

**APM TERMINALS BAHRAIN B.S.C. ("Company")**  
**MINUTES OF THE 13<sup>th</sup> ANNUAL GENERAL MEETING ("Meeting")**  
**OF SHAREHOLDERS (AGM)**  
**HELD ON SUNDAY, 24<sup>th</sup> March 2019 AT 11:00 A.M.**

**Representatives of APM Terminals Bahrain B.S.C:**

Mr. David Skov	Chairman
Mr. Fawzi Ahmed Kanoo	Vice Chairman
Mr. Nadhem Saleh Al Saleh	Independent Director
Mrs. Susan Hunter	Chief Executive Officer
Mr. Sameer Kazi	Finance Manager
Ms. Maryam Redha	Company Secretary

**In the Presence of:**

Ms. Alya Omran	Acting Head -Research & Investor Protection-Capital Markets Division, CBB
Mr. Ali Maki	Assistant Undersecretary of Commercial Registration & Companies - MOICT
Mr. Ali Taqi Alalawi	Chief of Corporate Governance – MOICT
Ms. Layla Rasti	Listing & Disclosure - Bahrain Bourse
Mr. Abdulla Jaffar Abdin	Senior Director of Operations – Bahrain Clear
Mr. Jaafar Al Qubaiti	Partner, Audit, KPMG Fakhro
Mr. Arvind Sharma	Manager, Audit, KPMG Fakhro

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Notice having been given to the Shareholders for the Annual General Meeting of Shareholders of APM Terminals Bahrain B.S.C ("the Company"), the Meeting commenced at 11.00 A.M at the 4<sup>th</sup> floor, Bahrain Bourse, Bahrain Financial Harbour, Manama, Kingdom of Bahrain.

Before commencement of the Meeting, it was verified that the quorum of the meeting was 80.69% and the Meeting proceeded to the order of business.

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**Welcome Address by the Chairman**

For and on behalf of the Board of Directors and the Management of the Company, the Chairman of the Meeting welcomed the Shareholders, those present in person or through proxy, representatives of The Central Bank of Bahrain; representatives of The Ministry of Industry, Commerce & Tourism; representatives of Bahrain Bourse, The Registrars: Bahrain Clear, the External Auditors – KPMG Fakhro and all others in attendance.

At this juncture, Mr. Ali Altareef, a shareholder, queried the reason why the Company had not published the AGM material in the Arabic language. The Chairman stated that the Law does not stipulate for the Company to provide the same in Arabic and that the Agenda of the meeting was published in Arabic in a local newspaper. However, the request has been noted.

**Agenda Item No. 1:**

**To review and approve the minutes of the 12<sup>th</sup> Annual General Assembly Meeting of Shareholders held on June 11, 2018.**

The Shareholders had received and reviewed the minutes of the last Ordinary Annual General Meeting of Shareholders held in Bahrain on June 11, 2018.

With no comments and upon the unanimous consent of the Shareholders, it was RESOLVED that the minutes of the Ordinary Annual General Meeting of Shareholders held in Bahrain on June 11, 2018 were approved and confirmed in all aspects and be filed in the Company's books and records.

**Agenda Item No. 2:**

**To review and approve the report of the Board of Directors on the activities of the Company for the financial year ended December 31, 2018.**

The Chairman presented this agenda item and Mr. Ali Altareef stated that the Company's future forecast should be presented in the Chairman's / Directors report and requested the Chairman to quantify the top/bottom line forecast for the Company. The Chairman stated that the Company holds a positive outlook to 2019 and expects growth in line with the country's GDP growth rate.

Mr. Ali Altareef further raised a query that while the Company's revenue grew in 2018 over previous year, why did the Net Profit not grow to the same extent.

Mr. Jaafar Al Qubaiti explained that the main reason for the same was due to the increase in the direct operating expenses over the previous years.

With the foregoing and with the unanimous consent of the Shareholders, it was RESOLVED that the report of the Board of Directors on the Company's activities for the financial year ended December 31, 2018 are hereby approved and confirmed in all aspects.

**Agenda Item No. 3:**

**To review and approve the external auditors report on the Financial Statements for the year ended December 31, 2018.**

Mr. Jaffar Al Qubaiti addressed the Independent Auditor's Report for the year ended December 31, 2018 and as customary, read the introduction and the external auditor's opinion.

With the foregoing and with the unanimous consent of the Shareholders, it was RESOLVED that the Auditor's report on the financial Statements for the year ended December 31, 2018 is hereby approved and confirmed in all aspects.

**Agenda Item No. 4:**

**To review and approve the audited Statement of Accounts for the year ended December 31, 2018.**

The Chairman presented this agenda item and Mr. Ali Altareef requested clarification with regards to the total number of Board Members as well as the number of Board Committees and the chairman of those committees. The Company Secretary confirmed that the current board membership comprises of 6 board members and two committees. She explained that the Audit, Risk and Compliance Committee is chaired by Mr. Nadhem Saleh Al Saleh and the Nomination, Remuneration and Governance Committee is chaired by Mr. Mohamed AlShroogi.

Further, Mr. Ali Altareef requested clarification with regards to related party transactions and the reason why the deposits are retained in an offshore account explaining that it should be deposited within the Kingdom of Bahrain where interest rates are higher than those in Europe. The CEO explained that this is an item tabled for discussion at the next Board Meeting and will be discussed at the next Annual General Assembly Meeting.

Mr. Ali Altareef queried the current rate of return on the deposits. Mr. Jaafar Al Qubaiti stated that such is disclosed in note 21 of page 24 of the audited Financial Statement.

Mr. Ali Altareef further queried the salaries going up vs. revenue going down and requested an explanation. The Chairman requested the Finance Manager, Mr. Sameer Kazi to take the floor. Mr. Sameer Kazi explained that only the general cargo revenue, constituting approx. 35% of the total revenue, had decreased in 2018 over previous year, however the overall revenue grew by 5% during 2018. The main reasons for the decline in general cargo revenue over last year was mainly due to decrease in project cargo volume driven by completion of ALBA Line 6 expansion. As for staff salaries, he explained that the Company's salaries are aligned with the market practice and that the Company's policy is to reward and retain performing staff.

Mr. Ali Altareef further raised a query on page 7, note 19 of the audited Financial Statement and asked for the Company's input on the expected figure for 2019 and 2020. Mr. Sameer Kazi stated that the Company expects to continue generating profit at a healthy margin during the coming years given the positive GDP forecast for Bahrain and the upcoming projects like Bapco modernization project and additional export volume from Alba Line 6 expansion.

Mr. Jassim Al Mosawi, a shareholder, raised a query that given the Company pays GOSI, does the Company take adequate benefit from Tamkeen's support where possible. Mr. Sameer Kazi explained that the Company is reaching out to Tamkeen and currently the support received from Tamkeen is mostly in nature of salary and training support.

Mr. Jassim Al Mosawi noted the explanation provided by Mr. Sameer Kazi and further added that the Company should also seek Tamkeen's support for purchasing new equipment for its activities. Mr. Sameer Kazi thanked Mr. Jassim Al Mosawi for his suggestion and explained that the Company has reached out to Tamkeen for such investments in the past and will continue to do so in future where the support can be justified.

A query was raised about how the Company expects the transshipment to pick up. The Chairman stated that the Company continues to make the required effort to attract the transshipment business.

With the foregoing discussion, and with the unanimous consent of the Shareholders, it was RESOLVED that the audited Statement of Accounts for the year ended December 31, 2018 is hereby approved and confirmed in all aspects.

**Agenda Item No. 5:**

**To approve the recommendation of the Board of Directors to allocate the dividends for the financial year ended December 31, 2018 as follows;**

- i) Transfer of BD 1,046 thousand to legal reserve**
- ii) Cash dividend of 109 fils per share or 109% of the paid-up capital amounting to ~BD 9.8 million for the fiscal year ended 31/12/2018 after approval by the Central Bank of Bahrain. Cash dividends will be paid from Wednesday 03/04/2019.**

With the foregoing, and with the unanimous consent of the Shareholders, it was RESOLVED that the recommendation of the Board of Directors to allocate the dividends for the financial year ended December 31, 2018 as below:

- i) transfer of BD 1,046 thousand to legal reserve; and**
- ii) Cash dividend of 109 fils per share or 109% of the paid-up capital amounting to ~BD 9.8 million for the fiscal year ended 31/12/2018 after approval by the Central Bank of Bahrain and cash dividends to be paid from Wednesday 03/04/2019 is hereby approved and confirmed in all aspects.**

**Agenda Item No. 6:**

**To approve a proposal for the distribution of remuneration to the members of the Board of Directors for a total amount of BD 11 thousand for the fiscal year ended 31/12/2018, subject to the approval of the Ministry of Industry, Commerce and Tourism.**

With no comments and with the unanimous consent of the Shareholders, it was RESOLVED that the proposal to distribute remuneration to the members of the Board of Directors for a total amount of BD 11 thousand for the fiscal year 31/12/2018 is hereby approved and confirmed in all aspects.

**Agenda Item No. 7:**

**Approve the remuneration policy of the members of the Board as recommended by the Nominating, Remuneration and Governance Committee.**

With no comments and with the unanimous consent of the Shareholders, it was RESOLVED that the remuneration policy of the members of the Board as recommended by the

Nominating, Remuneration and Governance Committee is hereby approved and confirmed in all aspects.

**Agenda Item No. 8:**

**To discuss and approve the Corporate Governance for December 31, 2018 and comply with the requirements of the Central Bank of Bahrain and the Ministry of Industry, Commerce and Tourism.**

With no comments and with the unanimous consent of the Shareholders, it was RESOLVED that the Corporate Governance report for December 31, 2018 is hereby approved and confirmed in all aspects.

**Agenda Item No. 9:**

**To review and approve material related party transactions entered by the Company for the financial year ended December 31, 2018 as set out in Note 21 of the Financial Statements in line with Article 189 of the Commercial Companies Law.**

With no comments and with the unanimous consent of the Shareholders, it was RESOLVED that the material related party transactions entered by the Company for the financial year ended December 31, 2018 as set out in Note 21 of the Financial Statements in line with Article 189 of the Commercial Companies Law is hereby approved and confirmed in all aspects.

**Agenda Item No. 10:**

**To discharge the Members of the Board of Directors from their liability in respect of management of the Company for the year ended December 31, 2018.**

Under governing regulations, it is required to discharge the members of the Board of Directors from liability for their duties and actions for the year ended December 31, 2018. Accordingly, with the unanimous consent of the Shareholders, it was RESOLVED that full and total discharge is hereby granted to the Board of Directors in respect of their duties and actions during the year ended December 31, 2018.

**Agenda Item No. 11:**

**Appointment /reappointment of external auditors, for the financial year ending December 31, 2019 and authorizing the Board of Directors to determine their fees.**

With no comments and with the unanimous consent of the Shareholders, it was RESOLVED that, the reappointment of KPMG Fakhro as the external Auditors of APM Terminals Bahrain B.S.C, for the year 2019 and to authorise the Board of Directors to determine their fees is hereby approved and confirmed to in all aspects.



**Agenda Item No. 12:**

**Any other business in accordance with Article 207 of the Commercial Companies Law.**

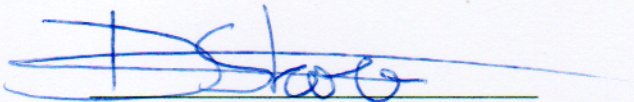
There being no further business, the Chairman thanked the Shareholders those present in person or through proxy, the representatives of the Central Bank of Bahrain; representatives of the Ministry of Industry, Commerce and Tourism, representatives of Bahrain Bourse and the registrars: Bahrain clear and representatives of KPMG Fakhro, the Directors, Management and all others who had attended the Meeting.

The Chairman declared the Meeting closed at 11:30 A.M and it was noted that the quorum had been present throughout.

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These Minutes are subject to review and approval by the Shareholders at the next Annual General Meeting of the Shareholders whenever held.

These minutes and resolutions may be executed in two counterparts and/or in electronic form, each of which shall be deemed to be an original, and all of which, taken together, shall be deemed to form part of the same resolution.



Mr. David Skov  
Chairman