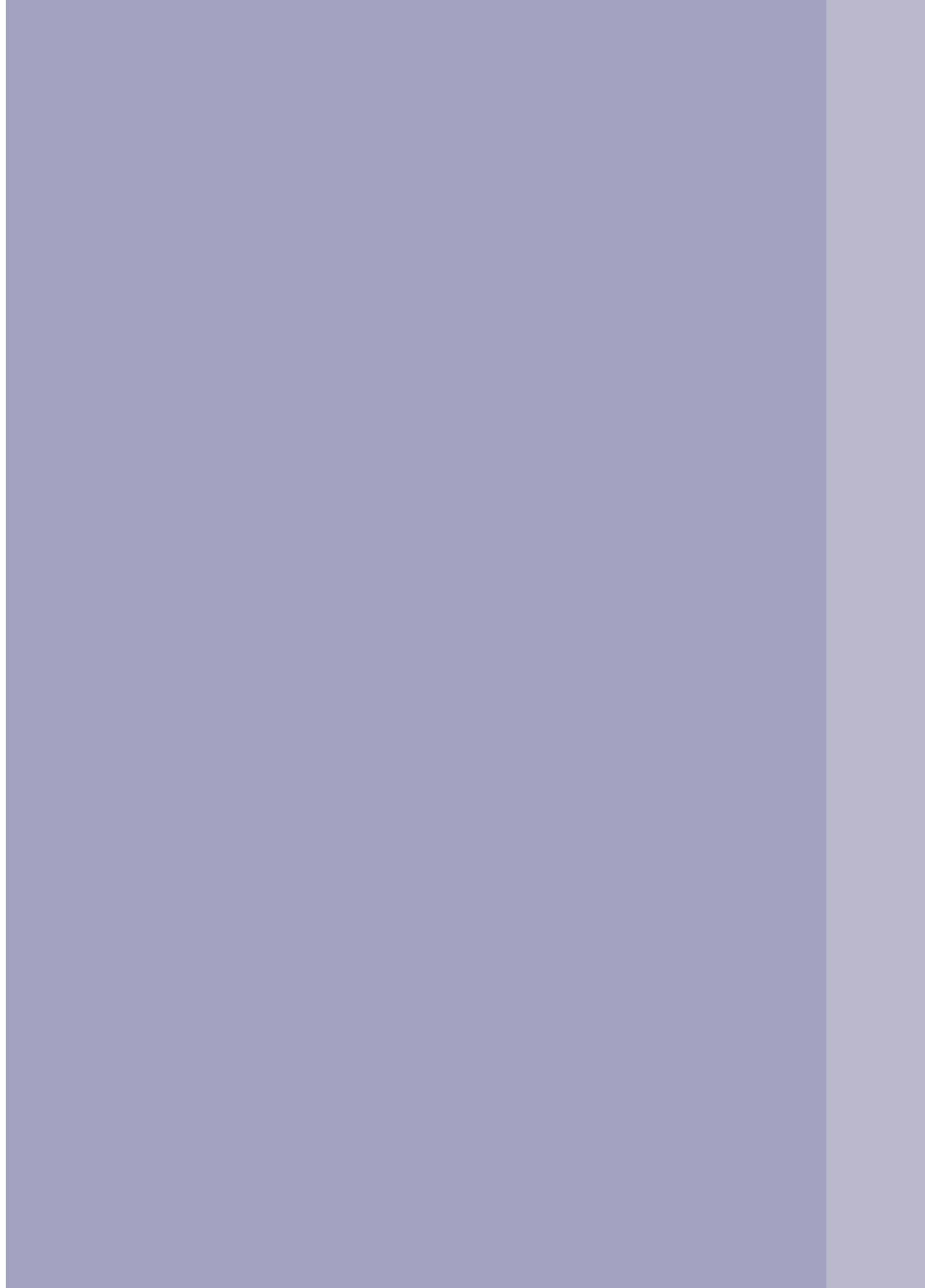


ANNUAL REPORT 2023



OCEAN WILSONS

HOLDINGS LIMITED



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About Ocean Wilsons Holdings Limited

Ocean Wilsons Holdings Limited (“Ocean Wilsons” or the “Company”) is a Bermuda investment holding company which, through its subsidiaries, holds a portfolio of international investments and operates a maritime services company in Brazil. The Company is listed on both the London Stock Exchange and the Bermuda Stock Exchange.

Principal Activities

The Company’s principal activities are the management of a diverse global investment portfolio and the provision of maritime and logistics services in Brazil.

Ocean Wilsons has two operating subsidiaries: Ocean Wilsons (Investments) Limited (“OWIL”) and Wilson Sons S.A. (“Wilson Sons”) (together with the Company and their subsidiaries, the “Group”).

The Company owns 100% of OWIL and 57% of Wilson Sons which is fully consolidated in the financial statements with a 43% non-controlling interest. Wilson Sons is one of the largest providers of maritime services in Brazil with activities including towage, container terminals, offshore oil and gas support services, small vessel construction, logistics and ship agency.

Objective

The Company’s objective is to focus on long-term value creation through both the investment portfolio and the investment in Wilson Sons. This longer-term view directs an OWIL investment strategy of a balanced thematic portfolio of funds leveraging our long-standing investment market relationships and through detailed insights and analysis. The Wilson Sons strategy focuses on providing best in class or innovative solutions in a rapidly growing maritime logistics market.

Data Highlights

Key Data AT 31 DECEMBER - IN US\$ MILLIONS

Revenue	\$486.6	2022: \$440.1 Change: +10.6%
Operating profit	\$125.7	2022: \$113.8 Change: +10.5%
Profit after tax	\$103.1	2022: \$11.5 Change: +796.5%
Investment portfolio net return	\$26.1	2022: (\$51.0) Change: +\$77.1
Investment portfolio assets	\$310.9	2022: \$293.8 Change: +5.8%
Net assets	\$815.8	2022: \$754.1 Change: +8.2%
Net debt	\$479.1	2022: \$440.2 Change: +8.8%
Net cash inflow from operating activities	\$128.7	2022: \$98.9 Change: +30.1%

Share Data AT 31 DECEMBER

Share price (GBP)	12.00	2022: 9.30 Change: +29.0%
Earnings per share (USD)	189.6 c	2022: (52.8) c Change: +242.4 c
Dividend paid per share (USD)	70 c	2022: 70 c Change: -
Proposed dividend per share for 2024 (USD)	85 c	

SECTION ONE

Strategic Report



The Chair's Statement

I am delighted to report that 2023 was an excellent year for Ocean Wilsons. Our operations at Wilson Sons delivered their best financial performance ever and our investment portfolio returned strong results after a loss in 2022. These accomplishments resulted in solid returns, allowing us to propose an annual dividend of US 85 cents per share for our shareholders to be paid 14 June 2024, an increase from the 70 cents dividend paid in recent years.

In a geopolitical sense, turmoil in the world has increased since last year with the ongoing war in Ukraine seeming to be now dug in for a longer conflict, the recent hostilities in the Middle East which continue and the tension between China and Taiwan escalating. Inflation remains a concern, albeit at a reduced level from a year ago, but the projections for 2024 remain mixed, with inflation and interest rates considered likely to remain unsettled for the short term. The fears of a global recession, whilst somewhat mitigated, have not gone away and we remain in uncertain times. With that backdrop, we are particularly pleased with the performance of both of our subsidiaries.

Wilson Sons yet again grew revenues with container volumes and maritime operations now firmly back on a pre-pandemic growth trajectory, with each division contributing to a record overall profit. It ended the year with an all-time high stock price of BRL17.46 (US\$3.61) reflecting this performance. We announced in June 2023 that we were performing a strategic review of our Brazilian operations which remains ongoing at the date of this report. I would like to take this opportunity to commend the Board and the leadership team at Wilson Sons for maintaining their focus on operations at a time when such a review can be distracting to day-to-day business.

Our investment portfolio results returned to a profit after the loss in 2022. Whilst a loss-making result is never something to celebrate, our results last year were very creditable compared to the market which saw heavy falls in equities and bonds. Similarly in 2023, the team have delivered a gross return of 10.1% on the portfolio compared to the benchmark of 6.4%, albeit the high-water mark in place for the performance fee arrangements was not reached and no performance fee is payable relating to 2023. We thank our team at Hanseatic Asset Management LBG ("Hanseatic") for their delivery this year.

Results Overview

The key metrics to highlight here are a growth in revenues of just over 10%, an increase in net earnings to \$103 million this year and earnings per share for the year of US189.6 cents compared to a loss of US 52.8 cents a year ago. Distributions from Wilson Sons increased significantly, enabling us to propose the higher dividend referred to above. The share price of Wilson Sons increased by 62% during the year and that of Ocean Wilsons by 29%. Some of this is no doubt due to the market's view of the ongoing strategic review, however the undisturbed prices have also increased, reflecting the quality of the underlying performance.

The Financial Report provides further details in relation to the performance of the Group.

Our Commitment to Responsible Investing and Corporate Sustainability

Over the past year, your Board has remained committed to driving and implementing responsible investing policies and operating practices across the Group and on our Environmental, Social, and Governance ("ESG") strategies. These commitments are integral to our operations in Brazil and they represent one of several factors that guide our investment decisions for our investment portfolio.

Hanseatic is a signatory to the United Nations' Principles for Responsible Investment ("UNPRI"). Whilst our approach to investing is ESG-informed rather than ESG-led and does not exclude specific sectors or companies, we do prioritise new investments that are aligned with our long-term ESG objectives as well as our broader growth strategy. We are delighted that, subsequent to the year end, Hanseatic was reviewed by the UNPRI for the first time and exceeded the median in 7 out of 9 of the UNPRI categories.

In a significant development this year, Wilson Sons has been admitted to the Corporate Sustainability Index ("ISE") of the Brazilian stock exchange. The ISE, a pioneer in Latin America and the fourth sustainability index globally, is recognised as a benchmark for companies exemplifying a strong commitment to corporate sustainability. Wilson Sons' inclusion in the ISE is not only a testament to our commitment to ESG principles but also positions us among a select group of companies

in Brazil leading the way in sustainable business practices. This recognition underscores our proactive approach in contributing to a more sustainable and responsible business landscape.

Further details of the Company's ESG practices and our Task Force for Climate Related Financial Disclosures are presented on page 43.

The Board

Your Board membership was unchanged in 2023 after the changes made over the three previous years. We have been fortunate to retain the services of Mr Andrey Berzins, particularly as we go through our strategic review of Wilson Sons. His expertise and longevity bring great value to the Board deliberations and balances the relatively new tenure of the other independent Directors. As our strategic review completes in 2024, we will review the Board composition in that context.

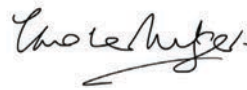
Outlook

As we look forward to 2024, whilst we are starting from a position of strength with a solid platform of performance in 2023, the outlook remains uncertain with continuing armed conflicts in several regions and key elections this year in both the US and the UK. The geopolitical outlook feels as though it has never been more uncertain. The global issues faced a year ago such as supply chains and banking failures are not currently top of mind, but as 2023 has amply demonstrated, the world is no longer as stable as it was and there will continue to be surprises.

The Wilson Sons' management team have demonstrated their ability to navigate challenges and to innovate and embrace technology which they will continue to do. As such, we expect Wilson Sons to continue to capitalise on its strong market position in Brazil and to take advantage of the more stable global shipping industry compared to a year ago.

We believe our investment portfolio is well positioned for the uncertain times ahead and proved the benefit of its long-term strategy and perspective in 2023. We continue to overweight investments in private assets as the best way to achieve real returns through long term capital growth, whilst making smaller moves into fixed income, value strategies and climate related holdings.

As I said to you last year, there are choppy waters ahead, albeit the reasons for that choppiness differ somewhat from those a year ago. The results of 2023 demonstrate that there are always opportunities to be found in times of turmoil and the Board believes that both of our subsidiaries are well placed to steer a good path through the turbulent waters.



Caroline Foulger

Chair

21 March 2024

Business Review

Investment Manager Report

Market Backdrop

This past year was marked by the multitude of global economic uncertainties in terms of inflation, economic growth, interest rates and a particularly unstable geopolitical backdrop, the most important factor in 2023 for markets being inflation. In the US and Europe inflation had already started to fall back by the start of 2023 but the big questions were how quickly it would continue to fall and where it would eventually settle. However, the challenge arises when inflation begins to decline, as was the case in 2023. While central bankers remained hawkish, continuing to signal higher interest rates, the actual need for such measures may diminish as inflation falls. This creates a contradiction between the backward-looking nature of inflation and the forward-looking impact of interest rate policy.

Against this backdrop, the investment portfolio had a gross return of 10.1% and a net return of 8.9%, while the portfolio's absolute benchmark (US CPI Urban Consumers NSA + 3%), which is inflation based, returned 6.4%.

Cumulative Portfolio Returns

	2023	2022	3 Years p.a.	5 Years p.a.
OWIL	10.1%	-13.8%	3.2%	6.9%
OWIL (Net)*	8.9%	-14.7%	2.0%	5.7%
Performance Benchmark**	6.4%	9.5%	8.6%	7.1%
MSCI ACWI + FM NR US\$	22.2%	-18.4%	5.7%	11.7%
Bloomberg Global Treasury TR US\$ (Unhedged)	4.2%	-17.5%	-7.1%	-1.5%
MSCI Emerging Markets NR US\$	9.8%	-20.1%	-5.1%	3.7%

* Net of management and performance fees. No performance fees were earned in 2023 and 2022 as the high-water mark was not exceeded.

** The OWIL Performance Benchmark is an absolute benchmark of US CPI Urban Consumers NSA +3% p.a.

Portfolio Commentary

The investment portfolio's strategy is designed to offer investors a balanced portfolio of assets that combines exposure to both public and private equities with a more defensive portion of the portfolio that is invested in assets that provide diversified returns. Given the market uncertainties, during the year the investment portfolio was broadened by adding in more value-oriented funds and by slightly increasing the weight of the defensive assets, neutrally positioning the portfolio.

Ultimately, the year was unusual in that market performance was largely propelled by the seven largest US mega-cap technology companies – Apple, Microsoft, Alphabet, Amazon, Nvidia, Meta, and Tesla – which collectively surged by 107% over the year. However, as these same seven companies experienced a collective decline of 45.3% in 2022, underscoring the risks associated with adopting such a narrow portfolio construction strategy, we emphasise the importance of a more diversified approach for long-term returns. It is worth mentioning that a more balanced portfolio, represented by a 60:40 composite using an equally weighted equity benchmark, would have returned a more modest 8.9% during the same period in 2023.

Public Equity and Directional Hedge Funds

The investment portfolio's public equity and directional hedge funds segment include long-only funds and directional funds. In 2023, the US market and the technology sector were the primary contributors to the portfolio's performance. Public equity funds contributed 5.4% to the portfolio gross return, while directional hedge funds contributed 2.6%, for a combined contribution to the portfolio gross return of 8.0%.

The portfolio's largest holding, **Findlay Park American Fund**, was one of the best performers for the year, gaining 27.0% and contributing 2.3% to the portfolio gross return, largely attributable to its substantial investment in Microsoft. Microsoft's robust performance was fuelled by growing investor interest in artificial intelligence (AI). The fund's investment manager has also been transitioning to holding more mid-cap names and having a slightly more diversified portfolio which they hope will grow long term returns.

Another noteworthy performer was **Pershing Square Holdings Ltd**, with a return of 33.8%, contributing 0.7% to the portfolio gross return. The fund capitalised on opportunities, particularly by initiating a new position in Alphabet during a period of perceived undervaluation in Q1 2023. As anticipated, Alphabet's strong presence in several core markets including cloud computing, digital advertising, and AI technology, notably the development of proprietary chips designed specifically for AI applications, supported a strong performance in the following quarters.

As part of the investment strategy to increase value exposure, positions in **BA Beutel Goodman US Value Fund** and **Schroder ISF Global Recovery Fund** were taken in the last quarter of 2022. Despite challenging market conditions in 2023 for value investing, both funds delivered solid gains of 11.2% and 20.2%, respectively, contributing a combined 0.6% to the portfolio gross return. Both funds had large positions in financial services which performed strongly as interest rates rose throughout the year. The Schroder fund had a position in Micron Technology, a US-based semiconductor manufacturer, that significantly benefited from the increased interest in AI.

To further diversify the portfolio, a new position was taken in **Armistice Capital Offshore Fund**, a New York-based directional, event-driven hedge fund. The fund's manager has extensive experience in the healthcare sector and is looking for companies which the market has mispriced. This is often after clinical trial results are announced and the market overreacts, both positively and negatively. The largest positions will be in those companies that the manager thinks are significantly undervalued, have a clear catalyst that will drive a re-rating and have some sort of clinically proven advantage.

Private Markets

In 2023, the portfolio's private market investments showed a lower performance compared to their public market counterparts, contributing 1.6% to the portfolio gross return. However, it is important to highlight that this came after a robust relative performance in 2022, as private assets yielded a return of -1.6% against a significant downturn in public markets, which experienced a decline of 18.4%.

Several new private market commitments were made in 2023 to ensure a steady pipeline of assets within the portfolio, poised for value appreciation over the next decade. The focus during the early part of the year was primarily on venture capital, with commitments made to **Khosla Ventures VIII Seed F**, **GGV Discovery IV-Asia**, **GGV Discovery IV-US**, and a new fund-of-funds manager, **TrueBridge Capital Partners VIII** and **Direct Fund III**. The portfolio strategy is based on the premise that the US, and Silicon Valley in particular, has a unique ecosystem that supports innovative founders to launch the next generation of companies. Khosla Ventures and GGV are amongst the top tier of venture capital funds who are very difficult to access for the average investor. The Company's Investment Manager's strategy of establishing

relationships with such top-tier funds over the years has been pivotal, given the high degree of persistency of returns associated with the best managers in venture capital that the average investor would not typically have access to.

For the more mature private funds, 2023 has been a difficult environment to exit investments. This is due to a combination of volatile public markets, making initial public offerings less attractive, and higher interest rates pushing up borrowing costs for private market groups.

Defensive Positioning

The defensive silo of the portfolio comprises non-directional hedge funds and bond funds, engineered to exhibit lower correlation to equity markets and deliver less volatile performance, contributing 0.5% to the portfolio gross return. In recent years, this segment has primarily consisted of non-directional hedge funds, as bonds appeared less appealing amid the prolonged period of extremely low yields over the past decade. However, the bond landscape is shifting, and the portfolio's bond exposure is being increased on the back of the higher yields now available.

One modest new position was taken in the defensive segment, **Nephila Iron Catastrophe Fund Ltd**, which specialises in catastrophe risk insurance, primarily focusing on US property risk. Catastrophe risk is a highly volatile line of business within the insurance sector, presenting the potential for significantly higher losses compared to other insurance lines and therefore commanding strong premiums. Nephila distinguishes itself in the sector through its high-quality data, essential for accurate risk pricing. The catastrophe insurance industry became more compelling in 2023 as pricing increased due to a capital shortfall in the sector. Since investing in May 2023, the fund has gained 20.7%, albeit due to the modest position we have taken, contributing 0.1% to the portfolio gross return.

Looking Forward

The past year was all about inflation with few market participants predicting the extent to which it would pull back which set-off a domino effect of missed growth targets, interest rates remaining high and surprisingly strong equity markets going into 2024.

Inflation is still likely to play an important role in the year ahead with the focus now on whether inflation can be brought back to central bank targets, freeing up central bankers to start cutting rates and avoiding a hard landing. Previously, we were of the view that this last slice of inflation was likely to prove more challenging to remove and creating scope for disappointment as rates stayed higher for longer. More recently, however, we have become more sympathetic to this rump inflation also dropping out as important inflationary components such as shelter inflation and wages become less problematic. Wage inflation is perhaps the biggest factor, especially with unemployment remaining low, but even here there are signs of movement.

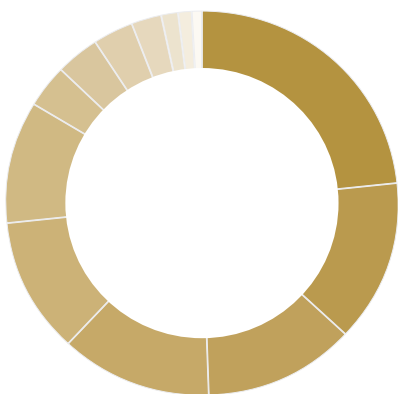
This backdrop should create a reasonable environment for global markets with falling inflation, peak rates and a soft landing good for both equities and bonds. Volatility is, however, likely to remain a feature. The inflationary journey will in all probability be a mixed one, and certainly not linear. As alluded to above, there is the real risk of policy missteps by central banks. Similarly, we do not think that we are returning to the backdrop we saw in the 2010's. As we have discussed in the past, we view this period as being something of an anomaly and think it unlikely that we will return to an environment dominated by low volatility, deflation and zero rates any time soon. Hence, whilst remaining broadly pro-risk as we enter 2024, we have introduced more balance into portfolios both at the country level, including a meaningful

overweight to Japan, but also across asset classes with bonds becoming a genuine alternative to equities. We have also blended styles through owning value and growth instead of the rather unidirectional portfolios we ran over the last cycle. We remain vigilant and think that active management will be even more important for the period ahead.

Hanseatic Asset Management LBG
March 2024

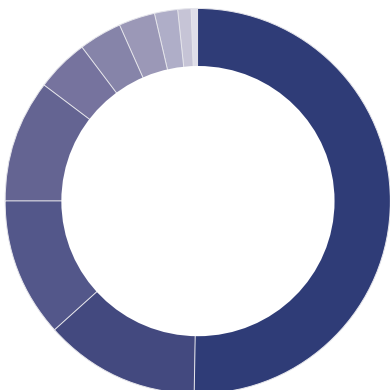


Investment Portfolio Allocations



SECTOR EXPOSURE

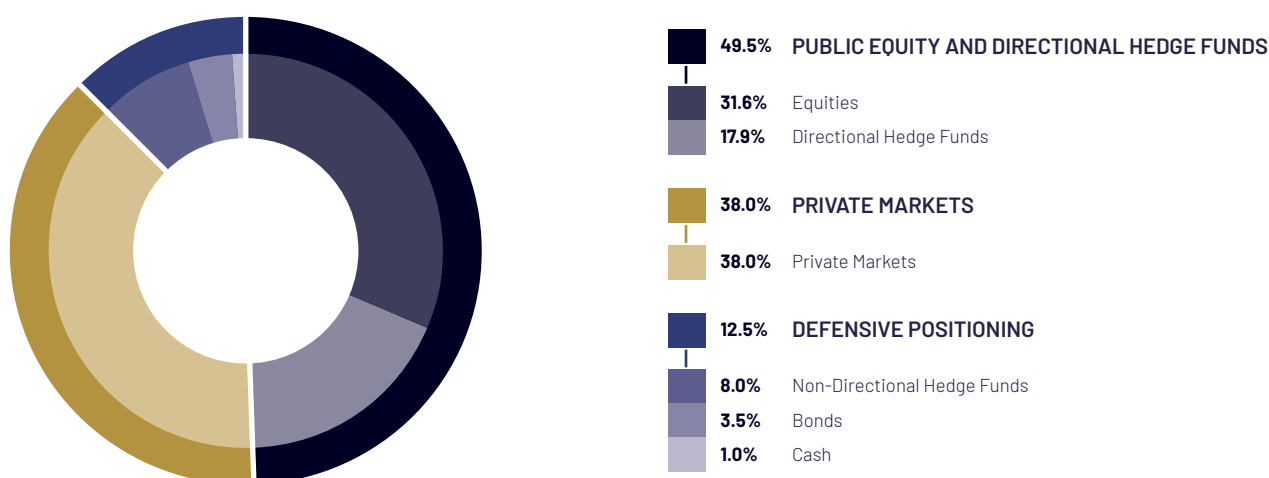
23.4%	Information Technology	3.6%	Communications Services
13.6%	Health Care	3.3%	Consumer Staples
12.7%	Financials	2.5%	Energy
12.3%	Consumer Discretionary	1.4%	Real Estate
11.5%	Diversified	1.1%	Cash/Liquidity Funds
10.3%	Industrials	0.7%	Utilities
3.6%	Materials		



GEOGRAPHIC EXPOSURE

50.5%	North America	3.5%	Japan
13.0%	Asia Pacific ex Japan	3.0%	UK
11.5%	Diversified	2.1%	Middle East & Africa
10.3%	Developed Europe ex UK	1.1%	Cash/Liquidity Funds
4.6%	Latin America	0.4%	Emerging Europe

Investment Portfolio Components



PUBLIC EQUITY AND DIRECTIONAL HEDGE FUNDS	Market Value (US\$000)	% of Component	% of NAV
Findlay Park American Fund	30,677	19.9%	9.9%
BlackRock Strategic Equity Hedge Fund	15,026	9.8%	4.8%
Select Equity Offshore, Ltd	12,386	8.0%	4.0%
BA Beutel Goodman US Value Fund	9,551	6.2%	3.1%
Pershing Square Holdings Ltd	7,809	5.1%	2.5%
Remaining holdings	78,381	51.0%	25.2%
Total	153,830	100.0%	49.5%

PRIVATE MARKETS	Market Value (US\$000)	% of Component	% of NAV
NG Capital Partners II, LP	6,823	5.8%	2.2%
Navegar I, LP	6,723	5.7%	2.1%
Stepstone Global Partners VI, LP	5,269	4.4%	1.7%
KKR Americas XII, LP	5,004	4.2%	1.6%
Silver Lake Partners IV, LP	4,820	4.1%	1.6%
Remaining holdings	89,632	75.8%	28.8%
Total	118,271	100.0%	38.0%

DEFENSIVE POSITIONING	Market Value (US\$000)	% of Component	% of NAV
Hudson Bay International Fund Ltd	5,515	14.2%	1.8%
Global Event Partners Ltd	3,988	10.3%	1.3%
GAM Systematic Core Macro (Cayman) Fund	3,461	8.9%	1.1%
Schroder GAIA BlueTrend	3,427	8.8%	1.1%
Selwood AM - Liquid Credit Strategy	2,918	7.5%	0.9%
Remaining holdings	19,535	50.3%	6.3%
Total	38,844	100.0%	12.5%

Investment Portfolio at 31 December 2023

Holding	Market Value US\$000	% of NAV	Primary Focus
Findlay Park American Fund	30,677	9.9	US Equities - Long Only
BlackRock Strategic Equity Hedge Fund	15,026	4.8	Europe Equities - Hedge
Select Equity Offshore, Ltd	12,386	4.0	US Equities - Long Only
BA Beutel Goodman US Value Fund	9,551	3.1	US Equities - Long Only
Pershing Square Holdings Ltd	7,809	2.5	US Equities - Long Only
iShares Core MSCI Europe UCITS ETF	6,894	2.2	Europe Equities - Long Only
NG Capital Partners II, LP	6,823	2.2	Private Assets - Latin America
Navegar I, LP	6,723	2.1	Private Assets - Asia
Schroder ISF Global Recovery	6,569	2.1	Global Equities - Long Only
Schroder ISF Asian Total Return Fund	6,455	2.1	Asia ex-Japan Equities - Long Only
Top 10 Holdings	108,913	35.0	
Polar Capital Global Insurance Fund	5,697	1.8	Financials Equities - Long Only
Hudson Bay International Fund Ltd	5,515	1.8	Market Neutral - Multi-Strategy
NTAsian Discovery Fund	5,480	1.8	Asia ex-Japan Equities - Long Only
iShares Core S&P 500 UCITS ETF	5,278	1.7	US Equities - Long Only
Stepstone Global Partners VI, LP	5,269	1.7	Private Assets - US Venture Capital
Armistice Capital Offshore Fund Ltd	5,087	1.6	US Equities - Hedge
KKR Americas XII, LP	5,004	1.6	Private Assets - North America
Indus Japan Long Only Fund	4,948	1.6	Japan Equities - Long Only
Silver Lake Partners IV, LP	4,820	1.6	Private Assets - Global Technology
Pangaea II, LP	4,471	1.4	Private Assets - GEM
Top 20 Holdings	160,482	51.6	
TA Associates XIII-A, LP	4,328	1.4	Private Assets - Global Growth
Global Event Partners Ltd	3,988	1.3	Market Neutral - Event-Driven
Simplex Value Up Company	3,835	1.2	Japan Equities - Long Only
Dynamo Brasil VIII	3,674	1.2	Brazil Equities - Long Only
BPEA Private Equity Fund VII, L.P.	3,618	1.2	Private Assets - Asia
Silver Lake Partners VI, LP	3,493	1.1	Private Assets - Global Technology
GAM Systematic Core Macro (Cayman) Fund	3,461	1.1	Market Neutral - Multi-Strategy
Schroder GAIA BlueTrend	3,427	1.1	Market Neutral - Multi-Strategy
Reverence Capital Partners Opportunities Fund II	3,414	1.1	Private Assets - Financials
Worldwide Healthcare Trust PLC	3,374	1.1	Healthcare Equities - Long Only
Top 30 Holdings	197,094	63.4	
Remaining Holdings	112,064	36.0	
Cash and Cash Equivalents	1,787	0.6	
TOTAL	310,945	100.0	

Wilson Sons Management Report

The Wilson Sons 2023 Earnings Report was released on 21 March 2024 and is posted on www.wilsonsons.com.br.

In the report, Mr Fernando Salek, CEO of Wilson Sons, said:

“Wilson Sons’ 2023 net revenues increased 10.6% at US\$486.6 million (2022: US\$440.1 million) mainly due to excellent results in towage and container terminals and a strong performance in offshore energy-related services.

Towage revenues rose 11.8% due to higher volumes and an increase in average revenue per manoeuvre, and special operations. In 2023, our shipyard delivered two 90-tonne bollard pull tugboats, with two more elite newbuilds due to join our fleet in 2024. In February 2024, our tugs welcomed the largest containerships ever to dock in Brazilian ports, measuring 366 metres in length and with a capacity of over 14,000 TEU.

Container terminal revenues rose 15.9%, with a 16.2% volume increase driven by gains in all trade flows. The Rio Grande terminal experienced a significant 21.9% surge in volume, while the Salvador terminal saw a 7.9% growth in TEUs handled. The quay reinforcement completed in August 2023 has greatly improved our service offering in Salvador, a development highlighted by Maersk’s recent decision to reinstate its United States Gulf Coast – South America East Coast (“UCLA”) line to the terminal.

Demand for our offshore energy-related services has improved markedly, as evidenced by a 37.6% increase in vessel turnarounds at our offshore support bases and a 13.6% rise in operating days for our offshore support vessel joint venture.

In 2023, Wilson Sons was again honoured with the Gold Seal in the Brazilian GHG Protocol programme and the Great Place to Work certifications, and our offshore support vessel joint venture won first place in the Petrobras operational excellence programme. In January 2024, our stock joined the B3 Corporate Sustainability Index, a select portfolio of companies recognised for their exceptional dedication to ESG principles. These distinguished awards reinforce one of our core values and demonstrate our unwavering commitment to sustainability.

In conclusion, our outstanding performance in 2023 highlights the significant organic growth across our portfolio. We hold a very optimistic view of the core strengths of our operations, spanning towage and container terminals, as well as the invigorated demand for our offshore energy-related services. As we navigate forward, charting a course for trade prosperity, we are confident that our firm commitment to safety, asset utilisation, prudent cost management, and disciplined capital allocation will yield even more remarkable outcomes for our customers, shareholders, employees and the wider community, steering us all towards a brighter future.”

KPIs	2023	2022	Change
Towage			
Number of harbour manoeuvres	57,107	54,865	4.1%
Offshore support bases			
Number of vessel turnarounds	1,080	785	37.6%
Number of operating days	7,371	6,489	13.6%
Container terminal – aggregated Volumes			
Exports – full containers	306.0	254.5	20.2%
Imports – full containers	131.2	129.3	1.5%
Cabotage – full containers	128.3	122.7	4.6%
Inland Navigation – full containers	26.3	21.4	22.9%
Transshipment – full containers	168.6	142.2	18.5%
Empty containers	303.8	245.8	23.6%
Total Volume	1,064.2	915.9	16.2%

Financial Report

Operating Profit

Operating profit of US\$125.7 million (2022: US\$113.8 million) was US\$11.9 million higher than the prior year, principally due to a 10.6% increase in revenue. Operating margin was stable year over year at 25.8% (2022: 25.9%).

Operating expenses increased US\$34.6 million to US\$360.9 million (2022: US\$326.3 million). Increased expenses across operating categories are correlated with the increase in operating activities from revenue growth in maritime services. Raw materials and consumables used were US\$2.5 million higher at US\$35.5 million (2022: US\$33.0 million). Employee charges and benefits expenses were US\$16.1 million higher at US\$142.4 million (2022: US\$126.3 million) although remained relatively unchanged as a percentage of revenue at 29.3% (2022: 28.7%). Other operating expenses, which include US\$1.5 million in expenses related to the Company's strategic review, increased US\$8.9 million to US\$113.2 million (2022: US\$104.3 million). Depreciation increased to US\$69.8 million (2022: US\$62.0 million).

Revenue from Maritime Services

Revenue for the year increased to US\$486.6 million (2022: US\$440.1 million) which is attributed to higher towage manoeuvres, container terminal volumes and increased offshore support bases contracts. Harbour manoeuvre revenues increased 10.0% to US\$221.3 million (2022: US\$201.1 million), container handling revenues increased 19.3% to US\$87.3 million (2022: US\$73.2 million) and the offshore support bases revenue increased 64.2% to US\$17.4 million (2022: US\$10.6 million) with the start of new contracts during the year.

Returns on the Investment Portfolio

Returns on the investment portfolio were a gain of US\$29.1 million (2022: loss of US\$47.9 million) and comprised profit on the disposal of portfolio assets of US\$9.1 million (2022: US\$24.3 million), net income from portfolio assets of US\$2.0 million (2022: US\$11.8 million) and unrealised gains on portfolio assets of US\$18.0 million (2022: unrealised losses and write down of US\$84.0 million).

Finance Costs

Finance costs for the year at US\$35.4 million were US\$0.9 million higher than the prior year (2022: US\$34.5 million) due to interest on lease liabilities increasing.

Exchange Rates

The Group reports in USD and has revenues, costs, assets and liabilities in both BRL and USD. Therefore, movements in the USD/BRL exchange rate influence the Group's results either positively or negatively from year to year. During 2023 the BRL appreciated 7.3% against the USD from R\$5.22 at 1 January 2023 to R\$4.84 at the year end. In 2022 the BRL appreciated 6.5% against the USD from R\$5.58 at 1 January 2022 to R\$5.22 at the year end. The foreign exchange gains on monetary items were US\$0.2 million in 2023, compared to a gain of US\$1.6 million in 2022.

Profit Before Tax

Profit before tax for the year increased US\$92.6 million to US\$130.7 million compared to US\$38.1 million in 2022, driven by the increase in operating profit of US\$11.9 million and an increase in the investment portfolio returns of US\$77.0 million year over year.

The tax charge for the year at US\$27.6 million was US\$0.9 million higher than prior year (2022: US\$26.7 million). The Company is taxed on its maritime services operations. This represents an effective tax rate for the year of 25% (2022: 29%) for maritime services. A more detailed breakdown of taxation reconciling the effective tax rate is provided in note 9 to the consolidated financial statements.

Profit for the year

The profit for the year attributable to the equity holders of the Company was US\$67.0 million (2022: loss of US\$18.7 million) and the profit attributable to the non-controlling interests was US\$36.0 million (2022: US\$30.2 million). While the US\$14.9 million increase in Wilson Sons' profit after tax is attributed to both the equity holders of the Company and the non-controlling interests based on ownership, the US\$77.0 million increase in returns on the investment portfolio (2022: decrease of US\$95.7 million) is only attributed to the equity holders of the Company.

Cash Flows

Net cash inflow from operating activities for the period at US\$128.7 million was US\$29.8 million higher than prior year (2022: US\$98.9 million). Capital expenditure for the year at US\$65.1 million was US\$1.8 million higher than the prior year (2022: US\$63.3 million).

The Group drew down new bank loans of US\$53.3 million (2022: US\$59.8 million) to finance capital expenditure, while making principal repayments of US\$61.1 million (2022: US\$49.3 million). Dividends of US\$24.8 million were paid to shareholders of Ocean Wilsons (2022: US\$24.8 million).

Viability Statement

In accordance with the UK Corporate Governance Code, the Directors have assessed the viability of the Group over a three-year period to 31 December 2026, taking into account the current position and the potential impact of the principal risks and uncertainties. Based on this assessment, the Directors confirm that they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period to 31 December 2026.

Whilst the Directors have no reason to believe the Company will not be viable over a longer period, given the uncertainties involved in longer term forecasting and the current global dislocation, the Directors have determined that a three-year period to 31 December 2026 is an appropriate period over which to provide its viability statement. The three-year period also aligns with the rolling three-year investment portfolio performance benchmark.

In making the assessment, the Directors have considered a number of factors that affect the Group, including the principal risks and mitigating factors. The Directors also took into account that the Group has two distinctly separate operating segments and that there is no recourse between them.

Wilson Sons Limited

The assessment considered that the Wilson Sons business model has proven to be strong in the long term with a range of businesses that have consistently demonstrated their ability to trade positively. Operational activities are funded by cash generated from operations while borrowings are used to finance capital expenditure. The Wilson Sons borrowings are generally long-term with defined repayment schedules over different periods of up to 22 years. There is no recourse from Wilson Sons to the rest of the Group in respect of these borrowings. Wilson Sons is not reliant on one customer: no single customer constituted 10% or more of its revenue or accounts receivable in 2023 or 2022.

Ocean Wilsons (Investments) Limited

In making the assessment for the investment portfolio, the Board has considered matters such as the potential for significant stock market volatility and significant reduction in the liquidity of the portfolio. The investment portfolio and cash under management at 31 December 2023 was US\$310.9 million with outstanding capital commitments of US\$53.8 million and no debt. At 31 December 2023 the investment portfolio had US\$1.8 million in cash and cash equivalents and daily liquidity of \$114.1 million. This available liquidity covers 212% of the capital commitments on the remote chance that there was a need to fund all of the commitments at one time.

The Directors' assessment is that if severe but plausible downside scenarios were to crystallise, many of the individual risks disclosed would be likely to be confined to one of either Wilson Sons or Ocean Wilsons (Investments) Limited. The risk is to the Group's net asset valuation rather than to the viability of the Group.

Risk Management

During the year, the Board reviewed the effectiveness of the systems of risk management and internal control. As part of this assessment the Board reviewed and updated its risk appetite statement.


The Company's risk appetite matrix provides a framework for decision-making that considers the level of risk that the Board is willing to tolerate to achieve our strategic objectives. Risk appetite is not a single fixed concept. For example, it may be higher where we are prepared to tolerate more risk to achieve a specific outcome or aim for an enhanced return or lower where we need to reduce risk exposure to protect an asset or the Company's reputation.

The risk appetite categories are defined as:

- **Open** – Risk is considered part of the strategy and accepted while its impact will be managed, uncertainty is to be expected.
- **Balanced** – Risk is to be accepted when the impact is lower than the expected benefits, otherwise mitigated or transferred, and some degree of uncertainty is to be expected.
- **Adverse** – Risk is to be avoided, when possible, otherwise mitigated or transferred, and low tolerance for uncertainty.

The Board considers the following business objectives when assessing risks:

-  **Long-term shareholder returns** – an open and flexible approach to risk, actively looking for accretive return opportunities that are consistent with maintaining a long-term diversified portfolio;
-  **Access to markets and opportunities** – a balanced approach to risk, seeking to optimise capacity and talent focusing on value along with pursuing reliable, long standing and sustainable relationships;

 **Best in class or innovative solutions** – a balanced approach to risk, seeking to maximise opportunities, reduce uncertainties and overcome challenges while delivering market best practices; and

 **Safety in operating environments** – an adverse risk approach, safety is of paramount importance.

The Board has overall responsibility for risk management, while specific responsibilities related to risk management are structured according to the concept of three lines of defence. The first line of defence in managing and mitigating risks corresponds to the personal accountability embedded within each employee at the operating and managing level of the Group. The second line of defence relies on control functions, which include compliance, legal, governance, finance and human resources, and the incorporation of best practices within. The third line of defence is structured around independent review and oversight, including recommendations from Internal Audit for Wilson Sons and external audit for the Group.

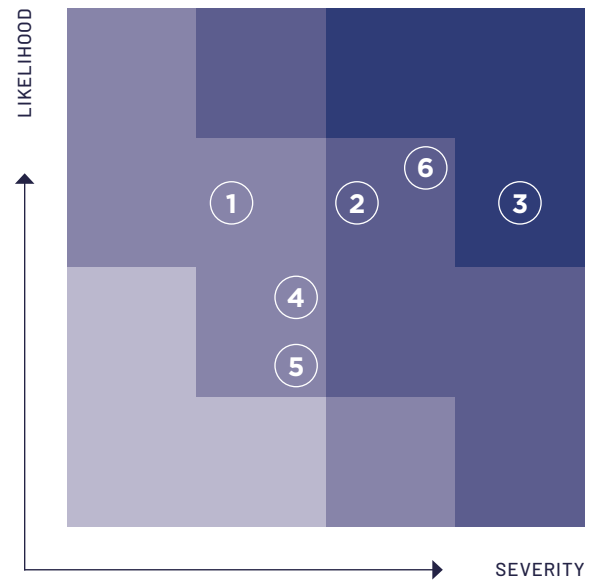
Ocean Wilsons has ongoing processes for identifying, evaluating and managing key risks. A risk register is maintained detailing business risks, together with controls and responsibilities. The risk register is reviewed annually by the Audit and Risk Committee. As part of this review, the Board updated its risk appetite statement to ensure it remains consistent with the Company's strategy and the environment in which we operate. The Board is satisfied that these processes are operating effectively.

The principal risks are described below. Additionally, note 32 to the consolidated financial statements provides detailed explanations of the risks associated with the Company's financial instruments. The Audit and Risk Committee and the Board carried out a robust assessment of the Group's emerging and principal risks.

Risks Heatmap

POST MITIGATION

- 1 Price risk
- 2 Currency risk
- 3 International trade risk
- 4 Operational risk
- 5 Compliance risk
- 6 Climate related risk



Principal and Emerging Risks

DESCRIPTION	MITIGATION
-------------	------------

1 - Price risk

The Group's investment activities expose it to movements in equity valuations and consequently to losses arising from large adverse movements.

As a long-term investor, short-term changes in the value of investments are part of the investment cycle. The Group does not have any significant borrowings or shareholder commitments that may put pressure on the Group to sell an investment solely due to its price movements.

RISK APPETITE ADVERSE BALANCED **OPEN**

TREND ↔

LINK TO BUSINESS OBJECTIVES



The investment portfolio is invested in a diversified range of asset classes and markets and as such the Group is not overly exposed to one particular market or asset class.



Long-term shareholder returns



Access to markets and opportunities



Best in class or innovative solutions



Safety in operating environments

DESCRIPTION	MITIGATION
-------------	------------

2 - Currency risk

The Group's investment activities expose it to movements in foreign currency exchange rates and consequently to losses arising from large adverse movements.

The functional currency of the Group is US Dollars. Our investment in Wilson Sons has a significant exposure to the Brazilian Real and consequently the Group is exposed to losses due to adverse movements in the Brazilian Real/ US Dollar exchange rate.

We do not take speculative positions in non-US Dollar denominated assets.

The Group (outside of Wilson Sons) does not have material non-US dollar denominated liabilities.

The majority of cash and liquid assets are maintained in US Dollars.

Ocean Wilsons does not hedge its exposure to overseas subsidiaries as the functional currency of Wilson Sons is US dollars. There is a partial natural hedge in the underlying Wilson Sons business as a significant portion of pricing and cashflows are linked to the US Dollar.

RISK APPETITE ADVERSE **BALANCED** OPEN

TREND ↔

LINK TO BUSINESS OBJECTIVES



3 - International trade risk

Demand for Wilson Sons services is substantially dependent on overall volume of Brazilian domestic and international trade.

Wilson Sons onshore and offshore support bases are dependent on the Brazilian offshore oil and gas industry.

Wilson Sons is a market leader in many of its business segments – providing diversification in the service offerings.

The majority of the Wilson Sons business is not exposed to oil and gas and is well diversified. However, Wilson Sons seeks to engage in long-term contracts to reduce volatility and assesses the value in use of these entities to ascertain if there are any impairments.

RISK APPETITE ADVERSE **BALANCED** OPEN

TREND ↗

LINK TO BUSINESS OBJECTIVES



Long-term shareholder returns



Best in class or innovative solutions



Access to markets and opportunities



Safety in operating environments

DESCRIPTION	MITIGATION
-------------	------------

4 - Operational risks

Risks arising from inadequate or failed processes, people and systems or other external factors.

Key operational risks include reliance on third party managers and suppliers, process failures, fraud, reliability of core systems and IT security/ cyber issues.

RISK APPETITE **ADVERSE** BALANCED OPEN

TREND ↔

LINK TO BUSINESS OBJECTIVES



During the year, the Remuneration and Management Oversight Committee reviewed the Investment Manager’s and third-party vendor performance and satisfied itself that service levels were being met and that fees were reasonable. The Audit and Risk Committee reviewed the independent internal control reports for major providers and satisfied itself with their processes and internal controls.

Wilson Sons monitors and trains its employees to reduce if not eliminate injury and improve safety in the work environment.

The Audit and Risk Committee received a presentation from Wilson Sons which provided an overview of IT access controls, backup and security and reported that there were no breaches during the year.



5 - Compliance risk

ESG Compliance Risk – compliance with ESG regulations and reaching emission targets set.

RISK APPETITE **ADVERSE** BALANCED OPEN

TREND ↔

LINK TO BUSINESS OBJECTIVES



OWIL’s Investment Manager is a signatory to the UN Program for Responsible Investing.

Wilson Sons has been admitted to the Corporate Sustainability Index of the Brazilian stock exchange, recognised as a benchmark for companies exemplifying a strong commitment to corporate sustainability.

We invest in the communities in which we operate through charitable giving and community service.

The Company’s Board and management includes 2 female non-executive Directors and 1 female executive. A female Chair was appointed in May 2022. Wilson Sons continues to improve its gender balance with 30% females in management at 31 December 2023.



- Long-term shareholder returns
- Access to markets and opportunities

- Best in class or innovative solutions
- Safety in operating environments

DESCRIPTION	MITIGATION
-------------	------------

6 - Climate related risks

Climate change and extreme weather events may impact our business or the businesses of our customers.

Agricultural exports account for a significant portion of Brazilian trade and are particularly vulnerable to changes in weather patterns which may result from climate change.

RISK APPETITE ADVERSE **BALANCED** OPEN

TREND ↔

LINK TO BUSINESS OBJECTIVES



The Company continues to assess, monitor and evaluate the potential impacts resulting from climate change and extreme weather events including regulatory risk that may result in government actions prompted by climate change that could impact our operations.

The Company seeks opportunities to invest in technology and implement operational efficiencies to reduce greenhouse gas emissions. The Company's report on carbon emissions can be found on page 48.

The Company's TCFD report found on page 43 describes further mitigation and approach to climate risk.



Long-term shareholder returns



Access to markets and opportunities



Best in class or innovative solutions



Safety in operating environments

SECTION TWO

Governance Report

Report of the Directors

Compliance with the UK Governance Code

The Board has put in place corporate governance arrangements that it believes are appropriate for the operation of the Company. The Board has considered the principles and recommendations of the 2018 UK Corporate Governance Code (“the Code”) issued by the Financial Reporting Council (available on the FRC website www.frc.org.uk). The Company complies with all applicable elements of the Code and has done so throughout the year and up to the date of this report.

Matters Reserved for the Board

The Board has a formal schedule of matters specifically reserved for its approval which includes:

- Determining the Company’s purpose, values and strategy and satisfying itself that these and its culture are aligned;
- Approving significant matters relating to capital expenditure, acquisitions and disposals and consideration of significant financial matters;
- Reviewing the Company’s overall corporate governance arrangements;
- Approving the annual and interim reports;
- Approving the dividend policy and proposing any dividend recommendations to shareholders;
- Reviewing any potential conflicts of interest and, where appropriate, approving or not approving a specific conflict of interest;
- Determining the respective terms of reference, membership and Chair of Board committees; and
- Undertaking an annual evaluation of its own performance, that of its committees and that of individual Directors.

The full schedule of matters reserved can be found on the Company’s website: www.oceanwilsons.bm.

Board Meetings

The agenda for each scheduled Board meeting is set by the Chair with the assistance of the Chief Operating and Financial Officer. Agendas are structured to allow sufficient time for discussion and debate and to ensure that the Board covers all items it needs to be able to discharge its duties.

Conflicts of Interest

The Board has in place a procedure for the consideration of conflicts or possible conflicts of interest including a specific annual consideration of those resulting from significant shareholdings. If a Director has a conflict of interest, he/she leaves determination of such matter to the other Directors. The Board ensures independent judgement by requiring disclosure of outside interests, encouraging a culture of openness and debate amongst Board members and promoting independence of thought.

Regarding the Directors proposed for re-election at the Annual General Meeting there are no service contracts between any of them and the Company.

Directors’ Time Commitment and Training

Non-executive Directors hold letters of appointment. The other substantive commitments of Directors are disclosed on page 28 and the Board is satisfied that these commitments do not conflict with their ability to effectively carry out their duties as Directors of the Company. The Board ensures that Directors have sufficient time to undertake their duties through reviewing their other directorships and by monitoring attendance and participation at Board meetings.

The Company has a procedure in place by which Directors can seek independent professional advice at the Company’s expense if the need arises. The Board has full and timely access to all relevant information to enable it to perform its duties. The Company has directors and officer’s insurance in place.

All new Directors participate in an induction program upon joining the Board. This covers such matters as strategy, operations and activities of the subsidiaries and corporate governance matters. Site visits and meetings with senior

management are also arranged. Directors additionally make periodic operational site visits during their term and are provided with industry and regulatory updates as part of their ongoing training.

The Company Secretary and the Chief Operating and Financial Officer are responsible for advising the Board on all corporate matters. Each Director has access to the advice and services provided.

The Board

The Board at 31 December 2023 was comprised of five non-executive Directors. Two Directors are assessed to be independent under the Code: Mr Andrey Berzins and Ms Fiona Beck; and the Board considers the Chair, Ms Caroline Foulger, also to be independent. Ms Beck and Ms Foulger have links under the 2018 UK Corporate Governance Code as they serve on one other board together as non-executive directors. The Board still considers Ms Foulger and Ms Beck as independent as the Group has no business relationship with this company and both Board members exhibit independent thought and behaviour. A formal assessment of this matter is performed

annually. The Board has appointed Mr Berzins as the senior independent Director.

In accordance with the Company's bylaws, all Directors retire at each Annual General Meeting and being eligible, offer themselves for re-election until the following Annual General Meeting.

All Directors are subject to annual re-election by shareholders. Newly appointed Directors are subject to election at the first Annual General Meeting following their appointment to the Board. A Director retiring upon the expiration of a term of office at an annual general meeting shall be eligible for reappointment for a further term. The Board, led by the Nomination Committee, develops succession plans and assesses Board composition.

The division of responsibilities between the Chair and the senior independent non-executive Director have been clearly established, set out in writing, agreed by the Board and is available on the Company's website.

Board and Committee Meeting Attendance

	Board	Audit and Risk Committee	Nomination Committee	Remuneration and Management Oversight Committee
Number of Scheduled Meetings	4	4	2	3
Ms Caroline Foulger	4 / 4	-	2 / 2	3 / 3
Mr William Salomon	4 / 4	-	2 / 2	-
Mr Andrey Berzins	4 / 4	4 / 4	2 / 2	3 / 3
Ms Fiona Beck	4 / 4	4 / 4	-	3 / 3
Mr Christopher Townsend	4 / 4	-	-	-

Board of Directors' Interests

The Directors who held office at 31 December 2023 had the following interests in the Company's shares:

	Interest	2023	2022
Mr William Salomon*	Beneficial	4,659,349	4,659,349
Mr Christopher Townsend*	Beneficial	4,040,000	4,040,000
Ms Caroline Foulger (Chair)	Beneficial	25,000	25,000
Mr Andrey Berzins	Beneficial	20,000	13,000
Ms Fiona Beck	Beneficial	15,000	15,000

* Additional indirect interests of Mr Salomon and Mr Townsend in the Company are set out in substantial shareholdings below.

Mr Salomon is chair of Hanseatic Asset Management LBG. Mr Townsend is a director of Hanseatic Asset Management LBG and the investment director of Hansa Capital GmbH, a wholly owned subsidiary of Hanseatic Asset Management LBG. Fees payable by the Company to Hanseatic Asset Management LBG during the year amounted to US\$3.0 million (2022: US\$3.0 million) for acting as Investment Manager of the Group's investment portfolio.

There was no performance fee earned by the Investment Manager in 2023 (2022: nil). The terms and the performance of the Investment Manager under this contract is annually reviewed by the independent Directors.

Substantial Shareholdings

At 31 December 2023 the Company was aware of the following holdings of its shares, in excess of 3% of the issued ordinary share capital:

Name of holder	Number of shares	% Held
Hansa Investment Company Limited	9,352,770	26.45
Victualia Limited Partnership	4,435,064	12.54
Mr Christopher Townsend	4,040,000	11.42
City of London Investment Management Company	2,470,372	6.99

The Company has been advised that Mr Salomon has an interest in 4,435,064 shares of the Company registered in the name of Victualia Limited Partnership. The Company has also been advised that Mr Salomon has an interest in 27.9% and Mr Townsend an interest in 25.9% of the voting shares of Hansa Investment Company Limited.

Contracts and Agreements with Substantial Shareholders

Mr Salomon and Mr Townsend are interested in the investment management agreement with Hanseatic Asset Management LBG. Both Mr Salomon and Mr Townsend receive remuneration from Hanseatic Asset Management LBG.

The Board of Ocean Wilsons (Investments) Limited

The Board of Ocean Wilsons (Investments) Limited is currently constituted with the same Chair and Directors as the Board of Ocean Wilsons Holdings Limited. The Board delegates authority to run the investment portfolio held by Ocean Wilsons (Investments) Limited to the Investment Manager, Hanseatic Asset Management LBG within Board-approved guidelines. The Board of Ocean Wilsons (Investments) Limited has a formal schedule of matters specifically reserved for its attention which include:

- The appointment, removal and terms of the Investment Manager agreement;
- The determination of the investment guidelines and restrictions in conjunction with the Investment Manager;
- The approval of the investment objective and benchmark;
- The approval and setting of limits on any use of derivative instruments;
- The review of the performance of the Investment Manager;
- The appointment, removal and terms of the custodian of the investment assets;
- The approval and setting of borrowing limits;
- The approval of the quarterly and annual management accounts for Ocean Wilsons (Investments) Limited; and
- The approval of any dividends.

Internal Controls

The Board is responsible for the system of internal controls and for reviewing its effectiveness. The Company's Audit and Risk Committee assists the Board in monitoring the effectiveness of our internal controls and risk management policies. The internal controls are designed to cover material risks to achieving the Group's objectives and include business, operational, financial and compliance risks. These controls have been in operation throughout the year. The internal controls are designed to identify, evaluate, manage and appropriately mitigate rather than completely eliminate risk.

The Board reviews the need for an internal audit department annually and currently considers that no internal audit function is necessary based on the following considerations: Wilson Sons has an independent audit committee and an internal audit function and both Hanseatic Asset Management LBG, the Investment Manager of Ocean Wilsons (Investments) Limited, and its portfolio custodian, Lombard Odier, provide reports on their internal controls for the Board to consider and review in its assessment for the need of an internal audit department. The Board also noted that there is segregation of duties between the Investment Manager and the preparation of accounts for our investment portfolio as this is performed by an independent professional accounting firm. Additionally, the Wilson Sons Audit Committee reports on key matters such as internal controls, whistleblowing, legal matters, internal audit and IT to the Company's Audit and Risk Committee. No material items were reported in 2023.

The Ocean Wilsons' employee whistle-blowing policy is designed to enable employees of the Company to raise concerns internally and at a high level and to disclose information which the individual believes may show malpractice or impropriety.

Auditor

KPMG Audit Limited ("KPMG") were re-appointed as the Company's independent auditor at the 2023 annual general meeting. KPMG have expressed their willingness to continue in office as the independent auditor and a resolution to reappoint KPMG Audit Limited under the provisions of Section 89 of the Bermuda Companies Act 1981 will be proposed at the forthcoming Annual General Meeting.

Communications with Shareholders

The Board regularly monitors the shareholder profile of the Company. It aims to provide shareholders with a full understanding of the Company's activities and performance and reports formally to shareholders twice a year by way of the Annual Report and Consolidated Financial Statements and Half Year Financial Report. The Annual General Meeting of the Company is held in Bermuda. If a significant proportion of the votes is cast against a resolution at an Annual General Meeting the Board will speak with significant dissenting shareholders to understand the reasons. The Company's website www.oceanwilsons.bm includes the annual and interim reports and stock exchange announcements.

Dividends

Dividends are declared and paid in US Dollars and are currently paid annually. The Ocean Wilsons current dividend policy is to pay a percentage of the average capital employed in the investment portfolio determined annually by the Board together with the Company's dividend received from Wilson Sons after deducting funding for the parent company costs.

The Board may review and amend the dividend policy from time to time in consideration of future plans and other strategic factors.

The Board is recommending a dividend of US 85 cents per share to be paid on 14 June 2024 to shareholders of record of the Company as of the close of business on 17 May 2024. Shareholders will receive dividends in Sterling by reference to the exchange rate applicable to the USD on the dividend record date (17 May 2024) except for those shareholders who elect to receive dividends in USD. Based on the share price and exchange rate at 20 March 2024, a dividend of US 85 cents per share represents a dividend yield of approximately 5.1%.

Strategy, Purpose and Values

The Board is responsible for setting the Company's purpose, strategy and values which are annually reviewed.

Company Purpose

The Company's purpose is to deliver enhanced long-term value by balancing portfolio risks and avoiding the distraction of short-term cycles with a focus on growing the business through sustainable profit growth.

Company Strategy

The Company's strategy is currently twofold:

- We invest in a balanced thematic portfolio of funds by leveraging our long-term relationships and through our detailed insights and analysis.
- We invest in maritime logistic services providing best in class or innovative solutions in a rapidly growing market.

The investment portfolio strategy is to generate real returns through long-term capital growth, whilst emphasising preservation of capital without undue emphasis on short-term movements in markets. The investment portfolio is invested in three main components: public equity and directional hedge funds (core regional and thematic), private markets and defensive positioning assets (diversifying):

- *Core Regional & Thematic Component* – this forms the core of the portfolio and provides global exposure mostly through single-country and regional equity funds. The respective weights of these at any given time reflect the Investment Manager's current market outlook. Thematic funds are included to provide exposure to growth sectors such as technology and biotechnology.
- *Private Markets Component* – in line with the portfolio's long-term investment horizon we invest in private market funds. This provides access to the higher potential investment returns available by being able to commit capital for multiple years and also to large areas of the economy that are not generally or easily accessible through public markets.

- **Diversifying Component** – as business cycles mature, our investment manager may seek to shift dynamically to those asset classes that are likely to add portfolio protection. This component includes a wide variety of investment strategies, with the common thread that they all display low correlations to broad equity markets.

Commensurate with the long-term horizon, it is expected that the majority of investments will be concentrated in equity, across both public and private markets. In most cases, investments will be made either through collective funds or limited partnership vehicles, working alongside expert managers in specialised sectors or markets to access what we believe represent the most advantageous investment opportunities.

The Wilson Sons strategy is to grow and strengthen their businesses while looking for new opportunities in the maritime and transport sector, focusing on Brazil and Latin America. Wilson Sons looks to develop its businesses by maximising economies of scale and efficiency and improving the quality and range of services it provides to customers.

Wilson Sons principal services are towage, container terminals, logistics, oil and gas support terminals, shipyard and through our joint venture, offshore support vessels. The Board is currently in the process of a strategic review of its investment in Wilsons Sons.

Company Values

The Company's core values are:

- **Safety** – provide a safe operating environment for our employees;
- **Respect** – for the environment and the communities in which we operate and the people who work for us;
- **Commitment** – have meaningful long-term relationships with our stakeholders; and
- **Ethics** – to act in a truthful, fair and honest way in all our dealings.

Directors



Ms Caroline Foulger (CHAIR)

Ms Foulger is aged 63 and is a Chartered Accountant with significant company director experience on boards of both listed and unlisted companies. Ms Foulger was appointed to the Board in 2020. She serves as Chair for Oakley Capital Investments Limited and is a retired partner of PwC Bermuda. Ms Foulger is a member of the Company's Remuneration and Management Oversight Committee and is Chair of the Company's Nomination Committee. Ms Foulger is also the Chair of Ocean Wilsons (Investments) Limited.



Mr William Salomon (DEPUTY CHAIR)

Mr Salomon is aged 66 and joined the Board in 1995. He is senior partner of Hansa Capital Partners LLP. He is also a non-executive director of Hansa Investment Company Limited and Wilson Sons and a member of the Company's Nomination Committee.



Mr Andrey Berzins

Mr Berzins is aged 64 and joined the Board in 2014. He is a Chartered Accountant and sits on the boards of several Luxembourg investment funds. Mr Berzins is the senior independent Director, Chair of the Company's Audit and Risk Committee and member of the Company's Nomination and Remuneration and Management Oversight Committees.



Ms Fiona Beck

Ms Beck is aged 58 and joined the Board in 2020. She is a Chartered Accountant and an experienced independent director on several listed and unlisted companies. She is the retired president and CEO of Southern Cross Cable Network. Ms Beck is a non-executive director on Oakley Capital Investments Limited and IBEX Ltd and is chair of Atlas Arteria International Ltd. Ms Beck is a member of the Company's Audit and Risk Committee and is Chair of the Company's Remuneration and Management Oversight Committee.



Mr Christopher Townsend

Mr Townsend is aged 50 and joined the Board in 2011. He is a solicitor and has an MBA from the London Business School. He is the investment director of Hansa Capital GmbH and a non-executive director of Wilson Sons.

Nomination Committee Report

The Nomination Committee continues to comprise a diverse and experienced group of individuals, committed to ensuring a balanced and skilled Board of Directors. Members of the Committee maintain a strong emphasis on independence, with due consideration given to the evolving landscape of corporate governance. This report from the Committee provides an in-depth review of our governance activities over the past fiscal year.

Membership

- Ms Caroline Foulger (Chair)
- Mr William Salomon
- Mr Andrey Berzins

Engagement and Frequency

The Committee convened twice during the fiscal year, engaging in robust discussions and conducting comprehensive assessments in line with its responsibilities.

Key Roles and Responsibilities

The Committee operates within a formalised governance framework which is annually reviewed and approved by the Board. Comprehensive terms of reference, available on the Company's website, guide the Committee in fulfilling its responsibilities, including:

- Leading the Director appointment process and ensuring a seamless succession plan aligned with the Company's strategic priorities;
- Identifying and nominating candidates for Board and Committee roles;
- Approving external appointments of Directors;
- Conducting periodic reviews of the Board's structure, size and composition, emphasising diversity, skills and experience; and
- Managing and evaluating the outcomes of the annual Board effectiveness assessments.

Succession Planning

There were no new appointments to the Board in 2023 following the significant refreshes of membership in 2020 and 2021. In line with our commitment to balanced and diverse leadership, new appointments to the Board are made as required keeping in mind the balance of skills, experience and diversity that currently exists within the Board. When a decision has been made to recruit an additional Director, the Committee will consider engaging external recruitment agencies to facilitate a search. The Committee will assess candidates against objective criteria, giving regard to the benefits of diversity on the Board, while ensuring that the candidates recommended for appointment will bring the necessary skills, experience and be able to allocate sufficient time to the Company.

The Committee considered the tenure of each Director before recommending each reappointment. The Committee specifically noted the tenure of Mr Andrey Berzins at nine years and considered that tenure in their assessment of his continuing strategic value to the Board as a whole, as well as specifically discussing his independence. The Committee has concluded that Mr Berzins continues to be independent and recommended his reappointment at the May 2024 annual general meeting.

As previously disclosed, the Company is currently undergoing a strategic review with regard to its investment in Wilsons Sons and the Board believes that the retention of Mr Berzins during the period of potential transition is key. The remaining independent members of the Board, Ms Caroline Foulger and Ms Fiona Beck are relatively short-tenured at three and four years respectively. As the Company has a long-term investment strategy, the Committee and the Board concluded that it was important to retain the services of Mr

Berzins. His contributions, both at the Board and Committee level remain invaluable due to both his tenure and his wealth of experience. Importantly, Mr Berzins maintains no other relationship with the Company or its shareholders, and as a non-executive Director has no role in day-to-day operations.

The Committee also acknowledges that Mr William Salomon and Mr Christopher Townsend are substantial shareholders of the Company and are both Directors. The Committee reviews all conflicts of interest on an annual basis and ensures that the Board and its Committees apply the necessary independent thinking and recusals on those matters that involve a conflict.

Board Performance Evaluations

The Committee conducted a thorough internal review of the Board's composition and performance for the year. Individual Director appraisals, guided by formal questionnaires and one-on-one discussions, delved into key areas such as investment strategy, operational results, and long-term strategic outlook. The Committee affirms the Board's effectiveness, diverse skills, and collective understanding of the Company's dynamics.

Diversity

The Company's diversity policy underscores merit-based appointments, considering skills, backgrounds, and experiences necessary for effective strategy implementation.

Policy

The Company's diversity policy is that the Board and management should be comprised of individuals who collectively have the range of skills needed to implement the Company's strategy. All appointments and reappointments will be made on merit judged against objective criteria within the context of the balance of skills and backgrounds that the Board requires to implement the Company's strategy and to function optimally as a collective.

The Board believes that the Company and its stakeholders benefit from a Board with diversity of skills, experiences, backgrounds and perspectives. Diversity considers age, gender, ethnicity, nationality, educational or professional background, culture and personal styles and perspectives.

Objectives

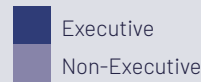
Board appointments and succession plans take into account the Board current balance and composition and the required mix of skills, background and experience (including consideration of diversity) which the Board, as a whole, requires to be effective.

The Board will ensure that searches conducted from time to time in relation to any Board vacancies and appointments, whether by the Company or by external search firms on the Company's behalf, identify and consider an appropriately diverse range of candidates against objective criteria established at the time of the search to reflect the needs of the Board as a whole.

Board Statistics

5 DIRECTORS

Executive | Non-Executive



Tenure



Independent | Non-Independent



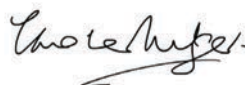
Reporting

The UK Listing Rules requires companies to report against the following three targets:

- 1 At least 40% of individuals on the Board are women;
- 2 At least one of the senior Board positions (defined in the UK Listing Rules as the Chair, CEO, SID and CFO) is held by a woman; and
- 3 At least one individual on the Board is from a minority ethnic background.

At 31 December 2023, the Company complies with targets 1 and 2. The Board will continue to give due consideration to boardroom diversity, including gender and ethnicity, during its consideration of succession planning and future Board appointments.

As required by the UK Listing Rules, further details in relation to the three diversity targets for the Company are set out in the tables below. The information was obtained by asking each Director how they wished to be categorised for the purposes of these disclosures.



Caroline Foulger
Chair of the Nomination Committee
21 March 2024

Reporting Table on Gender

	# of Board Members	% of the Board	Senior Positions on the Board *	Chair of Key Board Committees	# in Executive Management	% of Executive Management
Men	3	60%	1	1	-	-
Women	2	40%	1	2	1	100%
Other Categories	-	-	-	-	-	-
Not Specified/ prefer not to say	-	-	-	-	-	-

Reporting Table on Ethnicity Representation

	# of Board Members	% of the Board	Senior Positions on the Board *	# in Executive Management	% of Executive Management
White British or other white (including minority white groups)	3	60%	2	1	100%
Not Specified/ prefer not to say	2	40%	-	-	-
Asian/Asian British	-	-	-	-	-
Black/African/Caribbean/Black British	-	-	-	-	-
Other Ethnic group, including Arab	-	-	-	-	-
Mixed/multiple ethnic groups	-	-	-	-	-

* Senior Positions on the Board: CEO, CFO, SID and Chair

Remuneration and Management Oversight Committee Report

The Remuneration and Management Oversight Committee oversees Directors and executive compensation and reviews management's operating practices. The Committee's members ensure that our remuneration strategies align with the Company's objectives and industry standards, emphasising transparency, fairness, and alignment with performance. The Committee also critically evaluates service and management contracts ensuring best practice and value for money. This report offers a comprehensive review of our activities throughout the past fiscal year, providing insights into our oversight of compensation structures and management practices.

Membership

The Committee consists of three independent non-executive Directors:

- Ms Fiona Beck (Chair)
- Ms Caroline Foulger
- Mr Andrey Berzins

Engagement and Frequency

The Committee convened three times during the fiscal year.

Key Roles and Responsibilities

The Committee has formal terms of reference approved by the Board which are reviewed on an ongoing basis. The full terms of reference are available on the Company's website. The principal responsibilities of the Committee are:

- To determine the policy for Ocean Wilsons' executive management's remuneration and the remuneration for the Chair and non-executive Directors;
- To determine bonuses payable to executive management under the Company's bonus scheme;

- To conduct an annual review of the investment management agreement with Hanseatic Asset Management LBG; and
- To review the performance of material third-party service providers and other management oversight as required.

Remuneration Policy

During the year the Committee reviewed and revised its remuneration policy for its Directors and senior executives to align with best practices.

The revised remuneration policy aims to attract, retain, and motivate qualified individuals to serve as the Chair and Directors of Ocean Wilsons Holdings Limited.

There are four principles for determining Board fees:

- Alignment with shareholder interests: The policy will be structured in a way to link remuneration with shareholder value creation.
- Transparency: All components of the Chair and Directors' remuneration will be clearly disclosed in the annual report, ensuring full clarity, transparency, and understanding among shareholders.

- **Proportionality:** The remuneration will reflect the time commitment, duties, responsibilities, and the competitive market for the skills required.
- **Independence:** Given that independent non-executive Directors are expected to bring independent judgment to Board deliberations, their remuneration should not compromise this independence.

The remuneration policy aims to align the interests of senior executives with those of shareholders. The overriding objective is to ensure that the Company's executive remuneration policy encourages, reinforces and rewards the delivery of sustainable shareholder value and reflects the Company's performance.

The Committee does not determine the policy for remuneration or set remuneration for Wilson Sons' executive directors, chair, or senior management. It also does not review workforce remuneration and related policies or set remuneration policy at Wilson Sons.

Remuneration

The Committee is responsible for setting non-executive Directors' fees. Fees are structured as a basic fee for Board membership and an additional fee for Committee Chair responsibility. Non-executive Directors' fees are reviewed usually every three years. The Committee completed an extensive fee review in 2022. As part of this review the remuneration policy was amended to require that all Directors own and hold shares in the Company's stock equivalent to

a minimum of their annual Director's fee. All Directors were compliant with this requirement at 31 December 2023.

Non-executive Directors' fees are set within limits set in the Company's Articles of Association. The present limit is US\$0.9 million in aggregate per annum and the approval of shareholders in a General Meeting is required to change this amount. Levels of remuneration for the Chair and other non-executive Directors reflect the time commitment and responsibilities of the role and are benchmarked against comparable companies and considering the Board evaluation. There are no share options or other performance related elements. During the year ended 31 December 2023, the Company paid Directors' fees of US\$0.7 million (2022: US\$0.7 million).

The Board of Wilson Sons is responsible for all remuneration matters relating to Wilson Sons and its subsidiaries. Mr William Salomon and Mr Christopher Townsend are directors of Wilson Sons. These Directors received directors' fees of US\$57,000 (2022: US\$66,000) from Wilson Sons during the year 2023 in addition to their fees as Directors of Ocean Wilsons. Additionally, both Mr Salomon's and Mr Townsend's Directors' fees for Ocean Wilsons are reduced from the base Directors' fees in consideration of this. There are no additional fees payable to Directors for the services on the Board of Ocean Wilsons (Investments) Limited.

The table below sets out fees paid to Directors during the year.

Director	Role	2023 Committee Chair Fee*	2023 Director Fee*	2023 Total Fees Paid to Directors*	2022 Total Fees Paid to Directors*
Ms Caroline Foulger	Chair	15	195	210	169
Mr Andrey Berzins	Independent non-executive Director	15	130	145	131
Ms Fiona Beck	Independent non-executive Director	15	130	145	131
Mr Christopher Townsend	Non-executive Director	-	102	102	91
Mr William Salomon	Non-executive Director	-	102	102	91
Mr Jose Francisco Gouvêa Vieira	Chair until 27 May 2022	-	-	-	40
	TOTAL	45	659	704	653

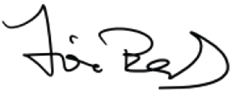
* Expressed in thousands of US Dollars

Performance of Third-Party Service Providers

The Committee, in conjunction with the Chief Operating and Financial Officer, carries out an annual review of the Investment Manager's and significant third-party service providers' performance.

The Investment Manager evaluation considers whether the contractual obligations are being met and if the remuneration structure in place remains appropriate for the Company to meet its investment objectives, is competitive and is in the interests of shareholders. The evaluation also considers the quality of the team and how the Investment Manager prioritises the Company within its client base.

Following its review of the Investment Manager, the Committee concluded that the Investment Manager was meeting its obligations under the investment management agreement and that its fee structure was competitive compared to industry bench marking. Based on the performance of the portfolio in 2023, no performance fee was payable to the Investment Manager and as such, no review of this was required by the Committee.



Fiona Beck

Chair of the Remuneration and Management Oversight
Committee
21 March 2024

Audit and Risk Committee Report

Our activities during the fiscal year have been focused on maintaining robust financial governance and effective risk management.

Membership

The Company has an Audit and Risk Committee consisting of two independent non-executive Directors in compliance with the smaller company requirements under the UK Corporate Governance Code:

- Mr Andrey Berzins (Chair)
- Ms Fiona Beck

Meetings

The Committee met four times during the fiscal year. The Chief Operating and Financial Officer of Ocean Wilsons attended each of these meetings. The Committee meets with the external auditor without the Chief Operating and Financial Officer present to receive feedback on the team's performance.

Key Roles and Responsibilities

The Committee has formal terms of reference approved by the Board which are reviewed on an ongoing basis. The full terms of reference are available on the Company's website. The principal responsibilities of the Committee are:

- Financial and narrative reporting
 - To review the integrity of the interim and full year consolidated financial statements of the Company, including reviewing the material accounting policies and judgements included in them.
 - To provide advice to the Board as to whether the annual report and accounts taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's financial position and performance, business model and strategy.
- External audit
 - To make recommendations to the Board, for it to put to the shareholders for their approval at a general meeting, in relation to the appointment, reappointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor.
 - To review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant professional and regulatory requirements. The independence of the external audit process has been assessed by reviewing reports from the external auditors describing their arrangements to identify, report and manage any conflicts of interest. The Board also reviews the provision of any non-audit services provided by the external auditors and ensure that their independence is maintained.
- Risk management and internal controls
 - To review the adequacy of the Company's internal control and risk management systems.
 - To review and update the Company's risk appetite statement.
 - To review the Company's risk register and assess the Company's emerging and principal risks to be reviewed annually with the Board.
 - To consider the need for an internal audit function.
- Compliance and fraud
 - To review the adequacy of the Company's whistleblowing procedures and the policies related to fraud, bribery and anti-corruption.

Financial and Narrative Reporting

During the course of the fiscal year, the Committee conducted a comprehensive examination of the various financial and narrative documents. This included a thorough review of the annual report and consolidated financial statements for the year ending December 2022, the half-yearly financial report for June 2023, and the quarterly updates released in May and November 2023. As an integral part of scrutinising the December 2022 annual report and consolidated financial statements, the Committee received and reviewed a detailed report from the external auditor, outlining the procedures and findings of their audit work.

Furthermore, the Committee evaluated the 2023 annual report and consolidated financial statements overall fairness, balance, and understandability. The objective was to ensure that these documents collectively present information that is essential for shareholders to assess the Company's performance, strategy, and business model. The Committee identified and determined that the primary risks of misstatement in the Group's 2023 consolidated financial statements pertained to:

- **Valuation of unquoted investments** – The investment valuation risk arises from the valuation of the Level 3 investments which is determined using valuation techniques and assumptions based on market conditions existing at each reporting date. The Committee received quarterly reports from the Investment Manager on investment performance which included historical performance analysis and management outlook for investment and market performance. The Committee reviewed and questioned the Investment Manager and obtained explanations for investment performance and variations from market performance, investment expectations and potential risks to future performance. The Committee examined and challenged management's key assumptions used in the valuation of investments. The Committee was satisfied that the significant assumptions used were appropriate and was satisfied with the disclosures in the consolidated financial statements. The Committee also discusses potential risks surrounding investment valuation with the external auditor and reviewed their audit findings.
- **Revenue recognition (unbilled revenue)** – The reporting risk could arise from inappropriate revenue recognition policies, incorrect application of policies or cut-off errors surrounding year end. The Committee considered the Wilson Sons' revenue recognition policies and the level of transactions compared to previous periods. The Committee received quarterly Wilson Sons management reports on revenue and financial performance with comparisons to budget and prior year. The Committee reviewed and questioned Wilson Sons management explanations for variances and revenue performance. The Committee also discussed

potential risks surrounding revenue recognition with the external auditor and reviewed their audit findings. The Committee was satisfied with management's explanations of variances and application of the presented policies relating to revenue recognition.

- **Impairment test of Cash Generating Units (CGUs)** – The Group has significant non-financial assets within the offshore support bases CGU. The reporting risk is that the value of the CGU is overstated and that an impairment charge should be recorded. Wilson Sons management performed impairment testing for the offshore support bases CGU by comparing its carrying value to its value in use, calculated using the discounted cash flow model. The Committee examined and challenged Wilson Sons management's key assumptions used in the impairment testing and was satisfied that they are appropriate and sufficiently robust. The Committee was further satisfied with the impairment testing disclosures in the consolidated financial statements. The Committee also discusses potential risks surrounding impairment risk with the external auditor and reviewed their audit findings.
- **Provisions for tax, labour, and civil cases** – In the normal course of its operations in Brazil, Wilson Sons is exposed to numerous local legal claims. The reporting risk relates to the completeness of claims recorded and the estimation of the provisions held against these exposures. Provisions are measured at management's best estimate of the expenditure required to settle the obligation based on prior experience, Wilson Sons' best knowledge of the relevant facts and circumstances and legal advice received. The Committee questioned Wilson Sons management on their assumptions used in determining provisions and the procedure for classification of legal liabilities as probable, possible or remote loss, reviewed legal reports from Wilson Sons management, asked questions on the background and progress of material claims and evaluated the current level of provisions in light of historical trends and claim history to ensure provisions were adequate. The Committee ensured that adequate resources are allocated to recording, evaluating and monitoring legal claims to ensure the completeness of claims recorded and provisions made. The Committee was satisfied that the significant assumptions used were appropriate and was satisfied with the disclosures in the consolidated financial statements. The Committee also discusses potential risks surrounding legal claims with the external auditor and reviewed their audit findings.

The Committee reviewed and challenged the assumptions in support of the 2023 going concern statement and the longer-term viability statement. The review involved careful consideration of various factors including, but not limited to, historical financial performance, cash flow projections, debt obligations, financing arrangements, and external

market conditions. Based on our review, we are satisfied that the supporting documentation provided by management adequately supports the Company's going concern and viability disclosures, and that they are presented in accordance with applicable accounting standards and regulatory requirements.

The Committee holds the view that the annual report and accounts effectively communicate the Company's performance throughout the year, offering comprehensive disclosures at each segment level. The content conveyed in the Chair's Statement, Directors' Report, and Financial Reports is accurately reflected in the annual accounts. Notably, there is cohesion between the narrative sections and the consolidated financial statements, ensuring a cohesive representation of information.

External Audit

As part of the annual external audit process, the Committee:

- Reviewed and approved the scope of audit work to be undertaken by the auditor;
- Agreed the fees to be paid to the external auditor for the audit of the December 2023 consolidated financial statements; and
- Assessed the qualification, expertise and resources, and independence of the external auditor:
 - Reviewed the audit plan for the year, noting the role of the audit partner who signs the audit report and who, in accordance with professional rules, has not held office for more than five years and any changes in key audit staff;
 - Received a report from the external auditor describing their arrangements to identify, report and manage any conflicts of interest; and
 - Considered the overall extent of non-audit services provided by the external auditor. There were no non-audit services provided in 2023 by the external auditor.

The Committee undertook its annual evaluation of the external auditors' performance and the efficacy of the external audit process for the year ending on 31 December 2022. This assessment involved surveying key stakeholders across the Group and appraising the quality of the auditors' reporting to and engagement with the Committee. Considering the feedback received and this comprehensive review, the Committee was satisfied with both the auditors' performance and the efficiency of the audit process.

Fees incurred for the external auditor in 2023 were US\$0.7 million (2022: US\$1.0 million). The Company does not engage its external auditor for any non-audit services.

During the year, the Committee also received the outcome of the FRC's Audit Quality Review of KPMG Audit Limited's audit of the Company's 31 December 2022 financial statements, which was undertaken as part of the FRC's annual inspection of audit firms. The Committee discussed the inspection report with the audit partner and note that actions to address the findings were incorporated into the audit of the 2023 annual report.

Risk Management and Internal controls

The Committee engages with the Chief Operating and Financial Officer of the Company to conduct a bi-annual review and assessment of the Company's risk matrix and the adequacy of the Company's internal controls. The Committee is satisfied with the effectiveness of the internal controls and affirmed that the risk matrix accurately reflects the Company's risks. The risk matrix was updated in 2023 to include a "risk appetite" approach to assessing risks and is reflected in the Risk Management section on page 17. The risk register serves as a functional tool at the Board level, aiding decision-making and supporting the planning of risk mitigation strategies.

Additionally, the Committee met quarterly in 2023 with the Wilson Sons audit committee on the following matters:

- To receive reports from the Wilson Sons audit committee on relevant accounting matters and its report from the Wilson Sons internal audit team;

- To review and challenge the assumptions used in the Wilson Sons impairment test of the offshore support bases cash-generating unit including long-term revenue; costs and expenses; investments; projection period; growth rate and discount rates based on the weighted average cost of capital;
- To receive a report on cybersecurity at Wilson Sons. The report highlighted the principal risks as ransomware, data loss, customer data breaches, mission critical systems failure, reputational damage, financial losses and operational accidents. The Committee was satisfied with the actions being taken to mitigate cyber risks;
- To receive a report on the Wilson Sons enterprise risk management process. The report detailed the most critical risks of Wilson Sons, identifying the respective risk owners, and the mitigation plans in place or under development, see principal and emerging risks on page 18;
- To receive litigation reports from the Wilson Sons legal department outlining the legal provisions in the accounts and work performed to manage possible claims; and
- To have a briefing on the Wilson Sons whistle-blowing channel outlining the structure of the whistle-blowing channel and procedures for following up on complaints received.

Compliance and Fraud

There were no instances of fraud reported in 2023 and the Committee is satisfied that the procedures and policies in place are being monitored and complied with.



Andrey Berzins

Chair of the Audit and Risk Committee

21 March 2024

Corporate and Social Responsibility

The Board recognises that, in addition to managing the Company's assets, it has an obligation to ensure that it undertakes efforts to ensure that its corporate and social responsibilities to all its stakeholders are addressed at both the parent level and its operating subsidiaries.

Environment and Responsible Investing

The Board continues to maintain its conviction that responsible investing and sustainable operations are vital for the sustained success and growth of the Company. Throughout the year, the Board, in collaboration with Hanseatic Asset Management LBG, its Investment Manager, and the management team at Wilson Sons, engaged in diligent and regular reviews of the Company's performance, strategic investment approaches, and exploration of capital investment and expansion possibilities. These reviews were pivotal in ensuring that our ESG strategy remains not only compliant but also progressively aligned with evolving global standards, thereby fostering a culture of effective, ethical, and forward-looking investment practices beneficial to our shareholders and prospective investors.

Building upon the momentum of 2022, when the Investment Manager formally became a signatory to the United Nations Principles for Responsible Investment, the Board continued to advocate for and oversee the implementation of policies that emphasise the importance of environmental and social considerations within our investment framework. This year, a significant focus was placed on refining these policies to enhance our information-gathering processes regarding the environmental and social practices of our investment entities. The Investment Manager, in alignment with this direction, has been actively involved in reviewing its investment portfolio, with a particular emphasis on ensuring adherence to responsible investing practices among portfolio managers and companies. This ongoing process signifies our commitment to not only sustaining but also elevating our ESG initiatives in alignment with our core values and the expectations of our stakeholders.

Workforce and Safety

In 2023, the Board continued to focus on fostering inclusivity and equality within Wilson Sons, the largest employer in the Group. Our commitment to advancing these values was reflected in our steadfast support and oversight of various initiatives aimed at enhancing gender equality and nurturing the next generation of leaders within the organisation.

Wilson Sons continues to focus on gender diversity, with women constituting 30% of its management team and 19% of the overall workforce. This representation is a testament to our ongoing efforts to create a balanced and inclusive work environment. Furthermore, Wilson Sons has actively implemented several programs designed to empower women and young professionals. These initiatives include internships and apprenticeships, collaborations with local universities for maritime service lectures, and a specialised program for young girls in Brazil.

The Board's continuous encouragement and monitoring of these initiatives underscore our dedication to nurturing a culture of equality and opportunity within Wilson Sons. By investing in these programs, we not only contribute to the personal and professional development of our employees but also reinforce our commitment to building a more equitable and dynamic workplace.

On average the Group employed 3,849 employees during the year (2022: 3,296). The nature of operations in the maritime division means that the health and safety of our workforce is fundamentally important to the Board and is engrained in our corporate values and daily routines. Through a safety programme in partnership with DuPont, health and safety targets are measured using lost-time injury frequency rate ("LTIFR"). In 2023 the LTIFR rate was 0.22 compared to 2022 of 0.45. The international benchmark is 0.5 which Wilson Sons has set as its target to remain below.

Communities

Ocean Wilsons and Wilson Sons are committed to being conscientious corporate citizens, actively contributing to the betterment of the communities where we operate. This commitment is embodied not only through our structured corporate giving programs but also by encouraging and facilitating our employees to generously donate their time and expertise.

At Ocean Wilsons, our corporate giving is strategically focused on supporting charities dedicated to fostering life skills in young people. This initiative reflects our belief in the power of nurturing the next generation, equipping them with the tools and abilities essential for their future success.

Wilson Sons boasts a rich history of varied community engagement, encompassing both corporate volunteering efforts and charitable donations. In 2023, approximately US\$1.3 million was invested in direct and incentivised initiatives, reaching more than 70,000 people with social projects and targeted actions. Some of these initiatives included the Brazilian Maritime Museum project, which seeks to strengthen education through the preservation and the dissemination of national maritime history, and the Junior Achievement Rio de Janeiro project, which supports entrepreneurship and financial education to prepare students for the job market.

Directors' Responsibility

Going Concern

The Group has considerable financial resources including US\$69.4 million in cash and cash equivalents at 31 December 2023 and the Group's borrowings have a long maturity profile. The Group's business activities together with the factors likely to affect its future development and performance are set out in the Chair's Statement, Business Review and Financial Report. The financial position, cash flows and borrowings of the Group are set out in the Financial Report. In addition, note 32 to the consolidated financial statements includes details of its financial instruments and its exposure to credit risk and liquidity risk. Details of the Group's borrowings are set out in note 22.

The Group closely monitors and manages its liquidity risk and does so in a manner that reflects its structure of two distinct businesses being Ocean Wilsons (Investments) Limited and Wilson Sons Limited. In performing its going concern assessment, the Board considered the 15-month period to 31 March 2025.

Ocean Wilsons Holdings Limited and Ocean Wilsons (Investments) Limited

Ocean Wilsons and Ocean Wilsons (Investments) Limited have combined cash and cash equivalents of US\$21.2 million and further highly liquid investments of US\$114.1 million at 31 December 2023. They have no debt and they have made commitments in respect of investment subscriptions amounting to US\$53.8 million, for which details are provided in note 11. The timing of the investment commitments may be accelerated or delayed in comparison with those indicated in note 11, but highly liquid investments held are significantly in excess of the commitments. Neither Ocean Wilsons nor Ocean Wilsons (Investments) Limited have made any commitments or have obligations towards Wilson Sons and its subsidiaries and their creditors or lenders. In the unlikely circumstance that Wilson Sons was to encounter financial difficulty, the parent company and its other subsidiary have no obligations to provide support and have sufficient cash and other liquid resources to continue as a going concern on a standalone basis.

Wilson Sons Limited

Wilson Sons has cash and cash equivalents of US\$48.2 million. All of the debt, as set out in note 22, and all of the lease liabilities, as set out in note 17, relate to Wilson Sons, and have a long maturity profile. The debt held by Wilson Sons is subject to covenant compliance tests as summarised in note 22, which were in compliance at 31 December 2023 and are forecast to be complied with throughout the forecast period.

The covenants are most sensitive to changes in EBITDA, debt service costs and asset values. The Ocean Wilsons Board reviewed Wilson Sons' 15-month forecasts for the financial year 2024 and the first quarter of 2025 which included analysis of cash flows and loan covenant compliance for the forecasting period. Budgets are compared with prior period actual results and previous forecasts to identify variances and understand the drivers of the changes and their future impact to allow management to take action as appropriate. Additional market analysis is performed to corroborate other key assumptions underpinning the forecasts. In preparing the forecasts, consideration has been given to the commitments Wilson Sons has to its joint ventures and associates in respect of their loan agreements as set out in note 15 and possible cash outflows these may give rise to, should the joint ventures and associates breach their loan covenants.

Cash flow and loan covenant compliance forecasts were then subjected to reverse stress tests to understand the headroom available before a covenant breach occurs or liquidity is exhausted. Consideration was then given as to whether the principal risks attributable to Wilson Sons would give rise to severe downside scenarios that could cause loan covenant breaches or exhausting of liquidity, such as significant reductions in revenues. The possibility of these scenarios happening are considered remote when contemplating Wilson Sons' financial performance during Brazil's economic crisis in 2015 and 2016 and during the Covid-19 pandemic. Whilst the going concern assessment does not indicate it will be necessary, should it be required, Wilson Sons can delay or cancel forecast capital expenditure in order to manage liquidity and or loan covenant compliance.

This assessment confirmed that Wilson Sons has adequate cash, other liquid resources and undrawn credit facilities to enable it to meet its obligations as they fall due in order to continue its operations during the going concern forecast period. Based on the Board's review of Wilson Sons' going concern assessment and the liquidity and cash flow reviews of the Company and its subsidiary Ocean Wilsons (Investments) Limited, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Directors continue to adopt the going concern basis in preparing the annual report and accounts.

Directors' Responsibility Statement

The Directors are responsible for preparing the annual report in accordance with applicable laws and regulations.

The Directors are required by Bermuda company law to lay financial statements before the Company in a general meeting. In doing this the Directors prepare accounts on a going concern basis for each financial year which give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period. In preparing those accounts, the Directors are required to:

- ensure suitable accounting policies have been adopted and applied consistently;
- make judgements and estimates that are reasonable and prudent;

- state that applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- provide additional disclosure when compliance with specific IFRS requirements is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company and Group financial position and financial performance; and
- present information, including accounting policies in a manner that provides relevant, reliable, comparable and understandable information.

The Board considers the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy.

On behalf of the Board



Caroline Foulger

Chair

21 March 2024

SECTION THREE

Task Force for Climate Related Financial Disclosures



Task Force for Climate Related Financial Disclosures (“TCFD”)

Overview

Ocean Wilsons Holdings Limited (“Ocean Wilsons” or the “Company”) continues to make progress towards better understanding the landscape of climate-related risks and opportunities and incorporating this understanding into strategic considerations and management processes. The Company recognises that disclosure of the actual and potential impacts of climate-related risks and opportunities is fundamental for stakeholders to understand how resilient a business’s performance and strategy is to a variety of anticipated changes over the coming decades.

As Ocean Wilsons is a holding company, it is recognised that risks and opportunities arise at the level of Ocean Wilsons’ subsidiaries: Ocean Wilsons (Investments) Limited (“OWIL”) and Wilson Sons S.A. (“Wilson Sons”). The following disclosure will discuss risks and opportunities to the Company arising from both subsidiaries, it should be recognised that Wilson Sons is both more directly exposed to these risks and opportunities and has more potential to directly address them.

The Task Force on Climate-Related Financial Disclosures provides recommendations for disclosures structured around four thematic areas: Governance, Strategy, Risk Management, and Metrics & Targets.

These four overarching areas are supported by eleven specific recommended disclosures, which form the structure of this report. We have responded to each recommendation; however we are unable to provide, at this time, a full account of our GHG impacts (Metrics and Targets: Recommendation B) as we have not yet fully quantified our Scope 3 emissions. Currently, we are unable to express our risks in quantifiable financial terms, however, we are committed to enhancing our disclosure practices to incorporate financial metrics in our risk assessments.

Governance

The Board of the Company holds ultimate responsibility for the effective management of climate-related issues. The Audit and Risk Committee most directly engages with these issues, monitoring the efficacy of internal controls and risk management procedures on an ongoing basis. Risk exposure, potential opportunities, and mitigating actions are considered at Committee meetings, which occur quarterly.

Wilson Sons

The Wilson Sons board is responsible for managing its specific climate-related risks, defining objectives, guiding strategy, and monitoring progress. The Wilson Sons board is advised by the Wilson Sons risk committee and is updated quarterly on key risks and opportunities. An awareness of risks and opportunities informs all the aforementioned processes. The Wilson Sons risk committee coordinates an integrated risk management process, which addresses risks of all types, including climate-related risks. This committee, along with the Wilson Sons audit committee and the Wilson Sons board, has responsibility for defining risk appetites and tolerance ranges for each risk area. The Wilson Sons CEO monitors the company’s climate agenda and is responsible for providing relevant updates at meetings of the Wilson Sons board where strategic decisions are approved. A dedicated sustainability department is tasked with carrying out climate-related plans of action.

Ocean Wilsons (Investments) Limited

The OWIL board shares the same directors as Ocean Wilsons, which holds ultimate accountability for responsible investing. Quarterly meetings are held with the Investment Manager where updates on investment performance, asset allocation, and ESG status are discussed. OWIL’s Investment Manager has instituted a responsible investment policy, which includes due diligence processes and the ongoing monitoring of sustainability issues within the portfolio and is a signatory to the UN Principles of Responsible Investment.

Strategy

The impacts of climate change and an understanding of potential societal responses have already begun to influence the Company’s strategic direction and financial planning. OWIL and Wilson Sons are exposed to a variety of climate-related risks, which include physical risks and transition risks. Physical risks include acute events like storms and droughts, and chronic impacts such as evolving patterns of precipitation and sea level rise. Transition risks include those risks related to society’s net zero transition, including existing and emerging regulatory requirements, carbon taxation, and shifting consumer preferences. These risks were analysed these according to three timeframes: short-term (less than 3 years), medium-term (3 to 10 years) and long-term (more than 10 years).

The changes underway affecting the climate and society also create several opportunities for the Company in the coming decades. A selection of the most material risks and opportunities to both subsidiaries is provided below. For a full account of Wilson Sons' risks and opportunities, please see

the dedicated Sustainability Report (2023) available at www.wilsonsons.com.br. Further detail on OWIL's risk exposure, which is deemed to have not significantly changed in the past two years, is detailed in the Company's 2021 Annual Report available on the Company's website.

MATERIAL CLIMATE-RELATED RISKS AND OPPORTUNITIES						
Risk / Opportunity	Category	Subsidiary Affected	Likelihood	Impact	Timeframe	Description
Changes in precipitation patterns	Physical (chronic)	Wilson Sons	Likely	Moderate	Short-term (< 3 years)	Climate-related alterations in precipitation patterns in Brazil could disrupt agriculture. Wilson Sons' customers transport significant volumes of agricultural cargo from Brazil and reduced crop yields could have a direct effect on demand for shipping services.
Increase in extreme weather events	Physical (acute)	Wilson Sons	Likely	Moderate	Medium-term (3-10 years)	Extreme weather could disrupt a wide variety of Brazilian economic activities, with attendant impacts on demand for Wilson Sons' services. Extreme weather events also pose a direct threat to the subsidiary's operations, e.g. such as the loss of equipment or cargo during storms or damage to assets and infrastructure.
Changes in energy mix	Transition (Market & Technology)	Wilson Sons	Likely	Moderate	Long-term (>10 years)	As the world transitions away from fossil fuels, demand for hydrocarbon production is expected to decline. This will inevitably have an impact on Wilson Sons' services associated with the transport of these products.
Physical impacts of extreme climate phenomena	Physical (Acute & Chronic)	OWIL	Likely	Low	Medium-term (3-10 years)	The physical impacts of climate change (both acute and chronic) will entail economic disruptions across geographies and sectors. This volatility complicates investment decisions, increases the risk of stranded assets, and poses the threat of extended economic downturns.
Changes in energy mix / External pressure for decarbonisation	Transition (Market & Technology)	Wilson Sons	Likely	Moderate	Medium-term (3-10 years)	As society preferences low-carbon transport, it is probable that maritime transport will in some cases, have a lower carbon footprint per kilogram of goods transported goods than road haulage. This, along with the increased need to transport equipment related to the net-zero transition (e.g. EV components or equipment related to solar and wind power generation), may increase demand for services.
External pressure for decarbonisation	Transition (Market & Technology)	OWIL	Likely	Moderate	Medium-term (3-10 years)	The presence of environmentally conscious investments in the OWIL portfolio and potential to increase the alignment of the portfolio with growing sectors related to the net zero transition present an opportunity to benefit from increased public and private support for these industries (e.g. renewable power generation, low-carbon transport, etc.).

Influence on Strategy

As OWIL is an actively managed portfolio, investments can be exited if deemed necessary, and as such OWIL is considered to be resilient to a variety of climate-related risks. Nevertheless, an awareness of this risk landscape has led to increased focus on these issues.

Wilson Sons is more likely to be directly affected by physical and transition risks, and an awareness of this has begun to impact action plans and long-term strategies. This risk assessment has underlined the need for more data in several areas, and as a result Wilson Sons has begun monitoring market behaviour and demands, and collecting data on additional Scope 3 emissions categories, covering the majority of its footprint. Wilson Sons has also taken concrete steps towards decarbonisation, including the acquisition of fuel-efficient tugboats, along with electric tractors at the Salvador container terminal. At the Rio Grande container terminal, Wilson Sons has begun to procure 100% certified renewable electricity.

All such decisions are guided by the marginal carbon abatement curve developed by the organisation in the previous year, which provides a systematic way for prioritising investments in decarbonisation.

Strategy Resilience

Societal response to climate change and the resulting trajectory of emissions over the coming decades are fundamentally uncertain. To assess the resilience of our strategy, Wilson Sons evaluated the identified risks and opportunities in the context of several potential climate scenarios (a selection of Shared Socioeconomic Pathways (SSPs), as defined by the IPCC's Sixth Assessment Report in 2021, with associated Representative Concentration Pathways (RCPs) reflecting anticipated concentrations of GHGs over time).

Scenario	RCP	Time Horizon	Description
SSP1	2.6	2030	The first scenario considered assumes a world shifting gradually and steadily towards more sustainable economic systems. Consumption is oriented towards lower resource and energy intensity. Little change in physical risk exposure by 2030.
SSP1	2.6	2050	The second scenario assumes the same societal evolution as described above, but assesses risk in the year 2050, when more physical risks (acute and chronic) and more stringent regulation have begun to impact the global economy.
SSP3	7.0	2050	Rising nationalism and increasing geopolitical tensions lead to an uncoordinated response to climate change. Environmental concerns are not prioritised and significant degradation occurs. Physical risks are significantly more severe under this scenario.

Reviewing the risk and opportunity landscape from the perspective of these scenarios yielded some key insights and enabled us to estimate a likely range of potential impacts. Wilson Sons incorporated an awareness of this range of materiality into its portfolio of decarbonisation options and associated prioritisation processes.

At a high level, the scenario analysis suggests that the majority of the identified risks are more severe under the high emissions (RCP 7.0) scenario. Under this scenario, Wilson Sons would be exposed to significant physical threats (both acute and chronic) and have less opportunity to take advantage of growing sustainability-oriented markets. The

low emissions (RCP 2.6) scenario is most likely to provide material opportunities and reduce the impact of risks in the short and long term, as a coordinated climate change mitigation regime opens up new markets and allows forward planning for emerging regulations.

Maintaining an advanced position in the realm of sustainability increases Wilson Sons' resilience to a variety of risks. Wilson Sons' inclusion in the Brazilian Corporate Sustainability Index (ISE B3) is strong evidence of its leading stance across a number of sustainability issues, including climate.

OWIL's risk and opportunity analysis revealed that risk exposure was comparatively low, especially in the short to medium term. Therefore, scenario analysis is not considered an immediate priority, although we will continue to monitor the situation and undertake further analysis when deemed valuable.

Risk Management

Identifying and Assessing Risk

Material risks and opportunities were first identified in 2021 with reference to the TCFD guidelines and guided by Wilson Sons' integrated risk management policy. These have since been reviewed and updated periodically. Although no newly identified risks have entered the register over the past two years, the risk landscape is actively monitored to ensure that emerging risks are promptly incorporated.

As described above, risks are categorised as either physical risk or transition risk, and are assessed across the short, medium, and long term. Physical risks are categorised as either acute or chronic, and transition risks are categorised as regulatory and legal, technological, market, and reputational. The estimated materiality of each risk is a product of its probability and impact. At Wilson Sons, assessments are undertaken by those involved in the relevant risk area, with support from various technical teams.

Managing Risk

At Wilson Sons, after evaluation and prioritisation, each risk is assigned a risk owner, who is responsible for addressing the risk, monitoring ongoing developments and updating the risk ratings as necessary. The effectiveness of mitigation measures is continuously monitored by all those involved in the management of each risk and consolidated for internal reporting to the Wilson Sons board and the Ocean Wilsons Board at least annually.

For OWIL, the portfolio is managed in line with the investment strategy and its Investment Manager's responsible investment policy, which is aimed at reducing and managing long-term risks. ESG related training is delivered to key team members of the Investment Manager, which routinely engages with relevant forums and bodies to keep up to date with best practice and potential shifts in the risk landscape that require addressing when selecting funds for investment and the ongoing management of the portfolio.

Integrating risk

At Wilson Sons, climate risk is completely incorporated into the broader corporate risk management process. Climate-related risks are managed via the same policies and procedures as risks of all types, from the identification and assessment stages to the implementation of control plans and ongoing monitoring of mitigation measures. At OWIL, risk exposure is viewed holistically and takes into account potential risks of many types, including climate-related risks, when selecting investments.

Metrics And Targets

Metrics Used

An accurate dashboard of relevant indicators is essential for the ongoing monitoring of climate-related risk exposure. The Company has begun collecting data in a number of climate-relevant areas and plans to expand this suite of metrics over time.

Wilson Sons currently reports a variety of metrics in its dedicated Sustainability Report; a selection of the most significant (in the context of climate change) are reported in the table below. These are reported relative to some operational metric (revenue or tug manoeuvres) or as a proportion, to allow for the monitoring of progress over time, irrespective of business growth.

Metric	2023	2022	Variance
GHG Emissions intensity (Scopes 1 & 2) (kgCO ₂ e / Net revenue)	27.95	28.13	-0.64%
Proportion of energy from renewable sources (%)	13.0	13.4	3.0%
Energy intensity (towage) (GJ / manoeuvre)	13.3	12.9	3.1%
Water consumption (m ³ / Net revenue R\$ 100k)	8.1	8.8	-8.0%

GHG emissions are quantified in line with the GHG Protocol and Scope 2 emissions are calculated via a market-based approach.

We consider these emissions and energy metrics to provide valuable perspective on our decarbonisation progress, the associated reputational risks, and our exposure to possible carbon taxation and energy market volatility in the future. Given the potential for water scarcity concerns in Brazil over the coming years, monitoring our water use is also seen as a key part of being a responsible water consumer and monitoring progress towards water efficiency.

Green House Gas Emissions (GHG)

Wilson Sons has again quantified Scope 1 and 2 emissions, and while still unable to report on Scope 3 emissions, has made substantial progress in understanding these emission sources and beginning to quantify the most significant contributors. Wilson Sons will endeavour to improve the quality of its GHG reporting year on year.

Scope 2 emissions have fallen significantly from last year, due to the increased procurement of renewable electricity. Total Scope 1 and 2 emissions have risen in absolute terms compared to last year, however, have decreased slightly relative to revenue.

Wilson Sons GHG emissions (tCO ₂ e)				
	2021	2022	2023	Variance from previous year
Scope 1	62,373	62,398	65,632	5.18%
Scope 2	4,768	1,516	1,392	-8.18%
Total	67,141	63,914	67,024	4.87%

Ocean Wilson's emissions are minimal, resulting only from the operation of a single office, some business travel, and employees commuting. OWIL, as a portfolio of diverse investments, faces significant challenges in compiling an accurate carbon footprint. We are continuing to explore further data collection options and engagement with underlying investment managers to improve our understanding of the carbon impacts of our investments and will present relevant data as it becomes sufficiently high-quality and decision useful. We recognise the importance of emissions monitoring for organisations of all size and will make efforts to quantify and report these figures where possible moving forward.

Our Targets

Currently, Wilson Sons' climate goals are qualitative in nature and relate to structuring and improving the management of climate aspects. Among the goals defined in recent years are the identification of climate risks and opportunities, the definition of the decarbonisation portfolio, studies and practical tests of alternatives that are less intensive in carbon emissions, and the evaluation of climate scenarios.

Quantitative energy consumption and decarbonisation targets are defined internally for some of Wilson Sons' businesses, such as terminals and tugboats, and are managed by the operations teams, with monitoring by the sustainability department. The expectation is to define a quantitative target for reducing Scope 1 and 2 emissions by 2025.

OWIL is guided by the UN PRI's six principles, which provide a framework and direction for the organisation over time in the realm of climate change and ESG more generally. We have yet to set more specific targets in these areas, but will continue to consider options in this area, and aim to set ambitious, achievable, and measurable goals when deemed practical and valuable.

SECTION **FOUR**

Consolidated
Financial
Statements



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INDEPENDENT AUDITOR'S REPORT

To the Shareholders and Board of Directors of Ocean Wilsons Holdings Limited

Report on the audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Ocean Wilsons Holdings Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 31 December 2023, the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory 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 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Bermuda and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA 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. We summarise below the key audit matters (unchanged from 2022), in decreasing order of audit significance, in arriving at our audit opinion above, together with our key audit procedures to address those matters. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



The key audit matter	How the matter was addressed in our audit
<p>Fair value estimates – Level 3 investments (2023: US\$118.3m, 2022: US\$120.4m)</p> <p>Valuation of the level 3 investments requires significant judgements and estimates by management. Inappropriate selection of valuation methods, significant assumptions and significant data inputs used in determining these fair values could result in a material misstatement to the financial statements.</p>	<ul style="list-style-type: none"> ▪ We walked through and understood the controls designed and implemented by the Group over valuation of level 3 investments. However, we did not test the operating effectiveness of the controls. We performed the tests below rather than seeking to rely on any of the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described; ▪ We read the accounting policy for investment valuation and assessed its compliance with accounting standards; ▪ We tested the appropriateness of the valuation methodologies and techniques applied to all the level 3 investments including comparing them with the International Private Equity and Venture Capital Valuation Guidelines ('IPEV'); ▪ We obtained independent support to corroborate the stated values for all the level 3 investments. We also considered whether any changes had been made in valuation; ▪ We considered the date of valuations, where these were not as of 31 December 2023. We performed procedures to ascertain if any significant changes in value might be expected where investments were valued at an interim date. We used our own valuation specialists to challenge management's assumptions used in determining the fair value of these investments, in the context of the IPEV valuation guidelines; ▪ We obtained independent confirmations of the existence and accuracy of the level 3 investments from counterparties; ▪ We also considered valuations received after the year end until the date of our audit opinion to determine whether they provided evidence of fair value at 31 December 2023 for such investments; and ▪ We assessed the fairness, accuracy and completeness of disclosures in the financial statements required by IFRS 7 and IFRS 9.



The key audit matter	How the matter was addressed in our audit
<p>Risk of impairment of Offshore support bases cash generating unit's (CGU) assets</p> <p>(2023: Carrying value of US\$48.8m; 2022: Carrying value of US\$47.6m)</p> <p>Due to losses incurred by the CGU and the inherent uncertainty involved in forecasting and discounting future cash flows there is a risk that an impairment has not been recognised.</p> <p>The recoverability of the CGU is dependent on management's estimates of the future cash flows that the CGU is expected to produce. The carrying value of the assets are particularly sensitive to changes in management's revenue growth and discount rates applied.</p> <p>Due to the level of judgement required in determining the value in use there are inherent risks and uncertainties involved in forecasting and discounting future cash flows in this industry.</p>	<ul style="list-style-type: none"> ▪ We walked through and understood the controls designed and implemented by the Group over the impairment review, but we did not test the operating effectiveness of the controls. We performed the tests below rather than seeking to rely on any of the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described; ▪ We considered past cash flow projections and actual results subsequently achieved to assess management's forecasting track record to ascertain if there may be indicators of management bias or excessive optimism in forecasting cash flows; ▪ We obtained the Group's impairment model and tested its mathematical accuracy; ▪ We challenged the Group's determination of the projection period used; ▪ We performed independent research on forecasts for the oil and gas sector, globally and also for Brazil. We considered multiple sources of information including those published by oil and gas companies, industry organisations, and industry analysts. We challenged and evaluated management's forecasts in the context of this information; ▪ With regard to near term forecast cashflows which were based on specifically identified projects, tenders submitted and expected outcomes from such tenders, we inspected tender submissions, examined correspondence with potential customers, reviewed management's internal reporting with regard tender and sales pipeline reporting and reviewed press releases and other media published by prospective customers with regard their specific projects. We challenged and evaluated management's forecasts in the context of this information; ▪ We used our own valuation specialists to assist us in our impairment testing, including assessing the valuation methodology used by management, and challenging specific inputs into the determination of the discount rate with reference to independently sourced external data and benchmarks and in developing independently an appropriate discount rate; ▪ We identified those assumptions which are most sensitive to change and performed sensitivity analysis to ascertain what changes in assumptions could produce significantly different outcomes. In doing so we noted the future forecasted revenues, and the discount rate are the most sensitive assumptions. We ascertained the extent of changes that individually, or in combination, would be required for the Offshore support bases' assets to be impaired; and ▪ We assessed the fairness, accuracy and completeness of disclosures required by IAS 36.

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The key audit matter	How the matter was addressed in our audit
<p>Provisions and contingencies</p> <p>(2023: US\$7.3m, 2022: US\$9.0m) The unprovided amounts for possible losses are US\$96.8m (2022: US\$83.2m).</p> <p>The Group is party to a high volume of legal claims arising from civil proceedings, labor claims and tax legislation. These resultant contingent liabilities are potentially significant and the application of accounting standards to determine the amount, if any, to be recognised as a liability or disclosed, is inherently subjective and requires judgement.</p> <p>Inappropriate evaluations of the possible outcome on material claims may materially impact the Group's consolidated financial statements for the year.</p>	<ul style="list-style-type: none"> ▪ We walked through and understood the controls designed and implemented by the Group over claims and litigation. However, we did not test the operating effectiveness of the controls; We performed the tests below rather than seeking to rely on any of the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described; ▪ We obtained a listing of all current open claims and litigation, including details of quantum, appointed advisors, provided and disclosed amounts; ▪ We obtained an understanding from Group's in-house legal counsel of the basis for their judgements of financial amounts. We challenged the basis of those judgements with reference to the latest available corroborative information such as correspondence with the Group's external counsel on all significant legal cases and held discussions with them when further clarity was deemed necessary; ▪ We reviewed legal expenses and Board of Directors minutes to identify possible litigation and claims that had not been identified by the Group and disclosed to us; ▪ We obtained direct confirmations from the Group's external counsel for all litigation cases and assessed the Group's judgements in the context of these confirmations; ▪ We considered cases settled or litigation concluded in the year and also changes in assessments for ongoing cases year on year. We considered whether the Group's previous judgements were proven to be reasonable and materially correct; and ▪ We assessed the fairness, accuracy and completeness of disclosures in the consolidated financial statements as required by IAS 37.



The key audit matter	How the matter was addressed in our audit
<p>Unbilled revenue (2023: US\$20.9m; 2022: US\$12.0m)</p> <p>Revenue recognition is presumed by auditing standards to be a fraud risk area. For the risk of fictitious revenue recognition we have focused specifically on unbilled revenue recognised for services rendered but not yet invoiced at year end, due to its significance and the manual nature of the process.</p>	<ul style="list-style-type: none"> ▪ We walked through and understood the controls designed and implemented by the Group related to unbilled revenue recognition, but we did not test the operating effectiveness of the controls. We performed the tests below rather than seeking to rely on any of the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described; ▪ We evaluated the accounting policies applied in the recognition of unbilled revenue in accordance with the principles of IFRS 15; ▪ We tested on a statistical sample basis unbilled revenue to address the identified fraud risk by obtaining supporting documentation to evidence: the provision of the service, the value of the transaction and where applicable the subsequent invoicing and recovery of the unbilled revenue; ▪ We performed analytical procedures to identify and investigate unusual trading patterns which could indicate inappropriate revenue recognition; and ▪ We assessed the adequacy of the disclosures in the consolidated financial statements with regard to the requirements of IFRS 15.

Other information

Management is responsible for the other information. The other information comprises the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

Except as described in the *Report on Other Legal and Regulatory Requirements* section of our report, our opinion on the consolidated financial statements does not cover the other information and we do 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 and, in doing so, we 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.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



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, 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 are 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



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 communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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.

Report on other legal and regulatory requirements

Corporate Governance Statement

We are required to review the part of the Corporate Governance Statement relating to the Group's compliance with the provisions of the UK Corporate Governance Code specified by the Listing Rules of the UK Listing Authority for our review. We have nothing to report in this respect.

Disclosures of emerging and principal risks and longer-term viability

We are required to review the Going Concern and Viability Statements, set out on pages 16 and 41 under the Listing Rules. Based on the knowledge we acquired during our audit of the consolidated financial statements, we have nothing material to add or draw attention to in relation to:

- the directors' confirmation within the longer-term viability statement on page 16 that they have carried out a robust assessment of the emerging and principal risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity;
- the Emerging and Principal Risks disclosures describing these risks and how emerging risks are identified, and explaining how they are being managed and mitigated; and
- the directors' explanation in the Going Concern and Viability Statements of how they have assessed the prospects of the Group, over what period they have done so and why they considered that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our work is limited to assessing these matters in the context of only the knowledge acquired during our consolidated financial statements audit. As we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of anything to report on these statements is not a guarantee as to the Group's longer-term viability. In addition, the above conclusions are not a guarantee that the Group will continue in operation.

**The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the Company's shareholders and Board of Directors, as a body. Our audit work has been undertaken so that we might state to the Company's shareholders and Board of Directors those matters we are required to state to them in an auditor's report and the further matters we are required to state to them in accordance with the terms agreed with the Company and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company's shareholders and Board of Directors, as a body, for our audit work, for this report, or for the opinion we have formed.

The Engagement Partner on the audit resulting in this independent auditor's report is James Berry.

KPMG Audit Limited

Chartered Professional Accountants
Hamilton, Bermuda
March 21, 2024

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

	Note	2023	2022
Sales of services	5	486,646	440,107
Raw materials and consumables used		(35,467)	(32,956)
Employee charges and benefits expenses	6	(142,391)	(126,330)
Other operating expenses	7	(113,242)	(104,265)
Depreciation of owned assets	16	(55,466)	(48,473)
Depreciation of right-of-use assets	17	(14,305)	(13,573)
Amortisation of intangible assets	18	(1,997)	(2,389)
Gain on disposal of property, plant and equipment		1,713	100
Foreign exchange gains on monetary items		246	1,620
Operating profit		125,737	113,841
Share of results of joint ventures and associates	15	6,447	3,165
Returns on investment portfolio	5	29,120	(47,947)
Investment portfolio management fees		(2,996)	(3,047)
Other income	5	7,798	6,631
Finance costs	8	(35,425)	(34,509)
Profit before tax		130,681	38,134
Tax expense	9	(27,609)	(26,656)
Profit for the year		103,072	11,478
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss			
Post-employment benefits remeasurement	23	32	93
Purchase price adjustment of associate	15	-	159
Items that will be or may be reclassified subsequently to profit or loss			
Exchange differences arising on translation of foreign operations		8,831	7,137
Other comprehensive income for the year		8,863	7,389
Total comprehensive income for the year		111,935	18,867
Profit/(loss) for the year attributable to:			
Equity holders of the Company		67,048	(18,675)
Non-controlling interests	28	36,024	30,153
		103,072	11,478
Total comprehensive income/(loss) for the year attributable to:			
Equity holders of the Company		72,059	(14,484)
Non-controlling interests	28	39,876	33,351
		111,935	18,867
Earnings per share:			
Basic and diluted	30	189.6c	(52.8)c

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

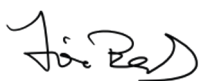
Consolidated Statement of Financial Position

At 31 December 2023 (Expressed in thousands of US Dollars)

	Note	2023	2022
Current assets			
Cash and cash equivalents	10	69,367	77,873
Investment portfolio	11	309,158	272,931
Recoverable taxes	9	47,708	34,515
Trade receivables	12	65,694	54,537
Other current assets	13	13,281	9,908
Inventories	14	18,171	17,579
		523,379	467,343
Non-current assets			
Other receivables	12	13,041	12,632
Other non-current assets	13	5,792	6,197
Recoverable taxes	9	20,680	15,143
Investment in joint ventures and associates	15	96,084	81,863
Deferred tax assets	9	22,827	21,969
Property, plant and equipment	16	614,099	589,629
Right-of-use assets	17	198,508	178,699
Other intangible assets	18	13,858	14,392
Goodwill	19	13,597	13,420
		998,486	933,944
Total assets		1,521,865	1,401,287
Current liabilities			
Trade and other payables	21	(71,768)	(58,337)
Bank loans	22	(70,856)	(59,881)
Tax liabilities	9	(10,831)	(10,290)
Lease liabilities	17	(28,783)	(24,728)
		(182,238)	(153,236)
Net current assets		341,141	314,107
Non-current liabilities			
Bank loans	22	(253,345)	(262,010)
Deferred tax liabilities	9	(65,596)	(49,733)
Lease liabilities	17	(195,503)	(171,448)
Provisions for legal claims	24	(7,322)	(8,997)
Post-employment benefits	23	(2,047)	(1,737)
		(523,813)	(493,925)
Total liabilities		(706,051)	(647,161)
Capital and reserves			
Share capital	26	11,390	11,390
Retained earnings		676,817	634,910
Translation reserve		(86,703)	(91,692)
Equity attributable to equity holders of the Company		601,504	554,608
Non-controlling interests	28	214,310	199,518
Total equity		815,814	754,126

Signed on behalf of the Board

F. Beck
Director



A. Berzins
Director



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

Consolidated Statement of Changes in Equity

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

	Share capital	Retained earnings	Translation reserve	Attributable to equity holders of the Company	Non-controlling interests	Total equity
Balance at 1 January 2022	11,390	678,006	(95,739)	593,657	190,015	783,672
Currency translation adjustment	-	-	4,047	4,047	3,090	7,137
Post-employment benefits (note 23)	-	54	-	54	39	93
Purchase price adjustment of associate (note 15)	-	90	-	90	69	159
(Loss)/profit for the year	-	(18,675)	-	(18,675)	30,153	11,478
Total comprehensive (loss)/income for the year	-	(18,531)	4,047	(14,484)	33,351	18,867
Dividends (notes 28, 29)	-	(24,754)	-	(24,754)	(25,173)	(49,927)
Equity transactions in subsidiaries (note 27)	-	189	-	189	1,325	1,514
Balance at 31 December 2022	11,390	634,910	(91,692)	554,608	199,518	754,126
Balance at 1 January 2023	11,390	634,910	(91,692)	554,608	199,518	754,126
Currency translation adjustment	-	-	4,989	4,989	3,842	8,831
Post-employment benefits (note 23)	-	22	-	22	10	32
Profit for the year	-	67,048	-	67,048	36,024	103,072
Total comprehensive income for the year	-	67,070	4,989	72,059	39,876	111,935
Dividends (notes 28, 29)	-	(24,754)	-	(24,754)	(25,248)	(50,002)
Equity transactions in subsidiaries (note 27)	-	(409)	-	(409)	164	(245)
Balance at 31 December 2023	11,390	676,817	(86,703)	601,504	214,310	815,814

Translation reserve

The translation reserve arises from exchange differences on the translation of operations with a functional currency other than US Dollars.

Amounts in the statement of changes in equity are stated net of tax where applicable.

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

Consolidated Statement of Cash Flows

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

	Notes	2023	2022
Operating activities			
Profit for the year		103,072	11,478
Adjustment for:			
Depreciation and amortisation	16,17,18	71,768	64,435
Gain on disposal of property, plant and equipment	16	(1,713)	(100)
Provisions for legal claims	24	(2,326)	90
Share of results of joint ventures and associates	15	(6,447)	(3,165)
Returns on investment portfolio	5	(29,120)	47,947
Other income	5	(7,798)	(6,631)
Finance costs	8	35,425	34,509
Foreign exchange gains on monetary items		(246)	(1,620)
Share based payment expense in subsidiary	27	306	334
Post-employment benefits	23	185	(170)
Tax expense	9	27,609	26,656
Changes in:			
Inventories	14	(592)	(5,282)
Trade and other receivables	12,25	(11,561)	(5,687)
Other current and non-current assets	9,24	(2,968)	(13,753)
Trade and other payables	9,21	13,426	2,057
Interest paid	8,17	(32,385)	(30,143)
Taxes paid	9	(27,900)	(22,070)
Net cash inflow from operating activities		128,735	98,885
Investing activities			
Income received from financial assets	5	9,820	14,558
Purchase of investment portfolio assets	11	(42,674)	(68,715)
Proceeds on disposal of investment portfolio assets	11	33,545	85,641
Purchase of property, plant and equipment	16	(65,136)	(63,268)
Proceeds on disposal of property, plant and equipment	16	1,958	726
Purchase of intangible assets	18	(1,132)	(1,386)
Investment in joint ventures and associates	15	(7,520)	(17,016)
Net cash used in investing activities		(71,139)	(49,460)
Financing activities			
Dividends paid to equity holders of the Company	29	(24,754)	(24,754)
Dividends paid to non-controlling interests in subsidiary	28	(25,248)	(25,173)
Repayments of bank loans principal	22	(61,148)	(49,349)
Payments of lease liabilities	17	(10,087)	(8,591)
New bank loans drawn down	22	53,259	59,793
Shares repurchased in subsidiary	27	(2,338)	(2,549)
Issue of new shares in subsidiary under employee share option plan	27	1,787	3,729
Net cash used in financing activities		(68,529)	(46,894)
Net (decrease)/increase in cash and cash equivalents		(10,933)	2,531
Cash and cash equivalents at beginning of year		77,873	71,883
Effect of foreign exchange rate changes		2,427	3,459
Cash and cash equivalents at end of year		69,367	77,873

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

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

1 General Information

Ocean Wilsons Holdings Limited ("Ocean Wilsons" or the "Company") is a Bermuda investment holding company which, through its subsidiaries, operates a maritime services company in Brazil and holds a portfolio of international investments. The Company is incorporated in Bermuda under the Companies Act 1981 and the Ocean Wilsons Holdings Limited Act, 1991. The Company's registered office is Clarendon House, 2 Church Street, Hamilton, Bermuda. These consolidated financial statements comprise the Company and its subsidiaries (the "Group").

These consolidated financial statements were approved by the Board on 21 March 2024.

2 Material accounting policies and critical accounting judgements

Basis of accounting

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") and are presented in US Dollars, which is the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

These consolidated financial statements have been prepared on the historical cost basis, except for the revaluation of financial instruments and defined health benefit plan liabilities that are measured at fair value.

Basis of consolidation

These consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Group. The Group controls an entity when it is exposed to, or has the rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. The financial statements of subsidiaries are prepared in accordance with the accounting policies set out in note 2. All intra-group transactions and balances are eliminated on consolidation.

Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling interests' share of changes in equity since the date of the combination. Where a change in percentage of interests in a controlled entity does not result in a change of control, the difference between the consideration paid for the additional interest and the book value of the net assets in the subsidiary at the time of the transaction is taken directly to equity. When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Joint ventures and associates

A joint venture is a contractual agreement where the Group has joint control and has rights to the net assets of the contractual arrangement, rather than being entitled to specific assets and liabilities arising from the agreement. An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Investments in joint ventures and associates are accounted for using the equity method and are initially recognised at cost. The Group's share in the profit or loss and other comprehensive income of the joint ventures and associates is included in these consolidated financial statements, until the date that significant influence or joint control ceases.

Foreign currency

The functional currency of each entity of the Group is established as the currency of the primary economic environment in which it operates. Transactions other than those in the functional currency of the entity are translated at the exchange rate prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences arising on the settlement and on the translation of monetary items are included in profit or loss for the period.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

On consolidation, the statement of profit or loss and comprehensive income of entities with a functional currency other than US Dollars are translated into US Dollars, at the average exchange rates for the period. Statement of financial position items are translated into US Dollars at the exchange rate at the reporting date. Exchange differences arising on consolidation of entities with functional currencies other than US Dollars are recognised in other comprehensive income and accumulated in the translation reserve, less the translation difference allocated to non-controlling interest.

Sales of services

Revenue derived from sales of services is measured based on the consideration specified in a contract with a customer for goods and services provided in the normal course of business, net of trade discounts and sales related taxes, and is recognised when the performance obligation towards the customer is satisfied.

Typically, revenue from providing agency and logistics services is recognised when the agreed services have been performed and revenue from providing towage services, vessel turnarounds, container movement and associated services is recognised on the date that the services have been performed. Revenue related to services and construction contracts is recognised throughout the period of the project when the work in proportion to the stage of completion of the transaction contracted has been performed.

The timing of when performance obligations are satisfied by type of revenue derived from sales of service is as follows:

Performance obligation	Timing of revenue recognition
Towage and ship agency services	At a point in time
Port Terminals	At a point in time
Logistics	At a point in time
Shipyards	Over time

There are no significant judgements in the determination of when performance obligations are satisfied.

Employee charges and benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised 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 past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plan

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined health benefit plans

The Group's net obligation regarding defined health benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees receive in return for their service in the current period and prior periods. That health benefit is discounted to determine its present value. The calculation of the liability of the defined health benefit plan is performed annually by a qualified actuary using the projected unit credit method. Remeasurements of the net defined health benefit obligation, which include actuarial gains and losses, are immediately recognised in other comprehensive income.

The Group determines the net interest expense on the net defined benefit liabilities for the period by multiplying them by the discount rate used to measure the defined health benefit obligations. Defined health benefit liabilities for the period take into account any changes during the period due to the payment of contributions and benefits. Net interest and other expenses related to defined health benefit plans are recognised in profit or loss. When the benefits of a health plan are changed, the portion of the change in benefits relating to past services rendered by employees is recognised immediately in profit or loss. The Group recognised gains and losses on the settlement of a defined health benefit plan when settlement occurs.

Termination benefits

Termination benefits are recognised as an expense when the Group can no longer withdraw the offer of such benefits. If payments are settled after 12 months from the reporting date, then they are discounted to their present values.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

2 Material accounting policies and critical accounting judgements (continued)

Finance income and finance costs

Interest income or expense is recognised in profit or loss using the effective interest method.

Taxation

Tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income, in which case the tax is also recognised directly in equity or in other comprehensive income.

Current tax is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes or includes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's current tax expense is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is generally recognised for all taxable temporary differences except for when the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is not recognised if the temporary difference arises from goodwill or from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefit will be realised. Prior reductions are reversed when the probability of future taxable profits improves.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is recognised, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

The Group offsets current tax assets against current tax liabilities when these items are in the same entity and relate to taxes levied by the same taxation authority and the taxation authority permits the Group to make or receive a single net payment.

Financial instruments

Recognition and initial measurement

Trade and other receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instruments. Trade and other receivables are initially measured at the transaction price which reflects fair value. All other financial assets and financial liabilities are initially measured at fair value plus transaction costs that are directly attributable to their acquisition or issue.

Classification and subsequent measurement

Management determines the classification of its financial instruments at the time of initial recognition. The classification depends on the purpose for which the financial instruments were acquired or issued, their characteristics and the Group's designation of such instruments.

Financial assets are classified as measured at amortised cost if they are not designated as at fair value through profit and loss and if they are held within a business model whose objective is to hold assets to collect contractual cash flows and if the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These assets are subsequently measured at amortised cost using the effective interest method, reduced by any impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

Financial assets are classified as measured at fair value through profit and loss if they are not classified as measured at amortised cost, or if they are designated as such by management on initial recognition. Financial assets held for trading are classified as measured at fair value through profit and loss. These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes the stated policies and objectives for the portfolio, how the performance of the portfolio is evaluated and reported to the Group's management, and the risks that affect the performance of the business model and how those risks are managed. In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument, including assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Financial liabilities are classified as at fair value through profit and loss when the financial liability is either held for trading or it is designated as such by management on initial recognition. Financial liabilities that are not classified as at fair value through profit and loss are classified as other financial liabilities and are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

The classification the Group applies to each of its significant categories of financial instruments is as follows:

Financial instruments	Classification
Cash and cash equivalents	At fair value through profit and loss
Investment portfolio assets	At fair value through profit and loss
Trade and other receivables	Amortised cost
Trade and other payables	Other financial liabilities
Bank loans	Other financial liabilities

Cash and cash equivalents comprise cash on hand and short-term investments that are highly liquid, readily convertible to known amounts of cash without being subject to material risk of changes in value, and not kept within a managed investment portfolio as part of a broader investment strategy.

Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire or when it transfers the rights to receive the contractual cash flows in a transaction in which the Group either substantially transfers all of the risks and rewards of ownership of the financial asset 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 derecognises a financial liability when its contractual obligations are discharged, cancelled or expire. The Group also derecognises 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 recognised at fair value.

Impairment of financial assets

The Group considers a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows and impairment losses are recognised in profit and loss. If, in a subsequent period, an event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit and loss.

Inventories

Inventories are measured at the lower of cost and net realisable value. Cost comprises direct materials, and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

2 Material accounting policies and critical accounting judgements (continued)

Property, plant and equipment

Property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and any accumulated impairment losses. Subsequent expenditure is recognised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depreciation is calculated to write off the cost less the estimated residual value of items of property, plant and equipment, other than land or assets under construction, over their estimated useful lives, using the straight-line method. Land is not depreciated, and assets under construction are not depreciated until they are transferred to the appropriate category of property, plant and equipment when the assets are ready for intended use. Depreciation is recognised in profit or loss.

The estimated useful life of the different categories of property, plant and equipment are as follows:

Category	Useful life
Buildings	25 to 35 years
Leasehold Improvements	5 to 52 years ¹
Floating Craft	25 years
Vehicles	5 to 10 years
Plant and Equipment	10 to 20 years

¹ shorter of the rental period or the useful life of the underlying asset

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on disposal or retirement of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Lease arrangements

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

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability. The right-of-use asset is 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, less any incentives received.

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date 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 applies the incremental borrowing rate. For a portfolio of leases with similar characteristics, lease liabilities are discounted using a single discount rate.

Lease payments included in the measurement of the lease liability comprises fixed payments, variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee, and payments arising from options reasonably certain to be exercised. Variable lease payments not related to an index or rate are recognised in profit or loss as incurred.

Right-of-use assets are depreciated using the straight-line method, from the lease commencement date to the earlier of the end of their useful life or the end of the lease term, over their expected useful lives, on the same basis as owned assets except when there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, in which case the right-of-use asset will be fully depreciated over the shorter of the lease term and its useful life. Right-of-use assets are reduced by impairment losses, if any, and adjusted for remeasurements of the lease liability.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

The term of contracts and average discount rate of the different category of lease arrangements are as follows:

Category	Term of contracts	Average discount rate
Operational facilities	5 to 50 years	9.05%
Floating craft	2 to 5 years	10.16%
Buildings	1 to 10 years	10.77%
Vehicles, plant and equipment	1 to 15 years	17.25%

Subsequent to the initial measurement, the carrying amount of the liability is reduced to reflect the lease payments made and increased to reflect the interest payable. If there is a change in the expected cash flows arising from and index or rate, the lease liability is recalculated. If the modification is related to a change in the amounts to be paid, the discount rate is not revised. Otherwise, if a modification is made to a lease, the Group revises the discount rate as if a new lease arrangement had been made.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Intangible assets

Intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. Subsequent expenditure is recognised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Amortisation is calculated to write off the cost less the estimated residual values of intangible assets, using the straight-line method. Amortisation is recognised in profit or loss.

The estimated useful life of the different category of intangible assets are as follows:

Category	Useful life
Computer software	5 years
Concession rights	30 to 33 years

The estimated useful life, residual values and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An intangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on disposal or retirement of an intangible asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Goodwill

Goodwill arising on an acquisition of a business is measured at cost as established at the date of acquisition of the business less accumulated impairment losses. Goodwill is not amortised.

Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units (CGUs). Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

2 Material accounting policies and critical accounting judgements (continued)

The recoverable amount of an asset or a CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or a CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period taking into account the risks and uncertainties surrounding the obligation.

Use of judgements, estimates and assumptions

The preparation of these consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In the process of applying the Group's accounting policies, the following judgements, estimates, and assumptions made by management have the most significant effect on the amounts recognised in these consolidated financial statements:

a. Provisions for tax, labour and civil risks – Judgement

Provisions for legal cases are made when the Group's management, together with their legal advisors, consider the probable outcome is a financial settlement against the Group. Provisions are measured at management's best estimate of the expenditure required to settle the obligation based upon legal advice received, prior experience and management's best knowledge of the relevant facts and circumstances.

b. Impairment loss on non-financial assets – Judgement, estimates and assumptions

Impairment losses occur when book value of an asset or cash generating unit exceeds its recoverable value, which is the higher of fair value less selling costs and value in use. Calculation of fair value less selling costs is based on information available on similar assets' selling transactions or market prices less additional costs to dispose of the asset. The value-in-use calculation is based on the discounted cash flow model. The recoverable value of the cash-generating unit is defined as the higher of the fair value less sales costs and value in use.

c. Valuation of unquoted investments – Judgements, estimates and assumptions

The fair value of financial assets that are not traded in an active market is determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Valuation techniques used include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

Changes in material accounting policies

A number of new or amended standards are effective for annual periods beginning on or after 1 January 2023, but none have a significant impact on the preparation of the consolidated financial statements of the Group.

Standards issued but not yet effective

Several new or amended standards are effective for annual periods beginning after 1 January 2023 with early adoption permitted. The Group has elected to not adopt early the following new or amended standards and is assessing their impact on the preparation of its consolidated financial statements.

- Amendments to IAS 1: Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants, effective for periods beginning on or after 1 January 2024
- Amendments to IFRS 16: Lease Liability in a Sale and Leaseback, effective for periods beginning on or after 1 January 2024
- Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements, effective for periods beginning on or after 1 January 2024
- Amendments to IAS 21: Lack of Exchangeability, effective for periods beginning on or after 1 January 2025

3 Group composition

Ocean Wilsons has direct ownership in the following subsidiaries:

Subsidiaries	Place of incorporation and operation	Segment	Ownership interest		
			2023	2022	
Investments					
Ocean Wilsons (Investments) Limited	Bermuda	Investment	100%	100%	
Holdings					
Ocean Wilsons Overseas Limited	Bermuda	Corporate	100%	100%	

Ocean Wilsons Overseas Limited has direct ownership in the following subsidiary:

Subsidiaries	Place of incorporation and operation	Segment	Ownership interest		
			2023	2022	
Holdings					
OW Overseas (Investments) Limited	United Kingdom	Corporate	100%	100%	

OW Overseas (Investments) Limited has direct ownership in the following subsidiary:

Subsidiaries	Place of incorporation and operation	Segment	Ownership interest		
			2023	2022	
Holdings					
Wilson Sons S.A.	Brazil	Maritime services	56.52%	56.58%	

The change in ownership interest in Wilson Sons S.A. from the year ended 31 December 2022 to 31 December 2023 is due to the exercise of share options and the repurchase of shares in subsidiaries, for which the details are presented in note 27. The information on non-controlling interests is presented in note 28.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

3 Group composition (continued)

Wilson Sons S.A. has direct ownership in the following subsidiaries:

Subsidiaries	Place of incorporation and operation	Segment	Ownership interest	
			2023	2022
Shipyard				
Wilson Sons Estaleiros Ltda.	Brazil	Maritime services	100%	100%
Ship agency				
Dock Market Soluções Ltda. ¹	Brazil	Maritime services	0%	90%
Wilson Sons Shipping Services Ltda.	Brazil	Maritime services	100%	100%
Logistics				
Wilson Sons Terminais e Logística Ltda.	Brazil	Maritime services	100%	100%
Allink Transportes Internacionais Ltda.	Brazil	Maritime services	50%	50%
Container terminal				
Tecon Rio Grande S.A.	Brazil	Maritime services	100%	100%
Tecon Salvador S.A.	Brazil	Maritime services	100%	100%
Offshore support bases and towage				
Wilson Sons Serviços Marítimos Ltda.	Brazil	Maritime services	100%	100%

¹ The subsidiary Dock Market Soluções Ltda. was dissolved in June 2023.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

4 Business and geographical segments

The Group has two reportable segments: maritime services and investments. These segments report their financial and operational data separately to the Board. The Board considers these segments separately when making business and investment decisions. The maritime services segment provides towage and ship agency, port terminals, offshore, logistics and shipyard services in Brazil. The investments segment holds a portfolio of international investments and is a Bermuda based company. The corporate segment includes the holding subsidiaries and their related corporate costs.

The financial information by segment is as follows:

For the year ended 31 December 2023	Brazil - maritime services	Bermuda - investments	Corporate	Consolidated
Result				
Sale of services	486,646	-	-	486,646
Net returns on investment portfolio	-	26,124	-	26,124
Operating expenses	(284,828)	(282)	(4,277)	(289,387)
Depreciation and amortisation	(71,768)	-	-	(71,768)
Share of results of joint ventures and associates	6,447	-	-	6,447
Other income	7,593	-	205	7,798
Finance costs	(35,425)	-	-	(35,425)
Foreign exchange gains/(losses) on monetary items	326	(19)	(61)	246
Profit/(loss) before tax	108,991	25,823	(4,133)	130,681
Tax expense	(27,609)	-	-	(27,609)
Profit/(loss) after tax	81,382	25,823	(4,133)	103,072
Financial position				
Current assets	192,693	310,944	19,742	523,379
Investment in joint ventures and associates	96,084	-	-	96,084
Property, plant and equipment	614,099	-	-	614,099
Right-of-use assets	198,508	-	-	198,508
Other intangible assets	13,858	-	-	13,858
Goodwill	13,597	-	-	13,597
Other non-current assets	62,340	-	-	62,340
Segment assets	1,191,179	310,944	19,742	1,521,865
Segment liabilities	(704,976)	(779)	(296)	(706,051)
Other information				
Capital additions	66,268	-	-	66,268
Right-of-use assets additions	3,534	-	-	3,534

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

4 Business and geographical segments (continued)

For the year ended 31 December 2022	Brazil - maritime services	Bermuda - investments	Corporate	Consolidated
Result				
Sale of services	440,107	-	-	440,107
Net returns on investment portfolio	-	(50,994)	-	(50,994)
Operating expenses	(259,671)	(202)	(3,578)	(263,451)
Depreciation and amortisation	(64,435)	-	-	(64,435)
Share of results of joint ventures and associates	3,165	-	-	3,165
Other income	6,631	-	-	6,631
Finance costs	(34,509)	-	-	(34,509)
Foreign exchange gains/(losses) on monetary items	1,837	(159)	(58)	1,620
Profit/(loss) before tax	93,125	(51,355)	(3,636)	38,134
Tax expense	(26,656)	-	-	(26,656)
Profit/(loss) after tax	66,469	(51,355)	(3,636)	11,478
Financial position				
Current assets	164,449	293,717	9,177	467,343
Investment in joint ventures and associates	81,863	-	-	81,863
Property, plant and equipment	589,629	-	-	589,629
Right-of-use assets	178,699	-	-	178,699
Other intangible assets	14,392	-	-	14,392
Goodwill	13,420	-	-	13,420
Other non-current assets	55,941	-	-	55,941
Segment assets	1,098,393	293,717	9,177	1,401,287
Segment liabilities	(646,339)	(509)	(313)	(647,161)
Other information				
Capital additions	64,654	-	-	64,654
Right-of-use assets additions	5,222	-	-	5,222

5 Revenue

An analysis of the Group's revenue is as follows:

	2023	2022
Sale of services	486,646	440,107
Net income from investment portfolio	2,022	11,809
Profit on disposal of investment portfolio assets	9,080	24,316
Unrealised gains/(losses) on investment portfolio assets	18,018	(79,995)
Write down of Russia-focused investments (note 11)	-	(4,077)
Returns on investment portfolio	29,120	(47,947)
Income generated by cash and cash equivalents	4,157	4,146
Tax credits and legal deposits monetary adjustments	2,699	1,963
Other income	942	522
Other income	7,798	6,631
Total Revenue	523,564	398,791

All revenue for the year ended 31 December 2023 and 2022 was derived from continuing operations.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

The Group derives its revenue from contracts with customers from the sale of services in its Brazil – maritime services segment.

The revenue from contracts with customers can be disaggregated as follows:

	2023	2022
Harbour manoeuvres	221,257	201,106
Special operations	23,403	17,633
Ship agency	10,980	9,910
Towage and ship agency services	255,640	228,649
Container handling	87,327	73,166
Warehousing	41,189	40,946
Ancillary services	24,339	20,932
Offshore support bases	17,378	10,605
Other services	19,633	13,743
Port terminals	189,866	159,392
Logistics	35,415	47,555
Shipyard	5,725	4,511
Total Revenue from contracts with customers	486,646	440,107

At 31 December 2023 and 2022, there were no warranties or refund obligations associated with shipyard contracts, for which performance obligation are satisfied over time.

The revenue from contracts with customers based on the timing of performance obligations can be disaggregated as follows:

	2023	2022
At a point of time	480,921	435,596
Over time	5,725	4,511
Total Revenue from contracts with customers	486,646	440,107

At 31 December 2023 and 2022, no single customer represented 10% or more of the Group's revenue from contracts with customers or related trade receivables.

Contract balance

Operational trade receivables are generally due and received within 30 days. The carrying amount of operational trade receivables at the end of the reporting period was US\$65.7 million (2022: US\$54.5 million). These amounts include US\$20.9 million (2022: US\$12.0 million) of contract assets (unbilled accounts receivables). There were no contract liabilities as of 31 December 2023 (2022: none).

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

6 Employee charges and benefits expenses

Employee charges and benefits expenses are classified as follows:

	2023	2022
Wages, salaries, and benefits	(116,172)	(102,397)
Social security costs	(25,434)	(22,701)
Other pension costs	(466)	(904)
Share based payments	(319)	(328)
Total employee charges and benefits expenses	(142,391)	(126,330)

Defined contribution retirement benefit schemes

The Group operates defined contribution retirement benefit schemes for all qualifying employees in its Brazilian operations. The assets of the scheme are held separately from those of the Group in funds under the control of independent managers.

An expense of US\$1.0 million (2022: US\$0.9 million) recognised under employee charges and benefits expenses represents contributions payable to the scheme by the Group at rates specified in the rules of the plan.

Information regarding the defined health benefit plans is detailed in note 23.

7 Other operating expenses

Other operating expenses are classified as follows:

	2023	2022
Utilities and communications	(17,147)	(13,616)
Insurance	(3,940)	(3,483)
Corporate, governance and compliance costs	(4,193)	(3,292)
Short-term or low-value asset leases	(37,134)	(33,432)
Service costs	(26,184)	(24,925)
Freight	(10,470)	(17,320)
Port expenses	(8,202)	(7,168)
Other operating expenses	(8,224)	(2,819)
Discounts obtained	2,252	1,790
Total other operating expenses	(113,242)	(104,265)

8 Finance costs

Finance costs are classified as follows:

	2023	2022
Interest on lease liabilities	(17,098)	(15,798)
Interest on bank loans	(16,875)	(17,160)
Exchange loss on foreign currency borrowings	-	(248)
Other interest costs	(1,452)	(1,303)
Total finance costs	(35,425)	(34,509)

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

9 Taxation

At the present time, no income, profit, capital or capital gains taxes are applicable to the Group's operations in Bermuda and accordingly, no expenses or provisions for such taxes have been recorded by the Group for its Bermuda operations. The Company has received an undertaking from the Bermuda government exempting it from all such taxes until 31 March 2035. During the year ended 31 December 2023, the Bermuda Corporate Income Tax Act of 2023 was enacted by the Bermuda government, which may supersede such exemptions. As the Company is currently not in scope for this new legislation, the exemptions provided by the Bermuda government undertaking still apply.

Tax expense

The reconciliation of the amounts recognised in profit or loss is as follows:

	2023	2022
Current tax expense		
Brazilian corporation tax	(8,771)	(17,018)
Brazilian social contribution	(3,571)	(8,340)
Total current tax expense	(12,342)	(25,358)
Deferred tax – origination and reversal of timing differences		
Charge for the year in respect of deferred tax liabilities	(31,542)	(14,123)
Credit for the year in respect of deferred tax assets	16,275	12,825
Total deferred tax expense	(15,267)	(1,298)
Total tax expense	(27,609)	(26,656)

Brazilian corporation tax is calculated at 25% (2022: 25%) of the taxable profit for the year. Brazilian social contribution tax is calculated at 9% (2022: 9%) of the taxable profit for the year.

The reconciliation of the effective tax rate is as follows:

	2023	2022
Profit before tax	130,681	38,134
Less: (Profit)/loss before tax of Bermuda – investment and corporate segments	(21,690)	54,991
Profit before tax of Brazil – maritime services segment	108,991	93,125
Aggregate Brazilian tax rate	34%	34%
Tax at the aggregate Brazilian tax rate	(37,057)	(31,663)
Tax adjustments for:		
Net operating losses in the period	(165)	(788)
Non-deductible expenses	861	(863)
Foreign exchange variance on loans	(5,035)	(3,008)
Tax effect of share of results of joint ventures and associates	2,192	1,076
Tax effect of foreign exchange gains or losses on monetary items	111	625
Retranslation of non-monetary items	13,149	11,592
Leasing	31	64
Other adjustments	(1,696)	(3,691)
Tax expense	(27,609)	(26,656)
Effective tax rate for the Brazil – maritime services segment	25%	29%
Effective tax rate for the Group	21%	70%

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

9 Taxation (continued)

The tax expense related to amounts recognised in other comprehensive income is as follows:

	Before tax	Tax expense	Net of tax
For the year ended 31 December 2023			
Items that will not be reclassified subsequently to profit or loss:			
Post-employment benefits	43	(11)	32
Items that will be or may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations	11,834	(3,003)	8,831
Total amounts recognised in other comprehensive income	11,877	(3,014)	8,863
For the year ended 31 December 2022			
Items that will not be reclassified subsequently to profit or loss:			
Post-employment benefits	124	(31)	93
Purchase price adjustment of associate	213	(54)	159
Items that will be or may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations	9,563	(2,426)	7,137
Total amounts recognised in other comprehensive income	9,900	(2,511)	7,389

Deferred tax

The major categories of deferred tax assets and liabilities recognised by the Group and their movements during the current and prior reporting period are as follows:

	Tax depreciation	Foreign exchange variance on loans	Tax losses	Profit on construction contracts	Other timing differences	Retranslation of non-monetary items	Total
At 1 January 2022	(29,850)	35,272	9,678	14,808	6,536	(64,306)	(27,862)
(Charge)/credit to income	(1,711)	(8,433)	(4,112)	(534)	1,900	11,592	(1,298)
Other adjustments	(1,510)	(68)	151	82	1,438	1	94
Exchange differences	(2,168)	2,200	703	-	678	(111)	1,302
At 31 December 2022	(35,239)	28,971	6,420	14,356	10,552	(52,824)	(27,764)
(Charge)/credit to income	(1,896)	(29,646)	1,578	70	1,478	13,149	(15,267)
Other adjustments	-	-	22	-	5	-	27
Exchange differences	(2,798)	1,780	561	-	806	(114)	235
At 31 December 2023	(39,933)	1,105	8,581	14,426	12,841	(39,789)	(42,769)

Certain tax assets and liabilities have been offset on an entity-by-entity basis. After offset, deferred tax balances are disclosed in the statement of financial position as follows:

	2023	2022
Deferred tax assets	22,827	21,969
Deferred tax liabilities	(65,596)	(49,733)
Net deferred tax balance	(42,769)	(27,764)

At 31 December 2023, the Group had unused tax losses of US\$33.7 million (2022: US\$31.2 million) available for offset against future profits in the entity in which they arose.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

No deferred tax asset has been recognised in respect of US\$4.4 million (2022: US\$4.0 million) due to the unpredictability of future profit streams, as a tax asset of one entity of the Group cannot be offset against a tax liability of another entity of the Group as there is no legally enforceable right to do so. The Group expects to recover the deferred tax assets between three and five years.

Recoverable and payable taxes

The recoverable taxes relate to Brazilian federal taxes, Brazilian sales and rendering of services taxes, Brazilian payroll taxes, Brazilian income tax, Brazilian social contributions, and judicial bonds related to these items. The recoverable taxes are classified as current if they are expected to be used or reimbursed within 12 months of the end of the period, otherwise they are classified as non-current, and are as follows:

	2023	2022
Recoverable taxes - current	47,708	34,515
Recoverable taxes - non-current	20,680	15,143
Total recoverable taxes	68,388	49,658

The payable taxes relate to Brazilian federal taxes, Brazilian rendering of services taxes, Brazilian payroll taxes and Brazilian income tax. The payable taxes are classified as current if they are payable within 12 months of the end of the period, otherwise they are classified as non-current, and are as follows:

	2023	2022
Taxes payable - current	(10,831)	(10,290)
Total taxes payable	(10,831)	(10,290)

10 Cash and cash equivalents

The composition of cash and cash equivalents is as follows:

	2023	2022
Cash and bank deposits	19,799	53,710
Time deposits	19,920	-
Exchange funds	-	2,149
Fixed income investments	29,648	22,014
Total cash and cash equivalents	69,367	77,873

Following a change in classification, exchange funds with a value of US\$2.1 million at 31 December 2022 that were previously included in the investment portfolio assets have been reclassified to cash and cash equivalents.

Fixed income investments include an investment fund and an exchange traded fund both privately managed within the Brazil - maritime service segment. Those funds' financial obligations are limited to service fees to the asset management company employed to execute investment transactions, audit fees and other similar expenses. The funds' underlying investments are highly liquid and readily convertible.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

11 Investment portfolio

The movement in the investment portfolio is as follows:

	2023	2022
Opening balance – 1 January	272,931	349,613
Additions, at cost	42,674	68,715
Disposals, at market value	(33,545)	(85,641)
Profit on disposal of investment portfolio assets	9,080	24,316
Unrealised gain/(loss) on investment portfolio assets	18,018	(79,995)
Write down of Russia-focused investments ¹	-	(4,077)
Closing balance – 31 December	309,158	272,931

¹ During the year ended 31 December 2022, the Group wrote down the full value of a Russia-focused equity fund held within the investment portfolio, following the issue of an investor notice announcing the suspension of its net asset valuation, subscriptions and redemptions.

The investment portfolio is held in the Bermuda – investments segment and presents the Group with opportunity for return through generated income and capital appreciation. It includes investments in listed equity securities, open ended funds, limited partnerships and other private equity funds.

The Investment Manager of the investment portfolio receives an investment management fee of 1% of the valuation of funds under management and an annual performance fee of 10% of the net investment return which exceeds the benchmark, provided that the high-water mark has been exceeded, and is capped at a maximum of 2% of the investment portfolio net asset value.

The investment portfolio performance is measured against a benchmark calculated by reference to the US CPI Urban Consumers index not seasonally adjusted plus 3% per annum over a rolling three-year period. The Board considers a three-year measurement period appropriate due to the investment mandate's long-term horizon, and an absolute return inflation-linked benchmark appropriately reflects the Group's investment objectives while having a linkage to economic factors. The performance benchmark was 6.4% for the year ended 31 December 2023 (2022: 9.5%).

At the end of the reporting period, the Group had entered into commitment agreements with respect to the investment portfolio for capital subscriptions. The classification of those commitments based on their expiry date is as follows:

	2023	2022
Within one year	4,557	5,951
In the second to fifth year inclusive	4,621	2,346
After five years	44,585	42,129
Total commitment for capital subscriptions	53,763	50,426

The exact timing of capital calls made in respect of the above commitments are at the discretion of the manager of the underlying structure. If required, amounts expected to be settled within one year will be met from the realisation of liquid investment holdings. There may be situations when commitments may be extended by the manager of the underlying structure beyond the initial expiry date dependent upon the terms and condition of each individual structure.

Information about the Group's financial instruments valuation and exposure to financial risks is included in note 32.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

12 Trade and other receivables

Trade and other receivables are classified as follows:

	2023	2022
Current		
Trade receivable for the sale of services	46,381	43,293
Unbilled trade receivables	20,936	12,036
Total gross current trade receivables	67,317	55,329
Allowance for expected credit loss	(1,623)	(792)
Trade receivables	65,694	54,537
Non-current		
Receivables from related parties (note 25)	11,494	11,176
Other receivables	1,547	1,456
Total other receivables	13,041	12,632
Total trade and other receivables	78,735	67,169

The aging of the trade receivables is as follows:

	2023	2022
Current	48,593	44,699
From 0 - 30 days	9,313	5,997
From 31 - 90 days	6,561	2,461
From 91 - 180 days	954	1,236
More than 180 days	1,896	936
Total gross trade receivables	67,317	55,329

The movement in allowance for expected credit loss is as follows:

	2023	2022
Opening balance - 1 January	(792)	(338)
Increase in allowance recognised in profit or loss	(733)	(419)
Exchange differences	(98)	(35)
Closing balance - 31 December	(1,623)	(792)

Information about the Group's exposure to credit risks related to trade receivables is included in note 32.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

13 Other assets

Other current assets are classified as follows:

	2023	2022
Prepayments	4,560	4,887
Insurance claim receivable	5,385	981
Employee advances	2,636	1,449
Accrued income and investment portfolio receivables	361	2,188
Other current assets	339	403
Total other current assets	13,281	9,908

Other non-current assets are classified as follows:

	2023	2022
Escrow deposits	3,101	3,506
Investments in maritime start-ups	2,691	2,691
Total other non-current assets	5,792	6,197

14 Inventories

Inventories are classified as follows:

	2023	2022
Operating materials	15,648	13,727
Raw materials for third party vessel construction	2,523	3,852
Total inventories	18,171	17,579

Inventories are presented net of provision for obsolescence, amounting to US\$0.5 million (2022: US\$0.3 million).

15 Joint ventures and associates

The Group holds the following interests in joint ventures and associates at the end of the reporting period:

	Place of incorporation and operation	Proportion of ownership	
		2023	2022
JOINT VENTURES			
Logistics			
Porto Campinas Logística e Intermodal Ltda	Brazil	50%	50%
Offshore			
Wilson Sons Ultratug Participações S.A.	Brazil	50%	50%
Atlantic Offshore S.A.	Panamá	50%	50%
ASSOCIATES			
Argonáutica Engenharia e Pesquisas S.A.	Brazil	32.32%	32.32%

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For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

The financial information of the joint ventures and associates and its reconciliation to the share of result of joint ventures and associates is as follows:

	2023	2022
Sales of services	221,420	182,882
Operating expenses	(143,425)	(116,046)
Depreciation and amortisation	(55,092)	(53,212)
Foreign exchange gains on monetary items	6,040	5,057
Results from operating activities	28,943	18,681
Finance income	954	2,656
Finance costs	(11,790)	(14,756)
Profit before tax	18,107	6,581
Tax expense	(5,114)	(253)
Total profit for the year generated by joint ventures and associates	12,993	6,328
Joint ventures reconciliation:		
Total profit for the year	12,712	6,334
Participation	50%	50%
Share of profit for the year from joint ventures	6,356	3,167
Associates reconciliation:		
Total profit/(loss) for the year	281	(6)
Participation	32.32%	32.32%
Share of profit/(loss) for the year for associates	91	(2)
Share of result of joint ventures and associates	6,447	3,165

The financial information of the joint ventures and associates and its reconciliation to the investment in joint ventures and associates is as follows:

	2023	2022
Cash and cash equivalents	19,410	5,747
Other current assets	65,531	51,260
Non-current assets	528,271	551,921
Total assets	613,212	608,928
Trade and other payables	(32,019)	(46,506)
Other current liabilities	(58,779)	(56,833)
Non-current liabilities	(316,248)	(324,012)
Total liabilities	(407,046)	(427,351)
Total net assets of joint ventures and associates	206,166	181,577
Joint ventures reconciliation:		
Total net assets	204,655	180,079
Participation	50%	50%
Group's share of net assets of joint ventures	102,328	90,040
Associates reconciliation:		
Total net assets	1,511	1,498
Participation	32.32%	32.32%
Group's share of net assets of associates	488	484
Adjustments for:		
Goodwill and surplus generated on associate purchase	1,862	1,711
Cumulative elimination of profit on construction contracts	(8,594)	(10,372)
Total adjustments	(6,732)	(8,661)
Investment in joint ventures and associates	96,084	81,863

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

15 Joint ventures and associates (continued)

The movement in investment in joint ventures and associates is as follows:

	2023	2022
Opening balance – 1 January	81,863	61,553
Share of result of joint ventures and associates	6,447	3,165
Elimination of profit on construction contracts	(81)	(158)
Share of other comprehensive income of joint ventures and associates	335	287
Capital increase	7,520	17,016
Closing balance – 31 December	96,084	81,863

During the year ended 31 December 2023, the Group increased its invested capital in Wilson Sons Ultratug Participações S.A. by US\$7.5 million (2022: US\$14.9 million) and in Porto Campinas Logística e Intermodal Ltda by US\$0.04 million (2022: US\$0.1 million).

During the year ended 31 December 2022, the Group acquired a 32.32% participation in Argonáutica Engenharia e Pesquisas S.A. for US\$2.0 million.

Guarantees

Wilson Sons Ultratug Participações S.A. has loans with the Brazilian Development Bank guaranteed by a lien on the financed supply vessels and by a corporate guarantee from its participants, proportionate to their ownership. The Group's subsidiary Wilson Sons S.A. is guaranteeing US\$155.3 million (2022: US\$163.7 million).

Wilson Sons Ultratug Participações S.A. has a loan with Banco do Brasil guaranteed by a pledge on the financed offshore support vessels, a letter of credit issued by Banco del Estado de Chile and its long-term contracts with Petrobras. The joint venture also has to maintain a cash reserve account until full repayment of the loan agreement amounting to US\$1.8 million (2022: US\$1.7 million) presented as long-term investment.

Covenants and capital commitments

On 31 December 2023, Wilson Sons Ultratug Participações S.A. was in compliance with all of its covenants' ratios related to its loans with the Brazilian Development Bank and with Banco do Brasil. There were no capital commitments for the joint ventures and associates as of 31 December 2023.

On 31 December 2022, Wilson Sons Ultratug Participações S.A. was not in compliance with one of its covenants' ratios with Banco do Brasil, resulting in a required increase in capital within a year of US\$1.8 million. Management planned to and did increase to that amount within a year, and as such did not negotiate a waiver letter with Banco do Brasil. There were no capital commitments for the joint ventures and associates as of 31 December 2022.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

16 Property, plant and equipment

Property, plant and equipment assets are classified as follows:

	Land, buildings and leasehold improvements	Floating Craft	Vehicles, plant and equipment	Assets under construction	Total
Cost					
At 1 January 2022	274,683	541,252	198,464	9,581	1,023,980
Additions	10,835	15,493	9,936	27,004	63,268
Transfers	(112)	24,623	(2,317)	(22,194)	-
Transfers to intangible assets	-	-	(60)	-	(60)
Disposals	(1,955)	(4,477)	(4,892)	-	(11,324)
Exchange differences	11,084	-	10,854	-	21,938
At 1 January 2023	294,535	576,891	211,985	14,391	1,097,802
Additions	12,096	12,547	16,662	23,831	65,136
Transfers	(27)	22,248	(1,284)	(20,937)	-
Transfers from intangible assets	25	-	8	-	33
Disposals	(511)	(75)	(1,985)	-	(2,571)
Exchange differences	14,238	-	13,664	-	27,902
At 31 December 2023	320,356	611,611	239,050	17,285	1,188,302
Accumulated depreciation					
At 1 January 2022	82,651	264,836	113,438	-	460,925
Charge for the year	8,518	27,831	12,124	-	48,473
Elimination on construction contracts	-	87	-	-	87
Disposals	(1,645)	(4,426)	(4,609)	-	(10,680)
Exchange differences	3,644	-	5,724	-	9,368
At 1 January 2023	93,168	288,328	126,677	-	508,173
Charge for the year	9,330	33,647	12,489	-	55,466
Elimination on construction contracts	-	2	-	-	2
Disposals	(406)	(70)	(1,850)	-	(2,326)
Exchange differences	5,008	-	7,880	-	12,888
At 31 December 2023	107,100	321,907	145,196	-	574,203
Carrying Amount					
At 31 December 2022	201,367	288,563	85,308	14,391	589,629
At 31 December 2023	213,256	289,704	93,854	17,285	614,099

Land and buildings with a net book value of US\$0.2 million (2022: US\$0.2 million) and plant and equipment with a carrying amount of US\$0.05 million (2022: US\$0.1 million) have been given in guarantee for various legal processes.

The amount of borrowing costs capitalised in 2023 was US\$0.3 million (2022: US\$0.1 million) at an average interest rate of 5.5% (2022: 5.6%).

The Group has contractual commitments to suppliers for the acquisition and construction of property, plant and equipment amounting to US\$7.9 million (2022: US\$19.9 million).

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

17 Lease arrangements

Right-of-use assets

Right-of-use assets are classified as follows:

	Operational facilities	Floating craft	Buildings	Vehicles, plant and equipment	Total
Cost					
At 1 January 2022	167,118	13,077	5,388	8,846	194,429
Additions	-	3,018	1,305	899	5,222
Contractual amendments	17,901	5,793	63	117	23,874
Terminated contracts	-	(2,796)	(3,771)	(58)	(6,625)
Exchange differences	10,313	510	96	328	11,247
At 1 January 2023	195,332	19,602	3,081	10,132	228,147
Additions	83	2,136	61	1,254	3,534
Contractual amendments	9,146	10,197	70	(93)	19,320
Terminated contracts	-	-	(368)	(763)	(1,131)
Exchange differences	14,839	706	229	417	16,191
At 31 December 2023	219,400	32,641	3,073	10,947	266,061
Accumulated depreciation					
At 1 January 2022	18,298	8,194	2,960	7,108	36,560
Charge for the year	8,244	4,825	912	916	14,897
Terminated contracts	-	(1,226)	(2,424)	(44)	(3,694)
Exchange differences	1,104	242	63	276	1,685
At 1 January 2023	27,646	12,035	1,511	8,256	49,448
Charge for the year	8,973	5,351	498	915	15,737
Terminated contracts	-	-	(326)	(651)	(977)
Exchange differences	2,300	492	198	355	3,345
At 31 December 2023	38,919	17,878	1,881	8,875	67,553
Carrying Amount					
At 31 December 2022	167,686	7,567	1,570	1,876	178,699
At 31 December 2023	180,481	14,763	1,192	2,072	198,508

Operational facilities

Tecon Rio Grande

Lease commitments to operate the container terminal and heavy cargo terminal in the Port of Rio Grande, expiring in 2047. The commitments include a monthly payment for facilities and leased areas, a contractual payment per container moved based on minimum forecast volumes and a payment per tonne in respect of general cargo handling and unloading.

Tecon Salvador

Lease commitments to operate the container terminal and heavy cargo terminal in the Port of Salvador, expiring in 2050. The commitments require the Group to make a minimum specified investment to expand the leased terminal area and include a monthly payment for facilities and leased areas, a contractual payment per container moved based on minimum forecast volumes and a fee per tonne of non-containerised cargo moved based on minimum forecast volumes.

Shipyard

Lease commitments to operate an area used to expand and develop a Group's shipyard, expiring in 2038 and renewable for a further period of 30 years at the option of the Group. Management's intention is to exercise the renewal option.

Offshore support base

Lease commitments to operate a port area with convenient access to service oil producing basins, expiring in 2043.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

Floating craft

Lease commitments for the chartering of vessels for maritime transport between port terminals.

Buildings

Lease commitments for the Brazilian headquarters, branches, and commercial offices in several Brazilian cities.

Vehicles, plant and equipment

Lease commitments mainly for forklifts, vehicles for operational, commercial, and administrative activities and other operating equipment.

Lease liabilities

The movement in lease liabilities is as follows:

	2023	2022
Opening – 1 January	(196,176)	(167,843)
Additions	(3,534)	(5,222)
Termination of contracts	335	2,728
Contracts remeasurement	(19,320)	(23,874)
Principal amortisation	28,384	25,401
Interest	(18,297)	(16,810)
Exchange differences	(15,678)	(10,556)
Closing – 31 December	(224,286)	(196,176)

Lease liabilities are classified as follows:

	2023	2022
Operational facilities	(204,424)	(184,591)
Floating craft	(15,625)	(7,605)
Buildings	(1,984)	(2,121)
Vehicles, plant and equipment	(2,253)	(1,859)
Total	(224,286)	(196,176)
Total current	(28,783)	(24,728)
Total non-current	(195,503)	(171,448)

The contractual undiscounted cash flows related to leases liabilities are as follows:

	2023	2022
Within one year	(30,196)	(25,958)
In the second year	(27,100)	(23,101)
In the third to fifth years inclusive	(68,652)	(56,682)
After five years	(382,424)	(355,360)
Total cash flows	(508,372)	(461,101)
Adjustment to present value	284,086	264,925
Total lease liabilities	(224,286)	(196,176)

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

17 Lease arrangements (continued)

The lease liabilities balance considering the projected future inflation rate in the discounted payment flows is as follows:

	2023	2022
Actual outflow	(508,372)	(461,101)
Embedded interest	284,086	264,925
Lease liabilities	(224,286)	(196,176)
Inflated flow	(544,640)	(488,950)
Inflated embedded interest	309,488	284,773
Inflated lease liabilities	(235,152)	(204,177)

Lease arrangements

The amounts recognised in profit and loss related to lease arrangements are as follows:

	2023	2022
Depreciation of right-of-use assets	(15,737)	(14,897)
PIS and COFINS taxes	1,432	1,324
Net depreciation of right-of-use assets	(14,305)	(13,573)
Interest on lease liabilities	(18,297)	(16,810)
PIS and COFINS taxes	1,199	1,012
Interest on lease liabilities	(17,098)	(15,798)
Variable lease payments not included in the measurement of lease liabilities ¹	(2,732)	(2,376)
Expenses relating to short-term leases	(32,447)	(29,778)
Expenses relating to low-value assets	(1,960)	(1,281)
Total	(68,542)	(62,806)

¹ The amounts refer to payments which exceeded the minimum forecast volumes of Tecon Rio Grande and Tecon Salvador and payments related to the number of vessel trips which were not included in the measurement of lease liabilities.

The amounts recognised in the cash flow statement related to lease arrangements are as follows:

	2023	2022
Payment of lease liability	(10,087)	(8,591)
Interest paid - lease liability	(18,297)	(16,810)
Short-term leases paid	(32,447)	(29,778)
Variable lease payments	(2,732)	(2,376)
Low-value leases paid	(1,960)	(1,281)
Total cash outflow	(65,523)	(58,836)

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

18 Other intangible assets

Other intangible assets are classified as follows:

	Computer software	Concession rights	Total
Cost			
At 1 January 2022	40,923	15,546	56,469
Additions	1,386	-	1,386
Transfers from right-of-use	60	-	60
Disposals	(1,105)	-	(1,105)
Exchange differences	558	279	837
At 1 January 2023	41,822	15,825	57,647
Additions	1,132	-	1,132
Transfers to property, plant and equipment	(33)	-	(33)
Disposals	(41)	-	(41)
Exchange differences	735	462	1,197
At 31 December 2023	43,615	16,287	59,902
Accumulated amortisation			
At 1 January 2022	35,540	5,948	41,488
Charge for the year	1,965	424	2,389
Disposals	(1,105)	-	(1,105)
Exchange differences	381	102	483
At 1 January 2023	36,781	6,474	43,255
Charge for the year	1,570	427	1,997
Disposals	(41)	-	(41)
Exchange differences	574	259	833
At 31 December 2023	38,884	7,160	46,044
Carrying Amount			
31 December 2022	5,041	9,351	14,392
31 December 2023	4,731	9,127	13,858

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

19 Goodwill

Goodwill is classified as follows:

	Tecon Rio Grande	Tecon Salvador	Total
Carrying Value			
At 1 January 2022	10,792	2,480	13,272
Exchange differences	148	-	148
At 1 January 2023	10,940	2,480	13,420
Exchange differences	177	-	177
At 31 December 2023	11,117	2,480	13,597

The goodwill associated with each cash-generating unit "CGU" (Tecon Salvador and Tecon Rio Grande) is attributed to the Brazil - maritime services segment.

Each CGU is assessed for impairment annually and whenever there is an indication of impairment. The carrying value of goodwill has been assessed with reference to its value in use reflecting the projected discounted cash flows of each CGU to which goodwill has been allocated.

Details of the impairment test are disclosed in note 20.

20 Impairment Test of Cash Generating Units

Tecon Rio Grande and Tecon Salvador

The Tecon Rio Grande and Tecon Salvador CGUs, which are both part of the Brazil - maritime services segment, contain goodwill and as such are tested annually for impairment.

The cash flows of these CGUs are derived from sales and operating margins, based on past experience considering the effect of known or likely changes in market or operating conditions, and from projected volumes, based on the expected performance of the Brazilian economy until operating capacity is reached. The discount rate is based on the weighted average cost of capital ("WACC") of the CGU, while the growth rate is based on the inflation rate only after reaching operational capacity. The key assumptions used in determining the recoverable amount of each CGU are as follows:

	Tecon Rio Grande		Tecon Salvador	
	2023	2022	2023	2022
Discount rate	11.9%	8.5%	11.2%	8.5%
Growth rate	7.9%	5.8%	7.2%	3.4%
Projection period	25 years	26 years	28 years	29 years

At 31 December 2023 and 2022, the recoverable amount of these CGUs significantly exceeded their carrying value and as such no impairment loss was recognised.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

Offshore support bases

For the year ended 31 December 2023 and 2022, the offshore support bases CGU, which is part of the Brazil – maritime services segment, reported negative earnings before taxes, and as such was tested for impairment. The key assumptions used in determining the recoverable amount of the CGU are as follows:

- i. Revenue: Projections are based on the estimated pace of growth in offshore energy market, specifically offshore exploration and production of oil and gas. Data from the Brazilian Petroleum National Agency, the Energy Research Agency, oil companies' releases and specialised industry reports all support a significant increase in oil and gas exploration and production activities in Brazil in the next 10 years. Supported by this increase in demand, growth rate is projected at an average of 10.3% per year until 2030. For 2031 onward, the growth rate is projected at 2.1%, based on the expected growth in the Brazilian offshore energy sector and in the region in which the CGU operates. Projections for 2024 include a 14.9% increase in average contract prices in relation to current pricing and a 98.1% increase in public prices for spot berthing compared to 2023. From 2025 onwards, prices are adjusted for inflation.
- ii. Costs and expenses: Projections for 2024 are in line with the budget and include an increase in fixed costs of 7.6% over 2023. From 2025 onwards, costs are forecasted to increase in line with the increase in volumes.
- iii. Investments: No expansion investments were included within the projections.
- iv. Projection period: The projections are prepared using a 10-year period plus a perpetuity growth, as the offshore energy industry life cycle is at least 10 years, due to the life cycle of investment in hydrocarbon energy reserve from exploration to sustainable production.
- v. The discount rate is based on the WACC of the CGU, adjusted for individual risks of the CGU that have not been incorporated in the cash flow estimates, and using reputable sources to capture macroeconomic assumptions and information from comparator companies in the offshore energy and in the maritime services sector. For the year ended 31 December 2023, the discount rate was estimated at 10.0% (2022: 10.2%).

At 31 December 2023, the recoverable amount of the CGU of US\$122.9 million (2022: US\$91.9 million) exceeded its carrying value of US\$48.8 million (2022: US\$47.6 million) and as such no impairment loss was recognised. While maintaining all other assumptions constant, either an increase in the discount rate of up to 15.7% (2022: 3.6%) or a decrease in revenue over the projected period of up to 1.2% (2022: 11.1%) would not result in an impairment loss.

21 Trade and other payables

Trade and other payables are classified as follows:

	2023	2022
Trade payables and accruals	(44,179)	(34,133)
Other payables	(226)	(479)
Provisions for employee benefits	(25,279)	(21,365)
Deferred income	(2,084)	(2,360)
Total trade and other payables	(71,768)	(58,337)

Trade creditors and accruals principally comprise amounts outstanding for trade purposes and ongoing costs. For most suppliers, interest is charged on outstanding trade payable balances at various interest rates. The Group has financial risk management policies in place to ensure that payables are paid within the credit timeframe agreed with each vendor.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

22 Bank loans

The movement in bank loans is as follows:

	2023	2022
Opening – 1 January	(321,891)	(301,599)
Additions	(53,259)	(59,793)
Principal amortisation	61,148	49,349
Interest amortisation	14,088	13,333
Accrued interest	(17,140)	(17,437)
Exchange difference	(7,147)	(5,744)
Closing – 31 December	(324,201)	(321,891)

The terms and conditions, carrying value and fair value of outstanding bank loans are as follows:

Lender	Currency	Annual interest rate %	Year of maturity	2023		2022	
				Carrying value	Fair value	Carrying value	Fair value
BNDES	linked to US Dollar	2.30% - 4.43%	2041	(135,411)	(135,411)	(129,231)	(129,231)
BNDES	linked to US Dollar	2.07% - 4.08%	2028	(17,796)	(17,796)	(21,477)	(21,477)
BNDES	linked to US Dollar	2.38% - 4.43%	2045	(2,787)	(2,787)	-	-
BNDES	Real	9.85%	2034	(53,537)	(53,537)	(50,148)	(50,148)
BNDES	Real	8.59%	2029	(5,356)	(5,356)	(5,816)	(5,816)
BNDES	Real	10.24%	2027	(481)	(481)	(564)	(564)
Banco do Brasil	linked to US Dollar	2.00% - 4.00%	2035	(60,193)	(60,193)	(66,110)	(66,110)
Bradesco	Real	12.58% - 12.95%	2024	(10,519)	(10,515)	(19,571)	(19,718)
Bradesco	Real	15.25%	2023	-	-	(2,406)	(2,411)
Banco Santander	linked to US Dollar	4.82%	2024	(10,279)	(10,270)	(20,288)	(20,304)
Banco Santander	Real	13.59%	2025	(6,744)	(6,582)	(6,280)	(6,279)
CCB	Real	12.75% - 13.25%	2025	(21,098)	(20,976)	-	-
Total bank loans				(324,201)	(323,904)	(321,891)	(322,058)

The breakdown of bank loans by maturity is as follows:

	2023	2022
Within one year	(70,856)	(59,881)
In the second year	(54,121)	(56,022)
In the third to fifth years (inclusive)	(91,027)	(91,037)
After five years	(108,197)	(114,951)
Total bank loans	(324,201)	(321,891)

Guarantees

The Group has pledged assets with a carrying amount of US\$262.4 million (2022: US\$230.2 million) to secure loans granted to the Group.

The loan agreements with BNDES and Banco do Brasil rely on corporate guarantees from the Group's subsidiary party to the agreement. For some agreements, the corporate guarantees are in addition to the assignment of receivables, a pledge of the respective financed tugboat or a lien over the logistics and port operations equipment financed.

The loan agreements with Bradesco rely on corporate guarantees from the Group's subsidiary party to the agreement.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

Undrawn credit facilities

At 31 December 2023, the Group had US\$50.1 million (2022: US\$37.1 million) of undrawn borrowing facilities available in relation to the Salvador Terminal expansion and the dry-docking, maintenance and repair of tugs.

Covenants

Some of the loan agreements include obligations related to financial indicators, including EBITDA/Net operating revenue, EBITDA/Debt service, Equity/Total assets and Net debt/EBITDA. At 31 December 2023 and 2022, the Group was in compliance with all covenants related to its loan agreements.

Information about the Group's exposure to financial risks is included in note 32.

23 Post-employment benefits

The Group operates a private medical insurance scheme for its employees in its Brazilian operations, which requires the eligible employees to pay fixed monthly contributions. In accordance with Brazilian law, eligible employees with greater than ten years' service acquire the right to remain in the plan following retirement or termination of employment. Ex-employees remaining in the plan will be liable for paying the full cost of their continued scheme membership.

The future actuarial liability for the Group relates to the potential increase in plan costs resulting from additional claims due to the expanded membership of the scheme.

The movement in the present value of the actuarial liability for the year is as follows:

	2023	2022
Opening balance – 1 January	(1,737)	(1,562)
Current service cost	(8)	(7)
Interest expense	(168)	(146)
Contributions to the plan	(9)	(14)
Changes in economic and financial assumptions	(214)	228
Experience adjustments	231	(126)
Exchange differences	(142)	(110)
Closing balance – 31 December	(2,047)	(1,737)

The calculation of the liability generated by the defined health benefits plan involves actuarial assumptions that are based on market conditions. The principal actuarial assumptions, and the impact of a change (keeping the other assumptions constant) on the defined benefit obligation valuation are as follows:

	2023	2022
Annual interest rate	8.66%	9.18%
Estimated inflation rate in the long-term	3.00%	3.00%
Impact of 0.5% increase	235	214
Impact of 0.5% decrease	(270)	(247)
Medical cost trend rate	5.58%	5.58%
Impact of 0.5% increase	(286)	(255)
Impact of 0.5% decrease	234	222

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

24 Legal claims

In the normal course of its operations in Brazil, the Group is exposed to numerous local legal claims. The Group's policy is to vigorously contest those claims, many of which appear to have little substance or merit, and manage such claims through its legal counsel.

Labour claims – Claims involving payment of health risks, additional overtime and other allowances.

Tax cases – Claims involving government tax assessments when the Group considers it has a chance of successfully defending its position.

Civil – Claims involving indemnification for material damage, environmental and shipping claims and other contractual disputes.

Claims deemed probable and subject to reasonable estimation by management and its legal counsel are recorded as provisions, whereas claims deemed only reasonably possible are disclosed as contingent liabilities. Both provisions and contingent liabilities are subject to uncertainties around the timing and amount of possible cash outflows as the outcome is heavily dependent on court proceedings.

The movement in the carrying amount of each class of provision for legal claims for the period is as follows:

	Labour claims	Tax cases	Civil cases	Total
At 1 January 2023	(4,978)	(2,732)	(1,287)	(8,997)
Additional provisions	(766)	(166)	(280)	(1,212)
Unused amounts reversed	1,156	1,546	35	2,737
Utilisation of provisions	767	34	-	801
Exchange difference	(384)	(158)	(109)	(651)
At 31 December 2023	(4,205)	(1,476)	(1,641)	(7,322)

The contingent liabilities at the end of each period are as follows:

	Labour claims	Tax cases	Civil cases	Total
At 31 December 2022	(6,002)	(66,071)	(11,158)	(83,231)
At 31 December 2023	(7,312)	(75,982)	(13,536)	(96,830)

Other non-current assets of US\$3.1 million (2022: US\$3.5 million) represent escrow deposits required by the Brazilian legal authorities as security to contest legal actions.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

25 Related party transactions

Transactions between the Group and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. Transactions and outstanding balances between the Group and its related parties are as follows:

	Revenues/(Expenses)		Receivable/(Payable)	
	2023	2022	2023	2022
Joint ventures and associates				
Wilson, Sons Ultratug Participações S.A. ¹	964	2,778	11,437	11,176
Argonáutica Engenharia e Pesquisas S.A. ²	(14)	-	(4)	-
Others				
Hanseatic Asset Management LBG ³	(2,996)	(3,047)	(759)	(484)
Hansa Capital Partners LLP ⁴	(30)	(32)	-	-

¹ Related party loans with Wilson, Sons Ultratug Participações S.A. (interest - 3.6% per year with no maturity date) and services provided by the Group.

² Contract for the implementation of a port traffic monitoring and port traffic intelligence system.

³ Mr William Salomon (Board Director) is chair and Mr Christopher Townsend (Board Director) is a director of Hanseatic Asset Management LBG, to which fees were paid for acting as Investment Manager of the Group's investment portfolio.

⁴ Mr Salomon is a senior partner of Hansa Capital Partners LLP. Office facilities charges were paid to Hansa Capital Partners LLP.

Mr Townsend is the investment director of Hansa Capital GmbH. During the year ended 31 December 2023, directors' fees of US\$0.1 million were paid to Mr. C Townsend through Hansa Capital GmbH (2022: US\$0.1 million).

Remuneration of key management personnel

The remuneration of the executive directors and other key management of the Group is as follows:

	2023	2022
Short-term employee benefits	(5,007)	(4,914)
Post-employment benefits	(70)	(70)
Share based payment expense	(306)	(306)
Total remuneration of key management personnel	(5,383)	(5,290)

26 Share capital

The number of Company's shares and corresponding share capital amounts are as follows:

	2023	2022
Authorised		
50,060,000 ordinary shares of 20p each (2022: 50,060,000 ordinary shares of 20p each)	16,119	16,119
Issued and fully paid		
35,363,040 ordinary shares of 20p each (2022: 35,363,040 ordinary shares of 20p each)	11,390	11,390

The Company has one class of ordinary share which carries no right to fixed income.

Share capital is converted at the exchange rate prevailing at 31 December 2002, the date at which the Group's presentation currency changed from Sterling to US Dollars, being US\$1.61 to £1.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

27 Equity transactions in subsidiaries

Share options in subsidiary

On 8 January 2014, the shareholders of the Group's subsidiary Wilson Sons S.A. approved a share option plan which allowed for the grant of options to eligible participants, including an increase in the authorised capital of Wilson Sons S.A. through the creation of up to 26,465,562 new shares.

The options provide participants with the right to acquire shares in Wilson Sons S.A. at a predetermined fixed price, following a vesting period of 3 to 5 years, and expire 10 years from the grant date, or immediately on the resignation of the employee, whichever is earlier. Options lapse if not exercised by the employee within 6 months following retirement.

The movement in share options and related weighted average exercise prices ("WAEP") in Brazilian Real (R\$) is as follows:

	2023		2022	
	Number of shares	WAEP (R\$)	Number of shares	WAEP (R\$)
Opening balance – 1 January	5,427,600	7.12	9,153,840	6.34
Granted during the period	-	-	-	-
Exercised during the period	(1,680,600)	5.38	(3,726,240)	5.21
Expired during the period	-	-	-	-
Outstanding at 31 December	3,747,000	7.90	5,427,600	7.12
Exercisable at 31 December	1,047,000	5.93	2,654,160	5.56

The options outstanding at 31 December 2023 had an exercise price in the range of R\$5.67 to R\$8.66 (2022: R\$5.21 to R\$8.66) and a weighted-average contractual life of 6.1 years (2022: 5.4 years). The weighted average share price at the date of exercise for the year ended 31 December 2023 was R\$10.06 (2022: R\$9.11).

During the year ended 31 December 2023, 1,680,600 share options of the Group's subsidiary Wilson Sons S.A. were exercised (2022: 3,726,240), resulting in an increase in non-controlling interest of 0.22% (2022: 0.48%).

Share buyback in subsidiary

On 13 May 2022, the board of directors of the Group's subsidiary Wilson Sons S.A. approved a share buyback program which allows for the repurchase of the subsidiary's own common shares at market price for an 18-month period, which is concluded as of 31 December 2023.

The weighted average share price at the date of repurchase for the year ended 31 December 2023 was R\$10.47 (2022: R\$9.28).

During the year ended 31 December 2023, 1,150,500 shares of the Group's subsidiary Wilson Sons S.A. were repurchased (2022: 1,427,200), resulting in a decrease in non-controlling interest of 0.15% (2022: 0.19%).

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

28 Non-controlling interests

The information on the Group's composition is presented in note 3. The non-controlling interests immaterial to the Group originate from the Brazil – maritime services segment and are presented together as Other.

The information related to non-controlling interests is as follows:

	Wilson Sons S.A.	Other	Total
For the year ended 31 December 2023			
Net assets attributable to non-controlling interest	214,218	92	214,310
Profit allocated to non-controlling interest	34,899	1,125	36,024
Other comprehensive income allocated to non-controlling interest	3,855	(3)	3,852
Dividends to non-controlling interest	23,704	1,544	25,248
For the year ended 31 December 2022			
Net assets attributable to non-controlling interest	199,004	514	199,518
Profit allocated to non-controlling interest	27,858	2,295	30,153
Other comprehensive income allocated to non-controlling interest	3,213	(15)	3,198
Dividends to non-controlling interest	22,728	2,445	25,173

29 Dividends

The dividends declared and paid by the Company to its shareholders were as follows:

	2023	2022
70c per share (2022: 70c per share)	24,754	24,754

After the reporting date, the dividends proposed by the Board but not recognised as liabilities were as follows:

	2023	2022
85c per share (2022: 70c per share)	30,059	24,754

30 Earnings per share

The calculation of the basic and diluted earnings per share is as follows:

	2023	2022
Profit/(loss) for the year attributable to equity holders of the Company	67,048	(18,675)
Weighted average number of ordinary shares	35,363,040	35,363,040
Earnings per share – basic and diluted	189.6c	(52.8)c

The Company has no dilutive or potentially dilutive ordinary shares.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

31 Capital risk management

The Group manages its capital to ensure that entities within the Group are viable and will be able to continue as a going concern. The capital structure of the Group consists of debt, long term in nature, which includes the borrowings disclosed in note 22 and the lease liabilities included in note 17, cash and cash equivalents, investments, and equity attributable to equity holders of the Company comprising issued capital, reserves and retained earnings disclosed in the consolidated statement of changes in equity.

The Group borrows to fund capital projects and looks to cash flow from these projects to meet repayments. Working capital is funded through cash generated by operating activities. There were no significant changes during the year relative to the Group policy relating to capital management.

32 Financial instruments

The carrying and fair value of financial instruments are as follows:

	2023		2022	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Cash and cash equivalents	69,367	69,367	77,873	77,873
Investment portfolio	309,158	309,158	272,931	272,931
Trade and other receivables	78,735	78,735	67,136	67,136
Financial liabilities				
Trade and other payables	(71,768)	(71,768)	(58,337)	(58,337)
Bank loans	(324,201)	(323,904)	(321,891)	(322,058)

The carrying value of cash and cash equivalents, trade and other receivables, and trade and other payable is a reasonable approximation of their fair value.

The fair value of bank loans was established as their present value determined by future cash flows and interest rates applicable to instruments of similar nature, terms and risks or at market quotations of these securities.

The fair value of the investment portfolio assets are based on quoted market prices at the close of trading at the end of the period if traded in active markets and based on valuation techniques if not traded in active markets. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates.

Fair value measurements recognised in the consolidated financial statements are grouped into levels based on the degree to which the fair value is observable.

Financial instruments whose values are based on quoted market prices in active markets are classified as Level 1. These include active listed equities.

Financial instruments that trade in markets that are not considered active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified as Level 2. These include open ended funds, certain private investments that are traded over the counter, and debt instruments.

Financial instruments that have significant unobservable inputs as they trade infrequently and are not quoted in an active market are classified as Level 3. These include investments in limited partnerships and other private equity funds which may be subject to restrictions on redemptions such as lock up periods, redemption gates and side pockets.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

The Group considers the valuation techniques and inputs used in valuing these funds as part of its due diligence prior to investing to ensure they are reasonable and appropriate. Therefore, the net asset value ("NAV") of these funds may be used as an input into measuring their fair value. In measuring this fair value, the NAV of the funds is adjusted, if necessary, for other relevant factors known of the fund. In measuring fair value, consideration is also paid to any clearly identifiable transactions in the shares of the fund.

Depending on the nature and level of adjustments needed to the NAV and the level of trading in the fund, the Group classifies these funds as either Level 2 or Level 3. As observable prices are not available for these securities, the Group values these based on an estimate of their fair value. The Group obtains the fair value of their holdings from valuation statements provided by the managers of the invested funds. Where the valuation statement is not stated at the reporting date, the Group adjusts the most recently available valuation for any capital transactions made up to the reporting date. When considering whether the NAV of the underlying managed funds represent fair value, the Investment Manager considers the valuation techniques and inputs used by the managed funds in determining their NAV.

The underlying funds use a blend of methods to determine the value of their own NAV by valuing underlying investments using methodology consistent with the International Private Equity and Venture Capital Valuation Guidelines ("IPEV"). IPEV guidelines generally provides five ways to determine the fair market value of an investment: (i) binding offer on the company, (ii) transaction multiples, (iii) market multiples, (iv) net assets and (v) discounted cash flows. Such valuations are necessarily dependent upon the reasonableness of the valuations by the fund managers of the underlying investments. In the absence of contrary information, these values are relied upon.

The financial instruments recognised in the statement of financial position, by level of hierarchy, excluding financial instruments for which the carrying amount is a reasonable approximation of fair value, are as follows:

	Level 1	Level 2	Level 3	Total
31 December 2023				
Investment portfolio	34,058	156,829	118,271	309,158
Bank loans	-	(324,201)	-	(324,201)
31 December 2022				
Investment portfolio	29,776	122,789	120,366	272,931
Bank loans	-	(321,891)	-	(321,891)

During the year ended 31 December 2023, no financial instruments were transferred between Level 1 and Level 2 (2022: none).

During the year ended 31 December 2023, one open ended fund with a carrying value of US\$5.3 million was transferred from Level 3 to Level 2 because alternative pricing sources supported by observable inputs became available (2022: no transfers between Level 2 and Level 3).

The movement in Level 3 financial instruments for the year is as follows:

	2023	2022
Balance at 1 January	120,366	129,685
Transfers from Level 3 to Level 2	(5,266)	-
Purchases of investments and drawdowns of financial commitments	8,153	12,830
Sales of investments and repayments of capital	(8,314)	(9,231)
Realised gains	3,943	4,526
Unrealised losses	(611)	(17,444)
Balance at 31 December	118,271	120,366
Cost	130,927	130,183
Cumulative unrealised losses	(12,656)	(9,817)

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

32 Financial instruments (continued)

Investment in limited partnerships and private equity funds require a long-term commitment with no certainty of return. The Group's intention is to hold Level 3 investments to maturity. In the unlikely event that the Group is required to liquidate these investments, the proceeds received may be less than the carrying value due to their illiquid nature.

The sensitivity of the Level 3 investments to changes in fair value due to illiquidity and its impact on proceeds received, while all other variables are held constant, is as follows:

	2023	2022
Decrease of 5%	(5,914)	(6,018)
Decrease of 10%	(11,827)	(12,037)
Decrease of 20%	(23,654)	(24,073)

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to its cash and cash equivalents, investments, and trade and other receivables. The amounts presented as trade and other receivables in the consolidated statement of financial position are shown net of allowances for credit loss.

Temporary cash surpluses are invested in time deposits, exchange funds, and fixed income investments, according to regulations approved by management. Credit risk is limited because the counterparties to those investments are regulated institutions or leading financial institutions with high credit ratings.

The level of credit risk associated with the investment portfolio is dependent upon the terms and conditions and the management of each of the investment vehicles. The Investment Manager evaluates the credit risk on trading investments prior to and during the investment period, and the Board reviews all investments at its regular meetings from reports prepared by the Investment Manager.

The Group has no significant concentration of credit risk for trade receivables as they consist of a large number of customers with no single customer representing more than 10% of the total trade receivables.

Allowance for expected credit losses for trade receivables

The Group recognises an allowance for expected credit losses based on an expected credit losses ("ECLs") model and a provision matrix, based on days past due for groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Group's historical observed default rates, and will be adjusted, when appropriate, to adjust the historical credit losses experience with forward-looking information.

The allowance for expected credit losses is as follows:

	Current	1-30 days	31-90 days	91-180 days	More than 180 days	Total
31 December 2023						
Expected credit loss rate	0.04%	0.04%	2.56%	19.63%	64.73%	
Receivables for services	48,593	9,313	6,561	954	1,896	67,317
Allowance for expected credit losses	(17)	(3)	(168)	(187)	(1,248)	(1,623)
31 December 2022						
Expected credit loss rate	0.05%	0.05%	2.56%	7.48%	63.70%	
Receivables for services	44,699	5,997	2,461	1,236	936	55,329
Allowance for expected credit losses	(24)	(3)	(63)	(92)	(610)	(792)

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

Foreign currency risk

The Brazil – maritime services segment operates principally in Brazil with a substantial proportion of its revenue, expenses, assets and liabilities denominated in Real, exposing the Group to exchange rate fluctuations. Due to the high cost of hedging transactions denominated in Real, the Group does not normally hedge its net exposure to the Real, as the Board does not consider it economically viable.

Purchases and sales of goods and services are denominated in Real and US Dollars. These transactions are subject to currency fluctuations between the time that the price of goods or services are settled and the actual payment date. For investing and financing cash flows, the resources and their application are monitored with the objective of matching the currency cash flows and due dates. For operating cash flows, the Group seeks to neutralise the currency risk by matching assets (receivables) and liabilities (payments).

Furthermore, the Group has contracted US Dollar denominated and Real denominated debt, and the cash and cash equivalents balances are also US Dollar denominated and Real denominated. The Group seeks to generate an operating cash surplus in the same currency in which the debt service of each business is denominated.

The Bermuda – investments segment operates internationally and holds monetary assets denominated in currencies other than the US Dollar, the functional currency. Foreign currency risk arises as the value of future transactions, recognised monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates.

The Group's policy is not to manage its exposure to foreign exchange movements in the investment portfolio by entering into any foreign exchange hedging transactions. Instead, when the Investment Manager formulates a view on the future direction of foreign exchange rates and the potential impact on the investment portfolio, the Investment Manager factors that into its portfolio allocation decisions.

The carrying amount of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows (presented in US Dollar):

	Assets		Liabilities	
	2023	2022	2023	2022
Real	205,428	157,063	(461,336)	(395,616)
Sterling	13,575	12,241	(20)	(19)
Swiss Franc	1,983	2,341	-	-
Euro	15,747	15,083	-	-
Yen	4,948	4,226	-	-
Total foreign currency denominated monetary items	241,681	190,954	(461,356)	(395,635)

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

32 Financial instruments (continued)

The Group is primarily exposed to unfavourable movements in the Real on its Brazilian monetary assets and liabilities held by US Dollar functional currency entities. The sensitivity analysis below refers to the position at the end of the reporting period and estimates the impacts of a Real devaluation against the US Dollar, considering three scenarios: a likely scenario (probable), a 25% devaluation scenario (possible) and a 50% devaluation scenario (remote). The Group uses the Brazilian Central Bank's "Focus" report to determine the probable scenario.

	Currency	Amount (US\$)	Probable scenario	Possible scenario (25%)	Remote scenario (50%)
31 December 2023					
Projected exchange rate			4.95	6.19	7.43
Total assets	BRL	205,428	(4,511)	(44,694)	(71,483)
Total liabilities	BRL	(461,336)	10,131	100,372	160,532
Net impact			5,620	55,678	89,049
31 December 2022					
Projected exchange rate			5.25	6.56	7.88
Total assets	BRL	157,063	(934)	(32,160)	(52,977)
Total liabilities	BRL	(395,616)	2,434	81,070	133,495
Net impact			1,500	48,910	80,518

The US Dollar/Brazilian Real exchange rate was 4.84 at 31 December 2023 (2022: 5.22).

Market price risk

By the nature of its activities, the Bermuda – investments segment's investments are exposed to market price fluctuations. However, the portfolio as a whole does not correlate directly to any Stock Exchange Index as it is invested in a diversified range of markets. The Investment Manager and the Board monitor the portfolio valuation on a regular basis and consideration is given to hedging the portfolio against large market movements.

The sensitivity of the investment portfolio to changes in market prices and the impact on its fair value and returns at the end of the financial year, while all other variables are held constant, is as follows:

	2023	2022
Decrease of 5%	(15,458)	(13,647)
Decrease of 10%	(30,916)	(27,293)
Decrease of 20%	(61,832)	(54,586)

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

Interest rate risk

Entities within the Group borrow funds at both fixed and floating interest rates. The Group is primarily exposed to unfavourable movements in the interest rate impacting its floating interest rate borrowings, which are partially being offset by the impact on its floating interest rates investments.

The sensitivity analysis below refers to the position at the end of the reporting period and estimates the impacts of unfavourable movement in the interest rates, considering three scenarios: a likely scenario (probable), a 25% increase in interest rates over the likely scenario (possible) and a 50% increase in interest rates over the likely scenario (remote). The net impact was obtained by assuming a 12-month period starting at the beginning of the period in which interest rates vary and all other variables are held constant. The Group uses the Brazilian Central Bank's "Focus" report to determine the probable scenario.

	Risk	Amount (US\$)	Probable scenario	Possible scenario (25%)	Remote scenario (50%)
31 December 2023					
Borrowing	Brazilian Interbank Interest Rate	(38,361)	452	(265)	(967)
Borrowing	Brazilian Long-Term Interest Rate	(481)	-	(5)	(9)
Borrowing	Brazilian National Consumer Prices	(58,893)	-	(663)	(1,319)
Borrowing	N/A (fixed interest rates)	(226,466)	-	-	-
Investments	Brazilian Interbank Interest Rate	29,649	(765)	(183)	398
Net impact			(313)	(1,116)	(1,897)
31 December 2022					
Borrowing	Brazilian Interbank Interest Rate	(28,257)	(10)	(719)	(1,408)
Borrowing	Brazilian Long-Term Interest Rate	(564)	-	(6)	(12)
Borrowing	Brazilian National Consumer Prices	(55,964)	-	(788)	(1,566)
Borrowing	N/A (fixed interest rates)	(237,106)	-	-	-
Investments	Brazilian Interbank Interest Rate	22,014	177	1,156	2,136
Net impact			167	(357)	(850)

Concentration risk

By the nature of its activities, the Bermuda - investments segment's investments are exposed to concentration of credit risk and market risk based on geographic exposure and sector exposure. The Investment Manager and the Board monitor the portfolio composition on a regular basis to ensure it remains invested in a diversified range of markets to limit the concentration of exposure by geography and by sector.

At 31 December 2023, the Group has identified concentration risk for the investment portfolio due to its geographic exposure of US\$157.7 million or 51.0% in North America (2022: US\$134.3 million or 49.2%) and its sector exposure of US\$73.7 million or 23.8% in information technology (2022: US\$66.4 million or 24.3%). These exposures are based on the immediate investment into investment vehicles and may be further affected by specific allocation of assets within those vehicles.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023 (Expressed in thousands of US Dollars)

32 Financial instruments (continued)

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in fulfilling obligations associated with its financial liabilities that are settled with cash payments or other financial assets. The Group's approach in managing liquidity is to ensure that the Group always has sufficient liquidity to fulfil its obligations that expire and to meet the expected operational expenses, under normal and stressed conditions, to avoid damage to the reputation of the Group. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Group expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

The following table details the Group's remaining contractual maturity for its financial liabilities, showing the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay, including both interest and principal payments.

	Weighted average effective interest rate %	Less than 12 months	1-5 years	5+ years	Total
31 December 2023					
Variable interest rate instruments	11.06%	(26,595)	(50,002)	(33,384)	(109,981)
Fixed interest rate instruments	2.95%	(48,629)	(124,663)	(94,574)	(267,866)
Lease liability	13.07%	(30,196)	(95,752)	(382,424)	(508,372)
Total contractual cash outflows		(105,420)	(270,417)	(510,382)	(886,219)
31 December 2022					
Variable interest rate instruments	12.29%	(24,954)	(48,690)	(33,479)	(107,123)
Fixed interest rate instruments	2.89%	(47,537)	(125,319)	(94,714)	(267,570)
Lease liability	8.06%	(25,958)	(79,783)	(355,360)	(461,101)
Total contractual cash outflows		(98,449)	(253,792)	(483,553)	(835,794)

Limitations of sensitivity analysis

The sensitivity information included in note 32 demonstrates the estimated impact of a change in a major input assumption while other assumptions remain unchanged. There are normally significant levels of correlation between the assumptions and other factors.

Five Year Summary (Unaudited)

For the year ended 31 December 2023 - (Expressed in thousands of US Dollars)

	2023	2022	2021	2020	2019
Income Statement					
Sales of services	486,646	440,107	396,376	352,792	406,128
Raw materials and consumables used	(35,467)	(32,956)	(24,036)	(19,266)	(25,290)
Employee charges and benefits expenses	(142,391)	(126,330)	(112,026)	(110,016)	(140,348)
Other operating expenses	(113,242)	(104,265)	(98,289)	(84,666)	(89,207)
Depreciation and amortisation expense	(71,768)	(64,435)	(61,412)	(61,323)	(66,122)
Impairment charge	-	-	-	-	(13,025)
Gain/(loss) on disposal of fixed assets	1,713	100	(499)	65	294
Foreign exchange gain/(loss) on monetary items	246	1,620	(3,100)	(7,551)	(79)
Operating profit	125,737	113,841	97,014	70,035	72,351
Share of results of joint ventures and associates	6,447	3,165	(5,029)	(4,142)	564
Returns on investment portfolio	29,120	(47,947)	49,474	33,383	34,716
Investment portfolio performance and management fees	(2,996)	(3,047)	(4,954)	(3,130)	(3,417)
Other income	7,798	6,631	4,113	1,644	6,052
Finance costs	(35,425)	(34,509)	(30,227)	(23,210)	(27,736)
Profit before tax	130,681	38,134	110,391	74,580	82,530
Tax expense	(27,609)	(26,656)	(27,925)	(26,577)	(21,481)
Profit for the year	103,072	11,478	82,466	48,003	61,049
Profit for the year attributable to:					
Equity holders of the Company	67,048	(18,675)	63,687	38,712	46,852
Non-controlling interests	36,024	30,153	18,779	9,291	14,197
	103,072	11,478	82,466	48,003	61,049
Statement of financial position					
Current assets	523,379	467,343	518,523	492,769	460,616
Non-current assets	998,486	933,944	861,824	861,093	981,011
Total assets	1,521,865	1,401,287	1,380,347	1,353,862	1,441,627
Current liabilities	(182,238)	(153,236)	(131,306)	(124,276)	(115,678)
Non-current liabilities	(523,813)	(493,925)	(465,369)	(485,879)	(540,089)
Total liabilities	(706,051)	(647,161)	(596,675)	(610,155)	(655,767)
Net assets	815,814	754,126	783,672	743,707	785,860
Key Statistics					
Earnings per share (US\$)	189.6c	(52.8)c	180.1c	109.5c	132.5c
Cash dividends per share paid (US\$)	70.0c	70.0c	70.0c	70.0c	70.0c
Book value per share (US\$)	\$23.07	\$22.69	\$22.16	\$21.03	\$22.22
Company share price at period closing	£12.00	£9.30	£9.32	£8.45	£9.90
Company share price at period closing (US\$)	\$15.28	\$11.24	\$12.62	\$11.55	\$13.13

SECTION FIVE

Shareholder Information

Directory

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Registered Office

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Office Address:

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Conyers Corporate Services (Bermuda)
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2 Church Street
Hamilton HM 11
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UK Transfer Agent and Ocean Wilsons Dividend Address

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Auditor

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Investment Manager

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Channel Islands

Brokers

Peel Hunt
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United Kingdom

Bankers

HSBC Bank Bermuda Limited
37 Front Street
Hamilton HM 11
Bermuda

Lombard Odier & Cie SA
Rue de la Corraterie 11
1204 Geneva
Switzerland

Notice of Annual General Meeting

Notice is hereby given that the 2024 Annual General Meeting of the Company will be held at the offices of Conyers Dill & Pearman Limited, Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda on 27 May 2024 at 8:30am for the following purposes:

- 1 To appoint a Chair of the meeting.
- 2 To confirm notice and quorum.
- 3 To receive and, if approved, adopt the Directors' Report and Accounts for the year ended 31 December 2023.
- 4 To declare a dividend of 85 cents per share.
- 5 To determine the maximum number of Directors for the ensuing year as nine and to authorise the Board of Directors to fill any vacancy in their number left unfilled for any reason to serve until the conclusion of the next Annual General Meeting.
- 6 To re-elect Ms Caroline Foulger as a Director until the next Annual General Meeting.
- 7 To re-elect Mr William Salomon as a Director until the next Annual General Meeting.
- 8 To re-elect Mr Andrey Berzins as a Director until the next Annual General Meeting.
- 9 To re-elect Mr Christopher Townsend as a Director until the next Annual General Meeting.
- 10 To re-elect Ms Fiona Beck as a Director until the next Annual General Meeting.
- 11 To re-appoint KPMG Audit Limited as the Auditor and to authorise the Directors to determine the remuneration of the Auditor.
- 12 Ratification and confirmation of all and any actions taken by the Board of Directors and the persons entrusted with Company's management in the year ended 31 December 2023.

On Behalf of the Board

Conyers Corporate Services (Bermuda) Limited

Company Secretary

Clarendon House, Church Street, Hamilton HM 11, Bermuda

21 March 2024

Any member of the Company entitled to attend and vote at the meeting may appoint one or more proxies to attend and vote instead on their behalf. A proxy need not be a member of the Company.

Form of Proxy

* I / We

* of

being a Member of Ocean Wilsons Holdings Limited, hereby appoint Ms Caroline Foulger, or failing her any Director of the Company as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on 27 May 2024 and at any adjournment thereof. The proxy will vote on the Resolutions as indicated opposite.

Or

as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on 27 May 2024 and at any adjournment thereof. The proxy will vote on the Resolutions as indicated opposite.

		FOR	AGAINST	WITHHELD
1	To receive and, if approved, adopt the Directors' Report and Accounts for the year ended 31 December 2023.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	To declare a dividend of 85 cents per share.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	To determine the maximum number of Directors for the ensuing year as nine and authorise the Board of Directors to elect or appoint on the Members' behalf a person or persons to act as additional Directors up to such maximum number to serve until the conclusion of the next Annual General Meeting.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	To re-elect Ms Caroline Foulger as a Director until the next Annual General Meeting.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	To re-elect Mr William Salomon as a Director until the next Annual General Meeting.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	To re-elect Mr Andrey Berzins as a Director until the next Annual General Meeting.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	To re-elect Mr Christopher Townsend as a Director until the next Annual General Meeting.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	To re-elect Ms Fiona Beck as a Director until the next Annual General Meeting.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9	To re-appoint KPMG Audit Limited as the Auditor and authorise the Directors to fix the remuneration of the Auditor.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10	Ratification and confirmation of all and any actions taken by the Board of Directors and the persons entrusted with Company's management in the year ended 31 December 2023.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Signature

Dated

2024

Notes

- (1) If any other proxy is preferred, delete the names inserted above and add the name of the proxy whom you wish to appoint, and initial the alteration.
- (2) Please indicate by a cross in the appropriate box how you wish your proxy to vote. If no indication is given your proxy will abstain or vote as he/she thinks fit.
- (3) To be valid, the proxy should be deposited at the Transfer Agent of the Company, Link Group, PXS 1, Central Square, 29 Wellington Street, LEEDS, LS1 4DL, United Kingdom no later than 8:30 am (Bermuda time) on 23 May 2024.
- (4) In the case of a corporation, this proxy must be under its Common Seal or under that of an Officer or Attorney duly authorised in writing.
- (5) In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members, in respect of the joint holding.

* Please insert your full name and address in **BLOCK CAPITALS**.



Ocean Wilsons Holdings Limited

Annual Report 2023
