P.O. Box 369, PC 211, Salalah, Sultanate of Oman Tel: +968 23220000, Fax: +968 23219236 info@salalahport.com. www.salalahport.com.om

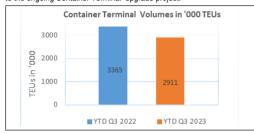
DIRECTOR'S REPORT FOR THE THIRD QUARTER ENDED 30TH SEPTEMBER 2023

Dear Shareholders.

On behalf of the Board of Directors, I have the pleasure of presenting the unaudited consolidated financial results of your company for the period ended 30th Sept 2023 (YTD Sept 23).

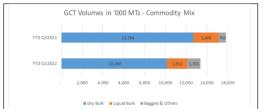
Operational Overview

The CT has handled 2.911 million TEUs (Twenty-foot Equivalent Units) during YTD Sept'23, as against 3.365 million TEUs the same period last year a decrease of 13.4%. The decrease in the volume is mainly attributed to the ongoing Container Terminal upgrade project.



On productivity, the CT has registered consistent improvements in Port Stay performance during YTD Sept 2023. This showcases the organization's success in focusing on continuous improvements.

The GCT has handled 15.817 million tons of general cargo during YTD Sept 2023 as compared to 13.373 million tones same period last year an increase of 18.275%. 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 YTD Sept'23 was recorded at RO 3.137 million, as compared to the corresponding period last year at profit of RO 2.153. Consolidated EBITDA was recorded at RO 11.373 million YTD Sept'23, as compared to RO 9.914 million during same period last year.

Total Revenue from Operations decreased marginally by 2% compared to same period last year mainly driven by lower container throughput..

Compared to the same period last year the operational expenses for the first 9 months of 2023 decreased by 4%. This is mainly driven by lower maintenance & repair and fuel cost.

Year 2022	Particulars	1 Jan 2023 to 30th Sep 2023	1 Jan 2022 to 30th Sep 2022
	Volume		
4,344	Container Terminal (TEUs'000)	2,911	3,365
15,296	General Cargo Terminal (Tons'000)	15,817	13,373
70.909	Revenue (RO'000)	51,835	52,880
	Profitability (RO'000)		
3,924	Net Profit before tax	3,686	2,671
3,222	Net Profit/ (Loss) after tax	3,137	2,153
	Ratios		
4.54	Net profit / (Loss) (%)	6%	4%
0.03	Earnings per share (RO)	0.02	0.01
0.41	Book value per share (RO)	0.42	0.41

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 training courses are given to the staff.

Safety continues to be maintained as a top priority to ensure that employees continue to perform and deliver their tasks safely.

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. During YTD Sept 2023 the company is constantly committed to local initiatives with a significant focus on education, Community development, environment, safety, and health.

Future Outlook

The global manufacturing sector and retail sales in key regions are facing difficulties that are affecting the growth prospects for global container volumes. This can be attributed to a variety of economic factors, trade disruptions, and supply chain issues. Meanwhile, the global container shipping industry is experiencing significant overcapacity. Freight rates have fallen by a substantial 61% compared to the same period in 2022, according to data from BIMCO. This oversupply of shipping capacity has driven down rates, impacting the profitability of shipping companies in the foreseeable future. Above having said, the Port of Salalah's performance is being sustained by trade within the Middle East and the surrounding region. Transshipment volumes remain on target, indicating that the port is acting as a key hub for the movement of goods in the area. Despite the challenges in the global container shipping industry, the Port of Salalah is performing relatively well. Container volume at the port is only -1% behind the target as of Q3, however -10% behind 2022 due to the unavailability of deep-draft berths owing to ongoing

In Q3, Import-laden container volumes at the Port of Salalah have seen a notable increase of 15% compared to the same period in the previous year. This suggests a strong demand for imported goods. In contrast, export volumes have declined by -4% due to lower demand for manufactured goods.

The outlook for Rest of the year remains along the same lines.

On the General Cargo segment, despite the seasonal slowdown in Q3, due to operational restrictions in Khareef, General Cargo Terminal performance continues to be strong driven by dry and wet bulk segments. While the months of July and August were marginally below targets the gap was bridged by the pickup in the month of September. Resulting in an overall +8% against target Year to date and +16% growth over the same period in 2022. The outlook for Q4 remains strong on the dry bulk and liquid bulk segment which are the key drivers for the performance on the General Cargo side.

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, Board of Directors, Salalah Port Services Co. SAOG November 13,2023

UNAUDITED CONSOLIDATED AND PARENT STATEMENT OF FINANCIAL POSITION AS OF 30TH SEPTEMBER 2023

Parent 0	Company	Consc	lidated		Parent Cor	npany	Consolidated	ı
Sep-2022	Sep-2023	Sep-2022	Sep-2023		Sep-2023	Sep-2022	Sep-2023	Sep-2022
US \$ '000	US \$ '000	US \$ '000	US \$ '000		RO'000	RO'000	RO'000	RO'000
				ASSETS				
				Non Current Assets				
149,238	143,750	149,436	143,925	Property and equipment	55,289	57,399	55,355	57,476
21,986	20,133	22,054	20,189	Right of use of Assets	7,744	8,456	7,765	8,482
230	192	230	192	Intangible assets	73	88	73	88
546	546	-	-	Investments in Subsidiary	210	210	-	-
26,000	-	-	26,000	Long term deposits	10,000	-	10,000	-
172,000	190,621	171,720	190,306	Total Non-current assets	73,316	66,153	73,193	66,046
				Current Assets				
7,937	8,816	7,937	8,816	Inventories	3,390	3,053	3,390	3,053
5,120	5,113	5,120	5,113	Other current assets	1,967	1,969	1,967	1,969
9,233	8,693	9,233	8,693	Trade receivables	3,343	3,551	3,343	3,551
6,373	5,515	6,688	5,498	Other financial assets at amortised cost	2,121	2,451	2,115	2,572
36,201	20,601	36,201	20,601	Short term deposits	7,923	13,923	7,923	13,923
58,252	69,374	58,252	69,374	Cash and cash equivalents	26,682	22,405	26,682	22,405
123,116	118,112	123,431	118,095	Total current assets	45,426	47,352	45,420	47,473
295,116	308,733	295,151	308,401	TOTAL ASSETS	118,742	113,505	118,613	113,519
				EQUITY	-			
46,758	46,758	46,758	46,758	Share capital	17,984	17,984	17,984	17,984
7,666	7,666	7,666	7,666	Share premium	2,949	2,949	2,949	2,949
15,584	15,584	15,665	15,665	Legal reserve	5,994	5,994	6,025	6,025
120,038	126,351	120,443	126,676	Retained earnings	48,599	46,167	48,723	46,322
190,046	196,359	190,532	196,765	TOTAL EQUITY	75,526	73,094	75,681	73,280
				LIABILITIES				
				Non Current Liabilities				
21,103	19,186	21,179	19,243	Lease Liabilities	7,379	8,117	7,401	8,146
10,204	11,264	10,204	11,264	Employees' end of service benefits	4,332	3,924	4,332	3,924
10,059	9,599	10,047	9,587	Deferred tax	3,692	3,869	3,687	3,864
41,366	40,049	41,430	40,094	Total Non Current Liabilities	15,403	15,910	15,420	15,934
				Current Liabilities				
4,950	5,338	4,950	5,342	Lease Liabilities	2,053	1,904	2,055	1,904
48,619	58,531	48,103	57,744	Trade and other payables	22,509	18,699	22,206	18,502
8,960	6,278	8,960	6,278	Contract liabilities	2,414	3,447	2,414	3,447
1,175	2,178	1,176	2,178	Current tax liabilities	837	451	837	452
63,704	72,325	63,189	71,542	Total Current Liabilities	27,813	24,501	27,512	24,305
105,070	112,374	104,619	111,636	TOTAL LIABILITIES	43,216	40,411	42,932	40,239
295,116	308,733	295,151	308,401	TOTAL EQUITY AND LIABILITIES	118,742	113,505	118,613	113,519
1.06	1.09	1.06	1.09	Net assets per share (US \$ / RO)	0.42	0.41	0.42	0.41

UNAUDITED CONSOLIDATED AND PARENT STATEMENT OF COMPREHENSIVE INCOME FOR 30TH SEPTEMBER 2023

Paren	t Company	Conso	lidated		Parent	Company	Consolid	dated
Sep-2022	Sep-2023	Sep-2022	Sep-2023		Sep-2023	Sep-2022	Sep-2023	Sep-2022
US \$ '000	US \$ '000	US \$ '000	US \$ '000		RO'000	RO'000	RO'000	RO'000
137,479	134,771	137,486	134,771	Revenue Direct operating costs Other operating expenses	51,835	52,877	51,835	52,880
(95,507)	(87,171)	(95,507)	(87,171)		(33,526)	(36,734)	(33,526)	(36,734)
(16,653)	(20,799)	(16,674)	(20,821)		(8,000)	(6,406)	(8,008)	(6,414)
(21,412)	(19,766)	(21,432)	(19,785)	Administration and general expenses Impairment Loss of Financial Assets Other Income	(7,602)	(8,234)	(7,609)	(8,241)
174	27	174	27		11	67	11	67
1,985	1,086	1,985	1,086		417	763	417	763
6,066	8,148	6,032	8,107	Profit / (Loss) from operations Finance income Finance costs	3,135	2,333	3,120	2,321
2,170	2,600	2,170	2,600		1,000	834	1,000	834
(1,255)	(1,126)	(1,258)	(1,130)		(433)	(483)	(434)	(484)
6,981	9,622	6,944	9,577	Profit / (Loss) for the year before tax	3,702	2,684	3,686	2,671
(1,348)	(1,429)	(1,348)	(1,429)	Income tax	(549)	(518)	(549)	(518)
5,633	8,193	5,596	8,148	Profit / (Loss) for the year after tax	3,153	2,166	3,137	2,153
5,633	8,193	5,596	8,148	Other comprehensive income for the period, net of tax Total comprehensive income for the period, net of tax Profit attributable to:	3,153	2,166	3,137	2,153
5,633	8,193	5,596	8,148	Equity holders of the parent Non-controlling interests	3,153	2,166	3,137	2,153
5,633	8,193	5,596	8,148	Total comprehensive income attributable to : Equity holders of the parent Non-controlling interests	3,153	2,166	3,137	2,153
5,633	8,193	5,596	8,148	Basic earnings per share (US \$ / RO)	3,153	2,166	3,137	2,153
0.03	0.05	0.03	0.04		0.02	0.01	0.02	0.01