ABPA HOLDINGS LIMITED AND SUBSIDIARIES

(Company Number 07847153)

INTERIM REPORT

FOR THE SIX MONTHS to 30 JUNE 2025

ABPA HOLDINGS LIMITED AND SUBSIDIARIES

INTERIM REPORT 2025

Unaudited group income statement for the six months to 30 June 2025

All results are derived from continuing operations in the United Kingdom.

	Note	2025 £m	2024* £m
Revenue	2	**409.5**	384.6
Cost of sales		**(165.5)**	(155.7)
Gross profit		**244.0**	228.9
Administrative expenses		**(74.5)**	(70.5)
Other income		**4.0**	2.8
Operating profit		**173.5**	161.2
Finance costs	3	**(274.6)**	(265.2)
Finance income	3	**2.1**	4.9
Loss before net gain on derivatives at fair value through profit and loss and foreign exchange		**(99.0)**	(99.1)
Net gain on derivatives at fair value through profit and loss and foreign exchange	3	**22.7**	66.8
Loss before taxation		**(76.3)**	(32.3)
Taxation charge	4	**(18.5)**	(28.9)
Loss attributable to equity shareholder		**(94.8)**	(61.2)

* In the prior year further line items were included to analyse operating profit. The comparatives have been amended to conform with the current year presentation. No amounts have been restated.

Unaudited group statement of comprehensive income for the six months to 30 June 2025

	2025 £m	2024 £m
Loss for the year attributable to equity shareholder	**(94.8)**	(61.2)
Other comprehensive income/(loss) not to be reclassified to profit and loss in subsequent periods:		
Deferred tax on revaluation of investment property	**-**	(0.5)
Remeasurement (loss)/gain relating to net retirement benefit liability/asset	**(4.2)**	5.0
Deferred tax associated with remeasurement relating to net retirement benefit liability/asset	**1.0**	(1.4)
Other comprehensive (expense)/income for the year, net of tax	**(3.2)**	3.1
Total comprehensive (expense)/income, net of tax, attributable to equity shareholder	**(98.0)**	(58.1)

Unaudited group balance sheet as at 30 June 2025

	Note	At 30 June 2025 £m	At 31 December 2024 £m
ASSETS			
Non-current assets			
Goodwill	5	**1,083.8**	1,083.8
Intangible assets	5	**82.5**	95.8
Property, plant and equipment	5	**1,890.2**	1,870.9
Investment property	5	**3,052.2**	3,025.5
Retirement benefit assets	8	**25.8**	28.2
Derivative financial instruments	10	**49.6**	44.8
Trade and other receivables	7	**0.8**	0.7
Total non-current assets		**6,184.9**	6,149.7
Current assets			
Derivative financial instruments	10	**0.2**	2.4
Trade and other receivables	7	**164.8**	155.4
Inventories	6	**8.2**	8.1
Cash and cash equivalents		**77.8**	65.2
Total current assets		**251.0**	231.1
TOTAL ASSETS		**6,435.9**	6,380.8
LIABILITIES			
Current liabilities			
Borrowings	9	**(65.1)**	(65.5)
Derivative financial instruments	10	**(25.8)**	(20.9)
Trade and other payables		**(86.0)**	(149.0)
Deferred income		**(54.8)**	(54.2)
Provisions		**(28.1)**	(28.2)
Total current liabilities		**(259.8)**	(317.8)
Non-current liabilities			
Borrowings	9	**(7,001.0)**	(6,796.5)
Derivative financial instruments	10	**(193.2)**	(181.2)
Retirement benefit liabilities	8	**(21.0)**	(23.4)
Trade and other payables		**(19.3)**	(18.8)
Deferred income		**(113.6)**	(118.5)
Provisions		**(24.7)**	(25.2)
Deferred tax liabilities	4	**(434.5)**	(432.6)
Total non-current liabilities		**(7,807.3)**	(7,596.2)
TOTAL LIABILITIES		**(8,067.1)**	(7,914.0)
NET LIABILITIES		**(1,631.2)**	(1,533.2)
SHAREHOLDER’S DEFICIT			
Share capital		**-**	-
Revaluation reserve		**1,501.7**	1,501.7
Other reserves		**1,000.0**	1,000.0
Accumulated losses		**(4,132.9)**	(4,034.9)
TOTAL SHAREHOLDER’S DEFICIT		**(1,631.2)**	(1,533.2)

Unaudited group statement of cash flows for six months to 30 June 2025

	Note	2025 £m	2024 £m
Cash flows from operating activities			
Cash generated by operations	11	**162.5**	182.0
Interest paid		**(203.8)**	(155.7)
Interest received		**2.1**	4.9
Lease interest paid		**(1.1)**	(1.1)
Income tax paid		**(7.3)**	(3.0)
Payment of transaction costs on issue of borrowings*		**(5.1)**	-
Net cash inflow from operating activities		**(52.7)**	27.1
Cash flows from investing activities			
Net proceeds from sale of property, plant and equipment		**0.5**	0.8
Government grants received		**1.9**	2.4
Purchase of intangible assets		**(7.6)**	(5.2)
Purchase of property, plant and equipment		**(76.1)**	(87.3)
Purchase of investment property		**(22.5)**	(29.4)
Net cash outflow from investing activities		**(103.8)**	(118.7)
Cash flows from financing activities			
New borrowings		**601.8**	350.4
Payment of transaction costs on issue of borrowings*		**-**	(1.9)
Repayment of Borrowings		**(430.0)**	(221.6)
Payment of principal portion of lease liabilities		**(2.7)**	(1.7)
Net cash inflow from financing activities		**169.1**	125.2
Change in cash and cash equivalents during the year		**12.6**	33.6
Cash and cash equivalents at 1 January		**65.2**	71.8
Cash and cash equivalents at 30 June		**77.8**	105.4

*For the current year the payment of transaction costs on issue of borrowings has been reclassified to operating activities from financing activities to be consistent with the classification of other finance costs as arising from operating activities. The prior year amount is considered immaterial for adjustment.

Group statement of changes in equity

For the six months to 30 June 2025

	Share capital £m	Revaluation reserve £m	Other reserve £m	Accumulated losses £m	Total £m
At 1 January 2025	**-**	**1,501.7**	**1,000.0**	**(4,034.9)**	**(1,533.2)**
Loss for the year	-	-	-	(94.8)	**(94.8)**
Other comprehensive income	-	-	-	(3.2)	**(3.2)**
Total comprehensive expense	**-**	**-**	**-**	**(98.0)**	**(98.0)**
At 30 June 2025	**-**	**1,501.7**	**1,000.0**	**(4,132.9)**	**(1,631.2)**

	Share capital £m	Revaluation reserve £m	Other reserve £m	Accumulated losses £m	Total £m
At 1 January 2024	-	**1,242.8**	**1,000.0**	**(3,828.3)**	**(1,585.5)**
Loss for the year	-	-	-	(61.2)	(61.2)
Other comprehensive expense	-	-	-	3.1	3.1
Total comprehensive expense	-	**-**	**-**	**(58.1)**	**(58.1)**
At 30 June 2024	-	**1,242.8**	**1,000.0**	**(3,886.4)**	**(1,643.6)**

Notes to the financial statements

1. Accounting policies

1.1 Basis of preparation

These interim condensed consolidated financial statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. The comparative figures for the year ended 31 December 2024 are derived from the statutory accounts filed with the Registrar of Companies. The auditor's report on the statutory accounts for the year ended 31 December 2024 was unqualified and did not contain a statement under section 498 of the Companies Act 2006.

The group prepares its annual consolidated financial statements in accordance with UK adopted International Accounting Standards ("IASs"). The interim condensed consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all the information and disclosures required in the group's annual consolidated financial statements and should be read in conjunction with the group's annual consolidated financial statements for the year ended 31 December 2024.

Going concern basis

The directors confirm that, in their opinion, the group has sufficient financial resources and facilities available to continue to trade for the foreseeable future. ABP (Jersey) Limited ("ABPJ"), the company's ultimate parent undertaking, confirmed that it will continue to support the company to enable it to meet its liabilities as they fall due until 30 June 2026. Accordingly, the directors continue to adopt the going concern basis in preparing the Interim Report.

In arriving at their decision, the Directors have considered:

- The groups 2025 first half performance, which is ahead of the group's latest business plan and demonstrates the ongoing ability to deliver growth through existing and new business.
- The group's latest business plan forecasts strong growth from 2025 to 2029, continuing the improvement in the group's financial position. This growth is to be achieved through commercial strategy, strong cost management and investment in new facilities. The plan was developed taking into consideration the impact of the current macroeconomic environment.
- Management modelled scenarios. These include a severe but plausible downside scenario, where volumes in key markets fall up to 30%, which represents a market downturn and or loss of a major customer. This would result in the erosion of headroom against the leverage covenant within the going concern period. Should this occur, the group has the option of pursuing mitigating measures that are under its own control to cut costs and preserve cash. These include reductions in variable costs to match reduced activity, delaying or holding back its capital programme, reassessing amounts distributed to shareholders and, if the downside period persists, structurally reviewing costs for further savings.
- That debt maturities are spread over a range of dates, limiting the group's exposure to a material refinancing in any one year.
- The group's track record of its ability to refinance debt and generate cash flows. During the six months to 30 June 2025 £152m has been raised in new private debt and £300m of public bonds issued. £280m of debt has been repaid including a buyback of £150m of issued public bonds.
- That the group has access to £400m of committed and undrawn borrowing facilities and £227m of debt service reserve liquidity facilities to cover annual interest costs.
- The group's net liability position of £1.6bn that includes £4.1bn loan and interest due to its immediate parent. Given the letter of support from the ultimate parent undertaking ABPJ this net liability position is not considered to impact the going concern of the group.

Notes to the financial statements

1. Accounting policies (continued)

1.1 Basis of preparation (continued)

New standards and amendments adopted

No new standards effective for the first time for the annual reporting period commencing 1 January 2024 have a material impact on the consolidated financial statements of the group.

New standards, amendments and interpretations issued but not yet effective

The IASB and IFRIC have issued a number of standards, amendments and interpretations:

- IFRS7 and IFRS9 on the classification and measurement of financial instruments; IFRS18 on the presentation and disclosure in financial statements; IFRS19 subsidiaries without public accountability and the Annual Improvements volume 11 all have an effective date of implementation for accounting periods beginning after the start of the group's current financial year. The impact of these new standards will be analysed during the current accounting period ending 31 December 2025.

The group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

2. Revenue

The disaggregation of the group's revenue by type of services is set out below:

	2025 **£m**	**2024** **£m**
Call	**68.2**	64.2
Traffic	**147.9**	140.0
Cargo operations	**28.9**	28.0
Shortfall	**13.7**	11.0
Fixed	**13.4**	12.8
Utilities	**16.7**	17.4
Dredging	**7.8**	5.1
Other	**23.5**	19.3
Total revenue from contracts with customers	**320.1**	297.8
Lease income from investment properties	**89.4**	86.8
Revenue	**409.5**	384.6

The timing of revenue recognition often differs from contract payment schedules, resulting in revenue that has been earned but not billed. These amounts are included in accrued income. Amounts billed in advance but not yet earned are recorded and presented as part of deferred income. Invoiced revenue should be received in accordance with the terms agreed within the revenue contract typically within 60 days. Contracts do not contain significant financing components. Included in revenue from contracts with customers is £50.3m (2024: £51.1m) recognised over time.

Notes to the financial statements

3. Finance costs/(income)

	2025 £m	2024 £m
Interest on term and revolving facilities	**5.2**	6.2
Interest on private placement notes	**54.8**	54.1
Interest on public loan notes	**18.9**	18.9
Interest on amounts due to parent undertaking	**180.3**	178.2
Interest on lease liabilities	**1.1**	1.1
Amortisation of borrowing costs and discount on issue	**1.0**	1.2
Net interest charge on net defined benefit liabilities	**-**	0.3
Other finance costs	**6.5**	1.3
Less: interest capitalised on non-current assets under construction	**(3.8)**	(3.0)
Interest cost on derivatives at fair value through profit and loss	**10.6**	6.9
Finance costs	**274.6**	265.2
Net interest income on net defined benefit liabilities	**(0.3)**	-
Finance income on financial assets held at amortised cost	**(1.4)**	(4.9)
Interest income on derivatives at fair value through profit and loss	**(0.4)**	-
Finance income	**(2.1)**	(4.9)
Foreign exchange gains	**(36.7)**	(29.7)
Net loss/(gain) on derivatives at fair value through profit and loss	**14.0**	(37.1)
Net gain on derivatives at fair value through profit and loss and foreign exchange	**(22.7)**	(66.8)
Net finance costs	**249.8**	193.5

4. Taxation

The group is subject to UK corporation tax. The rate of taxation applicable to the group's taxable profits for the six months ended 30 June 2025 was 25.0% (period ended 30 June 2024: 25.0%). The current tax charge for the six months ended 30 June 2025 amounted to £15.7m (period ended 30 June 2024: £16.3m). Taxable profits have increased between periods reflecting the financial performance of the group, the fair value losses (2024: gains) on derivatives are disallowable in both periods.

The deferred tax charge for the six months ended 30 June 2025 amounted to £2.8m (period ended 30 June 2024: £12.6m). The current period charge is driven by the change in the fair value of derivatives.

Notes to the financial statements

5. Movements in fixed assets

	Goodwill £m	Intangible assets £m	Property, plant and equipment £m	Investment property £m
Six months ended 30 June 2025				
Net book value as at 1 January 2025	**1,083.8**	**95.8**	**1,870.9**	**3,025.5**
Additions	-	2.9	66.3	26.5
Transfers between asset categories	-	(8.6)	8.2	0.4
Disposals and write offs	-	(0.3)	(0.2)	(0.2)
Depreciation and amortisation	-	(7.3)	(55.0)	-
Net book value at 30 June 2025	**1,083.8**	**82.5**	**1,890.2**	**3,052.2**

	Goodwill £m	Intangible assets £m	Property, plant and equipment £m	Investment property £m
Year ended 31 December 2024				
Net book value as at 1 January 2024	**1,083.8**	**96.7**	**1,810.6**	**2,713.1**
Additions	-	17.2	177.7	59.2
Transfers between asset categories	-	0.4	(7.1)	6.7
Transfers to inventories	-	-	(3.9)	-
Disposals and write offs	-	(3.3)	(1.6)	(2.2)
Depreciation and amortisation	-	(15.2)	(104.8)	-
Surplus on revaluation	-	-	-	14.9
Increase in fair value of investment properties	-	-	-	233.8
Net book value at 31 December 2024	**1,083.8**	**95.8**	**1,870.9**	**3,025.5**

Intangible assets

During the six months ended 30 June 2025, most additions were related to software-focused IT projects.

Property, plant and equipment

During the six months ended 30 June 2025, significant capitalised expenditures included: £5.6m related to the upgrade of underutilised land at the Port of Immingham, £5.5m for a new Shed at the Immingham International terminal, £5.4m for steel cargo handling equipment and civil works at Newport, £3.9m on Immingham Eastern Ro/Ro Terminal, and £3.6m on the interim solution Ro/Ro services at Immingham for a major customer.

Investment property

During the six months ended 30 June 2025, significant capitalised expenditures included: £6.9m for Brittany Ferries in Plymouth, £3.4m for Future Port Talbot, £3.1m for Grimsby Seafood Village, and £3.1m on Immingham Green Energy Terminal.

During the six months ended 30 June 2025 and 30 June 2024 there was no change in fair value of investment properties recognised directly in the income statement.

Notes to the financial statements

5. Movements in fixed assets (continued)

Leases exempted

During the six months ended 30 June 2025, the group recognised lease expense from short-term leases of £2.5m (period ended 30 June 2024: £1.7m) and leases of low value assets of £nil (period ended 30 June 2024: £0.1m).

6. Inventories

	At 30 June 2025 £m	At 31 December 2024 £m
Consumable spares	**8.2**	8.1

At 31 December 2024 £3.9m consumable spares were transferred from property plant and equipment and £4.2m of consumable spares was transferred from other receivables.

7. Trade and other receivables

Trade and other receivables are analysed as follows:

	At 30 June 2025 £m	At 31 December 2024 £m
Non-current		
Accrued income	**0.2**	0.1
Prepayments	**-**	-
Other receivables	**0.6**	0.6
Total non-current trade and other receivables	**0.8**	0.7
Current		
Trade receivables	**118.4**	94.4
Prepayments	**13.9**	12.1
Accrued income	**26.8**	33.1
Other receivables	**14.2**	24.7
Provision for expected credit losses	**(8.5)**	(8.9)
Total current trade and other receivables	**164.8**	155.4

During the six months ended 30 June 2025, the group recognised a reduction in the provision for expected credit losses measured at an amount equal to the lifetime expected credit losses on receivables arising from contracts with customers of £0.4m (period ended 30 June 2024: reduction of £0.9m).

Other receivables mainly comprise costs incurred relating to damage to property that is recoverable from third parties, including insurers, costs incurred where compensation, at least equal to the costs, is expected to be obtained and recoverable VAT.

Notes to the financial statements

8. Pension commitments

The group participates in several pension schemes. They are accounted for as follows:

Defined Benefit:
- The Associated British Ports Group Pension Scheme ("ABPGPS")
- The Pilots National Pension Fund ("PNPF")
- Unfunded retirement benefit arrangements in respect of former employees

Defined Contribution:
- The Legal & General Worksave Mastertrust ("MyPension Plan")
- The Ensign Retirement Plan ("ERP")
- The Merchant Navy Officers Pension Fund ("MNOPF")
- The Civil Service Pension
- The People's Pension

Except for unfunded retirement benefit arrangements, the assets of the group's pension arrangements are held in trust funds independent of the group. All the schemes operate under the UK regulatory framework. The primary regulatory authority overseeing these pension schemes is The Pensions Regulator.

Income statement

The total pension charge included in the group income statement was as follows:

	2025 £m	2024 £m
ABPGPS and unfunded retirement benefit arrangements	**0.3**	0.4
Industry wide schemes	**0.2**	0.2
Defined contribution arrangements	**7.6**	7.3
Net pension charge recognised within operating profit	**8.1**	7.9
Net interest charged/(received) on net defined benefit asset (2024: liability)	**(0.3)**	0.3
Net pension charge recognised in loss before taxation	**7.8**	8.2

Balance sheet

The retirement benefit assets and obligations were:

	At 30 June 2025 £m	At 31 December 2024 £m
Net retirement benefit assets total	**25.8**	28.2
Net retirement benefit obligations total	**(21.0)**	(23.4)
Net retirement benefit asset	**4.8**	4.8
Analysed by scheme:		
ABPGPS – net funded pension assets	**25.8**	28.2
ABPGPS – net unfunded pension liability	**(1.5)**	(1.6)
	24.3	26.6
PNPF	**(19.5)**	(21.8)
Net retirement benefit asset	**4.8**	4.8

Notes to the financial statements

8. Pension commitments (continued)

The valuation for the group's main defined benefit pension scheme was reviewed by the group's actuary at 30 June 2025. Based on this review, the scheme's net surplus was estimated as being £24.3m at 30 June 2025 (31 December 2024: £26.6m), representing an decrease of £2.3m. At 30 June 2025 there have been no significant changes to the assumptions used at 31 December 2024.

The valuation for the PNPF was reviewed by the scheme's actuary at 30 June 2025. Based on this review, the group's share of the scheme's net deficit was estimated as being £19.5m (31 December 2024: £21.8m), representing a decrease of £2.3m. At 30 June 2025 there have been no significant changes to the assumptions used at 31 December 2024.

9. Net borrowings

	Expiry date	Rate per annum	At 30 June 2025 £m	At 31 December 2024 £m
Term and revolving facilities	2030-2036	compounded SONIA plus margin	**180.0**	195.0
Private placements – GBP floating rate	2030-2037	compounded SONIA plus margin	**593.3**	608.3
Private placements – GBP fixed rate	2025-2047	3.43% - 6.52%	**876.3**	876.3
Private placements – USD fixed rate	2029-2034	4.41% - 5.68%	**376.6**	411.5
Private placements – JPY fixed rate	2032	1.00%	**100.8**	50.8
Public loans – GBP floating rate	2033	compounded SONIA plus margin	**70.0**	70.0
Public loans – GBP fixed rate	2026-2042	5.25% - 6.25%	**680.2**	530.2
Deferred borrowing costs			**(16.9)**	(12.8)
External debt			**2,860.3**	2,729.3
Interest payable on external debt and derivatives			**29.2**	29.7
Interest receivable on derivatives			**(1.2)**	(1.4)
Lease liabilities			**40.5**	39.7
Cash and cash equivalents			**(77.8)**	(65.2)
Net external debt			**2,851.0**	2,732.1
Amounts due to parent undertaking	2027-2028	9.00%; compounded SONIA plus margin	**1,138.8**	1,138.8
Interest on amounts due to parent undertaking			**2,997.3**	2,924.5
Net borrowings			**6,987.1**	6,795.4
Current borrowings			**65.1**	65.5
Non-current borrowings			**7,001.0**	6,796.5
Less: interest receivable on derivatives			**(1.2)**	(1.4)
Less: cash and cash equivalents			**(77.8)**	(65.2)
Net borrowings			**6,987.1**	6,795.4

During the six months ended 30 June 2025 external borrowings increased due to additional long term fixed debt and issue of new public bonds partially offset by repayment of term and revolving facilities and buy back of issued public bonds due in 2026.

At the 30 June 2025 all USD and JPY loans have been retranslated using the exchange rates at that date.

Notes to the financial statements

9. Net borrowings (continued)

Amounts due to parent undertaking represent two loans from ABP Midco UK Limited, the group's immediate parent undertaking.

Borrowings of the group are secured over all of the group's investments (and in the case of Associated British Ports Holdings Limited ("ABPH"), the group's wholly owned intermediate subsidiary undertaking, the Associated British Ports ("ABP") ownership rights).

The group, through its wholly owned subsidiary undertaking, ABP Acquisitions UK Limited ("ABPA"), has borrowing agreements which restrict the amounts that can be paid by certain subsidiaries in respect of the redemption, purchase or retirement of share capital or share premium, payments of dividends or interest in respect of shares, payments of management, advisory or other fees at arm's length, or any repayment of subordinated debt. Were the companies to make payments in excess of these limits it would be in breach of its financing covenants. The companies subject to these restrictions are ABPA Holdings Limited, ABPA, ABP Finance Plc which has issued publicly listed debt on the Irish Stock Exchange, ABPH, ABP and any other material subsidiaries as defined in the agreement.

Lease liabilities are secured on related leased assets

10. Derivative financial instruments

The group uses derivatives to manage its exposure to various fixed rate, floating rate and foreign currency borrowings and transactions, as well as fuel prices. As the group does not designate any of its derivatives as hedges, the fair value changes are recognised in the income statement.

11. Cash generated by operations

Reconciliation of profit before taxation to cash generated by operations for the 6 months to 30 June:

	2025	**2024**
	£m	**£m**
Loss before taxation	**(76.3)**	(32.3)
Finance costs	**274.6**	265.2
Net unrealised loss/(gain) on derivatives at fair value through profit and loss	**14.0**	(37.1)
Finance income	**(2.1)**	(4.9)
Net unrealised foreign exchange gain	**(36.7)**	(29.7)
Net unrealised gain on operating derivatives	**-**	(0.7)
Depreciation of property, plant and equipment and right of use assets	**55.0**	49.6
Amortisation of intangible assets	**7.3**	7.2
Loss on write off of intangibles and disposal of property, plant and equipment, investment property, property and land held for sale and right of use assets	**0.1**	0.1
Decrease in provisions	**(0.7)**	(2.8)
Defined benefit pension charge through profit and loss	**0.5**	0.6
Pension contributions paid	**(4.5)**	(5.4)
Operating cash flows before movements in working capital	**231.2**	209.8
Increase in trade and other receivables	**(17.8)**	(21.7)
Decrease in trade and other payables	**(50.9)**	(6.1)
Cash generated by operations	**162.5**	182.0

Notes to the financial statements

12. Financial commitments

Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	At 30 June 2025 £m	At 31 December 2024 £m
Property, plant and equipment	**42.3**	55.7
Investment property	**10.1**	10.5
Intangible assets	**0.7**	1.7

13. Ultimate parent undertaking and controlling parties

Details of the ultimate parent undertaking and controlling parties can be found in note 28 of the 2024 Annual Report and Financial Statements of ABPA Holdings Ltd and its subsidiaries.