ميناء صلالة
Port of Salalah

ANNUAL REPORT 2025

Oman's Gateway to Global Trade

بوابة عُمان إلى التجارة العالمية

التقرير السنوي ٢٠٢٥

3rd Globally
الثالث عالمياً

in Container Port Performance 2025
في أداء محطات الحاويات لعام ٢٠٢٥
| CPPI 2025



تصوير: محمد مصطفى

His Majesty Sultan Haitham bin Tarik

ميناء صلالة
Port of Salalah

TABLE OF CONTENTS
فهرس المحتويات

01 DIRECTORS' REPORT 2025 04

02 CORPORATE GOVERNANCE REPORT 2025 09

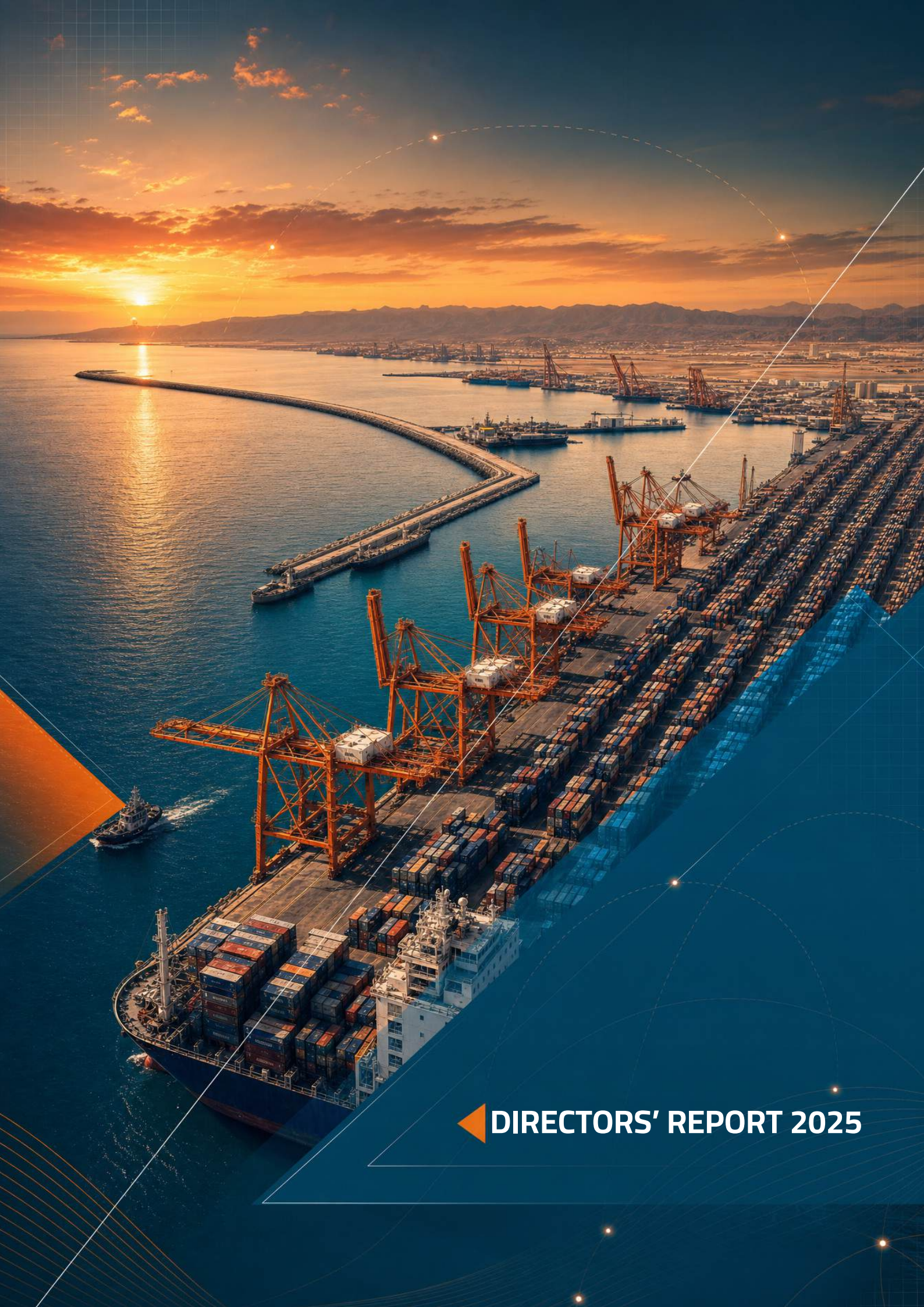
03 Management Discussion and Analysis 2025 24

04 Independent auditors' report 28

05 Code of Corporate Governance 33

06 Audited Consolidated and Separate Financial Statements 36

07 Notes to the consolidated and separate financial statements 42



DIRECTORS' REPORT 2025

Dear Shareholders,



On behalf of the Board of Directors,

I am pleased to present the Annual Report of Salalah Port Services, together with the audited financial statements for the year ended 31 December 2025.

Operational Overview

Safety is the Company's licence to operate. 2025 was a safe year for Port of Salalah. The Company continues to invest in systems, processes and training to manage operational risks. All incidents during the year were thoroughly investigated and corrective actions were taken.

During 2025, the container terminal handled 4.3 million TEUs (2024: 3.3 million TEUs). The Company saw the successful start of the Gemini Cooperation between Maersk and Hapag Lloyd whereby Salalah is a global hub for the network. Maersk's contribution to the total business remained stable throughout the year.

The Port of Salalah's General Cargo segment handled 26.4 million tons in 2025, compared to 22.6 million tons in 2024, representing a 17% increase. This overall growth was driven primarily by higher dry bulk volumes, particularly limestone and gypsum. I am pleased to note that this was a record high general cargo volume ever handled by Port of Salalah.

The Company remains focused on continuous improvement initiatives aimed at maintaining a world-class terminal with consistent productivity and efficiency levels.

Financial Overview

The consolidated revenue from operations for 2025 is recorded at ﷼ 89.4 million an increase of 28% compared to previous year. Consolidated EBITDA is recorded at ﷼ 27.8 million which corresponds to an EBITDA margin of 31%, up from ﷼ 15.6 million and a margin of 22% in 2024. Consolidated Net Profit for the year 2025 is recorded at ﷼ 7.3 million, compared to ﷼ 2.3 million in the prior year.

During 2025, the company distributed 10 baiza per share annual dividend pertaining to the year 2024. Taking into account the Company's capital expenditure plans—including equipment lifecycle requirements, ongoing port enhancement initiatives, growth ambitions, the fixed lease obligations for the CT upgrade, and prevailing volatility in global trade,- the Board of Directors is pleased to recommend the distribution of a dividend of 15 baiza per share on the paid-up equity share capital of the company, resulting in a total cash distribution of ﷼ 2.698 million for the year 2025.

Dividend history for the last 5 years

	2019	2020	2021	2022	2023	2024
Dividend %	20%	25%	10%	10%	10%	10%
Cash Outlay (﷼'000)	3,597	4,496	1,798	1,798	1,798	1,798

Employee Development

Our people are fundamental to the Company's success. To remain competitive and at the forefront of the industry, the organization must continuously enhance its capabilities through ongoing education in procedures, technologies, and global best practices. Accordingly, the Company continues to invest in workforce training and development, with a strong focus on Omanization and the upskilling of local talent, ensuring that national competencies progress in line with operational and strategic requirements.

Corporate Social Responsibility (CSR)

Port of Salalah strongly believes in a CSR program that aligns with the pillars of sustainability and volunteerism, forming an integral part of our business philosophy. The company has invested ﷼ 0.10 million in CSR initiatives during 2025 contributing to the development of the Dhofar region and supporting community segments requiring assistance. The Company's CSR program is guided by a commitment to positively impact the local region while benefiting broader communities in need.

COMMERCIAL

Container Terminal

Although volumes in 2025 were below capacity, the team maintained operational efficiency throughout the year. This maintains customer confidence in what Salalah can provide in terms of level of service.

General Cargo Terminal

Against all challenges, the General Cargo Terminal manged to achieve record volume of 26.4 million metric tons. The volume was driven mainly by dry bulk (gypsum and limestone) where the demand remains on a growth trajectory. The Company is committed to service levels towards customers and in this regard continues to work on improving resources, productivity and efficiencies.

New Businesses

The team has worked on new business opportunities value-adding services. MoU's signed for proposed green fuel storage and handling facility by Salalah Horizon and another one for a grain storage facility. New value-added services were added, including dry container repair, twist lock repair, and reefer parts storage.

Efforts have been made to explore anchoring opportunity for tuna handling business supported by Maersk network connectivity. This business will utilizes both container and general cargo terminals.

Outlook

The Port of Salalah is strategically well-positioned to overcome regional geopolitical challenges and disruptions to shipping routes. The competitive advantage of the Container Terminal in terms of location, productivity and efficiency is critically important to the success of Port of Salalah.

Global container volume growth for 2026 is projected to be around 4%, with our key customers expected to grow in line with the market. The situation in the Red Sea remains uncertain and a cautious return to the Red Sea/Suez is anticipated to have a positive impact on Salalah's container handling volumes. With the container upgrade now completed, the terminal is fully equipped to accommodate the Gemini Network —

the global vessel-sharing alliance between Maersk and Hapag-Lloyd — further strengthening Salalah's position as a strategic transshipment hub. This is solidified by Salalah's performance throughout 2025 towards our Gemini customers.

General cargo volumes are projected to remain steady, with dry bulk commodities—particularly limestone and gypsum—continuing to serve as key growth drivers. Strong demand from construction and manufacturing sectors in India and Southeast Asia is expected to support and sustain these export levels. The introduction of "Minerals Trading Company", which is owned by Mineral Development Oman as the sole exporter of Gypsum in Oman by June 2026 is expected to bring changes to the value chain and the team is working closely with all parties to ensure a smooth transition.

Additional growth is anticipated in breakbulk cargo and CFS. As a result, total cargo volumes are expected to surpass 2025 levels by year-end.

Overall, the Port of Salalah is well-positioned for continued growth, leveraging its operational efficiency, expanded capacity, and strategic shipping partnerships to strengthen its role as a key regional hub.

The Company is engaged in discussion with the government of Oman on extending the concession which is due to expire 2028 November 1st.

Conclusion

On behalf of the Board of Directors and the shareholders of the company, I record the sincere appreciation and gratitude to His Majesty Sultan Haitham bin Tariq, for his strategic vision, leadership, and his continued support. I also thank our customers; investors and the members of the government we collaborate with.

Lastly, I would like to record our sincere appreciation for the contributions of our employees in achieving the strong performance delivered in 2025. Our continued growth was made possible through their hard work, solidarity, cooperation, and unwavering support.

On behalf of the Board of Directors,



Chairman of Board of Directors,

Salalah Port Services Co. SAOG

18th February 2026



CORPORATE GOVERNANCE REPORT 2025

CORPORATE GOVERNANCE REPORT 2025

Corporate Governance at Salalah Port Services Company SAOG (the "Company") ("Port of Salalah")

The Company's philosophy of the Corporate Governance is aimed at maximizing the shareholders' value and protecting the interest of other stakeholders. The Company aims to achieve this through adequate and appropriate disclosure of the material facts and the achievements, transparency, accountability, and equity in all facets of its operations. The Company also believes that it is essential to have clear policies to ensure that all involved in the process of managing the Company, from the Board of Directors to down, are able to act in the best interest of the shareholders. The Company is committed to comply with the Financial Services Authority guidelines on corporate governance and disclosure practices.

Board of Directors:

The Board of Directors comprises of seven members and is responsible for the Management of the Company's business. The Board's role, functions and responsibilities are clearly defined. In addition to its primary role of monitoring corporate performance, the functions of the Board also include:

- Approving corporate vision, mission, and objectives
- Establishing and approving the formulation of strategic business plans
- Reviewing and approving financial plans and budgets
- Monitoring corporate performance
- Compliance of laws and regulations
- Appointment of Chief Executive Officer and key executives

Composition of the Board of Directors as on 31 December 2025 is as follows:

Name	Category	Comments
Sheikh Braik Musallam Al Amri	Chairman Non-executive, independent & elected	Re-elected in AGM dated 20 March 2025
Mr. Abdulmalik Abdulkareem Al Balushi	Deputy Chairman	Re-elected in AGM dated 20 March 2025

	Non-executive, non-independent & elected	
Brigadier/ Said Khamis Al Ghaithi	Non-executive, independent, & elected	Re-elected in AGM dated 20 March 2025
Mr. Soren Sjostrand Jakobsen	Non-executive, non-independent, & elected	Re-elected in AGM dated 20 March 2025
Dr. Hamdan Al Farsi	Non-executive, non-independent, & elected	Elected in vacant seat in AGM dated 20 March 2025
Sheikh Saud Al Nahari	Non-Executive, independent, & elected	Elected in vacant seat in AGM dated 20 March 2025
Mr. Lars Mikael Jensen	Non-executive, non-independent & elected	Re-elected in AGM dated 20 March 2025

Board of Directors profile

Sheikh Braik Musallam Al Amri joined the Board in March 2013. He has done master's in business administration from Northampton University UK, a Postgraduate Diploma from the University of Kent UK, a High National Diploma from the University of Salford UK, and a Diploma from Lloyds Maritime Academy UK. He has 27 years of management experience in varied senior positions. He had worked previously with the Port of Salalah for 11 years. He has very good exposure to business and international practices, presently engaged with the financial services sector.

Sheikh Saud Al Nahari joined the Board in March 2025. He has over 45 years of experience in the business field and the port management sector. He currently holds the position of Vice Chairman of the Board of Directors of Oman United Insurance Company S.A.O.G. and is a member of the Oman Chamber of Commerce and Industry for the period (2022-2026). He chaired the Economic Committee of the Oman Chamber of Commerce and Industry from (2007-2018). He was a former member of the Board of Directors of Zain Telecom in Kuwait, Jordan, and Bahrain from (2018-2020). He holds an advanced diploma in Port and Marine Shipping Management from the University of Wales in the UK, an advanced diploma in Port and Marine Shipping Management from the University of Humberside in the UK, a Board Executive Program certificate from Switzerland, and specialized courses in leadership and management skills from Belgium, Japan, the Netherlands, and other countries.

Brigadier/ Said Khamis Al Ghaithi joined the Board in March 2023. He is currently the Director General of Customs at the Royal Oman Police. He holds a PhD in Public Law and a Leadership Diploma from the UK Royal Police College (Bramshill) and has completed the Program for Development of Leadership Skills from the Chartered Institute of Management, UK. He has more than 35 years of experience in the public security

sector, police, and public prosecution. He joined many training programs during his career in various fields, including administrative, technical, leadership and strategic planning. He received many medals during his career, including the Efficiency Medal in 2011, the Excellent Service Medal in 2021, and the Royal Recognition Medal in 2023.

Mr. Soren Sjostrand Jakobsen joined the Board in January 2017. He has been with the A.P. Moller – Maersk group for more than 42 years and has held various leadership positions within the Group. Since 2005 he has been with APM Terminals, the port and terminal division of the A.P. Moller – Maersk Group. In 2005 - 2008 Mr. Jakobsen was Regional Manager for APM Terminals in Latin America. In 2008 – 2013 Mr. Jakobsen was globally responsible for implementing new terminal and port projects in APM Terminals, based in the APM Terminals headquarter in The Hague in the Netherlands. From 2013 to 2016, Mr. Jakobsen, based in Dubai UAE, held the position as regional portfolio manager for a number of terminals and in 2016 he took up the position as Regional Manager the APMT Terminals's Joint Venture entities in Africa, Middle East and Southeast Asia. From 2018 to 2022 Mr. Jakobsen was also the key shareholder responsible for Global Ports Investments (GPI) where APM Terminals held a co-controlling shareholding until APM Terminals exited Russia in 2022. GPI operated 8 terminals in Russia and Finland and was listed on the London Stock Exchange. From 2020 and until the exit, Mr. Jakobsen was also Chairman of the Board of GPI. Mr. Jakobsen retired from APM Terminals/Maersk in December 2022 but continues to represent APM Terminals on a number of Boards in the Middle East, Africa and Latin America. Mr. Jakobsen has bachelor's degree in shipping and business with various management programs including at IMD and INSEAD.

Mr. Abdulmalik Abdulkareem Al Balushi joined the Board in March 2022. Abdulmalik is a strong leader with extensive experience in human resources management and a real belief that people are at the core of any business, that their talent and innovation are the key to sustainable success. His career spans 20+ years in multiple sectors in Oman - public, telecom, electricity, shipping, postal and logistics. This diverse experience includes more than 13 years of managing multiple functions and is characterized by strong leadership, skillful communication, resourcefulness, high performance, and sustainable partnership. Currently he is the Group Chief People of Asyad Group SAOC. Prior to joining Asyad, he served as the CEO of Oman Post Company SAOC and prior to that worked in various roles with each of Oman Shipping Company SAOC (General Manager Support Services December 2012 - January 2016), Sultan Qaboos University (SQU) (Visiting Faculty January 2014 - May 2014), Oman Power & Water Procurement Company SAOC, The Telecommunications Regulatory Authority and Muscat Municipality. Abdulmalik hold Master's Degree in Business Administration from Sultan Qaboos University and Bachelor of Science in Business Administration from University of Arizona, AZ, USA.

Dr. Hamdan Al Farsi joined the Board in March 2025. He has 29 years of experience at the Social Protection Fund in the fields of risk, management, financial accounting, auditing and investment. He is currently the Manager of Governance, Risk and Compliance at the Social Protection Fund. He is a former Board member in Bank Dhofar SAOG and a current Board member National Gas Company SAOG. Dr. Hamdan holds Ph.D in Management, a Master in Account, Arab Certified Professional Accountant (ACPA) and a Diploma in Risk Management.

Mr. Lars Mikael Jensen joined the Board in December 2022. Lars has over 40 years of experience in ocean container shipping with A.P. Moller- Maersk. He became Head of Hubs at APM Terminals in July 2022, having previously served as Head of Maersk East-West Ocean Network and Market for 2 years. Prior to that, Lars held various senior role at Maersk, including Head of the Global Ocean Network team and had a number of tenures as responsible for Middle East markets for Maersk Line.

Executive Management Team Profile

Mr. Steven Yoogalingam assumed the position of CEO at the Company in November 2024. Prior to joining Port of Salalah, Steven served as the Managing Director of the Suez Canal Container Terminal, Port Said Egypt. Prior to that, has was the Managing Director of the Aqaba Container Terminal, Jordan. Steven has held various leadership positions during more than 20 years of experience and holds LLB (hons) Law from King's College London.

Mr. Bart Van De Graaf has been appointed Chief Financial Officer for Port of Salalah effective 1 March 2022. Bart joined the APMM Group in August 2011 in The Hague and subsequently took up the role of CFO at APM Terminals COMAN in Benin, followed by Abidjan Terminal in Ivory Coast. Prior to joining APMM, he worked for General Electric in the Financial Management Program, Corporate Audit Staff and in the energy services business. He holds an M.Sc. in Economics from the Erasmus University Rotterdam.

Mr. Mohammed Al Mashani is the Chief Corporate Affairs Officer at Port of Salalah. He started at the Port of Salalah as an HSE senior manager in 2008, holds a BSc in Safety Management from Central Missouri State University and an MSc in Facilities Management and Asset Maintenance from Herriot-Watt University, Edinburgh. Over the last 25 years Mohammed has worked in different sectors: Oil and Gas where he worked in PDO in logistics and HSE. Petrochemicals, where he joined Aromatics Oman. He has been through a CPMD program at APM Terminals in association with ESADE Business School and in 2015 was chosen for the first cohort of the Oman National CEO program in association with IMD launched by Diwan of Royal Court.

Mr. Ali Kashoob is the Head of Human Resources at Port of Salalah**.** He has been associated with Port of Salalah since 2003. He holds a Bachelor of Ports Management and Operations from Arab Academy for science and technology with honor. He has varied experience in Maritime Industry mainly in port operations, HSSE, commercial, training and brings vast industry knowledge.

Mr. Joshua Surdin joined the Company in February 2025 as Chief Operating Officer of the container terminal. Joshua began his career with APM Terminals in 2005 at Pier 400, Los Angeles. Throughout his career, he has held various leadership positions in challenging environments, including Angola, Egypt, Malaysia, and Vietnam, gaining extensive experience, and demonstrating strong leadership in complex markets. A graduate of the APMT Magnum program, Joshua has spent the past six years as the Chief Operating Officer and Deputy Managing Director of CMIT. During his tenure at CMIT, significant gains in

productivity and efficiency have been achieved, establishing the terminal as a key player in the regional market. In addition to his leadership roles at CMIT, he has supported the regional team with various operational and HSE programs in ASME.

Mr. Ahmed Aubad Qatan has been appointed as Chief Commercial Officer for Port of Salalah effective 1 March 2025. Ahmed has over 23 years' experience working in various fields ranging from academia to oil and gas. Joined the Port of Salalah in 2016 as the General Manager for Projects Development and Implementation. In 2018, his scope expanded to include Maintenance and Repair. In 2020, Ahmed became member of the Executive Management Team as Head of Projects and Strategy Development and was assigned to lead the port expansion project and part-take in the negotiation with the Government of Oman for matters related to the concession agreement. In addition to that, Ahmed and his team are responsible for the Decarbonization strategy of the port. In his role as the Chief Commercial Officer, Ahmed will be reinforcing the committment of Port of Salalah to our customers for a world class service, fulfiling the port vision towards sustainable propserity for all.

Mr. Hatim Fadhil Hatim joined Port of Salalah in Jan 1999, where he held various managerial positions in the Container Terminal Operations and the General Cargo Terminal Operations. Hatim was promoted to General Manager of GCT in 2016. He has 40 years of experience in ports operations, planning and finance management. Currently undertaking the GCT COO duties on an interim basis. He holds a Master Degree in General Administration, from Dhofar University and a Bachelors of Commerce in Business Administration from the College of Commerce and Economics, Ein Shamas, Arabian Republic of Egypt.

Fadi Osekrie is the General Manager for Health, Safety, Security and Environment at Port of Salalah since December 2023**.** Fadi is broadly experienced OHS leader with abilities to create strategic alliances with organization leaders to effectively align with and support key business initiatives. Builds and retains high performance teams by hiring, developing, and motivating skilled professionals. Over 18 years of experience in several industries such as Logistics, Aviation Ground Services, Construction, Facility Maintenance, Hospitality, Food Catering, and Oil and Gas. An expert with a passion for designing, implementing, managing, and auditing Occupational Health and Safety, Food Safety, and Quality management systems' compliance. Well versed on OHS regulations across various jurisdictions with excellent communication skills, readiness to faces difficulties, provide business solutions, and expand own skill set.

Employment Contract

Salalah Port Services Company SAOG enters into a formal Contract of Employment with each employee and such contracts are in line with the regulation of Ministry of Labor and Omani Labor Law.

During the financial year 2025 Five Board meetings were held on the following dates:

- 18th February 2025
- 20th March 2025
- 12th May 2025

- 12th August 2025
- 11th November 2025

Attendance of each Director at the Board Meeting, last Annual General Meeting (AGM), sitting fees paid and number of other Directorship of each Director in various Omani companies are as follows:

Name of Directors	Attendance Particular		Sitting fees (in RO)	No. of Directorship in other Omani SAOG Companies
	Board meeting	Last AGM		
Sheikh Braik Musallam Al Amri	5	Yes	4,000	0
Mr. Ahmed Salem Al Busaidi	1	Yes	800	0
Brigadier/ Said Khamis Al Ghaithi	4	No	3,200	0
Mr. Soren Sjostrand Jakobsen	5	Yes	4,000	0
Mr. Abdulmalik Abdulkareem Al Balushi	5	Yes	4,000	0
Mr. Muhsin Abdulmajeed bin Raja Al Rustom	1	No	800	0
Mr. Lars Mikael Jensen	5	Yes	4,000	0
Sheikh Saud Al Nahari	4	No	3,200	1
Dr. Hamdan Al Farsi	4	No	3,200	1

In accordance with the terms and conditions of the Management Agreement A. P. Moller Terminals & Co. LLC is the Manager of the Company with responsibility of operation and day-to-day management of the Company.

Board Committees

Audit Committee terms of reference:

Terms of reference of the Audit Committee are as per the guidelines set out by Financial Services Authority and include overseeing of financial reporting process, reviewing with the management the financial statements and adequacy of internal control system, reviewing the adequacy of internal audit function and discussion with Internal Auditor and external auditors on significant findings.

The members of the Audit Committee are governed by the provisions of liability stipulated in the Commercial Companies Law and the Executive Regulation for Public Joint Stock Companies without prejudice to their liabilities resulting from their membership of the Board of Directors. Following Directors are the members of the Audit Committee:

- Sheikh Saud Al Nahari - Chairman
- Brigadier/ Said Khamis Al Ghaithi
- Mr. Lars Mikael Jensen

The majority of the Audit Committee members are independent and have knowledge of risk management, governance, finance, accounts, company law and the shipping industry. The quorum for the audit committee is majority of independent directors of its membership are presented.

During the year 2025, Five Audit Committee meetings were held. Following is the number of meetings attended by each member.

Member	No. of meetings	Sitting fees (in RO)
Sheikh Saud Al Nahari	3	1,500
Brigadier/ Said Khamis Al Ghaithi	4	2,000
Mr. Lars Mikael Jensen	5	2,500
Mr. Ahmed Salem Al Busaidi	2	1,000

The Audit Committee reviews and recommends for Board's approval of the quarterly un-audited and annual audited financial statements. The Audit Committee, on behalf of the Board has regularly reviewed the internal control environment of the Company. They meet the internal auditor on a regular basis to review the internal audit reports, recommendations, and management comments thereupon. Audit Committee members have also met the external auditors to review audit findings and management letter. The Audit Committee has met the internal & external auditors in absence of Management as required under the code of Corporate Governance. The Audit Committee also briefs the Board about the effectiveness of internal controls in the Company. The Audit Committee and the Board are pleased to inform the shareholders that an adequate and effective internal control system is in place and that there are no significant concerns.

Tariff and Nomination and Remuneration Committee (TNRC):

TNRC has been established as a sub-committee of the board. This requirement is consistent with the Company's obligations under the Container Terminal and General Cargo Terminal Concession Agreements and Code of Corporate Governance for Public listed companies issued by Financial Services Authority Oman (the Code).

TNRC is responsible:

- For recommending all the guidelines for negotiating tariff rates with the customers of the container terminal facility and general cargo terminal facility (the "facility") taking into account, amongst other matters;
- The minimum rates imposed by the container terminal concession agreement;
- The service available to the customers;
- The rates payable in the competitive terminals; and
- The comparative cost advantages of the strategic location of the facility.
- Setting minimum levels of all charges, fees and levies to be paid by users of the port facility (excluding the facility) ("Port Charges")
- The committee aims to assist the board in selecting the appropriate and necessary executives for the executive management and other related matters as per the Code of corporate governance.

Following Directors are the members of TNRC:

- Mr. Lars Mikael Jensen - Chairman
- Mr. Abdulmalik Abdulkareem Al Balushi
- Dr. Hamdan Al Farsi
- Mr. Soren Sjostrand Jakobsen

During the year 2025, Three TNRC meetings were held on 18th February 2025, 12th August 2025 and 11th November 2025, as per details below:

Member	No of meetings	Sitting fees (in RO)
Mr. Lars Mikael Jensen – Chairman	3	1,500
Mr. Soren Sjostrand Jakobsen	3	1,500

Mr. Muhsin Abdulmajeed bin Raja Al Rustom	1	500
Mr. Abdulmalik Abdulkareem Al Balushi	3	1,500
Dr. Hamdan Al Farsi	2	1,000

Process for Nomination of Directors

In accordance with the amended Articles of Association of the company, all Directors must be voted on to the Board using the cumulative voting process.

General Shareholders' information

AGM: Date Time Venue	**15th March 2026** 3:00 PM Online (MCD electronic platform)
Financial Year	2025
Date of Book Closure	**31st December 2025**
Dividend payment date	The dividend, if approved by the shareholders, will be paid within the statutory time limit.
Listing on Stock Exchange	Muscat Stock Exchange
Registrar and share transfer agents	Muscat Clearing & Depository Company (SAOC)
Market Price data	See Table 1 below
Distribution of shareholders	See Table 2 below
Ten major shareholders	See Table 3 below
Port Location	Port Salalah, about 20 km west of Salalah, Dhofar, and Sultanate of Oman.
Address of correspondence	Salalah Port Services Co. SAOG P.O. Box 105, PC 118, Al Sarooj, Way No. 2601, Beach One Building, Fourth Floor, Office 401, Muscat, Sultanate of Oman

Table 1 – Market price data

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year 25
Shares price (RO)													
High	0.000	0.252	0.000	0.235	0.000	0.000	0.247	0.000	0.000	0.305	0.330	0.330	0.330
Low	0.000	0.252	0.000	0.235	0.000	0.000	0.247	0.000	0.000	0.305	0.330	0.330	0.330
Opening	0.000	0.252	0.000	0.235	0.000	0.000	0.247	0.000	0.000	0.305	0.330	0.330	0.330
Closing	0.252	0.252	0.235	0.235	0.252	0.250	0.247	0.247	0.247	0.305	0.330	0.330	0.330
Volume	2,592	2,278	2,097	330	5,365	465	3,225	9,538	36,125,441	159,779	3,710	1,105	36,315,925
Trade Value (RO)	653.2	574	292.8	77.5	1352	116.3	796.6	2355.9	8,922,983.9	48,732.6	1,224.3	364.65	11,984,255.3
Services Index													
Opening	1690.6	1633.6	1600.3	1533.6	1604.2	1598.4	1598.4	1966	2069.5	2251.4	2330	2403.5	2403.5
Closing	1,692.3	1632.9	1599.5	1538	1625.1	1599.4	1807.9	1958.3	2080.9	2268.7	2357.8	2405.2	2405.2

Table 2 – Distribution of shareholding as on 31 December 2025

No. of Equity Shares held	No. of Shares held	% of Total Shares	No. of shareholders	% of Total Shareholders
01-100	30,704	0.02%	651	52.38%
101-500	92,280	0.05%	388	30.90%
501-1,000	42,316	0.02%	53	4.28%
1,001-10,000	349,365	0.19%	105	7.84%
10,001-100,000	1,050,536	0.58%	32	2.69%
Above 100,000	178,272,199	99.13%	25	1.90%
GRAND TOTAL	**179,837,400**	**100%**	**1,254**	**100%**

Table 3 – Top 10 Shareholders as on 31 December 2025

S No	Name	No of Shares	Percentage%
1.	APM TERMINALS B V	54,180,000	30.127%
2.	ASYAD PORTS AND FREE ZONES LLC	36,120,000	20.085%
3.	HSBC Bank PLC - IB MAIN ACCOUNT	27,455,320	15.267%
4.	SOCIAL PROTECTION FUND	17,803,740	9.9%
5.	Dhofar International Development & Investment Co (SAOG)	10,790,244	6%
6.	QUANTUM EMEA FUND LTD	6,532,290	3.632%
7.	SOHAR INTERNATIONAL / TRUST 3	1,891,152	1.052%
8.	SOHAR INTERNATIONAL / TRUST 2	1,891,149	1.052%
8.	NBO AC TRUST 2	1,891,149	1.052%
8.	NBO A/C TRUST 3	1,891,149	1.052%
8.	NBO A/C TRUST 4	1,891,149	1.052%
8.	BM AMD / TRUST 4	1,891,149	1.052%
8.	NBO A/C TRUST 1	1,891,149	1.052%
9.	BM AMD / TRUST 2	1,848,000	1.028%
10.	BM AMD / TRUST 1	1,806,000	1.004%
10.	BM AMD / TRUST 3	1,806,000	1.004%
	Total	**171,579,640**	**95.411%**

Annual General Meeting/Extra-ordinary General meeting

The details of AGMs and EGMs held by the Company during the previous 10 years are as follows:

Financial Year	Meeting	Location	Date	Time
2015	AGM	Hilton, Salalah	28 March 2016	05.00 PM
2016	AGM	Hilton, Salalah	26 April 2017	03.00 PM
2017	AGM	Hilton, Salalah	22 March 2018	03.00 PM
2018	AGM	Hilton, Salalah	31 March 2019	03.00 PM
2019	AGM	Online	11 May 2020	02.00 PM
2020	AGM	Online	17 March 2021	05.00 PM
2021	AGM	Online/ Hilton Salalah	14 March 2022	03:00 PM
2022	OGM	Online	2 November 2022	03:00 PM
2023	AGM	Online	23 March 2023	05:00 PM
2024	AGM	Online	21 March 2024	03:00 PM
2025	AGM	Online	20 March 2025	03:00 PM

The shareholders passed all the resolution set out in the respective notices.

Communication with shareholders and investors

- Initial Unaudited Unapproved quarterly results are disclosed at Muscat Stock Exchange website within 15 days of closure of quarter as per stipulated guidelines.
- The quarterly and annual results were published in local newspaper both in Arabic as well in English. These results can be obtained by shareholders either from our website https://www.salalahport.com.om/ or from MSX website.
- The Company made Two discussion session on MSX to the investors and analysts during the year 2025. The First session was on 26 March 2025 on the Financial Statements for the Year Ended 31st December 2024. The Second session was on 3 September 2025 on H1 unaudited financial results for the period ended 30th June 2025.
- Management Discussion & Analysis Report forms part of the Annual Report.
- The Board appointed Mr. Mohammed Aufait Al Mashani as the Investors Relation Officer, who can be reached through different channels i.e. telephone, email and Company website.

Remuneration

Details of the remuneration to Directors:

The remuneration proposed to pay to the members of the Board, besides sitting fees is ﷼21,428.57 per member to 7 members as proportionate to their period as Board Member, totaling to ﷼150,000 for the year 2025 (Year 2024 – ﷼ 150,000).

Details of the remuneration paid to top 5 officers:

During the year 2025 gross salary and compensation paid to top 5 executives of the Company including variable components is ﷼570,394 (Year 2024 – ﷼652,946).

The remuneration paid to the officers is commensurate with the role, responsibilities and skills required for the position based on a well laid down policy and process for determining remuneration linked with performance.

Professional Profile of Statutory Auditor

KPMG Profile for Corporate Governance Reports for YE 2025

The shareholders of the Company appointed KPMG as its auditors for 2025. KPMG LLC has been operating in Oman since 1974 and is part of KPMG Lower Gulf Limited. KPMG in Oman employs more than 180 people, amongst whom are six partners and five other engagement leaders, including Omani nationals. KPMG is a global network of professional services firms providing Audit, Tax and Advisory services. It operates in 138 countries and territories and have 276,000 people working in member firms around the world. KPMG LLC and KPMG Lower Gulf Limited are member firms of the KPMG global organization of independent member firms affiliated with KPMG International Limited.

The remuneration paid to auditors for the year 2025, which amounts to ﷼28,000 for the audit services and ﷼11,951 for non-assurance services, which includes ﷼1,000 for agreed-upon procedures and ﷼10,951 for tax-related services.

Compliances

Details of noncompliance by the Company, penalties, and strictures imposed on the Company by Muscat Stock Exchange or Financial Services Authority or any statutory authority, on any matter related to Capital Markets, during last three years:

Year	Particulars
2023	None
2024	None
2025	None

MOTCIT fine of (₾190,000 – ₾400,000 before 50% waiver and cancelation of ₾10,000) was imposed on the Company during the year 2023, for noncompliance with Marine certification requirements. The Company paid 30% of the fine to MOTCIT and awaiting MOF response to the Company's request to waive the remaining amount of fine.

On behalf of the Board of Directors, it is confirmed that:

- The Financial Statements have been prepared in accordance with applicable standards and rules.
- The Board reviews the efficiency and adequacy of internal control procedures of the company.
- There are no material events that affect continuation of the company and its ability to continue its operations during the next financial year.

Salalah Port Services Co. (S.A.O.G.)
P.O.Box : 105, P.C.: 118
A SAROOJ
BEACH ONE BUILDING
MUSCAT, SULTANATE OF OMAN
Tel.: +968 24050888
Fax: +968 24508736
C.R. No.: 2/127814
Tax Card No.8084628
TIN.50499

Braik Musallam Al Amri

Chairman of Board of Directors

18 February 2026



Management Discussion and Analysis 2025

Management Discussion and Analysis Report

Business Performance 2025



Container Terminal (CT)

The container terminal successfully navigated a challenging operating environment in 2025, shaped by geopolitical tensions, economic uncertainties, and global trade route disruptions stemming from the Red Sea crisis.

The rerouting of global cargo flows via the Cape of Good Hope continued in 2025. Despite this backdrop, the terminal delivered a solid performance, achieving a 31% year-on-year increase in TEU throughput compared to 2024. This growth was underpinned by the on-schedule completion of the Container Terminal Upgrade Project in Q1 2025, which enhanced both capacity and capabilities.

The Gemini cooperation between Maersk and Hapag-Lloyd continued to generate incremental volumes, strengthening SPS's market position and reinforcing SPS's role as a critical hub for regional and global trade.

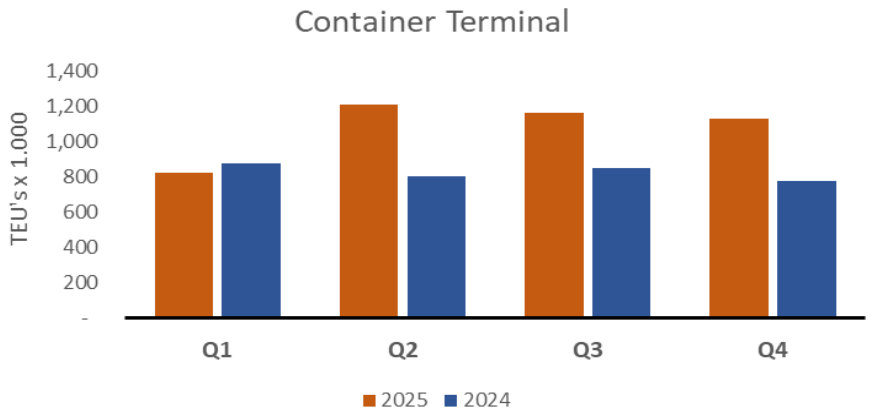
General Cargo Terminal (GCT)

GCT achieved record volumes of 26.4 million metric tons (MMT), marking a 17% year-on-year growth driven by strong dry bulk volumes.

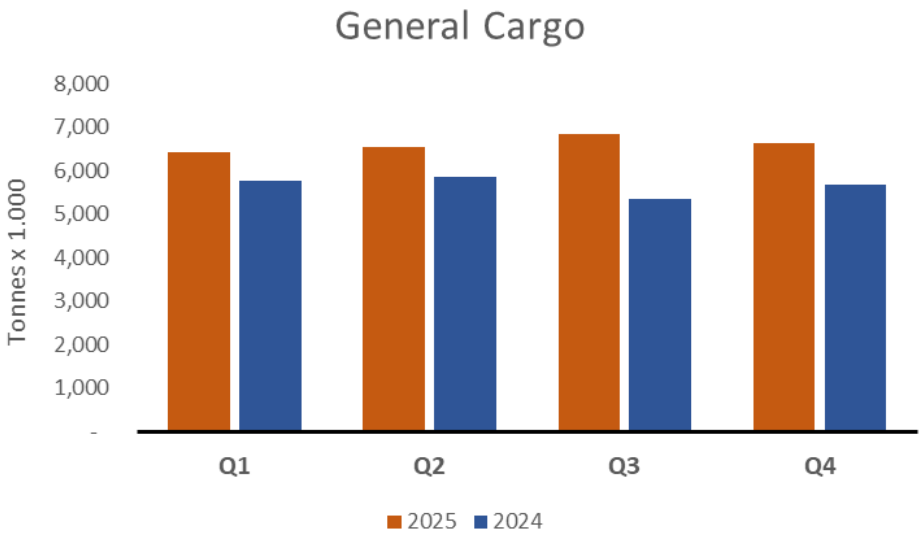
GCT delivered strong growth and operational performance through close collaboration with Customers amid equipment challenges. Investment in 2 Mobile Harbour cranes (scheduled to be delivered in Q1) is made to support GCT volumes which are expected to remain strong in 2026.

Volumes

- **CT:** 4.3 M TEU (2024: 3.3 M TEU), a **31%** Y-O-Y increase.



- **GCT:** 26.4 MMT (2024: 22.6 MMT), a **17%** Y-O-Y increase.



Safety

SPS prioritizes health, safety, security, and environmental (HSSE) standards under its "SAFETY FOR LIFE" initiative, embedding safe work practices, training, PPE compliance, and emergency preparedness across operations.

In 2025, SPS recorded four High Potential (HIPO) incidents and six Lost Time Injuries (LTIs), which is higher that 2024. All incidents were thoroughly investigated, with corrective actions implemented under senior management oversight. In response, greater emphasis was placed on preventive, rule-based controls and strengthening systematic risk management, moving away from reliance on ad-hoc interventions.

SPS has implemented numerous Safety Kaizens focused on Fatal5 risks, including Pedestrian Safety, Transportation, and Safe Lifting. Risk mitigation efforts will continue across the port in 2026 based on defined risk priorities, with particular focus on improving lashing safety and high-exposure activities.

Human Resources & Training

At year-end, SPS employed 2,809 staff. Omanis account for 74% of the skilled workforce. The company is committed to employee development through on-the-job training, university study course facilitation, Tamkeen leadership development program, and training provided by in-house experts.

Developing a performance-driven culture and strong work ethic amongst all employees is a strategic priority of Management and this will continue into 2026.

SPS has enhanced employee welfare by improving health insurance coverage, accommodation, and food services.

Financial performance

SPS reported consolidated revenue of 89.4 M (2024: 70.0M), a 28% increase driven by CT & GCT volume growth. It is noteworthy that SPS has a guaranteed volume commitment from Maersk, and the penalty for shortfall in 2025 is recognized in this revenue.

- **EBITDA:** 27.8M (2024: 15.6M), with an improved margin of 31% (2024: 22%) driven by volume growth across segments and cost control measures.
- **Net Profit:** 7.3M (2024: 2.3M) driven by volume growth and prudent cost management.

Internal Controls

SPS maintains robust internal control systems and processes to ensure effective and efficient operations, financial control, and compliance with laws and regulations. Management receives feedback from reports issued by Internal Audit and Statutory Auditors regarding the adequacy of internal controls and takes measures to address any weaknesses identified.

The company follows a defined authority manual and established processes across the organization.

Outlook

Container volumes: Management is in close discussion with Maersk and Hapag Lloyd to optimize volumes through Salalah and increase utilization. We target a progressive increase in monthly throughput as networks shift back to the Red Sea route. Salalah's strategic position and high productivity are competitive advantages here.

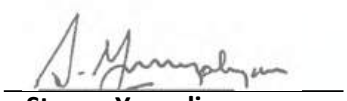
GCT volume: 2026 outlook remains positive, driven by a strong dry bulk segment and increasing capacity. The liquid and break-bulk business is expected to remain at present levels.

The Company is engaged in discussion with the government of Oman on extending the concession which is due to expire 2028 November 1st.

Conclusion

SPS management wishes to express sincere appreciation to Employees, Customers, Suppliers, and the Government of Oman for making 2025 a successful year for SPS. Management also extends gratitude to the SPS Board of Directors for providing strategic direction, guidance and support in 2025.

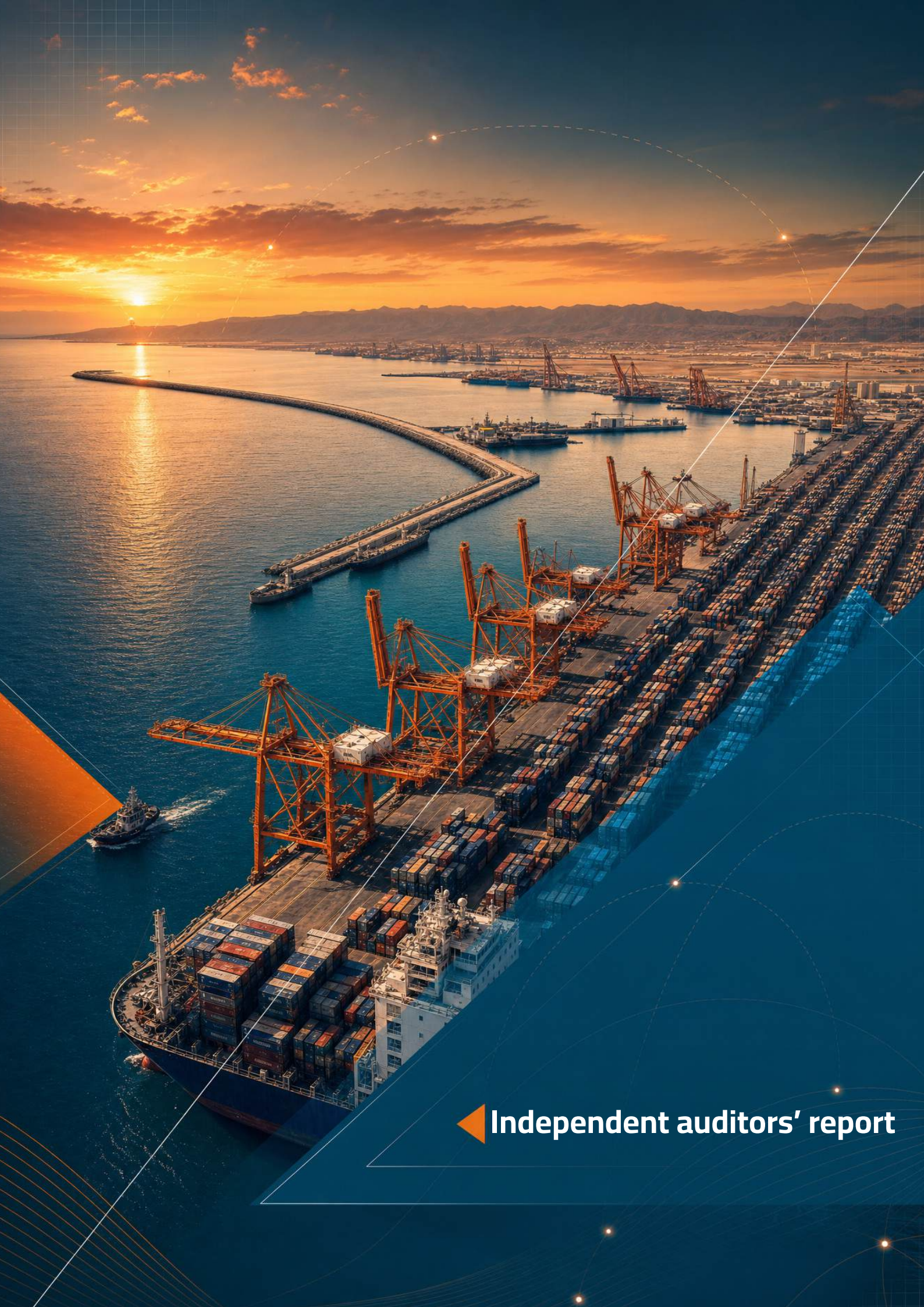
We look forward to further developing Salalah Port Services in 2026 and beyond.



Steven Yoogalingam

Chief Executive Officer

18 February 2026



Independent auditors' report

KPMG LLC
Children's Public Library Building
4th Floor, Shatti Al Qurum
P O Box 641, PC 112
Sultanate of Oman
Tel. +968 24 749600, www.kpmg.com/om

Independent auditors' report

To the Shareholders of Salalah Port Services Company SAOG

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Salalah Port Services Company SAOG ("the Parent Company") and its subsidiary ("the Group"), which comprise the consolidated and separate statement of financial position as at 31 December 2025, the consolidated and separate 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 and separate financial statements present fairly, in all material respects, the consolidated and unconsolidated financial position of the Group and the Parent Company as at 31 December 2025, and its consolidated and unconsolidated financial performance and its consolidated and unconsolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

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 *Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report. We are independent of the Group and the Parent Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in the Sultanate of Oman. We have also 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 and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Continued on page 2

© 2026 KPMG LLC, an Omani limited liability company and a subsidiary of KPMG Lower Gulf Limited, a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. KPMG LLC is registered and licensed under the laws of Sultanate of Oman (CR No. 1358131, Tax Card No. 8063052).

Continued from page 1

Key Audit Matters (continued)

Revenue Recognition

Refer to note 4(c) and note 5 to the consolidated and separate financial statements.

The key audit matter	How the matter was addressed in our audit
The Group and the Parent Company is primarily engaged in leasing, equipping, operating, and managing Container Terminal and General Cargo Terminal facilities in Salalah, Sultanate of Oman. Revenue is recognized from various streams such as stevedoring, marine, yard and other services. The Group and the Parent Company reported total revenues of ﷼ 89,390 thousand and ﷼ 89,325 thousand (USD 232,421 thousand and USD 232,259 thousand) respectively for the year ended 31 December 2025 (31 December 2024: ﷼ 69,984 thousand and ﷼ 69,919 thousand) (USD 181,958 thousand and USD 181,790 thousand) for both the Group and the Parent Company. The Group focuses on revenue as a key performance measure and as a driver for growth and expansion. Revenue is material and important to determine Group's profitability. Due to magnitude of the amount, revenue streams, high volume of transactions we assessed revenue recognition as a key audit matter.	Our audit procedures included the following: – We obtained an understanding of the Group and the Parent Company's revenue processes and identifying the relevant controls, including performance of end-to-end walkthroughs. – We evaluated the design and implementation and tested the operating effectiveness of relevant controls related to the revenue processes. – We assessed the appropriateness of the revenue recognition accounting policy and related disclosures by comparing them with the requirements of International Financial Reporting Standards ("IFRS"). – We performed the following substantive audit procedures: • Test of details on a sample basis by inspecting the relevant supporting documents of the recorded revenue transactions for the year ended 31 December 2025. • Revenue cut-off procedures on a sample basis by inspecting the relevant supporting documents to test whether revenue is recorded in the appropriate period. • Obtain direct confirmation from one of the Group's and Parent's major customers ("Customer") on the total revenue transactions recorded during the year ended 31 December 2025.

Other Information

Management is responsible for the other information. The other information comprises the Director's report, the Corporate Governance Report and Management Discussion and Analysis Report.

Continued on page 3

© 2026 KPMG LLC, an Omani limited liability company and a subsidiary of KPMG Lower Gulf Limited, a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. KPMG LLC is registered and licensed under the laws of Sultanate of Oman (CR No. 1358131, Tax Card No. 8063052).

KPMG

Continued from page 2

Other Information (continued)

Our opinion on the consolidated and separate 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 and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate 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 and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards and their preparation in compliance with the relevant requirements of the Financial Services Authority and the applicable provisions of the Commercial Companies Law of 2019, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

Those Charged with Governance are responsible for overseeing the Group or the Parent Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 and separate 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 and separate 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 and the Parent Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Continued on page 4

© 2026 KPMG LLC, an Omani limited liability company and a subsidiary of KPMG Lower Gulf Limited, a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. KPMG LLC is registered and licensed under the laws of Sultanate of Oman (CR No. 1358131, Tax Card No. 8063052).

KPMG

Continued from page 3

Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements (continued)

— 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 or the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated and separate 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 auditors' report. However, future events or conditions may cause the Group's or the Parent Company to cease to continue as a going concern.

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

— Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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

Further, we report that these financial statements as at and for the year ended 31 December 2025, comply, in all material respects, with the:

- relevant requirements of the Financial Services Authority; and
- applicable provisions of the Commercial Companies Law of 2019.

KPMG
KPMG LLC
Children's Public Library Building
4th floor, Shatti Al Qurum
P.O Box 641, PC 112
Sultanate of Oman
CR.No: 1358131

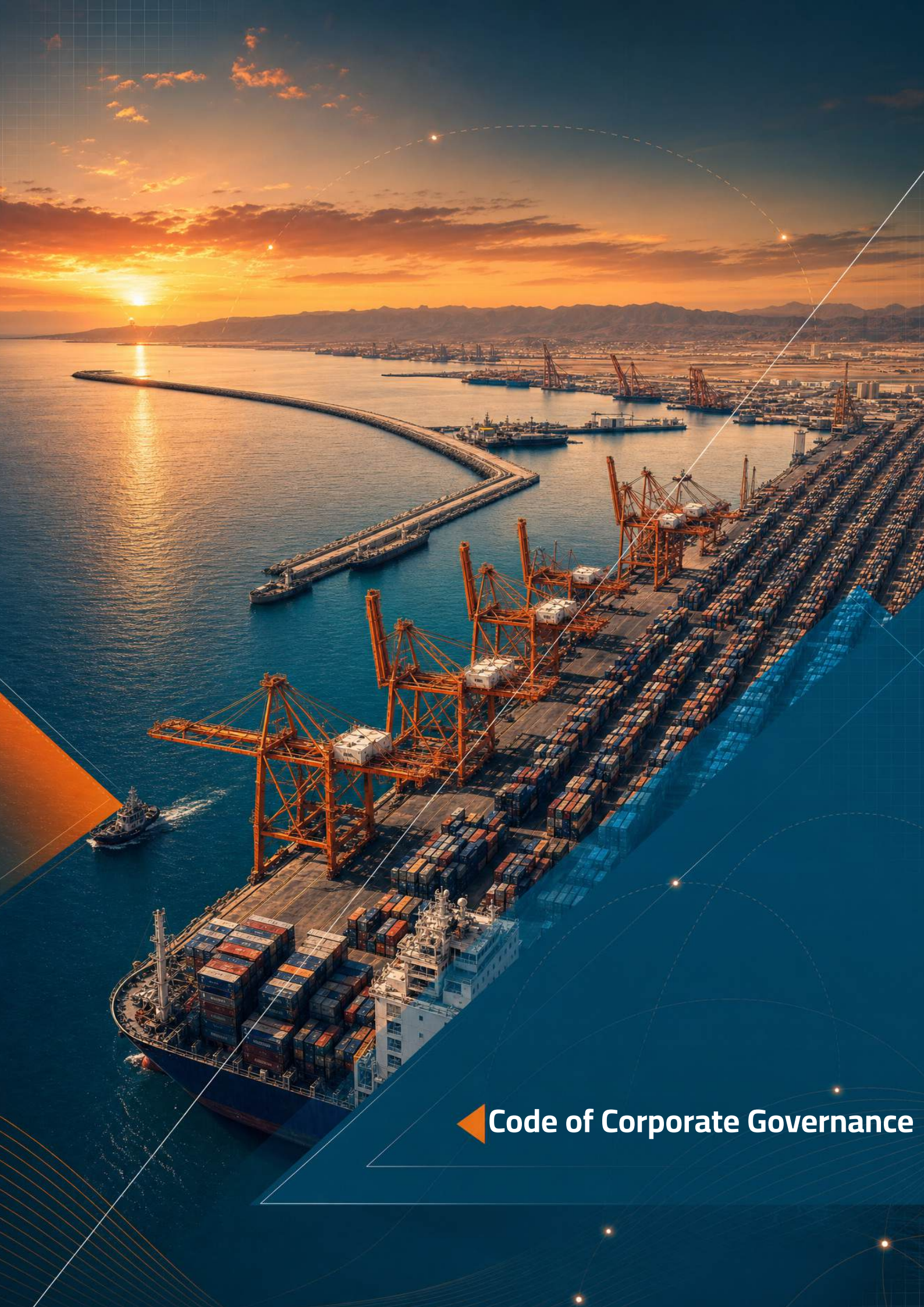
KPMG

Mobeen Chaudhri

18 February 2026

KPMG LLC

© 2026 KPMG LLC, an Omani limited liability company and a subsidiary of KPMG Lower Gulf Limited, a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. KPMG LLC is registered and licensed under the laws of Sultanate of Oman (CR No. 1358131, Tax Card No. 8063052).



Code of Corporate Governance

KPMG LLC
Children's Public Library Building
4th Floor, Shatti Al Qurum
P O Box 641, PC 112
Sultanate of Oman
Tel. +968 24 749600, www.kpmg.com/om

Private and confidential
Our ref.: aud/mc/aa/25091/26

Agreed-upon procedures on Code of Corporate Governance ("the Code") of Salalah Port Services Company SAOG

To the Board of Directors of Salalah Port Services Company SAOG

Purpose of this Agreed-Upon Procedures Report and Restriction on Use and Distribution

Our report is solely for the purpose of assisting the Salalah Port Services Company SAOG for submission of agreed upon procedures report on the compliance with the Code of Corporate Governance (the "Code") to the Financial Services Authority ("FSA") to assist in compliance of requirements prescribed in the FSA Circular No. E/10/2016 dated 1 December 2016 (together the "Governance Code") and may not be suitable for another purpose. This report is intended solely for the Salalah Port Services Company SAOG and the intended users and should not be used by, or distributed to, any other parties.

Responsibilities of the Salalah Port Services Company SAOG

The Board of Directors has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement.

The Management of Salalah Port Services Company SAOG is responsible for the accuracy and completeness of the subject matter on which the agreed-upon procedures are performed.

Practitioners' Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with the International Standard on Related Services (ISRS) 4400 (Revised), *Agreed-Upon Procedures Engagements*. An agreed-upon procedures engagement involves our performing the procedures that have been agreed with Salalah Port Services Company SAOG , and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion.

© 2026 KPMG LLC, an Omani limited liability company and a subsidiary of KPMG Lower Gulf Limited, a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. KPMG LLC is registered and licensed under the laws of Sultanate of Oman (CR No. 1358131, Tax Card No. 8063052).

Practitioners' Responsibilities (continued)

Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Professional Ethics and Quality Management

We have complied with the relevant ethical requirements including independence requirements of International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) issued by the International Ethical Standards Board for Accountants.

Our firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Procedures and Findings

We have performed the procedures described below, which were agreed upon with Salalah Port Services Company SAOG in the terms of engagement dated 16 February 2026, on the compliance with the Code:

S. No	Procedures	Findings
(a)	We checked that the corporate governance report (the report) issued by the Board of Directors includes as a minimum, all items suggested by FSA to be covered by the report as detailed in the Annexure 3 of the Code by comparing the report with such suggested content in the Annexure 3	No exceptions noted.
(b)	We obtained the details regarding areas of non-compliance with the Code identified by the Company's Board of Directors for the year ended 31 December 2025. With respect to procedure above, we inquired from and obtained written representation from management and those charged with governance for non-compliance with the Code for the year ended 31 December 2025.	No non-compliance with the Code noted during the year.

This report relates only to the items specified above and does not extend to the Company's financial statements taken as a whole.

KPMG

KPMG LLC
Children's Public Library Building
4th Floor, Shatti Al Qurum
P.O Box 641 PC 112
Sultanate of Oman
CR.No: 1358131

KPMG LLC
Date: 18 February 2026
Muscat, Sultanate of Oman

© 2026 KPMG LLC, an Omani limited liability company and a subsidiary of KPMG Lower Gulf Limited, a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. KPMG LLC is registered and licensed under the laws of Sultanate of Oman (CR No. 1358131, Tax Card No. 8063052).



Audited Consolidated and Separate Financial Statements

SALALAH PORT SERVICES COMPANY SAOG

Consolidated and separate statement of profit or loss and other comprehensive income

For the year ended 31 December

Parent Company		Consolidated				Parent Company		Consolidated	
2024 US $'000	**2025 *US $'000**	2024 US$'000	**2025 US $'000**		*Note*	**2025 ﷼'000**	2024 ﷼'000	**2025 ﷼'000**	2024 ﷼'000
181,790	**232,259**	181,958	**232,421**	Revenue	*5*	**89,325**	69,919	**89,390**	69,984
(133,067)	**(151,284)**	(133,075)	**(151,297)**	Direct operating costs	*6*	**(58,187)**	(51,179)	**(58,192)**	(51,182)
(22,067)	**(35,019)**	(22,113)	**(35,062)**	Other operating expenses	*7*	**(13,468)**	(8,486)	**(13,485)**	(8,504)
(22,281)	**(23,630)**	(22,291)	**(23,637)**	Administration and general expenses	*8*	**(9,088)**	(8,571)	**(9,090)**	(8,575)
(175)	**(10)**	(175)	**(10)**	Net impairment charge on financial assets	*22.(i)(c)*	**(4)**	(68)	**(4)**	(68)
1,131	**1,164**	1,131	**1,164**	Other Income	*9*	**448**	435	**448**	435
5,331	**23,480**	5,435	**23,579**	**Operating profit**		**9,026**	2,050	**9,067**	2,090
4,617	**4,151**	4,617	**4,151**	Finance income	*10*	**1,597**	1,776	**1,597**	1,776
(3,052)	**(5,398)**	(3,055)	**(5,401)**	Finance cost	*10*	**(2,076)**	(1,174)	**(2,077)**	(1,175)
6,896	**22,233**	6,997	**22,329**	**Profit before tax**		**8,547**	2,652	**8,587**	2,691
(1,114)	**(3,363)**	(1,130)	**(3,363)**	Income tax expense	*12*	**(1,293)**	(428)	**(1,293)**	(434)
5,782	**18,870**	5,867	**18,966**	**Profit for the year**		**7,254**	2,224	**7,294**	2,257
-	**-**	-	**-**	Other comprehensive income for the period, net of tax		**-**	-	**-**	-
5,782	**18,870**	5,867	**18,966**	**Total comprehensive income for the year**		**7,254**	2,224	**7,294**	2,257
				Profit attributable to:					
5,782	**18,870**	5,867	**18,966**	Equity holders of the parent		**7,254**	2,224	**7,294**	2,257
				Total comprehensive income attributable to:					
5,782	**18,870**	5,867	**18,966**	Equity holders of the parent		**7,254**	2,224	**7,294**	2,257
5,782	**18,870**	5,867	**18,966**			**7,254**	2,224	**7,294**	2,257
0.031	**0.105**	0.034	**0.105**	**Basic and diluted earnings per share (US $ / ﷼)**	*16*	**0.040**	0.012	**0.041**	0.013

The attached notes 1 to 24 form part of these consolidated and separate financial statements.

*Please refer note 4(b)

SALALAH PORT SERVICES COMPANY SAOG

Consolidated and separate statement of financial position

As at 31 December

Parent Company		Consolidated				Parent Company		Consolidated	
2024 US $'000	**2025 *US $'000**	2024 US $'000	**2025 US $'000**		*Note*	**2025 ﷼'000**	2024 ﷼'000	**2025 ﷼'000**	2024 ﷼'000
				ASSETS					
168,493	**143,718**	168,631	**143,828**	Property and equipment	13.a	**55,278**	64,807	**55,320**	64,860
58,583	**37,429**	58,627	**37,461**	Right-of-use assets	13.b.(i)	**14,394**	22,531	**14,406**	22,548
2,596	**3,629**	2,596	**3,629**	Intangible assets	13.c	**1,396**	998	**1,396**	998
546	**546**	-	**-**	Investment in a subsidiary	13.d	**210**	210	**-**	-
49,400	**-**	49,400	**-**	Long-term deposits	13.e	**-**	19,000	**-**	19,000
279,618	**185,322**	279,254	**184,918**	**Non-current assets**		**71,278**	107,546	**71,122**	107,406
6,251	**8,244**	6,251	**8,244**	Inventories	13.f	**3,171**	2,404	**3,171**	2,404
13,596	**5,851**	13,596	**5,851**	Other current assets	13.g	**2,250**	5,229	**2,250**	5,229
16,048	**22,018**	16,048	**22,018**	Trade receivables	14.a	**8,469**	6,172	**8,469**	6,172
14,612	**16,967**	14,612	**16,967**	Other financial assets at amortised cost	14.b	**6,525**	5,619	**6,525**	5,619
25,601	**72,398**	25,601	**72,398**	Short term deposits	14.c	**27,846**	9,846	**27,846**	9,846
5,552	**53,744**	5,552	**53,744**	Cash and cash equivalents	14.d	**20,671**	2,136	**20,671**	2,136
81,660	**179,222**	81,660	**179,222**	**Current assets**		**68,932**	31,406	**68,932**	31,406
361,278	**364,544**	360,914	**364,140**	**Total assets**		**140,210**	138,952	**140,054**	138,812
				EQUITY					
46,758	**46,758**	46,758	**46,758**	Share capital	15.a	**17,984**	17,984	**17,984**	17,984
7,666	**7,666**	7,666	**7,666**	Share premium	15.b	**2,949**	2,949	**2,949**	2,949
15,584	**15,584**	15,681	**15,691**	Legal reserve	15.c	**5,994**	5,994	**6,035**	6,031
126,607	**140,801**	127,006	**141,296**	Retained earnings		**54,154**	48,698	**54,345**	48,849
196,615	**210,809**	197,111	**211,411**	Equity attributable to equity holders of the parent company		**81,081**	75,625	**81,313**	75,813
196,615	**210,809**	197,111	**211,411**	**Total equity**		**81,081**	75,625	**81,313**	75,813
				LIABILITIES					
57,662	**37,290**	57,697	**37,315**	Lease liabilities	13.b.*(iv)*	**14,342**	22,177	**14,353**	22,192
13,634	**14,366**	13,634	**14,366**	Employees' end of service benefits	13.h	**5,525**	5,244	**5,525**	5,244
6,830	**3,200**	6,818	**3,185**	Deferred tax liability	12.d	**1,231**	2,627	**1,225**	2,622
78,126	**54,856**	78,149	**54,866**	**Non-current liabilities**		**21,098**	30,048	**21,103**	30,058
11,837	**16,001**	11,849	**16,014**	Lease liabilities	13.b.*(iv)*	**6,154**	4,553	**6,159**	4,557
71,050	**75,913**	70,139	**74,865**	Trade and other payables	14.e	**29,198**	27,323	**28,793**	26,975
3,650	**6,965**	3,666	**6,984**	Current tax liabilities	12.a	**2,679**	1,403	**2,686**	1,409
86,537	**98,879**	85,654	**97,863**	**Current liabilities**		**38,031**	33,279	**37,638**	32,941
164,663	**153,735**	163,803	**152,729**	**Total liabilities**		**59,129**	63,327	**58,741**	62,999
361,278	**364,544**	360,914	**364,140**	**Total equity & liabilities**		**140,210**	138,952	**140,054**	138,812
1.095	**1.172**	1.097	**1.176**	**Net assets per share (US$ / ﷼)**	18	**0.451**	0.421	**0.452**	0.422

These audited consolidated and separate financial statements were approved and authorised for issue by the Board of Directors 18th February 2026 and were signed on its behalf by:

Chairman	Chief Executive Officer	Chief Financial Officer
		Bart van de Graaf

The attached notes 1 to 24 form part of these consolidated and separate financial statements.

SALALAH PORT SERVICES COMPANY SAOG

Consolidated statement of changes in equity

For the year ended 31 December 2025

	Attributable to equity shareholders of the Company				
	Share capital ﷼'000	Share premium ﷼'000	Legal reserve ﷼'000	Retained earnings ﷼'000	Total ﷼'000
At 1 January 2024	17,984	2,949	6,025	48,390	75,348
Profit for the year	-	-	-	2,257	2,257
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	2,257	2,257
Transfer from subsidiary's legal reserve	-	-	6	-	6
Transactions with owners, recorded directly in equity					
Dividend paid (note 17)	-	-	-	(1,798)	(1,798)
31 December 2024	17,984	2,949	6,031	48,849	75,813
At 1 January 2025	**17,984**	**2,949**	**6,031**	**48,849**	**75,813**
Profit for the year	-	-	-	7,294	7,294
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	7,294	7,294
Transfer from subsidiary's legal reserve	-	-	4	-	4
Transactions with owners, recorded directly in equity					
Dividend paid (note 17)	-	-	-	(1,798)	(1,798)
31 December 2025	**17,984**	**2,949**	**6,035**	**54,345**	**81,313**

	Attributable to equity shareholders of the Company				
	Share capital *US $ '000	Share premium US $ '000	Legal reserve US $ '000	Retained earnings US $ '000	Total US $ '000
At 1 January 2024	46,758	7,666	15,665	125,815	195,904
Profit for the year	-	-	-	5,867	5,867
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	5,867	5,867
Transfer from subsidiary's legal reserve	-	-	16	-	16
Transactions with owners, recorded directly in equity					
Dividend paid (note 17)	-	-	-	(4,676)	(4,676)
At 31 December 2024	46,758	7,666	15,681	127,006	197,111
At 1 January 2025	**46,758**	**7,666**	**15,681**	**127,006**	**197,111**
Profit for the year	-	-	-	18,966	18,966
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	18,966	18,966
Transfer from subsidiary's legal reserve	-	-	10	-	10
Transactions with owners, recorded directly in equity					
Dividend paid (note 17)	-	-	-	(4,676)	(4,676)
At 31 December 2025	**46,758**	**7,666**	**15,691**	**141,296**	**211,411**

The attached notes 1 to 24 form part of these consolidated and separate financial statements.

SALALAH PORT SERVICES COMPANY SAOG

Separate statement of changes in equity

For the year ended 31 December 2025

	Share capital ﷼'000	Share premium ﷼'000	Legal reserve ﷼'000	Retained earnings ﷼'000	Total ﷼'000
At 1 January 2024	17,984	2,949	5,994	48,272	75,199
Profit for the year	-	-	-	2,224	2,224
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	2,224	2,224
Transactions with owners, recorded directly in equity					
Dividend paid (note 17)	-	-	-	(1,798)	(1,798)
At 31 December 2024	17,984	2,949	5,994	48,698	75,625
At 1 January 2025	**17,984**	**2,949**	**5,994**	**48,698**	**75,625**
Profit for the year	-	-	-	7,254	7,254
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	**-**	**-**	**-**	**7,254**	**7,254**
Transactions with owners, recorded directly in equity					
Dividend paid (note 17)	-	-	-	(1,798)	(1,798)
At 31 December 2025	**17,984**	**2,949**	**5,994**	**54,154**	**81,081**

	Share capital *US $ '000	Share premium US $ '000	Legal reserve US $ '000	Retained earnings US $ '000	Total US $ '000
At 1 January 2024	46,758	7,666	15,584	125,501	195,509
Profit for the year	-	-	-	5,782	5,782
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	5,782	5,782
Transactions with owners, recorded directly in equity					
Dividend paid (note 17)	-	-	-	(4,676)	(4,676)
At 31 December 2024	46,758	7,666	15,584	126,607	196,615
At 1 January 2025	**46,758**	**7,666**	**15,584**	**126,607**	**196,615**
Profit for the year	-	-	-	18,870	18,870
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	18,870	18,870
Transactions with owners, recorded directly in equity					
Dividend paid (note 17)	-	-	-	(4,676)	(4,676)
At 31 December 2025	**46,758**	**7,666**	**15,584**	**140,801**	**210,809**

The attached notes 1 to 24 form part of these consolidated and separate financial statements.

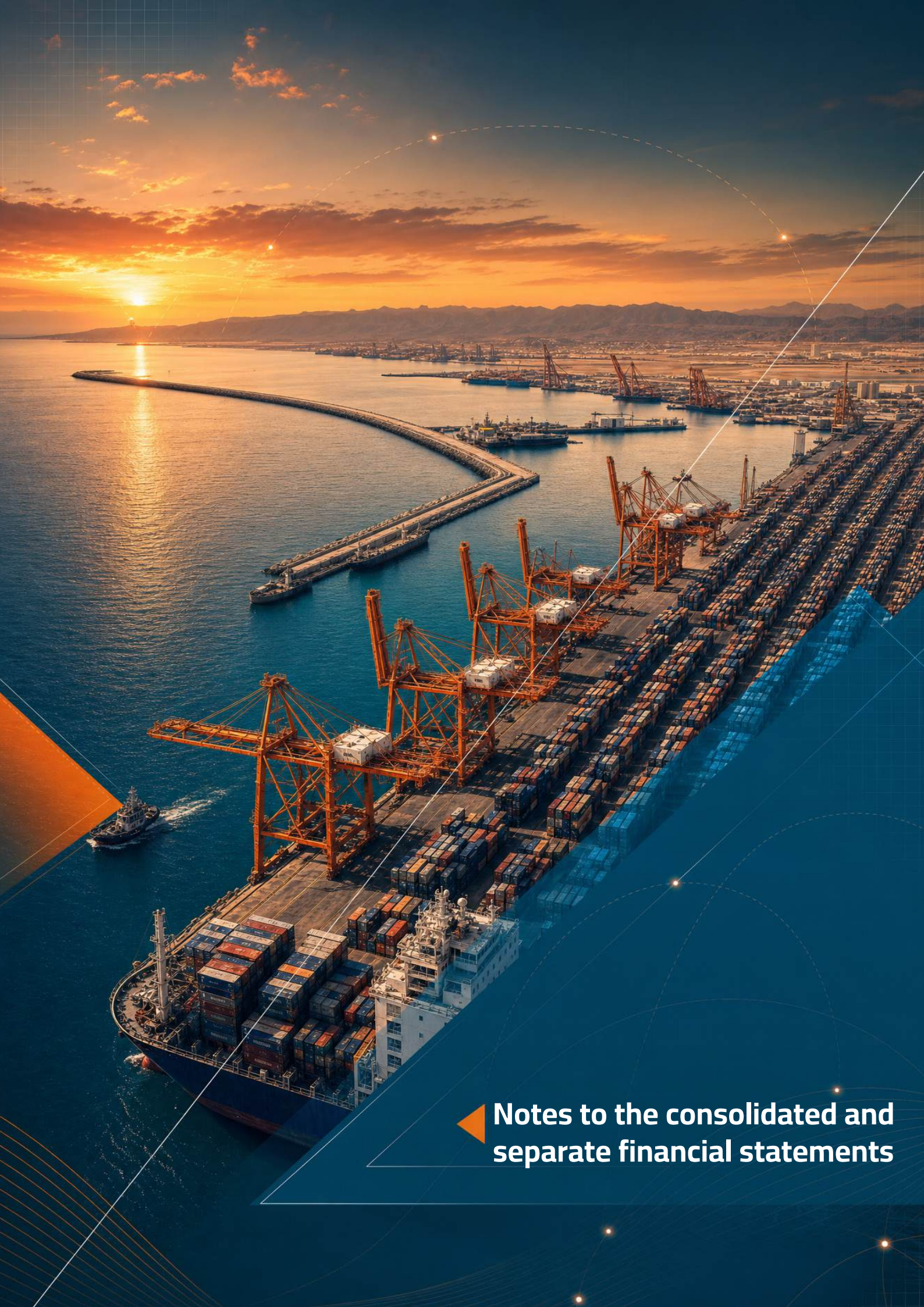
SALALAH PORT SERVICES COMPANY SAOG

Consolidated and separate statement of cash flows

For the year ended 31 December

Parent Company		Consolidated				Parent Company		Consolidated	
2024 US '000	2025 *US '000	2024 US $'000	2025 US $'000		Notes	2025 ﷼'000	2024 ﷼'000	2025 ﷼'000	2024 ﷼'000
				Cashflows from operating activities					
6,896	22,233	6,997	22,329	**Profit before tax**		8,547	2,652	8,587	2,691
				Adjustments for:					
26,291	34,667	26,320	34,695	Depreciation and amortisation	13.a,c	13,333	10,111	13,344	10,122
8,905	14,067	8,913	14,079	Depreciation on right-of-use asset	13.b	5,411	3,426	5,416	3,429
1,747	1,839	1,747	1,839	Provision for employees' end of service benefits	13.h	707	672	707	672
175	10	175	10	Net impairment charge on financial assets	22.i.c	4	68	4	68
900	731	900	731	Inventory obsolescence	8	281	346	281	346
-	(3)	-	(3)	Unrealised foreign exchange loss, net		(1)	-	(1)	-
(40)	-	(40)	-	Gain on sale of property, plant & equipment	9	-	(15)	-	(15)
(4,504)	(4,151)	(4,504)	(4,151)	Finance income	10	(1,597)	(1,732)	(1,597)	(1,732)
3,052	5,398	3,055	5,401	Finance cost	10	2,076	1,174	2,077	1,175
43,422	74,791	43,563	74,930			28,761	16,702	28,818	16,756
				Changes in:					
(207)	(2,725)	(207)	(2,725)	Inventories		(1,048)	(80)	(1,048)	(80)
(6,146)	7,746	(6,146)	7,746	Other current assets		2,979	(2,364)	2,979	(2,364)
(2,787)	(5,974)	(2,787)	(5,974)	Trade receivables		(2,298)	(1,072)	(2,298)	(1,072)
(9,640)	(2,356)	(9,640)	(2,356)	Other financial assets at amortised cost		(906)	(3,708)	(906)	(3,708)
4,154	4,861	4,032	4,733	Trade and other payables		1,873	1,599	1,820	1,522
28,796	76,343	28,815	76,354	**Cash generated from operating activities**		29,361	11,077	29,365	11,084
(2,295)	(3,678)	(2,295)	(3,678)	Income tax paid	12	(1,413)	(883)	(1,413)	(883)
(1,152)	(1,107)	(1,152)	(1,107)	Employees' end of service benefits paid	13.h	(426)	(443)	(426)	(443)
25,349	71,558	25,368	71,569	**Net cash from operating activities**		27,522	9,751	27,526	9,758
				Cashflows from investing activities					
(33,368)	(10,925)	(33,368)	(10,925)	Acquisition of property and equipment		(4,202)	(12,834)	(4,202)	(12,834)
40	-	40	-	Proceeds from sale of property and equipment		-	15	-	15
4,504	4,151	4,504	4,151	Interest received		1,597	1,732	1,597	1,732
-	49,400	-	49,400	Proceeds from long-term deposits		19,000	-	19,000	-
30,601	25,601	30,601	25,601	Proceeds from short-term deposits		9,846	11,769	9,846	11,769
(25,601)	(72,398)	(25,601)	(72,398)	Purchase of short-term deposits		(27,846)	(9,846)	(27,846)	(9,846)
(23,824)	(4,171)	(23,824)	(4,171)	**Net cash used in investing activities**		(1,605)	(9,164)	(1,605)	(9,164)
				Cashflows from financing activities					
(4,676)	(4,676)	(4,676)	(4,676)	Dividend paid	17	(1,798)	(1,798)	(1,798)	(1,798)
(2,490)	(9,661)	(2,506)	(9,669)	Lease payments - principal portion	13.b	(3,715)	(958)	(3,718)	(964)
(3,000)	(4,450)	(3,003)	(4,453)	Lease payments - interest portion	13.b	(1,712)	(1,154)	(1,713)	(1,155)
(52)	(408)	(52)	(408)	Interest paid	10	(157)	(20)	(157)	(20)
(10,218)	(19,195)	(10,237)	(19,206)	**Net cash used in financing activities**		(7,382)	(3,930)	(7,386)	(3,937)
(8,693)	48,192	(8,693)	48,192	Net increase / (decrease) in cash and cash equivalents		18,535	(3,343)	18,535	(3,343)
14,245	5,552	14,245	5,552	**Cash and cash equivalents at 1 January**		2,136	5,479	2,136	5,479
5,552	53,744	5,552	53,744	**Cash and cash equivalents at 31 December**	14.d	20,671	2,136	20,671	2,136

The attached notes 1 to 24 form part of these consolidated and separate financial statements.



Notes to the consolidated and separate financial statements

1 Legal status and principal activities

Salalah Port Services Company SAOG (“the Company” or “the Parent Company”) is registered as a joint stock company in the Sultanate of Oman under the Commercial Companies Law of Oman. The Company’s shares are listed in the Muscat Stock Exchange (“MSX”). Port of Salalah Development Company SPC (“the Subsidiary”) is the wholly owned subsidiary of the Company, together referred to as “the Group”.

The Company is primarily engaged in leasing, equipping, operating and managing Container Terminal and General Cargo Terminal facilities in Salalah, Sultanate of Oman. The subsidiary is engaged in property-related activities within the Port of Salalah premises.

The Company’s consolidated financial statements as at and for the year ended 31 December 2025 comprise the Company and its subsidiary (together referred to as “the Group”). The Parent Company’s separate and the Group’s consolidated financial statements are collectively referred to as the "financial statements or financial statements of the Group" and the separate financial statements are referred to as the “Parent Company financial statements on standalone basis”.

2 Basis of Preparation

(a) Statement of compliance

These consolidated and separate financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"), interpretations issued by the IFRS Interpretations Committee (“IFRIC”), and in compliance with the relevant requirements of the Financial Services Authority and the applicable provisions of the Commercial Companies Law of 2019.

(b) Basis of measurement

The financial statements of the Group have been prepared under the historical cost basis except otherwise described in the notes below.

(c) Use of estimates and judgements

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

Estimates and underlying assumptions are reviewed on a regular basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in note 24.

(d) New and amended standards adopted by the Group

The Group has adopted all new and revised standards and interpretations issued by the International Accounting Standards Board (IASB) and the IFRS Interpretations Committee (IFRIC) of the IASB that are relevant to its operations and effective for accounting periods beginning on 1 January 2025.

The following standards and interpretations apply for the first time to financial reporting periods commencing on or after 1 January 2025:

New accounting standards or amendments	**Effective for annual periods beginning on or after**
Lack of Exchangeability – Amendments to IAS 21	01 January 2025

The above standards and amendments do not have any material impact on the Group financial statements except as a result of the amendment to IAS 1, only the material accounting policies have been disclosed.

2 Basis of Preparation (continued)

(d) New standards, amendments and interpretations not yet effective or adopted

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

New accounting standards or amendments	Effective for annual periods beginning on or after
Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	01 January 2026
Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	01 January 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	01 January 2026
IFRS 18 Presentation and Disclosure in Financial Statements	01 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	01 January 2027
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28	To be determined

3 Significant agreements

The Company has entered into the following significant agreements:

(a) Concession agreement ("Container Terminal") with the Government of the Sultanate of Oman to lease, equip, operate and manage Salalah Port Container Terminal facilities ("Container Terminal Facilities Agreement") as per agreement dated 02 October 1996 for a period of thirty years commencing from 01 November 1998 ("Concession Year"). In consideration for granting the concessions, the Company pays a fixed rental and a fixed and variable royalty fee to the Government of Sultanate of Oman which is structured as follows:

- A fixed royalty fee of US$ 255,814 per annum is payable for the grant of concession for Berth 1 to 4, increasing at the rate of 3% per annum; and
- A fixed rental fee of US$ 744,184 per annum is payable for the land lease agreement covering (Berth 1-4), increasing at the rate of 3% per annum.
- A fixed royalty fee of US$ 750,000 per annum is payable for the grant of concession for Berth 5 from 2007 onwards and increasing at the rate of 3% per annum; and
- A fixed royalty fee of US$ 750,000 per annum is payable for the grant of concession for Berth 6 from 2008 onwards and increasing at the rate of 3% per annum; and
- A variable royalty fee is calculated according to the terms set out in the Container Terminal Facilities Agreement.

(b) Concession agreement ("General Cargo Terminal") with the Government of the Sultanate of Oman to equip, operate, market and manage Salalah Port Conventional Terminal facilities ("General Cargo Terminal Facilities Agreement") effective from 1 October 1998. The effective period and the term of the General Cargo Terminal Facilities Agreement is similar to Container Terminal Facilities Agreement as mentioned in 3(a) above. In consideration for granting the concessions, the Company pays the fixed and variable royalty fee to the Government of Sultanate of Oman which is structured as follows:

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

3 Significant agreements (continued)

(b) Concession agreement ("General Cargo Terminal") (continued)

- A fixed royalty fee of ﷼ 49,900 per annum is payable for the grant of concession from 2005 onwards and increasing at the rate of 3% per annum; and
- A variable royalty fee calculated in accordance with the terms set out in the General Cargo Terminal Facilities Agreement.

Management has evaluated the Concession Agreements (including the terms and conditions as mentioned on page 11) and concluded that the Concession Agreements falls within the purview of IFRS 16 "Leases" and does not meet the definition of IFRIC Interpretation 12 "Service Concession Arrangements" ("IFRIC 12") as the pricing of the services provided to the end customers using the infrastructure provided by the Grantor is controlled by the Operator.

Fixed royalty fee payments in relation to the above mentioned Concession Agreements are include in right-of-use assets ("ROU") with a corresponding lease liability under the requirements of IFRS 16. ROU asset recognized in relation to the lease of Concession Agreements is being amortised over the period of Concession Agreements. Variable lease payments are excluded from the measurement of ROU and corresponding lease liability and are recorded as an expense in profit and loss as incurred.

In May 2024, management of the Company commenced discussions with the Ministry of Transport, Communications, and Information Technology (MOTCIT), representing the Government of the Sultanate of Oman (the "Government"), in relation to the extension of the Existing Concession Agreements for Container Terminal and General Cargo Terminal ("Concession Agreements") which expires in October 2028. As of the date of approval of these financial statements, the proposed terms, and conditions around the extension of the Concession Agreements is under discussion between the Company and the Government.

(c) The management agreement for Container Terminal with AP Moller Terminals Co. LLC ("the Manager"), whereby the Manager is mainly providing technical and other port related support services. This agreement is effective for a period of 30 years in line with the Container Terminal as mentioned in 3(a) above. In consideration of the services provided by the Manager, the Company pays a fee, which varies depending on the operating revenue of the Container Terminal.

(d) The management agreement for General Cargo Terminal with AP Moller Terminals Co. LLC ("the Manager"), whereby the Manager is mainly providing technical and other port related support services. This agreement is effective for a period of 30 years in line with the General Cargo Terminal as mentioned in 3(b) above. In consideration of the services provided by the Manager the Company pays a fee, which varies depending on the volumes handled by the General Cargo Terminal.

4 Material accounting policies

The following material accounting policies have been consistently applied in the preparation of the consolidated financial statements throughout the Group to all the years presented, unless otherwise stated.

(a) Basis of consolidation

(i) *Subsidiary*

The Subsidiary is an entity controlled by the Group. The Group controls an entity when it is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. The financial statements of the Subsidiary are prepared for the same reporting period as the Parent Company using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies which may exist.

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

4 Material accounting policies (continued)

(a) Basis of consolidation (continued)

(i) *Subsidiary (continued)*

Intra-group transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position respectively.

(ii) *Change in ownership interests in subsidiaries without loss of control*

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to the owners.

(iii) *Loss of control*

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in statement of profit or loss and other comprehensive income. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(iv) *Non-controlling interests ("NCI")*

NCI are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(v) *Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currencies

(i) *Presentation and functional currency*

The functional currency of the Company is Omani Rial ("﷼") as this is the currency which determines the pricing of the Group's operational transactions including other primary indicators required to be considered under International Financial Reporting Standards. The presentation currency is also ﷼. In addition, numbers are also presented in US$ as a convenience translation. The exchange rate considered for the conversion is 1 ﷼ = US$ 2.60.

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

4 Material accounting policies (continued)

(b) Foreign currencies (continued)

(ii) *Foreign currency transactions and balances*

Transactions in foreign currencies are translated to Omani Rial at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting date are translated to Omani Rial at the foreign exchange rate ruling at that date. Foreign exchange differences arising on the translation of monetary assets and liability are recognised in the statement of profit or loss and other comprehensive income. Non-monetary assets and liabilities denominated in foreign currencies that are stated at historical cost, are translated to Omani Rial at the foreign exchange rate ruling at the date of the transaction. The functional currency of all Group companies is same.

(c) Revenue from contracts with customers

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties (if any). The Group recognises revenue when it transfers control of a product or service to a customer. Any discounts, incentives and rebates provided as part of the transaction price to the customers are recorded as a reduction from revenue in accordance with the requirements of IFRS 15.

The following table provides information about the nature and time of the satisfaction of performance obligation in contracts with the customers, including significant payment terms and the related revenue recognition policy.

Type of service	Nature and timing of satisfaction of performance obligations including significant payment terms	Revenue recognition Policies
Stevedoring services	The Group's stevedoring services consist of (import, export, and transhipment containers), stuffing and unstuffing of the related shipments. These services represent a distinct performance obligation for the Group. The invoices are generated upon completion of performance obligation and are usually payable within 30 to 60 days.	Revenue related to these services are recognised at a **point in time** when the performance obligation is completed. Transaction price is based on public tariff or tariff rates agreed with the customers.
Marine services	Revenue from marine services mainly comprises of provision of fuel (bunkering charges), port clearance, supply of food and water and passage charges. These services represent a distinct performance obligation for the Group.The invoices are generated upon completion of performance obligation and are usually payable within 30 to 60 days.	Revenue from these services is recognised at a **point in time** when the services are rendered to the customer. Transaction price is based on public tariff or tariff rates agreed with the customers.
Yard services	The Group also provides container storage services and equipment rental at the request of the customer based on the usage period in the storage yard which constitute a separate distinct performance obligation. The invoices are generated upon completion of performance obligation and are usually payable within 30 to 60 days.	Revenue from storage services and equipment rental is recognised **over time** based on the usage period in the storage yard. For revenue recognition, transaction price is based on public tariff or tariff rates agreed with the customers.
Other services	Revenue from other services mainly consist of customs and immigration services and provision of labour services. These services represent a distinct performance obligation for the Group. The invoices are generated upon completion of performance obligation and are usually payable within 30 to 60 days.	Revenue from other services is recognised when the Group provide services to the customers as per the agreed terms and conditions with the customers which is at a **point in time**. Transaction price is based on public tariff or tariff rates agreed with the customers.

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

4 Material accounting policies (continued)

(c) Revenue from contracts with customers (continued)

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. Therefore, the Group does not adjust any of the transaction prices for the time value of money.

One of the Group's customers is entitled to volume rebates based on the specified volumes in terms of vessels handling as per the terms and conditions of the contract. Revenue for such arrangements is recorded net of volume rebates. At the time of revenue recognition when the Group determines the transaction price, an estimate is made on the volume rebates that will be provided to the customer and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

A receivable is recognised when the goods are delivered, and services are rendered as this is when the consideration is unconditional because only the passage of time is required before the payment is due.

For all the revenue streams, the Group is acting as a principal under the requirements of IFRS 15.

(d) Finance income and finance cost

Finance income is recognised as the interest accrues using the effective interest rate method, under which the rate used exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset. Finance costs mainly comprise interest expense on lease liabilities that is recognised in the statement of profit or loss and other comprehensive income. Except for interest capitalised directly attributable to the acquisition, construction or production of qualifying assets, all borrowing costs are measured at amortised cost and recognised in statement of profit or loss and other comprehensive income, using the effective interest method.

(e) Dividend

The Board of Directors takes into account appropriate parameters including the requirements of the Commercial Companies Law 2019 while recommending the dividend, which is subject to approval by shareholders at the Annual General Meeting. Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved.

(f) Directors' remuneration and sitting fees

The Board of Directors' remuneration is accrued within the limits specified by the FSA and the requirements of the Commercial Companies Law of 2019 of the Sultanate of Oman and is recognised as an expense in the statement of profit or loss and other comprehensive income.

(g) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenues and expenses that relate to transactions for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the management. Please refer note 20 for details.

(h) Taxation

Income tax on the results for the year comprises deferred tax and current tax. Income tax expense is recognised in the statement of profit or loss and other comprehensive income except to the extent that it relates to items recognised directly in equity or in OCI, in which case it is recognised in equity.

4 Material accounting policies (continued)

(h) Taxation (continued)

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is calculated in respect of all temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that:
  - is not a business combination; and
  - at the time of the transaction (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences.
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of company.

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. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. 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.

Deferred tax assets and liabilities are offset only if certain criteria are met.

(i) Earnings per share

The Group presents basic earnings per share (EPS) data attributable to ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

(j) Property and equipment

(i) Recognition and measurement

Items of property and equipment ("PPE") are stated at historical cost less accumulated depreciation and impairment losses [**refer accounting policy "n – impairment of non-financial assets"**]. Borrowing costs that are directly attributable to acquisition, construction or production of an asset are included in the cost of that asset.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the item of property and equipment. All other expenditure is charged to the profit and loss during the financial year in which they are incurred. Gains and losses on disposal of an item of property and equipment are determined by comparing the proceeds from disposal with the carrying amount of property and equipment and recognised within 'other income' in the profit and loss.

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

4 Material accounting policies (continued)

(j) Property and equipment (continued)

(ii) Capital work-in-progress

Capital work-in-progress is measured at cost (which includes capitalized borrowing costs), less impairment, if any. Capital work-in-progress is not depreciated until such time the assets are ready for intended use and transferred to the respective category under property and equipment.

(iii) Depreciation

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values under the straight-line method over their estimated useful lives, and is generally recognised in statement of profit or loss and other comprehensive income. Land is not depreciated.

The estimated useful lives of property and equipment for current and comparative periods are as follows:

Class	Years
Leasehold and Infrastructure improvements	3 – 15
Operational & terminal equipment	3 –25
Marine & mooring equipment	3 – 25
IT hardware & communication equipment	2 – 5
Furniture, fixtures & office equipment	3 – 5

Expenditure incurred to replace a component of an item of property and equipment that is accounted for separately is capitalised and the carrying amount of the component that is replaced is written off. Expenditure incurred to dry-dock a vessel is capitalised and is depreciated over its useful life of three to five years. Other subsequent expenditure is capitalised only when it increases future economic benefits of the related item of property or equipment. All other expenditure is recognised in the statement of profit or loss and other comprehensive income as the expense is incurred.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively if appropriate.

(k) Leases

(i) Group as a lessee

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance costs. The finance cost is charged to the statement of profit or loss and other comprehensive income over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the lower of asset's useful life and the lease term on a straight-line basis.

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

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

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

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that are based on an index or a rate

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

4 Material accounting policies (continued)

(k) Leases (continued)

(i) *Group as a lessee (continued)*

- Amounts expected to be payable by the lessee under residual value guarantees
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of the lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs, and
- Restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in statement of profit or loss and other comprehensive income. Short-term leases are leases with a lease term of 12 months or less. The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract (if any).

The lease term is considered the non-cancellable period for which the Group has the right to use an underlying asset. The lease term is adjusted for periods covered by an option to extend; if it is reasonably certain that the option will be exercised as well as periods covered by an option to terminate the lease; if it is reasonably certain that the option will not be exercised.

(ii) Group as a lessor

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to the ownership of an underlying asset. Lease payments from operating lease are recognised as income on a straight-line basis unless another systematic basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished. Costs incurred in earning the lease income, including depreciation are recognised as expense. The initial direct costs incurred in obtaining a lease, are added to the carrying amount of the underlying asset and recognised as an expense over the lease term on the same basis as the lease income. Modifications to an operating lease is accounted from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease. The respective leased assets are included in the statement of financial position based on their nature.

Finance lease receivables and finance income

Finance leases, which transfer from the Group substantially all of the risks and rewards incidental to ownership of the leased item, are recognised as a disposal of asset at the inception of the lease and are presented as receivables under a finance lease at an amount equal to the net investment in the finance lease. Lease receivables are apportioned between finance income and reductions of the receivables under a finance lease so as to achieve a constant periodic rate of return on the lessor's net investment in the finance lease. Finance income earned is recognised within profit and loss in the statement of profit or loss and other comprehensive income. Lease receivables due within one year are disclosed as current assets.

(l) Intangible assets

These are initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses, if any [refer accounting policy (n)]. The intangible assets includes licenses and IT software. The acquired software and licenses are amortised using the straight-line method over their estimated useful lives three years and concession period respectively.

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

4 Material accounting policies (continued)

(m) Inventories

Inventories mainly consist of store, spares, consumables and fuel. Inventories are measured at the lower of cost and net realisable value. The cost of inventories is determined using cost formula based on the nature and use of inventory and includes expenditure incurred in acquiring inventories and bringing them to their existing location and condition. The Group uses weighted average method for store, spares, consumables and fuel. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

(n) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. In case if the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate evaluation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the profit and loss in those expense categories consistent with the function of the impaired asset. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

(o) Financial assets

(i) Initial recognition and measurement

At initial recognition, the classification of financial assets depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

For a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into four categories:

- Financial assets at amortised cost (debt instruments).
- Financial assets at fair value through Other Comprehensive Income ("OCI") with recycling of cumulative gains and losses (debt instruments).

4 Material accounting policies (continued)

(o) Financial assets (continued)

(ii) Subsequent measurement (continued)

- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments).
- Financial assets at fair value through profit or loss.

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rates ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group's financial assets at amortised cost includes trade receivables and cash and cash equivalents.

Financial assets at fair value through OCI (debt instruments)

The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and other comprehensive income and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss. The Group does not have any such instruments.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify its equity investments irrevocably as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment. The Group does not have any such instruments as of reporting date.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

4 Material accounting policies (continued)

(o) Financial assets (continued)

(ii) Subsequent measurement (continued)

Financial assets at fair value through profit or loss (FVTPL) (continued)

Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

Impairment of financial assets

The Group accounts for impairment losses for financial assets with a forward-looking expected credit loss (ECL) approach. IFRS 9 requires the Group to record an allowance for ECLs for all debt financial assets not held at FVTPL. The Group has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses for trade receivables. The Group has established a provision matrix that is based on the Group's historical credit loss experience as adjusted for forward-looking factors. For other financial assets ECL is calculated based on general approach.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

The Group considers a financial asset in default when contractual payment is 60 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

(p) Trade receivables

Trade receivables represents the amount due from customers for goods sold in the ordinary course of business and initially recognised when they are originated. Trade receivables are initially measured at the transaction price unless they contain significant financing components, when they are recognised at fair value through profit or loss (FVTPL) and subsequently measured at amortised cost using effective interest method, less provision for impairment. See note 14.a for further information about the Company's accounting for trade receivables and note 22 for a description of the Company's trade receivable impairment policies. The amount of the provision is recognised in the statement of profit or loss and other comprehensive income. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against 'net impairment reversal or charge on financial assets' in the statement of profit or loss and other comprehensive income.

(q) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(r) Term deposits

Term deposits include short-term deposits with original maturities of 12 months and long-term deposits with original maturities of 24 months which are held with financial institutions. Deposit balances are shown at their amortised cost, which is equivalent to their face value. Interest is accrued over the term of deposits and is paid periodically or at maturity.

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

4 Material accounting policies (continued)

(s) Share capital and share premium

Ordinary shares are classified as equity. Any excess of the fair value of the consideration received over the par value of shares issued is recognised as share premium.

(t) Employees' end of service benefits

End-of-service benefits are accrued in accordance with the terms of employment of the Company's employees at the reporting date, having regard to the requirements of the Oman Labour Law of 2023 applicable to non-Omani employees accumulated period of service at the end of the reporting period. Employee entitlements to annual leave are recognized when they accrue to employees and an accrual is made for the estimated liability for annual leave as a result of services up to the reporting date. The accrual relating to annual leave and leave passage is disclosed as a current liability, while that relating to end-of-service benefits is disclosed as a non-current liability.

Contributions to a defined contribution retirement plan for Omani employees in accordance with the Omani Social Insurance Scheme are recognized as an expense in the statement of profit or loss and other comprehensive income as incurred.

(u) Trade and other payables

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Liabilities are recognised for amounts to be paid for goods and services received, whether or not billed to the Group.

(v) Royalty

The royalty fee consists of fixed and variable portion. Fixed royalty fees are treated as lease payments whereas variable royalty fees is calculated based on the terms and conditions as described in the respective concession agreements on an accrual basis and payable within 6 months from the end of the reporting period.

(w) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the 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 consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, it carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(x) Offsetting

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

(y) Fair value

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on a number of accounting policies and methods. Where applicable, information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

4 Material accounting policies (continued)

(y) Fair value (continued)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At each reporting date, the Group analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the Group verifies the major inputs applied in the latest valuation by agreeing to the information in the valuation computation to contracts and other relevant documents.

The Group also compares each of the changes in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

5 Revenue

The Group derives its revenue from contracts with customers for the transfer of stevedoring services, yard services, marine services and other services transferred over time and at a point in time. This disclosure is consistent with the revenue information that is disclosed for each reportable segment under IFRS 8 (note 20) and revenue from contracts with customers (note 4c). In the following table, revenue from contracts with customers is disaggregated by major service lines and timing of revenue recognition.

Parent Company		Consolidated			Parent Company		Consolidated	
2024	**2025**	2024	**2025**		**2025**	2024	**2025**	2024
US $'000	***US $'000**	US $'000	**US $'000**		**'000**	'000	**'000**	'000
				Services transferred at a point in time				
129,824	**172,283**	129,824	**172,283**	Stevedoring revenue (net of rebates)	**66,261**	49,932	**66,261**	49,932
17,813	**20,911**	17,813	**20,911**	Marine services revenue	**8,042**	6,851	**8,042**	6,851
8,577	**10,522**	8,745	**10,684**	Other revenues	**4,044**	3,299	**4,109**	3,364
156,214	**203,716**	156,382	**203,878**		**78,347**	60,082	**78,412**	60,147
				Services transferred over time				
25,576	**28,543**	25,576	**28,543**	Yard service revenue	**10,978**	9,837	**10,978**	9,837
181,790	**232,259**	181,958	**232,421**	**Total revenue**	**89,325**	69,919	**89,390**	69,984

6 Direct operating costs

Parent Company		Consolidated			Parent Company		Consolidated	
2024	**2025**	2024	**2025**		**2025**	2024	**2025**	2024
US $'000	***US $'000**	US $'000	**US $'000**		**'000**	'000	**'000**	'000
62,945	**70,066**	62,945	**70,066**	Staff costs (note 11)	**26,949**	24,210	**26,949**	24,210
18,463	**16,067**	18,463	**16,067**	Depreciation (note 13.a)	**6,180**	7,101	**6,180**	7,101
14,131	**16,333**	14,131	**16,334**	Repair and maintenance	**6,282**	5,435	**6,282**	5,435
11,388	**13,063**	11,388	**13,063**	Power and fuel	**5,024**	4,380	**5,024**	4,380
5,994	**6,606**	5,994	**6,606**	Facility maintenance cost	**2,541**	2,305	**2,541**	2,305
7,970	**10,650**	7,970	**10,650**	Variable royalty fees related to port concessions (note 13.b.ii)	**4,096**	3,065	**4,096**	3,065
8,485	**12,979**	8,493	**12,991**	Depreciation on right-of-use assets (note 13.b.ii)	**4,992**	3,264	**4,997**	3,267
1,282	**1,386**	1,282	**1,386**	System and communications	**533**	493	**533**	493
1,766	**3,401**	1,766	**3,401**	Marine services	**1,308**	679	**1,308**	679
643	**733**	643	**733**	Short-term lease rentals (note 13.b.ii)	**282**	247	**282**	247
133,067	**151,284**	133,075	**151,297**	**Total**	**58,187**	51,179	**58,192**	51,182

7 Other operating expenses

Parent Company		Consolidated			Parent Company		Consolidated	
2024	**2025**	2024	**2025**		**2025**	2024	**2025**	2024
US $'000	***US $'000**	US $'000	**US $'000**		**'000**	'000	**'000**	'000
6,906	**7,166**	6,906	**7,166**	Insurance	**2,756**	2,656	**2,756**	2,656
7,395	**9,314**	7,412	**9,329**	Management fees (note 19)	**3,582**	2,844	**3,588**	2,851
7,057	**17,173**	7,086	**17,201**	Depreciation (note 13.a)	**6,605**	2,714	**6,616**	2,725
709	**1,366**	709	**1,366**	Amortization (note 13.c)	**525**	272	**525**	272
22,067	**35,019**	22,113	**35,062**	**Total**	**13,468**	8,486	**13,485**	8,504

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

8 Administration and general expenses

Parent Company		Consolidated			Parent Company		Consolidated	
2024 US $'000	2025 *US $'000	2024 US $'000	2025 US $'000		2025 ﷼'000	2024 ﷼'000	2025 ﷼'000	2024 ﷼'000
15,877	**16,330**	15,877	**16,330**	Staff costs (note11)	**6,281**	6,107	**6,281**	6,107
420	**1,088**	420	**1,088**	Depreciation on right of use assets (note 13.b.ii)	**419**	162	**419**	162
1,702	**1,819**	1,702	**1,819**	Systems and communications	**699**	654	**699**	654
900	**731**	900	**731**	Provision for obsolete inventories (note 13.f)	**281**	346	**281**	346
494	**496**	494	**496**	Directors remuneration and sitting fees	**191**	190	**191**	190
20	**235**	20	**235**	Other claims	**90**	8	**90**	8
785	**1,206**	795	**1,213**	Legal and professional fees *	**464**	302	**466**	306
62	**61**	62	**61**	Depreciation (note 13.a)	**23**	24	**23**	24
992	**634**	992	**634**	Travelling expenses	**244**	382	**244**	382
257	**251**	257	**251**	Corporate social responsibility	**96**	99	**96**	99
206	**254**	206	**254**	Sales and marketing	**98**	79	**98**	79
109	**166**	109	**166**	Postage, printing and stationery	**64**	42	**64**	42
457	**359**	457	**359**	Office maintenance costs	**138**	176	**138**	176
22,281	**23,630**	22,291	**23,637**	**Total**	**9,088**	8,571	**9,090**	8,575

* The remuneration paid to auditors for the year 2025, which amounts to ﷼30,000 (2024: ﷼27,500) for the audit services and ﷼11,951 (2024: ﷼12,143) for non-assurance services, which includes ﷼1,000 (2024: ﷼1,000) for agreed-upon procedures, and ﷼10,951 (2024: ﷼11,143) for tax-related services.

9 Other income

Parent Company		Consolidated			Parent Company		Consolidated	
2024 US $'000	2025 *US $'000	2024 US $'000	2025 US $'000		2025 ﷼'000	2024 ﷼'000	2025 ﷼'000	2024 ﷼'000
40	**-**	40	**-**	Gain on disposal of equipment	**-**	15	**-**	15
1,091	**1,164**	1,091	**1,164**	Miscellaneous income	**448**	420	**448**	420
1,131	**1,164**	1,131	**1,164**	**Total**	**448**	435	**448**	435

10 Finance income and finance cost

Parent Company		Consolidated				Parent Company		Consolidated	
2024 US $'000	2025 *US $'000	2024 US $'000	2025 US $'000		*Notes*	2025 ﷼'000	2024 ﷼'000	2025 ﷼'000	2024 ﷼'000
4,504	**4,151**	4,504	**4,151**	Interest income on term-deposits		**1,597**	1,732	**1,597**	1,732
113	**-**	113	**-**	Other finance income		**-**	44	**-**	44
4,617	**4,151**	4,617	**4,151**	**Total Finance Income**		**1,597**	1,776	**1,597**	1,776
3,000	**4,990**	3,003	**4,993**	Interest on lease liabilities	13(b)(ii)	**1,919**	1,154	**1,920**	1,155
52	**408**	52	**408**	Other finance cost		**157**	20	**157**	20
3,052	**5,398**	3,055	**5,401**	**Total finance cost**		**2,076**	1,174	**2,077**	1,175

11 Staff costs

Parent Company		Consolidated			Parent Company		Consolidated	
2024 US $'000	2025 *US $'000	2024 US $'000	2025 US $'000		2025 ﷼'000	2024 ﷼'000	2025 ﷼'000	2024 ﷼'000
62,112	**67,339**	62,112	**67,339**	Wages and salaries	**25,900**	23,890	**25,900**	23,890
10,667	**12,760**	10,667	**12,760**	Other benefits	**4,908**	4,103	**4,908**	4,103
4,296	**4,458**	4,296	**4,458**	Contributions to defined contribution retirement plan	**1,715**	1,652	**1,715**	1,652
1,747	**1,839**	1,747	**1,839**	Employees' end of service benefit (13.h)	**707**	672	**707**	672
78,822	**86,396**	78,822	**86,396**	**Total**	**33,230**	30,317	**33,230**	30,317
				Staff costs are allocated to:				
62,945	**70,066**	62,945	**70,066**	Direct operating costs (note 6)	**26,949**	24,210	**26,949**	24,210
15,877	**16,330**	15,877	**16,330**	Administration and general expenses (note 8)	**6,281**	6,107	**6,281**	6,107
78,822	**86,396**	78,822	**86,396**	**Total**	**33,230**	30,317	**33,230**	30,317

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

12 Taxation

The Parent Company and its subsidiary are assessed separately for taxation. The tax rate applicable is 15% *(2024: 15%)*. For the purpose of determining the tax expense for the year, the accounting profit has been adjusted for tax purposes relating to both income and expense items. After giving effect to these adjustments, the average effective tax rate is estimated to be 15% *(2024: 15%).*

12.a Income tax

Parent Company		Consolidated			Parent Company		Consolidated	
2024 US $'000	**2025 *US$'000**	2024 US $'000	**2025 US $'000**		**2025 ﷼'000**	2024 ﷼'000	**2025 ﷼'000**	2024 ﷼'000
				Income tax expense				
3,651	**6,965**	3,667	**6,984**	Current tax	**2,679**	1,404	**2,686**	1,410
78	**28**	78	**12**	Prior year	**10**	30	**4**	30
3,729	**6,993**	3,745	**6,996**		**2,689**	1,434	**2,690**	1,440
				Deferred tax credit				
				Origination and reversal of				
(2,615)	**(3,630)**	(2,615)	**(3,633)**	temporary differences	**(1,396)**	(1,006)	**(1,397)**	(1,006)
1,114	**3,363**	1,130	**3,363**	**Income tax expense**	**1,293**	428	**1,293**	434
				Tax Liability				
2,216	**3,650**	2,216	**3,666**	1 January	**1,403**	852	**1,409**	852
(2,295)	**(3,678)**	(2,295)	**(3,678)**	Paid during the year	**(1,413)**	(883)	**(1,413)**	(883)
3,751	**6,965**	3,667	**6,984**	Provision for current tax	**2,679**	1,404	**2,686**	1,410
78	**28**	78	**12**	Prior year provision	**10**	30	**4**	30
3,650	**6,965**	3,666	**6,984**	At 31 December	**2,679**	1,403	**2,686**	1,409

12.b Tax reconciliation

The following is a reconciliation of income taxes calculated on accounting profits at the applicable tax rates with the income tax expense for the year:

Parent Company		Consolidated			Parent Company		Consolidated	
2024 US $'000	**2025 *US $'000**	2024 US $'000	**2025 US $'000**		**2025 ﷼'000**	2024 ﷼'000	**2025 ﷼'000**	2024 ﷼'000
6,896	**22,233**	6,997	**22,329**	**Profit before income tax**	**8,547**	2,652	**8,587**	2,691
				Income tax on accounting profit before				
1,036	**3,332**	1,052	**3,348**	tax @ 15%	**1,282**	398	**1,288**	404
-	**3**	-	**3**	Non-deductible expenses	**1**	-	**1**	-
78	**28**	78	**12**	Prior year current tax	**10**	30	**4**	30
1,114	**3,363**	1,130	**3,363**	Tax expense for the year	**1,293**	428	**1,293**	434

12.c Status of the tax assessments

The Company's tax assessments have been completed and agreed with Oman Taxation Authorities for all years up to 31 December 2021. The Company's management is of the opinion that additional taxes, if any, assessed for the open tax years would not be material to the Company's financial position as at 31 December 2025.

12.d Deferred tax

Deferred taxes are calculated on all temporary differences using a principal tax rate of 15% *(31 December 2024 - 15%)*. The deferred tax liability in the statement of financial position and deferred tax charge in the statement of profit or loss and other comprehensive income is attributable to the following items:

	Parent Company			Consolidated		
2025	**1 January ﷼'000**	**Charge / (credit) for the period ﷼'000**	**31 December ﷼'000**	**1 January ﷼'000**	**Charge / (credit) for the period ﷼'000**	**31 December ﷼'000**
Deferred tax assets						
Provisions	**506**	**43**	**549**	**506**	**43**	**549**
Lease liabilities	**4,009**	**(935)**	**3,074**	**4,012**	**(935)**	**3,077**
	4,515	**(892)**	**3,623**	**4,518**	**(892)**	**3,626**
Deferred tax liabilities						
Accelerated tax depreciation on Property and equipment	**(3,762)**	**1,068**	**(2,694)**	**(3,758)**	**1,069**	**(2,689)**
Right-of-use assets	**(3,380)**	**1,220**	**(2,160)**	**(3,382)**	**1,220**	**(2,162)**
	(7,142)	**2,288**	**(4,854)**	**(7,140)**	**2,289**	**(4,851)**
Net deferred tax liabilities	**(2,627)**	**1,396**	**(1,231)**	**(2,622)**	**1,397**	**(1,225)**

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

2025	Parent Company 1 January *US$ '000	Charge / (credit) for the period US$ '000	31 December US$ '000	Consolidated 1 January US$ '000	Charge / (credit) for the period US$ '000	31 December US$ '000
Deferred tax assets						
Provisions	**1,315**	**111**	**1,426**	**1,315**	**111**	**1,426**
Lease liabilities	**10,424**	**(2,430)**	**7,994**	**10,424**	**(2,430)**	**7,994**
	11,739	**(2,319)**	**9,420**	**11,739**	**(2,319)**	**9,420**
Deferred tax liabilities						
Accelerated tax depreciation on Property and equipment	**(9,782)**	**2,778**	**(7,004)**	**(9,770)**	**2,781**	**(6,989)**
Right-of-use assets	**(8,787)**	**3,171**	**(5,616)**	**(8,787)**	**3,171**	**(5,616)**
	(18,569)	**5,949**	**(12,620)**	**(18,557)**	**5,952**	**(12,605)**
Net deferred tax liabilities	**(6,830)**	**3,630**	**(3,200)**	**(6,818)**	**3,633**	**(3,185)**

2024	Parent Company 1 January ﷼'000	Charge / (credit) for the period ﷼'000	31 December ﷼'000	Consolidated 1 January ﷼'000	Charge / (credit) for the period ﷼'000	31 December ﷼'000
Deferred tax assets						
Provisions	444	62	506	444	62	506
Lease liabilities	1,362	2,647	4,009	1,362	2,650	4,012
	1,806	2,709	4,515	1,806	2,712	4,518
Deferred tax liabilities						
Accelerated tax depreciation on Property and equipment	(4,335)	573	(3,762)	(4,330)	572	(3,758)
Right-of-use assets	(1,104)	(2,276)	(3,380)	(1,104)	(2,278)	(3,382)
	(5,439)	(1,703)	(7,142)	(5,434)	(1,706)	(7,140)
Net deferred tax liabilities	(3,633)	1,006	(2,627)	(3,628)	1,006	(2,622)

2024	Parent Company 1 January *US$ '000	Charge / (credit) for the period US$ '000	31 December US$ '000	Consolidated 1 January US$ '000	Charge / (credit) for the period US$ '000	31 December US$ '000
Deferred tax assets						
Provisions	1,154	161	1,315	1,154	161	1,315
Lease liabilities	3,541	6,883	10,424	3,541	6,883	10,424
	4,695	7,044	11,739	4,695	7,044	11,739
Deferred tax liabilities						
Accelerated tax depreciation on Property and equipment	(11,270)	1,488	(9,782)	(11,257)	1,487	(9,770)
Right-of-use assets	(2,870)	(5,917)	(8,787)	(2,870)	(5,917)	(8,787)
	(14,140)	(4,429)	(18,569)	(14,127)	(4,430)	(18,557)
Net deferred tax liabilities	(9,445)	2,615	(6,830)	(9,432)	2,614	(6,818)

13 Non-financial assets and liabilities

This note provides information about the Company's non-financial assets and liabilities, including:

- specific information about each type of non-financial asset and non-financial liability
  - property and equipment (note 13.a)
  - right of use assets (note 13.b (i))
  - lease liabilities (note 13.b (iv))
  - intangible assets (note 13.c)
  - investments in subsidiary (note 13.d)
  - long term deposits (note 13.e)
  - inventories (note 13.f)
  - other current assets (note 13.g)
  - employees' end of service benefits (note 13.h)

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

13 Non-financial assets and liabilities (continued)

13.a Property and equipment

Refer pages **79** till **82** for the schedule of property and equipment.

The depreciation charge has been allocated in the audited consolidated and parent statement of profit or loss and other comprehensive income as follows:

Parent Company		Consolidated			Parent Company		Consolidated	
2024 US $'000	2025 *US $'000	2024 US $'000	2025 US $'000		2025 ﷼'000	2024 ﷼'000	2025 ﷼'000	2024 ﷼'000
18,463	**16,067**	18,463	**16,067**	Direct operating costs (Note 6)	**6,180**	7,101	**6,180**	7,101
7,057	**17,173**	7,086	**17,201**	Other operating expenses (Note 7)	**6,605**	2,714	**6,616**	2,725
62	**61**	62	**61**	Administration expenses (Note 8)	**23**	24	**23**	24
25,582	**33,301**	25,611	**33,329**	**Total**	**12,808**	9,839	**12,819**	9,850

13.b Leases

(i) Right-of-use assets ("ROU"):

The Company has entered into the following lease agreements;

1) **Port concessions** leases run for a period of 30 years with no option to renew the lease after the expiration of 30 years;
2) **Operational equipment -** The Company entered into an agreement with APM Terminals B.V. ("related party") for the lease of operational equipment, comprising of cranes and other port related equipment. The lease period commenced in 2024 which runs until Oct-2028, in line with the expiration of the port concession agreements of Container and General Cargo Terminal (refer to Note 3);
3) **Vehicle leases** typically run for a period ranging from more than 12 months to 5 years with an option to renew the lease after that date; and
4) **Office lease** which expired at the beginning of 2024, has been renewed for only 12 months and, therefore, is treated as a short term lease under IFRS 16.

Interest is charged at an effective interest rate ranging between 6.3% to 8.89% per annum *(2024: 6.3% to 8.89%)*. For vehicles and office premises leases, the Group is restricted from entering any sub-lease arrangements.

	Parent Company					Consolidated				
2025	Port concessions ﷼'000	Operational equipment ﷼'000	Vehicles lease ﷼'000	Office lease ﷼'000	Total ﷼'000	Port concessions ﷼'000	Operational equipment ﷼'000	Vehicles lease ﷼'000	Office lease ﷼'000	Total ﷼'000
Cost										
1 January 2025	**13,404**	**18,600**	**1,386**	**128**	**33,518**	**13,445**	**18,600**	**1,386**	**128**	**33,559**
Remeasurement*	**-**	**(3,296)**	**-**	**-**	**(3,296)**	**-**	**(3,296)**	**-**	**-**	**(3,296)**
Addition	**-**	**-**	**570**	**-**	**570**	**-**	**-**	**570**	**-**	**570**
31 December 2025	**13,404**	**15,304**	**1,956**	**128**	**30,792**	**13,445**	**15,304**	**1,956**	**128**	**30,833**
Accumulated Depreciation										
1 January 2025	**(8,070)**	**(1,930)**	**(859)**	**(128)**	**(10,987)**	**(8,094)**	**(1,930)**	**(859)**	**(128)**	**(11,011)**
Depreciation for the year	**(1,333)**	**(3,659)**	**(419)**	**-**	**(5,411)**	**(1,338)**	**(3,659)**	**(419)**	**-**	**(5,416)**
31 December 2025	**(9,403)**	**(5,589)**	**(1,278)**	**(128)**	**(16,398)**	**(9,432)**	**(5,589)**	**(1,278)**	**(128)**	**(16,427)**
Carrying amounts										
31 December 2025	**4,001**	**9,715**	**678**	**-**	**14,394**	**4,013**	**9,715**	**678**	**-**	**14,406**

	Parent Company					Consolidated				
2025	Port concessions *US$ '000	Operational equipment US$ '000	Vehicles lease US$ '000	Office lease US$ '000	Total US$ '000	Port concessions US$ '000	Operational equipment US$ '000	Vehicles lease US$ '000	Office lease US$ '000	Total US$ '000
Cost										
1 January 2025	**34,850**	**48,359**	**3,605**	**332**	**87,146**	**34,957**	**48,359**	**3,605**	**332**	**87,253**
Remeasurement*	**-**	**(8,568)**	**-**	**-**	**(8,568)**	**-**	**(8,568)**	**-**	**-**	**(8,568)**
Addition	**-**	**-**	**1,481**	**-**	**1,481**	**-**	**-**	**1,481**	**-**	**1,481**
31 December 2025	**34,850**	**39,791**	**5,086**	**332**	**80,059**	**34,957**	**39,791**	**5,086**	**332**	**80,166**
Accumulated Depreciation										
1 January 2025	**(20,981)**	**(5,017)**	**(2,233)**	**(332)**	**(28,563)**	**(21,044)**	**(5,017)**	**(2,233)**	**(332)**	**(28,626)**
Depreciation for the year	**(3,466)**	**(9,513)**	**(1,088)**	**-**	**(14,067)**	**(3,478)**	**(9,513)**	**(1,088)**	**-**	**(14,079)**
31 December 2025	**(24,447)**	**(14,530)**	**(3,321)**	**(332)**	**(42,630)**	**(24,522)**	**(14,530)**	**(3,321)**	**(332)**	**(42,705)**
Carrying amounts										
31 December 2025	**10,403**	**25,261**	**1,765**	**-**	**37,429**	**10,435**	**25,261**	**1,765**	**-**	**37,461**

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

(i) Right-of-use assets (continued)

*During the year, the Group remeasured the right-of-use asset and the corresponding lease liability relating to the lease of operational equipment, including cranes and other port-related equipment, under an agreement with APM Terminals B.V. (a related party). The remeasurement resulted from a revision made during the year of the actual cost attributable to the leased equipment by the lessor, which constituted a change in lease payments, and was accordingly adjusted in accordance with IFRS 16.

2024	Parent Company					Consolidated				
	Port concessions ﷼ '000	Operational equipment ﷼ '000	Vehicles lease ﷼ '000	Office lease ﷼ '000	Total ﷼ '000	Port concessions ﷼ '000	Operational equipment ﷼ '000	Vehicles lease ﷼ '000	Office lease ﷼ '000	Total ﷼ '000
Cost										
1 January 2024	13,404	-	1,386	128	14,918	13,445	-	1,386	128	14,959
Addition	-	18,600	-	-	18,600	-	18,600	-	-	18,600
31 December 2024	13,404	18,600	1,386	128	33,518	13,445	18,600	1,386	128	33,559
Accumulated Depreciation										
1 January 2024	(6,736)	-	(701)	(124)	(7,561)	(6,757)	-	(701)	(124)	(7,582)
Depreciation for the year	(1,334)	(1,930)	(158)	(4)	(3,426)	(1,337)	(1,930)	(158)	(4)	(3,429)
31 December 2024	(8,070)	(1,930)	(859)	(128)	(10,987)	(8,094)	(1,930)	(859)	(128)	(11,011)
Carrying amounts										
31 December 2024	5,334	16,670	527	-	22,531	5,351	16,670	527	-	22,548

2024	Parent Company					Consolidated				
	Port concessions *US$ '000	Operational equipment US$ '000	Vehicles lease US$ '000	Office lease US$ '000	Total US$ '000	Port concessions US$ '000	Operational equipment US$ '000	Vehicles lease US$ '000	Office lease US$ '000	Total US$ '000
Cost										
1 January 2024	34,850	-	3,605	332	38,787	34,957	-	3,605	332	38,894
Addition	-	48,359	-	-	48,359	-	48,359	-	-	48,359
31 December 2024	34,850	48,359	3,605	332	87,146	34,957	48,359	3,605	332	87,253
Accumulated Depreciation										
1 January 2024	(17,513)	-	(1,822)	(323)	(19,658)	(17,568)	-	(1,822)	(323)	(19,713)
Depreciation for the year	(3,468)	(5,017)	(411)	(9)	(8,905)	(3,476)	(5,017)	(411)	(9)	(8,913)
31 December 2024	(20,981)	(5,017)	(2,233)	(332)	(28,563)	(21,044)	(5,017)	(2,233)	(332)	(28,626)
Carrying amounts										
31 December 2024	13,869	43,342	1,372	-	58,583	13,913	43,342	1,372	-	58,627

(ii) Amounts recognised in statement of profit or loss and other comprehensive income:

Parent Company		Consolidated			Parent Company		Consolidated	
2024 US $'000	**2025 *US $'000**	2024 US $'000	**2025 US $'000**		**2025 ﷼'000**	2024 ﷼'000	**2025 ﷼'000**	2024 ﷼'000
8,485	**12,979**	8,493	**12,991**	Depreciation on ROU - Direct operating costs (note 6)	**4,992**	3,264	**4,997**	3,267
420	**1,088**	420	**1,088**	Depreciation on ROU – Administration and general expense (note 8)	**419**	162	**419**	162
3,000	**4,990**	3,003	**4,992**	Interest expense on lease liabilities (note 10)	**1,919**	1,154	**1,920**	1,155
643	**733**	643	**733**	Short-term lease rentals (note 6)**	**282**	247	**282**	247
7,970	**10,650**	7,970	**10,650**	Variable royalty fees related to port concessions (note 6)*	**4,096**	3,065	**4,096**	3,065

*All the leases in which the Group is the lessee contain fixed-lease payment terms except port concessions leases which contains both fixed and variable lease payment terms. The variable lease payment is accounted for in profit and loss account as incurred.

** Short-term lease rentals mainly comprises of port related equipment leased from third parties for a short-term period (12 months or less).

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

13 Non-financial assets and liabilities (continued)

13.b Leases (continued)

(iii) Amounts recognised in statement of cashflows:

Parent Company		Consolidated			Parent Company		Consolidated	
2024 US $'000	**2025 *US $'000**	2024 US $'000	**2025 US $'000**		**2025 '000**	2024 '000	**2025 '000**	2024 '000
(2,490)	**(9,661)**	(2,506)	**(9,669)**	Lease payments - principal portion	**(3,715)**	(958)	**(3,718)**	(964)
(3,000)	**(4,450)**	(3,003)	**(4,453)**	Lease payments - interest portion	**(1,712)**	(1,154)	**(1,713)**	(1,155)
(5,490)	**(14,111)**	(5,509)	**(14,122)**	Total cash flows for leases	**(5,427)**	(2,112)	**(5,431)**	(2,119)

(iv) Movement in lease liabilities:

	Parent Company					Consolidated				
2025	Port concessions '000	Operational equipment '000	Vehicles lease '000	Office lease '000	Total '000	Port concessions '000	Operational equipment '000	Vehicles lease '000	Office lease '000	Total '000
Cost										
1 January 2025	**7,062**	**19,225**	**443**	**-**	**26,730**	**7,081**	**19,225**	**443**	**-**	**26,749**
Addition	**-**	**-**	**570**	**-**	**570**	**-**	**-**	**570**	**-**	**570**
Finance charges	**389**	**1,462**	**68**	**-**	**1,919**	**390**	**1,462**	**68**	**-**	**1,920**
Remeasurement (note 13.b.i)	**-**	**(3,296)**	**-**	**-**	**(3,296)**	**-**	**(3,296)**	**-**	**-**	**(3,296)**
Lease payments	**(1,885)**	**(3,217)**	**(325)**	**-**	**(5,427)**	**(1,889)**	**(3,217)**	**(325)**	**-**	**(5,431)**
31 December 2025	**5,566**	**14,174**	**756**	**-**	**20,496**	**5,582**	**14,174**	**756**	**-**	**20,512**

	Parent Company					Consolidated				
2025	Port concessions *US$ '000	Operational equipment US$ '000	Vehicles lease US$ '000	Office lease US$ '000	Total US$ '000	Port concessions US$ '000	Operational equipment US$ '000	Vehicles lease US$ '000	Office lease US$ '000	Total US$ '000
Cost										
1 January 2025	**18,362**	**49,984**	**1,153**	**-**	**69,499**	**18,412**	**49,984**	**1,150**	**-**	**69,546**
Additions	**-**	**-**	**1,481**	**-**	**1,481**	**-**	**-**	**1,481**	**-**	**1,481**
Finance charges	**1,012**	**3,802**	**176**	**-**	**4,990**	**1,014**	**3,802**	**176**	**-**	**4,992**
Remeasurement (note 13.b.i)	**-**	**(8,568)**	**-**	**-**	**(8,568)**	**-**	**(8,568)**	**-**	**-**	**(8,568)**
Lease payments	**(4,901)**	**(8,365)**	**(845)**	**-**	**(14,111)**	**(4,912)**	**(8,365)**	**(845)**	**-**	**(14,120)**
31 December 2025	**14,473**	**36,853**	**1,965**	**-**	**53,291**	**14,514**	**36,853**	**1,965**	**-**	**53,329**

	Parent Company					Consolidated				
2024	Port concessions '000	Operational equipment '000	Vehicles lease '000	Office lease '000	Total '000	Port concessions '000	Operational equipment '000	Vehicles lease '000	Office lease '000	Total '000
Cost										
1 January 2024	8,419	-	667	2	9,088	8,444	-	667	2	9,113
Addition	-	18,600	-	-	18,600	-	18,600	-	-	18,600
Finance charges	479	625	50	-	1,154	480	625	50	-	1,155
Lease payments	(1,836)	-	(274)	(2)	(2,112)	(1,843)	-	(274)	(2)	(2,119)
31 December 2024	7,062	19,225	443	-	26,730	7,081	19,225	443	-	26,749

	Parent Company					Consolidated				
2024	Port concessions *US$ '000	Operational equipment US$ '000	Vehicles lease US$ '000	Office lease US$ '000	Total US$ '000	Port concessions US$ '000	Operational equipment US$ '000	Vehicles lease US$ '000	Office lease US$ '000	Total US$ '000
Cost										
1 January 2024	21,891	-	1,736	5	23,632	21,954	-	1,733	5	23,692
Additions	-	48,359	-	-	48,359	-	48,359	-	-	48,359
Finance charges	1,245	1,625	130	-	3,000	1,248	1,625	130	-	3,003
Lease payments	(4,774)	-	(713)	(5)	(5,492)	(4,790)	-	(713)	(5)	(5,508)
31 December 2024	18,362	49,984	1,153	-	69,499	18,412	49,984	1,150	-	69,546

The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group's treasury function. Maturity analysis of the lease liabilities is disclosed in note 22.

The current and non-current classification of lease liabilities as of the reporting date is as follows:

Parent Company		Consolidated			Parent Company		Consolidated	
2024 US $'000	**2025 *US $'000**	2024 US $'000	**2025 US $'000**		**2025 '000**	2024 '000	**2025 '000**	2024 '000
11,837	**16,001**	11,849	**16,014**	Current lease liabilities	**6,154**	4,553	**6,159**	4,557
57,662	**37,290**	57,697	**37,315**	Non-Current lease liabilities	**14,342**	22,177	**14,353**	22,192
69,499	**53,291**	69,546	**53,329**		**20,496**	26,730	**20,512**	26,749

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

13 Non-financial assets and liabilities (continued)

13.c Intangible assets

The movement in Intangible assets is as set out below:

	Parent Company			Consolidated		
2025	**Licenses**	**Software**	**Total**	**Licenses**	**Software**	**Total**
	﷼ '000	**﷼ '000**	**﷼ '000**	**﷼ '000**	**﷼ '000**	**﷼ '000**
Cost						
At 1 January	**425**	**3,857**	**4,282**	**425**	**3,857**	**4,282**
Addition	**-**	**923**	**923**	**-**	**923**	**923**
At 31 December	**425**	**4,780**	**5,205**	**425**	**4,780**	**5,205**
Accumulated amortization						
At 1 January	**(368)**	**(2,916)**	**(3,284)**	**(368)**	**(2,916)**	**(3,284)**
Amortization for the year*	**(16)**	**(509)**	**(525)**	**(16)**	**(509)**	**(525)**
At 31 December	**(384)**	**(3,425)**	**(3,809)**	**(384)**	**(3,425)**	**(3,809)**
Carrying amounts						
At 31 December	**41**	**1,355**	**1,396**	**41**	**1,355**	**1,396**

	Parent Company			Consolidated		
2025	**Licenses**	**Software**	**Total**	**Licenses**	**Software**	**Total**
	***US$ '000**	**US$ '000**	**US$ '000**	**US$ '000**	**US$ '000**	**US$ '000**
Cost						
At 1 January	**1,105**	**10,031**	**11,136**	**1,105**	**10,031**	**11,136**
Addition	**-**	**2,399**	**2,399**	**-**	**2,399**	**2,399**
At 31 December	**1,105**	**12,430**	**13,535**	**1,105**	**12,430**	**13,535**
Accumulated amortization						
At 1 January	**(961)**	**(7,579)**	**(8,540)**	**(961)**	**(7,579)**	**(8,540)**
Amortization for the year*	**(43)**	**(1,323)**	**(1,366)**	**(43)**	**(1,323)**	**(1,366)**
At 31 December	**(1,004)**	**(8,902)**	**(9,906)**	**(1,004)**	**(8,902)**	**(9,906)**
Carrying amounts						
31 December	**101**	**3,528**	**3,629**	**101**	**3,528**	**3,629**

	Parent Company			Consolidated		
2024	**Licenses**	**Software**	**Total**	**Licenses**	**Software**	**Total**
	﷼ '000	**﷼ '000**	**﷼ '000**	**﷼ '000**	**﷼ '000**	**﷼ '000**
Cost						
At 1 January	425	3,066	3,491	425	3,066	3,491
Addition	-	791	791	-	791	791
At 31 December	425	3,857	4,282	425	3,857	4,282
Accumulated amortization						
At 1 January	(354)	(2,658)	(3,012)	(354)	(2,658)	(3,012)
Amortization for the year*	(14)	(258)	(272)	(14)	(258)	(272)
At 31 December	(368)	(2,916)	(3,284)	(368)	(2,916)	(3,284)
Carrying amounts						
At 31 December	57	941	998	57	941	998

	Parent Company			Consolidated		
2024	**Licenses**	**Software**	**Total**	**Licenses**	**Software**	**Total**
	***US$ '000**	**US$ '000**	**US$ '000**	**US$ '000**	**US$ '000**	**US$ '000**
Cost						
At 1 January	1,105	7,973	9,078	1,105	7,973	9,078
Addition	-	2,058	2,058	-	2,058	2,058
At 31 December	1,105	10,031	11,136	1,105	10,031	11,136
Accumulated amortization						
At 1 January	(923)	(6,909)	(7,832)	(923)	(6,909)	(7,832)
Amortization for the year*	(38)	(670)	(708)	(38)	(670)	(708)
At 31 December	(961)	(7,579)	(8,540)	(961)	(7,579)	(8,540)
Carrying amounts						
31 December	144	2,452	2,596	144	2,452	2,596

*The amortisation period for licenses is up to 30 years. Software is amortised over their estimated useful lives of 3 years. The amortization of licenses and software is included in 'other operating expenses' (note 7).

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

13 Non-financial assets and liabilities (continued)

13.d Investment in subsidiary

Parent Company		Consolidated			Parent Company		Consolidated	
2024	2025	2024	2025		2025	2024	2025	2024
US $'000	*US $'000	US $'000	US $'000		﷼'000	﷼'000	﷼'000	﷼'000
546	546	-	-	Ordinary Shares - Unquoted	210	210	-	-
546	546	-	-	Total	210	210	-	-

13.e Long term deposits

Parent Company		Consolidated			Parent Company		Consolidated	
2024	2025	2024	2025		2025	2024	2025	2024
US $'000	*US $'000	US $'000	US $'000		﷼'000	﷼'000	﷼'000	﷼'000
49,400	-	49,400	-	Long term deposits (2 years)	-	19,000	-	19,000
49,400	-	49,400	-	**Total**	-	19,000	-	19,000

During 2023, the Company placed long term deposits in US$ and ﷼ with local commercial banks in Sultanate of Oman with residual maturities of two years. These deposits carry an effective annual interest rate of 5.250% to 5.90%. All deposits matured during 2025.

13.f Inventories

Parent Company		Consolidated			Parent Company		Consolidated	
2024	2025	2024	2025		2025	2024	2025	2024
US $'000	*US $'000	US $'000	US $'000		﷼'000	﷼'000	﷼'000	﷼'000
13,453	16,177	13,453	16,177	Store, spares, consumables and fuel	6,222	5,174	6,222	5,174
(7,202)	(7,933)	(7,202)	(7,933)	Less: provision for obsolete inventories	(3,051)	(2,770)	(3,051)	(2,770)
6,251	8,244	6,251	8,244	**Total**	3,171	2,404	3,171	2,404

Movement in the provision for obsolete inventories is as follows:

Parent Company		Consolidated			Parent Company		Consolidated	
2024	2025	2024	2025		2025	2024	2025	2024
US $'000	*US $'000	US $'000	US $'000		﷼'000	﷼'000	﷼'000	﷼'000
6,302	7,202	6,302	7,202	At 1 January	2,770	2,424	2,770	2,424
900	731	900	731	Charge for the period (note 8)	281	346	281	346
7,202	7,933	7,202	7,933	At 31 December	3,051	2,770	3,051	2,770

13.g Other current assets

Parent Company		Consolidated			Parent Company		Consolidated	
2024	2025	2024	2025		2025	2024	2025	2024
US $'000	*US $'000	US $'000	US $'000		﷼'000	﷼'000	﷼'000	﷼'000
3,788	3,553	3,788	3,553	Prepaid expenses	1,366	1,457	1,366	1,457
458	440	458	440	Advances	169	176	169	176
9,350	1,858	9,350	1,858	VAT receivables	715	3,596	715	3,596
13,596	5,851	13,596	5,851	**Total**	2,250	5,229	2,250	5,229

13.h Employees' end of service benefits

Movements in the liability recognised in the consolidated statement of financial position are as follows:

Parent Company		Consolidated			Parent Company		Consolidated	
2024	2025	2024	2025		2025	2024	2025	2024
US $'000	*US $'000	US $'000	US $'000		﷼'000	﷼'000	﷼'000	﷼'000
13,039	13,634	13,039	13,634	At 1 January	5,244	5,015	5,244	5,015
1,747	1,839	1,747	1,839	Charge for the period (note 11)	707	672	707	672
(1,152)	(1,107)	(1,152)	(1,107)	Paid during the period	(426)	(443)	(426)	(443)
13,634	14,366	13,634	14,366	At 31 December	5,525	5,244	5,525	5,244

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

14 Financial assets and liabilities

This note provides information about the Group's financial instruments, including:

- an overview of all financial instruments held by the Group
- specific information about each type of financial instrument
- accounting policies
- information about determining the fair value of the instruments, including judgements and estimation uncertainty involved.

The Company holds the following financial instruments:

Parent Company		Consolidated				Parent Company		Consolidated	
2024	**2025**	2024	**2025**			**2025**	2024	**2025**	2024
US $'000	***US $'000**	US $'000	**US $'000**		Notes	**OMR'000**	OMR'000	**OMR'000**	OMR'000
				Financial assets					
16,048	**22,018**	16,048	**22,018**	Trade receivables	14.a	**8,469**	6,172	**8,469**	6,172
				Other financial assets at					
14,612	**16,967**	14,612	**16,967**	amortised cost	14.b	**6,525**	5,619	**6,525**	5,619
25,601	**72,398**	25,601	**72,398**	Short term deposits	14.c	**27,846**	9,846	**27,846**	9,846
49,400	**-**	49,400	**-**	Long term deposits	13.e	**-**	19,000	**-**	19,000
5,552	**53,744**	5,552	**53,744**	Cash and cash equivalents	14.d	**20,671**	2,136	**20,671**	2,136
111,213	**165,127**	111,213	**165,127**			**63,511**	42,773	**63,511**	42,773
				Financial and lease liabilities					
69,499	**53,291**	69,546	**53,329**	Lease liabilities	13.b (iv)	**20,496**	26,730	**20,512**	26,749
71,050	**75,913**	70,139	**74,865**	Trade and other payables	14.e	**29,198**	27,323	**28,793**	26,975
140,549	**129,204**	139,685	**128,194**			**49,694**	54,053	**49,305**	53,724

14.a Trade receivables

Parent Company		Consolidated			Parent Company		Consolidated	
2024	**2025**	2024	**2025**		**2025**	2024	**2025**	2024
US $'000	***US $'000**	US $'000	**US $'000**		**OMR'000**	OMR'000	**OMR'000**	OMR'000
				Trade receivables from related parties				
8,032	**10,269**	8,032	**10,269**	(note 19)	**3,950**	3,089	**3,950**	3,089
9,137	**13,067**	9,137	**13,067**	Other trade receivables	**5,026**	3,514	**5,026**	3,514
17,169	**23,336**	17,169	**23,336**		**8,976**	6,603	**8,976**	6,603
				Less: Provision for impairment (note				
(1,121)	**(1,318)**	(1,121)	**(1,318)**	22.(i)(a))	**(507)**	(431)	**(507)**	(431)
16,048	**22,018**	16,048	**22,018**	Total net trade receivables	**8,469**	6,172	**8,469**	6,172

Terms and conditions of trade receivables from related parties are set out in note 19.

(i) Classification as trade receivables

Trade receivables are amounts due from customers for goods sold and services performed in the ordinary course of business. They are generally due for settlement within 30 to 60 days and therefore are all classified as current. These receivables are recognized initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognised at fair value.

The Group holds these receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Details about the Group's impairment policies and the calculation of the loss allowance are provided in note 22.

(ii) Carrying and fair values of trade receivables

The carrying amounts of the Group's trade receivables are denominated in Rial Omani. Due to the short-term nature of the current receivables, their carrying amount approximates their fair value.

(iii) Impairment and risk exposure

Information about the impairment of trade receivables and Group's exposure to credit risk, foreign currency risk and interest rate risk can be found in note 22.

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

14 Financial assets and liabilities (continued)

14.b Other financial assets at amortized cost

The Group classifies its financial assets as at amortized cost only if both of the following criteria are met:

- The asset is held within a business model whose objective is to collect the contractual cash flows, and
- The contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets at amortized cost include the following:

Parent Company		Consolidated			Parent Company		Consolidated	
2024	**2025**	2024	**2025**		**2025**	2024	**2025**	2024
US $'000	***US $'000**	US $'000	**US $'000**		**OMR'000**	OMR'000	**OMR'000**	OMR'000
872	**356**	872	**356**	Receivables from the Government of Sultanate of Oman	**137**	335	**137**	335
723	**809**	723	**809**	Other receivables	**311**	278	**311**	278
8,578	**14,032**	8,578	**14,032**	Due from related parties	**5,397**	3,299	**5,397**	3,299
4,071	**1,286**	4,071	**1,286**	Accrued bank interest income	**494**	1,566	**494**	1,566
368	**484**	368	**484**	Advances to staff	**186**	141	**186**	141
14,612	**16,967**	14,612	**16,967**	**Total**	**6,525**	5,619	**6,525**	5,619

(i) Classification

These amounts generally arise from transactions outside the usual operating activities of the Group. Interest may be charged at commercial rates where the terms of repayment exceed six months. Collateral is not normally obtained.

(ii) Carrying and fair values of other financial assets at amortized cost

The carrying amounts of the Group's other financial assets at amortized cost are denominated in Rial Omani. Due to the short-term nature of the current receivables, their carrying amount approximates to their fair value.

(iii) Impairment and risk exposure

Information about the impairment of other financial assets at amortized cost and Group's exposure to foreign currency risk, and interest rate risk and credit risk can be found in note 4 (p).

14.c Short-term deposits

Parent Company		Consolidated			Parent Company		Consolidated	
2024	**2025**	2024	**2025**		**2025**	2024	**2025**	2024
US $'000	***US $'000**	US $'000	**US $'000**		**OMR'000**	OMR'000	**OMR'000**	OMR'000
25,601	**72,398**	25,601	**72,398**	Short term deposits	**27,846**	9,846	**27,846**	9,846

Short-term deposits are placed in US$ and OMR with local commercial banks in Sultanate of Oman with residual maturities of 12 months. Short term deposits carry an effective annual interest rate of 4.35% to 4.80% *(2024:* 4.80% to 5.5%*).*

14.d Cash and cash equivalents

Parent Company		Consolidated			Parent Company		Consolidated	
2024	**2025**	2024	**2025**		**2025**	2024	**2025**	2024
US $'000	***US $'000**	US $'000	**US $'000**		**OMR'000**	OMR'000	**OMR'000**	OMR'000
2,238	**1,088**	2,238	**1,088**	Cash and bank balances	**419**	861	**419**	861
3,761	**52,914**	3,761	**52,914**	Call deposit accounts	**20,352**	1,447	**20,352**	1,447
5,999	**54,002**	5,999	**54,002**		**20,771**	2,308	**20,771**	2,308
(447)	**(258)**	(447)	**(258)**	Less: Allowance for impairment loss (Note 22(i)(b))	**(100)**	(172)	**(100)**	(172)
5,552	**53,744**	5,552	**53,744**	**Total**	**20,671**	2,136	**20,671**	2,136

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

14 Financial assets and liabilities (continued)

14.d Cash and cash equivalents (continued)

Call deposits are placed in US$ and ﷼ with local commercial banks in Sultanate of Oman. Call deposits carry effective annual interest rates ranging from 0.25% to 4.00% *(2024:* 0.10% to 4.00%*)*.

Balances with banks including term deposits are considered to be in stage 1 since these banks are highly regulated by the Central Bank of Oman (CBO). Accordingly, loss allowance on balances with banks is recognised based on the loss allowance expected within next 12 months.

None of the balances with banks at the end of the reporting period are past due and taking into account the historical default experience and the current credit ratings of the bank, the management of the Group have assessed the ECL allowance and recognised an impairment reversal on these balances (note 22 (i)(b)).

The cash and cash equivalents and term deposits are held with banks and financial institutions counterparties, which are rated as follows;

Bank	**2025 Ratings**	2024 Ratings
Bank Muscat	Baa3	Ba1
National Bank of Oman	Ba1	Ba1
Sohar International Bank (SIP)	Ba1	Ba1
Bank Dhofar	Ba2	Ba1
Maisarah Islamic Bank	Ba2	NA
Standard Charted Bank	A1	A1
Bank Nizwa	Ba2	Ba3
Ahli Bank	Ba2	BB

14.e Trade and other payables

Parent Company		Consolidated			Parent Company		Consolidated	
2024 US $'000	**2025 *US $'000**	2024 US $'000	**2025 US $'000**		**2025 ﷼'000**	2024 ﷼'000	**2025 ﷼'000**	2024 ﷼'000
9,072	**4,115**	9,072	**4,115**	Trade payables	**1,583**	3,488	**1,583**	3,488
8,994	**11,761**	8,994	**11,761**	Amounts due to Government of Sultanate of Oman	**4,524**	3,459	**4,524**	3,459
2,502	**5,571**	1,572	**4,512**	Amounts due to related parties (note 19)	**2,143**	962	**1,735**	605
50,482	**54,466**	50,501	**54,477**	Accrued expenses and other liabilities*	**20,948**	19,414	**20,951**	19,423
71,050	**75,913**	70,139	**74,865**	**Total**	**29,198**	27,323	**28,793**	26,975

*Accrued expenses and other liabilities as of the reporting date includes a provision in relation to the ongoing discussion with the Government of Sultanate of Oman on the matter of segmentation for one of the berths. Refer note 20.

15 Equity

(a) Share capital

2025 ﷼'000	2024 ﷼'000		**2025 ﷼'000**	2024 ﷼'000
200,000	200,000	No. of Shares Authorised (in 000's)		
20,000	20,000	Authorised Share Capital @ ﷼ 0.100 per Share		
		No. of Shares Issued and fully paid (in 000's)	**179,837**	179,837
		Issued and Fully Paid Share Capital @ ﷼ 0.100 per Share	**17,984**	17,984

2025 *US$'000	2024 US$'000		**2025 US$'000**	2024 US$'000
520,000	520,000	No. of Shares Authorised (in 000's)		
52,000	52,000	Authorised Share Capital @ US$ 0.260 per Share		
		No. of Shares Issued and fully paid (in 000's)	**467,576**	467,576
		Issued and Fully Paid Share Capital @ US$ 0.260 per Share	**46,758**	46,758

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

15 Equity (continued)

In the extraordinary general meeting held on 25 March 2009, approval was obtained to split the nominal value of the shares in the Parent company from ﷼ 1 (US$ 2.6) to Bzs 100 (US$ 0.260) and then split each share into 10 shares.

(b) Share premium

Share premium of ﷼ 2,948,569 (US$ 7,666,279) represents a premium on shares issued during the year 2000 and transferred to share premium account during the year 2001.

Shareholders of the Company who own 10% or more of the Company's shares, as at year end whether in their name, or through a nominee account, and the number of shares they hold are as follows:

	2025		2024	
	No. of shares	**%**	No. of shares	%
APM Terminals B.V.	**54,180,000**	**30**	54,180,000	30
Asyad Group SAOC	**36,120,000**	**20**	36,120,000	20
HSBC A/C HSBC BK PLC A/C IB	**27,455,320**	**15**	27,455,320	15

(c) Legal reserve

The Commercial Companies Law of 2019 of the Sultanate of Oman requires that 10% of a Company's profit be transferred to a non-distributable legal reserve until the amount of legal reserve becomes equal to one-third of the Company's share capital. The reserve is not available for distribution. This has been achieved; therefore, no further transfers were being made during the year for the Company. During the year, ﷼ 3,988 (USD 10,368) was transferred from the Subsidiary profit to its legal reserves.

16 Earnings per share

Basic earnings per share is calculated by dividing the profit for the year attributable to the ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year is as follows:

Parent Company		Consolidated			Parent Company		Consolidated	
2024	**2025**	2024	**2025**		**2025**	2024	**2025**	2024
US $'000	***US $'000**	US $'000	**US $'000**		**﷼'000**	﷼'000	**﷼'000**	﷼'000
5,782	**18,870**	5,867	**18,966**	Net profit for the year	**7,254**	2,224	**7,294**	2,257
179,837	**179,837**	179,837	**179,837**	Weighted average number of shares outstanding at the end of the period ('000)	**179,837**	179,837	**179,837**	179,837
0.031	**0.105**	0.034	**0.105**	Basic earnings per share	**0.040**	0.012	**0.041**	0.013

No figure for diluted earnings per share has been presented as the Company has not issued any instruments which would have an impact on earnings per share when exercised.

17 Dividends

The Board of Directors have proposed a cash dividend of ﷼ 0.015 *(2024: ﷼ 0.010)* [US$ 0.039 *(2024: US$ 0.026)]* per share totalling to amount of approximately ﷼ 2.698 million *(2024: ﷼ 1.798 million)* [US$ 7.014 million *(2024: US$ 4.676 million)]* for the year ended 31 December 2025, which is subject to approval by the shareholders at the Annual General Meeting in March 2026. Withholding tax, if any applicable, will be deducted and paid on the payment of the dividends to non-resident shareholders

Shareholders approved cash dividend of ﷼ 0.010 (US$ 0.026) per share for 2024 totalling to ﷼ 1.798 million (US$ 4.676 million) approving the board's proposal of ﷼ 0.010 (US$ 0.026) amounting to ﷼ 1.798 million (US$ 4.676 million) in the Company's annual general meeting held in March 2025.

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

18 Net assets per share

Net assets per share is calculated by dividing the net assets attributable to the ordinary shareholders of the Company at the end of the period by the number of ordinary shares outstanding at 31 December as follows:

Parent Company		Consolidated			Parent Company		Consolidated	
2024 US $'000	2025 *US $'000	2024 US $'000	2025 US $'000		2025 OMR '000	2024 OMR '000	2025 OMR '000	2024 OMR '000
196,615	**210,809**	197,111	**211,411**	Net assets	**81,081**	75,625	**81,313**	75,813
179,837	**179,837**	179,837	**179,837**	Weighted average number of shares outstanding at the end of the year ('000)	**179,837**	179,837	**179,837**	179,837
1.095	**1.172**	1.097	**1.176**	Net assets per share	**0.451**	0.421	**0.452**	0.422

19 Related party transactions

The Company enters into transactions with companies and entities that fall within the definition of a related party as contained in IAS 24 Related Party Disclosures. Related parties comprise key management personnel and business entities that have the ability to control or exercise significant influence over financial and operating decisions of the Company. The Company maintains balances with these related parties which arise in the normal course of business from the commercial transactions at mutually agreed terms. Prices and terms of these transactions are on mutually agreed terms and conditions which are approved by the Company's management and Board of Directors.

Balances and transactions between the Company and its subsidiary, which is a related party, have been eliminated on consolidation and are not disclosed in this note. The aggregate value of significant transactions and balances with other related parties for the year ended were as follows:

Parent Company		Consolidated			Parent Company		Consolidated	
2024 US $'000	2025 *US $'000	2024 US $'000	2025 US $'000		2025 OMR '000	2024 OMR '000	2025 OMR '000	2024 OMR '000
				(i) Provision of services				
91,685	**124,882**	91,685	**124,882**	*Other related parties (a)*	**48,032**	35,264	**48,032**	35,264
31	**31**	-	**-**	*The Subsidiary Company*	**12**	12	**-**	-
91,716	**124,913**	91,685	**124,882**		**48,044**	35,276	**48,032**	35,264
				(ii) Procurement of services				
9,015	**25,008**	9,015	**25,008**	*Other related parties (b)*	**9,618**	3,467	**9,618**	3,467
168	**168**	-	**-**	*The Subsidiary Company*	**65**	65	**-**	-
9,183	**25,176**	9,015	**25,008**		**9,683**	3,532	**9,618**	3,467

(a) These transactions mainly relate to revenue earned through provision of stevedoring, marine and yard services to entities over which one of the shareholders "APM Terminal B.V." exerts control in accordance with IAS 24 "Related Party Disclosures".

(b) These transactions mainly relate to the procurement of services in relation to the management agreements (note 7) entered with AP Moller Terminals Co. LLC ("the Manager") and Lease agreement (note 13.b) with APM Terminal B.V. which exerts control in accordance with the requirements of IAS 24 "Related Party Disclosures".

Compensation of key management personnel:

Key management personnel are those having authority for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise).

The key management personnel compensation and director's remuneration for the year comprised the following:

Parent Company		Consolidated			Parent Company		Consolidated	
2024 US $'000	2025 *US $'000	2024 US $'000	2025 US $'000		2025 OMR '000	2024 OMR '000	2025 OMR '000	2024 OMR '000
1,235	**1,380**	1,235	**1,380**	Short term benefits	**531**	475	**531**	475
463	**103**	463	**103**	Post employment benefits	**39**	178	**39**	178
390	**390**	390	**390**	Directors' other remuneration	**150**	150	**150**	150
104	**106**	104	**106**	Directors sitting fees	**41**	40	**41**	40
2,192	**1,979**	2,192	**1,979**		**761**	843	**761**	843

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

19 Related party transactions (continued)

The balance with related parties arising from sales, purchases of goods and services included in the statement of financial position are as follows: These balances are interest free and repayable / receivable on demand.

Parent Company		Consolidated			Parent Company		Consolidated	
2024 US $'000	**2025 *US $'000**	2024 US $'000	**2025 US $'000**		**2025 ﷼'000**	2024 ﷼'000	**2025 ﷼'000**	2024 ﷼'000
				Trade & other receivables				
8,032	**10,269**	8,032	**10,269**	*Due from other related parties (14.a)*	**3,950**	3,089	**3,950**	3,089
8,578	**14,032**	8,578	**14,032**	*Due from other related parties (14.b)*	**5,397**	3,299	**5,397**	3,299
16,610	**24,301**	16,610	**24,301**		**9,347**	6,388	**9,347**	6,388
				(ii) Trade & other payables (14.e)				
1,572	**4,511**	1,572	**4,512**	*Due to other related parties*	**1,735**	605	**1,735**	605
930	**1,060**	-	**-**	*The Subsidiary Company*	**408**	358	**-**	-
2,502	**5,571**	1,572	**4,512**		**2,143**	963	**1,735**	605
				(iii) Lease liabilities				
49,984	**36,853**	49,984	**36,853**	*Due to other related parties (13.b)*	**14,174**	19,225	**14,174**	19,225

Balance receivable from / payable to related parties as of the reporting date are disclosed in notes 14.a, 14.b 14.e & 13.b, respectively. Due to other related parties mainly represents amounts payable to AP Moller Terminals Co. LLC as disclosed in note 19 (b) in relation to procurement of services. Furthermore, due from other related parties mainly represents provision of services as disclosed in note 19 (a).

The above mentioned related party receivables as of the reporting date are unsecured and will be settled in the next twelve months from the reporting date. Accordingly balance due from related parties are considered in stage 1 and ECL is recognised based on the loss allowance expected within next 12 months from the reporting date. Furthermore, none of these balances with these related parties at the end of the reporting period are past due.

In accordance with IAS 24 "Related Party Disclosures", the Group has applied the exemption for 'Government entities' and has elected not to disclose transactions with Government of Oman ("Government"), as the Government exerts significant influence over the Group. However, the Group has disclosed transactions which are either individually significant or that are collectively significant, but not individually, considering both quantitative and qualitative factors. The nature of such significant transactions are in relation to royalty fees payable to the Government (as disclosed in note 3) and procurement of services.

20 Operating segment information

For management purposes, the Company is organised into two major operating divisions – Container Terminal and General Cargo Terminal. The Container Terminal Division comprises of berths which as per concession agreement are to be engaged in leasing, equipping, operating and managing a Container Terminal. The General Cargo Terminal Division comprises of berths which as per concession agreement are to be engaged in providing stevedoring and other cargo related services to vessel and cargo operators. These segments are the basis on which the Company reports its primary segmental information. None of the other operating segments have been aggregated to form the above reportable operating segment.

The two segments are organized based on the classification of individual berths as set out in the two concession agreements with the Government of Sultanate of Oman ("Government"). Accordingly, all operational revenues of the berths are presented within Container Terminal and General Cargo Terminal as per their classification mentioned in the two concession agreements and are disclosed in the table below. The impact of difference in actual usage on royalty fees for General Cargo Terminal in relation to one of the berths (the "Berth") currently classified in Container Terminal as per the concession agreement is currently under discussion with the Government. However, the provision recorded as of the reporting date for the Berth is adequate and no additional provision is required as of the reporting date in this regard. Refer note 14.e.

Management (the Chief Operating Decision Maker (CODM)) monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment at least quarterly. Segment performance is evaluated based on operating profit and loss. Information related to each reportable segment is set out below.

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

20 Operating segment information (continued)

	Container Terminal		General Cargo Terminal		Total	
	2025	2024	**2025**	2024	**2025**	2024
	﷼'000	﷼'000	**﷼'000**	﷼'000	**﷼'000**	﷼'000
External revenue						
Stevedoring services	**43,058**	30,120	**23,203**	19,812	**66,261**	49,932
Yard services	**4,801**	5,281	**6,177**	4,556	**10,978**	9,837
Marine services	**3,626**	2,701	**4,416**	4,150	**8,042**	6,851
Other services	**3,346**	2,796	**698**	503	**4,044**	3,299
Inter-segment revenue						
Elimination of inter-segment revenue	**4,448**	3,525	**(4,448)**	(3,525)	**-**	-
Total consolidated revenue	**59,279**	44,423	**30,046**	25,496	**89,325**	69,919
Depreciation and amortisation	**12,995**	9,787	**338**	324	**13,333**	10,111
Finance cost	**1,958**	1,143	**118**	31	**2,076**	1,174
Finance income	**666**	1,331	**931**	445	**1,597**	1,776
Income tax (credit) / charge	**(360)**	(884)	**1,653**	1,318	**1,293**	434
Net (loss) / profit for the period	**(2,043)**	(5,396)	**9,297**	7,620	**7,254**	2,224
Total operating assets	**80,530**	77,809	**59,680**	61,143	**140,210**	138,952
Total operating liabilities	**48,835**	56,124	**10,294**	7,203	**59,129**	63,327
Other disclosures						
Capital expenditures	**3,121**	16,187	**1,081**	-	**4,202**	16,187

Revenue for year ended 31 December 2025 amounted to ﷼ 65k (USD 162k) [(31 December 2024: ﷼ 65k (USD 168k)], expenses for the year ended 31 December 2025 amounted to ﷼ 25k (USD 65k) [31 December 2024: ﷼ 32k (USD 81k)], operating assets of ﷼ 468k (USD 1,217k) and operating liabilities of ﷼ 24k (USD 62k) from the subsidiary which is not being reviewed by CODM and thus, are not allocated in either of the two segments mentioned in the above table.

	Container Terminal		General Cargo Terminal		Total	
	2025	2024	**2025**	2024	**2025**	2024
	***US$'000**	US$'000	**US$'000**	US$'000	**US$'000**	US$'000
External revenue						
Stevedoring services	**111,951**	78,312	**60,332**	51,512	**172,283**	129,824
Yard services	**12,483**	13,731	**16,060**	11,845	**28,543**	25,576
Marine services	**9,428**	7,023	**11,483**	10,790	**20,911**	17,813
Other services	**8,700**	7,270	**1,822**	1,307	**10,522**	8,577
Inter-segment revenue						
Elimination of inter-segment revenue	**11,565**	9,165	**(11,565)**	(9,165)	**-**	-
Total consolidated revenue	**154,127**	115,501	**78,132**	66,289	**232,259**	181,790
Depreciation and amortisation	**33,787**	25,446	**880**	845	**34,667**	26,291
Finance cost	**5,091**	2,972	**307**	80	**5,398**	3,052
Finance income	**1,732**	3,461	**2,419**	1,156	**4,151**	4,617
Income tax	**(936)**	(2,298)	**4,299**	3,412	**3,363**	1,114
Net (loss)/ profit for the period	**(5,312)**	(14,030)	**24,182**	19,812	**18,870**	5,782
Total operating assets	**209,376**	202,306	**155,168**	158,972	**364,544**	361,278
Total operating liabilities	**126,971**	145,935	**26,764**	18,728	**153,735**	164,663
Other disclosures						
Capital expenditure	**8,115**	42,086	**2,810**	-	**10,925**	42,086

Capital expenditure consists of additions of property and equipment. During the year, the Company has allocated common marine and IT assets among Container terminal and General cargo terminal segment as per the policy approved by the Board of Directors i.e. in the ratio of marine revenue and operational revenue of previous period audited financial statements respectively.

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

20 Operating segment information (continued)

Geographical information:

The geographical information analyses the Company's revenue and non-current assets by the Company's country of domicile and other countries. A geographical analysis of segment revenue has been based on the geographical location of the customers and segment assets were based on geographical location of the assets which is set out below:

Parent Company		Consolidated			Parent Company		Consolidated	
2024	**2025**	2024	**2025**		**2025**	2024	**2025**	2024
US $'000	***US $'000**	US $'000	**US $'000**		**﷼'000**	﷼'000	**﷼'000**	﷼'000
				Revenue				
82,468	**110,538**	82,636	**110,700**	Oman	**42,509**	31,718	**42,574**	31,783
97,920	**119,956**	97,920	**119,956**	Europe	**46,137**	37,662	**46,137**	37,662
1,402	**1,765**	1,402	**1,765**	Other countries	**679**	539	**679**	539
181,790	**232,259**	181,958	**232,421**		**89,325**	69,919	**89,390**	69,984

All the Company's assets are located in Sultanate of Oman.

Revenues from major products and services:

The Company's revenues from its major services are disclosed in note 5.

Information about major customers:

Revenue from one major customer of the Company's container terminal segment represented approximately ﷼ 42,967k *(2024: ﷼33,546k)* of the Company's total revenue. No other single customer contributed 10% or more of the Company's revenue in the year 2025 or 2024.

21 Commitments and contingencies

21.a Capital commitments

Capital commitments as at the reporting date but not recognised in the financial statements are as follows;

Parent Company		Consolidated			Parent Company		Consolidated	
2024	**2025**	2024	**2025**		**2025**	2024	**2025**	2024
US $'000	***US $'000**	US $'000	**US $'000**		**﷼'000**	﷼'000	**﷼'000**	﷼'000
13,333	**14,563**	13,333	**14,563**	Commitment for leasehold improvements – property and equipment	**5,601**	5,128	**5,601**	5,128

21.b Claims and contingent liability

(i) In Cyclone Mekunu related cargo claim matters, on 23 November 2020, Maersk issued arbitration notice before LMAA against the Company to protect their time in respect of any indemnity claims that Maersk have in respect of Cyclone Mekunu. Based on the delayed extension of time given by the Company, Maersk subsequently granted the Company an extension of time to appoint an arbitrator in its arbitration proceeding for which notice was given, and that extension of time remains in place. Meanwhile, the Company has replied to Maersk's Arbitration notice as it is time barred from claiming any indemnity and that preconditions to initiate an arbitration proceeding by Maersk have not been met with. Till date no response received from Maersk. The Company has sought Maersk to withdraw the Arbitration proceeding for which Maersk has sought time till the cases related to cyclone Mekunu cargo claims pending in Egypt, Oman and India against Maersk are concluded. As of the date of approval of these financial statements, the management is following up with Maersk for closure of pending Cyclone Mekunu related cargo claims. Also, the Management is working on the closure of the arbitration process initiated by Maersk against the Company.

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

21 Commitments and contingencies (continued)

21.b Claims and contingent liability (continued)

(ii) Oscar Middle East Ships Management, Dubai (Claimant) owners of MV Fox (Vessel) has filed a case against 1. Public Prosecution, 2. Ministry of Transport Communications and Information Technology ("MOTCIT"), 3. Salalah Port Services Company SAOG (the "company") and 4. Royal Oman Police ("ROP"), Salalah claiming compensation of ﷼10 Million plus legal and lawyers' fees the sum of ﷼100k due to the reason that detention of their Vessel at Port of Salalah for a longer period had caused monetary loss due to loss of business. The Administrative Court on 21 October 2025 decided to adjourned the case to 17/02/2026 for Judgment.

(iii) Ministry of Transport, Communications, and Information Technology ("MOTCIT") had served a Notice dated 16 April 2023 on the Company stating that several non-compliance in the certification of the employees of Port Control Office were found during its inspection between 26 to 28 February 2023. Additionally, MOTCIT had found that Port Control office had not complied with the Ministerial Decision 186/2016, Ministerial Decision 70/2017 and Ministerial Decision 138/2017 and had called upon the Company to deposit ﷼ 400k ,towards the administrative penalties and also urged the Company to comply with its maritime legislations issued by the Ministry. In furtherance to the compliance with the aforesaid Ministerial Decisions by the Company, MOTCIT had reduced the maximum amount payable for the violations by 50%, i.e., ﷼200k, provided that all causes leading to violations be removed and that the Company shall undertake to not repeat the same and comply with applicable laws and regulations. During the year 2024, the Company has paid ﷼ 57k in lieu of the said violation to MOTCIT and is taking all steps with MOTICT and Ministry of finance for a further waiver on the balance penalty.

(iv) 50 Marine Staff filed individual labour cases against SPS in which each employee claimed ﷼ 20k against overtime, risk allowance or nature of work allowance of ﷼ 150 and allowance of ﷼ 3k every 2 years. The Court ruled to appoint two HR Experts in the case and the Experts provided their reports to the Court. SPS submitted responses to the Experts reports. The Court adjourned the case until 29th January 2026 for judgement.

22 Financial risk management

The Company's activities expose it to variety of risks from its use of financial instruments:

(i) Credit risk
(ii) Liquidity risk
(iii) Market risk
(iv) Currency risk
(v) Interest rate risk

The Company has established a risk policy whose administration is vested with the Chief Executive Officer. The Chief Financial Officer is nominated as the Risk Champion and a body consisting of departmental Managers constitutes the Risk Management Committee. The working of the Risk management framework as above is coordinated through the Audit Committee.

(i) **Credit risk** is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers. The carrying amount of financial assets represents the maximum credit exposure.

Trade receivables: Credit is extended to customers only with an objective of optimizing the Company's profits and the prime responsibility for providing credit to customers and the timely collection of all debts rests with the functional manager. Credit has a cost to the business and necessary controls and procedures are established to manage the Company's credit risk and its working capital. It is therefore Company's policy to have effective credit control systems in place which are flexible enough to respond to changing market needs yet rigorous enough to ensure that customer credit limits are established and regularly updated on the basis of reliable up-to-date information.

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

22 Financial risk management (continued)

(i) Credit risk (continued)

This is an aggregate of our transactions with many customers and the risk profiles vary with their composition from time to time. Generally, the Company deals with the customers based on cash or guarantees from reputed banks. In the case of major customers who have been provided credit status, their credit worthiness has been thoroughly evaluated in advance and their credit terms are governed by their respective contracts with the Company. The Company has an approved credit policy forming part of its financial policies and procedures. In case of exceptions provisions are created as appropriate.

Furthermore, the Company reviews the recoverable amount of each trade and other receivables including dues from related parties and Government of Sultanate of Oman on an individual basis at the end of the reporting period to ensure that adequate loss allowance is made for irrecoverable amounts. In this regard, management considers that the Company's credit risk is significantly reduced. If the customer independently rated, these ratings are used. Otherwise, if there is no independent rating, the Company assesses the credit quality of the customer, taking into account its financial position, past experiences, and other factors.

Exposure to credit risk for trade receivables including related parties and receivables from Government of Sultanate of Oman at the end of the reporting date by geographic region:

Parent Company		Consolidated			Parent Company		Consolidated	
2024	**2025**	2024	**2025**		**2025**	2024	**2025**	2024
US $'000	***US $'000**	US $'000	**US $'000**		**'000**	'000	**'000**	'000
8,907	**10,877**	8,907	**10,877**	Oman	**4,183**	3,426	**4,183**	3,426
8,910	**12,217**	8,910	**12,217**	Europe	**4,699**	3,427	**4,699**	3,427
195	**364**	195	**364**	Other countries	**140**	75	**140**	75
18,012	**23,458**	18,012	**23,458**	**Total**	**9,022**	6,928	**9,022**	6,928

Exposure to credit risk for trade receivables including related parties and receivables from government at the end of reporting date by the type of customer:

Parent Company		Consolidated			Parent Company		Consolidated	
2024	**2025**	2024	**2025**		**2025**	2024	**2025**	2024
US $'000	***US $'000**	US $'000	**US $'000**		**'000**	'000	**'000**	'000
9,314	**11,419**	9,314	**11,419**	Shipping lines	**4,391**	3,582	**4,391**	3,582
8,698	**12,039**	8,698	**12,039**	Others	**4,631**	3,346	**4,631**	3,346
18,012	**23,458**	18,012	**23,458**	**Total**	**9,022**	6,928	**9,022**	6,928

The ageing of the trade and other receivables including receivables from related parties and government at the reporting date was:

Parent Company		Consolidated			Parent Company		Consolidated	
2024	**2025**	2024	**2025**		**2025**	2024	**2025**	2024
US $'000	***US $'000**	US $'000	**US $'000**		**'000**	'000	**'000**	'000
11,984	**14,864**	11,984	**14,864**	Current (not past due)	**5,717**	4,610	**5,717**	4,610
1,682	**4,248**	1,682	**4,248**	1-30 days (past due)	**1,634**	647	**1,634**	647
625	**953**	625	**953**	31-60 days (past due)	**366**	240	**366**	240
520	**671**	520	**671**	61-90 days (credit impaired)	**258**	200	**258**	200
3,201	**2,722**	3,201	**2,722**	Above 90 days (credit impaired)	**1,047**	1,231	**1,047**	1,231
18,012	**23,458**	18,012	**23,458**	**Total**	**9,022**	6,928	**9,022**	6,928

With respect to exposures with banks, management considers the credit risk exposure to be minimal as the Group deals with reputed banks. Management does not expect any losses from non-performance by these counterparties.

Impairment of financial assets

The Group has trade receivables, term deposits, other financial assets at amortised cost and cash and cash equivalents as financial assets that are subject to IFRS 9's expected credit loss model.

Trade and other receivables

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been Grouped based on shared credit risk characteristic and the days past due.

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

22 Financial risk management (continued)

(i) Credit risk (continued)

The expected loss rates are based on payment profiles of the trade receivables over a period of 36 months before 1 January 2025 and corresponding historical credit loss experience which are adjusted to reflect current and forward-looking information based on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified Gross Domestic Product of Oman to be the most relevant factors and accordingly, adjust the historical loss rates based on expected changes in the factor.

The loss allowance for amount due from related parties and Government of Sultanate of Oman as of 31 December 2025 has been computed based on probability of default in the matrix from the accredited resources (Moody's Investors service) and loss given default based on the historical defaults. Due from related parties and Government of Sultanate of Oman are not credit impaired at the reporting date as these are currently considered to be in stage 1 and ECL is recognised based on the loss allowance expected within next 12 months.

Movement of ECL during the year:

(a) Trade receivables including dues from related parties and Government of Sultanate of Oman:

Parent Company		Consolidated			Parent Company		Consolidated	
2024 US $'000	2025 *US $'000	2024 US $'000	2025 US $'000		2025 OMR'000	2024 OMR'000	2025 OMR'000	2024 OMR'000
1,060	1,119	1,060	1,119	1 January	431	408	431	408
59	199	59	199	Charge during the year	76	23	76	23
1,119	1,318	1,119	1,318	31 December	507	431	507	431

(b) Cash and cash equivalent:

Parent Company		Consolidated			Parent Company		Consolidated	
2024 US $'000	2025 *US $'000	2024 US $'000	2025 US $'000		2025 OMR'000	2024 OMR'000	2025 OMR'000	2024 OMR'000
331	447	331	447	1 January	172	127	172	127
116	(189)	116	(189)	Impairment (reversal) / charge during the year	(72)	45	(72)	45
447	258	447	258	31 December	100	172	100	172

(c) Impairment losses on financial assets

Parent Company		Consolidated			Parent Company		Consolidated	
2024 US $'000	2025 *US $'000	2024 US $'000	2025 US $'000		2025 OMR'000	2024 OMR'000	2025 OMR'000	2024 OMR'000
59	199	59	199	Trade receivables	76	23	76	23
116	(189)	116	(189)	Cash & cash equivalent	(72)	45	(72)	45
175	10	175	10		4	68	4	68

On that basis, the loss allowance as of 31 December 2025 was determined for trade receivables other than dues from related parties and Government of Sultanate of Oman (refer note 14 (a)).

	Current (not due)	0 - 30 days	31 - 60 days	61 - 90 days	Above 90 days
31 December 2025 Trade receivables	**5.19%**	**22.16%**	**54.33%**	**100%**	**100%**
31 December 2024 Trade receivables	2.60%	19.91%	52.20%	100%	100%

The loss allowance for cash & cash equivalent and term deposits balance as of 31 December 2025 has been computed based on rating grades issued by external rating agency (Moody's Investors service and Basel framework).

Financial assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group.

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

22 Financial risk management (continued)

(i) Credit risk (continued)

Impairment losses on financial assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Other financial assets at amortised cost

Other financial assets at amortised cost includes other receivables, receivables from Government, advances to staff and accrued bank interest. The Company's exposure to credit risk arises from default of the counterparty with a maximum exposure equal to the carrying amount. Based on past experience and collection history, other financial assets at amortised cost are currently considered to be in stage 1 and ECL is recognised based on the loss allowance expected within next 12 months.

(ii) **Liquidity risk** is the risk that the Company will not be able to meet its financial obligations as they fall due which are settled either by delivering cash or another financial asset. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Trade and other payables: The Company prepares periodical forecast cash flows to assess the liquidity requirements from time to time which forms the basis for allocation of available "cash and cash equivalent" resources.

The table below summarises the maturities of the Group's undiscounted non-derivative financial liabilities based on contractual payment dates:

	2025					2024				
	Less than 1 year	1 to 5 years	More than 5 years	Total contractual cash flow	Carrying amount	Less than 1 year	1 to 5 years	More than 5 years	Total contractual cash flow	Carrying amount
	﷼'000	﷼'000	﷼'000	﷼'000	﷼'000	﷼'000	﷼'000	﷼'000	﷼'000	﷼'000
Lease liabilities	7,556	15,530	-	23,086	20,512	6,589	25,013	-	31,602	26,749
Trade and other payables	7,842	-	-	7,842	7,842	11,841	-	-	11,841	11,841
	15,398	15,530	-	30,928	28,354	18,430	25,013	-	43,443	38,590
	US $'000	**US $'000**	**US $'000**	**US $'000**	**US $'000**	US $'000	US $'000	US $'000	US $'000	US $'000
Lease liabilities	19,646	40,378	-	60,024	53,329	17,131	65,034	-	82,165	69,546
Trade and other payables	20,388	-	-	20,388	20,388	30,787	-	-	30,787	30,787
	40,034	40,378	-	80,412	73,717	47,918	65,034	-	112,952	100,333

The following table sets out a maturity analysis of lease payable, showing the undiscounted lease payments to be paid after the reporting date.

Parent Company		Consolidated			Parent Company		Consolidated	
2024	**2025**	2024	**2025**		**2025**	2024	**2025**	2024
US $'000	***US $'000**	US $'000	**US $'000**		**﷼'000**	﷼'000	**﷼'000**	﷼'000
17,118	**19,632**	17,131	**19,646**	Less than one year	**7,551**	6,584	**7,556**	6,589
21,145	**19,668**	21,159	**19,682**	One to two years	**7,565**	8,133	**7,570**	8,138
21,296	**20,681**	21,310	**20,696**	Two to three years	**7,954**	8,191	**7,960**	8,196
22,552	**-**	22,565	**-**	More than three years	**-**	8,674	**-**	8,679
82,111	**59,981**	82,165	**60,024**	**Total**	**23,070**	31,582	**23,086**	31,602

iii) **Market risk** is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

22 Financial risk management (continued)

iv) **Currency risk**: The Group's income is generally based in US dollars to which the local currency Omani Rial is pegged, therefore, the effect on the financial statements is minimal. However, it affects the alternative currency purchases. This is partly mitigated by opting for purchase of alternate currencies when such requirements can be forecasted well in advance. Depended on emerging scenarios the Company may opt for appropriate risk mitigating measures, such as entering into forward exchange contracts.

v) **Interest rate risk**: The Group does not have any financial assets and financial liabilities exposed to interest rate risk.

Investments: The Company generally does not invest in stock markets. The Company has no investments as of reporting date.

Capital management: The Company recognises the importance of maintenance of a strong capital base which would assist in maintenance of investor, creditor and market confidence. With this end in view, the Company has in place adequate mechanisms to monitor return on capital, shareholder value creation, etc.

The Board of Directors monitors the return on equity, which the Company defines as profit divided by total shareholders' equity. The Board of Directors also monitors the level of dividends to ordinary shareholders.

There were no changes in the Company's approach to capital management during the year. The Company and its subsidiary's capital requirements are determined by the requirements of FSA and by the Commercial Companies Law of 2019 of the Sultanate of Oman.

23 Fair values of the financial instruments

Financial instruments comprise financial assets and financial liabilities.

Financial assets consist of cash and bank balances, term deposits, receivables and other financial assets at amortised cost. Financial liabilities consist of payables and lease liabilities.

The fair values of the financial assets and financial liabilities at the end of the reporting date are not materially different from their carrying values:

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Cash and bank balances, short-term deposits, trade and related parties' receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

24 Critical accounting judgements and estimates

(i) Useful lives of property and equipment

The Group's management determines the estimated useful lives of its property and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset and physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charge would be adjusted where the management believes the useful lives differ from previous estimates.

(ii) Discount rate used for initial measurement of lease liability

The Group, as a lessee, measures the lease liability at the present value of the unpaid lease payments at the commencement date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group, on initial recognition of the lease, uses its incremental borrowing rate. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

Note 13.a Property and equipment *for the year ended 31 December 2025*

	*Note i(b) Leasehold & infrastructure improvements £'000	*Note i(a) Operational & terminal equipment £'000	*Note i(a) Marine & mooring equipment £'000	*Note i(b) IT hardware & communication equipment £'000	*Note i(c) Furniture, fixtures & office equipment £'000	Capital work in progress £'000	Total £'000
Cost							
At 1 January 2025	**33,713**	**119,212**	**21,679**	**4,653**	**819**	**1,603**	**181,679**
Transfers to PPE	**470**	**2,408**	**501**	**289**	**36**	**(3,704)**	**-**
Transfers to intangibles (note 13 (c))	**-**	**-**	**-**	**-**	**-**	**(923)**	**(923)**
Additions for the year	**-**	**-**	**-**	**-**	**-**	**4,202**	**4,202**
At 31 December 2025	**34,183**	**121,620**	**22,180**	**4,942**	**855**	**1,178**	**184,958**
Accumulated Depreciation							
At 1 January 2025	**(10,782)**	**(85,786)**	**(16,129)**	**(3,354)**	**(768)**	**-**	**(116,819)**
Depreciation for the period	**(6,106)**	**(4,978)**	**(1,202)**	**(510)**	**(23)**	**-**	**(12,819)**
At 31 December 2025	**(16,888)**	**(90,764)**	**(17,331)**	**(3,864)**	**(791)**	**-**	**(129,638)**
Carrying amounts							
At 31 December 2025	**17,295**	**30,856**	**4,849**	**1,078**	**64**	**1,178**	**55,320**

Note i:

- **(a)** Depreciation related to operational & terminal equipment and marine & mooring equipment is a part of direct operating cost (Note 13a)
- **(b)** Depreciation related to leasehold & infrastructure improvements, and IT hardware & communication equipment is a part of other operating cost (Note 13a)
- **(c)** Depreciation related to furniture, fixtures & office equipment is a part of administration and general expenses (Note 13a)

Note ii: No separate schedule presented for PPE pertaining to parent company as the difference between consolidated PPE and parent company PPE pertains to 'leasehold & infrastructure improvements' of the subsidiary company having cost of £233k *(2024: £233k)*, depreciation for the period of £11k *(2024: £11k)* and accumulated depreciation of £191k *(2024: £180k)* resulting in carrying value of £42k *(2024: £53k).*

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

Note 13.a Property and equipment *for the year ended 31 December 2025* *(continued)*

	*Note i(b) Leasehold & infrastructure improvements US$'000	*Note i(a) Operational & terminal equipment US$'000	*Note i(a) Marine & mooring equipment US$'000	*Note i(b) IT hardware & communication equipment US$'000	*Note i(c) Furniture, fixtures & office equipment US$'000	Capital work in progress US$'000	Total US$'000
Cost							
At 1 January 2025	**87,656**	**309,956**	**56,365**	**12,093**	**2,129**	**4,165**	**472,364**
Transfers to PPE	**1,222**	**6,262**	**1,303**	**750**	**93**	**(9,630)**	**-**
Transfers to intangibles (note 13 (c))	**-**	**-**	**-**	**-**	**-**	**(2,399)**	**(2,399)**
Additions for the year	**-**	**-**	**-**	**-**	**-**	**10,925**	**10,925**
At 31 December 2025	**88,878**	**316,218**	**57,668**	**12,843**	**2,222**	**3,061**	**480,890**
Accumulated Depreciation							
At 1 January 2025	**(28,036)**	**(223,045)**	**(41,937)**	**(8,719)**	**(1,996)**	**-**	**(303,733)**
Depreciation for the period	**(15,875)**	**(12,942)**	**(3,125)**	**(1,326)**	**(61)**	**-**	**(33,329)**
At 31 December 2025	**(43,911)**	**(235,987)**	**(45,062)**	**(10,045)**	**(2,057)**	**-**	**(337,062)**
Carrying amounts							
At 31 December 2025	**44,967**	**80,231**	**12,606**	**2,798**	**165**	**3,061**	**143,828**

Note i:

- **(a)** Depreciation related to operational & terminal equipment and marine & mooring equipment is a part of direct operating cost (Note 13a)
- **(b)** Depreciation related to leasehold & infrastructure improvements and IT hardware & communication equipment is a part of other operating cost (Note 13a)
- **(c)** Depreciation related to furniture, fixtures & office equipment is a part of administration and general expenses (Note 13a)

Note ii: No separate schedule presented for PPE pertaining to parent company as the difference between consolidated PPE and parent company PPE pertains to 'leasehold & infrastructure improvements' of the subsidiary company having cost of US $606k *(2024: US $606k)*, depreciation for the period of US $28k *(2024: US $28k)* and accumulated depreciation of US $497k *(2024: US $469k)* resulting in carrying value of US $109k *(2024: US $137k)*.

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

Note 13.a Property and equipment *for the year ended 31 December 2024*

	*Note i(b) Leasehold & infrastructure improvements ﷼'000	*Note i(a) Operational & terminal equipment ﷼'000	*Note i(a) Marine & mooring equipment ﷼'000	*Note i(b) IT hardware & communication equipment ﷼'000	*Note i(c) Furniture, fixtures & office equipment ﷼'000	Capital work in progress ﷼'000	Total ﷼'000
Cost							
At 1 January 2024	10,313	125,029	20,206	3,739	819	12,109	172,215
Transfers to PPE	23,400	87	1,501	914	-	(25,902)	-
Adjustments in PPE	-	(402)	(28)	-	-	-	(430)
Transfers to intangibles (note 13 (c))	-	-	-	-	-	(791)	(791)
Additions for the year	-	-	-	-	-	16,187	16,187
Disposal	-	(5,502)	-	-	-	-	(5,502)
At 31 December 2024	33,713	119,212	21,679	4,653	819	1,603	181,679
Accumulated Depreciation							
At 1 January 2024	(8,243)	(85,729)	(14,587)	(3,168)	(744)	-	(112,471)
Depreciation for the period	(2,539)	(5,559)	(1,542)	(186)	(24)	-	(9,850)
Disposal	-	5,502	-	-	-	-	5,502
At 31 December 2024	(10,782)	(85,786)	(16,129)	(3,354)	(768)	-	(116,819)
Carrying amounts							
At 31 December 2024	22,931	33,426	5,550	1,299	51	1,603	64,860

Note i:

(a) Depreciation related to operational & terminal equipment and marine & mooring equipment is a part of direct operating cost (Note 13a)

(b) Depreciation related to leasehold & infrastructure improvements, and IT hardware & communication equipment is a part of other operating cost (Note 13a)

(c) Depreciation related to furniture, fixtures & office equipment is a part of administration and general expenses (Note 13a)

Note ii: No separate schedule presented for PPE pertaining to parent company as the difference between consolidated PPE and parent company PPE pertains to 'leasehold & infrastructure improvements' of the subsidiary company having cost of ﷼ 233k *(2023: ﷼ 233k)*, depreciation for the period of ﷼11k *(2023 ﷼11k)* and accumulated depreciation of ﷼180k *(2023: ﷼169k)* resulting in carrying value of ﷼ 53k *(2023: ﷼ 64k).*

SALALAH PORT SERVICES COMPANY SAOG

Notes to Consolidated and parent financial statements (continued)

Note 13.a Property and equipment *for the year ended 31 December 2024* *(continued)*

	*Note i(b) Leasehold & infrastructure improvements US$'000	*Note i(a) Operational & terminal equipment US$'000	*Note i(a) Marine & mooring equipment US$'000	*Note i(b) IT hardware & communication equipment US$'000	*Note i(c) Furniture, fixtures & office equipment US$'000	Capital work in progress US$'000	Total US$'000
Cost							
At 1 January 2024	26,816	325,078	52,536	9,717	2,129	31,483	447,759
Transfers to PPE	60,840	227	3,903	2,376	-	(67,346)	-
Adjustments in PPE	-	(1,044)	(74)	-	-	-	(1,118)
Transfers to intangibles (note 13 (c))	-	-	-	-	-	(2,058)	(2,058)
Additions for the year	-	-	-	-	-	42,086	42,086
Disposal	-	(14,305)	-	-	-	-	(14,305)
At 31 December 2024	87,656	309,956	56,365	12,093	2,129	4,165	472,364
Accumulated Depreciation							
At 1 January 2024	(21,435)	(222,897)	(37,927)	(8,234)	(1,934)	-	(292,427)
Depreciation for the period	(6,601)	(14,453)	(4,010)	(485)	(62)	-	(25,611)
Disposal	-	14,305	-	-	-		14,305
At 31 December 2024	(28,036)	(223,045)	(41,937)	(8,719)	(1,996)	-	(303,733)
Carrying amounts							
At 31 December 2024	59,620	86,911	14,428	3,374	133	4,165	168,631

Note i:

(a) Depreciation related to operational & terminal equipment and marine & mooring equipment is a part of direct operating cost (Note 13a)
(b) Depreciation related to leasehold & infrastructure improvements and IT hardware & communication equipment is a part of other operating cost (Note 13a)
(c) Depreciation related to furniture, fixtures & office equipment is a part of administration and general expenses (Note 13a)

Note ii: No separate schedule presented for PPE pertaining to parent company as the difference between consolidated PPE and parent company PPE pertains to 'leasehold & infrastructure improvements' of the subsidiary company having cost of US $606k *(2023: US $606k)*, depreciation for the period of US $28k *(2023: US $28k)* and accumulated depreciation of US $469k *(2023: US $441k)* resulting in carrying value of US $137k *(2023: US $165k)*.

