



KINGDOM OF CAMBODIA
NATION RELIGION KING

Sihanoukville Autonomous Port

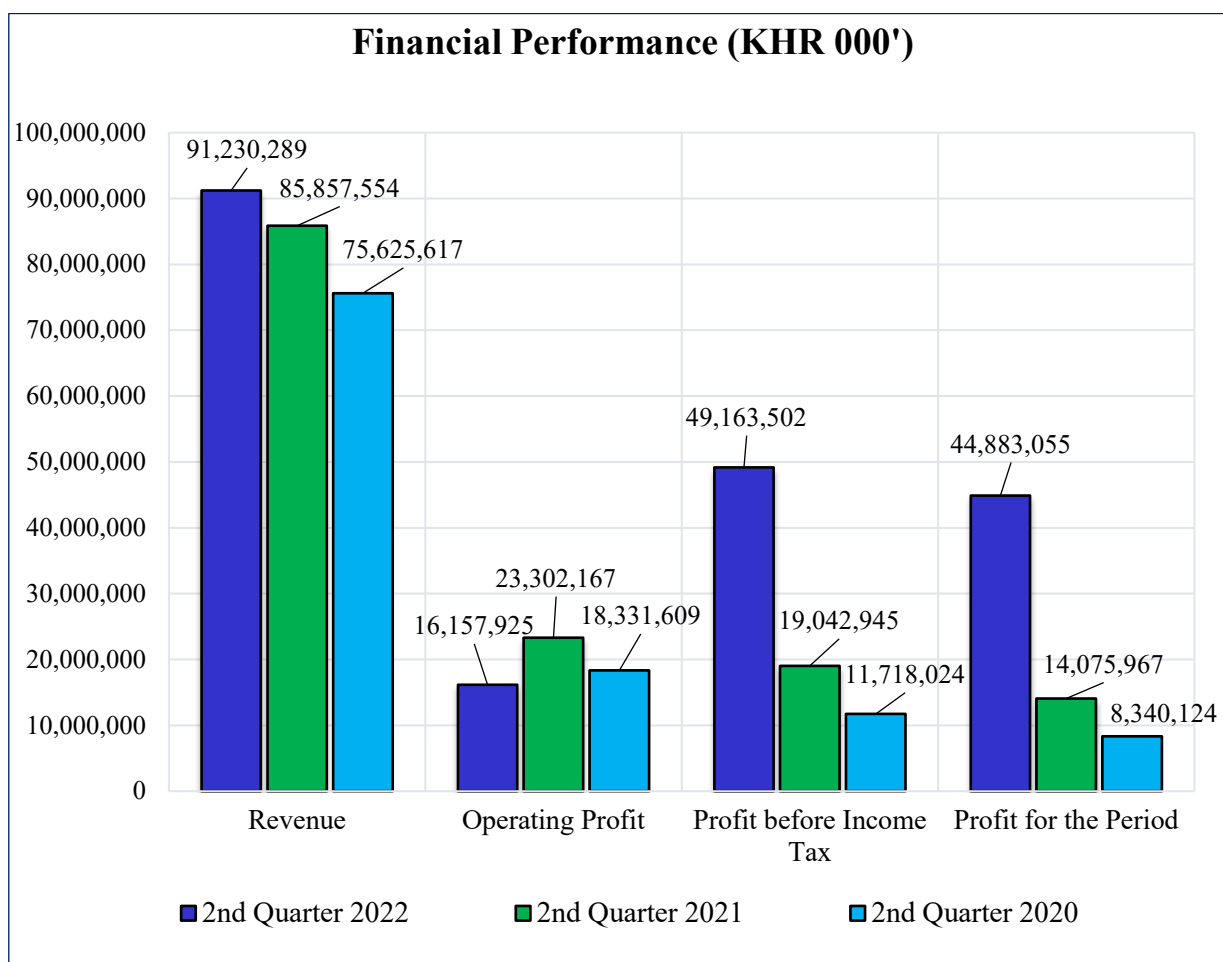
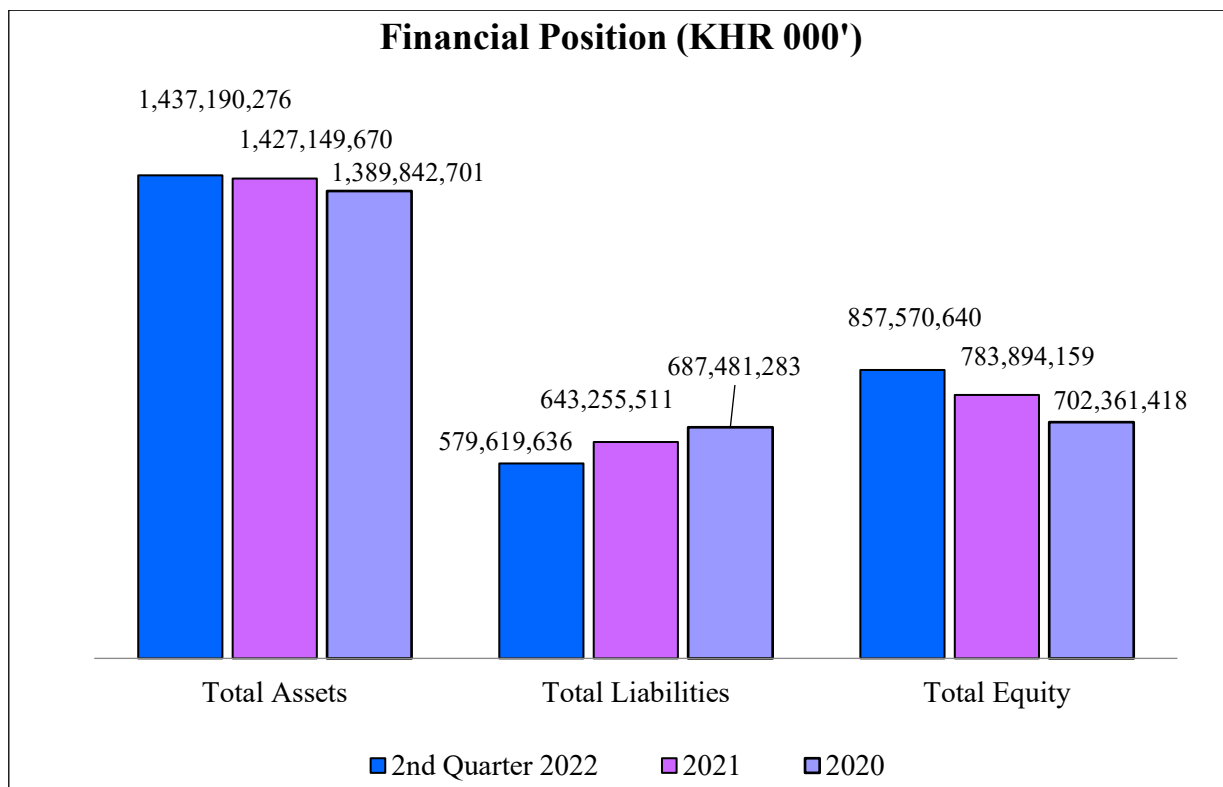
Second Quarterly Report 2022



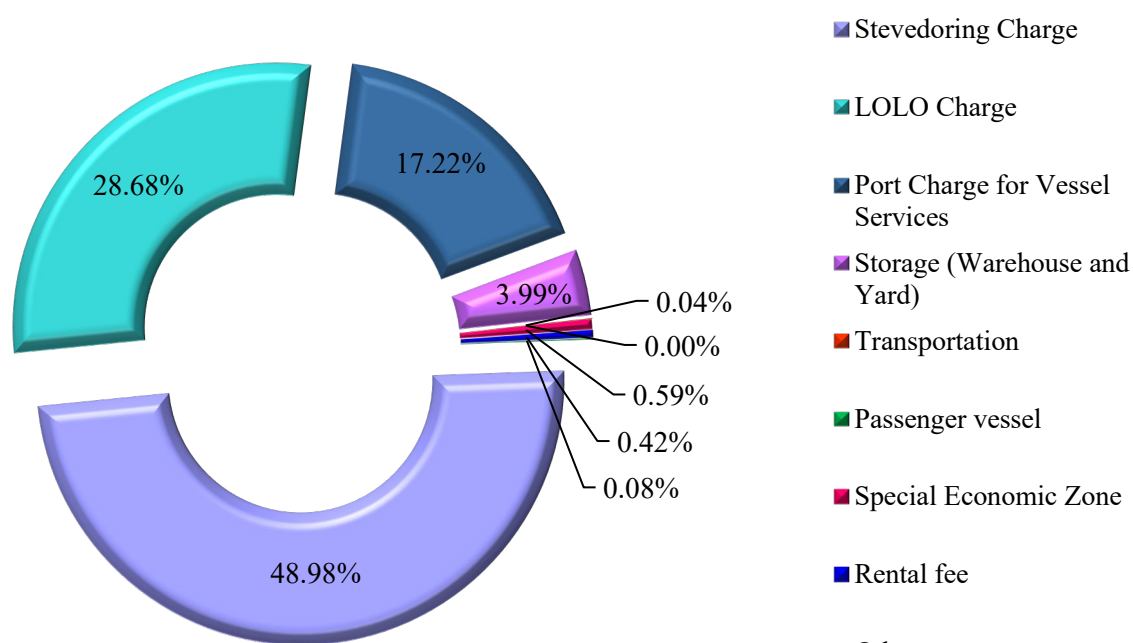
Financial Highlight

Financial Position		30 th June 2022	31 st December 2021	31 st December 2020
		KHR 000'	KHR 000'	KHR 000'
Total Assets		1,437,190,276	1,427,149,670	1,389,842,701
Total Liabilities		579,619,636	643,255,511	687,481,283
Total Shareholders' Equity		857,570,640	783,894,159	702,361,418
Profit/(Loss)		2 nd Quarter 2022 KHR 000'	2 nd Quarter 2021 KHR 000'	2 nd Quarter 2020 KHR 000'
Total Revenues		91,230,289	85,857,554	75,625,617
Profit/(Loss) before Tax		49,163,502	19,042,945	11,718,024
Profit/(Loss) after Tax		44,883,055	14,075,967	8,340,124
Total Comprehensive Income		56,741,895	14,075,967	8,340,124
Financial Ratios		30 th June 2022	31 st Dec 2021	31 st Dec 2020
Solvency Ratio		9.71%	20.77%	9.40%
Liquidity Ratio	Current Ratio	2.25	2.25	2.42
	Quick Ratio	1.94	1.94	2.12
		2 nd Quarter 2022	2 nd Quarter 2021	2 nd Quarter 2020
Profitability Ratio	Return on Assets	3.12%	1.01%	0.60%
	Return on Equity	5.23%	1.90%	1.22%
	Gross Profit Margin	17.71%	27.14%	24.24%
	Profit Margin	49.20%	16.39%	11.03%
	Earnings per share	523.28	164.11	97.24
Interest Coverage Ratio		6.56	7.67	4.75

Financial Summary Charts 2nd Quarter 2022



Type of Revenues 2nd Quarter 2022

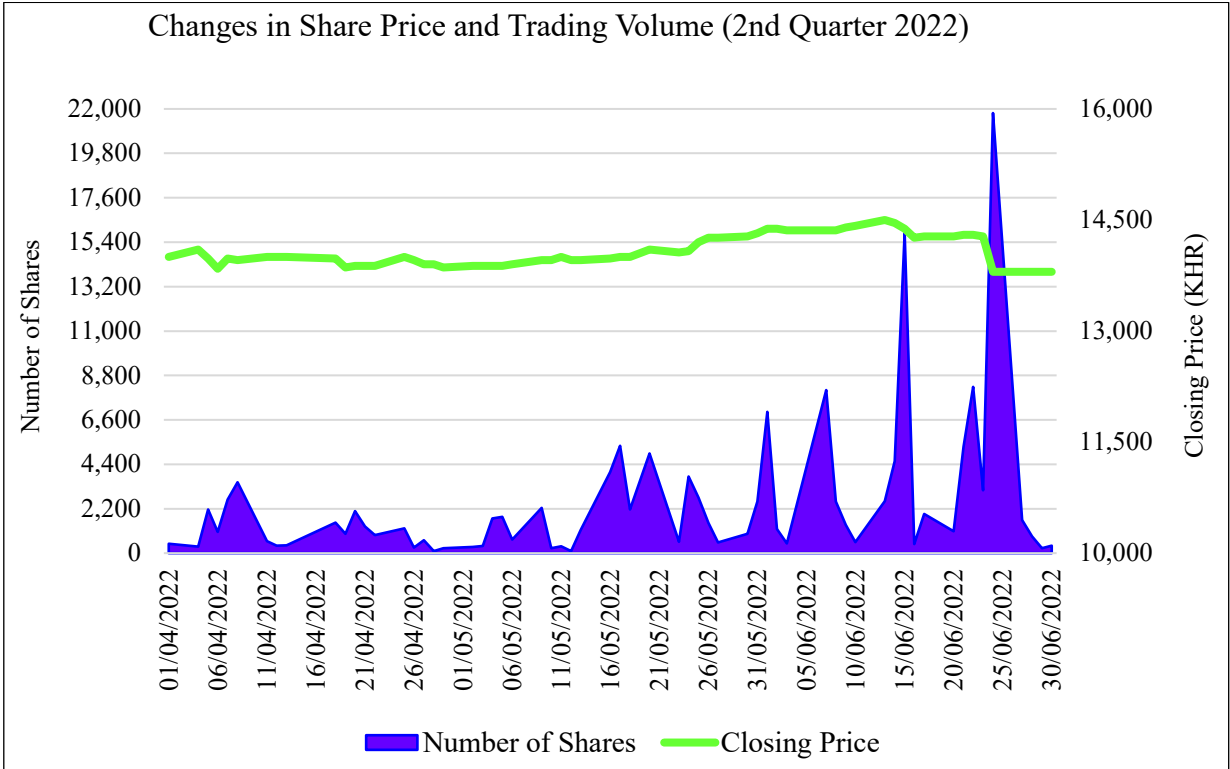
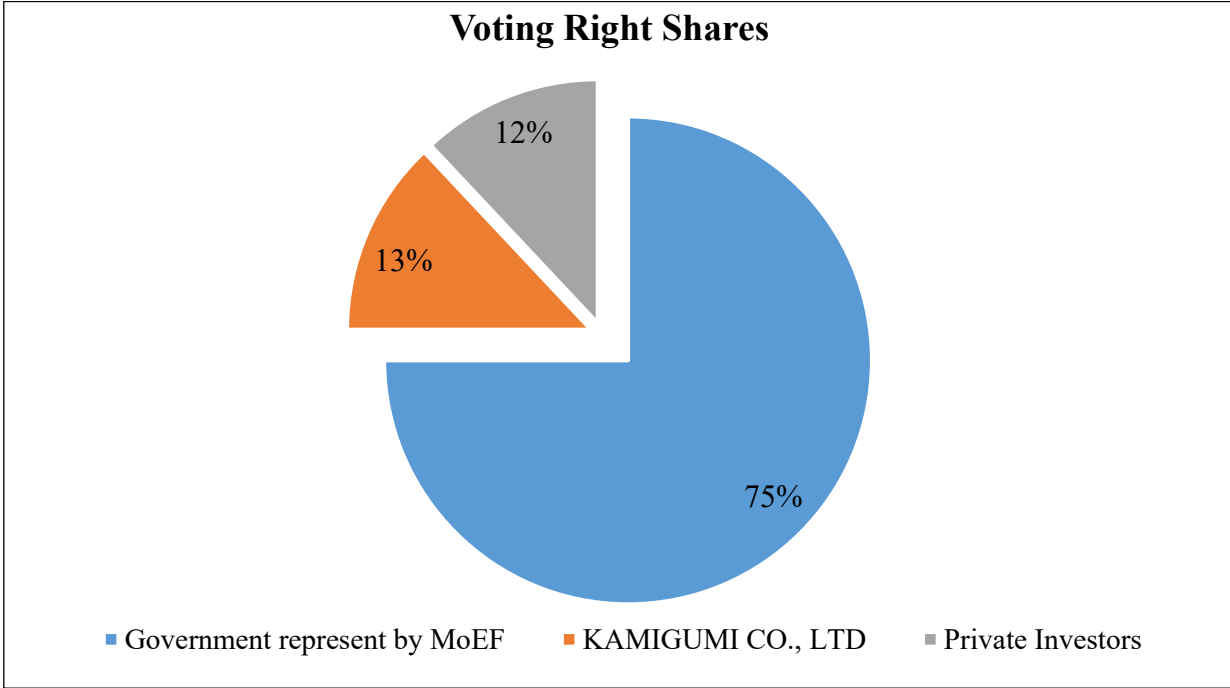


PAS's Shareholders

No.	Classes of Shares	Shareholders	Numbers of Shares	Percentage
1	Non-voting Right Shares "Class A"	State, represented by Ministry of Economy and Finance	364,530,861	80.95%
2	Voting Right Shares "Class B"	State, represented by Ministry of Economy and Finance	64,328,975	14.29%
3	Voting Right Shares "Class C"	Private	21,442,992	4.76%
Total			450,302,828	100%

PAS's Shareholders Class C

No.	Shareholders	Number of Shares	Percentage
1	KAMIGUMI CO., LTD	11,150,324	52%
2	KOBE-OSAKA International Port Corporation	2,144,300	10%
3	Other Private Shareholders	8,148,368	38%
TOTAL		21,442,992	100%



Board of Directors



H.E. Lou Kim Chhun
Chairman & CEO



H.E. Phan Phalla
Representative of Ministry
of Economy and Finance



H.E. Suy San
Representative of Ministry of
Public Works and Transport



H.E. Sok Sopheak
Representative of
Ministry of Commerce



Mr. Hun Monivann
Independent Director



Mr. Hidetoshi KUME
Non-Executive Director



Mr. Lou Lykheng
Representative of
PAS's Employee



Speech of H.E Chairman & CEO

“On behalf of the Board of Directors of Sihanoukville Autonomous Port (PAS), I am honor and pleasure to present the PAS’s business and financial reports of the 2nd quarter, 2022 for the period ended 30th June 2022”.

With a solid support of the Royal Government as well as the two Ministries in Charge, PAS has continued an immense evolution to serve its business activities with an earned revenue of 91,230,289,000 Riels and a net profit of 44,883,055,000 Riels in this 2nd quarter 2022. The revenue increased by 5,372,735,000 Riels equal to 6.26% compared to the same period of 2021, while the net profit after tax increased by 30,807,088,000 Riels equal to 218.86%. This was the result of increasing in Container cargoes and cargoes throughput, and the increased of Unrealized foreign exchange gain (Japanese Yen) which led to increase in net profit after tax compared to 2nd quarter 2021. As the result, PAS’s earnings per share is 523.28 Riels in this 2nd quarter 2022. Furthermore, the container throughputs amounted to 201,434 TEUs, increased of 19,493 TEUs equal to 10.71% compared to 2nd quarter 2021.

PAS is going to continue its efforts to improve the business and service operation and to achieve the best results for the benefits of our shareholders. PAS has strengthened the work efficiency and built additional infrastructure to meet the increasing demand of customers and the growing economy. With the increasing volumes of cargoes and containers throughput, PAS has renovated the new wharf (Constructed in 1969, 350m in length) to become additional container terminal with 243m in length, which currently has only two terminals. In addition, PAS has been implementing the construction of a new Container Terminal (Phase 1) with 350m in length by 14.5m depth, including installation 3 units of QCs, 9 units of RTGs, 2 units of Empty Reach Stackers, and 16 units of container trucks, and 1 set of Auto container terminal management system. Moreover, this new Container Terminal will allow larger container vessels in region calling to PAS which would solve the water depth constraints for the port. Also, the Ocean Freight Cost would be similar to neighboring countries and the region which would contribute to trade facilitation and the development of Cambodian socio economy. The project is expected to be completed by mid-2025, and container handling capacity will reach 1,150,000 TEUs in 1 year when this new container terminal is launched for operation in the upcoming year of 2025.

➤ **In response to the increasing cargo throughputs as well as customers’ service demand, PAS has set its main goal as follows:**

- Continue to carry out the works in accordance with the scheduled plan for 2022
- Maintain its competitive advantages, thereby ensuring service quality, competitive prices, work efficiency, and building up confidences for the customers

- Strengthen staff's capacity on management and technical skill to timely respond to the increasing demands of port's services
- Repair, maintenance and additionally develop port's infrastructure and machinery to ensure competitive advantages and promote its cargo handling capacity
- Strengthen strategic cooperation with domestic and regional ports
- Strengthen corporate governance by establishing necessary committees
- Contribute to the development of Corporate Social Responsibility's activities and promoting social welfare.

➤ **Duty of the Board of Directors**

In this 2nd Quarter 2022, the Board of Directors had conducted one meeting and achieved the following works:

The 4th Meeting of the Board of Directors in its 8th Mandate on 7th May 2022

The Board of Directors (BOD) meeting has reviewed, discussed and approved the following agenda:

- The Board of Directors reviewed, discussed and approved on the progress of the Feasibility Study of the new container terminal development project phase 2 and 3 and the result of the Fact-Finding Mission and Appraisal Mission meeting.
- The Board of Directors reviewed, discussed and approved the report on the business results of the first quarter of 2022.
- The Board of Directors reviewed, approved and unanimously approved the first quarter 2022 financial statements reviewed by the independent audit firm Ernst & Young (Financial Performance Review).
- The Board of Directors reviewed, discussed and approved the date, place and agenda for the 5th General Meeting of Shareholders 2022 as follows:
 - Date: June 17th, 2022
 - Deadline date: May 23rd, 2022
 - Venue: Sokha Beach Resort, Sihanoukville with ZOOM Video Call (Actual Situation)
 - General Agenda
 - Welcome remarks by the President of the General Meeting
 - Presentation on Business Performance – Business Performance in 2021 and Business Plan in 2022
 - Review and approve dividend distribution to shareholders for 2022
- The Board of Directors reviewed, discussed and approved by the Board of Directors to request the approval of the Dividend, setting the Record Date and the Date of Payment of the Dividend to the shareholders for the period 2021 in the 5th General Meeting of shareholders 2022 as follows:

1. Distribute dividends

- Type "B" shareholders equal to 5,300,000,000 Riels
- Type "C" shareholders at the rate of 8%, 9%, 10%, 11% and 12% of the IPO Price to be submitted to the 5th General Meeting for review and approval
- Type of dividend to be distributed: Cash
- Dividend Period: For the year 2021
- Total number of listed shares: 85,771,967 shares
 - Number of Class "B" shares: 64,328,975 shares
 - Number of Class "C" shares: 21,442,992 shares

2. Total amount of dividends to be distributed
- Allocation of Class “B” shares: 5,300,000,000 Riels
 - Allocation of Class “C” Shares: Voted in the 5th General Meeting of Shareholders
 - Total dividend distribution ratio for Class “B” and “C” shares
 - Dividend distribution ratio for Class “B”: 6.28%
 - Dividend distribution ratio for category "C": Voted at the 5th General Meeting of Shareholders
 - Dividends per share
 - Dividend distribution for Class “B”: 82.39 Riels
 - Dividend distribution for Class “C”: Decided at the 5th General Meeting of Shareholders
 - Record Date: June 27th, 2022
 - Payment Date: July 06th, 2022
 - The Board of Directors reviewed, discussed and unanimously approved for PAS to find the best possible solution to collect the remaining debt which Royal Railway owed to PAS by inviting the company to a meeting to discuss and explain the company’s obligations base on the business contract, this work must be attended by Mr. **Noum Sinith**, State Inspector of PAS, and must prepare a clear record and document between the parties before going to the next step by implementing legal procedures and measurement. In the case of debt settlement solution is not effective, the Board of Directors shall support the proposed measures of PAS, which is a step-by-step procedure for the implementation of the Royal Railway debt collection that is still indebted to PAS.
 - The Board of Directors reviewed, discussed and unanimously approved the date for the 5th Board Meeting of the 8th Mandate on 05th August 2022.

Acknowledgement

Once again, I would like to express my profound thanks to the Royal Government of Cambodia led by Samdech Akka Moha Sena Padei Techo **Hun Sen**, Prime Minister of the Kingdom of Cambodia, and the two Ministries in Charge, namely Ministry of Public Works and Transport and Ministry of Economy and Finance for extending their support and trust on PAS's operational activities from time to time.

Last but not least, I would like to thank to all the PAS's employees for their hard work and dedication to the job.

Sihanoukville, Dated: 25th August 2022
Chairman

LOU KIMCHHUN

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PART 1

General Information of Sihanoukville Autonomous Port



A. Identity of Sihanoukville Autonomous Port

Company name (Khmer) : កំពង់ផែស្វយ័តក្រុងព្រះសីហនុ (កីសស)
Company name (Latin) : PORT AUTONOME DE SIHANOUKVILLE “PAS”
Company name (English) : SIHANOUKVILLE AUTONOMOUS PORT
Standard Code : KH1000060009
Address : Terak Vithei Samdech Akka Moha Sena Padei Techo Hun Sen,
Sangkat 3, Preah Sihanouk City, Preah Sihanouk Province,
Cambodia.
Phone Number : (855) 34 933 416/ 933 511
Fax Number : (855) 34 933 693
Investor Relations : (855) 78 49 6789
Website : www.pas.gov.kh
Email : pasinfo@pas.gov.kh
Company Registration Number : Co.4784 Et/2017 Date: 21st February 2017
License Number : 0159 ពណ.ចូបព Issued by: Ministry of Economy and Finance
Date: 22nd February 2017
Disclosure Document Registration Number issued by SECC : 058/17/SECC
Date: 09th May 2017
Representative of PAS: His Excellency **Lou Kim Chhun**

B. Nature of Business

Sihanoukville Autonomous Port which is the sole international deep-sea port of the Kingdom of Cambodia is performing its business operation on the land area approximately 125 hectares. Situated along the coastal line of the Kingdom of Cambodia, in the Gulf of Thailand, PAS has a favorable natural condition which contributes smoothly to the year-round business operation with calm sea water and no tidal storms.

PAS is connected by a variety of multi-modal transportation networks. By road, PAS is connected by two main national roads, namely National Road No. 4 with 226 Km in length from Phnom Penh capital and National Road No. 3 with 244 Km in length through Kampot province. PAS is also connected by the southern railroad from Phnom Penh through Kampot province with 264 Km in length. By airways, PAS is connected to Siem Reap province and Phnom Penh capital by Sihanoukville International Airport.

As the port operator, PAS offers business services as follows:

- Bringing vessels in and out and provide logistics supplies
- Conducting cargo handling, offloading, loading operation
- Stocks, warehousing and yards
- Transporting cargo
- Special Economic Zone.

PAS has a total quay length of 1,860 meters and divided into 13 berths as follows:

No	Terminal	Type of Goods	Length (m)	Width (m)	Terminal Number
1	Passenger Terminal (Old Jetty)	Passengers and General Cargo	290	28	Terminal No. 1 and No. 3: 9m to 13m draft for ships with 8.5m alongside depth. Terminal No. 2 and No. 4: 6.5m to 8m draft for ships with 7m alongside depth.
2	New Wharf	Container	350	500	Terminal No. 5 (West) and No. 6 (East): 10m draft for ships with under 8.5m alongside depth.
3	Container terminal	Container	400	350	Terminal No. 7 and No. 8: 11.5m draft for ships with under 8.5m alongside depth.
4	Multipurpose terminal	Passengers, General Cargo and Oil Exploration Logistic Base	330	200	Multipurpose terminal with 330m length and 13.5m depths for bulk and general cargoes which allow vessels with 50,000 DWT and the Terminal for Logistic Base Oil Exploration with 200m length and 7.5m depths for the offshore oil exploration in the territory of Cambodia.
5	Concrete Wharf	Petroleum	53	5	Petroleum port: 4.5m draft with under 80m in length. Mooring and unmooring facilities have been prepared for berthing alongside of ships with under 6m and 110m in length.

- **Railway Container Terminal**

Apart from the above terminals, in cooperation with Royal Railway Co., Ltd, PAS has also established a railroad operational system and container yard within the port's premises so that customers or cargo owners can transport containers from PAS to Phnom Penh and vice versa. PAS has rented the land area in this premises to Royal Railway Co., Ltd and provided container loading and offloading services on board train and vice versa.

- **Sihanoukville Port Special Economic Zone**

Apart from the business and services mentioned above, PAS also operates the Sihanoukville Port Special Economic Zone with approximately 64 hectares of land area which was constructed in accordance with Japanese standard.



C. Quarter's Key Events

For this 2nd quarter of 2022, **PAS** had the 5th General Shareholder Meeting on 17th June 2022 which held at Sokha Beach Hotel and Resort and online via ZOOM. The meeting was presided by **H.E Lou Kim Chhun**, Chairman and President of the 5th General Shareholder Meeting with the result as follow:

- PAS's Business-Operation Performance 2021
- PAS's Performance Target for 2022
- Approval on Dividend Distribution to Shareholders for Fiscal year 2021.
 - Shareholders class "B" amounted to KHR 5,300,000,000.
 - Shareholders class "C" 10% of IPO price (KHR 5,040), equivalent to KHR 10,807,267,968.
- Approval on Remuneration for Board of Directors and State controller 2022.



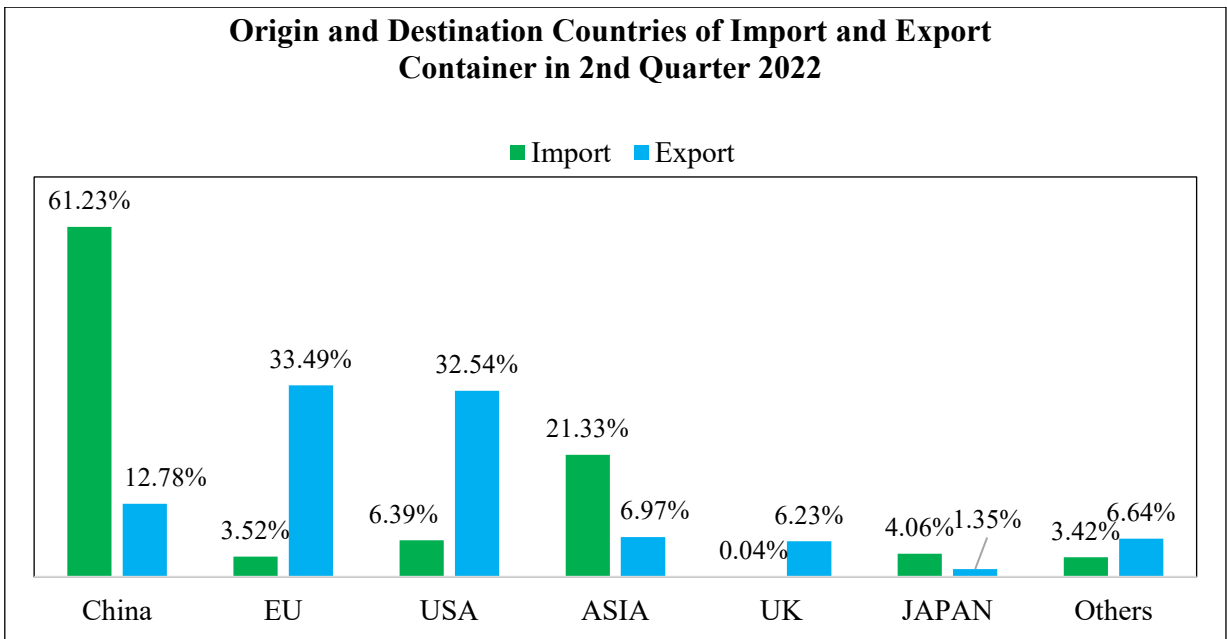
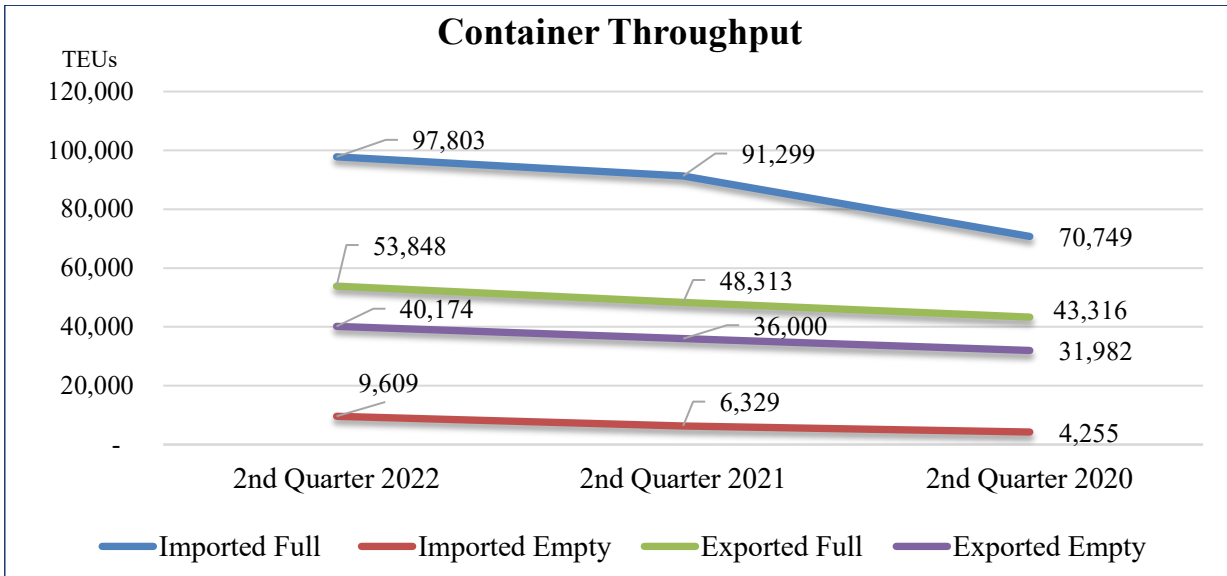
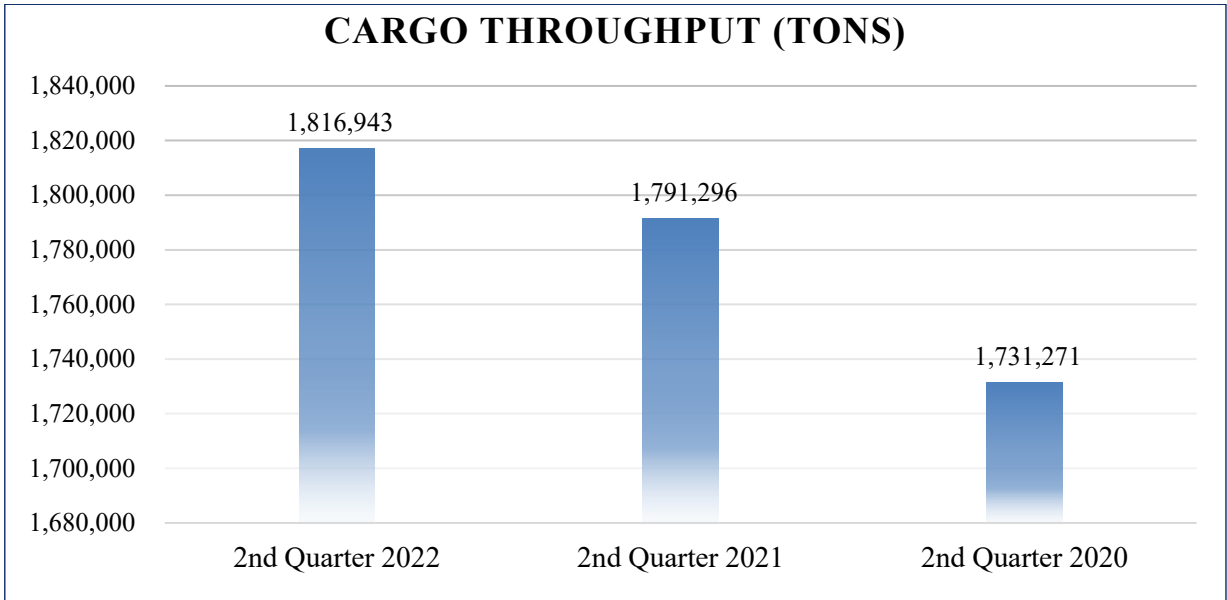
PART 2

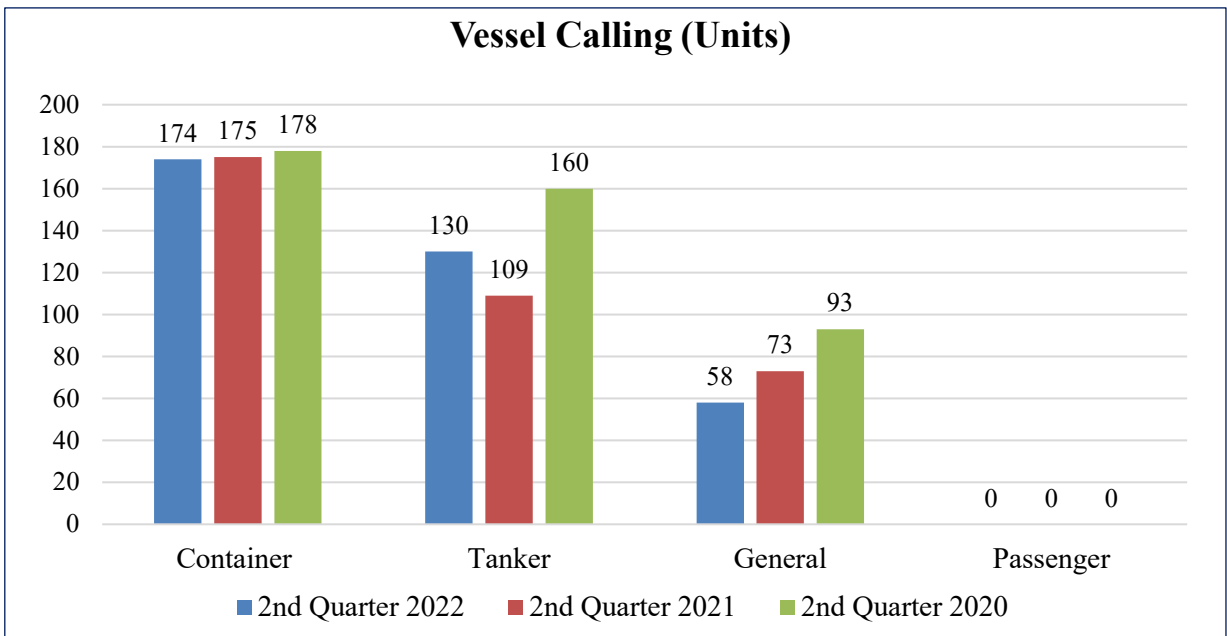
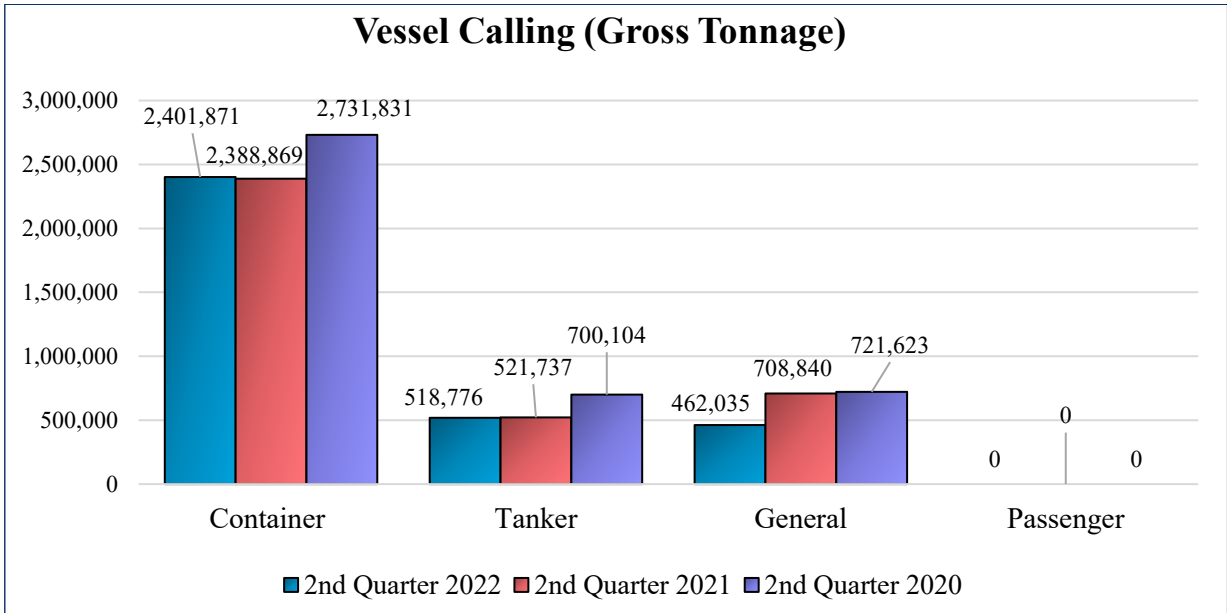
Information on Business Operation Performance



A. Business Operation Performance including business segments information

Items		Planning 2022	2nd Quarter 2022	2nd Quarter 2021	2nd Quarter 2020	Comparison	
		1	2	3	4	(2-3)/3	(2-4)/4
Gross Throughput	Tons	7,418,000	1,816,943	1,791,296	1,731,271	1.43%	4.95%
Container Cargo	–		1,349,623	1,220,396	1,020,268	10.59%	32.28%
General Cargo	–		44,975	79,538	119,503	-43.45%	-62.37%
Fuel	–		401,842	477,401	569,985	-15.83%	-29.50%
Gas	–		20,503	13,961	21,515	46.86%	-4.70%
Imported Cargo	–	5,564,000	1,365,698	1,383,855	1,326,736	-1.31%	2.94%
Container	–		898,455	832,487	623,233	7.92%	44.16%
General	–		467,243	551,368	703,503	-15.26%	-33.58%
Exported Cargo	–	1,854,000	451,246	407,441	404,535	10.75%	11.55%
Container	–		451,169	387,909	397,035	16.31%	13.63%
General	–		77	19,532	7,500	-99.61%	-98.97%
Cargo Handling	–	10,298,000	2,749,090	2,545,005	2,216,343	8.02%	24.04%
Direct Transfer	–	220,000	40,107	54,864	63,201	-26.90%	-36.54%
Container Yard and Warehouse	–	10,078,000	2,708,983	2,490,141	2,153,142	8.79%	25.82%
Container Throughput	TEUs	787,000	201,434	181,941	150,302	10.71%	34.02%
Imported Container	–	-	107,412	97,628	75,004	10.02%	43.21%
Full Container	–		97,803	91,299	70,749	7.12%	38.24%
Empty Container	–		9,609	6,329	4,255	51.82%	125.83%
Exported Container	–	-	94,022	84,313	75,298	11.52%	24.87%
Full Container	–		53,848	48,313	43,316	11.46%	24.31%
Empty Container	–		40,174	36,000	31,982	11.59%	25.61%
Calling Vessels	Units	1,450	362	357	431	1.40%	-16.01%
	Tons	14,128,000	3,382,682	3,619,446	4,153,558	-6.54%	-18.56%
Container	Units		174	175	178	-0.57%	-2.25%
	Tons		2,401,871	2,388,869	2,731,831	0.54%	-12.08%
Tanker	Units		130	109	160	19.27%	-18.75%
	Tons		518,776	521,737	700,104	-0.57%	-25.90%
General	Units		58	73	93	-20.55%	-37.63%
	Tons		462,035	708,840	721,623	-34.82%	-35.97%
Passenger (Cruise Ship)	Units		-	-	-	0.00%	0.00%
	Tons		-	-	-	0.00%	0.00%
	Person		-	-	-	0.00%	0.00%





B. Revenue structure

Description	2 nd Quarter 2022		2 nd Quarter 2021		2 nd Quarter 2020	
	'000 riels	Percentage of total income	'000 riels	Percentage of total income	'000 riels	Percentage of total income
Stevedoring Charge	44,680,226	48.98%	36,351,193	42.34%	34,450,497	45.55%
LOLO Charge	26,167,003	28.68%	26,627,065	31.01%	19,494,543	25.78%
Port Charge for Vessel Services	15,707,553	17.22%	18,375,273	21.40%	18,293,791	24.19%
Storage (Warehouse and Yard)	3,640,396	3.99%	3,536,905	4.12%	2,506,094	3.31%
Transportation	40,585	0.04%	41,664	0.05%	4,090	0.01%
Passenger vessel	0	0.00%	0	0.00%	0	0.00%
Special Economic Zone	542,611	0.59%	538,568	0.63%	568,184	0.75%
Rental fee	381,466	0.42%	302,605	0.35%	227,676	0.30%
Other revenues	70,448	0.08%	84,280	0.10%	80,743	0.11%
Total Revenue	91,230,289	100.00%	85,857,554	100.00%	75,625,617	100.00%



PART 3
Financial Statements Reviewed
by the External Auditor



Reference: 61803762/66656567

INDEPENDENT AUDITORS' REVIEW REPORT

To: The Shareholders of SIHANOUKVILLE AUTONOMOUS PORT

Introduction

We have reviewed the accompanying interim condensed financial information of Sihanoukville Autonomous Port ("PAS") comprising the interim condensed statement of financial position as at 30 June 2022, the interim condensed statements of comprehensive income for the three-month and six-month periods ended 30 June 2022, statements of changes in equity and cash flows for the six-month period ended 30 June 2022 and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of this interim condensed financial information in accordance with Cambodian International Accounting Standard 34, *Interim Financial Reporting*. Our responsibility is to express a conclusion on the accompanying interim condensed financial information based on our review.

Scope of review

We conducted our review in accordance with the Cambodian International Standard on Review Engagements 2410, "*Review of interim financial information performed by the independent auditor of the entity*". A review of interim condensed financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Cambodian International Standards on Auditing. Consequently, it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Other Matter

The financial statements of PAS for the year ended 31 December 2021 were audited by another auditor who expressed an unmodified opinion on those statements on 22 March 2022.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial information as at 30 June 2022 and for the three-month and six-month periods then ended are not prepared, in all material respects, in accordance with Cambodian International Accounting Standard 34, *Interim Financial Reporting*.



Ernst & Young (Cambodia) Ltd.
Certified Public Accountants
Registered Auditors

Phnom Penh, Kingdom of Cambodia

12 August 2022

Second Quarterly Report 2022

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SIHANOUKVILLE AUTONOMOUS PORT

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION as at 30 June 2022

	Notes	30 June 2022 KHR'000 Unaudited	31 December 2021 KHR'000 Audited (As reclassified - Note 27)
ASSETS			
Non-current assets			
Property and equipment	6	962,324,299	966,165,844
Investment properties	7	250,849,965	253,195,699
Intangible assets	8	4,609,643	4,936,332
		1,217,783,907	1,224,297,875
Current assets			
Inventories	9	30,225,174	27,225,006
Trade and other receivables	10	43,574,028	35,659,911
Short-term bank deposits		103,150,519	101,306,681
Cash		26,265,380	22,468,929
		203,215,101	186,660,527
Assets classified as held for sale	11	16,191,268	16,191,268
		219,406,369	202,851,795
Total current assets		219,406,369	202,851,795
Total assets		1,437,190,276	1,427,149,670
EQUITY AND LIABILITIES			
EQUITY			
Share capital and share premium	12	518,018,063	518,018,063
Other reserves	13	41,090,572	31,719,832
Retained earnings		298,462,005	234,156,264
Total equity		857,570,640	783,894,159
LIABILITIES			
Non-current liabilities			
Borrowings	14	368,703,860	435,025,425
Retirement benefit obligations	15	70,333,159	83,646,559
Provision for seniority backpay		1,402,383	1,080,149
Deferred rent income		10,077,801	5,310,459
Deferred tax liabilities		31,517,806	29,419,014
		482,035,009	554,481,606
Current liabilities			
Dividends payable	23	16,107,268	-
Borrowings	14	29,796,652	33,961,572
Retirement benefit obligations	15	4,715,336	4,534,425
Deferred income		462,107	134,442
Trade and other payables		40,712,029	44,208,159
Income tax liabilities		5,791,235	5,935,307
		97,584,627	88,773,905
Total liabilities		579,619,636	643,255,511
Total equity and liabilities		1,437,190,276	1,427,149,670

The attached notes 1 to 28 form part of this interim condensed financial information.

SIHANOUKVILLE AUTONOMOUS PORT

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME
for the three-month and six-month periods ended 30 June 2022

	Notes	<i>Three-month period ended</i>		<i>Six-month period ended</i>	
		<i>30 June 2022</i>	<i>30 June 2021</i>	<i>30 June 2022</i>	<i>30 June 2021</i>
		<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>
		<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>
Revenue					
Revenue from contracts with customers	16	90,687,678	85,318,986	180,375,344	166,033,104
Rent income	7	542,611	538,568	1,237,999	1,115,563
		91,230,289	85,857,554	181,613,343	167,148,667
Expenses					
Salaries, wages and related expenses	17	(27,681,654)	(25,773,625)	(55,944,596)	(52,226,390)
Consumable supplies	18	(26,417,048)	(22,401,732)	(53,891,231)	(45,632,892)
Depreciation and amortization charges	19	(11,394,262)	(9,910,559)	(22,512,761)	(19,751,377)
Other expenses		(9,333,162)	(3,679,394)	(16,104,932)	(8,067,532)
Repairs and maintenances		(389,183)	(878,433)	(824,853)	(3,431,680)
Other gains – net		142,945	88,356	255,330	186,857
		(75,072,364)	(62,555,387)	(149,023,043)	(128,923,014)
Operating profit		16,157,925	23,302,167	32,590,300	38,225,653
Finance income (cost) – net	20	33,005,577	(4,259,222)	53,458,960	21,009,315
Profit before income tax		49,163,502	19,042,945	86,049,260	59,234,968
Income tax expense	21	(4,280,447)	(4,966,978)	(8,124,351)	(8,353,794)
Profit for the period		44,883,055	14,075,967	77,924,909	50,881,174
Profit for the period attributable to shareholders		44,883,055	14,075,967	77,924,909	50,881,174
Remeasurement gain on defined benefit obligation	15, 21	11,858,840	-	11,858,840	-
Total comprehensive income for the period attributable to shareholders		56,741,895	14,075,967	89,783,749	50,881,174

The earnings per share attributable to shareholders of PAS during the period are as follows:

Basic earnings per share (KHR)	22	523.28	164.11	908.51	593.21
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The attached notes 1 to 28 form part of this interim condensed financial information.

SIHANOUKVILLE AUTONOMOUS PORT

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY as at 30 June 2022

	Notes	<i>Share capital and share premium</i> KHR'000	<i>Reserves</i> KHR'000	<i>Retained earnings</i> KHR'000	<i>Total</i> KHR'000
Balance at 1 January 2022 <i>(audited)</i>		518,018,063	31,719,832	234,156,264	783,894,159
Profit for the period		-	-	77,924,909	77,924,909
Remeasurement gain on defined benefit obligation	15, 21	-	-	11,858,840	11,858,840
Total comprehensive income for the period		-	-	89,783,749	89,783,749
Transfer to reserves	13	-	9,370,740	(9,370,740)	-
Dividends declared	23	-	-	(16,107,268)	(16,107,268)
Balance at 30 June 2022 <i>(unaudited)</i>		518,018,063	41,090,572	298,462,005	857,570,640
Balance at 1 January 2021 <i>(audited)</i>		518,018,063	29,059,072	155,284,283	702,361,418
Profit for the period		-	-	50,881,174	50,881,174
Total comprehensive income for the period		-	-	50,881,174	50,881,174
Transfer to reserves	13	-	2,660,760	(2,660,760)	-
Dividends declared	23	-	-	(12,174,649)	(12,174,649)
Balance at 30 June 2021 <i>(unaudited)</i>		518,018,063	31,719,832	191,330,048	741,067,943

The attached notes 1 to 28 form part of this interim condensed financial information.

SIHANOUKVILLE AUTONOMOUS PORT

INTERIM CONDENSED STATEMENT OF CASH FLOWS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

	Notes	Six-month period ended	
		30 June 2022	30 June 2021
		KHR'000 Unaudited	KHR'000 Unaudited
Cash flows from operating activities			
Cash generated from operations	24	44,536,891	51,565,003
Income tax paid		(9,134,340)	(9,267,738)
Net cash generated from operating activities		35,402,551	42,297,265
Cash flows from investing activities			
Purchases of property and equipment	6	(12,025,216)	(24,467,857)
Withdrawals of short-term bank deposits		-	3,246,317
Purchases of investment properties	7	(739,385)	(1,239,340)
Purchase of intangible assets		(251,298)	-
Interest received		729,250	738,650
Receipts of repayment of loans to employees		-	1,283,363
Net cash used in investing activities		(12,286,649)	(20,438,867)
Cash flows from financing activities			
Repayments of borrowings		(15,302,492)	(16,348,917)
Interest paid		(5,666,141)	(6,467,875)
Proceeds from borrowings		1,649,182	134,324
Net cash used in financing activities		(19,319,451)	(22,682,468)
Net increase (decrease) in cash		3,796,451	(824,070)
Cash at beginning of the period		22,468,929	30,741,075
Cash at end of the period		26,265,380	29,917,005

The attached notes 1 to 28 form part of this interim condensed financial information.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO INTERIM CONDENSED FINANCIAL INFORMATION
for the three-month and six-month periods ended 30 June 2022

1. CORPORATE INFORMATION

The Sihanoukville Autonomous Port (“PAS”) is a public autonomous institution that is under the technical supervision of the Ministry of Public Works and Transport (“MoPWT”) and the financial supervision of the Ministry of Economy and Finance (“MoEF”), with its headquarters in Preah Sihanouk Province, the Kingdom of Cambodia.

PAS is a legal entity with autonomous administration and financing and was established in accordance with Sub-decree 50 ANKR BK dated 17 July 1998, which gave it the general status as a public autonomous institution.

PAS was registered as a state-owned public enterprise with the Ministry of Commerce and obtained the registration number Co.4784 ET/2017, dated 21 February 2017. Its shares of class C were listed on the Main Board of Cambodia Securities Exchange (“CSX”) on 8 June 2017.

PAS is currently the sole international and commercial deep-sea port in the Kingdom of Cambodia. According to the Sub-decree, the mission of PAS is to provide the following seaport services and seaport related services which include:

- bringing vessels in and out and providing them with supplies;
- conducting cargo handling, offloading, loading and transporting;
- maintaining and safeguarding stocks, warehouses and yards;
- developing, rehabilitating and expanding PAS’s existing infrastructures;
- taking responsibility on health care, security and order in its management areas; and
- committing to manage and organize the operational activities to be effective and progressive.

In the status as public autonomous institution, PAS has obtained an extensive authority and major duties from the Royal Government of Cambodia to carry out its activities in accordance with its objectives.

The registered office of PAS is Terak Vithei Samdech Akka Moha Sena Padei Techo Hun Sen Sangkat No. 3, Sihanoukville City, Preah Sihanouk Province, the Kingdom of Cambodia.

The interim condensed financial information was approved for issue by the Board of Directors on 12 August 2022.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 *Basis of preparation*

This interim condensed financial information for the three-month and six-month periods ended 30 June 2022 has been prepared in accordance with Cambodian International Accounting Standards 34 (CIAS 34), *Interim financial reporting*. PAS has prepared the interim condensed financial information on the basis that it will continue to operate as a going concern. The Board of Directors consider that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that PAS has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

The interim condensed financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with PAS’ annual financial statements as at and for the year ended 31 December 2021, which have been prepared in accordance with the Cambodian International Financial Reporting Standards (“CIFRSs”).

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month and six-month periods ended 30 June 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 *New standards, interpretations and amendments adopted by PAS*

The accounting policies adopted in the preparation of the interim condensed financial information is consistent with those followed in the preparation of PAS' annual financial statements as at and for the year ended 31 December 2021, except for the adoption of new standards effective as of 1 January 2022. PAS has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments as summarized below apply for the first time in 2022, but do not have an impact on the interim condensed financial statements of the PAS.

- Amendments to CIFRS 9, *Financial Instruments* – Fee in the “10 per cent” test for derecognition of financial liabilities
- Amendments to CIFRS 3, *Business Combinations* - Reference to the Conceptual Framework
- Amendments to CIAS 16, *Property Plant and Equipment* - Proceeds before Intended Use
- Amendments to CIAS 37, *Provisions, Contingent Liabilities and Contingent Assets* - Onerous contracts – Costs of Fulfilling a Contract
- Amendments to CIFRS 1, *First-time Adoption of Cambodian International Financial Reporting Standards* – Subsidiary as a first-time adopter
- Amendments to CIAS 41, *Agriculture* – Taxation in fair value measurements

3. MANAGEMENT JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of interim condensed financial information 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 these estimates.

In preparing this interim condensed financial information, the significant judgements made by management in applying the PAS' accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited financial statements for the year ended 31 December 2021.

4. FINANCIAL RISK MANAGEMENT

4.1 *Financial risk factors*

PAS' activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk.

The interim condensed financial information does not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with PAS' audited financial statements as at and for the year ended 31 December 2021.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month and six-month periods ended 30 June 2022

4. FINANCIAL RISK MANAGEMENT (continued)

4.2 *Fair value of financial assets and financial liabilities measured at amortized cost*

The methods and assumptions used in estimating the fair values of financial instruments are as follows:

- (a) *Cash and short-term bank deposits* – The carrying values of these amounts approximate their fair values due to their short-term nature.
- (b) *Trade and other receivables* – The carrying amounts less impairment provisions approximate the fair value because these are subject to normal credit terms and are short-term in nature.
- (c) *Trade and other payables* – The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.
- (d) *Borrowings* – The fair value is estimated by discounting the future contractual cash outflows using the current borrowing rates.

During the period, PAS has not changed the methods and assumptions used to estimate the fair value of financial instruments and there were no transfers within the fair value hierarchy.

5. SEGMENT INFORMATION

PAS has a reportable segment which is composed of its port services as follows:

- Stevedoring charges
- Lift-On Lift-Off (LO-LO)
- Port due/charge services
- Container storage

No operating segments have been aggregated to form the above reportable operating business segment.

The Chief Operating Decision-Maker (“CODM”), which is the management team, reviews the internal management report, which reports the performance of the port service segment as a whole, to assess performance and allocate resources. The CODM assesses the performance of the reportable segment by measuring gross revenue (*Note 16*). CODM also reviews profit before tax and net profit as a whole compared to prior periods. In addition, PAS also has investment properties in the Special Economic Zone (SEZ) of which it is operating as a lessor and earns rent income (*Note 7*).

Significant revenues are derived from PAS’ external customers. PAS is domiciled in Sihanoukville and major revenues originate from Sihanoukville and the surrounding areas.

Revenues of KHR’000 40,065,852 and KHR’000 81,067,090 were generated from PAS’ major customers, each of which contributed at least 10% to the total reportable segment revenues for the three-month and six-month periods ended 30 June 2022, respectively.

Seasonality of operations

The ‘port services’ segment is mainly dependent on the level of import and export cargo throughputs which is directly influenced by the end customers’ demand for goods. Due to the seasonal nature of this segment, higher revenues are usually expected in the second half of the year. Higher sales during the period July to November are mainly attributed to the increased level of cargo throughputs due to the demands and spending behaviour of end customers during the holiday season.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month and six-month periods ended 30 June 2022

6. PROPERTY AND EQUIPMENT

2022 (Unaudited)

	Land	Land improvement	Building	Technical equipment	Furniture and fittings	Computer and office equipment	Motor vehicles	Seaport equipment	Construction in progress	Palettes	Total
	KHR'000	KHR'000	KHR'000	KHR'000	KHR'000	KHR'000	KHR'000	KHR'000	KHR'000	KHR'000	KHR'000
Cost											
As at 1 January 2022	296,735,409	58,850,922	347,507,695	37,508,100	2,471,776	11,728,126	48,804,659	276,966,969	25,524,801	1,022,761	1,107,121,218
Additions	-	1,443,537	454,284	-	142,558	556,430	4,375,238	587,408	7,370,333	78,322	15,008,110
Transfers	-	-	99,558	-	-	-	-	-	(99,558)	-	-
As at 30 June 2022	296,735,409	60,294,459	348,061,537	37,508,100	2,614,334	12,284,556	53,179,897	277,554,377	32,795,576	1,101,083	1,122,129,328
Accumulated depreciation											
As at 1 January 2022	-	(7,322,337)	(39,923,193)	(13,827,541)	(1,763,120)	(7,712,611)	(13,252,332)	(56,136,843)	-	(1,017,397)	(140,955,374)
Depreciation	-	(1,410,861)	(4,823,979)	(1,988,824)	(236,549)	(1,363,307)	(2,046,315)	(6,969,674)	-	(10,146)	(18,849,655)
As at 30 June 2022	-	(8,733,198)	(44,747,172)	(15,816,365)	(1,999,669)	(9,075,918)	(15,298,647)	(63,106,517)	-	(1,027,543)	(159,805,029)
Net book value											
As at 30 June 2022	296,735,409	51,561,261	303,314,365	21,691,735	614,665	3,208,638	37,881,250	214,447,860	32,795,576	73,540	962,324,299

2021 (Audited)

	Land	Land improvement	Building	Technical equipment	Furniture and fittings	Computer and office equipment	Motor vehicles	Seaport equipment	Construction in progress	Palettes	Total
	KHR'000	KHR'000	KHR'000	KHR'000	KHR'000	KHR'000	KHR'000	KHR'000	KHR'000	KHR'000	KHR'000
Cost											
As at 1 January 2021	250,929,909	38,121,638	346,693,935	35,828,334	2,136,346	9,038,746	41,895,655	232,088,355	66,256,327	1,022,761	1,024,012,006
Additions	45,805,500	681,152	813,760	320,666	335,430	2,689,380	7,092,284	7,418,560	18,135,760	-	83,292,492
Write-offs	-	-	-	-	-	-	(183,280)	-	-	-	(183,280)
Transfers	-	20,048,132	-	1,359,100	-	-	-	37,460,054	(58,867,286)	-	-
As at 31 December 2021	296,735,409	58,850,922	347,507,695	37,508,100	2,471,776	11,728,126	48,804,659	276,966,969	25,524,801	1,022,761	1,107,121,218
Accumulated depreciation											
As at 1 January 2021	-	(5,750,541)	(30,278,663)	(9,811,185)	(1,329,706)	(6,327,189)	(9,638,457)	(44,534,745)	-	(972,505)	(108,642,991)
Depreciation	-	(1,571,796)	(9,644,530)	(4,016,356)	(433,414)	(1,385,422)	(3,797,155)	(11,602,098)	-	(44,892)	(32,495,663)
Write-offs	-	-	-	-	-	-	183,280	-	-	-	183,280
As at 31 December 2021	-	(7,322,337)	(39,923,193)	(13,827,541)	(1,763,120)	(7,712,611)	(13,252,332)	(56,136,843)	-	(1,017,397)	(140,955,374)
Net book value											
As at 31 December 2021	296,735,409	51,528,585	307,584,502	23,680,559	708,656	4,015,515	35,552,327	220,830,126	25,524,801	5,364	966,165,844

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month and six-month periods ended 30 June 2022

6. PROPERTY AND EQUIPMENT (continued)

Reconciliation of cash and non-cash additions (purchases of property and equipment) are as follows:

	<i>30 June 2022</i>	<i>30 June 2021</i>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Unaudited</i>
Purchases (cash and non-cash) during the period	14,917,863	22,730,574
(Increase) decrease in payable to a supplier	(2,892,647)	1,737,283
Cash used in purchase of property and equipment	<u>12,025,216</u>	<u>24,467,857</u>

The interest cost on borrowings that was capitalized on qualifying assets for the six-month period ended 30 June 2022 was KHR'000 90,247 (30 June 2021: KHR'000 90,470).

7. INVESTMENT PROPERTIES

2022

	<i>Land improvement</i>	<i>Building and land improvement</i>	<i>Construction in progress</i>	<i>Total</i>
	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>
Cost				
As at 31 December 2021 (<i>audited</i>)	125,040,317	168,305,459	-	293,345,776
Reclassifications (<i>Note 27</i>)	(3,406,754)	274,194	-	(3,132,560)
As at 31 December 2021/ 1 January 2022 (<i>as reclassified</i>)	121,633,563	168,579,653	-	290,213,216
Additions	-	195,245	544,140	739,385
As at 30 June 2022 (<i>unaudited</i>)	<u>121,633,563</u>	<u>168,774,898</u>	<u>544,140</u>	<u>290,952,601</u>
Accumulated depreciation				
As at 1 January 2022 (<i>audited</i>)	-	(37,017,517)	-	(37,017,517)
Depreciation	-	(3,085,119)	-	(3,085,119)
As at 30 June 2022 (<i>unaudited</i>)	-	(40,102,636)	-	(40,102,636)
Net book value				
As at 30 June 2022 (<i>unaudited</i>)	<u>121,633,563</u>	<u>128,672,262</u>	<u>544,140</u>	<u>250,849,965</u>
Net book value				
As at 31 December 2021 (<i>as reclassified</i>)	<u>121,633,563</u>	<u>131,562,136</u>	-	<u>253,195,699</u>

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month and six-month periods ended 30 June 2022

7. INVESTMENT PROPERTIES (continued)

2021 (Audited)

	<i>Land improvement</i>	<i>Building and land improvement</i>	<i>Construction in progress</i>	<i>Total</i>
	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>
Cost				
As at 1 January 2021	136,030,885	168,140,149	359,280	304,530,314
Additions	-	165,310	1,708,860	1,874,170
Transfers	2,068,140	-	(2,068,140)	-
Transfers to assets held for sale (Note 11)	(13,058,708)	-	-	(13,058,708)
As at 31 December 2021	125,040,317	168,305,459	-	293,345,776
Accumulated depreciation				
As at 1 January 2021	-	(30,694,847)	-	(30,694,847)
Depreciation	-	(6,322,670)	-	(6,322,670)
As at 31 December 2021	-	(37,017,517)	-	(37,017,517)
Net book value				
As at 31 December 2021	125,040,317	131,287,942	-	256,328,259

Cash purchases of investment properties:

	<i>Six-month period ended</i>	
	<i>30 June 2022</i>	<i>30 June 2021</i>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Unaudited</i>
Purchases (cash and non-cash) during the period	739,385	1,330,030
Increase payable to a supplier (non-cash)	-	(90,690)
Cash used in purchase of investment properties	739,385	1,239,340

The following amounts have been recognized in the interim condensed statement of comprehensive income relevant to the business of investment properties:

	<i>Three-month period ended</i>		<i>Six-month period ended</i>	
	<i>30 June 2022</i>	<i>30 June 2021</i>	<i>30 June 2022</i>	<i>30 June 2021</i>
	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>
Rental income	542,611	538,568	1,237,999	1,115,563
Depreciation	(1,544,241)	(1,584,420)	(3,167,793)	(3,167,793)
Direct operating expenses arising from investment properties that generate rental income	(664,201)	(700,000)	(1,330,765)	(1,330,765)

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month and six-month periods ended 30 June 2022

8. INTANGIBLE ASSETS

	<u>30 June 2022</u>	<u>31 December 2021</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Audited</i>
Cost		
As at 1 January	11,288,083	10,921,152
Additions	251,298	366,931
As at 30 June/31 December	11,539,381	11,288,083
Accumulated amortization		
As at 1 January	(6,351,751)	(5,247,407)
Amortization	(577,987)	(1,104,344)
As at 30 June/31 December	(6,929,738)	(6,351,751)
Net book value		
As at 30 June/31 December	4,609,643	4,936,332

9. INVENTORIES

	<u>30 June 2022</u>	<u>31 December 2021</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Audited</i>
Consumable supplies	25,762,108	24,007,787
Combustible materials	3,193,490	2,709,997
Oil and lubricant	1,370,425	1,250,216
	30,326,023	27,968,000
Provision for slow-moving inventories (*)	(100,849)	(742,994)
	30,225,174	27,225,006

(*) During the six-month period ended 30 June 2022, the Company reversed KHR'000 642,145 of its provision for slow-moving inventories. These composed of inventories which were issued for use in its operations. The reversal is included in 'Consumable supplies' in the interim condensed statement of comprehensive income.

10. TRADE AND OTHER RECEIVABLES

	<u>30 June 2022</u>	<u>31 December 2021</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Audited</i>
Trade receivables	35,975,791	33,985,519
Loss allowance (Note a)	(23,958)	(329,241)
Trade receivables, net	35,951,833	33,656,278
Advances to MoPWT (Note b)	7,221,303	1,221,303
Advances	314,900	696,502
Prepayments	85,992	85,828
	7,622,195	2,003,633
	43,574,028	35,659,911

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month and six-month periods ended 30 June 2022

10. TRADE AND OTHER RECEIVABLES (continued)

PAS customers are local and international shipping lines and shipping agents. Trade receivables are short term.

(a) Movement of allowance for doubtful accounts of trade receivables follows:

	<u>30 June 2022</u>	<u>31 December 2021</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Audited</i>
As at 1 January	329,241	2,655,478
Reversal during the period/year	<u>(305,283)</u>	<u>(2,326,237)</u>
As at 30 June/31 December	<u>23,958</u>	<u>329,241</u>

(b) This represents outstanding cash advance to the MoPWT amounting to KHR'000 1,221,300 which was based on the letter dated 14 August 2018 and payable in 2019. The cash advance was used for the MoPWT's office building construction.

In 2022, additional cash advance amounting to KHR 6 billion was made to the MoPWT to be used for public road construction which was based on the letter request dated 18 January 2022. The terms of repayment were unspecified.

The above advances to MoPWT remain outstanding as of the date of this report.

11. ASSETS CLASSIFIED AS HELD FOR SALE

On 10 November 2021, PAS signed a sale and purchase agreement with a buyer to sell a parcel of vacant land (130 hectares) located in the Bet Trang commune, which was acquired for capital appreciation. It has been classified and presented as an investment property.

The total contract value is US\$ 26 million or KHR 105,300 million at a price of US\$ 20 or KHR 81,000 per square meter. PAS received US\$ 2 million as a deposit on the contract date and the remaining amount will be paid by the buyer upon completion of ownership title deeds transferred to buyer which is expected to be completed by June 2022. The net book value of these 130 hectares - land is KHR 16,191 million (equivalent to US\$ 4,047,750). This has been recorded as assets held for sale on the statement of financial position as of 31 December 2021. No gain was recognized for the six-month period ending 30 June 2022 as the transaction has not been completed, and the risk and rewards have not been completely transferred to the buyer.

This size of the land might be reduced as public road construction is taking place on it. Management is in the process of transferring the hard title deeds (LMAP) and the actual size of land will be known once the Ministry of Land Management, Urban Planning and Construction issues the hard title deeds. The buyer will settle based on the confirmed size at US\$ 20 or KHR'000 81 per square meter.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month and six-month periods ended 30 June 2022

12. SHARE CAPITAL AND SHARE PREMIUM

	Class A share		Class B share		Class C share		Share premium	Total
	Number	KHR'000	Number	KHR'000	Number	KHR'000	KHR'000	KHR'000
At 30 June 2022 (<i>unaudited</i>)	364,530,861	364,530,861	64,328,975	64,328,975	21,442,992	21,442,992	67,715,235	518,018,063
At 31 December 2021 (<i>audited</i>)	364,530,861	364,530,861	64,328,975	64,328,975	21,442,992	21,442,992	67,715,235	518,018,063

The Company's shares are all issued, paid and have par value of KHR 1,000 each. Both class A shares and class B shares are owned and controlled by the Royal Government of Cambodia represented by MoEF. Class A shares are not entitled to any dividend payment and have no voting rights except for conditions as detailed in the Articles of Incorporation dated 12 April 2019. On the other hand, Class B shares have voting rights and are entitled to dividend as approved by the Board of Directors. Class C shares, which are traded in the CSX, also have voting rights and are entitled to dividends. The amount of dividend for Class C shares is decided by Class B and C shareholders through a voting process during the annual shareholders' meeting.

The details of the shares with voting rights are as follows:

	Percentage	Number of shares	KHR'000
Shareholders			
Class B shares:			
The Royal Government of Cambodia	75.0%	64,328,975	64,328,975
Class C shares:			
Kamigumi	13.0%	11,150,324	11,150,324
Public investors	12.0%	10,292,668	10,292,668
	25.0%	21,442,992	21,442,992
	100.0%	85,771,967	85,771,967

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month and six-month periods ended 30 June 2022

13. OTHER RESERVES

	<u>30 June 2022</u>	<u>31 December 2021</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Audited</i>
As at 1 January	31,719,832	29,059,072
Add: General reserve	4,685,370	1,330,380
Legal reserve	4,685,370	1,330,380
As at 30 June/31 December	<u>41,090,572</u>	<u>31,719,832</u>

Article 65 of the Article of Incorporation dated 12 April 2019 stipulates that PAS's annual profit, after offsetting losses carried forward (if any), is allocated to general reserve at 5% and legal reserve at 5%.

14. BORROWINGS

	<u>30 June 2022</u>	<u>31 December 2021</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Audited</i>
Borrowings from:		
MoEF – (JBIC) – Loan No. CP-P3	45,763,277	57,735,813
MoEF – (JBIC) – Loan No. CP-P4	94,865,673	98,053,918
MoEF – (JBIC) – Loan No. CP-P6	5,371,035	6,614,677
MoEF – (JBIC) – Loan No. CP-P8	89,349,378	108,281,770
MoEF – (JICA) – Loan No. CP-P10	149,970,269	183,227,712
MoEF – (JICA) – Loan No. CP-P21	13,180,880	15,073,107
	<u>398,500,512</u>	<u>468,986,997</u>

MoEF signed borrowing agreements with Japan International Cooperation Agency (“JICA”) and Japan Bank for International Cooperation (“JBIC”) in respect of the transactions relating to PAS. The borrowings have been disbursed by JICA and JBIC directly to the suppliers of PAS. Repayments of borrowings are made by PAS directly to MoEF according to the repayment schedules.

The maturity dates of these borrowings are as follows:

	<u>30 June 2022</u>	<u>31 December 2021</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Audited</i>
<i>Current</i>		
Not later than one year	<u>29,796,652</u>	<u>33,961,572</u>
<i>Non-current</i>		
Later than one year but not later than two years	27,367,751	31,067,938
Later than two years but not later than five years	82,103,253	93,203,813
Later than five years	259,232,856	310,753,674
	<u>368,703,860</u>	<u>435,025,425</u>
	<u>398,500,512</u>	<u>468,986,997</u>

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month and six-month periods ended 30 June 2022

14. BORROWINGS (continued)

The carrying amounts and fair values of the borrowings are as follows:

	<u>30 June 2022</u>	<u>31 December 2021</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Audited</i>
<i>Carrying value</i>		
Current portion	29,796,652	33,961,572
Non-current portion	368,703,860	435,025,425
	<u>398,500,512</u>	<u>468,986,997</u>
<i>Fair value</i>		
Current portion	29,796,652	33,961,572
Non-current portion	368,703,860	435,025,425
	<u>398,500,512</u>	<u>468,986,997</u>

The fair values were calculated based on future contractual cash flows discounted using the current borrowing rates. They were classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

Borrowings denominated in currencies other than functional currency are as follows:

	<u>30 June 2022</u>	<u>31 December 2021</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Audited</i>
JPY	303,634,839	370,933,079
US\$	94,865,673	98,053,918
	<u>398,500,512</u>	<u>468,986,997</u>

The interest rates per annum are as follows:

	<u>30 June 2022</u>	<u>31 December 2021</u>
MoEF – (JBIC) – Loan No. CP-P3	3.00%	3.00%
MoEF – (JBIC) – Loan No. CP-P4	3.70%	3.70%
MoEF – (JBIC) – Loan No. CP-P6	3.00%	3.00%
MoEF – (JBIC) – Loan No. CP-P8	2.65%	2.65%
MoEF – (JICA) – Loan No. CP-P10	1.65%	1.65%
MoEF – (JICA) – Loan No. CP-P21	1.26%	1.26%

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NOTES TO INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month and six-month periods ended 30 June 2022

15. RETIREMENT BENEFIT OBLIGATIONS

Amounts recognized in the interim condensed statement of financial position are as follows:

	<u>30 June 2022</u>	<u>31 December 2021</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Audited</i>
Present value of retirement benefit obligations as at end of period/year	<u>75,048,495</u>	<u>88,180,984</u>

The retirement benefit obligations as at end of 30 June 2022 and 31 December 2021 above are unfunded.

The movements in the retirement benefit obligations over the period/year are as follows:

	<u>30 June 2022</u>	<u>31 December 2021</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Audited</i>
As at 1 January	88,180,984	86,481,967
Current service cost	1,028,879	1,709,000
Interest expense	2,319,223	4,614,000
Benefits paid	(1,657,042)	(4,623,983)
Remeasurement gains from change in actuarial assumptions	(14,823,549)	-
As at 30 June/31 December	<u>75,048,495</u>	<u>88,180,984</u>

	<u>30 June 2022</u>	<u>31 December 2021</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Audited</i>
Current portion	4,715,336	4,534,425
Non-current portion	70,333,159	83,646,559
	<u>75,048,495</u>	<u>88,180,984</u>

The retirement benefit costs recognized within salaries, wages and related expenses (*Note 17*) in the interim condensed statement comprehensive income are as follows:

	<u>Three-month period ended</u>		<u>Six-month period ended</u>	
	<u>30 June 2022</u>	<u>30 June 2021</u>	<u>30 June 2022</u>	<u>30 June 2021</u>
	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>
Current service cost	601,629	427,250	1,028,879	854,500
Interest expense	1,165,723	1,153,500	2,319,223	2,307,000
	<u>1,767,352</u>	<u>1,580,750</u>	<u>3,348,102</u>	<u>3,161,500</u>

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month and six-month periods ended 30 June 2022

15. RETIREMENT BENEFIT OBLIGATIONS (continued)

The principal actuarial assumptions are as follows:

	2022	2021
Average years of service	19.9	21.0
Discount rate per annum	6.5%	6.0%
Salary increase rate per annum	5.0%	5.0%
Turnover rate per annum	0.5%	0.5%
Mortality rate	100% of 2017 Thailand Ordinary Mortality tables	100% of 2017 Thailand Ordinary Mortality tables
Disability rate	10% of pre-retirement mortality rates	10% of pre-retirement mortality rates

16. REVENUE FROM CONTRACTS WITH CUSTOMERS

Set out below is the disaggregation of PAS' revenue from contracts with customers:

	<i>Three-month period ended</i>		<i>Six-month period ended</i>	
	<i>30 June 2022</i>	<i>30 June 2021</i>	<i>30 June 2022</i>	<i>30 June 2021</i>
	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>
Stevedoring charges	44,680,226	36,351,193	86,590,677	74,458,411
LO-LO	26,167,003	26,627,065	51,828,634	50,181,771
Port due/charge services	15,707,553	18,375,273	31,377,343	33,844,510
Container storage	3,640,396	3,536,905	9,690,798	6,677,826
Others	492,500	428,550	887,892	870,586
	90,687,678	85,318,986	180,375,344	166,033,104

Timing of revenue recognition:

	<i>Three-month period ended</i>		<i>Six-month period ended</i>	
	<i>30 June 2022</i>	<i>30 June 2021</i>	<i>30 June 2022</i>	<i>30 June 2021</i>
	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>
At a point in time	86,665,816	81,479,475	170,020,738	158,718,358
Over time	4,021,862	3,839,511	10,354,606	7,314,746
	90,687,678	85,318,986	180,375,344	166,033,104

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month and six-month periods ended 30 June 2022

17. SALARIES, WAGES AND RELATED EXPENSES

	<i>Three-month period ended</i>		<i>Six-month period ended</i>	
	<i>30 June 2022</i>	<i>30 June 2021</i>	<i>30 June 2022</i>	<i>30 June 2021</i>
	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>
Employee salaries	17,880,621	16,908,962	36,812,875	34,139,911
Bonuses	4,715,856	4,463,601	9,680,735	8,947,247
Retirement benefit expenses (<i>Note 15</i>)	1,767,352	1,580,750	3,348,102	3,161,500
Seniority benefit expense	1,409,944	690,790	2,451,757	1,931,711
Directors' remuneration	349,200	349,200	698,400	698,400
Social security expenses	264,613	160,190	499,157	316,662
Wages for contractors	54,560	78,800	83,060	157,850
Others	1,239,508	1,541,332	2,370,510	2,873,109
	27,681,654	25,773,625	55,944,596	52,226,390

18. CONSUMABLE SUPPLIES

	<i>Three-month period ended</i>		<i>Six-month period ended</i>	
	<i>30 June 2022</i>	<i>30 June 2021</i>	<i>30 June 2022</i>	<i>30 June 2021</i>
	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>
Combustible expenses	14,029,839	10,714,862	30,919,230	20,536,272
Spare parts	8,447,413	6,550,509	15,418,649	16,908,441
Warehouse supplies	2,080,150	2,253,595	4,434,799	3,989,309
Oil and lubricant	883,968	998,040	1,826,028	1,960,703
Office supplies	734,628	953,657	966,415	1,220,958
Others	241,050	931,069	326,110	1,017,209
	26,417,048	22,401,732	53,891,231	45,632,892

19. DEPRECIATION AND AMORTIZATION CHARGES

	<i>Three-month period ended</i>		<i>Six-month period ended</i>	
	<i>30 June 2022</i>	<i>30 June 2021</i>	<i>30 June 2022</i>	<i>30 June 2021</i>
	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>
Property and equipment	9,554,746	8,052,601	18,849,655	16,036,508
Investment properties	1,544,241	1,584,421	3,085,119	3,167,793
Intangible assets	295,275	273,537	577,987	547,076
	11,394,262	9,910,559	22,512,761	19,751,377

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NOTES TO INTERIM CONDENSED FINANCIAL INFORMATION (continued)
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20. FINANCE INCOME (COST) – NET

	<i>Three-month period ended</i>		<i>Six-month period ended</i>	
	<i>30 June 2022</i>	<i>30 June 2021</i>	<i>30 June 2022</i>	<i>30 June 2021</i>
	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>
<i>Finance income:</i>				
Interest income on bank deposits (<i>Note a</i>)	959,777	952,359	1,904,772	1,852,463
Net exchange gains on foreign currency borrowings (<i>Note b</i>) and others	34,508,782	-	56,682,639	24,354,886
Interest income from unwinding of discount of loans to employees	-	16,011	-	55,342
	35,468,559	968,370	58,587,411	26,262,691
<i>Finance costs:</i>				
Interest expenses on borrowings from MoEF (<i>Note c</i>)	(2,462,982)	(3,037,321)	(5,128,451)	(5,253,376)
Net exchange losses on foreign currency borrowings (<i>Note b</i>) and others	-	(2,190,271)	-	-
	(2,462,982)	(5,227,592)	(5,128,451)	(5,253,376)
Finance income (cost) – net	33,005,577	(4,259,222)	53,458,960	21,009,315

(a) Interest income represents interest earned from savings and fixed deposit accounts held at local banks during the period.

(b) PAS has borrowings (*Note 14*) which are denominated in Japanese yen (JPY) and US dollar (US\$). Given the fluctuations in KHR against JPY, this resulted in significant exchange gains on its borrowings. The exchange rates are based on the exchange rates as at the end of reporting period.

	<i>30 June 2022</i>	<i>31 March 2022</i>	<i>31 December 2021</i>	<i>30 June 2020</i>
JPY/KHR	29.930	33.305	35.590	38.215
US\$/KHR	4,099	4,050	4,074	4,093

(c) Interest expenses represent the interest charges on borrowings obtained from the MoEF, which are funded through borrowings obtained from JICA and JBIC (*Notes 14 and 25*).

21. INCOME TAX EXPENSE

Taxes are calculated on the basis of current interpretation of the tax regulations enacted as at reporting date. The management periodically evaluates position taken in tax returns with respect to situations in which applicable tax regulation is subjected to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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21. INCOME TAX EXPENSE (continued)

However, these regulations are subject to periodic variation and the ultimate determination of tax liabilities will be made following inspection by the tax authorities. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the tax liabilities and balances in the period in which the determination is made.

PAS calculates the income tax expense for the period using the tax rate that would be applicable to the expected total annual earnings.

The major components of income tax expense in the unaudited interim condensed statement of comprehensive income are:

	<i>Three-month period ended</i>		<i>Six-month period ended</i>	
	<i>30 June 2022</i>	<i>30 June 2021</i>	<i>30 June 2022</i>	<i>30 June 2021</i>
	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>
<i>Income tax expense recognized in profit for the period</i>				
Current income tax	3,198,109	4,428,988	7,360,669	5,383,873
Under provision of current income tax from prior year	-	-	1,629,600	-
Deferred income tax	1,082,338	537,990	(865,918)	2,969,921
	4,280,447	4,966,978	8,124,351	8,353,794
<i>Income tax expense recognized in OCI</i>				
Deferred income tax related to remeasurement gain on defined benefit obligation	2,964,709	-	2,964,709	-

22. EARNINGS PER SHARE

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of PAS by the weighted average number of ordinary shares in issue during the period.

	<i>Three-month period ended</i>		<i>Six-month period ended</i>	
	<i>30 June 2022</i>	<i>30 June 2021</i>	<i>30 June 2022</i>	<i>30 June 2021</i>
	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>
Profit attributable to shareholders (KHR'000)	44,883,055	14,075,967	77,924,909	50,881,174
Weighted average number of shares	85,771,967	85,771,967	85,771,967	85,771,967
Basic earnings per share (KHR)	523.28	164.11	908.51	593.21

(ii) Diluted earnings per share

Diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. PAS had no dilutive potential ordinary shares as at the period end. As such, the diluted earnings per share was equivalent to the basic earnings per share.

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NOTES TO INTERIM CONDENSED FINANCIAL INFORMATION (continued)
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23. DIVIDENDS PAYABLE

On 7 May 2022 and 25 June 2021, the Board of Directors approved to distribute the dividends in respect of profit of the financial year ended 31 December 2021 and 31 December 2020, respectively, as follows:

	<u>30 June 2022</u>	<u>30 June 2021</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Unaudited</i>
Class B shares	5,300,000	3,533,122
Class C shares	10,807,268	8,641,527
	<u>16,107,268</u>	<u>12,174,649</u>

As at 31 December 2021, dividends declared for the financial year ended 31 December 2020 were paid.

24. CASH GENERATED FROM OPERATIONS

	<i>Notes</i>	<u>Six-month period ended</u>	
		<u>30 June 2022</u>	<u>30 June 2021</u>
		<i>KHR'000</i>	<i>KHR'000</i>
		<i>Unaudited</i>	<i>Unaudited</i>
Profit before income tax		86,049,260	59,234,968
<i>Adjustments for:</i>			
Finance income – net	20	(53,458,960)	(21,009,315)
Depreciation and amortization charges	19	22,512,761	19,751,377
Retirement benefit obligations	15	3,348,102	3,161,500
Reversal of provision for slow-moving inventories	9	(642,145)	-
Provision (reversal) for seniority backpay		322,234	(1,789,995)
Provision for expected credit losses on short-term bank deposits		19,211	-
Amortization of deferred cost on loans to employees		-	327,728
<i>Changes in working capital:</i>			
Inventories		(2,358,023)	(352,485)
Trade and other receivables		(8,304,737)	(9,036,122)
Trade and other payables		(8,045,819)	1,084,930
Deferred income		5,095,007	192,417
Cash generated from operations		<u>44,536,891</u>	<u>51,565,003</u>

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NOTES TO INTERIM CONDENSED FINANCIAL INFORMATION (continued)
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25. RELATED PARTY TRANSACTIONS

PAS is under the financial supervision of the MoEF and the technical supervision of the MoPWT. Transactions with MoEF and MoPWT are considered to be related parties.

(a) Related party balances

(i) MoEF

	<u>30 June 2022</u>	<u>31 December 2021</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Audited</i>
Borrowings from:		
MoEF – (JICA) (Note 14)	163,151,149	198,300,819
MoEF – (JBIC) (Note 14)	235,349,363	270,686,178
	<u>398,500,512</u>	<u>468,986,997</u>

(ii) MoPWT

	<u>30 June 2022</u>	<u>31 December 2021</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Audited</i>
Advances to MoPWT (Note 10)	<u>7,221,303</u>	<u>1,221,303</u>

(b) Related party transactions

	<u>Three-month period ended</u>		<u>Six-month period ended</u>	
	<u>30 June 2022</u>	<u>30 June 2021</u>	<u>30 June 2022</u>	<u>30 June 2021</u>
	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>
Costs of borrowings from MoEF:				
Interest expenses (Note 20)	2,462,982	3,037,321	5,128,451	5,253,376
Capitalized interest costs (Note 6)	44,877	47,271	90,247	90,470

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month and six-month periods ended 30 June 2022

25. RELATED PARTY TRANSACTIONS (continued)

(c) Key management compensation

Key management compensation for the three-month and six-month period ended are as follows:

	<i>Three-month period ended</i>		<i>Six-month period ended</i>	
	<i>30 June 2022</i>	<i>30 June 2021</i>	<i>30 June 2022</i>	<i>30 June 2021</i>
	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>
<i>Board of Directors</i>				
Fees and related expenses	349,200	349,200	698,400	698,400
<i>Key management personnel</i>				
Salaries and other expenses	796,217	768,111	2,166,953	1,537,142
Retirement benefit expenses (*)	138,006	55,425	142,660	111,117

Key management personnel comprise of Chief Executive Officer and Executive Directors who make strategic decisions over PAS's direction, financial and operational performances.

(*) Retirement benefit scheme is provided to PAS's employees as well as key management personnel.

26. COMMITMENT

As at 30 June 2022, PAS had outstanding capital expenditure commitment of KHR 1,132,985 million (31 December 2021: KHR 821,416 million) for its purchase of construction services and property and equipment.

27. RECLASSIFICATION OF CORRESPONDING FIGURES

Certain corresponding figures have been reclassified to conform with current period's presentation, as follows:

	<i>2021</i>		
	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>
	<i>(As previously presented)</i>	<i>(Reclassification)</i>	<i>(As reclassified)</i>
<i>Statement of financial position</i>			
Investment properties - Land	125,040,317	(3,406,754)	121,633,563
Investment properties - Building and land improvement	168,305,459	274,194	168,579,653
Assets classified as held for sale	13,058,708	3,132,560	16,191,268

28. EVENTS AFTER THE REPORTING PERIOD

Other than those which are disclosed above, there have been no significant events occurring after the reporting date which would require adjustments or disclosures to be made in the interim condensed financial information.



PART 4

Management's Discussion and Analysis



A. Overview of Operations

PAS is the only international deep seaport of the Kingdom of Cambodia, which is operating on an approximately 125 hectares land area, located in Preah Sihanouk city, Preah Sihanouk province and connected by multi-modal transport networks. According to the definition of Sub-decree No. 50 ANKr/BK dated 17th July 1998, PAS has been entitled as a port operator with detailed business and services in the above Part 1, section B of this 2nd quarter 2022 report.

For this 2nd quarter 2022, the volume of PAS's container throughput increased by 19,493 TEUs equivalent to 10.71% compared to 2nd quarter 2021, and Gross cargoes throughput increased by 1.43% equivalent to 25,648 tons. Among gross cargoes throughput, container in tons increased 10.59% equivalent to 129,227 tons, and general cargoes decreased 34,563 tons equivalent to 43.45%, as for fuels decreased by 15.83% equal to 75,559 tons, but gas increased by 46.86% equivalent to 6,542 tons. Moreover, PAS's calling vessel increased by 1.40% equal to 5 vessels, yet gross tonnages decreased by 6.54% equal to 236,764 tons compared to 2nd quarter 2021.

The discussion and analysis by the management on PAS's financial status and operation results below were made based on financial information report audited by the independent auditor for 2nd quarter 2022 and 2021 as shown in Part 3 of this 2nd quarter 2022 report.

PAS has important sources of income as follows:

- **Port Charges for Vessel Services:** is the income derived from vessel services and ship berthing alongside consisting of tonnage dues, berthage charge, channel charge, pilotage fee, tug assistance charge, mooring & unmooring charge, charge for opening & closing hatch cover and waste collection charges.
- **Stevedoring Charges:** is the income derived from loading and unloading services of general cargo or container onto and from the vessel berthing alongside at the port.
- **LOLO Charges:** is the income derived from loading and unloading services of general cargo or containers into or out of the yard.
- **Storage Fees:** is the income derived from storing general cargo or container in the warehouse and yard.
- **Transportation Charges:** is the income derived from transport services of general cargo or container within the port premises.
- **Income from Special Economic Zone:** is the income derived from land lease for building factory, building from Sihanoukville Port Special Economic Zone.

PAS had recorded financial transaction (account book) and financial reports in Riel, which is its national currency, while the operations using other international currency were shown in Riels based on the average of daily official exchange rate of the General Department of Taxation (USD currency) and the National Bank of Cambodia (Japanese Yen currency) according to the respective dates of the operations.

1. Revenue Analysis

1-A Revenue Analysis

For the period ended 30th June 2022 compared to the period ended 30th June 2021

Description	2 nd Quarter 2022	2 nd Quarter 2021	Changes	
	'000 riels	'000 riels	'000 riels	%
Revenue	91,230,289	85,857,554	5,372,735	6.26%

For this 2nd quarter 2022, PAS's income increased by 5,372,735,000 Riels equivalent to 6.26% increased from 85,857,554,000 Riels in 2nd quarter 2021 to 91,230,289,000 Riels in 2nd quarter 2022. This increased in income was mostly derived from Stevedoring Charges, Storage Fees (warehouse and yard).

1-B Revenue by Segment Analysis

Table of Revenue Comparison by Sections Against Total Revenues

For 2nd Quarter 2022 and 2nd Quarter 2021

Description	2 nd Quarter 2022		2 nd Quarter 2021		2 nd Quarter 2020	
	'000 riels	Percentage of total income	'000 riels	Percentage of total income	'000 riels	Percentage of total income
Stevedoring Charge	44,680,226	48.98%	36,351,193	42.34%	34,450,497	45.55%
LOLO Charge	26,167,003	28.68%	26,627,065	31.01%	19,494,543	25.78%
Port Charge for Vessel Services	15,707,553	17.22%	18,375,273	21.40%	18,293,791	24.19%
Storage (Warehouse and Yard)	3,640,396	3.99%	3,536,905	4.12%	2,506,094	3.31%
Transportation	40,585	0.04%	41,664	0.05%	4,090	0.01%
Passenger vessel	0	0.00%	0	0.00%	0	0.00%
Special Economic Zone	542,611	0.59%	538,568	0.63%	568,184	0.75%
Rental fee	381,466	0.42%	302,605	0.35%	227,676	0.30%
Other revenues	70,448	0.08%	84,280	0.10%	80,743	0.11%
Total Revenue	91,230,289	100.00%	85,857,554	100.00%	75,625,617	100.00%

In the 2nd quarter 2022 as well as 2021, there were four important types of incomes accounted for 98% of PAS's total business and service incomes. Those incomes were derived from Stevedoring charges, LOLO charges, Port Charges for Vessel Services and Storage (Warehouse and Yard).

For the period ended 30th June 2022 compared to the period ended 30th June 2021

Description	2 nd Quarter 2022	2 nd Quarter 2021	Changes	
	'000 riels	'000 riels	'000 riels	%
Stevedoring Charge	44,680,226	36,351,193	8,329,033	22.91%
LOLO Charge	26,167,003	26,627,065	(460,062)	-1.73%
Port Charge for Vessel Services	15,707,553	18,375,273	(2,667,719)	-14.52%
Storage (Warehouse and Yard)	3,640,396	3,536,905	103,490	2.93%

The income from Stevedoring charge increased approximately by 22.91% equivalent to 8,329,033,000 Riels, and LOLO charge decreased by 1.73% equivalent to 460,062,000 Riels comparing between 2nd quarter 2022 and 2nd quarter 2021. These growths were resulted by the

increase of container throughput with the volume of 19,493 TEUs equivalent to 10.71% and the increase of Cargo handling of 8.02% equal to 204,085 Tons for this 2nd quarter 2022.

The income derived from this port charge for vessel services was depended on the number of vessels and tonnage throughput of PAS. For this 2nd quarter of 2022, the number of vessels calling to PAS increased by 5 vessels equal to 1.40%, and tonnage throughput decreased by 6.54% equal to 236,764 tons. However, the income on Port charge for vessel service decreased from 18,375,273,000 Riels in 2nd quarter 2021 to 15,707,553,000 Riels in 2nd quarter 2022, decreased by 14.52% equal to 2,667,719,000 Riels. This is because in 2nd quarter 2022, the container vessels decreased by 0.57% equal to 1 vessel and general cargo vessels decreased by 20.55% equal to 15 vessels if compared to the same period in 2021.

The income from storage, warehouse, and yard increased by 103,490,000 Riels equivalent to 2.93% compared between 2nd quarter 2022 with the income amount of 3,640,396,000 Riels and 2nd quarter 2021 with amount of 3,536,905,000 Riels. The reason of this increase was caused by the container storage period in 2nd quarter 2022 was mostly above 5 days, which was the storage charge period.

2. Gross Profit Margin Analysis

PAS had prepared its resultant reports in a form of specification report and therefore there was no disclosure of the gross profits. However, the format of this report can enable us to discuss and analyze the operating profit derived from the gross revenues minus the operating expenses.

The operating expenses will be discussed and analyzed in the following section 3, the analysis of profit before tax.

3. Profit/(Loss) before Tax Analysis

The profit before tax is the result derived from the gross profit minus the operating expense and income or expense of net interest. In an analysis of the operating expenses, we will point out the expense on Consumable supplies, expense on Salary and Wages, and Related expenses, expense on Depreciation and Amortization, expense on Repair and Maintenance, Other expense, and other gain /(Losses)-net as follows:

For the period ended 30th June 2022 compared to the period ended 30th June 2021

Description	2 nd Quarter 2022	2 nd Quarter 2021	Changes	
	'000 riels	'000 riels	'000 riels	%
Revenue	91,230,289	85,857,554	5,372,735	6.26%
Consumable Supplies	(26,417,048)	(22,401,732)	(4,015,316)	17.92%
Salaries, Wages, and related expenses	(27,681,654)	(25,773,625)	(1,908,029)	7.40%
Depreciation and Amortization charge	(11,394,262)	(9,910,559)	(1,483,703)	14.97%
Repairs and Maintenances	(389,183)	(878,433)	489,250	-55.70%
Other expenses	(9,333,162)	(3,679,394)	(5,653,768)	153.66%
Other gain /(Losses)-net	142,945	88,356	54,589	61.78%
Net- Finance (Costs)/gain	33,005,577	(4,259,222)	37,264,799	-874.92%
Profit before income tax	49,163,502	19,042,945	30,120,557	158.17%

For 2nd quarter 2022, PAS's expenses on Consumable Supplies amounted to 26,417,048,000 Riels increased by 4,015,316,000 Riels equivalent to 17.92% compared to the 2nd quarter of 2021 with the expense amounted of 22,401,732,000 Riels. The main factor that caused such increase was resulted by Combustible expenses increased by 30.94% equivalent to 3,314,977,000 Riels and the spare parts expenses increased by 28.96% equivalent to 1,896,904,000 Riels in this 2nd quarter 2022.

The fundamental of PAS's salary calculation is based on the output (Stevedoring and LOLO incomes), i.e when stevedoring and LOLO incomes increases, the expense on salary will also increase, and on the contrary, if stevedoring and LOLO incomes decreases, the expense on salary will also decrease, and we found that stevedoring income increased by 22.91% and LOLO incomes slightly decreased by 1.73% in this 2nd quarter 2022. Therefore, the expense on Salary, wages, and other related expenses had increased by 7.40% equivalent to 1,908,029,000 Riels compared that to 2nd quarter 2022 with the expense amount of 27,681,654,000 Riels and 25,773,625,000 Riels in 2nd quarter 2021. The main factors of this increasing are on employee salaries expenses which increased by 5.75% equal to 971,659,000 Riels and the expense on bonuses which increased approximately 5.65% equal to 252,255,000 Riels compared to 2nd quarter 2021. Moreover, the increased of Accrued seniority payments by 719,154,000 Riels equal to 104,11%.

The expense on depreciation and amortization included property, equipment, and intangible asset in 2nd quarter 2022 amounted to 11,394,262,000 Riels increased by 1,483,703,000 Riels equivalent to 14.97% compared to that of 2nd quarter 2021 with the expense amount of 9,910,559,000 Riels. The factor that caused such an increase was resulted from the expense on depreciation of property and equipment which increased by 1,502,145,000 Riels equivalent to 18.65%.

The expense on repair and maintenance decreased by 489,250,000 Riels equal to 55.70%, the total expense of repair and maintenance in 2nd quarter 2022 was 389,183,000 Riels and 878,433,000 Riels in 2nd quarter 2021.

The Other expenses increased by 153.66% equivalent to 5,653,768,000 Riels, which increased from 3,679,394,000 Riels in 2nd quarter 2021 to 9,333,162,000 Riels in 2nd quarter 2022. The main reasons that caused the increased of other expenses were the increased in Reception and hospitality expenses which gained by 1,905.14% equal to 667,751,000 Riels and the increased of Contributions and donations by 60.10% equivalent to 1,944,814,000 Riels in this 2nd quarter 2022. In addition, the increased of utilities expense by 990.10% equal to 866,675,000 Riels.

Other gain /(Losses)-net refers to Realized Foreign Exchange Gain-Loss which in this 2nd quarter 2022, the gain from realized foreign exchange with the amount of 142,945,000 Riels increased by 61.78% equivalent to 54,589,000 Riels compared to 2nd quarter 2021 amounted to the gain of 88,356,000 Riels.

Finance Income/(Costs)-net refers to Unrealized Foreign Exchange Gain-Loss, for the 2nd quarter 2022, there was an income of 33,005,577,000 Riels increased the Finance income by 874.92% equivalent to 37,264,799,000 Riels compared to that of 2nd quarter 2021 with the loss-Finance income of 4,259,222,000 Riels. The main factor of this change in Finance Income/(Costs)-net was because in 2nd quarter 2021, there was the net loss unrealized foreign exchange currency (Japanese Yen) amounted to 2,190,271,000 Riels, if compared to 2nd quarter 2022 with the net gain unrealized foreign exchange currency of 34,508,782,000 Riels.

In conclusion, PAS's Profit before tax in 2nd quarter 2022 is 49,163,502,000 Riels increased by 30,120,557,000 Riels equivalent to 158.17% if compared to 2nd quarter 2021 with the amount of 19,042,945,000 Riels.

4. Profit/(Loss) after Tax Analysis

PAS is under the law of business companies in the field of taxation and VAT; therefore, PAS has the obligation to pay tax on annual profit at the rate of 20%. From 2020 onward, PAS continue its obligation to pay tax on annual profit at the rate of 20% after PAS have received the incentive benefit in Taxation from the Security market for the last three years (2017 to 2019).

For the period ended 30th June 2022 compared to the period ended 30th June 2021

Description	2 nd Quarter 2022	2 nd Quarter 2021	Changes	
	'000 riels	'000 riels	'000 riels	%
Profit before income tax (A)	49,163,502	19,042,945	30,120,557	158.17%
Income tax expense (B)	(4,280,447)	(4,966,978)	686,531	-13.82%
Profit for the period	44,883,055	14,075,967	30,807,088	218.86%
Remeasurement of retirement benefit obligations	11,858,840	-	-	-
Total comprehensive income for the period	56,741,895	14,075,967	42,665,928	303.11%
Effective Tax Rate (B)/(A)	8.71%	26.08%		

PAS has a Profit after tax with the equivalent amount 44,883,055,000 Riels in the 2nd quarter 2022 and 14,075,967,000 Riels in the 2nd quarter 2021 with the increased amount of 30,807,088,000 Riels equivalent to 218.86%. The main factors that caused the profit after tax to be increased is due to the increase in Unrealized Foreign Exchange Gain from Japanese Yen compared to the same period of 2021.

The Effective tax rate on profit decreased from 26.08% in 2nd quarter 2021 to 8.71% in 2nd quarter 2022, because of increased of Profit before income tax in 2nd quarter 2022.

5. Factors and Trends Analysis affecting financial conditions and results

A few factors that influence the status and financial outcome of PAS are:

- Factors That Cause Restriction on International Business

Because of PAS's main source of income is derived from the movement of cargo throughput, which is the transaction of international trade, therefore, various factors that affects the international trade may influence PAS's business operation through such factors as the status of global, regional, and local economy, social stability, security issues, or maritime cooperation. According to the IMF, the world economy will increase to 4.9% for year 2022, while Cambodia's economy will growth around 5.3%, according to the Asian Development Bank (ADB). This is still showing a stable economy growth of Cambodia which is a good sign for port business.

- PAS's Ability and Work Performance Efficiency

For the 2nd quarter 2022, PAS has container handling capacity up to 800,000 TEUs after launching 1 units of QCs, 2 units of RTGs, and 4 additional units of Empty Reach stackers in

2021. This factor has enabled the work capacity and efficiency to increase in the performance of its services.

- Status of Domestic Transportation

For this 2nd quarter of 2022, the domestic transportation network, especially the National Route No. 4 connecting from PAS to Phnom Penh capital, has not caused any obstacles to cargo transportation. Despite the outbreak of COVID-19 in early 2021, the cargo transportations on National Route No. 4 continues as usual. While the rail transportation, at present, the Royal Railway Company transports both export and import cargo through PAS 6 times to 7 times per week and this rail transportation has also been performed smoothly and with no issues that may obstruct the transportation process.

- Cooperation between Ports in the Region

The cooperation between regional ports, especially the connectivity between major hub ports in the region is very important in cargo traffic facilitation between PAS and other mainly international marketplaces, thereby influencing on the expenses and transportation period which may affect other industrial competitiveness. In this case, PAS has strived to keep a good communication with various major ports in the region to ensure a smooth operation.

- Depreciation

Because of PAS's business is using many kinds of infrastructures, the expenses on depreciation of port's infrastructures such as ship berths, machinery, and buildings are relatively large, which may affect the PAS business. Therefore, PAS shall conduct an appropriate inspection on the depreciation policy and shall make necessary modification in every period of the financial report. For this 2nd quarter 2022, there is no modification or a request for modification of the depreciation policy by the independence auditor.

B. Significant factors affecting Profit

1. Demand and Supply Conditions Analysis

PAS's business activities have a direct link with the national, regional, and global economy. In particular, when there is a change in the national economy, there will be a direct impact on port's business and service operation, i.e when the national economy increases, the port's business and service operation will also increase, accordingly, PAS's revenues also have the same growth rate, on the contrary, if the national economy decreases, there will also be a negative impact on PAS's revenues. According to ADB's report, Cambodia's economy growth with the expected rate of 5.3%, while the world economy growth with the expected rate of 4.9% (IMF) for year 2022. Therefore, there will not be big impact on market's demand and supply even though there still have infection cases of COVID-19 in Cambodia since early this year.

2. Fluctuations in Prices of Raw Materials Analysis

Petroleum is the most important raw material in serving port's services since it is an important demand for machinery operation. The rise of oil price will affect PAS's profit because the latter still keeps its services at the same price even when the oil price rises or drop. Therefore, PAS has strictly implemented the procurement procedures in order to guarantee the price of these raw materials to be appropriate and competitive in market value.

3. Tax Analysis

PAS is under the law of business companies in the field of taxation and VAT; therefore, PAS has the obligation to pay tax in accordance with the laws and regulations in force. PAS has

to pay tax and in accordance with the ration of income and was determined as a large taxpayer by the General Department of Taxation. Regarding tax on annual profit, PAS will be obligated to pay at 20% rate start from year 2020 after received the incentive benefit for three years. While other kinds of taxes, PAS has implemented its obligation according to the law on taxation of the Kingdom of Cambodia.

C. Material Changes in Sales and Revenue

PAS' main income is derived from stevedoring, LOLO and port's services which contributed around 98% of the total income in 2nd quarter of 2022, and the main factor bolstering up the increase of revenue is the rise of ships and volume of cargo throughputs, especially containerized cargo which is the most important source of PAS's income. The growth in the field of agriculture, commerce, construction, and industry has reflected the status of Cambodia's economy, and at the same time these factors also have positive influences on PAS's business operation, services, and revenues.

D. Impacts of Foreign Exchange, Interest Rates and Commodity Price

- Impacts from Currency Exchange Rate

PAS has received JICA and JBIC financial soft loans from the Ministry of Economy and Finance, thereby requiring PAS to pay back both principal and interest in Japanese Yen and US dollars while the PAS's functional currency is Riel. Therefore, the change of Riel exchange rate compared to US dollars, Riel compared to Japanese Yen, and US dollars compared to Japanese Yen will affect the rate of PAS's profit.

- Impacts from the Interest Rate

At present, PAS does not have any loans with flexible interest rates. PAS has received JICA and JBIC financial soft loan from the Ministry of Economy and Finance with the interest rate from 2.65% to 3.70%. Therefore, in this 2nd quarter 2022, there is no impact on the changes of interest rate.

- Impacts from the Change of Oil Prices

The change of oil price will have an impact on PAS's profit since the port's operation is strongly relied on machinery that consumes fuel oil. Therefore, PAS has enhanced the efficiency of cargo loading-unloading operation and management of container yard in order to cut down the unnecessary removal or displacement of containers with the aim to reduce the operational expense and promote its services.

E. Impacts of Inflation

PAS has kept its service charges stable without making any modification or amendment according to the change of inflation and still retains its sound financial status.

F. Economic/Fiscal/Monetary Policy of Royal Government

The policy on economy, tax system, and currency of the Government has a strong influence on PAS's business operation since this policy is aimed at supporting and stimulating the international trade and yielding positive result on PAS's business. The main policies of the Royal Government are:

- Industrial sector promotion policy, the Royal Government has planned to transform Preah Sihanouk province to be a center for trade, logistics, and production through the construction of port infrastructure, expansion of National Route No. 4, the Express

Way construction project from Phnom Penh - Sihanoukville, and infrastructure of the International Airport in Preah Sihanouk province.

- Maritime transportation stimulation policy.
- Policy on rice export to foreign markets is yielding positive result to PAS.
- Policy on international trade stimulation, thereby trying an effort to cut down trade barriers involving trading process between Cambodia and other partner countries in the world.
- The Royal Government, through the National Bank, has implemented the currency policy through the free currency exchange market mechanism under the intervention in order to stabilize the national currency, and the balance of this currency has secured the stability of Cambodia's Macro Economy, which built confidences for the investors and encouraged private sectors' business operation.
- The taxation incentive in stock market sector to various enterprises publishing the IPO in Cambodia has been stimulating more and more public enterprises and private companies to be incorporated into the IPO and to contribute to the development of the national economy.



Part 5

Other Necessary Information for Investor Protection



In this 2nd quarter of 2022, there is other necessary information for the protection of investors as below:

- The Board of Directors reviewed, discussed and approved on the progress of the Feasibility Study of the new container terminal development project phase 2 and 3 and the result of the Fact-Finding Mission and Appraisal Mission meeting.
- The Board of Directors reviewed, discussed and approved the report on the business results of the first quarter of 2022.
- The Board of Directors reviewed, approved and unanimously approved the first quarter 2022 financial statements reviewed by the independent audit firm Ernst & Young (Financial Performance Review).
- The Board of Directors reviewed, discussed and approved the date, place and agenda for the 5th General Meeting of Shareholders 2022 as follows:
 - Date: June 17th, 2022
 - Deadline date: May 23rd, 2022
 - Venue: Sokha Beach Resort, Sihanoukville with ZOOM Video Call (Actual Situation)
 - General Agenda
 - Welcome remarks by the President of the General Meeting
 - Presentation on Business Performance – Business Performance in 2021 and Business Plan in 2022
 - Review and approve dividend distribution to shareholders for 2022
- The Board of Directors reviewed, discussed and approved by the Board of Directors to request the approval of the Dividend, setting the Record Date and the Date of Payment of the Dividend to the shareholders for the period 2021 in the 5th General Meeting of shareholders 2022 as follows:

1. Distribute dividends

- Type "B" shareholders equal to 5,300,000,000 Riels
- Type "C" shareholders at the rate of 8%, 9%, 10%, 11% and 12% of the IPO Price to be submitted to the 5th General Meeting for review and approval
- Type of dividend to be distributed: Cash
- Dividend Period: For the year 2021
- Total number of listed shares: 85,771,967 shares
 - Number of Class "B" shares: 64,328,975 shares
 - Number of Class "C" shares: 21,442,992 shares

2. Total amount of dividends to be distributed

- Allocation of Class "B" shares: 5,300,000,000 Riels
- Allocation of Class "C" Shares: Voted in the 5th General Meeting of Shareholders
- Total dividend distribution ratio for Class "B" and "C" shares
 - Dividend distribution ratio for Class "B": 6.28%
 - Dividend distribution ratio for category "C": Voted at the 5th General Meeting of Shareholders
- Dividends per share
 - Dividend distribution for Class "B": 82.39 Riels

- Dividend distribution for Class “C”: Decided at the 5th General Meeting of Shareholders
 - Record Date: June 27th, 2022
 - Payment Date: July 06th, 2022
- The Board of Directors reviewed, discussed and unanimously approved for PAS to find the best possible solution to collect the remaining debt which Royal Railway owed to PAS by inviting the company to a meeting to discuss and explain the company’s obligations base on the business contract, this work must be attended by Mr. Noum Sinith, State Inspector of PAS, and must prepare a clear record and document between the parties before going to the next step by implementing legal procedures and measurement. In the case of debt settlement solution is not effective, the Board of Directors shall support the proposed measures of PAS, which is a step-by-step procedure for the implementation of the Royal Railway debt collection that is still indebted to PAS.

Signature of Directors of Sihanoukville Autonomous Port

Date: 25 August 2022

Read and Approved

Signature

Lou Kim Chhun



SIHANOUKVILLE AUTONOMOUS PORT



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