

KINGDOM OF CAMBODIA
NATION RELIGION KING



Sihanoukville Autonomous Port

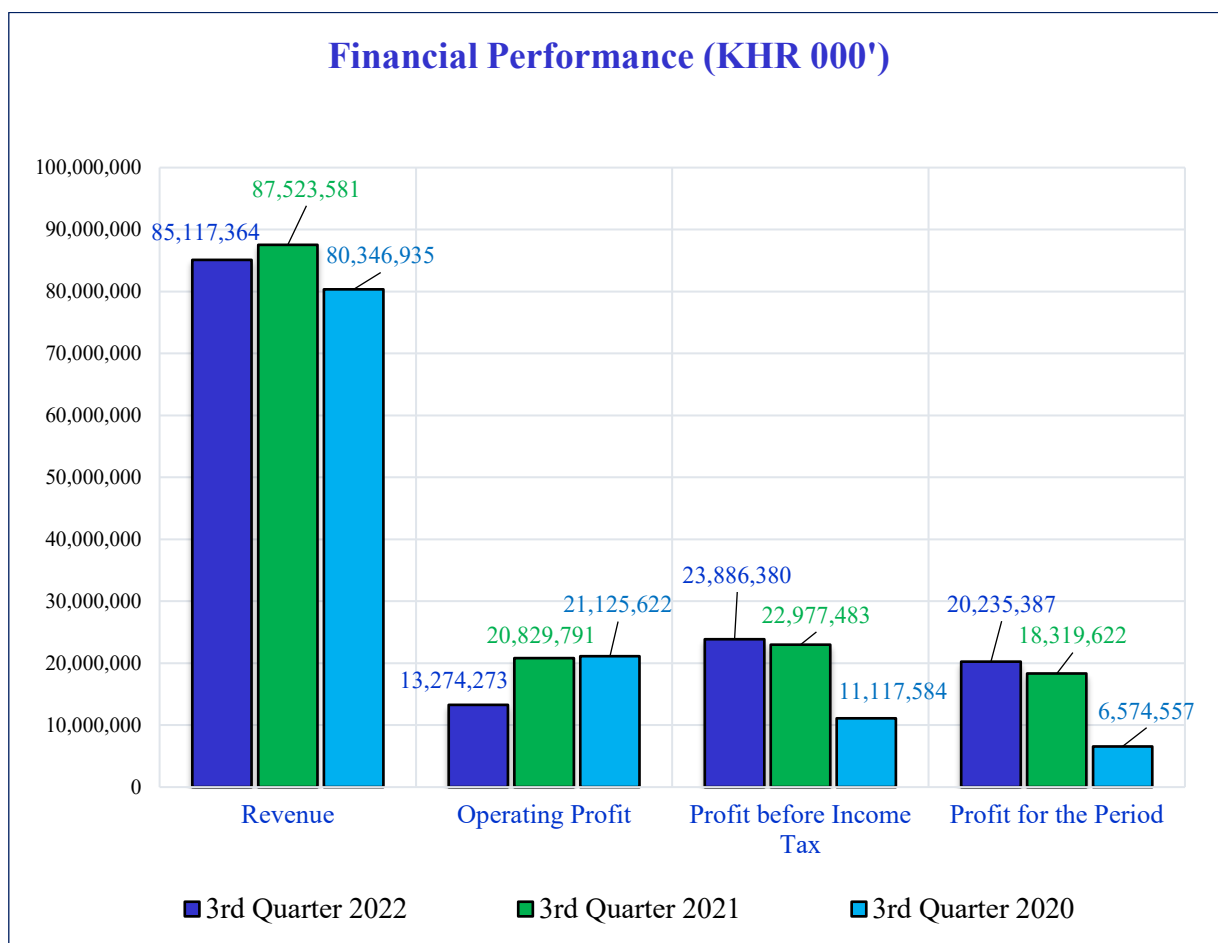
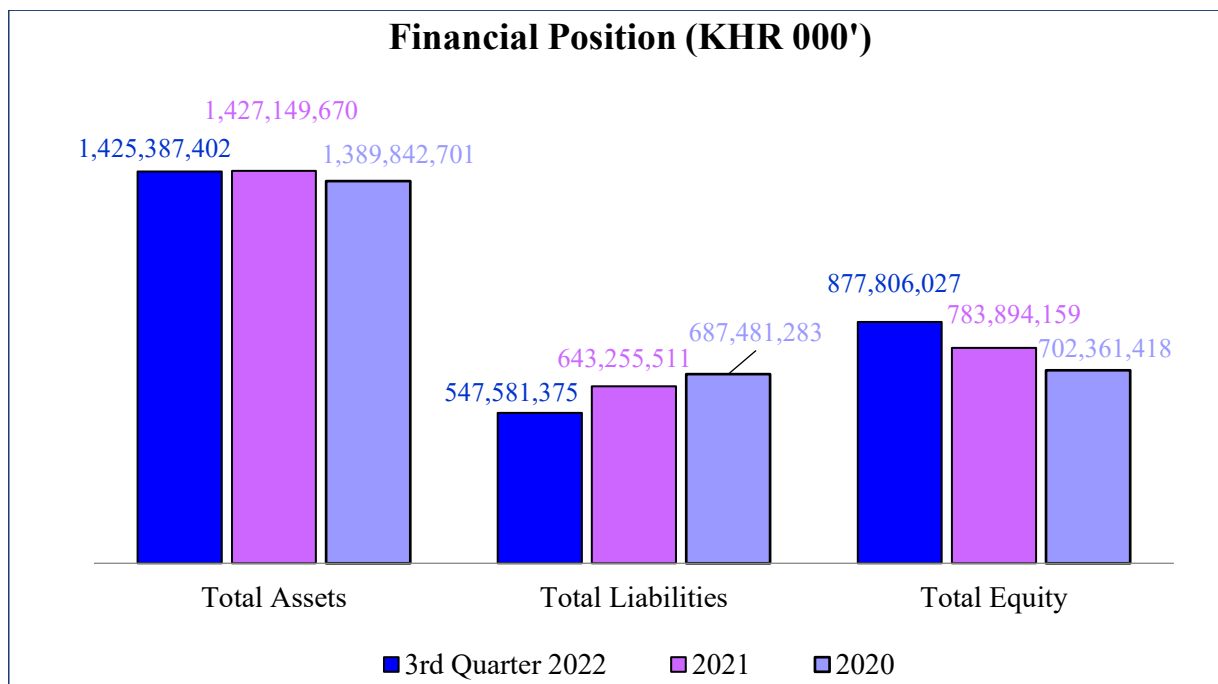
Third Quarterly Report 2022



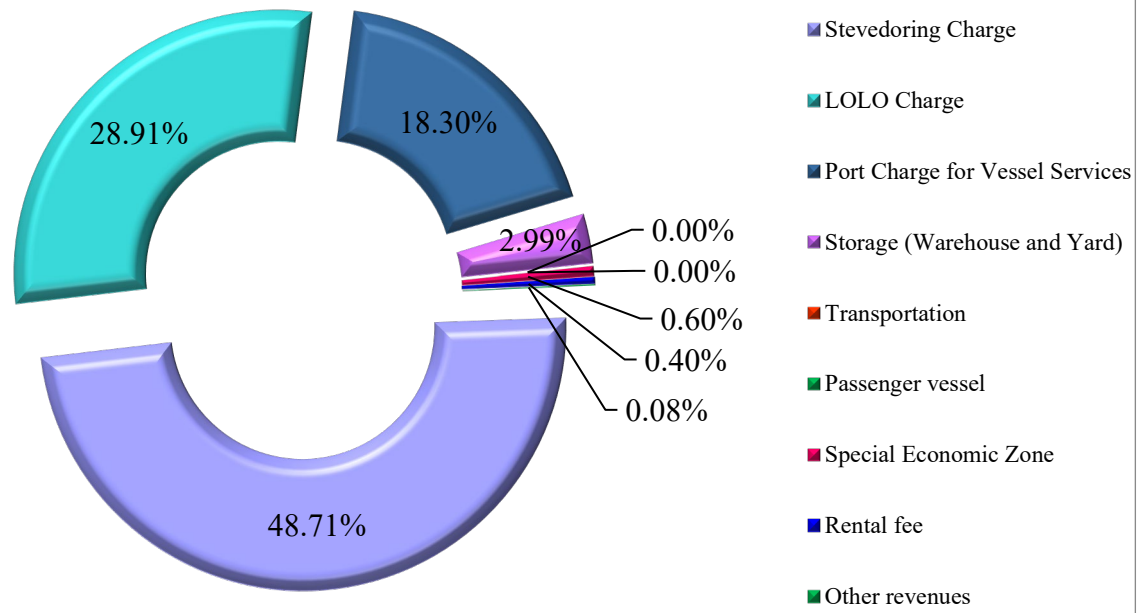
Financial Highlight

Financial Position		30 th September 2022	31 st December 2021	31 st December 2020
		KHR 000'	KHR 000'	KHR 000'
Total Assets		1,425,387,402	1,427,149,670	1,389,842,701
Total Liabilities		547,581,375	643,255,511	687,481,283
Total Shareholders' Equity		877,806,027	783,894,159	702,361,418
Profit/(Loss)		3 rd Quarter 2022 KHR 000'	3 rd Quarter 2021 KHR 000'	3 rd Quarter 2020 KHR 000'
Total Revenues		85,117,364	87,523,581	80,346,935
Profit/(Loss) before Tax		23,886,380	22,977,483	11,117,584
Profit/(Loss) after Tax		20,235,387	18,319,622	6,574,557
Total Comprehensive Income		20,235,387	18,319,622	6,574,557
Financial Ratios		30 th September 2022	31 st Dec 2021	31 st Dec 2020
Solvency Ratio		5.79%	20.77%	9.40%
Liquidity Ratio	Current Ratio	2.52	2.25	2.42
	Quick Ratio	2.18	1.94	2.12
		3 rd Quarter 2022	3 rd Quarter 2021	3 rd Quarter 2020
Profitability Ratio	Return on Assets	1.42%	1.31%	0.47%
	Return on Equity	2.31%	2.41%	0.95%
	Gross Profit Margin	15.60%	23.80%	26.29%
	Profit Margin	23.77%	20.93%	8.18%
	Earnings per share	235.92	213.59	76.65
Interest Coverage Ratio		11.15	8.52	4.89

Financial Summary Charts 3rd Quarter 2022



Type of Revenues 3rd Quarter 2022



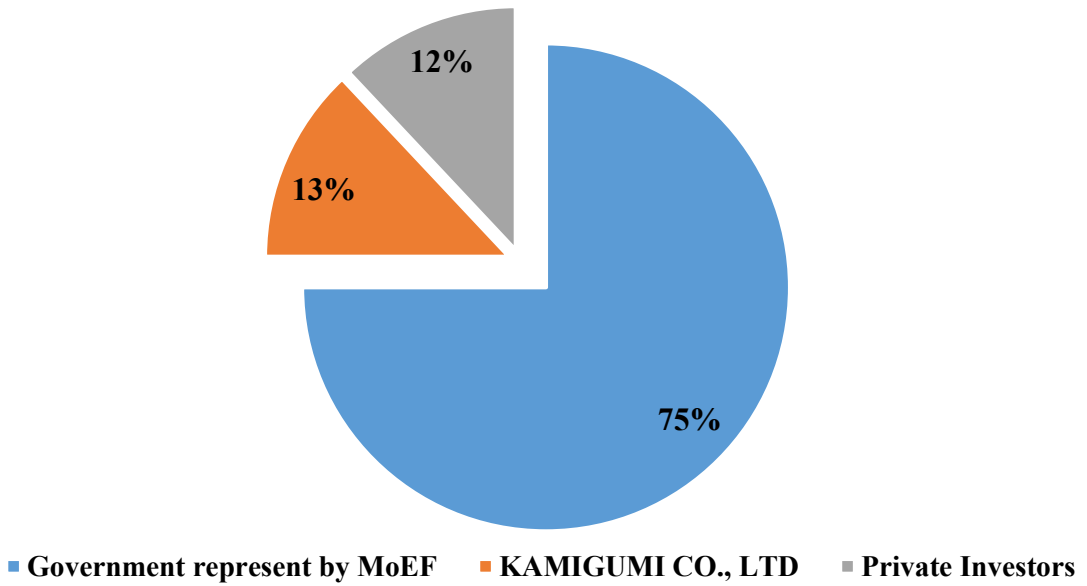
PAS's Shareholders

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%

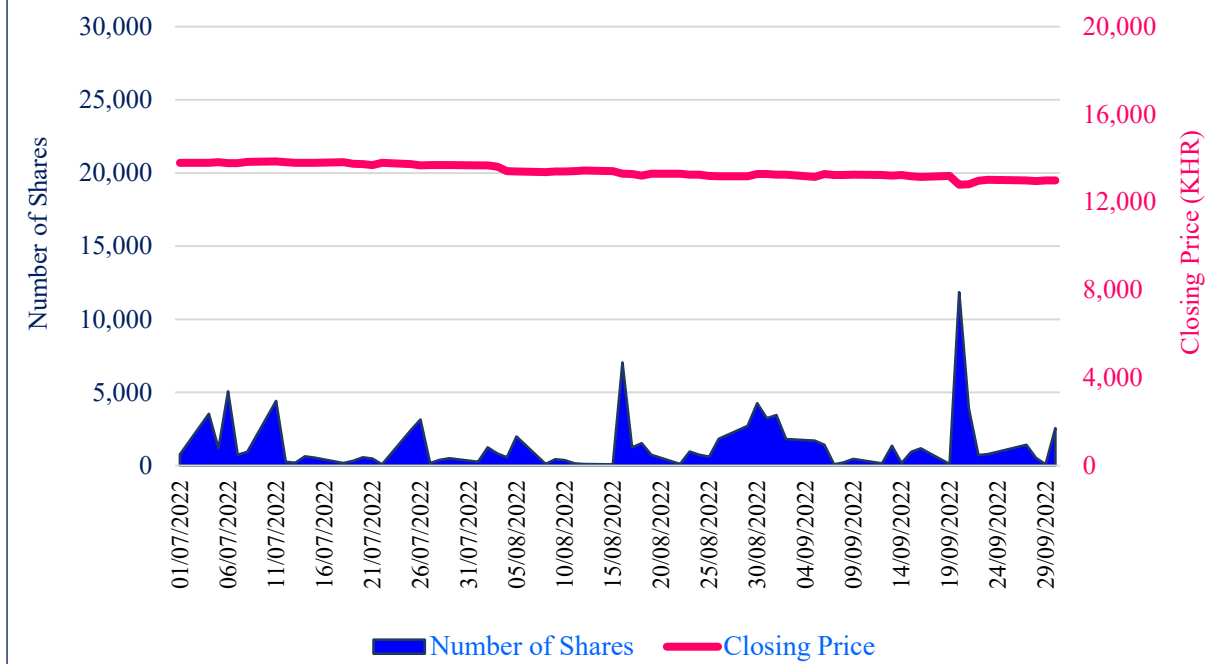
PAS's Shareholders Class C

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%

Voting Right Shares



Changes in Share Price and Trading Volume



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 3rd quarter, 2022 for the period ended 30th Sep 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 85,117,364,000 Riels and a net profit of 20,235,387,000 Riels in this 3rd quarter 2022. The revenue decreased by 2,406,217,000 Riels equal to 2.75% compared to the same period of 2021, while the net profit after tax increased by 1,915,765,000 Riels equal to 10.46%. This was due to the decreasing in Container cargoes and cargoes throughput, while there was an increase of Unrealized foreign exchange gain from the Japanese Yen which led to the increase in net profit after tax compared to 3rd quarter 2021. As the result, PAS’s earnings per share is 235.92 Riels in this 3rd quarter 2022. Furthermore, the container throughputs amounted to 191,428 TEUs, decreased of 2,840 TEUs equal to 1.46% compared to 3rd 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 3rd Quarter 2022, the Board of Directors had conducted one meeting and achieved the following works:

The 5th Meeting of the Board of Directors in its 8th Mandate on 12th August 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 report which was raised by the Audit, Nomination and Risk Committee. The Board requested PAS to prepare a formal letter to His Excellency, Deputy Prime Minister, Minister of Economy and Finance on the container congestion in the port and unclaimed goods to request for his guidelines and implementation.
- The Board of Directors reviewed, discussed and approved on the progress report of the ongoing container development project (1. Project to renovate the port into a 253-meter container terminal and 2. Project to develop a new container terminal - Step 1, length 350 M)
- The Board reviewed, discussed and approved the report on the progress of the new container terminal expansion project (Phase 2 and Phase 3).
- The Board reviewed, discussed and approved the report on the project to strengthen the management capacity and the container terminal operation at Sihanoukville Port - Phase 3 (2022-2026).
- The Board reviewed, discussed and approved the report on the progress of the information technology system of PAS and requested for further study with the JICA Experts Team to select the best and reliable option for PAS's development of information technology management system.
- The Board of Directors reviewed, discussed and approved the business results report of the first half of 2022.
- After discussion, the Board of Directors unanimously approved the second quarter 2022 financial statements report reviewed by the independent audit firm Ernst & Young (Financial Performance Review).
- The Board of Directors reviewed, discussed and approved the date of the 6th Board Meeting of the 8th Mandate on 25 November 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 November 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.ចបព Issued by: Ministry of Economy and Finance Date: 22 nd February 2017
Disclosure Document Registration Number issued by SECC	: 058/17/SECC Date: 09 th 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 3rd quarter of 2022, PAS has no key event.



PART 2

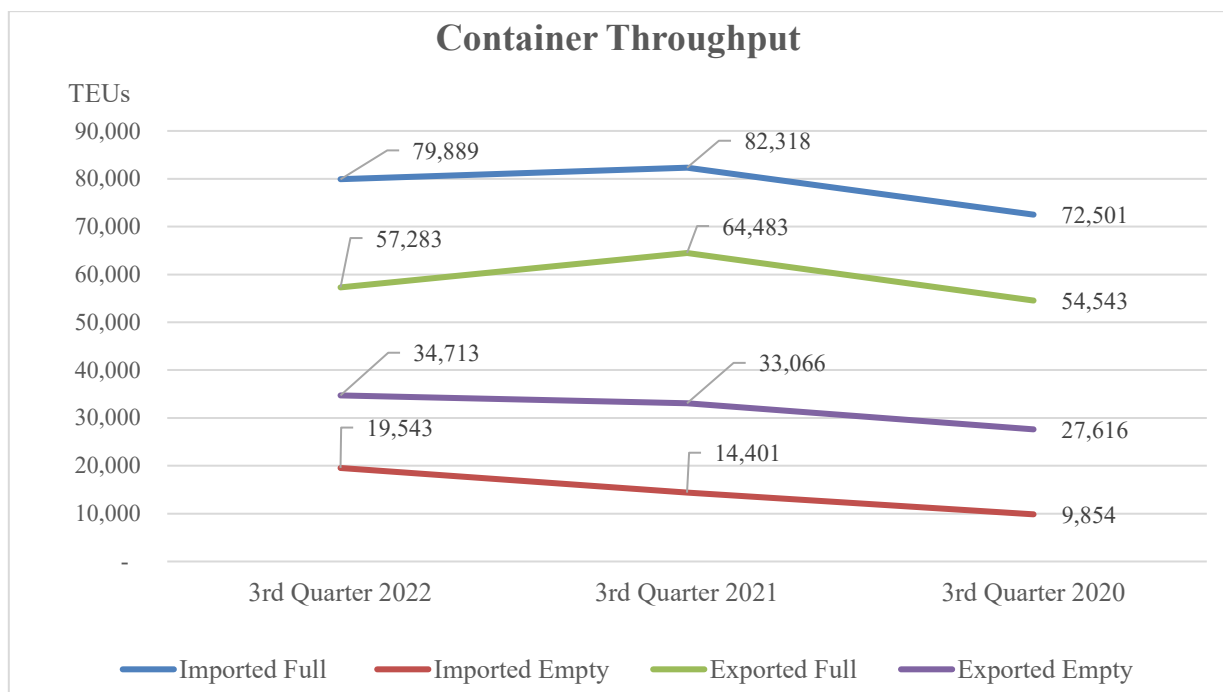
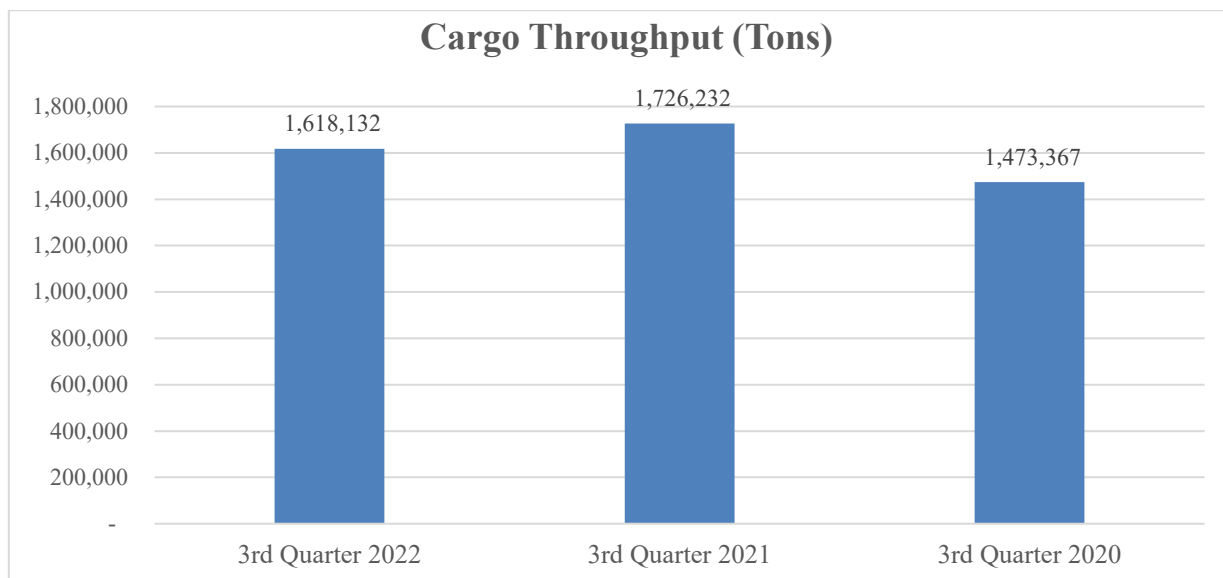
Information on Business Operation Performance



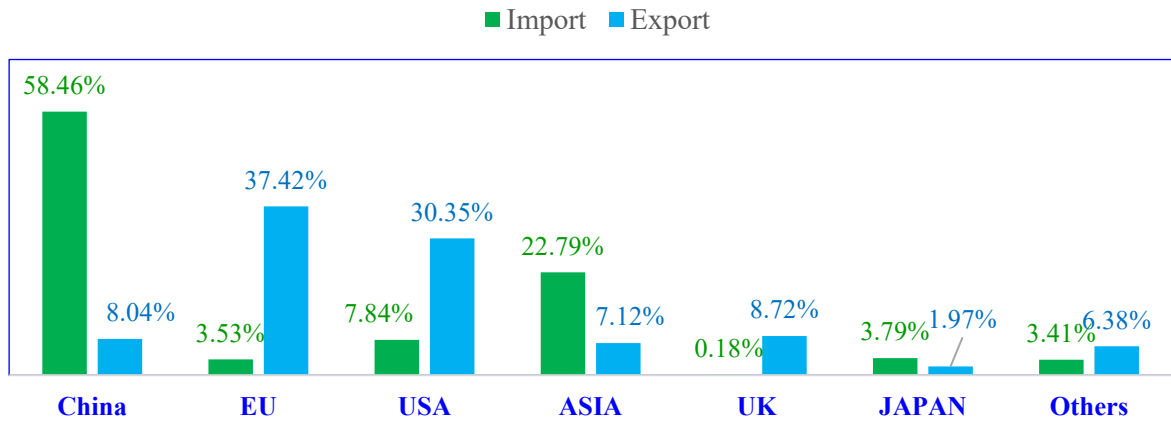
A. Business Operation Performance including business segments information

Items		Planning 2022	3 rd Quarter 2022	3 rd Quarter 2021	3 rd Quarter 2020	Comparison	
		1	2	3	4	(2-3)/3	(2-4)/4
Gross Throughput	Tons	7,418,000	1,618,132	1,726,232	1,473,367	-6.26%	9.83%
Container Cargo	–		1,188,523	1,254,101	1,055,348	-5.23%	12.62%
General Cargo	–		25,565	44,717	90,181	-42.83%	-71.65%
Fuel	–		372,098	417,955	308,156	-10.97%	20.75%
Gas	–		31,945	9,459	19,682	237.71%	62.31%
Imported Cargo	–	5,564,000	1,191,279	1,250,669	1,065,844	-4.75%	11.77%
Container	–		761,670	782,964	654,966	-2.72%	16.29%
General	–		429,609	467,705	410,878	-8.15%	4.56%
Exported Cargo	–	1,854,000	426,853	475,563	407,523	-10.24%	4.74%
Container	–		426,853	471,137	400,383	-9.40%	6.61%
General	–		-	4,426	7,140	100.00%	-100.00%
Cargo Handling	–	10,298,000	2,471,818	2,562,195	2,256,420	-3.53%	9.55%
Direct Transfer	–	220,000	20,249	35,441	34,637	-42.86%	-41.54%
Container Yard and Warehouse	–	10,078,000	2,451,568	2,526,754	2,221,783	-2.98%	10.34%
Container Throughput	TEUs	787,000	191,428	194,268	164,514	-1.46%	16.36%
Imported Container	–	-	99,432	96,719	82,355	2.81%	20.74%
Full Container	–		79,889	82,318	72,501	-2.95%	10.19%
Empty Container	–		19,543	14,401	9,854	35.71%	98.33%
Exported Container	–	-	91,996	97,549	82,159	-5.69%	11.97%
Full Container	–		57,283	64,483	54,543	-11.17%	5.02%
Empty Container	–		34,713	33,066	27,616	4.98%	25.70%
Calling Vessels	Units	1,450	328	352	357	-6.82%	-8.12%
	Tons	14,128,000	3,409,441	3,190,998	3,714,355	6.85%	-8.21%
Container	Units		175	166	175	5.42%	0.00%
	Tons		2,475,139	2,327,484	2,763,198	6.34%	-10.42%
Tanker	Units		118	108	124	9.26%	-4.84%
	Tons		504,280	414,888	433,026	21.55%	16.45%

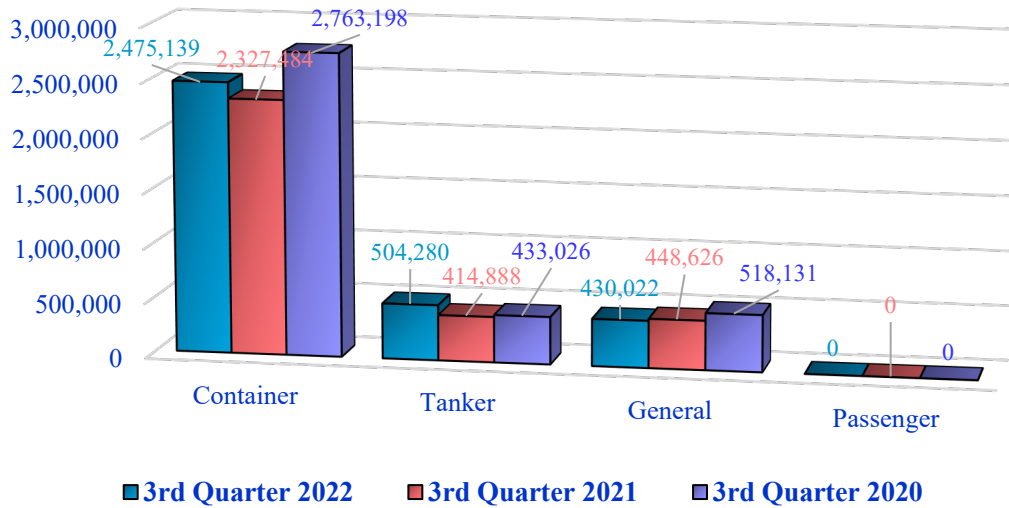
General	Units		35	78	58	-55.13%	-39.66%
	Tons		430,022	448,626	518,131	-4.15%	-17.01%
Passenger (Cruise Ship)	Units		-	-	-	-	-
	Tons		-	-	-	-	-
	Person		-	-	-	-	-



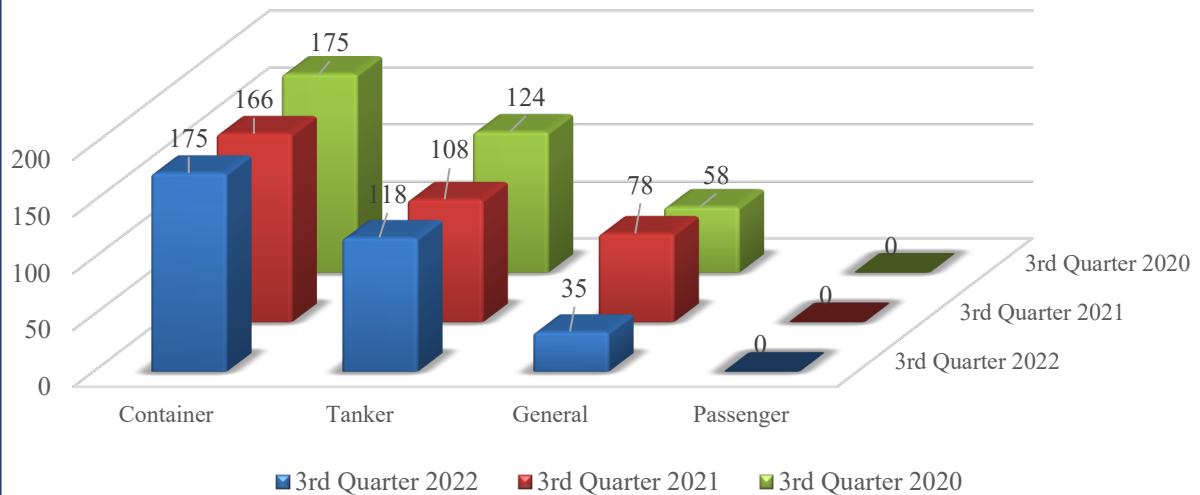
Origin and Destination Countries of Import and Export Container in 3rd Quarter 2022



Vessel Calling (Gross Tonnage)



Vessel Calling (Units)



B. Revenue structure

Description	3 rd Quarter 2022		3 rd Quarter 2021		3 rd Quarter 2020	
	'000 riels	Percentage of total income	'000 riels	Percentage of total income	'000 riels	Percentage of total income
Stevedoring Charge	41,458,637	48.71%	41,926,211	47.90%	38,534,673	47.96%
LOLO Charge	24,606,617	28.91%	25,288,418	28.89%	21,092,904	26.25%
Port Charge for Vessel Services	15,578,542	18.30%	15,714,019	17.95%	17,269,736	21.49%
Storage (Warehouse and Yard)	2,544,055	2.99%	3,586,843	4.10%	2,478,972	3.09%
Transportation	1,891	0.00%	21,751	0.02%	17,759	0.02%
Passenger vessel	0	0.00%	0	0.00%	0	0.00%
Special Economic Zone	513,402	0.60%	586,443	0.67%	558,234	0.69%
Rental fee	343,707	0.40%	325,617	0.37%	317,343	0.39%
Other revenues	70,513	0.08%	74,280	0.08%	77,314	0.10%
Total Revenue	85,117,364	100.00%	87,523,581	100.00%	80,346,935	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 September 2022, the interim condensed statements of comprehensive income for the three-month and nine-month periods ended 30 September 2022, the interim condensed statements of changes in equity and cash flows for the nine-month period ended 30 September 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 September 2022 and for the three-month and nine-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

25 November 2022

SIHANOUKVILLE AUTONOMOUS PORT

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

as at 30 September 2022

	Notes	30 September 2022 KHR'000 Unaudited	31 December 2021 KHR'000 Audited (As reclassified - Note 27)
ASSETS			
Non-current assets			
Property and equipment	6	960,333,523	966,165,844
Investment properties	7	249,576,276	253,195,699
Intangible assets	8	4,314,366	4,936,332
		1,214,224,165	1,224,297,875
Current assets			
Inventories	9	28,229,703	27,225,006
Trade and other receivables	10	38,184,630	35,659,911
Short-term bank deposits		101,938,708	101,306,681
Cash		26,230,816	22,468,929
		194,583,857	186,660,527
Assets classified as held for sale	11	16,579,380	16,191,268
		211,163,237	202,851,795
Total assets		1,425,387,402	1,427,149,670
EQUITY AND LIABILITIES			
EQUITY			
Issued capital	12	450,302,828	450,302,828
Share premium	12	67,715,235	67,715,235
Other reserves	13	41,090,572	31,719,832
Retained earnings		318,697,392	234,156,264
Total equity		877,806,027	783,894,159
LIABILITIES			
Non-current liabilities			
Borrowings	14	347,958,027	435,025,425
Retirement benefit obligations	15	70,417,431	83,646,559
Provision for seniority obligations		1,358,617	1,080,149
Deferred rent income		12,266,888	5,310,459
Deferred tax liabilities		31,843,863	29,419,014
		463,844,826	554,481,606
Current liabilities			
Borrowings	14	28,215,707	33,961,572
Retirement benefit obligations	15	5,464,849	4,534,425
Provision for seniority obligations		780,051	-
Deferred income		318,681	134,442
Trade and other payables		40,714,687	44,208,159
Income tax liabilities		8,242,574	5,935,307
		83,736,549	88,773,905
Total liabilities		547,581,375	643,255,511
Total equity and liabilities		1,425,387,402	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 nine-month periods ended 30 September 2022

	Notes	<i>Three-month period ended</i>		<i>Nine-month period ended</i>	
		<i>30 September 2022</i>	<i>30 September 2021</i>	<i>30 September 2022</i>	<i>30 September 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	84,603,962	86,937,139	264,979,306	252,970,243
Rent income	7	513,402	586,442	1,751,401	1,702,005
		85,117,364	87,523,581	266,730,707	254,672,248
Expenses					
Salaries, wages and related expenses	17	(27,465,695)	(26,857,506)	(83,410,291)	(79,083,896)
Consumable supplies	18	(26,332,680)	(22,449,797)	(80,223,911)	(68,082,690)
Depreciation and amortization charges	19	(11,491,974)	(9,995,499)	(34,004,735)	(29,746,876)
Other expenses		(6,746,493)	(6,389,041)	(22,851,425)	(14,456,573)
Repairs and maintenances		(411,291)	(1,066,344)	(1,236,144)	(4,498,024)
Other gains – net		605,042	64,397	860,372	251,254
		(71,843,091)	(66,693,790)	(220,866,134)	(195,616,805)
Operating profit		13,274,273	20,829,791	45,864,573	59,055,443
Finance income (cost) – net	20	10,612,107	2,147,692	64,071,067	23,157,008
Profit before income tax		23,886,380	22,977,483	109,935,640	82,212,451
Income tax expense	21	(3,650,993)	(4,657,861)	(11,775,344)	(13,011,654)
Profit for the period		20,235,387	18,319,622	98,160,296	69,200,797
Profit for the period attributable to shareholders		20,235,387	18,319,622	98,160,296	69,200,797
Remeasurement gain on defined benefit obligation	15, 21	-	-	11,858,840	-
Total comprehensive income for the period attributable to shareholders		20,235,387	18,319,622	110,019,136	69,200,797
The earnings per share attributable to shareholders of PAS during the period are as follows:					
Basic earnings per share (KHR)	22	235.92	213.59	1,144.43	806.80

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

SIHANOUKVILLE AUTONOMOUS PORT

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY for the nine-month period ended 30 September 2022

	Notes	Issued capital KHR'000	Share premium KHR'000	Reserves KHR'000	Retained earnings KHR'000	Total KHR'000
Balance at 1 January 2022 <i>(audited)</i>		450,302,828	67,715,235	31,719,832	234,156,264	783,894,159
Profit for the period		-	-	-	98,160,296	98,160,296
Remeasurement gain on defined benefit obligation	15, 21	-	-	-	11,858,840	11,858,840
Total comprehensive income for the period		-	-	-	110,019,136	110,019,136
Transfer to reserves	13	-	-	9,370,740	(9,370,740)	-
Dividends declared	23	-	-	-	(16,107,268)	(16,107,268)
Balance at 30 September 2022 <i>(unaudited)</i>		450,302,828	67,715,235	41,090,572	318,697,392	877,806,027
Balance at 1 January 2021 <i>(audited)</i>		450,302,828	67,715,235	29,059,072	155,284,283	702,361,418
Profit for the period		-	-	-	69,200,797	69,200,797
Total comprehensive income for the period		-	-	-	69,200,797	69,200,797
Transfer to reserves	13	-	-	2,660,760	(2,660,760)	-
Dividends declared	23	-	-	-	(12,174,649)	(12,174,649)
Balance at 30 September 2021 <i>(unaudited)</i>		450,302,828	67,715,235	31,719,832	209,649,671	759,387,566

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 nine-month period ended 30 September 2022

	Notes	<i>Nine-month period ended</i>	
		<i>30 September</i>	<i>30 September</i>
		<i>2022</i>	<i>2021</i>
		<i>KHR'000</i>	<i>KHR'000</i>
		<i>Unaudited</i>	<i>Unaudited</i>
Cash flows from operating activities			
Cash generated from operations	24	83,859,814	81,733,971
Income tax paid		(10,007,937)	(9,267,737)
Net cash generated from operating activities		73,851,877	72,466,234
Cash flows from investing activities			
Purchases of property and equipment	6	(22,372,947)	(27,023,191)
(Placements in) proceeds from short-term bank deposits		(1,444,879)	5,087,221
Purchases of investment properties	7	(1,399,567)	(1,602,101)
Purchase of intangible assets		(251,298)	(366,931)
Interest received		3,868,424	3,866,495
Receipts of repayment of loans to employees		-	1,283,363
Net cash used in investing activities		(21,600,267)	(18,755,144)
Cash flows from financing activities			
Dividends paid		(16,107,268)	(8,641,527)
Repayments of borrowings		(25,125,762)	(28,691,431)
Interest paid		(8,865,947)	(10,464,517)
Proceeds from borrowings		1,609,254	375,140
Net cash used in financing activities		(48,489,723)	(47,422,335)
Net increase in cash		3,761,887	6,288,755
Cash at beginning of the period		22,468,929	30,741,075
Cash at end of the period		26,230,816	37,029,830

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

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
for the three-month and nine-month periods ended 30 September 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 25 November 2022.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 *Basis of preparation*

This interim condensed financial information for the three-month and nine-month periods ended 30 September 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 THE INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month and nine-month periods ended 30 September 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's audited financial statements as at and for the year ended 31 December 2021.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month and nine-month periods ended 30 September 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 43,038,350 and KHR’000 124,105,440 were generated from PAS’ major customers, each of which contributed at least 10% to the total reportable segment revenues for the three-month and nine-month periods ended 30 September 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 THE INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month and nine-month periods ended 30 September 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	-	1,517,306	753,411	6,590	235,533	623,878	10,258,848	587,407	8,591,205	94,094	22,668,272
Transfers	-	-	99,558	-	-	-	-	-	(99,558)	-	-
As at 30 September 2022	296,735,409	60,368,228	348,360,664	37,514,690	2,707,309	12,352,004	59,063,507	277,554,376	34,016,448	1,116,855	1,129,789,490
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	-	(2,185,584)	(7,256,200)	(2,983,294)	(355,142)	(2,049,465)	(3,191,943)	(10,464,149)	-	(14,816)	(28,500,593)
As at 30 September 2022	-	(9,507,921)	(47,179,393)	(16,810,835)	(2,118,262)	(9,762,076)	(16,444,275)	(66,600,992)	-	(1,032,213)	(169,455,967)
Net book value											
As at 30 September 2022	296,735,409	50,860,307	301,181,271	20,703,855	589,047	2,589,928	42,619,232	210,953,384	34,016,448	84,642	960,333,523

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 THE INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month and nine-month periods ended 30 September 2022

6. PROPERTY AND EQUIPMENT (continued)

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

	30 September 2022	30 September 2021
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Unaudited</i>
Purchases (cash and non-cash) during the period (excluding capitalized borrowing cost)	22,533,672	24,575,818
(Increase) decrease in payable to a supplier	(160,725)	2,447,373
Cash used in purchase of property and equipment	<u>22,372,947</u>	<u>27,023,191</u>

Interest cost on borrowings that was capitalized on qualifying assets for the nine-month period ended 30 September 2022 was KHR'000 134,600 (30 September 2021: KHR'000 98,602).

7. INVESTMENT PROPERTIES

2022

	<i>Land</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	816,210	1,011,455
As at 30 September 2022 (<i>unaudited</i>)	<u>121,633,563</u>	<u>168,774,898</u>	<u>816,210</u>	<u>291,224,671</u>
Accumulated depreciation				
As at 1 January 2022 (<i>audited</i>)	-	(37,017,517)	-	(37,017,517)
Depreciation	-	(4,630,878)	-	(4,630,878)
As at 30 September 2022 (<i>unaudited</i>)	<u>-</u>	<u>(41,648,395)</u>	<u>-</u>	<u>(41,648,395)</u>
Net book value				
As at 30 September 2022 (<i>unaudited</i>)	<u>121,633,563</u>	<u>127,126,503</u>	<u>816,210</u>	<u>249,576,276</u>
Net book value				
As at 31 December 2021 (<i>as reclassified</i>)	<u>121,633,563</u>	<u>131,562,136</u>	<u>-</u>	<u>253,195,699</u>

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month and nine-month periods ended 30 September 2022

7. INVESTMENT PROPERTIES (continued)

2021 (Audited)

	<i>Land</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
Addition	-	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>Nine-month period ended</i>	
	<i>30 September 2022</i>	<i>30 September 2021</i>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Unaudited</i>
Purchases (cash and non-cash) during the period	1,399,567	1,602,101
Increase payable to a supplier (non-cash)	-	-
Cash used in purchase of investment properties	1,399,567	1,602,101

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>Nine-month period ended</i>	
	<i>30 September 2022</i>	<i>30 September 2021</i>	<i>30 September 2022</i>	<i>30 September 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	513,402	586,442	1,751,401	1,702,005
Depreciation	(1,545,759)	(1,584,751)	(4,630,878)	(4,752,544)
Direct operating expenses arising from investment properties that generate rental income	(764,169)	(634,553)	(2,129,238)	(1,965,318)

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month and nine-month periods ended 30 September 2022

8. INTANGIBLE ASSETS

	<u>30 September 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 September/31 December	11,539,381	11,288,083
Accumulated amortization		
As at 1 January	(6,351,751)	(5,247,407)
Amortization	(873,264)	(1,104,344)
As at 30 September/31 December	(7,225,015)	(6,351,751)
Net book value		
As at 30 September/31 December	4,314,366	4,936,332

9. INVENTORIES

	<u>30 September 2022</u>	<u>31 December 2021</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Audited</i>
Consumable supplies	24,206,365	24,007,787
Combustible materials	2,938,247	2,709,997
Oil and lubricant	1,185,940	1,250,216
	28,330,552	27,968,000
Allowance for slow-moving inventories (*)	(100,849)	(742,994)
	28,229,703	27,225,006

(*) During the nine-month period ended 30 September 2022, the Company reversed KHR'000 642,145 of its allowance 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 September 2022</u>	<u>31 December 2021</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Audited</i>
Trade receivables	30,741,392	33,985,519
Loss allowance (Note a)	(179,612)	(329,241)
Trade receivables, net	30,561,780	33,656,278
Advances to MoPWT (Note b)	7,221,303	1,221,303
Advances	315,371	696,502
Prepayments	86,176	85,828
	7,622,850	2,003,633
	38,184,630	35,659,911

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month and nine-month periods ended 30 September 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 September 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>(149,629)</u>	<u>(2,326,237)</u>
As at 30 September/31 December	<u>179,612</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. The term of repayment was unspecified.

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 advance will be repaid at the end of 2022 when the public road construction is complete.

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. Since then, 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. No gain was recognized for the nine-month period ended 30 September 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 THE INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month and nine-month periods ended 30 September 2022

12. ISSUED 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 September 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

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NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month and nine-month periods ended 30 September 2022

13. OTHER RESERVES

	<u>30 September 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 September/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 September 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	40,847,183	57,735,813
MoEF – (JBIC) – Loan No. CP-P4	96,396,884	98,053,918
MoEF – (JBIC) – Loan No. CP-P6	4,923,687	6,614,677
MoEF – (JBIC) – Loan No. CP-P8	83,377,987	108,281,770
MoEF – (JICA) – Loan No. CP-P10	138,030,914	183,227,712
MoEF – (JICA) – Loan No. CP-P21	12,597,079	15,073,107
	<u>376,173,734</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 September 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>28,215,707</u>	<u>33,961,572</u>
<i>Non-current</i>		
Later than one year but not later than two years	26,585,398	31,067,938
Later than two years but not later than five years	79,756,194	93,203,813
Later than five years	241,616,435	310,753,674
	<u>347,958,027</u>	<u>435,025,425</u>
	<u>376,173,734</u>	<u>468,986,997</u>

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14. BORROWINGS (continued)

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

	<u>30 September 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	28,215,707	33,961,572
Non-current portion	347,958,027	435,025,425
	<u>376,173,734</u>	<u>468,986,997</u>
<i>Fair value</i>		
Current portion	28,215,707	33,961,572
Non-current portion	347,958,027	435,025,425
	<u>376,173,734</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 September 2022</u>	<u>31 December 2021</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Audited</i>
JPY	279,776,850	370,933,079
US\$	96,396,884	98,053,918
	<u>376,173,734</u>	<u>468,986,997</u>

The interest rates per annum are as follows:

	<u>30 September 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 THE INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month and nine-month periods ended 30 September 2022

15. RETIREMENT BENEFIT OBLIGATIONS

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

	<u>30 September 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>75,882,280</u>	<u>88,180,984</u>

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

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

	<u>30 September 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	1,543,319	1,709,000
Interest expense	3,478,835	4,614,000
Benefits paid	(2,497,309)	(4,623,983)
Remeasurement gains from change in actuarial assumptions	(14,823,549)	-
As at 30 September/31 December	<u>75,882,280</u>	<u>88,180,984</u>

	<u>30 September 2022</u>	<u>31 December 2021</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Audited</i>
Current portion	5,464,849	4,534,425
Non-current portion	70,417,431	83,646,559
	<u>75,882,280</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>Nine-month period ended</u>	
	<u>30 September 2022</u>	<u>30 September 2021</u>	<u>30 September 2022</u>	<u>30 September 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	514,440	427,250	1,543,319	1,281,750
Interest expense	1,159,612	1,153,500	3,478,835	3,460,500
	<u>1,674,052</u>	<u>1,580,750</u>	<u>5,022,154</u>	<u>4,742,250</u>

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month and nine-month periods ended 30 September 2022

15. RETIREMENT BENEFIT OBLIGATIONS (continued)

The principal actuarial assumptions are as follows:

	<u>2022</u>	<u>2021</u>
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>Nine-month period ended</i>	
	<i>30 September 2022</i>	<i>30 September 2021</i>	<i>30 September 2022</i>	<i>30 September 2021</i>
	<i>KHR'000 Unaudited</i>	<i>KHR'000 Unaudited</i>	<i>KHR'000 Unaudited</i>	<i>KHR'000 Unaudited</i>
Stevedoring charges	41,458,637	41,926,211	128,049,313	116,384,622
LO-LO and container storage	27,150,672	28,875,261	88,670,104	85,734,858
Port due/charge services	15,578,542	15,714,019	46,955,885	49,558,529
Others	416,111	421,648	1,304,004	1,292,234
	<u>84,603,962</u>	<u>86,937,139</u>	<u>264,979,306</u>	<u>252,970,243</u>

Timing of revenue recognition:

	<i>Three-month period ended</i>		<i>Nine-month period ended</i>	
	<i>30 September 2022</i>	<i>30 September 2021</i>	<i>30 September 2022</i>	<i>30 September 2021</i>
	<i>KHR'000 Unaudited</i>	<i>KHR'000 Unaudited</i>	<i>KHR'000 Unaudited</i>	<i>KHR'000 Unaudited</i>
At a point in time	81,716,200	83,024,678	251,736,938	241,743,037
Over time	2,887,762	3,912,461	13,242,368	11,227,206
	<u>84,603,962</u>	<u>86,937,139</u>	<u>264,979,306</u>	<u>252,970,243</u>

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NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month and nine-month periods ended 30 September 2022

17. SALARIES, WAGES AND RELATED EXPENSES

	<i>Three-month period ended</i>		<i>Nine-month period ended</i>	
	<i>30 September</i>	<i>30 September</i>	<i>30 September</i>	<i>30 September</i>
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>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	18,371,194	17,875,300	55,184,069	52,015,211
Bonuses	4,464,474	4,833,424	14,145,209	13,780,671
Retirement benefit expenses (Note 15)	1,674,052	1,580,750	5,022,154	4,742,250
Seniority benefit expense	736,284	835,350	3,188,041	2,767,061
Social security expenses	629,686	262,535	1,128,843	579,197
Directors' remuneration	499,200	349,200	1,197,600	1,047,600
Wages for contractors	56,790	37,800	139,850	195,650
Others	1,034,015	1,083,147	3,404,525	3,956,256
	27,465,695	26,857,506	83,410,291	79,083,896

18. CONSUMABLE SUPPLIES

	<i>Three-month period ended</i>		<i>Nine-month period ended</i>	
	<i>30 September</i>	<i>30 September</i>	<i>30 September</i>	<i>30 September</i>
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>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	12,318,947	11,216,253	43,238,177	31,752,525
Spare parts	10,029,752	7,335,971	25,448,401	24,244,412
Warehouse supplies	1,566,268	1,752,696	6,001,067	5,742,005
Oil and lubricant	1,108,868	974,347	2,934,896	2,935,050
Office supplies	612,019	437,982	1,578,434	1,658,939
Others	696,826	732,548	1,022,936	1,749,759
	26,332,680	22,449,797	80,223,911	68,082,690

19. DEPRECIATION AND AMORTIZATION CHARGES

	<i>Three-month period ended</i>		<i>Nine-month period ended</i>	
	<i>30 September</i>	<i>30 September</i>	<i>30 September</i>	<i>30 September</i>
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>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	9,650,939	8,136,192	28,500,593	24,172,699
Investment properties	1,545,759	1,584,750	4,630,878	4,752,544
Intangible assets	295,276	274,557	873,264	821,633
	11,491,974	9,995,499	34,004,735	29,746,876

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

	<i>Three-month period ended</i>		<i>Nine-month period ended</i>	
	<i>30 September 2022</i>	<i>30 September 2021</i>	<i>30 September 2022</i>	<i>30 September 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>)	1,170,011	994,550	3,074,783	2,847,013
Net exchange gains on foreign currency borrowings (<i>Note b</i>) and others	11,795,820	4,208,285	68,478,459	28,563,171
Interest income from unwinding of discount of loans to employees	-	-	-	55,342
	12,965,831	5,202,835	71,553,242	31,465,526
<i>Finance costs:</i>				
Interest expenses on borrowings from MoEF (<i>Note c</i>)	(2,353,724)	(3,055,143)	(7,482,175)	(8,308,518)
	(2,353,724)	(3,055,143)	(7,482,175)	(8,308,518)
Finance income – net	10,612,107	2,147,692	64,071,067	23,157,008

(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 September 2022</i>	<i>30 June 2022</i>	<i>31 March 2022</i>	<i>31 December 2021</i>
JPY/KHR	28.670	29.930	33.305	35.590
US\$/KHR	4,127	4,099	4,050	4,074

(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>Nine-month period ended</i>	
	<i>30 September 2022 KHR'000 Unaudited</i>	<i>30 September 2021 KHR'000 Unaudited</i>	<i>30 September 2022 KHR'000 Unaudited</i>	<i>30 September 2021 KHR'000 Unaudited</i>
<i>Income tax expense recognized in profit for the period</i>				
Current income tax	3,324,935	4,231,231	10,685,604	9,615,103
Under provision of current income tax from prior year	-	-	1,629,600	-
Deferred income tax	326,058	426,630	(539,860)	3,396,551
	3,650,993	4,657,861	11,775,344	13,011,654
<i>Income tax expense recognized in OCI</i>				
Deferred income tax related to remeasurement gain on defined benefit obligation	-	-	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>Nine-month period ended</i>	
	<i>30 September 2022 KHR'000 Unaudited</i>	<i>30 September 2021 KHR'000 Unaudited</i>	<i>30 September 2022 KHR'000 Unaudited</i>	<i>30 September 2021 KHR'000 Unaudited</i>
Profit attributable to shareholders (KHR'000)	20,235,387	18,319,622	98,160,296	69,200,797
Weighted average number of shares	85,771,967	85,771,967	85,771,967	85,771,967
Basic earnings per share (KHR)	235.92	213.59	1,144.43	806.80

(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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23. DIVIDENDS

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:

	<i>30 September 2022</i>	<i>30 September 2021</i>
	<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
	16,107,268	12,174,649

As at 30 September 2022, dividends declared for the financial year ended 31 December 2021 and 31 December 2020 were paid.

24. CASH GENERATED FROM OPERATIONS

	<i>Notes</i>	<i>Nine-month period ended</i>	
		<i>30 September 2022</i>	<i>30 September 2021</i>
		<i>KHR'000</i>	<i>KHR'000</i>
		<i>Unaudited</i>	<i>Unaudited</i>
Profit before income tax		109,935,640	82,212,451
<i>Adjustments for:</i>			
Finance income – net	20	(64,071,067)	(23,157,008)
Depreciation and amortization charges	19	34,004,735	29,746,876
Retirement benefit obligations		5,022,154	1,005,622
Provision (reversal of provision) for seniority obligations		1,058,519	(2,372,579)
Reversal of provision for slow-moving inventories	9	(642,145)	-
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		(362,552)	(1,296,518)
Trade and other receivables		(2,093,843)	(9,470,524)
Deferred income		7,140,668	55,001
Trade and other payables		(6,151,506)	4,682,922
Cash generated from operations		83,859,814	81,733,971

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NOTES TO THE 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 September 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)	150,627,993	198,300,819
MoEF – (JBIC) (Note 14)	225,545,741	270,686,178
	<u>376,173,734</u>	<u>468,986,997</u>

(ii) MoPWT

	<u>30 September 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>Nine-month period ended</u>	
	<u>30 September 2022</u>	<u>30 September 2021</u>	<u>30 September 2022</u>	<u>30 September 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)	2,353,724	3,055,143	7,482,175	8,308,518
Capitalized interest costs (Note 6)	44,353	8,132	134,600	98,602

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

(c) Key management compensation

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

	<i>Three-month period ended</i>		<i>Nine-month period ended</i>	
	<i>30 September 2022</i>	<i>30 September 2021</i>	<i>30 September 2022</i>	<i>30 September 2021</i>
	<i>KHR'000 Unaudited</i>	<i>KHR'000 Unaudited</i>	<i>KHR'000 Unaudited</i>	<i>KHR'000 Unaudited</i>
<i>Board of Directors</i>				
Fees and related expenses	349,200	349,200	1,047,600	1,047,600
<i>Key management personnel</i>				
Salaries and other expenses	502,853	695,125	2,669,806	2,232,267
Retirement benefit expenses (*)	24,255	64,744	166,915	175,861

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 September 2022, PAS had outstanding capital expenditure commitment of KHR 1,140,962 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 (As previously presented)</i>	<i>KHR'000 (Reclassification)</i>	<i>KHR'000 (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 3rd quarter 2022 report.

For this 3rd quarter 2022, the volume of PAS's container throughput decreased by 2,840 TEUs equivalent to 1.46% compared to 3rd quarter 2021, and Gross cargoes throughput decreased by 6.26% equivalent to 108,100 tons. Among gross cargoes throughput, container in tons decreased 5.23% equivalent to 65,578 tons, and general cargoes decreased 19,152 tons equivalent to 42.83%, as for fuels decreased by 10.97% equal to 45,856 tons, but gas increased by 237.71% equivalent to 22,486 tons. Moreover, PAS's calling vessel decreased by 6.82% equal to 24 vessels, yet gross tonnages increased by 6.85% equal to 218,443 tons compared to 3rd 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 3rd quarter 2022 and 2021 as shown in Part 3 of this 3rd 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 Sep 2022 compared to the period ended 30th Sep 2021

Description	3 rd Quarter 2022	3 rd Quarter 2021	Changes	
	'000 riels	'000 riels	'000 riels	%
Revenue	85,117,364	87,523,581	-2,406,217	-2.75%

For this 3rd quarter 2022, PAS's income decreased by 2,406,217,000 Riels equivalent to 2.75% decreased from 87,523,581,000 Riels in 3rd quarter 2021 to 85,117,364,000 Riels in 3rd quarter 2022. This decreased in income was mostly derived from Stevedoring Charges, LOLO Charge, Port Charge Services and Storage Fees (warehouse and yard).

1-B Revenue by Segment Analysis

Table of Revenue Comparison by Sections Against Total Revenues

For 3rd Quarter 2022 and 3rd Quarter 2021

Description	3 rd Quarter 2022		3 rd Quarter 2021	
	'000 riels	Percentage of total income	'000 riels	Percentage of total income
Stevedoring Charge	41,458,637	48.71%	41,926,211	47.90%
LOLO Charge	24,606,617	28.91%	25,288,418	28.89%
Port Charge for Vessel Services	15,578,542	18.30%	15,714,019	17.95%
Storage (Warehouse and Yard)	2,544,055	2.99%	3,586,843	4.10%
Transportation	1,891	0.00%	21,751	0.02%
Passenger vessel	0	0.00%	0	0.00%
Special Economic Zone	513,402	0.60%	586,443	0.67%
Rental fee	343,707	0.40%	325,617	0.37%
Other revenues	70,513	0.08%	74,280	0.08%
Total Revenue	85,117,364	100.00%	87,523,581	100.00%

In the 3rd 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 Sep 2022 compared to the period ended 30th Sep 2021

Description	3 rd Quarter 2022	3 rd Quarter 2021	Changes	
	'000 riels	'000 riels	'000 riels	%
Stevedoring Charge	41,458,637	41,926,211	(467,574)	-1.12%
LOLO Charge	24,606,617	25,288,418	(681,801)	-2.70%
Port Charge for Vessel Services	15,578,542	15,714,019	(135,477)	-0.86%
Storage (Warehouse and Yard)	2,544,055	3,586,843	(1,042,788)	-29.07%

The income from Stevedoring charge decreased approximately by 1.12% equivalent to 467,574,000 Riels, and LOLO charge decreased by 2.70% equivalent to 681,801,000 Riels comparing between 3rd quarter 2022 and 3rd quarter 2021. These decreasing were resulted by the decrease of container throughput with the volume of 2,840 TEUs equivalent to 1.46% and the decrease of Cargo handling of 3.53% equal to 90,377 Tons for this 3rd 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 3rd quarter of 2022, the number of vessels calling to PAS decreased by 24 vessels equal to 6.82%, yet tonnage throughput increased by 6.85% equal to 218,443 tons. However, the income on Port charge for vessel service decreased from 15,714,019,000 Riels in 3rd quarter 2021 to 15,578,542,000 Riels in 3rd quarter 2022, decreased by 0.86% equal to 135,477,000 Riels. This is because in 3rd quarter 2022, the container vessels increased by 5.42% equal to 09 vessels and general cargo vessels decreased by 55.13% equal to 43 vessels if compared to the same period in 2021.

The income from storage, warehouse, and yard decreased by 1,042,788,000 Riels equivalent to 29.07% compared between 3rd quarter 2022 with the income amount of 2,544,055,000 Riels and 3rd quarter 2021 with amount of 3,586,843,000 Riels. The reason of this decrease was caused by the decreasing in container cargoes and cargoes throughput.

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 Sep 2022 compared to the period ended 30th Sep 2021

Description	3 rd Quarter 2022	3 rd Quarter 2021	Changes	
	'000 riels	'000 riels	'000 riels	%
Revenue	85,117,364	87,523,581	(2,406,217)	-2.75%
Consumable Supplies	(26,332,680)	(22,449,797)	(3,882,883)	17.30%
Salaries, Wages and related expenses	(27,465,695)	(26,857,506)	(608,189)	2.26%
Depreciation and Amortisation charge	(11,491,974)	(9,995,499)	(1,496,475)	14.97%
Repairs and Maintenances	(411,291)	(1,066,344)	655,053	-61.43%

Other expenses	(6,746,493)	(6,389,041)	(357,452)	5.59%
Other gain /(Losses)-net	605,042	64,397	540,645	839.55%
Net- Finance (Costs)/(gain)	10,612,107	2,147,692	8,464,415	394.12%
Profit before income tax	23,886,380	22,977,483	908,896	3.96%

For 3rd quarter 2022, PAS's expenses on Consumable Supplies amounted to 26,332,680,000 Riels increased by 3,882,883,000 Riels equivalent to 17.30% compared to the 3rd quarter of 2021 with the expense amounted of 22,449,797,000 Riels. The main factor that caused such increase was resulted by Combustible expenses increased by 9.83% equivalent to 1,102,694,000 Riels and the spare parts expenses increased by 36.72% equivalent to 2,693,781,000 Riels in this 3rd 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 decrease, the expense on salary will also decrease, and we found that stevedoring income increased by 1.12% and LOLO incomes slightly decreased by 2.70% in this 3rd quarter 2022. However, the expense on Salary, wages, and other related expenses had increased by 2.26% equivalent to 608,189,000 Riels compared that to 3rd quarter 2022 with the expense amount of 27,465,695,000 Riels and 26,857,506,000 Riels in 3rd quarter 2021. The main factors of the increase on employee salaries expenses which increased by 2.77% equal to 495,894,000 Riels is due to the inflation of USD currency, income was charge in USD currency while salaries paid to employee is in Riel which caused salaries expense to increase even though the income decreased, moreover the social security expenses which increased approximately 139.85% equal to 367,151,000 Riels compared to 3rd quarter 2021.

The expense on depreciation and amortization included property, equipment, and intangible asset in 3rd quarter 2022 amounted to 11,491,974,000 Riels increased by 1,496,475,000 Riels equivalent to 14.97% compared to that of 3rd quarter 2021 with the expense amount of 9,995,499,000 Riels. The factor that caused such an increase was resulted from the expense on depreciation of property and equipment which increased by 1,514,747,000 Riels equivalent to 18.62%.

The expense on repair and maintenance decreased by 655,053,000 Riels equal to 61.43%, the total expense of repair and maintenance in 3rd quarter 2022 was 411,291,000 Riels and 1,066,344,000 Riels in 3rd quarter 2021.

The Other expenses increased by 5.59% equivalent to 357,452,000 Riels, which increased from 6,389,041,000 Riels in 3rd quarter 2021 to 6,746,493,000 Riels in 3rd quarter 2022. The main reasons that caused the increased of other expenses were the increased in Reception and hospitality expenses which gained by 102.52% equal to 260,410,000 Riels and the increased of missions by 92.89% equivalent to 178,478,000 Riels in this 3rd quarter 2022. In addition, the increased of utilities expense by 937.73% equal to 836,010,000 Riels.

Other gain /(Losses)-net refers to Realized Foreign Exchange Gain-Loss which in this 3rd quarter 2022, the gain from realized foreign exchange with the amount of 605,042,000 Riels increased by 839.55% equivalent to 540,645,000 Riels compared to 3rd quarter 2021 amounted to the gain of 64,397,000 Riels.

Finance Income/(Costs)-net refers to Unrealized Foreign Exchange Gain-Loss, for the 3rd quarter 2022, there was an income of 10,612,107,000 Riels increased the Finance income by 394.12% equivalent to 8,464,415,000 Riels compared to that of 3rd quarter 2021 with the loss-Finance income of 2,147,692,000 Riels. The main factor of this change in Finance Income/(Costs)-net was because in 3rd quarter 2021, there was the net gain unrealized foreign exchange currency (Japanese Yen) amounted to 4,208,285,000 Riels, if compared to 3rd quarter 2022 with the net gain unrealized foreign exchange currency of 11,516,057,000 Riels.

In conclusion, PAS's Profit before tax in 3rd quarter 2022 is 23,886,380,000 Riels increased by 908,896,000 Riels equivalent to 3.96% if compared to 3rd quarter 2021 with the amount of 22,977,483,000 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 Sep 2022 compared to the period ended 30th Sep 2021

Description	3 rd Quarter 2022	3 rd Quarter 2021	Changes	
	'000 riels	'000 riels	'000 riels	%
Profit before income tax (A)	23,886,380	22,977,483	908,896	3.96%
Income tax expense (B)	(3,650,993)	(4,657,861)	1,006,868	-21.62%
Profit for the period	20,235,387	18,319,622	1,915,764	10.46%
Remeasurement of retirement benefit obligations	-	-		
Total comprehensive income for the period	20,235,387	18,319,622	1,915,764	10.46%
Effective Tax Rate (B)/(A)	15.28%	20.27%		

PAS has a Profit after tax with the equivalent amount 20,235,387,000 Riels in the 3rd quarter 2022 and 18,319,622,000 Riels in the 3rd quarter 2021 with the increased amount of 1,915,764,000 Riels equivalent to 10.46%. 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 20.27% in 3rd quarter 2021 to 15.28% in 3rd quarter 2022, because of increased of Profit before income tax in 3rd 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 3.2% 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 3rd 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 3rd 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 after the relief from the epidemic covid19. Despite the rainy season which damaged some roads slightly, 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 3rd 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 3.2% (IMF) for year 2022. However, there might be a big impact on the market's demand and supply

due to the current war between Russia-Ukraine and the import and export to China due to the current lockdown of zero covid policy.

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.

2. 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 3rd 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 3rd 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 3rd 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 report which was raised by the Audit, Nomination and Risk Committee. The Board requested PAS to prepare a formal letter to His Excellency, Deputy Prime Minister, Minister of Economy and Finance on the container congestion in the port and unclaimed goods to request for his guidelines and implementation.
- The Board of Directors reviewed, discussed and approved on the progress report of the ongoing container development project (1. Project to renovate the port into a 253-meter container terminal and 2. Project to develop a new container terminal - Step 1, length 350 M)
- The Board reviewed, discussed and approved the report on the progress of the new container terminal expansion project (Phase 2 and Phase 3).
- The Board reviewed, discussed and approved the report on the project to strengthen the management capacity and the container terminal operation at Sihanoukville Port - Phase 3 (2022-2026).
- The Board reviewed, discussed and approved the report on the progress of the information technology system of PAS and requested for further study with the JICA Experts Team to select the best and reliable option for PAS's development of information technology management system.
- The Board of Directors reviewed, discussed and approved the business results report of the first semester of 2022.
- After discussion, the Board of Directors unanimously approved the second quarter 2022 financial statements report reviewed by the independent audit firm Ernst & Young (Financial Performance Review).

Signature of Directors of Sihanoukville Autonomous Port

Date: 25 November 2022

Read and Approved

Signature

Lou Kim Chhun



SIHANOUKVILLE AUTONOMOUS PORT



Address:

Terak Vithei Samdach Akak Moha Sena Padei
Techo **Hun Sen**, Sangkat 3, Preah Sihanouk City
Preah Sihanouk Province, Cambodia

Contact:

☎ 034 933 416
☎ 034 933 511
☎ 078 496 789

🌐 pas.gov.kh

✉ pasinfo@pas.gov.kh

📍 Sihanoukville Autonomous Port