



DIRECTOR'S REPORT

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the unaudited consolidated financial results of the company, for the period ended 31 March 2026.

Operational Overview

The start of 2026 has been a challenging period where the geopolitical situation and the conflict in the middle east has impacted the business of Port of Salalah. Incidents in March caused damage to port infrastructure, equipment and facilities. Fortunately there were no serious injuries to people during these incidents. These incidents did disrupt operations, adversely impacting productivity, performance and volumes handled. The commercial outlook very much depends on resolution of the conflict and re-opening of the straits of Hormuz. We will need to watch this closely over the coming quarter and remain flexible to adapt the business to changing trade patterns in both the container and general cargo businesses.

In Q1 2026, the container terminal handled 1.09 million TEUs, which is higher than the previous year (2025: 0.82 million TEUs) but lower than the budget for the period. The Port of Salalah's General Cargo segment handled 6.68 million tons in Q1 2026, compared to 6.39 million tons during the corresponding period in 2025, representing a 4% increase. This overall growth was driven primarily by higher dry bulk volumes in January and February, particularly limestone.

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

Financial Overview

The consolidated revenue from operations for Q1-2026 is recorded at **₹** 22.04 million an increase of 17% compared to previous year. Consolidated EBITDA is recorded at negative **₹** 1.03 million which corresponds to an EBITDA margin of -5%, down from **₹** 4.87 million and a margin of 26% in Q1 2025. Consolidated Net result for Q1 2026 is recorded at negative **₹** 4.73 million, compared to profit of **₹** 0.02 million in Q1 2025.

Employee Development

Our people are central to the Company's success. To remain competitive and maintain industry leadership, the Company must continuously strengthen 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 emphasis on Omanization and the upskilling of local talent, ensuring that national capabilities develop in line with operational and strategic requirements.

Corporate Social Responsibility (CSR)

Port of Salalah's corporate social responsibility (CSR) program is aligned with the core pillars of sustainability and volunteerism and forms an integral part of the Company's business philosophy. The program aims to contribute to the socioeconomic development of the Dhofar region while supporting community groups in need, guided by a commitment to creating positive and lasting impact at both local and wider community levels.

COMMERCIAL

Container Terminal

Container volumes are higher than 2025 by approximately 20%, but remain below the year's budget by 10%. Salalah is a strategic hub for the Region, especially given its strategic location in the

Gulf of Oman. However, trade overall in the Region has declined due to the conflict and this has impacted transshipment volume routed through Salalah.

The geopolitical situation has disrupted vessel schedules and trade patterns. The Container Terminal is doing all possible to adapt the operations model to the situation – especially creating flexibility in yards storage, berthing plans and working with Customers to keep cargo flowing through feederage as well as promoting the land bridge options.

General Cargo Terminal

GCT volumes experienced a decline in March, falling short of both prior month performance and budgeted targets due to the operational disruptions related to the march incidents. Recovery is expected in Q2 demonstrating the terminal's resilience and ability to recover from short-term fluctuations. The CFS volumes registered a decrease during the same period. The primary driver of this decline is the Somali trade corridor, which is currently facing significant challenges related to the prevailing high cost of shipping on a global scale. Suppressed demand or reduced throughput within the Somali-bound supply chain, directly impacting CFS utilization and volume performance.

Outlook

Looking ahead, and given the persistent situation in the Gulf region, it is expected that current operational challenges on the container side of business will continue for the foreseeable future. In response, Port of Salalah is actively working with all the relevant stakeholders to adapt the operations model to the situation, especially maintain yard fluidity.

The General Cargo demand for both limestone and gypsum are expected to remain strong for the remainder of the year. However, the introduction of OMTC as the sole exporter of gypsum will necessitate concerted efforts to streamline the business operations during the transition period.

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

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 2026. Our continued growth was made possible through their hard work, solidarity, cooperation, and unwavering support.

On behalf of the Board of Directors,

Braik Musallam Al Amri
Chairman of Board of Directors,
Salalah Port Services Co. SAOG

12th May 2026

UNAUDITED CONSOLIDATED AND PARENT STATEMENT OF FINANCIAL POSITION AS OF 31ST MARCH 2026

Parent Company		Consolidated		Parent Company		Consolidated	
Mar-25	Mar-26	Mar-25	Mar-26	Mar-26	Mar-25	Mar-26	Mar-25
US \$ '000	US \$ '000	US \$ '000	US \$ '000	₹ '000	₹ '000	₹ '000	₹ '000
ASSETS							
Non-current assets							
163,959	135,799	164,089	135,902	52,233	63,061	52,272	63,111
54,792	34,142	54,827	34,171	13,130	21,071	13,141	21,087
2,270	3,243	2,270	3,243	1,247	873	1,247	873
546	546	-	-	210	210	-	-
49,400	-	49,400	-	-	19,000	-	19,000
270,967	173,730	270,586	173,316	66,820	104,215	66,660	104,071
Current assets							
6,403	7,866	6,403	7,866	3,026	2,463	3,026	2,463
4,675	5,049	4,675	5,049	1,942	1,798	1,942	1,798
24,982	34,648	24,982	34,648	13,326	9,608	13,326	9,608
14,598	9,154	14,598	9,154	3,521	5,615	3,521	5,615
25,601	72,400	25,601	72,400	27,846	9,846	27,846	9,846
5,461	52,215	5,462	52,216	20,083	2,101	20,084	2,102
81,720	181,332	81,721	181,333	69,744	31,431	69,745	31,432
352,687	355,062	352,307	354,649	136,564	135,646	136,405	135,503
TOTAL ASSETS							
EQUITY							
46,758	46,758	46,758	46,758	17,984	17,984	17,984	17,984
7,666	7,666	7,666	7,666	2,949	2,949	2,949	2,949
15,584	15,584	15,681	15,693	5,994	5,994	6,036	6,031
121,973	121,459	122,393	121,973	46,715	46,915	46,913	47,075
191,981	191,467	192,498	192,090	73,642	73,842	73,882	74,039
TOTAL EQUITY							
LIABILITIES							
Non Current Liabilities							
48,514	33,025	48,550	33,043	12,701	18,658	12,710	18,673
13,847	13,467	13,847	13,467	5,179	5,326	5,179	5,326
5,208	1,025	5,196	1,010	394	2,003	388	1,998
67,569	47,517	67,593	47,520	18,274	25,987	18,277	25,997
Current Liabilities							
21,016	16,300	21,027	16,313	6,269	8,083	6,274	8,087
66,619	92,813	65,667	91,737	35,700	25,617	35,284	25,256
446	-	446	-	-	172	-	172
5,056	6,965	5,076	6,990	2,679	1,945	2,688	1,952
93,137	116,078	92,216	115,039	44,648	35,817	44,246	35,467
160,706	163,595	159,809	162,559	62,922	61,804	62,523	61,464
352,687	355,062	352,307	354,649	136,564	135,646	136,405	135,503
1,068	1,065	1,070	1,068	0.409	0.411	0.411	0.412
Net assets per share (US \$ / ₹)							

UNAUDITED CONSOLIDATED AND PARENT STATEMENT OF INCOME FOR THE PERIOD 31ST MARCH 2026

Parent Company		Consolidated		Parent Company		Consolidated	
Mar-25	Mar-26	Mar-25	Mar-26	Mar-26	Mar-25	Mar-26	Mar-25
US \$ '000	US \$ '000	US \$ '000	US \$ '000	₹ '000	₹ '000	₹ '000	₹ '000
49,131	57,253	49,172	57,294	22,022	18,896	22,038	18,912
(35,257)	(57,244)	(35,260)	(57,247)	(22,017)	(13,562)	(22,018)	(13,563)
(8,333)	(8,867)	(8,345)	(8,875)	(3,410)	(3,205)	(3,414)	(3,209)
(5,501)	(6,380)	(5,501)	(6,382)	(2,455)	(2,116)	(2,456)	(2,116)
(11)	-	(11)	-	-	(4)	-	(4)
216	523	216	523	201	83	201	83
245	(14,715)	271	(14,687)	(5,659)	92	(5,649)	103
1,032	1,269	1,032	1,269	488	397	488	397
(1,447)	(1,057)	(1,447)	(1,057)	(407)	(556)	(407)	(557)
(170)	(14,503)	(144)	(14,475)	(5,578)	(67)	(5,568)	(57)
212	2,175	207	2,169	837	82	835	81
42	(12,328)	63	(12,307)	(4,741)	15	(4,733)	24
-	-	-	-	-	-	-	-
42	(12,328)	63	(12,307)	(4,741)	15	(4,733)	24
42	(12,328)	63	(12,307)	(4,741)	15	(4,733)	24
42	(12,328)	63	(12,307)	(4,741)	15	(4,733)	24
0.031	(0.069)	0.034	(0.068)	(0.026)	0.012	(0.026)	0.013