Management Ltd.	Based in Dubai, UAE, and operates around the world	306.5	100%	Ship technical management
3	Bahri Logistics Company	Based in Riyadh, and operates around the world	30,000	100%	Logistics services
4	Bahri Logistics Company DWC-LLC*	Based in Riyadh, and operates around the world	306.5	100%	Logistics services
5	Bahri Logistics Company (SILZ) LLC*	Based in Riyadh, and operates around the world	-	100%	Logistics services
6	National Chemical Carriers Company Limited	Based in Riyadh, and operates around the world	610,000	80%	Petrochemicals transportation
7	Bahri Dry Bulk Company	Based in Riyadh, and operates around the world	200,000	60%	Dry-bulk transportation

* The Group holds an effective equity ownership interest of 100% in Bahri Logistics Company DWC-LLC and Bahri Logistics Company (SILZ) LLC through shareholding in Bahri Logistics Company. The legal formalities for the establishment of Bahri Logistics Company ("SILZ") LLC are currently in progress.

Subsidiary Companies and Associates continued

The equity accounted investees whose financial information are incorporated in Bahri's consolidated financial statements are as follows:

#	Company Name	Country of Incorporation and Operation	Capital	Ownership	Activity
1	Petredec Group Limited (note a)	Based in British Virgin Islands, and operates around the world	203	40.08%	LPG transportation
2	International Maritime Industries Company (note b)	Based and operates in Ras AlKhair, Kingdom of Saudi Arabia	1,590,750	19.9%	Maritime industries
3	National Grain Company (note c)	Based in Riyadh, Kingdom of Saudi Arabia, and operates around the world	135,000	50%	Packing and storage of grain

a. During October 2023, Petredec Group Limited entered into a buy back transaction with one of its shareholders and cancelled the same against its share capital. This resulted in an increase in Bahri's effective ownership percentage from 30.3% to 40.08%. During the year ended 31 December 2024, the Group completed the Purchase Price Allocation exercise. The final allocation did not result in any material adjustments to the provisional amounts previously recognized. Consequently, no retrospective adjustments have been made to the prior year's financial statements. The Group share of Petredec results for the financial period are recorded as per the latest financial statements prepared by Petredec. The difference between the latest financial statements prepared by Petredec and the Group's consolidated financial statements is two months.

b. International Maritime Industries Company (IMI) was established in the Kingdom of Saudi Arabia with a capital of ⃁ 1,107 million between the Company, Saudi Aramco, Maritime Offshore Limited (Lamprell), and Korea Shipbuilding & Offshore Engineering Company Ltd.

c. During August 2020, the Company entered into a joint venture (JV) agreement to establish the National Grain Company with United Farmers Investment Company. The JV aims to build and establish a terminal for handling grains at Yanbu Commercial Port, to meet the future needs of the Kingdom of Saudi Arabia for major crops and cereals. The legal formalities have been finalized, and the commercial register was issued on 18 Shaaban 1442H (equivalent to 31 March 2021). During the fourth quarter of 2024, the project was inaugurated, marking the commencement of commercial production.

Statutory Payments for 2024

The following table shows the statutory payments during 2024 (amounts are in ⃁ '000):

Entity	Amount
Zakat, Tax and Customs Authority (ZATCA)	140,495
General Organization for Social Insurance (GOSI)	20,768

Related Party Transactions

The Company transports the products of its affiliates across the world via agreements signed with these companies. It also deals with stakeholders while practicing its ordinary business such as the Aramco Trading Company owned by Saudi Aramco, which owns 20% of Bahri's capital, and the International Shipping and Transportation Company Ltd., a subsidiary of SABIC, which owns 20% of the National Chemical Carriers Company's capital, with Bahri owning the other 80%. It also deals with the Arabian Agricultural Services Company, which owns a 40% stake of Bahri Dry Bulk LLC's capital with Bahri owning the other 60%. The financial details are disclosed in note 27 in the Audited Financial Statements for the year ended 31 December 2024.

Also, Bahri has signed a Murabaha Financing Agreement on 16 October 2024 with Alinma Bank for a period of 10 years, where BoD member Dr. Abdulmalik Al-Hogail has an indirect interest, for the purpose of financing approximately 70% of the purchase value for acquiring nine VLCCs that was announced on Saudi Exchange website on 20 August 2024. Bahri has utilized during 2024 an amount of ⃁ 2,223,777,632 out of that agreement.

Internal Controls and Audit Committee Opinion

The Audit Committee carried out its duties during 2024 as follows:

- Examined the consolidated interim and annual financial statements and made necessary recommendations and examined the external auditor's observations and followed up to close all the observations.
- Verified the adequacy of the internal control systems of the Company, the applied policies and procedures, tasks, and reports of the Internal Audit Department. In addition, followed up on the implementation of the corrective action related to the observations in a manner that achieves the Company's objectives and protects the shareholders' interests.
- Reviewed the results of the regulator's report and verified the actions taken by the management to address them.
- Recommended to the Board of Directors the appointment of the external auditor, determined their fees and evaluated their performance, verified their independence, reviewed their scope of work and engagement terms.
- Reviewed the tasks and activities of risk management.

Having reviewed the internal control and auditing procedures within the scope of limited and planned tasks and work performed by the Internal Audit Department and after discussing the preliminary, annual, and final business results with the external auditor and Executive management, the Audit Committee can give assurances regarding the Company's internal control systems. Furthermore, no material issues have been brought to the Audit Committee's attention that need to be highlighted or are believed to be the result of material weaknesses or major flaws in the Company's internal control systems. However, any internal control system, regardless of its design and effectiveness of implementation, cannot provide absolute affirmation.

Compliance with Corporate Governance Regulations

Having reviewed Saudi Arabia's Corporate Governance Regulations issued by the Capital Market Authority, Bahri approved the governance rules and standards in the application of its requirements. To demonstrate compliance by the Company with the said regulations, Bahri shall implement all provisions set forth in the same except the following:

Article/ Paragraph No.	Article/Paragraph Text	Reason for Non-Implementation
Article 87 - Clause 19	Geographical analysis of the Company's and its affiliates' revenues	There is no geographical analysis due to the nature of the Company's and its affiliates' works. The Company's vessels operate in the high seas and transport shipments across a large number of local and global ports, which prevents linking revenues to one specific region.
Article 87 - Clause 19	The Company shall disclose the remuneration of 5 senior Executives in detail pursuant to the appended schedule to the Corporate Governance Regulations	The Company has disclosed the components of the senior Executives' remuneration collectively in accordance with the statutory requirements outlined in subparagraph B of paragraph 4 of Article 90 of the Corporate Governance Regulations for the purpose of mitigating the risks related to human capital competitiveness.
Article 90 – Clause A - 4 – B		
Article 67	Composition of the Risk Management Committee	These articles are guidelines. The Company's management constantly reviews its risk management policies to ensure implementation of approved policies and programs and prevent risks that the Company may face. Additionally, the Audit Committee ensures risk management operations and applicable systems work efficiently across all levels of the Company.
Article 68	Competencies of the Risk Management Committee	
Article 69	Meetings of the Risk Management Committee	
Article 80	Regulating the relationship with stakeholders	This article is a guideline. There is no written policy. However, Bahri's Articles of Association and the policies and regulations approved by the General Assembly, the Board, and relevant laws and regulations guarantee the protection of the rights of all stakeholders.
Article 82	Employee incentives	This article is a guideline. The Company has, as part of its policies, numerous employee engagement initiatives, and performance development and incentive programs.
Article 84	Social responsibility	These articles are guidelines. Bahri works constantly towards involvement in different social activities aimed at developing the social and economic situation of the communities where it operates.
Article 85	Social initiatives	
Article 92	Formation of a Corporate Governance Committee	This article is a guideline. The Company complies with, develops, monitors the implementation of, verifies the effectiveness, and amends when necessary, its corporate governance rules.

Board Declarations

The Bord of Directors of Bahri declares that:

- Proper books of accounts have been maintained.
- The system of internal control is sound in design and has been effectively implemented.
- There are no significant doubts concerning the Company's ability to continue its activities.
- The Company has not been subject to any sanctions or penalties of any supervisory, regulatory, or judicial entity during 2024.
- The Company has a dedicated Internal Audit Department.
- There has been no conflict between the recommendations of the Audit Committee and the Board resolutions concerning the appointment, dismissal, remuneration, and evaluation of the performance of the Company's auditor or the appointment of the internal auditor.
- Bahri prepares its financial statements in compliance with the International Financial Reporting Standards (IFRS), which contain nothing different from the standards adopted by the Saudi Organization for Certified Public Accountants (SOCPA).
- There were no private interests with regards to the class of shares carrying voting rights.
- The Company has not issued or granted any transferable debt instruments, contractual securities, memoranda on subscription rights, or any similar rights during the fiscal year.
- The Company has not issued or granted any transfer or subscription rights by virtue of any transferable debt instruments, contractual securities, memoranda on subscription rights, or any similar rights.
- There has been no redemption, purchase, or cancellation of any redeemable debt instruments by the Company.
- There has been no arrangement or agreement pursuant to which a Board member or senior Executive waived their right to receive any bonuses.
- There has been no arrangement or agreement under which a shareholder of the Company has waived any of their rights to dividends.
- No investments or reserves were created for the Company's employees.
- The auditor's report contained no reservations related to the annual financial statements.
- The Board of Directors issued no recommendations as to changing the auditor prior to the expiry of the period for which the same is assigned.
- There were no treasury shares kept by the Company.

Board of Directors
The National Shipping Company of Saudi Arabia "Bahri"

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INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF THE NATIONAL SHIPPING COMPANY OF SAUDI ARABIA
(A SAUDI JOINT STOCK COMPANY)

Report on the Audit of the Consolidated Financial Statements

Opinion
We have audited the consolidated financial statements of The National Shipping Company of Saudi Arabia (the "Company"), and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants.

Basis for Opinion
We conducted our audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) that is endorsed in the Kingdom of Saudi Arabia that is relevant to our audit of the consolidated financial statements, and we have fulfilled our other ethical responsibilities in accordance with that Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming auditor's opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF THE NATIONAL SHIPPING COMPANY OF SAUDI ARABIA
(A SAUDI JOINT STOCK COMPANY) (Continued)

Key Audit Matters (Continued)

Key audit matter	How our audit addressed the key audit matter
Revenue recognition During the year the Group has recognized revenue primarily from voyage charter, time charter and freight forwarding amounting to SR 9.5 billion (2023: SR 8.8 billion). We considered revenue recognition as a key audit matter considering the materiality of the amounts involved, volume of transactions, and the inherent risk due to the time-based measure used by the Group that the revenue for unfinished voyages is not accurately recognized in respect of the cut-off reporting date, which could significantly impact the consolidated financial statements. *Refer to note 4 for the accounting policy relating to revenue recognition, notes 21 and 27 for the related disclosures.*	Our audit procedures included, among others, the following: • Obtained an understanding of the process used by the management in recognizing various revenue flows; • Evaluated the Group's accounting policy, relating to revenue recognition for compliance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia; • Assessed the design, implementation and tested the operating effectiveness of key IT control implemented by the Group relating to revenue, with the involvement of our IT specialist; • Performed cut-off testing procedures on a sample basis, to assess whether revenue is recognized in proper accounting period; • Tested on sample basis, the amounts recorded for different streams of revenue considering the relevant documentation and agreement with the customers; • Performed analytical procedures for different streams of revenue by comparing expectations of revenue with the actual results and analysed the variance; • Performed recalculation of the revenue recorded for the voyage in transit to evaluate whether revenue was recognized in the proper accounting period; and • Assessed the adequacy of the relevant disclosures in the consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF THE NATIONAL SHIPPING COMPANY OF SAUDI ARABIA
(A SAUDI JOINT STOCK COMPANY) (Continued)

Other matter
The consolidated financial statements of the Group for the year ended 31 December 2023 were audited by another auditor who expressed unmodified opinion on those consolidated financial statements on 11 Ramadhan 1445H (corresponding to 21 March 2024).

Other information included in The Group's 2024 Annual Report
Other information consists of the information included in the Group's 2024 annual report, other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information in its annual report. The Group's 2024 annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated 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 consolidated 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 consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants and the applicable provisions of the Regulations for Companies and Company's By-laws, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance i.e, the Audit Committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia 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 consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF THE NATIONAL SHIPPING COMPANY OF SAUDI ARABIA
(A SAUDI JOINT STOCK COMPANY) (Continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

As part of an audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 Group'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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF THE NATIONAL SHIPPING COMPANY OF SAUDI ARABIA (A SAUDI JOINT STOCK COMPANY) (Continued)

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

for Ernst & Young Professional Services

Waleed G. Tawfiq
Certified Public Accountant
License No. (437)

Riyadh: 26 Ramadhan 1446
26 March 2025

THE NATIONAL SHIPPING COMPANY OF SAUDI ARABIA (A Saudi Joint Stock Company)

Consolidated Statement of Financial Position

As at 31 December 2024
(In thousands of Saudi Riyals)

	Note	2024	2023
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	6	16,616,175	14,009,488
Projects under construction	7	2,291,663	905,035
Right of use assets	18	948,623	661,384
Intangible assets	8	283,205	324,537
Equity accounted investees	9	2,175,143	1,833,985
Other non-current financial assets	10	49,346	74,958
TOTAL NON-CURRENT ASSETS		**22,364,155**	**17,809,387**
CURRENT ASSETS			
Inventories	11	468,063	498,376
Trade receivables and contract assets	12	1,273,381	1,298,001
Prepayments and other current asset	13	681,834	587,364
Cash and cash equivalents	14	1,821,500	2,913,117
TOTAL CURRENT ASSETS		**4,244,778**	**5,296,858**
TOTAL ASSETS		**26,608,933**	**23,106,245**
EQUITY AND LIABILITIES			
EQUITY			
Share capital	15	7,382,812	7,382,812
Share premium		1,489,103	1,489,103
Other reserves		37,793	14,493
Retained earnings		4,715,506	2,952,169
Equity attributable to equity holders of the Parent Company		**13,625,214**	**11,838,577**
Non-controlling interests	31	960,008	803,659
TOTAL EQUITY		**14,585,222**	**12,642,236**
LIABILITIES			
NON-CURRENT LIABILITIES			
Loans and borrowings	16	8,288,484	7,060,164
Employees' end of service benefits	17	131,579	100,325
Lease liabilities	18	540,215	498,840
Derivative financial instruments		2,943	4,168
TOTAL NON-CURRENT LIABILITIES		**8,963,221**	**7,663,497**
CURRENT LIABILITIES			
Loans and borrowings	16	459,585	609,117
Lease liabilities	18	436,317	188,028
Trade and other payables	19	1,938,914	1,752,378
Provision for Zakat and income tax	20	225,674	250,989
TOTAL CURRENT LIABILITIES		**3,060,490**	**2,800,512**
TOTAL LIABILITIES		**12,023,711**	**10,464,009**
TOTAL EQUITY AND LIABILITIES		**26,608,933**	**23,106,245**

The accompanying notes 1 to 33 form an integral part of these consolidated financial statements.

THE NATIONAL SHIPPING COMPANY OF SAUDI ARABIA (A Saudi Joint Stock Company)

Consolidated Statement of Profit or Loss

For the year ended 31 December 2024

(In thousands of Saudi Riyals)

	Note	2024	2023
Revenue	21	**9,482,387**	**8,777,500**
Operating costs	22	(7,119,252)	(6,861,726)
Gross profit before bunker subsidy		2,363,135	1,915,774
Bunker subsidy		337,222	157,352
Gross profit		**2,700,357**	**2,073,126**
General and administrative expenses	23	(321,167)	(241,175)
Provision on trade receivables and contract assets	12	(20,390)	(2,564)
Other income	24	245,191	340,323
Operating profit		**2,603,991**	**2,169,710**
Finance cost	25	(621,649)	(621,648)
Finance income	14	86,076	79,618
Share of results of equity accounted investees	9	432,563	266,168
Profit before Zakat and income tax		**2,500,981**	**1,893,848**
Zakat and income tax	20	(115,180)	(100,836)
Profit for the year		**2,385,801**	**1,793,012**
Profit for the year attributable to:			
Equity holders of the Parent Company		2,169,392	1,613,428
Non-controlling interests	31	216,409	179,584
		2,385,801	**1,793,012**
Earnings per share:			
Basic & diluted	26	2.94	2.19

The accompanying notes 1 to 33 form an integral part of these consolidated financial statements.

THE NATIONAL SHIPPING COMPANY OF SAUDI ARABIA (A Saudi Joint Stock Company)

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2024

(In thousands of Saudi Riyals)

	Note	2024	2023
Profit for the year		**2,385,801**	**1,793,012**
Items that will not be subsequently reclassified to profit or loss			
Change in fair value of investment through OCI		11,644	-
Items that are or may be reclassified subsequently to profit or loss			
Equity accounted investees-share of OCI	9	11,079	(12,333)
Re-measurement gain / (loss) of employees' end of service benefits	17	517	(7,698)
Total comprehensive income for the year		**2,409,041**	**1,772,981**
Total comprehensive income attributable to:			
Equity holders of the Parent Company		2,192,692	1,593,518
Non-controlling interests		216,349	179,463
Total comprehensive income for the year		**2,409,041**	**1,772,981**

The accompanying notes 1 to 33 form an integral part of these consolidated financial statements.

THE NATIONAL SHIPPING COMPANY OF SAUDI ARABIA (A Saudi Joint Stock Company)

Consolidated Statement of Cash Flows

For the year ended 31 December 2024

(In thousands of Saudi Riyals)

	Note	2024	2023
OPERATING ACTIVITIES			
Profit for the year before zakat and income tax		**2,500,981**	**1,893,848**
Adjustments for non-cash items:			
Depreciation of property and equipment	6	1,167,756	1,151,064
Depreciation of right-of-use assets	18	452,163	198,783
Amortization of intangible assets	8	50,527	55,805
Provision on trade receivables and contract assets	12	20,390	2,564
Finance cost	25	621,649	621,648
Finance income	14	(86,076)	(79,618)
Share of results of equity accounted investees	9	(432,563)	(266,168)
Gain on disposal of property and equipment	24	(215,924)	(214,084)
Employees' end of service benefits	17	37,710	16,056
		4,116,613	**3,379,898**
Changes in operating assets and liabilities:			
Inventories		30,313	12,822
Trade receivables and contract assets		4,230	768,460
Prepayments and other current assets		(81,156)	(111,730)
Trade and other payables		59,407	207,125
Cash from operating activities		**4,129,407**	**4,256,575**
Finance cost paid		(577,450)	(587,978)
Zakat and income tax paid	20	(140,495)	(105,293)
Employees' end of service benefits paid	17	(5,939)	(2,744)
Net cash flows generated from operating activities		**3,405,523**	**3,560,560**
INVESTING ACTIVITIES			
Additions of property and equipment	6	(245,972)	(253,138)
Additions of projects under construction	7	(5,223,356)	(1,387,637)
Additions of intangible assets	8	(9,195)	(6,445)
Proceeds from disposal of property and equipment		524,181	685,205
Investment in equity accounted investee	9	-	(90,260)
Dividends from equity accounted investee	9	225,450	85,227
Proceeds from finance income		84,343	82,359
Other non-current financial assets		1,536	2,247
Net cash flows used in investing activities		**(4,643,013)**	**(882,442)**
FINANCING ACTIVITIES			
Proceeds from loans and borrowings	16	2,526,873	886,800
Repayment of loans and borrowings	16	(1,459,666)	(2,755,014)
Dividends paid	30	(406,055)	(246,095)
Payment of lease liabilities		(455,279)	(180,050)
Dividends paid to non-controlling interests by subsidiary		(60,000)	-
Net cash flows generated from/ (used in) financing activities		**145,873**	**(2,294,359)**
Net (decrease)/ increase in cash and cash equivalents		**(1,091,617)**	**383,759**
Cash and cash equivalents at beginning of the year		2,913,117	2,529,358
Cash and cash equivalents at end of the year	14	**1,821,500**	**2,913,117**
Details of other non-cash transactions:			
Projects under construction transferred to property and equipment	6&7	3,836,728	1,418,114
Additions to right-of-use assets	18	739,402	439,755

The accompanying notes 1 to 33 form an integral part of these consolidated financial statements.

THE NATIONAL SHIPPING COMPANY OF SAUDI ARABIA (A Saudi Joint Stock Company)

Consolidated Statement of Changes in Equity

For the year ended 31 December 2024

(In thousands of Saudi Riyals)

	Attributable to equity holders of the Parent Company							
	Share capital	Statutory reserve	Share premium	Other reserves	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 1 January 2023	**4,921,875**	**351,750**	**1,489,103**	**34,403**	**3,694,023**	**10,491,154**	**624,196**	**11,115,350**
Profit for the year	**-**	**-**	**-**	**-**	**1,613,428**	**1,613,428**	**179,584**	**1,793,012**
Other comprehensive loss	-	-	-	(19,910)	-	(19,910)	(121)	(20,031)
Total comprehensive income for the year	**-**	**-**	**-**	**(19,910)**	**1,613,428**	**1,593,518**	**179,463**	**1,772,981**
Transferred to share capital	2,460,937	(351,750)	-	-	(2,109,187)		-	-
Dividends (note 30)	-	-	-	-	(246,095)	(246,095)	-	(246,095)
Balance at 31 December 2023	7,382,812	-	1,489,103	14,493	2,952,169	11,838,577	803,659	12,642,236
Balance at 1 January 2024	**7,382,812**	**-**	**1,489,103**	**14,493**	**2,952,169**	**11,838,577**	**803,659**	**12,642,236**
Profit for the year	**-**	**-**	**-**	**-**	**2,169,392**	**2,169,392**	**216,409**	**2,385,801**
Other comprehensive income	-	-	-	23,300	-	23,300	(60)	23,240
Total comprehensive income for the year	**-**	**-**	**-**	**23,300**	**2,169,392**	**2,192,692**	**216,349**	**2,409,041**
Dividends (note 30)	-	-	-	-	(406,055)	(406,055)	-	(406,055)
Dividends paid to non-controlling interest	-	-	-	-	-	-	(60,000)	(60,000)
Balance at 31 December 2024	**7,382,812**	**-**	**1,489,103**	**37,793**	**4,715,506**	**13,625,214**	**960,008**	**14,585,222**

The accompanying notes 1 to 33 form an integral part of these consolidated financial statements.

THE NATIONAL SHIPPING COMPANY OF SAUDI ARABIA (A Saudi Joint Stock Company)

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024
(In thousands of Saudi Riyals)

1. CORPORATE INFORMATION

The National Shipping Company of Saudi Arabia (the "Company" or "Bahri" or "Parent Company"), a Saudi Joint Stock Company, was established under the Royal Decree No. M/5 dated 12 Safar 1398H (corresponding to 21 January 1978) and registered under Commercial Registration No. 1010026026 dated 1 Dhul Hijjah 1399H (corresponding to 22 October 1979) issued in Riyadh. The Company's head office is located in Olaya district, Olaya Towers (Tower B), Floors 12-15, P.O Box 8931, Riyadh 12213, Kingdom of Saudi Arabia.

The Company and its subsidiaries listed below (the "Group") are primarily engaged in purchasing, selling and operating vessels for the coordination of transport & storage on board vessels, transportation of cargo, cargo clearance, agencies for maritime shipping companies and all marine transport activities. The Group performs its operations through four distinct segments which are crude oil transportation, chemicals transportation, logistics and dry bulk transportation. The Group is also engaged in the ownership of land, properties inside or outside the Kingdom, ownership of shares in other existing companies or merging with them and participating with others in establishing companies with similar activities or complementary activities.

The Company's share capital amounting to ⃁ 7,382,812,500 as at 31 December 2024 is divided into 738,281,250 shares (31 December 2023: ⃁ 7,382,812,500 divided into 738,281,250 shares) with a par value of ⃁ 10 each (note 15).

The subsidiary companies whose financial information are incorporated into these consolidated financial statements are as follows:

Subsidiary	Date of incorporation	Effective Ownership %		Principal Activity	Location
		2024	2023		
National Chemical Carriers Company limited ("NCC")	1990	80	80	Petrochemical transportation	KSA
NSCSA Inc. – USA	1991	100	100	Company's ship agent	USA
Mideast Ship Management Limited ("JLT")	2010	100	100	Ships technical management	UAE
Bahri Dry Bulk Company ("BDB")	2010	60	60	Dry bulk transportation	KSA
Bahri Logistics Company	2017	100	100	Logistics services	KSA
Bahri Logistics Company DWC-LLC*	2024	100	-	Logistics services	UAE
Bahri Logistics Company ("SILZ") LLC*	2024	100	-	Logistics services	KSA

*The Group holds an effective equity ownership interest of 100% in Bahri Logistics Company DWC-LLC and Bahri Logistics Company ("SILZ") LLC through shareholding in Bahri Logistics Company. The legal formalities for the establishment of Bahri Logistics Company ("SILZ") LLC are currently in progress.

THE NATIONAL SHIPPING COMPANY OF SAUDI ARABIA (A Saudi Joint Stock Company)

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024
(In thousands of Saudi Riyals)

The equity accounted investees whose financial information is incorporated in these consolidated financial statements are as follows:

Equity accounted investees	Nature of relationship	Date of incorporation	Effective Ownership %		Principal Activity	Location
			2024	2023		
Petredec' group limited (note a)	Associate	2012	40.08	40.08	Liquefied petroleum gas transportation	BVI
International Maritime Industries Company (note b)	Associate	2017	19.9	19.9	Maritime industries	KSA
National Grain Company (note c)	Joint Venture	2021	50	50	Packing and storage of grain	KSA

a) During October 2023, Petredec Group Limited entered into a buy back transaction with one of its shareholders and cancelled the same against its share capital. This resulted in an increase in Bahri's effective ownership percentage from 30.3% to 40.08%. During the year ended 31 December 2024, the Group completed the Purchase Price Allocation (PPA) exercise. The final allocation did not result in any material adjustments to the provisional amounts previously recognized. Consequently, no retrospective adjustments have been made to the prior year financial statements.

During the year ended 31 December 2024, as a result of change in Petredec structure, the Group reviewed the classification of its investment and determined that it should be classified as an investment in a joint venture, in accordance with the IFRS Accounting Standards endorsed in KSA.

The Group share of Petredec results for the financial period are recorded as per the latest financial statements prepared by Petredec. The difference between the latest financial statements prepared by Petredec and the Group consolidated financial statements is two months.

b) International Maritime Industries Company (IMI) was established in KSA with capital of ⃁ 1,107 million between the Company, ARAMCO, Maritime Offshore Limited (Lamprell), and Korea Shipbuilding & Offshore Engineering Company Ltd.

c) During August 2020, the Company entered into a joint venture ("JV") agreement to establish the National Grain Company with United Farmers Investment Company ("UFIC"). The JV aims to build and establish a terminal for handling grains at Yanbu Commercial Port, to meet the future needs of the Kingdom of Saudi Arabia for major crops and cereals. The legal formalities were finalized, and the commercial register was issued on 18 Shaaban 1442H (equivalent to 31 March 2021). During Q4 2024, the project was inaugurated, marking the commencement of commercial production.

The Company operates through the following branches:

Trade Name	Registration No.	Registration Date	City
The National Shipping Company of Saudi Arabia	1010026026	23/10/1979	Riyadh
The National Shipping Company of Saudi Arabia	4030033402	21/2/1982	Jeddah
The National Shipping Company of Saudi Arabia	2050013881	30/7/1983	Dammam
The National Shipping Company of Saudi Arabia	2055001309	25/7/1984	Jubail
The National Shipping Company of Saudi Arabia	JLT-65807	06/12/2010	Dubai
The National Shipping Company of Saudi Arabia	F06135	26/08/2016	New Delhi

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Group's fleet: As at 31 December 2024, the Group operated 93 owned vessels and 16 vessels under lease contract (31 December 2023: owned 88 vessels and 10 vessels under lease contract) operating in the following sectors:

Oil transportation sector: Consists of 41 vessels (31 December 2023: 39 vessels) all of which are very large crude carriers (VLCCs) operating in the spot market.

Chemicals transportation sector: This sector is fully operated by NCC. It owns 33 vessels and 16 vessels under lease contract (31 December 2023: owned 32 vessels and 10 vessels under lease contract). Specialized tankers distributed as follows:

- 40 tankers that operate in the spot market.
- 9 tankers are under charter agreements.

Logistics sector: This sector consists of 7 RoCon vessels (31 December 2023: 6 RoCon vessels) operating on commercial lines between North America, Europe, Middle East, the Indian Subcontinent and Asia.

Dry bulk transportation sector: This sector is fully operated by BDB and it owns 12 vessels (31 December 2023: 11 vessels) specialized in transporting dry bulk cargo. 5 of them are chartered to the Arabian Agricultural Services Company (ARASCO) and 7 vessels are operating in the spot market.

2. BASIS OF PREPARATION

2.1. Statement of Compliance

These consolidated financial statements of the Group have been prepared in accordance with IFRS Accounting Standards ("IFRS") and its interpretations as issued by the International Accounting Standards Board ("IASB") as endorsed in KSA and other standards and pronouncements that are endorsed by Saudi Organization for Chartered and Professional Accountants ("SOCPA") (collectively referred to as "IFRSs as endorsed in KSA"). The Group has prepared these consolidated financial statements on the basis that it will continue to operate as a going concern.

2.2. Preparation of financial statements

(i) Historical cost convention

These consolidated financial statements have been prepared on a historical cost basis, except for:

- Derivative financial instruments and quoted equity shares which are measured at fair value.
- Employees' end of service benefits are recognized at the present value of future obligations using the projected unit credit method.

(ii) Functional and presentation currency

These consolidated financial statements are presented in Saudi Riyal ("⃁"), which is the Company's functional and presentation currency. All amounts have been rounded to the nearest thousand, except when otherwise indicated.

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3. BASIS OF CONSOLIDATION

The Company and its subsidiaries are referred to collectively as the "Group". Subsidiaries are entities controlled by the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee).
- Exposure, or rights, to variable returns from its involvement in the investee.
- The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in these consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets, liabilities, income, expenses and cash flows relating to transactions are eliminated in full on consolidation.

Non-controlling interests are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it:

- De-recognizes the assets and liabilities of the subsidiary;
- De-recognizes the carrying amount of any non-controlling interest;
- De-recognizes the cumulative translation differences, recorded in equity;
- Recognizes the fair value of the consideration received;
- Recognizes the fair value of any investment retained;
- Recognizes any surplus or deficit in the consolidated statement of profit or loss;

The Company and its subsidiaries have the same reporting periods except Petredec Group (Equity accounted investee) as explained in note 1.

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4. MATERIAL ACCOUNTING POLICY INFORMATION

The Group has consistently applied the accounting policies to all periods presented in these consolidated financial statements.

4.1. Material accounting judgments, estimates and assumptions

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Therefore, actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the process of applying the Group's accounting policies, management has made the following estimates and judgments, which are significant to the consolidated financial statements:

- Impairment assessment of vessels.
- Measurement of defined benefit obligations; key actuarial assumptions
- Measurement of ECL allowance for trade receivables and contract assets: key assumptions in determining the weighted average loss rate.
- Useful life of property and equipment
- Incremental borrowing rate on leases

4.2. Revenue from Contracts with Customers

The Group recognizes revenue from contracts with customers based on the five-step model as set out in IFRS 15 and is given below:

Step 1 – Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria that must be met;

Step 2 – Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer;

Step 3 – Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties;

Step 4 – Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5 – Recognize revenue when (or as) the entity satisfies a performance obligation.

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The Group satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

- The Group's performance does not create an asset with an alternate use to the Group and the Group has an enforceable right to payment for performance completed to date;
- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.

For performance obligations where none of the above conditions are met, revenue is recognized at the point in time at which the performance obligation is satisfied.

Revenue is recognized when a customer receives the services.

Type of service	Nature, timing of satisfaction of performance obligations, significant payment terms
Time Charter arrangement (Time charter)	The Group measures its progress towards complete satisfaction of the performance obligation using a time-based measure. Further, because the Group charges a fixed amount for each day of service provided, the Group has an enforceable right to invoice the customer an amount that corresponds directly with the value of the Group's performance completed to date. Revenue is recognized based on percentage of completion over the period of time.
Voyage charter (Spot & charter hire)	In case of voyage charter arrangements including liner, revenue for shipping services is recognized over time as the customer benefits from the service received as it is being performed. The group identifies the performance obligation as the transport of goods from load port to discharge port. Thus, revenue is evenly accrued from the point of loading through to the point of completed discharge based upon the voyage days completed as a proportion of the expected total days of the voyage.
Logistics revenue (Freight forwarding)	Logistics revenue excluding liner primarily comprises order fulfilment and transportation services. Logistics revenue is recognized at the point in time when the services are rendered to the customer.
Desalination revenue	Revenue from desalination is recognized at a specific point in time when control of the goods is transferred to the customer. The group identifies the performance obligation in this arrangement as the delivery of desalinated water to the customer.

The voyage charter contract generally has "demurrage" clause. As per this clause, the charterer reimburses the Group for any potential delays exceeding the allowed laytime as per the charter party clause at the ports visited, which is recorded as voyage revenue. As such, demurrage is considered variable consideration under the contract. Estimates and judgements are required in ascertaining the most likely outcome of a particular voyage and actual outcomes may differ from estimates. Such estimates are reviewed and updated over the term of the voyage charter contract.

The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the services before transferring them to the customer.

4.2.1 Significant financing component

The Group applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less.

4.2.2 Contract assets

A contract asset is the Group's right to consideration in exchange for services transferred by the Group to the customer. If the Group transfers services to a customer before the customer pays any consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

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4.3. Financial Instruments

i- Recognition and initial measurement

Trade receivables are initially recognized at amortized cost when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii- Classification and subsequent measurement of financial assets and financial liabilities

On initial recognition, a financial asset is classified as measured at: amortized cost; fair value through other comprehensive income ("FVOCI") – debt investment; FVOCI – equity investment; or FVTPL. The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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The following accounting policies apply to the subsequent measurement of financial assets.

Financial assets at Fair Value Through Profit and Loss (FVTPL)	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Equity investments at Fair Value through Other Comprehensive Income (FVOCI)	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

The financial assets at amortized cost consist of trade receivables and contract assets, other non-current financial assets, other current financial assets and cash and cash equivalents.

Financial Liabilities – Classification, subsequent measurement and gain and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, it is a derivative or designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

Derecognition

Financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which either substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognized in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

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Impairment of non-derivative financial assets

Under IFRS 9, loss allowances are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

The Group recognizes loss allowances for ECLs on financial assets measured at amortized cost and contract assets. The Group measures loss allowances at an amount equal to lifetime ECLs.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 4 years past due from government and semi-government, and 2 years past due from commercial customers;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of impairment

Allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. Impairment losses related to trade receivables and contract assets, are presented separately in the statement of profit or loss.

4.4. Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of financial position comprise cash on hand, cash at banks, short-term highly liquid deposits, and Murabaha with original maturity of three months or less, that are held for the purpose of meeting short-term cash commitments and are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value.

4.5. Inventories

Inventories consist of bunker fuel, lubricating oils and other supplies. Inventories are measured at the lower of cost or net realizable value. Costs of the used bunker inventory are measured by using the First-in-First-out method while the costs of lubricating oil and other supplies are measured using weighted average method.

Cost includes the net purchase price (after trade discounts) and any shipping, transportation, insurance, custom duties and other direct expenses related to the acquisition of the inventory.

4.6. Property and equipment

Property and equipment are stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Such cost includes the cost of replacing parts of the property and equipment and borrowing costs for long-term construction projects (qualifying assets) if the recognition criteria are met.

When significant parts of property and equipment are required to be replaced at intervals, the Group recognizes such parts as individual assets with specific useful lives and depreciates them accordingly.

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Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the equipment if the recognition criteria are satisfied. All other repairs and maintenance costs are recognized in the consolidated statement of profit or loss as incurred.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Property and equipment	Useful lives (in years)
Buildings and improvements	3 to 20
Fleet and equipment	2.5 to 30
Containers and trailers	5 to 12
Furniture and fixtures	10
Tools and office equipment	2 to 4
Motor vehicles	2 to 4
Computer equipment	4 to 6
Container yards - equipment	5 to 12.5

If an item of property and equipment comprises individual components for which different depreciation methods or rates are appropriate, then each component is depreciated separately. A separate component may either be a physical component or a non-physical component that represents a major inspection or overhaul (such as dry docking of vessels).

For recognition of the Group's vessels, first dry-docking costs are considered as a major component of a vessel which are recorded as a separate asset and depreciated separately. Subsequent dry-docking costs are capitalized as a separate asset and depreciated over the years until the next scheduled dry docking.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Spare parts and capitalized machines, meeting the definition of property and equipment, are accounted as per the principles of IAS 16.

4.7. Projects under construction

Projects under construction at year end includes certain assets that have been acquired but are not ready for their intended use. Construction in progress is stated at cost, net of accumulated impairment losses, if any. These assets are transferred to relevant asset categories and are depreciated once they are available for their intended use.

4.8. Intangible assets

Intangible assets (excluding goodwill) are measured at cost, less accumulated amortization and accumulated impairment losses, if any. Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the amount can be measured reliably.

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Intangible assets with finite lives are amortized on a straight-line basis over the useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization expense is recognized in the consolidated statement of profit or loss in the expense category consistent with the function of the intangible asset.

The amortization methods and useful lives are reviewed at each financial year end and adjusted prospectively, if considered necessary. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the useful life or amortization method, as appropriate.

Intangible assets mainly represent software and long-term substantial transportation contracts, which are amortized over a period of 4 to 17 years.

An intangible asset is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss.

4.9. Equity accounted investees

An equity accounted investee is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. A Joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to net assets to the arrangement, rather than right to its assets and obligations for its liabilities.

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Interests in associates and joint ventures are accounted using the equity method. They are initially recognized in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the equity accounted investee. When the Group's share of losses of an equity accounted investee exceeds the Group's interest in that equity accounted investee (which includes any long-term interests that, in substance, form part of the Group's net investment in equity accounted investees), the Group discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the equity accounted investee. If the equity accounted investee subsequently reports profits, the Group resumes recognizing its share of those profits only after its share of the profits equals the share of losses not recognized.

On acquisition of the equity accounted investee, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognized as goodwill, which is included within the carrying amount of the investment.

Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately. Thus, reversals of impairments may effectively include reversal of goodwill impairments. Impairments and reversals are presented within 'Share of results of equity accounted investees' in the consolidated statement of profit or loss. Any excess of the Group's share of the net fair value of equity accounted investee's identifiable assets and liabilities over the cost of the investment, after reassessment, is recognized immediately in consolidated statement of profit or loss in the period in which the investment is acquired.

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When a Group entity transacts with an equity accounted investee of the Group, profits or losses resulting from the transactions are recognized in the Group's consolidated financial statements only to the extent of interests in the equity accounted investee that are not related to the Group.

4.10. Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
  - the Group has the right to operate the asset; or
  - the Group designed the asset in a way that predetermines how and for what purpose it will be used.

Group as a lessee

1) Right-of-use assets

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The Group mainly leases vessels, head office and administrative buildings. The useful lives of the right of use assets ranges between 2 – 6 years.

2) Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

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Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying assets.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Group as a lessor

As a lessor, the Group determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Group recognizes lease payments received under operating leases as income on a straight- line basis over the lease term.

4.11. Classification of assets and liabilities to “current” and “non-current”

The Group present assets and liabilities in the consolidated statement of financial position based on current/ non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

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A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- It does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

4.12. Zakat and tax

The Company and its subsidiaries in the Kingdom of Saudi Arabia are subject to regulations issued by the Zakat, Tax and Customs Authority (“ZATCA”) in the Kingdom of Saudi Arabia, which is subject to interpretations. Zakat is levied at a fixed rate of 2.5% on the higher of adjusted Zakat profit or Zakat base. Management establishes provisions where appropriate on the basis of amounts expected to be paid to the ZATCA and annually evaluates positions taken in the Zakat returns with respect to any Zakat differences. Zakat is charged to the consolidated statement of profit or loss. Additional Zakat liability, if any, related to prior years’ assessments arising from ZATCA are accounted for in the year in which the final assessments are raised.

For subsidiaries outside Kingdom of Saudi Arabia, income tax is provided for in accordance with the regulations applicable in the respective countries and is charged to the consolidated statement of profit or loss. Provision is made for withholding tax on payments to non-resident parties and is charged to the consolidated statement of profit or loss.

Value Added Tax (“VAT”)

Expenses and assets are recognized net of the amount of VAT, except:

- When the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the VAT is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable; and/or
- When receivables and payables are stated with the amount of VAT included.

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position.

4.13. Borrowing costs

Borrowing costs directly attributed to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the year in which they occur. Borrowing costs consist of finance and other costs that an entity incurs in connection with the borrowing of funds.

The Group has elected to classify cashflow from finance cost as operating activities and cashflow from finance income as investing activities.

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4.14. Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that a non-financial asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

4.15. Cash dividends to shareholders

The Group recognizes a liability to make cash distributions to the shareholders when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the company's regulations of Saudi Arabia, a distribution is authorized when it is approved by the shareholders or when interim dividends are approved by the General Assembly. A corresponding amount is recognized directly in equity.

The Group has elected to classify cashflow from dividend received as investing activities and cashflows from dividend paid as financing activities.

4.16. Employees' end of service benefits

The calculation of defined benefit obligation is performed by a qualified actuary using the projected unit credit method.

i. Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of the past service provided by the employee and the obligation can be estimated reliably.

ii. Defined benefit plan

A provision is made for amounts payable to employees under the Saudi Labor Law and employee contracts. This liability, which is unfunded, represents the amount payable to each employee.

The cost of providing benefits is determined using the projected unit credit method as amended by IAS 19. Remeasurements, comprising of actuarial gains and losses, excluding amounts included in interest on the defined benefit liability are recognized immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the year in which they occur. Remeasurements may be reclassified to profit or loss in subsequent years.

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Past service costs are recognized in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognizes related restructuring costs

Interest is calculated by applying the discount rate to the defined benefit liability. The Group recognizes the following changes in the defined benefit obligation under 'operating cost', and 'general and administrative expenses' in the consolidated statement of profit or loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- Interest expense

4.17. Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated statement of profit or loss net of any reimbursement.

4.18. Contingent assets and liabilities

Contingent assets are not recognized in the consolidated financial statements but are disclosed when an inflow of economic benefits is probable. Contingent liabilities are not recognized in the consolidated financial statements; it is disclosed unless the outflow of economic benefits is remote.

4.19. Earnings per share – EPS

The Group determines basic earnings per share by dividing profit or loss attributable to ordinary equity holders (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the year. The weighted average number of ordinary shares outstanding during the year is the number of ordinary shares outstanding at the beginning of the year, adjusted by the number of ordinary shares bought back or issued during the year multiplied by a time-weighting factor. The time-weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity shareholders of the Parent by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

4.20. Bunker subsidy

A bunker subsidy is recognized when all attached conditions are complied with and it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. The Group recognizes unconditional government subsidy related to bunker purchases in the consolidated statement of profit or loss as bunker subsidy income.

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4.21. Events after the reporting period

If the Group receives information after the reporting period, but prior to the date of authorization for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognizes in its consolidated financial statements. The Group will adjust the amounts recognized in its consolidated financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions considering the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognized in its consolidated financial statements but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

4.22. Segment reporting

A reporting segment is a component of the Group that engaged in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's chief operating decision makers about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available. 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 President of the respective business unit that makes strategic decisions. All operating segments' results are reviewed regularly by the Chief Executive Officer, the Group's chief operating decision maker about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

The Group is organized into business units based on their operations and has the following reportable segments:

- Transportation of oil which is provider of crude oil transportation services.
- Transportation of chemicals which transport a wide range of chemicals, including liquids, clean petroleum products, and vegetable oils.
- Logistics which provides door-to-door freight forwarding and logistics services.
- Transportation of dry bulk which is engaged in transportation of grains, coal, iron ore, barley and other dry bulk cargoes.

The Group's management reviews the above segments for quantitative thresholds as well as criteria for presenting the revenues and expenses for the segments at the end of every reporting year.

4.23. Amendments to Standards and Interpretations:

The adoption of the following amendments to the existing standards had no significant financial impact on the consolidated financial statements of the Group:

Summary of the amended standards:

- Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7.
- Amendments to IFRS 16: Lease Liability in Sale and Leaseback.
- Amendments to IAS 1: Classification of Liabilities as Current or Non-current.

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4.24. New standards, Amendment to Standards and Interpretations issued but not yet effective

The new standards, amended to standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Summary of the new standards:

- Lack of exchangeability – Amendments to IAS 21 (effective on or after 1 January 2025).
- IFRS 18 Presentation and Disclosure in Financial Statements – Amendments to IAS 1 (effective on or after 1 January 2027).
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective on or after 1 January 2027), the Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

5. OPERATING SEGMENTS

The Group has the following four strategic divisions, which are its reportable segments. These divisions offer different services and are managed separately because they have different economic characteristics – such as trends in sales growth, rates of return and level of capital investment – and have different marketing strategies.

a) The following schedule illustrates the Group's activities according to the operating segments for the year ended 31 December:

31 December 2024	Transportation of oil	Transportation of chemicals	Logistics	Transportation of dry bulk	Subtotal	Others	Total
Revenue	**4,603,578**	**3,252,244**	**1,083,833**	**489,345**	**9,429,000**	**53,387**	**9,482,387**
Operating costs	(3,445,044)	(2,194,807)	(968,374)	(407,535)	(7,015,760)	(103,492)	(7,119,252)
Bunker subsidy	278,225	33,710	23,175	2,112	337,222	-	337,222
Gross profit	**1,436,759**	**1,091,147**	**138,634**	**83,922**	**2,750,462**	**(50,105)**	**2,700,357**
General and administrative expenses	(16,375)	(17,946)	(25,407)	(18,969)	(78,697)	(242,470)	(321,167)
Reversal/ (provision) on trade receivables and contract assets	14,446	(15,791)	(18,173)	(869)	(20,387)	(3)	(20,390)
Other income	81,415	141,499	3,626	571	227,111	18,080	245,191
Finance costs	(267,571)	(141,573)	(8,798)	(38,389)	(456,331)	(165,318)	(621,649)
Finance income	131	23,770	-	793	24,694	61,382	86,076
Share of results of equity accounted investees	-	-	-	-	-	432,563	432,563
Profit before Zakat and income tax	**1,248,805**	**1,081,106**	**89,882**	**27,059**	**2,446,852**	**54,129**	**2,500,981**

The Group's vessels are deployed throughout the world and are not concentrated in certain geographical areas. The Group's management does not consider the geographical distribution of the group's operations to be relevant for their internal management analysis and therefore no geographical segment information has been disclosed.

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All operating segment results are reviewed regularly by the Group's management to make decisions about resources to be allocated to the segment and assess the performance of segments for which discrete financial information is available.

Revenue from the major customers (related parties) represented around 48.2% (31 December 2023: 47.4%) of the Groups total revenue.

31 December 2023	Transportation of oil	Transportation of chemicals	Logistics	Transportation of dry bulk	Subtotal	Others	Total
Revenue	**4,795,823**	**2,723,197**	**963,304**	**280,908**	**8,763,232**	**14,268**	**8,777,500**
Operating costs	(3,761,224)	(1,938,974)	(898,861)	(184,916)	(6,783,975)	(77,751)	(6,861,726)
Bunker subsidy	133,861	10,437	13,054	-	157,352	-	157,352
Gross profit	**1,168,460**	**794,660**	**77,497**	**95,992**	**2,136,609**	**(63,483)**	**2,073,126**
General and administrative expenses	(12,324)	(16,587)	(21,100)	(15,574)	(65,585)	(175,590)	(241,175)
Reversal/ (provision) on trade receivables and contract assets	535	(4,829)	1,931	(201)	(2,564)	-	(2,564)
Other income	141,066	184,492	1,654	1,902	329,114	11,209	340,323
Finance cost	(365,735)	(154,906)	(14,078)	(27,689)	(562,408)	(59,240)	(621,648)
Finance income	-	15,249	-	4,842	20,091	59,527	79,618
Share of results of equity accounted Investees	-	-	-	-	-	266,168	266,168
Profit before Zakat and income tax	**932,002**	**818,079**	**45,904**	**59,272**	**1,855,257**	**38,591**	**1,893,848**

b) The following schedule illustrates the distribution of the Group's assets and liabilities according to the operating segments:

31 December 2024	Transportation of oil	Transportation of chemicals	Logistics	Transportation of dry bulk	Others	Total
Property and equipment	9,885,804	3,742,526	1,153,105	1,208,141	626,599	16,616,175
Other assets	3,089,735	2,187,020	753,198	418,851	3,543,954	9,992,758
Total assets	**12,975,539**	**5,929,546**	**1,906,303**	**1,626,992**	**4,170,553**	**26,608,933**
Total liabilities	**5,505,475**	**2,410,344**	**484,456**	**986,572**	**2,636,864**	**12,023,711**

31 December 2023	Transportation of oil	Transportation of chemicals	Logistics	Transportation of dry bulk	Others	Total
Property and equipment	8,575,811	3,235,740	1,073,962	1,112,292	11,683	14,009,488
Other assets	1,696,716	1,624,300	587,561	191,760	4,996,420	9,096,757
Total assets	**10,272,527**	**4,860,040**	**1,661,523**	**1,304,052**	**5,008,103**	**23,106,245**
Total liabilities	**5,540,888**	**2,093,172**	**507,658**	**678,339**	**1,643,952**	**10,464,009**

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6. PROPERTY AND EQUIPMENT

31 December 2024	Buildings and improvements	Fleet and equipment	Containers and trailers	Furniture and fixtures	Tools and office equipment	Motor vehicles	Computer equipment	Container yards - equipment	Total
Cost									
At 1 January 2024	29,030	22,854,930	7,962	7,775	1,376	3,067	20,295	5,954	22,930,389
Additions*	9,347	4,064,962	5	2,181	9	-	6,176	20	4,082,700
Disposals	-	(1,287,879)	-	(114)	(5)	-	(2,538)	-	(1,290,536)
Transfer	-	-	(1,757)	-	-	-	-	1,757	-
At 31 December 2024	**38,377**	**25,632,013**	**6,210**	**9,842**	**1,380**	**3,067**	**23,933**	**7,731**	**25,722,553**
Accumulated depreciation									
At 1 January 2024	19,865	8,867,425	4,133	5,040	1,135	2,902	14,515	5,886	8,920,901
Charge for the year	2,521	1,160,437	507	953	120	52	2,804	362	1,167,756
Disposals	-	(979,632)	-	(104)	(5)	-	(2,538)	-	(982,279)
Transfer	-	-	599	-	-	-	-	(599)	-
At 31 December 2024	**22,386**	**9,048,230**	**5,239**	**5,889**	**1,250**	**2,954**	**14,781**	**5,649**	**9,106,378**
Net book value:									
At 31 December 2024	**15,991**	**16,583,783**	**971**	**3,953**	**130**	**113**	**9,152**	**2,082**	**16,616,175**

* During 2024, 11 vessels were received, and other projects were completed with total capitalized amount ⃁ 3,837 million which was transferred from projects under construction (refer note 7).

During the year ended 31 December 2024 the Group have disposed vessels and equipment at net book value of ⃁ 308 million (31 December 2023: ⃁ 462 million) and this has resulted in a gain of ⃁ 216 million (31 December 2023: ⃁ 214 million).

- Certain vessels and tankers of the Group under fleet and equipment with a carrying value of ⃁ 5.7 billion at 31 December 2024, are pledged against certain long-term loans. Refer (note 16) for further details.
- Certain vessels of the Group under fleet and equipment with a carrying value of ⃁ 872 million at 31 December 2024, are subject to operating leases (Time charter agreements).

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31 December 2023	Buildings and improvements	Fleet and equipment	Containers and trailers	Furniture and fixtures	Tools and office equipment	Motor vehicles	Computer equipment	Container yards equipment	Total
Cost									
At 1 January 2023	64,138	22,725,081	11,963	9,342	1,968	2,916	22,638	14,264	22,852,310
Additions *	4,553	1,660,842	193	287	231	209	4,937		1,671,252
Disposals	(39,661)	(1,530,993)	(4,194)	(1,854)	(823)	(58)	(7,280)	(8,310)	(1,593,173)
At 31 December 2023	**29,030**	**22,854,930**	**7,962**	**7,775**	**1,376**	**3,067**	**20,295**	**5,954**	**22,930,389**
Accumulated depreciation									
At 1 January 2023	48,724	8,791,014	7,462	5,998	1,789	2,916	19,790	14,196	8,891,889
Charge for the year	2,157	1,145,102	865	766	169	44	1,961		1,151,064
Disposals	(31,016)	(1,068,691)	(4,194)	(1,724)	(823)	(58)	(7,236)	(8,310)	(1,122,052)
At 31 December 2023	**19,865**	**8,867,425**	**4,133**	**5,040**	**1,135**	**2,902**	**14,515**	**5,886**	**8,920,901**
Net book value:									
At 31 December 2023	**9,165**	**13,987,505**	**3,829**	**2,735**	**241**	**165**	**5,780**	**68**	**14,009,488**

* During 2023, 5 new vessels were received, and other projects were completed and capitalized amounting to ⃁ 1,418 million which was transferred from projects under construction (refer note 7).

- Certain vessels and tankers of the Group under fleet and equipment with a carrying value of ⃁ 6.3 billion at 31 December 2023, are pledged against certain long-term loans. Refer (note 16) for further details.
- Certain vessels of the Group under fleet and equipment with a carrying value of ⃁ 759 million at 31 December 2023, are subject to operating leases (Time charter agreements).

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7. PROJECTS UNDER CONSTRUCTION

The movement in projects under construction is as follows:

	2024	2023
Beginning balance	905,035	935,512
Additions	5,223,356	1,387,637
Transferred to property and equipment (note 6)	(3,836,728)	(1,418,114)
Ending balance	**2,291,663**	**905,035**

During 2019, the Company signed an agreement with Saudi Water Authority (“SWA”) (“Arrows project”) for supplying desalinated water from floating mobile stations for a period of 20 years. In this respect, the Company engaged an Engineering, Procurement, and Construction (“EPC”) contractor for the purposes of constructing 3 floating stations for water desalination with a total cost of ⃁ 760 million. The construction commenced in January 2020, one station commenced operations and was capitalized during Q2 2024 and the second one during Q4 2024, the remaining station will be completed during 2025.

On 19 August 2024, the Company signed an agreement to acquire nine second hand Very Large Crude Carriers (VLCCs) from Capital Maritime and Trading Corporation for an approximate amount of ⃁ 3.75 billion (USD 1 billion). The VLCCs will be delivered to Bahri in multiple batches before the end of Q1 2025, two of these vessels were received and capitalized during the year ended 31 December 2024.

Projects under construction include ⃁ 85 million of borrowing costs capitalized during the year (31 December 2023: ⃁ 20 million).

8. INTANGIBLE ASSETS

Intangible assets significantly represent long-term transportation contracts, which resulted from purchasing the operations and assets of Vela Company (a subsidiary of ARAMCO) in 2014. The value of those intangible assets is amortized over the estimated total average remaining useful life of the purchased vessels. As at 31 December 2024 the carrying value of such contract amounted to ⃁ 263 million (2023: ⃁ 308 million).

	2024	2023
Cost		
Opening balance	724,172	740,083
Additions	9,195	6,445
Derecognition	(382)	(22,356)
Ending balance	**732,985**	**724,172**
Accumulated amortization		
Opening balance	399,635	366,186
Charge for the year	50,345	55,648
Derecognition	(200)	(22,199)
Ending balance	**449,780**	**399,635**
Net book value	**283,205**	**324,537**

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9. EQUITY ACCOUNTED INVESTEES

The balance of equity accounted investees as at 31 December contains investments in the following companies:

	Note	2024	2023
Petredec' group limited	9.1	2,138,202	1,731,033
International Maritime Industries Company ("IMI")	9.2	-	49,214
National Grain Company ("NGC")	9.3	36,941	53,738
		2,175,143	**1,833,985**

Liabilities associated with equity accounted investees

	Note	2024	2023
International Maritime Industries Company ("IMI")	9.2 & 19	122,966	-

The share of results of equity accounted investees is as follows:

	Note	2024	2023
Share of profit in Petredec group limited	9.1	619,340	406,039
Share of loss in IMI	9.2	(170,005)	(132,269)
Share of loss in NGC	9.3	(16,772)	(7,602)
		432,563	**266,168**

9.1. Petredec group limited

The movement of investment in Petredec group limited is as follows:

	2024	2023
Beginning balance	1,731,033	1,421,284
Share of profit	619,340	406,039
Share of other comprehensive income/ (loss)	13,279	(11,063)
Dividends received	(225,450)	(85,227)
Ending balance	**2,138,202**	**1,731,033**

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The table reconciles the summarized financial information to the carrying amount of the Group's interest in Petredec' group limited as at 31 October:

	31 October 2024	31 October 2023
Current assets	4,178,836	4,075,024
Non-current assets	7,669,089	8,161,620
Current liabilities	(2,631,373)	(3,398,880)
Non-current liabilities	(3,806,641)	(4,419,188)
Net assets before non-controlling interest	5,409,911	4,418,576
Non-controlling interest	(75,076)	(92,138)
Net assets	**5,334,835**	**4,326,438**
Group's share of net assets	2,138,202	1,311,042
Group's share in the consideration paid for buy back shares (note 1)	-	340,908
Goodwill	-	79,083
Carrying amount of investment in equity accounted investee	**2,138,202**	**1,731,033**
Revenue	14,573,498	19,005,304
Profit before non-controlling interest	1,737,559	1,346,305
Non-controlling interest	(159,169)	(42,885)
Total comprehensive income	**1,578,390**	**1,303,420**
Group's share of total comprehensive income	**632,619**	**394,976**

9.2. International Maritime Industries Company ("IMI")

The movement of investment in IMI is as follows:

	2024	2023
Beginning balance	49,214	114,989
Additional paid in capital	-	67,760
Share of loss for the year	(170,005)	(132,269)
Share of other comprehensive loss for the year	(2,175)	(1,266)
Ending balance	**(122,966)**	**49,214**

The table reconciles the summarized financial information to the carrying amount of the Group's interest in IMI as at 31 December:

	2024	2023
Current assets	594,323	1,036,834
Non-current assets	3,760,616	2,900,738
Current liabilities	(933,330)	)573,836(
Non-current liabilities	(3,617,183)	)2,779,264(
Net assets	**(195,574)**	**584,472**
Group's share of net assets	(38,919)	116,310
Reconciling adjustment (relating to Zakat)	(84,047)	(67,096)
Carrying amount of investment in equity accounted investee	**(122,966)**	**49,214**
Revenue	84,653	262,384
Total comprehensive loss for the year	**(859,721)**	**(690,619)**
Group's share of total comprehensive loss	**(172,182)**	**(133,535)**

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9.3. National Grain Company ("NGC")

The movement of investment in NGC is as follows:

	2024	2023
Beginning balance	53,738	38,844
Additional paid in capital	-	22,500
Share of loss for the year	(16,772)	(7,602)
Share of other comprehensive loss for the year	(25)	(4)
Ending balance	**36,941**	**53,738**

The table reconciles the summarized financial information to the carrying amount of the Group's interest in NGC as at 31 December:

	2024	2023
Current assets	76,460	17,437
Non-current assets	530,369	374,049
Current liabilities	(142,830)	(77,677)
Non- current liabilities	(390,117)	(206,334)
Net assets	**73,882**	**107,475**
Group's share of net assets	36,941	53,738
Carrying amount of investment in equity accounted investee	**36,941**	**53,738**
Revenue	49,060	-
Total comprehensive loss for the year	**(33,594)**	**(15,214)**
Group's share of total comprehensive loss	**(16,797)**	**(7,606)**

10. OTHER NON-CURRENT FINANCIAL ASSETS

The balance of other non-current financial assets is as follows:

	2024	2023
Equity securities at FVOCI	26,461	16,352
Derivatives	22,802	58,523
Investment in government bonds	83	83
	49,346	**74,958**

11. INVENTORIES

The balance of inventory, located on the vessels, is as follows:

	2024	2023
Fuel	407,496	441,000
Lubricant	52,615	49,784
Others	7,952	7,592
	468,063	**498,376**

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12. TRADE RECEIVABLES AND CONTRACT ASSETS

Trade receivables and contract assets include the following items:

	2024	2023
Trade receivables	648,272	531,095
Due from related parties (note 27)	505,259	537,516
	1,153,531	**1,068,611**
Contract assets	302,675	393,016
	1,456,206	**1,461,627**
Less: Provision on trade receivables and contract assets (note a)	(182,825)	(163,626)
Trade receivables and contract assets, net	**1,273,381**	**1,298,001**

a- The movement of provision on trade receivables and contract assets is as follows:

	2024	2023
Opening balance	163,626	168,843
Charge for the year	20,390	2,564
Write-off	(1,191)	(7,781)
Ending balance	**182,825**	**163,626**

Trade receivables balances from Government entities amounted to ⃁ 182 million as at 31 December 2024 (31 December 2023: ⃁ 166 million), 44% (31 December 2023: 58%) of these balances are outstanding for more than 12 months. These amounts represent 12% of the gross trade receivables (31 December 2023: 11%). Please refer to note 28.4.1 for aging of trade receivables and contract assets.

13. PREPAYMENTS AND OTHER CURRENT ASSETS

The balance of prepayments and other current assets includes the following:

	2024	2023
Recoverable bunker cost	264,756	163,242
Advances to suppliers	239,625	230,177
VAT refundable	68,155	44,887
Prepaid expenses	50,476	54,714
Insurance claims	9,778	24,343
Refundable deposits	7,542	31,508
Employees advances	5,326	4,068
Others	36,176	34,425
	681,834	**587,364**

14. CASH AND CASH EQUIVALENTS

Cash and cash equivalents represent bank balances, cash, investments in Murabaha and short-term deposits. For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise of the following:

	2024	2023
Bank balances and cash	889,711	711,485
Murabaha and short-term deposits (Note 14.1)	931,789	2,201,632
Cash and cash equivalents in consolidated statement of cash flows	**1,821,500**	**2,913,117**

14.1 Murabaha and Short-Term Deposits

Murabaha and short-term deposits comprise of the following:

	2024	2023
Murabaha and short - term deposits in USD	786,375	1,654,951
Murabaha and short - term deposits in ⃁	145,414	546,681
	931,789	**2,201,632**

Murabaha and short-term deposits yield finance income at prevailing market rates and maturity date of less than three months. The finance income on Murabaha and short-term deposits during the year amounted to ⃁ 86.1 million (2023: ⃁ 79.6 million)

15. SHARE CAPITAL

The Company's share capital amounting to ⃁ 7,382,812,500 as at 31 December 2024 is divided into 738,281,250 shares (31 December 2023: ⃁ 7,382,812,500 divided into 738,281,250 shares) with a par value of ⃁ 10 each.

16. LOANS AND BORROWINGS

	Note	2024	2023
Sukuk	16.1	3,900,000	3,900,000
Murabaha loans	16.2	4,869,569	3,802,362
Total loans and borrowings		**8,769,569**	**7,702,362**
Less: Total current portion		(459,585)	(609,117)
Non-current loan and borrowings		**8,309,984**	**7,093,245**
Less: prepaid financing		(21,500)	(33,081)
Net non-current loans and borrowings		**8,288,484**	**7,060,164**
Current portion of long-term loans		459,585	609,117
Loans and borrowings - Current liabilities		459,585	609,117
Loans and borrowings - Non-current liabilities		8,288,484	7,060,164
		8,748,069	**7,669,281**

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16.1 Sukuk

On 6 Dhul-Hijjah 1443H (corresponding to 5 July 2022), the Company completed the issuance and offering of a local Sukuk denominated in Saudi Riyal for public offering with nominal value amounting to ⃁ 3,900 million, and a nominal value of ⃁ 1 million for each Suk. The Sukuk issuance bears a variable rate of return at SIBOR plus a predetermined margin, payable semi-annually. The Sukuk is due to mature at par value on its expiry date of 27 Safar 1451H (corresponding to 5 July 2029). The balance in the prepaid financing account related to Sukuk at the end of 31 December 2024 is ⃁ 5.2 million (31 December 2023: ⃁ 5.8 million).

16.2 Murabaha borrowings

The Group obtained Murabaha long term loans during the year ended 31 December 2024 for a total of ⃁ 2,527 million (31 December 2023: ⃁ 887 million). Loans are secured by promissory notes and mortgages against vessels. These loans are repayable over 10 years on a quarterly or semi-annual basis and a repayment of ⃁ 1,460 million was made during the year ended 31 December 2024 (31 December 2023: ⃁ 2,755 million). The loans carry commission at normal commercial rates. The balance of loans against which profit is to be paid based on SOFR as of 31 December 2024 is ⃁ 1,919 million (31 December 2023: Nil) and the balance of loans against which profit is to be paid based on SIBOR as at 31 December 2024 totaled to ⃁ 2,950 million (31 December 2023: ⃁ 3,802 million). The balance in the prepaid financing account related to Murabaha loans as at 31 December 2024 is ⃁ 16.3 million (31 December 2023: ⃁ 27.2 million).

16.3 Covenants

Borrowing agreements include covenants mainly related to maintaining certain ratios of leverage and debt to equity ratio. Under the terms of these agreements, lenders are entitled to demand immediate repayment of loans if these covenants are not met. As at 31 December 2024, one of the subsidiaries was not in compliance with certain loan covenants. However, during the year ended 31 December 2024, management has obtained a waiver of covenant from the bank that the loan will not be called due to breach of the covenant.

17. EMPLOYEES' END OF SERVICE BENEFITS

The Group has a post-employment defined benefit plan for its own employees. The benefits are required by Saudi Arabia labor law. The benefits are recognized at the present value of future obligations using the projected unit credit method.

	2024	2023
Opening balance	100,325	79,315
Current service cost	33,139	12,830
Interest cost	4,571	3,226
Total cost charged to profit or loss for the year	**37,710**	**16,056**
Benefits paid	(5,939)	(2,744)
Re-measurement (gain)/ loss on defined benefit plan	(517)	7,698
Ending balance	**131,579**	**100,325**

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The significant assumptions used in determining employees' end of service benefit for the Group's plan are shown below:

	2024	2023
Discount rate	5.45%	4.70%
Withdrawal rate – for the first two years of service	20.00%	13.05%
Withdrawal rate – third year of service and after	9% - 18%	13.05%
Future salaries increase - for the first three years	8.10%	7.20%
Future salaries increase - fourth year and after	8.10%	7.20%

A quantitative sensitivity analysis for significant assumptions on the defined benefit plan is shown below:

	2024	2023
Discount rate		
0.5% increase	(4,872)	(7,366)
0.5% decrease	5,284	8,443
Withdrawal rate		
10% increase	(2,042)	(1,316)
10% decrease	2,316	1,424
Future salary increases		
1% increase	11,382	8,802
1% decrease	(10,043)	(7,840)

The sensitivity analysis above has been determined based on a method that extrapolates the impact on the defined benefit plans as a result of reasonable changes in key assumptions occurring at the end of the reporting year. The sensitivity analysis may not be representative of an actual change in the defined benefit plans as it is unlikely that changes in assumptions would occur in isolation from one another.

18. LEASES

Leases in which the Group is a lessee

Information about leases for which the Group is a lessee is presented below:

i. Right of use assets

	2024	2023
Balance at 1 January	661,384	420,412
Additions	739,402	456,582
Modifications	-	(16,827)
Depreciation charge for the year	(452,163)	(198,783)
Balance at 31 December	**948,623**	**661,384**

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ii. Lease liabilities

	2024	2023
Balance at 1 January	686,868	438,367
Additions	739,402	456,582
Lease interest	62,938	28,509
Payment	(518,217)	(208,559)
Modifications	5,541	(28,031)
Balance at 31 December	**976,532**	**686,868**
Non-current	540,215	498,840
Current	436,317	188,028
	976,532	**686,868**

iii. Amounts recognized in consolidated statement of profit or loss

	2024	2023
Interest on lease liabilities (note 25)	62,938	28,509
Expenses relating to short-term leases (note 23)	4,382	4,839

19. TRADE AND OTHER PAYABLES

	2024	2023
Accrued expenses	565,837	492,620
Trade payables	488,434	392,274
Due to related parties (note 27)	387,057	526,031
Accrued finance cost	215,323	206,844
Liabilities associated with equity accounted investees (note 9.2)	122,966	-
Dividends payable	65,592	64,798
Others	93,705	69,811
	1,938,914	**1,752,378**

20. ZAKAT AND INCOME TAX

The Company's zakat is based on the financial statements of the Company and its wholly owned subsidiaries (excluding Bahri Logistics Company, which submit its zakat return separately), in accordance with the regulations of Zakat, Tax and Customs Authority ("ZATCA"). Partially owned subsidiaries submit their zakat and tax returns separately.

The movement in the provision for Zakat and income tax is as follows:

	2024	2023
Opening balance	250,989	255,446
Charge for the year	115,180	100,836
Payments during the year	(140,495)	(105,293)
Ending balance	**225,674**	**250,989**

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Zakat and tax status of the Parent and its wholly owned subsidiaries

The Company has filed its Zakat returns up to 2023 and obtained the Zakat certificate for the year 2023.

ZATCA has issued a Zakat assessment for the years from 2015 to 2018 claiming additional liability of ⃁ 95.7 million. The Company has submitted an appeal against the assessment before ZATCA and escalated it to the General Secretariat of Tax Committees (“GSTC”). The Appellate Committee for Tax Violations and Disputes Resolution “ACTVDR” has issued its decision with partial acceptance which reduced the claim to ⃁ 37.9 million. The Company settled the claimed amount and closed the case.

ZATCA has issued a Zakat assessment for the years from 2019 to 2020 claiming additional liability of ⃁ 27.2 million. The Company submitted an appeal against the assessment before ZATCA which issued its decision with partial acceptance and reduced the claim to ⃁ 24.5 million. The Company settled the claimed amount and closed the case.

ZATCA has issued a Zakat assessment for the years 2021 and 2022, claiming an additional Zakat of ⃁ 18.2 million. The Company has settled the claimed amount in the subsequent period and closed the case.

The Company did not receive the Zakat assessments for the year 2023 from ZATCA. Management believes that adequate provisions have been made against any potential Zakat and tax liabilities.

Zakat and tax status for National Chemical Carriers Company (NCC)

NCC has filed its Zakat returns up to 2023 and obtained the Zakat certificate for the year 2023.

ZATCA has issued a Zakat assessment for the years from 2015 to 2017 claiming additional liability of ⃁ 6.1 million. The Company has submitted an appeal against the assessment before ZATCA and escalated it to the General Secretariat of Tax Committees (“GSTC”). The Appellate Committee for Tax Violations and Disputes Resolution “ACTVDR” has issued its decision with partial acceptance which reduced the claim to ⃁ 1.6 million. The Company settled the claimed amount and closed the case.

ZATCA has issued a Zakat assessment for the years from 2018 claiming additional liability of ⃁ 2.9 million. The Company has submitted an appeal against the assessment before ZATCA which reduced the claim to ⃁ 982 thousand. The Company settled the claimed amount and closed the case.

NCC did not receive the Zakat assessments for the years 2019 to 2023 from ZATCA. Management believes that adequate provisions have been made against any potential Zakat and tax liabilities.

Zakat and Tax status for Bahri Dry Bulk (BDB)

BDB submitted its Zakat returns up to 2023 and obtained the Zakat certificate for the year 2023.

ZATCA has issued a Zakat assessment for the years from 2015 to 2016 claiming additional liability of ⃁ 4.7 million. BDB has submitted an appeal against the assessments, which have been further escalated to GSTC. BDB suspended the case before ACTVDR and initiated an internal settlement with ZATCA.

ZATCA has issued a Zakat assessment for the years from 2017 to 2018 claiming additional liability of ⃁ 6.9 million. The Company has submitted an appeal against the assessment before ZATCA and escalated it to the General Secretariat of Tax Committees (“GSTC”). The Appellate Committee for Tax Violations and Disputes Resolution “ACTVDR” has issued its decision with partial acceptance which reduced the claim to ⃁ 2.7 million. BDB is waiting for the relevant invoice to be issued by ZATCA based on the committee’s decision to be settled.

BDB has finalized the Zakat status for the year 2020 with ZATCA.

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BDB did not receive a Zakat assessment for the year 2019 and the years 2021 to 2023 from ZATCA. Management believes that adequate provisions have been made against any potential Zakat and tax liabilities.

Zakat and tax status for Bahri Logistics Company (BLC)

BLC submitted its Zakat returns up to 2023 and obtained the Zakat certificate for the year 2023.

BLC did not receive a Zakat assessment for the years 2019 to 2023 from ZATCA. Management believes that adequate provisions have been made against any potential Zakat and tax liabilities.

21. REVENUE

	2024	2023
Spot	6,581,626	5,987,755
Charter hire	2,013,004	1,810,511
Freight forwarding	483,388	441,162
Time charter (note 29)	338,749	498,101
Desalination operations	42,188	-
Others	23,432	39,971
	9,482,387	**8,777,500**

22. OPERATING COSTS

	2024	2023
Fuel & lubricants	1,948,529	1,908,270
Depreciation and amortization	1,656,265	1,392,060
Ship running expenses	1,170,258	1,482,626
Employees’ salaries and benefits	807,147	756,865
Ports and agencies charges	741,078	630,305
Freight forwarding expenses	277,669	164,223
Repairs and maintenance	194,951	179,921
Desalination cost	21,596	-
Others	301,759	347,456
	7,119,252	**6,861,726**

23. GENERAL AND ADMINISTRATIVE EXPENSES

	2024	2023
Employees’ salaries and benefits	195,556	155,494
Professional, legal and consultation fees (refer note 23.1)	51,752	30,681
Marketing and communication	27,818	17,308
Maintenance	21,838	17,284
Depreciation and amortization	13,999	10,687
Rent	4,382	4,839
Others	5,822	4,882
	321,167	**241,175**

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23.1 Auditors' remuneration for the statutory audit of the Group's consolidated financial statements and the financial statements of its subsidiaries for the year ended 31 December 2024 amounted to ⃁ 2.2 million (2023: ⃁ 2.1 million). Auditors' remuneration for the review of the Group's consolidated financial statements during the year ended 31 December 2024 amounted to ⃁ 460 thousand (2023: ⃁ 400 thousand). Fee for other statutory and related services provided by the auditors to the Group amounted to ⃁ 172 thousand (2023: ⃁ 190 thousand).

24. OTHER INCOME

	2024	2023
Gains on disposal of property and equipment	215,924	214,084
Recovered claims	15,283	106,915
Others	13,984	19,324
	245,191	**340,323**

25. FINANCE COSTS

	2024	2023
Saudi riyal Sukuk	285,305	273,783
Murabaha financing	237,685	333,155
Lease interest	62,938	28,509
Derivatives revaluation	35,721	(13,834)
Commercial loans	-	35
	621,649	**621,648**

26. EARNINGS PER SHARE

	2024	2023
Profit for the year attributable to equity holders of the Parent Company	2,169,392	1,613,428
Weighted average number of ordinary shares outstanding during the year	738,281	738,281
Earnings per share - Basic and Diluted (⃁)	**2.94**	**2.19**

The basic and diluted earnings per share is calculated by dividing the profit of the period for ordinary shareholders of the parent company by the weighted average number of ordinary shares in place during the year. The calculation of the basic and diluted earnings per share for the year ended 31 December 2024 and 31 December 2023 was adjusted retrospectively based on the number of shares issued after the increase of the company's capital shares to 738,281 thousand shares (note 15).

27. RELATED PARTIES

Related parties represent major shareholders, government related entities, directors and key management personnel of the Group, and companies of which they are principal owners and any other entities controlled, jointly controlled or significantly influenced by them. The Group has claimed exemption from the requirements of para 18 of IAS 24 ("Related Party Disclosure").

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A government-related entity is an entity that is controlled, jointly controlled or significantly influenced by a government. The Group's majority shareholder, PIF and Aramco, are fully/majorly owned by the Government of the Kingdom of Saudi Arabia. PIF and Aramco exercises significant influence over the Group. Transactions and balances with related parties and government related entities are listed below:

Trading transactions and balances with related parties

The Group transacts with related parties in the ordinary course of its activities, as many of the Group's transactions and arrangements are based on signed agreements between the Group and those companies. The balances are unsecured, interest-free, and repayable on demand unless otherwise stated.

The transactions with related parties during the year were as follows:

Related parties	Nature of the transaction	2024	2023
ARAMCO and its subsidiaries – shareholder	Operating revenue	4,238,859	3,598,582
Al-Inma Bank – affiliate	Drawdown of loan	1,729,088	-
Al-Inma Bank – affiliate	Repayment of loan	91,060	-
ARAMCO and its subsidiaries – shareholder	Bunker purchase	789,794	429,758
SABIC and its subsidiaries – government related entities	Operating revenue	319,730	554,396
International Maritime Industries ("IMI") - associate	Operating revenue	8,163	3,481

Related party balances included in trade receivables and contract assets (note 12) is as follows:

	2024	2023
ARAMCO and its subsidiaries	495,237	496,065
SABIC and its subsidiaries	5,959	37,931
International Maritime Industries ("IMI")	4,063	3,520
	505,259	**537,516**

Long-term loan and payable due to related parties are as follows:

	2024	2023
Al-Inma Bank	2,223,778	-
ARAMCO and its subsidiaries (note 19)	387,057	526,031

Compensation of key management personnel:

	2024	2023
Salaries and compensations – short term employee benefits	33,074	26,456
End of service award- post-employement benefits	4,252	3,280
Total compensation	**37,326**	**29,736**

The Board of Directors remuneration for the year ended 31 December 2024 amounted to ⃁ 9.5 million (2023: ⃁ 8 million).

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Trade transactions and related parties' balances with government and government related entities

Revenues related to transactions with government and government related entities for the year ended 31 December 2024 amounted to ⃁ 399 million (2023: ⃁ 343 million), in addition to the amounts disclosed in above note.

As at 31 December 2024, accounts receivable from government and government entities totaled ⃁ 185 million (2023: ⃁ 232 million).

28. FINANCIAL INSTRUMENTS

28.1. Financial Assets

	Note	2024	2023
Financial assets at fair value			
Derivatives not designated as hedging instruments:			
CAP commission options	10	22,802	58,523
Financial assets at fair value through OCI			
Quoted equity shares	10	26,461	16,352
Total financial assets at fair value		**49,263**	**74,875**
Financial assets at amortized cost			
Other non-current financial assets	10	83	83
Trade receivables and contract assets	12	1,273,381	1,298,001
Other current financial assets		282,076	219,093
Cash and cash equivalents	14	931,789	2,201,632
Total financial assets at amortized cost		**2,487,329**	**3,718,809**
Total financial assets		**2,536,592**	**3,793,684**

28.2. Financial Liabilities

	Note	2024	2023
Financial liabilities at fair value			
Derivative financial instruments		2,943	4,168
Financial liabilities at amortized cost			
Loans and borrowings	16	8,748,069	7,669,281
Trade and other payables		1,298,373	1,209,161
Lease liabilities	18	976,532	686,868
Total financial liabilities at amortized cost		**11,022,974**	**9,565,310**
Total financial liabilities		**11,025,917**	**9,569,478**

28.3. Fair values of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in an arm's length transaction. Financial instruments are comprised of financial assets and financial liabilities.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:
Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

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Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group has derivative financial instruments consisting of commission rate options agreements to hedge against fluctuations in commission rates. The gain or loss from revaluation of these agreements is recognized in the consolidated statement of profit or loss (note 25).

The fair value hierarchy is as follows:

	2024			
	Quoted prices in the active market (Level 1)	Significant observable inputs (Level 2)	Significant Unobservable inputs (Level 3)	Total
FVOCI – equity instrument:				
Quoted equity shares	26,461	-	-	26,461
Financial instruments measured at FVTPL				
CAP commission option				
Assets	-	22,802	-	22,802
Liabilities	-	2,943	-	2,943

	2023			
	Quoted prices in the active market (Level 1)	Significant observable inputs (Level 2)	Significant Unobservable inputs (Level 3)	Total
FVOCI – equity instrument:				
Unquoted equity shares	-	-	16,352	16,352
Financial instruments measured at FVTPL				
CAP commission option				
Assets	-	58,523	-	58,523
Liabilities	-	4,168	-	4,168

There was a transfer from Level 3 to Level 1 during 2024 for the investment made in Arbian United Float Glass Company since the investee Company became listed on the parallel market "Nomu" on 18 September 2024.

Derivative financial instruments include interest rate cap and floor. These derivatives are valued using widely recognized valuation models. The Group relies on the counterparty for the valuation of these derivatives. The valuation techniques applied by the counterparties include the use of standard models using present value calculations and mid-market valuations. Where applicable, these models project future cash flows and discount the future amounts to a present value using market-based observable inputs including cap/floor volatility, interest rate curves, credit spreads, foreign exchange rates, and forward and spot prices.

Management believes that the fair value of other assets and liabilities approximate to their carrying values.

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28.4. Financial Risk Management

The Group's activities expose it to a variety of financial risks, including market risk (comprised of currency risk, price risk and commission rate risk), credit risk and liquidity risk. The Group's risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

The financial instruments in the consolidated statement of financial position are comprised primarily of cash and cash equivalents, other non-current financial assets, trade receivables and contract assets, loans and borrowings, trade and other payables, lease liabilities, derivative financial instruments.

Senior management monitors the financial risk management department. The most important types of risk are summarized below:

28.4.1. Credit risk

Credit risk is the risk that one party will fail to discharge an obligation and cause the other party to incur a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Group uses an allowance matrix to measure the ECLs of trade receivables and contract assets from governments, semi-government and commercial customers.

Loss rates are calculated using a roll rate method based on the probability of receivable progress through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments based on the following common credit risk characteristics - governments, semi-government and commercial.

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets as at 31 December 2024 and 2023:

	Weighted average loss rate		Gross carrying amount		Impairment allowance	
	2024	2023	2024	2023	2024	2023
Less than 6 months*	2%	2%	1,249,581	1,208,249	25,876	19,572
From 6 months to 12 months	24%	16%	50,650	71,807	10,332	11,180
More than 12 months	90%	73%	155,975	181,571	146,617	132,874
Total			**1,456,206**	**1,461,627**	**182,825**	**163,626**

* This includes amount not yet due and amount due between 0 to 90 days amounting to ⃁ 863 million and ⃁ 286 million respectively (2023: ⃁ 879 million and ⃁ 255 million respectively).

As at 31 December 2024, the Group had trade receivable and contract assets from 3 major customers (related parties) that owed approximately 35% (2023: 41%) of the Group's total gross trade receivables and contract assets balances.

Cash and cash equivalents

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis. Limits are designed to minimize risk concentration and decrease financial loss through the inability of the counterparty to make the payments.

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Cash balances, Murabaha and short - term deposits and derivative financial instruments are held with banks which are considered as Investment grade financial institutions (BBB and above rating).

28.4.2. Liquidity risk

Liquidity risk represents the Group's difficulties in providing funds to meet commitments associated with financial instruments. The Group's liquidity risk management policy is to ensure that sufficient liquidity and financing are available to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Group's reputation. Accordingly, the Group ensures that sufficient bank facilities are always available.

As at 31 December 2024, the Group had unutilized credit facilities of ⃁ 2,732 million (2023: ⃁ 1,505 million) to meet liquidity requirements.

The amounts in the table below represent contractual undiscounted cash flows:

		2024				
	Carrying amount	Total	Within 3 months	3 to 12 months	1 to 5 years	More than 5 years
Long term borrowings	4,848,069	6,354,387	151,304	526,824	2,722,480	2,953,779
Sukuk	3,900,000	5,179,866	3,110	141,516	5,035,240	
Lease liabilities	976,532	1,082,627	127,427	361,206	555,361	38,633
Trade and other payables	1,298,373	1,298,373	215,762	1,082,611		
Derivative financial instrument	2,943	2,943	-	-	2,943	-
	11,025,917	**13,918,196**	**497,603**	**2,112,157**	**8,316,024**	**2,992,412**

		2023				
	Carrying amount	Total	Within 3 months	3 to 12 months	1 to 5 years	More than 5 years
Long term borrowings	3,769,281	5,245,801	284,093	592,687	2,155,709	2,213,312
Sukuk	3,900,000	5,685,914	146,653	151,542	1,190,338	4,197,381
Lease liabilities	686,868	758,181	96,667	198,958	407,852	54,704
Trade and other payables	1,209,161	1,209,161	-	1,209,161	-	-
Derivative financial instrument	4,168	4,168	-	-	4,168	-
	9,569,478	**12,903,225**	**527,413**	**2,152,348**	**3,758,067**	**6,465,397**

28.4.3. Market risk

Market risk is the risk that the fair value or the future cash flows of a financial instrument may fluctuate as a result of changes in market prices. Market risk comprises of three types of risk: currency risk, commission rate risk and price risk.

Currency risk

Currency risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's principal transactions are carried in Saudi Riyal, United States Dollar, and United Arab Emirates Dirham. The Group's management believes that currency risk is not significant since the exchange rate of Saudi Riyal is pegged against those currencies.

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Commission rate risk

Commission rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market commission rates. The Group is subject to commission rate risk on its commission rate bearing assets and liabilities, including bank deposits and loans. The Group manages its exposure to commission rate risk by continuously monitoring movements in commission rates. The Group had executed CAP commission options to hedge the fluctuation in the commission rates.

Sensitivity analysis for variable rate financial instruments

The following table demonstrates the sensitivity of income to reasonably possible changes in commission rate on Sukuk and long-term borrowings, with all variables held constant.

	2024	2023
Profit rate		
Increase by 100 base points	87,696	77,024
Decrease by 100 base points	(87,696)	(77,024)

Price risk

Price risk is the risk that the value of a financial instrument will fluctuate due to changes in market prices, whether those changes are due to factors related to the instrument or its source, or which affect all instruments traded in the market. The Group diversifies its investment portfolio to manage price risk arising from its equity investments.

28.4.4. Capital management

For the purpose of the Group's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2024 and 2023.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a debt ratio, which is net debt divided by total capital plus net debt. The Group includes net debt, Sukuk and long-term borrowings, lease liabilities, less cash and short-term deposits.

	2024	2023
Loans and borrowings	8,748,069	7,669,281
Lease liabilities (note 18)	976,532	686,868
Less: Cash and cash equivalents (note 14)	(1,821,500)	(2,913,117)
Net Debt	**7,903,101**	**5,443,056**
Total equity	14,585,222	12,642,236
Total capital	**14,585,222**	**12,642,236**
Capital and net debt	**22,488,323**	**18,085,292**
Gearing ratio	**35%**	**30%**

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29. CAPITAL COMMITMENTS AND CONTINGENCIES

Capital commitments

The Group's capital commitment related to ships under construction and the purchase of property and equipment was ⃁ 3 billion as of 31 December 2024 (2023: ⃁ 65 million).

Contingencies

The Group has outstanding bank letters of guarantee for ⃁ 345 million as at 31 December 2024 (2023: ⃁ 333 million) issued for the Group's normal course of business.

The Group is involved in legal litigation claims in the ordinary course of business, and there are some claims which are under the process of final settlement. The Group's management does not expect that these claims will have a material adverse effect on the Group's consolidated financial statements.

Operating lease– Group as a lessor

The Group, as a lessor, leases certain vessels to a related party based on time charter agreements (note 1). The future amounts receivable under this lease agreement are as follows:

	2024	2023
Within one year	343,543	302,480
After one year but not more than five years	140,474	388,838
	484,017	**691,318**

Income from time charter agreements under operating leases amounted to ⃁ 339 million for the year ended 31 December 2024 (2023: ⃁ 498 million) (note 21).

30. DIVIDENDS

The Board of Directors decided in its meeting held on 18 March 2024 to recommend to the General Assembly of the Company the distribution of cash dividends of ⃁ 406 million to the shareholders for the financial year ended 31 December 2023 amounting to ⃁ 0.55 per share. The Geneal Assembly had approved the recommendation in its meeting held on 4 June 2024. These dividends have been paid on 1 July 2024.

The Board of Directors decided in its meeting held on 14 March 2023 to recommend to the General Assembly of the Company the distribution of cash dividends of ⃁ 246 million to the shareholders for the financial year ended 31 December 2022 amounting to ⃁ 0.5 per share. The Geneal Assembly had approved the recommendation in its meeting held on 19 June 2023.These dividends have been paid on 16 July 2023.

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31. NON-CONTROLLING INTERESTS

Set out below is summarized financial information for each subsidiary that has non-controlling interests, shown in note 1:

2024	National Chemical Carrier Company Limited	Bahri Dry Bulk	Total
Non-controlling interest percentage	20%	40%	
Non-current assets	4,578,470	1,341,024	5,919,494
Current assets	5,987,890	989,448	6,977,338
Non-current liabilities	(1,481,484)	(565,148)	(2,046,632)
Current liabilities	(5,565,673)	(1,124,904)	(6,690,577)
Net assets	3,519,203	640,420	4,159,623
Net assets attributable to non-controlling interests	**703,840**	**256,168**	**960,008**
Revenue	3,252,244	489,345	3,741,589
Profit for the year	1,052,141	14,953	1,067,094
Profit attributable to non-controlling interests	**210,428**	**5,981**	**216,409**
Cash flows from/ (used in) operating activities	1,688,711	49,702	(669)
Cash flows used in investing activities	(613,107)	(282,587)	(17,866)
Cash flows (used in)/ from financing activities	(798,075)	156,674	(25,357)
Net increase/ (decrease) in cash and cash equivalents	**277,529**	**(76,211)**	**(43,892)**

2023	National Chemical Carrier Company Limited	Bahri Dry Bulk	Total
Non-controlling interest percentage	20%	40%	
Non-current assets	3,867,334	1,130,837	4,998,171
Current assets	3,555,211	429,331	3,984,542
Non-current liabilities	(1,535,872)	(424,061)	(1,959,933)
Current liabilities	(3,119,805)	(510,394)	(3,630,199)
Net assets	2,766,868	625,713	3,392,581
Net assets attributable to non-controlling interests	**553,374**	**250,285**	**803,659**
Revenue	2,723,197	280,908	3,004,105
Profit for the year	796,859	50,530	847,389
Profit attributable to non-controlling interests	**159,372**	**20,212**	**179,584**
Cash flows from operating activities	1,225,717	61,072	1,286,789
Cash flows from/ (used in) investing activities	72,902	(241,002)	(168,100)
Cash flows (used in)/ from financing activities	(1,008,246)	82,580	(925,666)
Net increase/ (decrease) in cash and cash equivalents	**290,373**	**(97,350)**	**193,023**

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32. SUBSEQUENT EVENTS

Subsequent to the year end, the Board of Directors in their meeting held on 18 Ramadan 1446H (corresponding to 18 March 2025) recommended to increase the Company's share capital from ⃁ 7,382 million to ⃁ 9,228 million through the transfer of ⃁ 1,846 million from the account of retained earnings. Further, the Board of Directors recommended to the General Assembly to distribute cash dividends of ⃁ 738 million amounting to ⃁ 1 per share.

Other than mentioned above, no events have occurred subsequent to the reporting date and before the issuance of these consolidated financial statements which require adjustment or disclosure in these consolidated financial statements.

33. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors has approved the consolidated financial statements for the year ended 31 December 2024 in their meeting held on 18 Ramadan 1446H (corresponding to 18 March 2025).

The following sections are provided as supplementary information and are intended to provide additional context on Bahri's performance. This information is not part of the audited financial statements.

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Supplementary Information

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Non-IFRS Financial Measures

In addition to financial measures used in this Annual Report that were prepared in accordance with International Financial Reporting Standards (IFRS), we used certain non-IFRS financial measures to provide a clearer understanding of our operational performance, financial position and cash flow dynamics.

While these non-IFRS measures may offer valuable insight into our financial performance and health, they do not have standardized definitions under the IFRS, and therefore may not be directly comparable to similar measures used by other companies. Accordingly, these measures should be considered as supplemental information to be interpreted in conjunction with IFRS measures, rather than as a substitute for these.

Reconciliation of Bahri's non-IFRS measures used in this Report to the most directly comparable IFRS measures shown in the consolidated financial statements are provided below.

EBITDA, Earnings Before Interest, Tax, Depreciation and Amortization

We define EBITDA as profit for the year with add-back of the Zakat and income tax provision, finance costs, and depreciation and amortization, less finance income. We use this to evaluate core earnings performance by excluding items that can be influenced by accounting decisions, tax structures and financing arrangements.

(⃁ million)	2024	2023
Profit for the year	2,386	1,793
Add: Zakat and income tax	115	101
Add: Finance costs	622	622
Less: Finance income	(86)	(80)
Add: Depreciation of property and equipment	1,168	1,151
Add: Depreciation of right of use assets	452	199
Add: Amortization / derecognition of intangible assets	51	56
EBITDA	**4,707**	**3,841**

Notes: Numbers presented may not add up precisely to the totals provided due to rounding.

Free cash flow

Free cash flow is defined as the net cash from operating activities less capital expenditure. Capital expenditure is the sum of additions of property and equipment, projects under construction and intangible assets. This measure provides an indication of the cash generated during the period that can be used for dividend payments, paying down debt and leases, increasing cash at hand, and/or for other investing and financing activities.

(⃁ million)	2024	2023
Additions of property and equipment	246	253
Additions of projects under construction	5,223	1,388
Additions of intangible assets	9	6
Capital expenditure	**5,479**	**1,647**
Net cash from operating activities	3,406	3,561
Less: Capital expenditure	(5,479)	(1,647)
Free cash flow	**(2,073)**	**1,913**

Notes: Numbers presented may not add up precisely to the totals provided due to rounding.

Net debt

We define net debt as the sum of current and non-current loans and borrowings and lease liabilities less cash and cash equivalents. It is a measure of the amount of financial obligations of Bahri that incur finance costs, including its leases, that would remain after we utilize available cash and cash equivalents.

(⃁ million)	2024	2023
Current liabilities		
Loans and borrowings	460	609
Lease liabilities	436	188
Non-current liabilities		
Loans and borrowings	8,288	7,060
Lease liabilities	540	499
Gross debt	**9,725**	**8,356**
Less: Cash and cash equivalents	(1,822)	(2,913)
Net debt	**7,903**	**5,443**

Notes: Numbers presented may not add up precisely to the totals provided due to rounding.

Gearing

Gearing is defined as net debt divided by the sum of net debt and total equity. This provides a measure of our level of indebtedness relative to the capital provided by creditors and shareholders, including those with non-controlling interests in Bahri's subsidiaries. It is used by the Company for managing its capital structure.

(⃁ million)	2024	2023
Net debt	7,903	5,443
Total equity	14,585	12,642
Sum of net debt and total equity	22,488	18,085
Gearing	**35%**	**30%**

Notes: Numbers presented may not add up precisely to the totals provided due to rounding.

Net debt / EBITDA

We define net debt-to-EBITDA as net debt divided by EBITDA of the 12 months preceding the end of a period, expressed as a multiple of years. This measure provides an indication of the number of years it would take for us to pay off our debt if our EBITDA is held constant, and may be used to gain insights on our financial health and flexibility and our level of reliance on debt.

(⃁ million)	2024	2023
Net debt	7,903	5,443
EBITDA	4,707	3,841
Net debt / EBITDA	**1.68x**	**1.42x**

Notes: Numbers presented may not add up precisely to the totals provided due to rounding.

The Bahri Fleet

Owned vessels deployed as of the end of 2024

Bahri Oil

Ship Name	Year Built	Length (m)	Beam (m)	DWT	Speed (knots)
Amad	2018	333	60	298,705	15
Amjad	2017	333	60	298,886	15
Amzan*	2014	333	60	299,999	15
Arsan	2010	333	60	314,000	15
Aslaf	2017	333	60	298,778	15
Awtad	2011	333	60	309,988	15
Bayraq*	2019	333	60	319,999	16
Dilam	2010	333	60	314,000	15
Dorra	2009	333	60	317,458	17
Farhah	2010	333	60	319,302	16
Ghazal	2009	333	60	317,388	17
Ghinah	2010	333	60	319,141	16
Habari	2008	333	60	317,664	17
Hazm*	2019	333	60	319,999	16
Jaham	2008	333	60	319,429	16
Jaladi	2008	333	60	319,464	16
Jana	2008	333	60	317,693	17
Kahla	2009	333	60	317,521	17
Karan	2009	333	60	319,410	16
Kassab	2018	333	60	298,721	15
Khurais	2018	333	60	298,706	15

Ship Name	Year Built	Length (m)	Beam (m)	DWT	Speed (knots)
Khuzama	2008	333	60	319,423	16
Kidan	2010	333	60	321,050	15
Lawhah	2018	333	60	298,794	15
Layla	2007	333	60	317,821	17
Maharah	2017	333	60	298,968	15
Manifa	2008	333	60	319,427	16
Niban	2010	333	60	319,285	16
Nisalah	2010	333	60	319,287	16
Qamran	2018	333	60	298,858	15
Rayah	2021	333	60	318,990	15
Rimthan	2017	333	60	298,855	15
Sahba	2009	333	60	317,563	17
Salam*	2016	336	60	299,990	15
Samha	2020	329	60	299,999	15
Sanam	2020	329	60	299,999	15
Shaden	2017	333	60	298,750	15
Shaybah	2008	333	60	319,428	16
Sidr*	2019	336	60	300,758	15
Wafrah	2007	333	60	317,788	17
Wedyan	2010	333	60	321,234	15

**Commenced operations in 2024*

Vessels Divested in 2024

Ship Name	Year Built	Length (m)	Beam (m)	DWT	Speed (knots)
Bahri Tulip	2006	200	32	49,000	14
Marjan	2002	333	58	303,139	17
Safwa	2002	333	58	303,139	17

The Bahri Fleet continued

Bahri Chemicals

Ship Name	Year Built	Length (m)	Beam (m)	DWT	Speed (knots)
Amira	2022	183	35	55,202	15
Amwaj	2023	183	35	55,202	15
Ayla*	2021	183	35	55,387	15
Farida*	2020	183	35	55,603	15
Fatimah	2022	183	35	55,202	15
Hayat	2022	183	35	55,202	15
Lora	2022	183	35	55,202	15
Maria	2022	183	35	55,202	15
Mona	2022	183	35	55,202	15
NCC Amal	2011	183	32	45,544	15
NCC Bader	2014	183	32	49,990	15
NCC Danah	2011	183	32	45,579	15
NCC Fajr	2013	228	37	81,336	14
NCC Ghazal	2014	183	32	49,990	15
NCC Huda	2011	183	32	45,459	15
NCC Jood	2014	183	32	49,990	15
NCC Maha	2009	183	32	46,265	15
NCC Masa	2014	183	32	49,990	15
NCC Najem	2012	183	32	45,499	15
NCC Nasma	2011	183	32	45,550	15
NCC Noor	2011	183	32	45,565	15
NCC Qamar	2009	183	32	46,195	15
NCC Qassim	2006	183	32	46,038	15
NCC Reem	2012	183	32	45,498	15
NCC Safa	2011	183	32	45,471	15
NCC Sama	2012	183	32	45,471	15
NCC Shams	2012	183	32	45,468	15
NCC Wafa	2014	183	32	49,990	15
Rana*	2021	183	35	49,993	15
Rawan*	2020	183	35	55,634	15
Renad	2022	183	35	55,202	15
Yaqut	2022	183	35	55,202	15
Zahra	2022	183	35	55,202	15

Commenced operations in 2024

Vessels Divested in 2024

Ship Name	Year Built	Length (m)	Beam (m)	DWT	Speed (knots)
NCC Abha	2006	183	32	45,958	15
NCC Tabuk	2006	183	32	45,963	15
NCC Tihama	2006	183	32	45,948	15

Bahri Integrated Logistics

Ship Name	Year Built	Length (m)	Beam (m)	DWT	Speed (knots)
Bahri Abha	2013	225	32	25,957	17
Bahri Diriyah*	2014	225	32	32,333	15
Bahri Hofuf	2013	225	32	25,901	17
Bahri Jazan	2013	225	32	25,901	17
Bahri Jeddah	2014	225	32	25,973	17
Bahri Tabuk	2013	225	32	25,939	17
Bahri Yanbu	2014	225	32	25,906	17

Commenced operations in 2024

Bahri Dry Bulk

Ship Name	Year Built	Length (m)	Beam (m)	DWT	Speed (knots)
Alanood	2020	229	32	80,729	15
Aljazi	2020	229	32	80,618	15
Bahri Arasco	2013	229	32	81,855	15
Bahri Bulk	2014	229	32	81,864	15
Bahri Ghadah	2019	229	32	62,625	15
Bahri Grain	2014	229	32	81,855	15
Bahri Haya*	2017	200	32	63,452	15
Bahri Munira	2020	229	32	64,499	15
Bahri Trader	2014	229	32	81,855	15
Bahri Wafi	2014	229	32	81,855	15
Hessah	2020	229	32	80,729	15
Sara	2020	229	32	80,729	15

Commenced operations in 2024

Glossary of Terms

Backhaul: Refers to the return journey of a vessel after delivering its primary cargo (the fronthaul).

Ballast water: The seawater that vessels take on or discharge to maintain draft, stability and balance during voyages.

Baltic Dry Index: Or the **Baltic Index**, is a key economic indicator that measures the cost of shipping raw materials such as coal, iron ore, grain and other dry bulk commodities across the world's major sea routes. It is compiled by the Baltic Exchange in London, which is a global marketplace for maritime shipping.

Bonded zone: A designated area within a country, such as a warehouse, port or industrial park, where imported goods can be stored, processed or manufactured without being subject to local customs duties or taxes until they are moved into the domestic market.

Breakbulk: Cargo that is packed, bundled or placed in bags, drums, crates or pallets. Each cargo is handled individually rather than in standardized containers or as large, homogenous loads.

Charter: A term used in shipping for a contract between a ship owner and a charterer that spells out the terms for the use of a vessel. The charterer is the entity that rents or leases a vessel to transport cargo. The contract can be of different types, such as: a time charter which is a time-bound agreement where a ship owner leases a vessel to a charterer for a fixed period of time, with the charterer free to sail to any port and transport any cargo, subject to legal regulations; a voyage charter for which the charterer leases the vessel for a specific voyage from one port to another; or a bareboat charter where the owner leases the vessel without crew, provisions or any operational assistance. "Charter-in" refers to Bahri being the charterer; while in a "charter-out" arrangement, Bahri is the ship owner. "Chartered vessels" and "chartered fleet" in this document refers to vessels that have been leased by Bahri, contrasted to "owned vessels" and "owned fleet".

CIF: Cost, Insurance and Freight, a term in international trade that specifies that the seller is responsible for covering the cost of goods, insurance and freight required to transport the cargo to a destination port.

Container cargo: Goods or commodities transported in standardized 20-foot or 40-foot steel shipping containers.

Contract logistics: Logistics is defined as the management of moving materials from one location to another. Contract logistics is an arrangement where a company outsources its logistics function to a specialized logistics provider.

Contract of Affreightment: A contract between a ship owner and a cargo owner, in which the ship owner agrees to carry goods for the cargo owner in its ship or to give the cargo owner the use of the whole or part of its ship's cargo-carrying space for the carriage of goods on a specified voyage or voyages or for a specified time.

CPP: Clean petroleum products; liquid products refined from crude oil, whose color is less than or equal to 2.5 on the National Petroleum Association scale. Clean products include naphtha, jet fuel, gasoline and diesel/gasoil.

Deadweight tonnage: Carrying capacity of a vessel, measured in metric tons. Carrying capacity includes the weights of cargo, fuel, crew and supplies, and excludes the vessel's weight when empty.

Dry bulk cargo: Refers to unpackaged goods shipped in large parcels.

Eco vessels: Ships that possess high energy efficiency and low emissions features and equipment to reduce their environmental impact, such as fuel-efficient hull and propeller designs, scrubbers, ballast water treatment system, etc.

Feeder operator: An operator of medium-size vessels that transport cargo between small and major ports.

Front-haul outchartering: The practice in the shipping industry where a vessel owner or operator charters out (leases) their ship for a specific voyage or period to transport cargo along a high-demand, lucrative route, typically in the primary direction of trade flows.

Greenhouse gas: Refers to carbon dioxide, methane and other gases in the atmosphere that traps heat, contributing to a greenhouse effect on Earth. Abbreviated as GHG.

IMO: The International Maritime Organization, an agency of the United Nations responsible for regulating global shipping.

IMO2 MR tanker: A medium range tanker that is classified by the International Maritime Organization (IMO) as a Type 2 vessel. IMO vessel types are based on the level of protection that is required based on the hazard level of its cargo. A Type 2 tanker is designed to carry moderately hazardous chemicals.

Lost Time Injury Frequency Rate: Measures the number of lost-time injuries per million hours worked. Tracked and reported by Bahri on a trailing 12-month basis.

LNG: Liquefied Natural Gas, natural gas cooled at very low temperatures to convert it into a liquid. Natural gas is a naturally occurring hydrocarbon that is mainly composed of methane. LNG is transported in specialized carriers containing tanks kept at low temperatures.

LPG: Liquefied Petroleum Gas, a flammable hydrocarbon gas mixture mainly of propane and butane. LPG is transported in specially designed gas carriers under moderate pressure or low temperature to maintain its liquid state.

Multipurpose vessel: A ship built to carry a wide range of cargoes. Abbreviated as MPV.

Murabaha financing: Murabaha financing is an Islamic financing structure wherein an intermediary buys an asset with free and clear title to it. The intermediary and prospective buyer then agree upon a sale price (including an agreed upon profit for the intermediary) that can be made through a series of installments, or as a lump sum payment.

Newbuild: Refers to a vessel that is newly constructed at a shipyard and has not yet been commercially deployed.

OPEC+: A coalition of oil-producing countries which included the 13 members of the Organization of the Petroleum Exporting Countries (OPEC) and 10 other countries, including Russia. OPEC+ collaborate on oil production policies and agreements with the aim of providing stability to the global oil market.

Project cargo: Large, complex and high-value pieces of equipment or materials that are typically for specific projects. Examples include engines, construction equipment, trains and wind turbines.

RoCon vessel: A type of vessel that is a hybrid of a roll-on/roll-off (RoRo) ship and a container ship, with the decks used for stacking containerized freight.

Roll-on / Roll-off: Refers to the method of loading and unloading of cargo into a vessel, which is by the use of a ramp, or to the vessel that has this equipment, or to the type of cargo that can be loaded and unloaded using this method. Abbreviated as RoRo.

Glossary of Terms continued

Scrubbers: Exhaust gas cleaning systems that are used to remove harmful substances, such as sulfur dioxide, from the exhaust gas stream of ships, allowing continued compliance with international emissions standards while using high sulfur fuel oil as fuel.

Spot market: A marketplace for buying and selling shipping services for immediate or near-term delivery, in contrast to long-term charter agreements. Spot rates refer to one-time, short-term freight contracts where rates fluctuate on real-time supply and demand conditions.

TCE rate: Time Charter Equivalent rate, a key shipping metric that measures the daily earnings of a vessel after deducting voyage-related expenses from voyage revenue. Voyage-related expense includes items such as bunker cost, port fees and canal tolls, and brokerage fees and commissions related to securing charters, for the duration of the voyage, including its fronthaul and backhaul portions. The metric is used to compare profit performance across different chartering arrangements.

Tonne-mile: A metric used in the shipping industry that provides an indication of transport demand for cargo by multiplying cargo in metric tons by the distance the cargo travels in nautical miles. A high tonne-mile figure indicates greater transport demand.

Trading days: Refers to the number of days that a vessel is actively available for commercial use, which includes the days when the vessel is sailing with cargo or in ballast, days when it is waiting for cargo but is commercially available, and days when the vessel is under a time charter or voyage charter. A vessel is "in ballast" when it is sailing without cargo (and just carrying ballast water), typically to reposition itself for its next charter or voyage. Days are not counted as trading days if the vessel is undergoing repairs, maintenance or dry-docking, and if it is not actively marketed for commercial use.

Ultramax vessel: A type of dry bulk carrier with a deadweight tonnage (DWT) typically ranging between 60,000 and 65,000 DWT. Ultramax vessels are usually equipped with onboard cranes (geared) for loading and unloading cargo, making them suitable for operations in ports with limited infrastructure. These ships are part of the Supramax class, with Ultramax being the larger and more modern subclass, often designed for better fuel efficiency and versatility.

Very Large Crude Carrier: A crude oil tanker with a cargo carrying capacity of up to 250,000 tons. Abbreviated as VLCC.

Vision 2030: A blueprint developed by the Government of Saudi Arabia for diversifying its economy, empowering its citizens, creating a vibrant environment for both local and international investors, and establishing Saudi Arabia as a global leader, by leveraging the Kingdom's unique strengths - its pivotal role in the Arab and Islamic worlds, its strong investment capabilities, and its strategic geographical position.

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