



# Port of Salalah | ميناء صلالة

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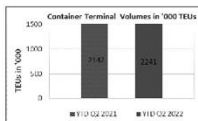
## DIRECTOR'S REPORT FOR THE HALF YEAR ENDED 30 JUNE 2022

### Dear Shareholders,

On behalf of the Board of Directors, I have the pleasure in presenting the unaudited consolidated financial results of your company for the period ended 30th June 2022 (H1 2022).

### Operational Overview

During H1, 2022 the Container Terminal (CT) handled 2,241 million – compared to 2,142 million mil TEUs in corresponding period last year, an increase of 4.6%



The GCT has handled 8,896 million tons of general cargo during H1, 2022, as compared to 8,798 million corresponding period last year, a marginal increase of 1.1%. The major commodities handled are limestone, gypsum, methanol,

and cement, which are exported from Salalah to nearby markets, and continue to drive the general cargo business.



### Financial Overview

Consolidated net profit for H1, 2022 was recorded at RO 1,418 million, as compared to the corresponding period last year at profit of RO 2,619 million. Consolidated EBITDA was recorded at RO 6,598 million during H1, 2022, as compared to RO 8,252 million during same period last year.

Total Revenue from Operations increased with 7% compared to same period last year mainly due to higher GCT volumes, tariff increase in CT and scrap sales (in other income).

The general cargo revenue for volumes handled at Berth 31 have been included in the container terminal financials, as in the previous year, due to the conversion of the berth into a container terminal facility.

Direct Operating cost increased by 14% as compared to corresponding period last year mainly due to increase in Staff cost, Marine cost & Fuel cost. Other operating costs increased by 16% compared to corresponding period last year mainly due to BP bunkering custodian cost and depreciation cost of leasehold. Administrative and general expenses increased by 8% compared to corresponding period last year mainly due to increase in consultancy charges related to Berth study & acquiring of BP assets and increase in traveling expense after the covid-19 travel restriction were revoked.

Year 2021	Particulars	1 Jan 2022 to 30th June 2022	1 Jan 2021 to 30th June 2021
4,514	Volume Container Terminal (TEUs'000)	2,241	2,142
16,895	General Cargo Terminal (Tons'000)	8,896	8,798
66,704	Revenue (RO'000)	35,113	32,931
5,424	Insurance Compensation	1,932	3,081
4,638	Profitability (RO'000)	1,418	2,619
	Net Profit before tax	1,932	3,081
	Net Profit/ (Loss) after tax	1,418	2,619
6.95%	Ratios		
0.03	Net profit / (Loss) (%)	4.04%	7.95%
0.41	Earnings per share (RO)	0.01	0.02
	Book value per share (RO)	0.40	0.39

### Employee Development

Port of Salalah is steadfast in developing and enhancing employees' productivity as people are the primary asset of the company. Various safety, technical, management and administration trainings are imparted to the staff.

Safety continues to be maintained as a top priority to ensure that employees continue to perform and deliver their tasks safely. Raising the level of safety performance has encouraged corrective behavior action plans for employees to perform safely at their workplace..

### Corporate Social Responsibility (CSR)

Port of Salalah strongly believes in a CSR program that is aligned with the pillars of sustainability and volunteerism and it is fundamental to our business. Impacting the local Dhofar region and benefitting the larger segments of communities requiring support are the guiding post of the company CSR program.

### Future Outlook

On the container side of business while exports are expected to grow in line with the growth witnessed in the first half due to 2022, Imports are unlikely to recover from decline seen in the first half due to the current global economic situation. The freight rates are unlikely to soften further in the second half and the schedule reliability to remain low without any significant change from the first half. The management continues to pursue new opportunities to further enhance volumes.

On the general cargo segment, the demand for the dry bulk commodities including limestone and Gypsum remains strong and are unlikely to be negatively impacted in view of the strong demand in the India and Asia. Prospects for break bulk including cement and liquid bulk exports are also positive.

### Conclusion

On behalf of the Board of Directors and the Shareholders of the company, we record the sincere appreciation and gratitude to His Majesty Sultan Haitham Bin Tariq, for his strategic vision, leadership, and his continued support, without which it would not have been possible to establish and maintain this world-class port.

We also thank our customers, investors, and partners at the Salalah Hub and Ministry of Transport and Communications, and members of the Government bodies we work together with.

We place on record our appreciation for the contributions of all our employees, who continue to perform with high distinction. On behalf of the Board of Directors,

**Braik Musallam Al Amri**  
Chairman  
Salalah Port Services Co. SAOG  
August 11, 2022

The complete accounts of the company will be delivered or sent by mail to any shareholder who requests them, in either Arabic or English as requested, within seven days of receipt of the request.

## UNAUDITED CONSOLIDATED AND PARENT STATEMENT OF FINANCIAL POSITION AS OF 30 JUNE 2022

Parent Company		Consolidated	
Jun-2021	Jun-2022	Jun-2021	Jun-2022
US \$ '000	US \$ '000	US \$ '000	US \$ '000
140,637	153,141	140,865	153,349
26,814	22,973	26,894	23,043
276	239	276	239
548	546	-	-
168,273	176,899	168,035	176,631
6,407	7,592	6,407	7,592
5,340	5,427	5,340	5,427
24,590	8,147	24,590	8,147
2,789	6,639	2,789	6,639
32,500	31,200	32,500	31,200
80,873	59,814	80,873	59,814
152,499	118,819	152,499	118,819
320,772	295,716	320,534	295,450
46,758	46,758	46,758	46,758
7,666	7,666	7,666	7,666
15,584	15,584	15,584	15,584
113,800	118,114	114,329	118,531
183,808	188,122	184,337	188,620
25,291	21,944	25,378	22,022
9,417	9,970	9,417	9,970
12,013	9,966	12,002	9,957
46,721	41,880	46,797	41,949
4,716	4,950	4,716	4,950
39,640	49,258	38,795	48,420
44,532	10,255	44,532	10,255
1,355	1,253	1,357	1,256
90,243	65,716	89,400	64,881
138,964	107,596	138,197	106,830
320,772	295,716	320,534	295,450
1.02	1.05	1.03	1.05
58,901	54,091	58,980	54,181
8,836	10,312	8,863	10,344
92	106	92	106
210	210	-	-
68,039	64,719	67,935	64,631
2,920	2,464	2,920	2,464
2,087	2,054	2,087	2,054
3,133	9,458	3,133	9,458
1,554	1,072	2,554	1,072
12,000	12,500	12,000	12,500
23,006	31,105	23,006	31,105
45,700	58,653	45,700	58,653
113,739	123,372	113,635	123,284
17,984	17,984	17,984	17,984
2,949	2,949	2,949	2,949
5,994	5,994	6,025	5,994
45,427	43,771	45,587	43,971
72,354	70,698	72,545	70,898
8,440	9,727	8,470	9,761
3,834	3,623	3,834	3,623
3,834	4,620	3,830	4,616
16,108	17,970	16,134	18,000
1,904	1,814	1,904	1,814
16,947	15,241	16,625	14,921
3,944	17,128	3,944	17,128
482	521	483	523
25,277	34,704	24,956	34,386
41,385	52,674	41,090	52,386
113,739	123,372	113,635	123,284
0.40	0.39	0.40	0.39

## UNAUDITED CONSOLIDATED AND PARENT STATEMENT OF COMPREHENSIVE INCOME FOR HALF YEAR ENDED 30 JUNE 2022

Parent Company		Consolidated		Parent Company		Consolidated	
Jun-2021	Jun-2022	Jun-2021	Jun-2022	Jun-2021	Jun-2022	Jun-2021	Jun-2022
US \$ '000	US \$ '000	US \$ '000	US \$ '000	RO '000	RO '000	RO '000	RO '000
85,581	91,284	85,620	91,291	35,110	32,916	35,113	32,931
(56,310)	(64,095)	(56,310)	(64,095)	(24,652)	(21,656)	(24,652)	(21,656)
(9,384)	(10,908)	(9,401)	(10,923)	(4,196)	(3,608)	(4,201)	(3,615)
(12,732)	(13,737)	(12,739)	(13,750)	(5,284)	(4,897)	(5,289)	(4,899)
264	123	264	123	48	101	48	101
140	1,872	140	1,872	720	54	720	54
7,559	4,539	7,574	4,578	1,746	2,910	1,739	2,916
1,391	1,344	1,391	1,344	517	535	517	535
(961)	(840)	(963)	(843)	(323)	(369)	(324)	(370)
7,989	5,043	8,002	5,019	1,940	3,076	1,932	3,081
(1,200)	(1,335)	(1,202)	(1,335)	(514)	(461)	(514)	(462)
6,789	3,708	6,800	3,684	1,426	2,615	1,418	2,619
6,789	3,708	6,800	3,684	1,426	2,615	1,418	2,619
6,789	3,708	6,800	3,684	1,426	2,615	1,418	2,619
6,789	3,708	6,800	3,684	1,426	2,615	1,418	2,619
6,789	3,708	6,800	3,684	1,426	2,615	1,418	2,619
0.04	0.02	0.04	0.02	0.01	0.02	0.01	0.02