Company Report

November 23 2026

Passant Mohamed
Passant.mohamed@arqaamsecurities.com
+20 109 925 8411

Nour Eldin Sherif, CFA
noureldin.sherif@arqaamcapital.com

APM Terminals Bahrain

Strong Q3 recovery on higher general cargo; Upgrade to Buy at 9% DY and 11% FCFY in FY 27-28e

- **Q3 26A NI declined 56% y/y on weaker container and marine activity but recovered 8.5x q/q on strong general cargo growth.**
- **We cut FY 27-28e EPS by 7% on lower-margin general cargo contribution and a more gradual maritime recovery.**
- **FY 27e EPS should rebound 54% y/y on 50% higher container throughput and 60% stronger marine services.**
- **Upgrade to Buy at BHD 1.10/share TP (+6% vs. prev.), on 54% higher EPS in FY 27e, resilient FY 27-28e FCF and DY of 9% and 11%, respectively.**

APM reported a 56% lower NI in Q3 26A (+8.5x q/q, vs. ACe) amid regional supply chain disruptions but recovered from a low base in Q2 on stronger general cargo activity and a gradual recovery in container throughput. Net income declined 56% y/y to BHD 1.1m, on 18% lower revenues y/y, reflecting continued weakness in maritime activity. Revenue declined 18% y/y (+40% q/q) to BHD 8.6m, beating ACe by 39%, on 60% lower container throughput y/y (+58% q/q) to 44k TEUs, with container revenue down 43% y/y (+8% q/q), while marine services revenue fell 65% y/y (+31% q/q) amid subdued vessel calls. Revenues recovered by 40% q/q in Q3, beating ACe by 39%, driven by 72% higher general cargo revenue to BHD 4.8m, as volumes surged 26% q/q to 350k tons (+2.8x y/y), benefiting from favourable shifts in aluminium and industrial cargo flows towards overland transportation. EBITDA rebounded 81% q/q (+42% y/y) to BHD 2.3m (+76% vs. ACe), at EBITDAM of 26% in Q3 (+6 ppts q/q, -11 ppts y/y), reflecting sequential recovery in volumes.

We lower our FY 27-28e EPS estimates by 7% to higher contribution from lower-margin general cargo. We raise FY 27-28e general cargo volume assumptions by 24%, assuming regional disruptions persist through H1 27e, supporting favourable shifts in aluminium and industrial cargo flows towards overland transportation via Bahrain's connectivity to Saudi Arabia, supported by strong Q3 26 general cargo volumes (2.8x y/y). Meanwhile, we assume a more gradual recovery in container throughput and marine services, reflecting delays in the normalisation of liner schedules, gateway trade and vessel calls, with container volumes revised down by 9% in FY 27e. Accordingly, we lower FY 27-28e EBITDA estimates by 7%, with EBITDA margins revised down by 168bps to 30%, as the increased contribution from lower-margin general cargo and slower recovery in container activity weigh on operating leverage.

We expect a gradual recovery in FY 27e volumes resulting in 54% EPS growth, with full normalisation of maritime activity by FY 28e. We expect a 54% higher net income of BHD 5.6m in FY 27e supported by i) a 50% y/y increase in container throughput to 314k TEUs as liner schedules and gateway trade gradually normalise, ii) a 60% rebound y/y in marine services revenue as vessel calls and shipping connectivity recover, partially offset by iii) a 40% y/y decline in general cargo volumes to 664k tons as disruption-driven overland cargo movements begin to unwind. Accordingly, we forecast revenue growth of 7% y/y to BHD 34.7m, at an EBITDA margin of 29%, expanding 340bps y/y, supported by a higher contribution from higher-margin container activity and improved operating leverage as volumes recover against a largely fixed cost base.

Upgrade to Buy at a TP of BHD 1.10/share (+6% vs. prev.), on 54% higher EPS in FY 27e, resilient FY 27-28e FCFY and DY of 9% and 11%, respectively. Our numbers incorporate softer FY 27-28e earnings, partially offset by stronger near-term general cargo activity. While we expect container throughput and vessel calls to recover gradually in FY 27e, with full normalisation by FY 28e, the increased contribution from lower-margin general cargo should weigh on profitability and limit operating leverage. Our long-term investment thesis centers around i) APMTB's position as Bahrain's sole full-scale commercial port operator, ii) c.3% annual GDP growth, largely driven by non-oil activity, supporting gateway trade, and iii) significant spare capacity, with container utilisation expected to recover to 41% by FY 28e. At 13x FY 27e P/E and 7.5x EV/EBITDA, we see an attractive entry point, with current valuations offering upside as maritime activity gradually recovers. While uncertainty remains over the pace of recovery, improving container volumes and vessel calls could drive meaningful earnings upside through operating leverage.

BUY↑ **BHD 1.10↑**

Industrials / Bahrain

Bloomberg code	APMTB BI
Market index	BSC
Target Price	1.100
Upside (%)	31.0

Market data 11/16/2026

Last closing price	0.841
52 Week range	0.8-1.1
Market cap (BHD m)	76
Market cap (USD m)	201
Average Daily Traded Value (BHD m)	0.00
Average Daily Traded Value (USD m)	0.02
Free float (%)	20%

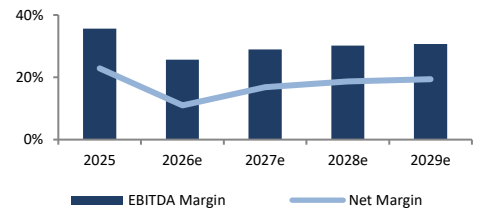
Year-end (local m)	2025	2026e	2027e	2028e
Revenues	40	33	35	38
EBITDA	14	8	10	11
Net income	9	4	6	7
EPS	0.10	0.04	0.06	0.08
EPS growth (%)	(7.6)	(60.8)	63.1	21.6
P/E (current price)	8.3	21.2	13.0	10.7
EV/EBITDA (x)	5.3	9.0	7.5	6.6
DPS	-	0.05	0.06	0.08
Div. yield (%)	-	6.2	7.7	9.4
FCF	12.3	7.8	7.4	8.5
FCF yield (%)	16.3	10.3	9.9	11.3
CAPEX	2	-	2	2
CAPEX/sales (%)	4.0	1.5	5.0	5.0
Net Debt/EBITDA (x)	1.9	3.2	2.5	2.1
RoAE (%)	39.7	16.2	27.1	33.0
RoIC (%)	21.3	9.2	14.3	17.2

© Copyright 2026, Arqaam Capital Limited. All Rights Reserved.
See Important Notice.

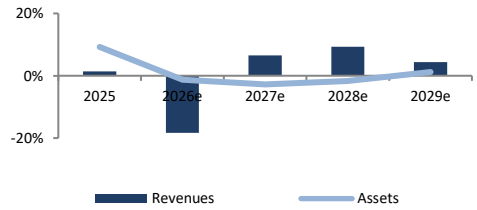
Abacus

Arqaam Capital Fundamental Data

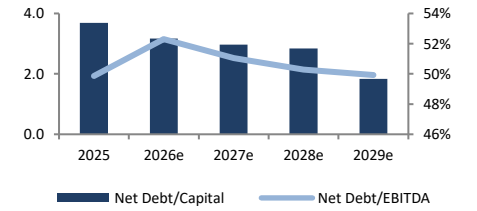
Profitability



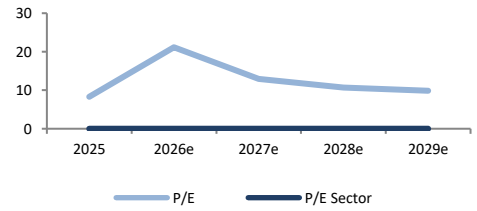
Growth



Gearing



Valuation



APM Terminals Bahrain

Year-end	2024	2025	2026e	2027e	2028e	2029e
Financial summary						
Reported EPS	0.11	0.10	0.04	0.06	0.08	0.09
Diluted EPS	0.11	0.10	0.04	0.06	0.08	0.09
DPS	0.11	-	0.05	0.06	0.08	0.09
BVPS	0.95	0.92	0.88	0.88	0.88	0.88
Weighted average shares	90.00	90.00	90.00	90.00	90.00	90.00
Average market cap	75.69	75.69	75.69	75.69	75.69	75.69

Year-end	2024	2025	2026e	2027e	2028e	2029e
Valuation metrics						
P/E (x) (current price)	7.7	8.3	21.2	13.0	10.7	9.9
P/E (x) (target price)	10.0	10.9	27.7	17.0	14.0	12.9
EV/EBITDA (x) (current price)	5.8	5.3	9.0	7.5	6.6	6.2
EV/EBITDA (x) (target price)	6.9	6.3	10.7	8.9	7.8	7.4
EV/FCF (x)	7.2	6.1	9.7	10.1	8.9	8.5
Free cash flow yield (%)	13.8	16.3	10.3	9.9	11.3	11.8
Dividend yield (%)	13.0	-	6.2	7.7	9.4	10.1

Year-end	2024	2025	2026e	2027e	2028e	2029e
Growth (%)						
Revenues	9.4	1.4	(18.4)	6.5	9.3	4.4
EBITDA	22.4	8.8	(41.2)	20.3	14.1	6.0
EBIT	27.6	6.1	(59.7)	65.0	18.5	7.0
Net income	30.9	(7.6)	(60.8)	63.1	21.6	7.9

Year-end	2024	2025	2026e	2027e	2028e	2029e
Margins (%)						
EBITDA	33.2	35.6	25.6	29.0	30.2	30.7
EBIT	25.9	27.1	13.4	20.8	22.5	23.1
Net	25.1	22.9	11.0	16.8	18.7	19.3

Year-end	2024	2025	2026e	2027e	2028e	2029e
Returns (%)						
RoAA	17.8	15.6	5.9	9.8	12.2	13.2
RoAE	43.8	39.7	16.2	27.1	33.0	35.6
RoIC	23.6	21.3	9.2	14.3	17.2	18.8
FCF margin	26.6	30.8	23.9	21.4	22.4	22.4

Year-end	2024	2025	2026e	2027e	2028e	2029e
Gearing (%)						
Net debt/Capital	45.2	53.4	52.3	51.9	51.7	49.7
Net debt/Equity	88.7	121.2	122.3	117.9	114.0	110.8
Interest cover (x)	23.1	14.9	5.0	9.8	13.2	14.9
Net debt/EBITDA (x)	1.6	1.9	3.2	2.5	2.1	2.0

© Copyright 2023, Arqaam Capital Limited. All Rights Reserved. See Important Notice.

Abacus *Arqaam Capital Fundamental Data*

Company Profile

APM Terminals Bahrain (APMTB) is the exclusive operator of Khalifa Bin Salman Port (KBSP), Bahrain's main commercial port and maritime gateway. The company was incorporated in Bahrain in 2006 and listed on Bahrain Bourse in 2018, with APM Terminals B.V. as the largest shareholder. KBSP is a multi-purpose port serving containers, general cargo, RoRo, cruise traffic and marine services, supported by its strategic location in Hidd and access to the wider Gulf trade corridor.

The business is highly exposed to Bahrain's non-oil economy, particularly import-driven sectors such as manufacturing, construction and wholesale/retail trade. Its core revenue streams are containers, general cargo and marine services. The asset operates under a 25-year concession with the Government of Bahrain starting from 1 April 2009.

Investment thesis

Upgrade to Buy at a TP of BHD 1.100/share (+6% vs. prev.), on 54% higher EPS in FY 27e, resilient FY 27-28e FCF and DY of 8.5% and 10.5%, respectively. Our numbers incorporate softer FY 27-28e earnings, partially offset by stronger near-term general cargo activity. While we expect container throughput and vessel calls to recover gradually in FY 27e, with full normalisation by FY 28e, the increased contribution from lower-margin general cargo should weigh on profitability and limit operating leverage. Our long-term investment thesis centers around i) APMTB's position as Bahrain's sole full-scale commercial port operator, ii) c.3% annual GDP growth, largely driven by non-oil activity, supporting gateway trade, and iii) significant spare capacity, with container utilisation expected to recover to 41% by FY 28e. At 13x FY 27e P/E and 7.5x EV/EBITDA, we see an attractive entry point, with current valuations offering upside as maritime activity gradually recovers. While uncertainty remains over the pace of recovery, improving container volumes and vessel calls could drive meaningful earnings upside through operating leverage.

Ownership

Shareholder structure

Major Shareholders	%
APM Terminals B.V.	64
Yusuf Bin Ahmed Holdings	16
Free Float	20

Source: Company Data

APM Terminals Bahrain

Year-end	2024	2025	2026e	2027e	2028e	2029e
Income statement (BHDmn)						
Revenue	39	40	33	35	38	40
OPEX	(25)	(25)	(24)	(23)	(25)	(26)
EBITDA	**13**	**14**	**8**	**10**	**11**	**12**
Depreciation	(3)	(3)	(4)	(3)	(3)	(3)
EBIT	**10**	**11**	**4**	**7**	**9**	**9**
Finance income	-	-	-	-	-	-
Finance cost	**-**	**(1)**	**(1)**	**(1)**	**(1)**	**(1)**
Net finance income/cost	-	(1)	(1)	(1)	(1)	(1)
Other income/(expense)	-	-	-	-	-	-
Share of results of associates & JV	-	-	-	-	-	-
Profit before tax	10	10	4	7	8	9
Taxes	**-**	**(1)**	**-**	**(1)**	**(1)**	**(1)**
Net profit (group)	10	9	4	6	7	8
Minorities	-	-	-	-	-	-
Net profit (parent)	**10**	**9**	**4**	**6**	**7**	**8**
Arqaam adjustments (including dilution)	-	-	-	-	-	-
Arqaam Net profit	**10**	**9**	**4**	**6**	**7**	**8**

Year-end	2024	2025	2026e	2027e	2028e	2029e
Balance sheet (BHDmn)						
Cash and equivalents	2	1	2	2	1	3
Receivables	3	2	2	2	3	3
Inventories	-	-	-	-	1	1
Tangible fixed assets	22	29	26	25	24	23
Other assets including goodwill	29	28	30	29	29	29
Total assets	**56**	**61**	**60**	**59**	**58**	**58**
Payables	9	8	8	8	9	9
Interest bearing debt	23	29	29	27	26	26
Other liabilities	1	2	2	2	2	2
Total liabilities	**33**	**39**	**39**	**37**	**36**	**37**
Shareholders equity	23	23	22	22	22	22
Minorities	-	-	-	-	-	-
Total liabilities & shareholders equity	**56**	**61**	**60**	**59**	**58**	**58**

Year-end	2024	2025	2026e	2027e	2028e	2029e
Cash flow (BHDmn)						
Cashflow from operations	**14**	**13**	**8**	**9**	**10**	**11**
Net capex	(4)	(2)	-	(2)	(2)	(2)
Free cash flow	**10**	**12**	**8**	**7**	**8**	**9**
Equity raised/(bought back)	-	-	-	-	-	-
Dividends paid	10	-	5	6	7	8
Net inc/(dec) in borrowings	-	-	-	-	-	-
Other investing/financing cash flows	-	(1)	(1)	(1)	(1)	(1)
Net cash flow	**1**	**8**	**1**	**-**	**(1)**	**1**
Change in working capital	19	24	14	13	15	15

Passant Mohamed
passant.mohamed@arqaamsecurities.com
+20 09 925 8411

Nour Eldin Sherif
noureldin.sherif@arqaamcapital.com

© Copyright 2023, Arqaam Capital Limited. All Rights Reserved. See Important Notice.

Q3 26A Results Summary

Exhibit 1: Q3 26A Results Summary

BHD m	Q3 26A	Q3 26e	q/q	Q2 26A	y/y	Q3 25A	y/y
Revenue	8.6	6.2	39%	6.2	40%	10.6	-18%
Gross profit	2.4	1.4	69%	1.4	69%	4.2	-43%
EBITDA	2.3	1.3	76%	1.3	81%	4.0	-42%
Net income	1.1	0.1	746%	0.1	756%	2.6	-56%
Gross margin	28%	23%	491 bps	23%	482 bps	40%	(1,192 bps)
EBITDA margin	26%	21%	545 bps	20%	597 bps	37%	(1,106 bps)
Net profit margin	13%	2%	1,101 bps	2%	1,103 bps	25%	(1,156 bps)

Source: Arqaam Capital Research, Company Data

Valuation

Exhibit 2: Valuation Summary

BHDm		FY 27e	FY 28e	FY 29e	FY 30e	FY 31e
EBIT		7.2	8.5	9.1	9.3	9.6
(Taxes Paid)		(0.7)	(0.9)	(0.9)	(1.0)	(1.0)
+Depreciation		2.8	2.9	3.0	3.2	3.1
COPAT		***9.3***	***10.6***	***11.2***	***11.5***	***11.7***
Working capital changes		(0.5)	(0.5)	(0.6)	(0.6)	(0.6)
CAPEX		(1.4)	(1.6)	(1.7)	(3.1)	(3.1)
Free cash flow		**7.4**	**8.5**	**8.9**	**7.7**	**8.0**
PVOP	30					
PVTV	59					
Enterprise Value	**89**					
Net Debt (Q3 26A)	(0.3)					
Equity Value	**90**					
Number of Shares	90					
Fair Value (BHD/share)	**0.997**					
Target Price (BHD/share)	**1.100**					

Source: Arqaam Capital Research

© Copyright 2023, Arqaam Capital Limited. All Rights Reserved. See Important Notice.

Important Notice

1. Author, regulator and responsibility
Arqaam Capital Limited ("**Arqaam**") is incorporated in the Dubai International Financial Centre ("**DIFC**") and is authorised and regulated by the Dubai Financial Services Authority ("**DFSA**") to carry on financial services in and from the DIFC. Arqaam publishes and distributes (i.e. issues) all research.
Arqaam Capital Research Offshore s.a.l. is a specialist research centre in Beirut, Lebanon, which assists in the production of research issued by Arqaam.

2. Purpose
This document is provided for informational purposes only. Nothing contained in this document constitutes investment, legal, tax or other advice or guidance and should be disregarded when considering or making investment decisions. In preparing this document, Arqaam did not take into account the investment objectives, financial situation and particular needs of any particular person. Accordingly, before acting on this document, investors should independently evaluate the investments and strategies referred to herein and make their own determination of whether it is appropriate in light of their own financial circumstances and objectives.

3. Rating system
Arqaam investment research is based on the analysis of regional and country economics, industries and company fundamentals. Arqaam company research reflects a long-term (12-month) fair value target for a company or stock. The ratings bands are:

Buy	Total return >15%
Hold	0-15%
Sell	Total return <0%

In certain circumstances, ratings may differ from those implied by a fair value target using the criteria above. Arqaam policy is to maintain up-to-date fair value targets on the companies under its coverage, reflecting any material changes to the analyst's outlook on a company. Share price volatility may cause a stock to move outside the rating range implied by Arqaam's fair value target. Analysts may not necessarily change their ratings if this happens, but are expected to disclose the rationale behind their view to Arqaam clients.

4. Accuracy of information
The information contained in this document is based on current trade, statistical and other public information we consider reliable. We do not represent or warrant that such information is accurate or complete and it should not be relied upon as such. Any mention of market rumours has been derived from the markets and is not purported to be fact or reflect our opinions. Arqaam has no obligation to update, modify or amend this document or to otherwise notify a recipient thereof in the event that any opinion, forecast or estimate set forth herein, changes or subsequently becomes inaccurate. In accordance with Regulation AC of the 1934 Exchange Act, the views expressed in this research report accurately reflect the research analysts' personal views about the subject securities or issuers and are subject to change without notice. No part of the research analysts' compensation is related to the specific recommendations or views in the research report.

5. Recipients and sales and marketing restrictions
5.1 Nothing in this document should be construed as a solicitation or offer, or recommendation, to acquire or dispose of any investment or to engage in any other transaction, or to provide any investment advice or service.
5.2 This document is directed at Professional Clients and not Retail Clients within the meaning of DFSA rules. Any investments or financial products referred to herein will only be made available to clients who Arqaam is satisfied qualifies as Professional Clients. Any other persons in receipt of this document must not rely upon or otherwise act upon it.
5.3 This document is only being distributed to investors who meet certain qualifications and to whom an investment or service may be offered or promoted in accordance with relevant country restrictions. This excludes the US except for SEC registered broker-dealers (or banks in permissible "broker" or "dealer" capacity) acting on a principal or agency capacity, and major US institutional investors in accordance with SEC Rules 15a-6(a)(2). Details of other relevant country restrictions are set out on our website at http://www.arqaamcapital.com/english/system/footer/terms-of-use.aspx. Persons into whose possession this document comes are required to inform themselves about, and observe, such restrictions and should not rely upon or otherwise act upon this document where it is unlawful to make to such person such an offer or invitation or recommendation without compliance with any authorisation, registration or other legal requirements.

6. Risk warnings
6.1 Any prices, valuations or forecasts are indicative and are not intended to predict actual results, which may differ substantially from those reflected.
6.2 The value of an investment may go up as well as down. The value of and income from any investment may fluctuate from day to day as a result of changes in relevant economic markets (including, without limitation, foreseeable or unforeseeable changes in interest rates, foreign exchange rates, default rates, prepayment rates, political or financial conditions, etc.).
6.3 Past performance is not indicative of future results. Any opinions, estimates, valuations or projections (target prices and ratings in particular) are inherently imprecise and a matter of judgement. They are statements of opinion and not of fact, based on current expectations, estimates and projections, and rely on beliefs and assumptions. Actual outcomes and returns may differ materially from what is expressed or forecasted. There are no guarantees of future performance.
6.4 Certain transactions, including those involving futures, options, and other derivatives, give rise to substantial risk and are not suitable for all investors.
6.5 This document does not propose to identify or to suggest all of the risks (direct or indirect) which may be associated with the investments and strategies referred to herein.

7. Conflict
7.1 Arqaam and its affiliates provide full investment banking services, and they and their directors, officers and employees, may take positions which conflict with the views expressed in this document. Our salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients and our proprietary trading desks that reflect opinions that are contrary to the opinions expressed in this document. Our asset management area, our proprietary trading desks and investing businesses may make investment decisions that are inconsistent with the recommendations or views expressed in this document.
7.2 Arqaam may have or seek investment banking or other business relationships for which it will receive compensation from the companies that are the subject of this document.
7.3 Facts and views presented in this document have not been reviewed by, and may not reflect information known to, professionals in other Arqaam business areas, including investment banking personnel.
7.4 Emirates NBD PJSC owns 8.32% of Arqaam.
7.5 This research report has been commissioned and funded by Bahrain Bourse. Arqaam Capital receives remuneration from Bahrain Bourse for the preparation and publication of this report.

8. No warranty
Arqaam makes no representations or warranties and, to the fullest extent permitted by applicable law, we hereby expressly disclaim any and all express, implied and statutory representations and warranties of any kind, including, without limitation, any warranty as to accuracy, timeliness, completeness, merchantability, fitness for a particular purpose and/or non-infringement.

9. No liability
Arqaam will accept no liability in any event including (without limitation) negligence for any damages or loss of any kind, including (without limitation) direct, indirect, incidental, special or consequential damages, expenses or losses arising out of, or in connection with your use or inability to use this document, or in connection with any error, omission, defect, computer virus or system failure, or loss of any profit, goodwill or reputation, even if expressly advised of the possibility of such loss or damages, arising out of or in connection with your use of this document. We do not exclude our duties or liabilities under binding applicable law.

10. Copyright and Confidentiality
The entire content of this document is subject to copyright with all rights reserved and the information is private and confidential for your own personal use only. This document and the information contained herein may not be reproduced, distributed or transmitted to any other person or incorporated in any way into another document or other material without our prior written consent.

11. Governing law
English law governs this document and these disclaimers and any dispute in relation thereto shall be exclusively referred to the English Courts.

© Copyright 2023, Arqaam Capital Limited. All Rights Reserved. See Important Notice.