



KINGDOM OF CAMBODIA
NATION RELIGION KING

Sihanoukville Autonomous Port

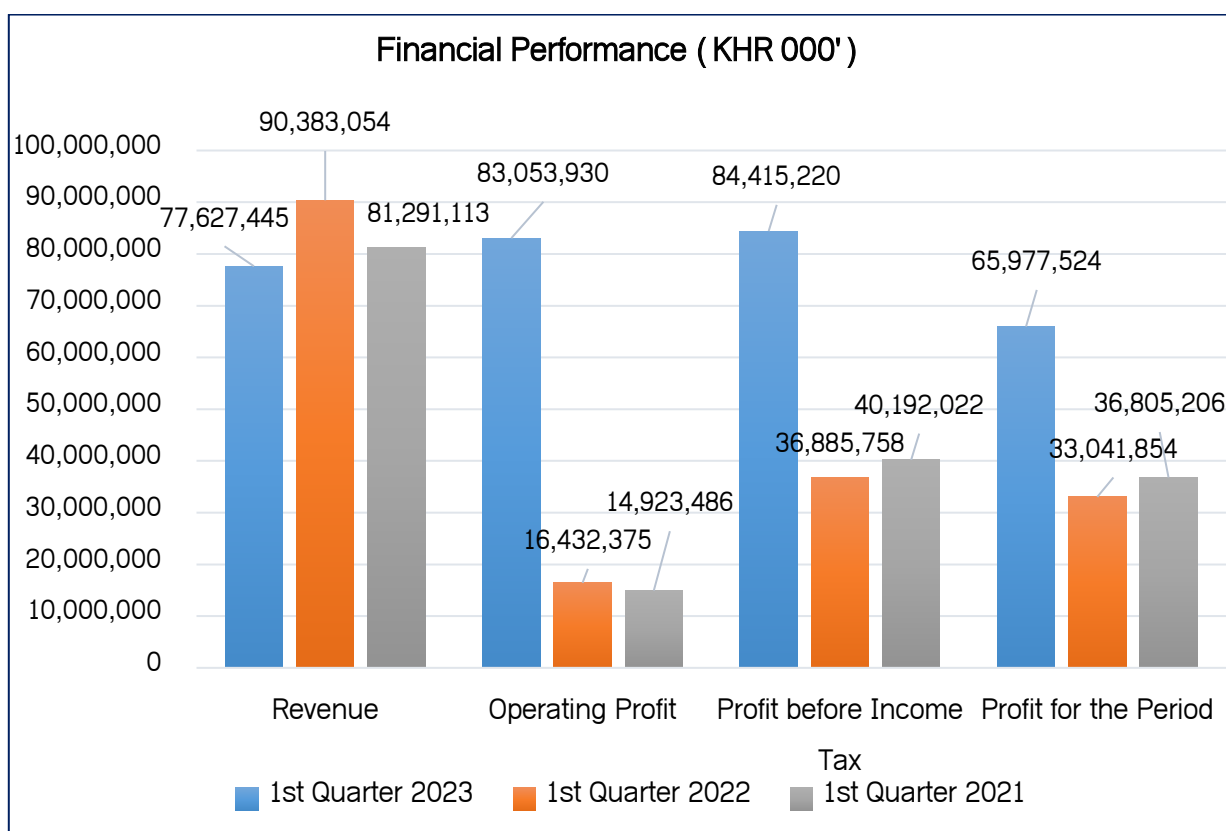
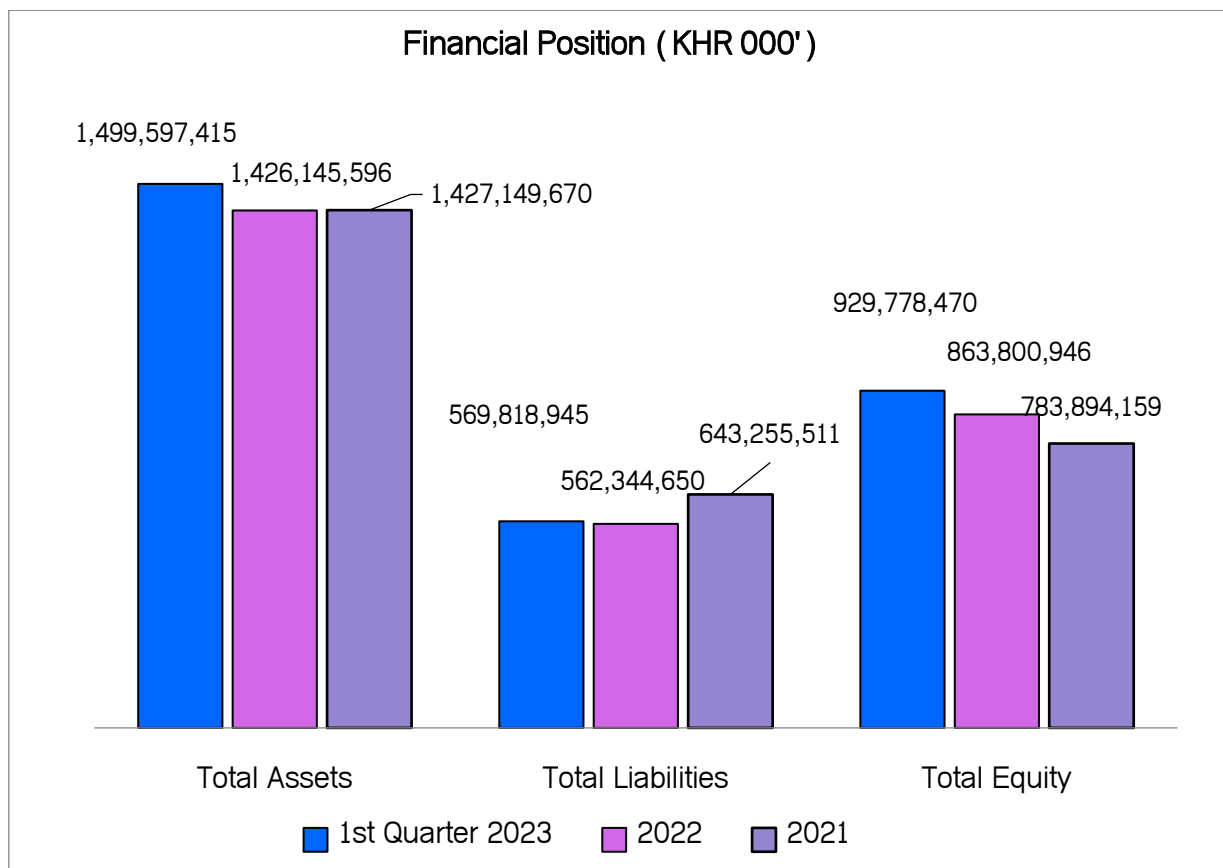
First Quarterly Report 2023



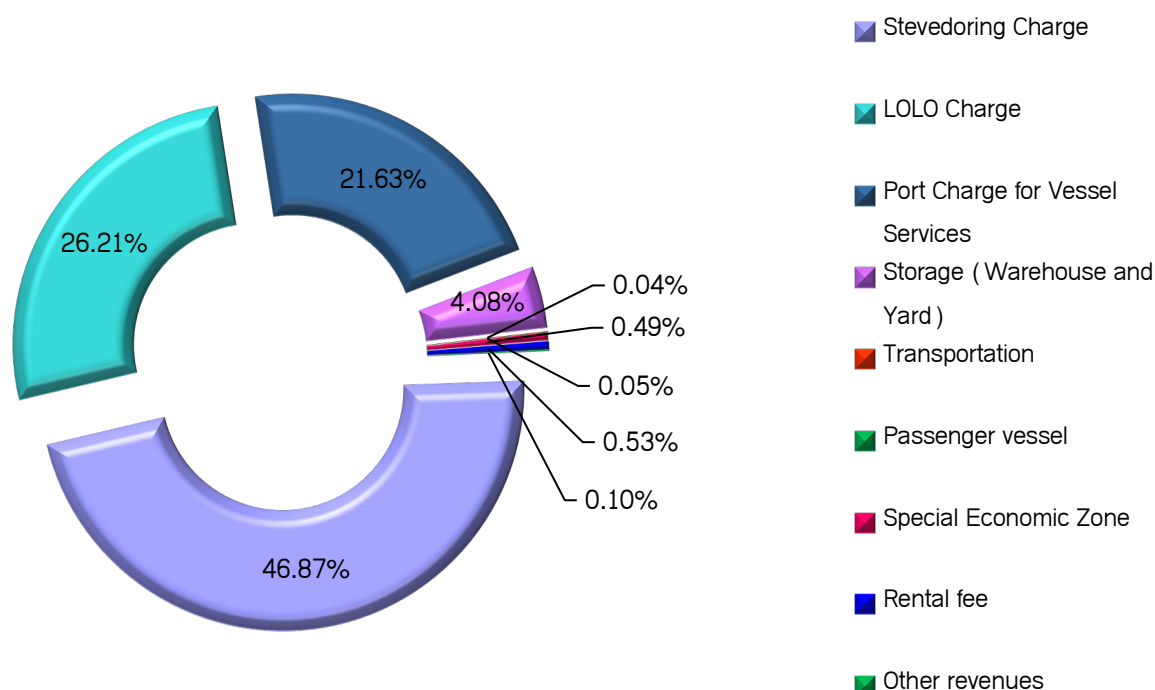
Financial Highlight

Financial Position		1 st Quarter 2023	2022	2021
		KHR 000'	KHR 000'	KHR 000'
Total Assets		1,499,597,415	1,426,145,596	1,427,149,670
Total Liabilities		569,818,945	562,344,650	643,255,511
Total Shareholders' Equity		929,778,470	863,800,946	783,894,159
Profit/(Loss)		1 st Quarter 2023	1 st Quarter 2022	1 st Quarter 2021
		KHR 000'	KHR 000'	KHR 000'
Total Revenues		77,627,445	90,383,054	81,291,113
Profit/(Loss) before Tax		84,415,220	36,885,758	40,192,022
Profit/(Loss) after Tax		65,977,524	33,041,854	36,805,206
Total Comprehensive Income		65,977,524	33,041,854	36,805,206
Financial Ratios		1 st Quarter 2023	2022	2021
Solvency Ratio		13.61%	23.09%	20.77%
Liquidity Ratio	Current Ratio	2.71	2.62	2.31
	Quick Ratio	2.41	2.25	2.00
		1 st Quarter 2023	1 st Quarter 2022	1 st Quarter 2021
Profitability Ratio	Return on Assets	4.40%	2.32%	2.58%
	Return on Equity	7.10%	4.04%	4.70%
	Gross Profit Margin	106.99%	18.18%	18.36%
	Profit Margin	84.99%	36.56%	45.28%
	Earnings per share	769.22	385.23	429.11
Interest Coverage Ratio		36.76	14.84	19.14

Financial Summary Charts 1st Quarter 2023



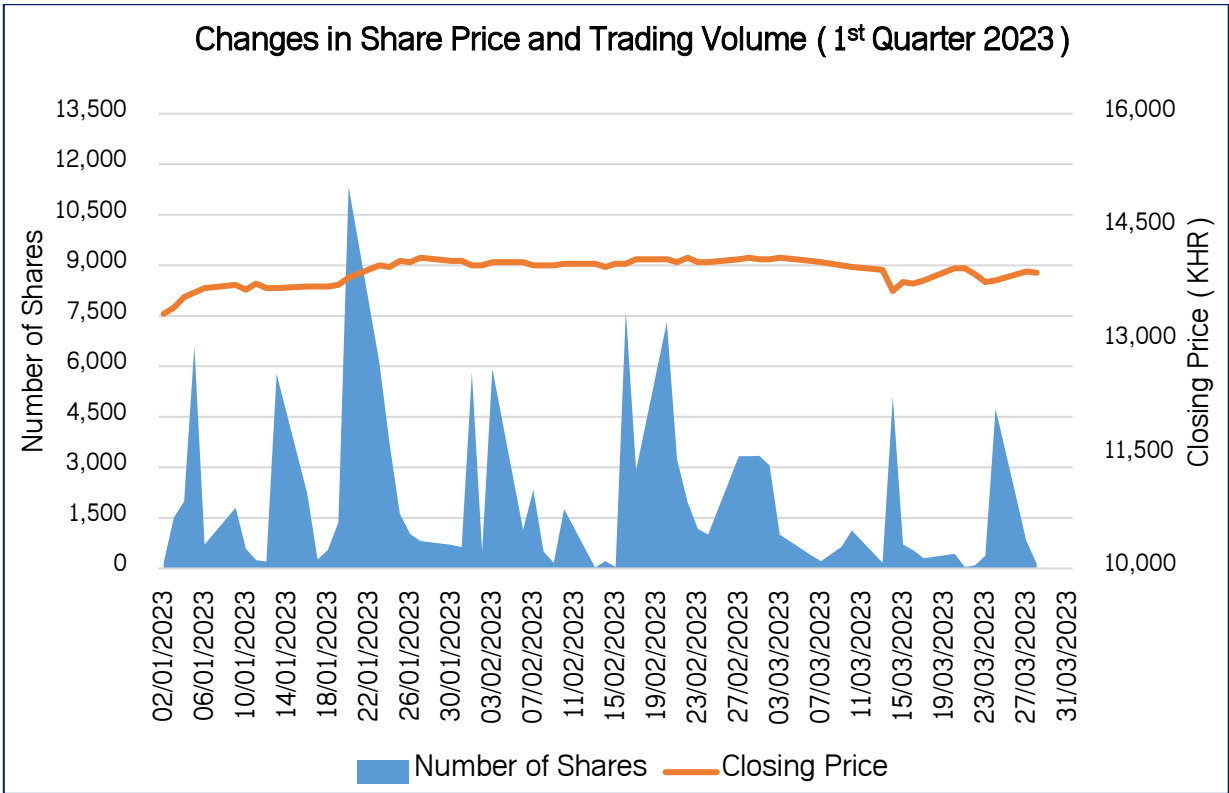
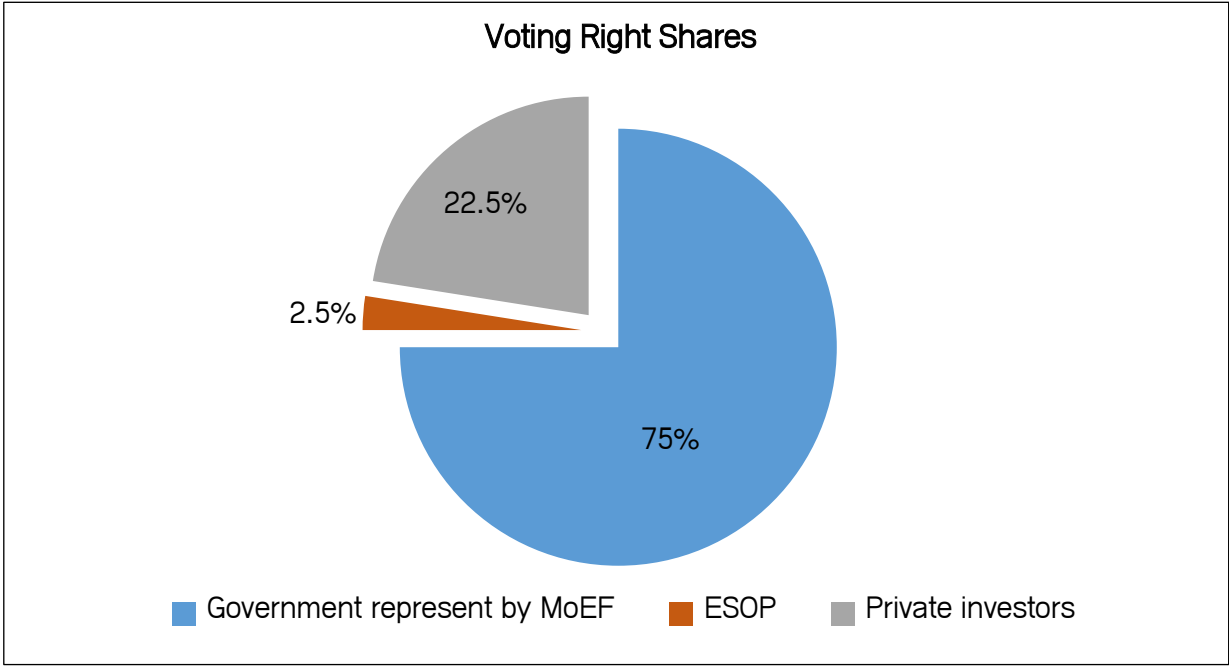
Type of Revenues 1st Quarter 2023



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	ESOP	2,144,299	10%
2	KAMIGUMI CO., LTD	11,150,324	52%
3	KOBE-OSAKA International Port Corporation	2,144,300	10%
4	Other Private Shareholders	6,004,069	28%
TOTAL		21,442,992	100%



Board of Directors



H.E. Lou Kim Chhun
Chairman & CEO



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



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



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 1st quarter, 2023 for the period ended 31st Mar 2023”.

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 77,627,445,000 Riels and a net profit of 65,977,524,000 Riels in this 1st quarter 2023. The revenue decreased by 12,755,609,000 Riels equal to 14.11% compared to the same period of 2022, while the net profit after tax highly increased by 32,935,670,000 Riels equal to 99.68%. This was due to the decrease in Container cargoes and cargoes throughput, yet the increased of net gain from assets classified as held for sale, land in Koki village, Bit Trang commune, Prey Nob district, Preah Sihanouk Province which led to the increase in net profit after tax compared to 1st quarter 2022. As the result, PAS’s earns per share is 769.22 Riels in this 1st quarter 2023. Furthermore, the container throughputs amounted to 174,649 TEUs, decreased of 23,533 TEUs equal to 11.87% compared to 1st quarter 2022.

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 an additional container terminal with 253m 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 like 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 2023.
- 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 1st Quarter 2023, the Board of Directors had conducted one meeting and achieved the following works:

The 7th Meeting of the Board of Directors in its 8th Mandate on 27th February 2023

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

- After reviewing and discussing, the members of the board approved the report of the Risk Management, the Nomination and Remuneration and the Audit Committee. The members of board approved the purchase of a 4,000-horsepower trailer included in the 2023 PAS's Business Budget Plan (Services). As for the Pilot Boat, PAS must send a formal letter request to His Excellency, General Deputy Prime Minister, Minister of Economy and Finance to review and decide.
- After reviewing and discussing, the members of board approved the report on the progress of the project to renovate the general cargo port into a 253-meter-long container port, the new container terminal development project - Phase 1, Phase 2 and Phase 3 and requested His Excellency Phan Phalla, a representative of the Ministry of Economy and Finance, helped to accelerate the implementation of these projects as planned, as the PAS's operation has now exceeded its normal capacity more than twice.
- After reviewing and discussing, the members of the board approved the report of the 2022 PAS's business results.
- After discussion, the members of board unanimously approved the financial statements for the fourth quarter and for the 12-month period ended 31 December

2022, reviewed by the independent audit firm Ernst & Young (Cambodia) Ltd (Financial Performance Review).

- After reviewing and discussing, the members of board was joyed and honored to have **Samdech Akka Moha Sena Padei Techo Hun Sen**, Prime Minister of the Kingdom of Cambodia come to visit and have a conversation meeting with the employees and staffs, the Opening Construction Ceremony of a 253-Meter Container Terminal (Modified from a General Warehouse); -16.5 meters and the third step, 430 meters long, water depth -17.5 meters and the Westerdam Memorial on the occasion of the celebration of International Labor Day, May 1, 2023 at Sihanoukville Autonomous Port and approved PAS to organize this ceremony.
- After reviewing and discussing, the members of board approved for PAS to have a meeting with Royal Railway Co., Ltd to determine the lease term of a land of 156,728 square meters in Sangkat Trapeang Krasang. Khan Dangkor, Phnom Penh, between 3 to 5 years with a reasonable price, and send a formal letter request to His Excellency, General Deputy Prime Minister, Minister of Economy and Finance for decision.
- After reviewing and discussing, the members of board approved the sight visit plan of the Board of Directors and PAS's management team to visit Japan for the purpose of studying information technology and port development in the ports of Japan, and thanked Mr. KUME Hidetoshi for the cooperation with PAS's management team on this job This is the first experience for the Board of Directors, State Controller and PAS's management team which we hope that there would be more sight visit to other port that has connection with PAS as well.
- After reviewing and discussing, the members of board approved the report on the sale of land of Sihanoukville Autonomous Port, located in Koki village, Bit Trang commune, Prey Nob district, Sihanoukville province.
- After reviewing and discussing, the members of board approved the report on the PAS's preferential service fee for goods of the Royal Government in 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.

Finally, I would like to thank to all the PAS's employees for their hard work and dedication to the job.

Sihanoukville, Dated: 01st June 2023

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 (ភីសស)
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. In addition, the newly built expressway opened in October 2022, with a length of 187 km from Phnom Penh to Sihanoukville. 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 1st quarter of 2023, **PAS** has no key event.



PART 2

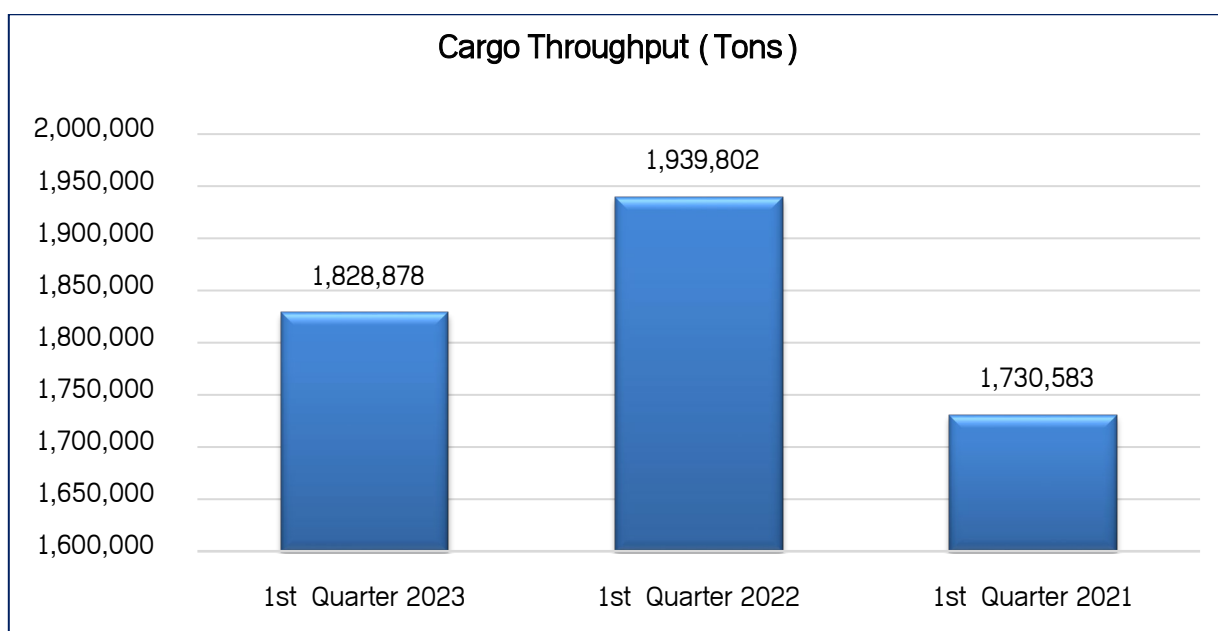
Information on Business Operation Performance

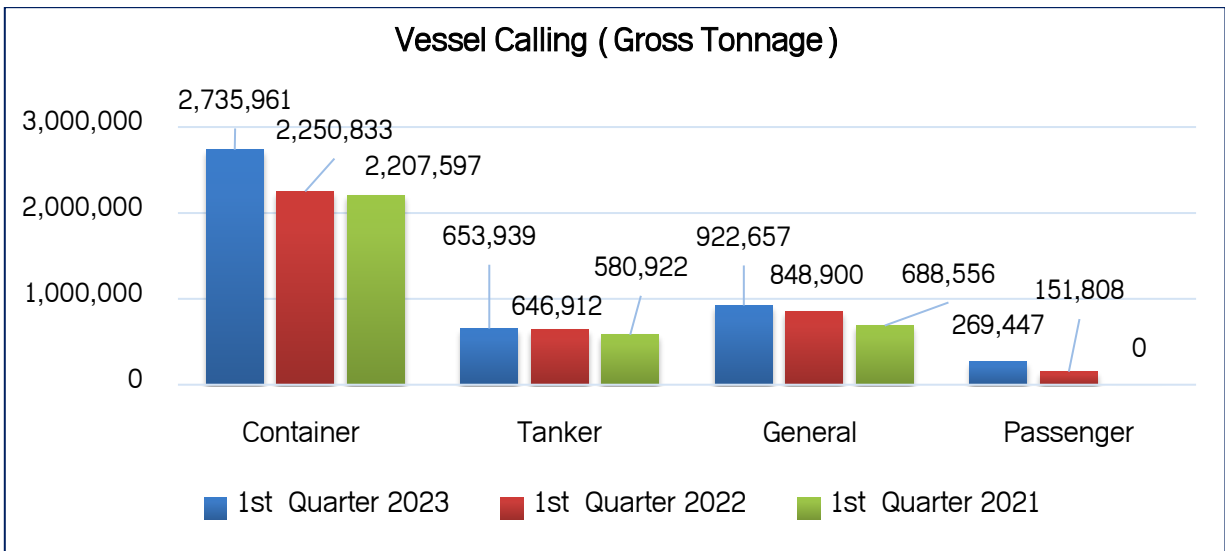
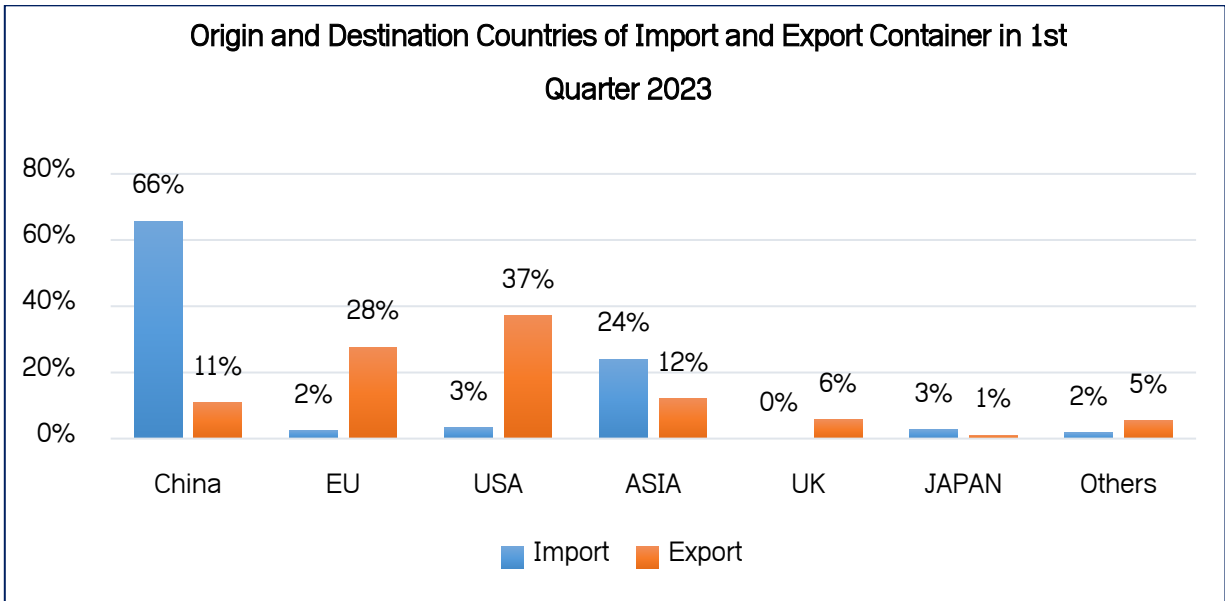
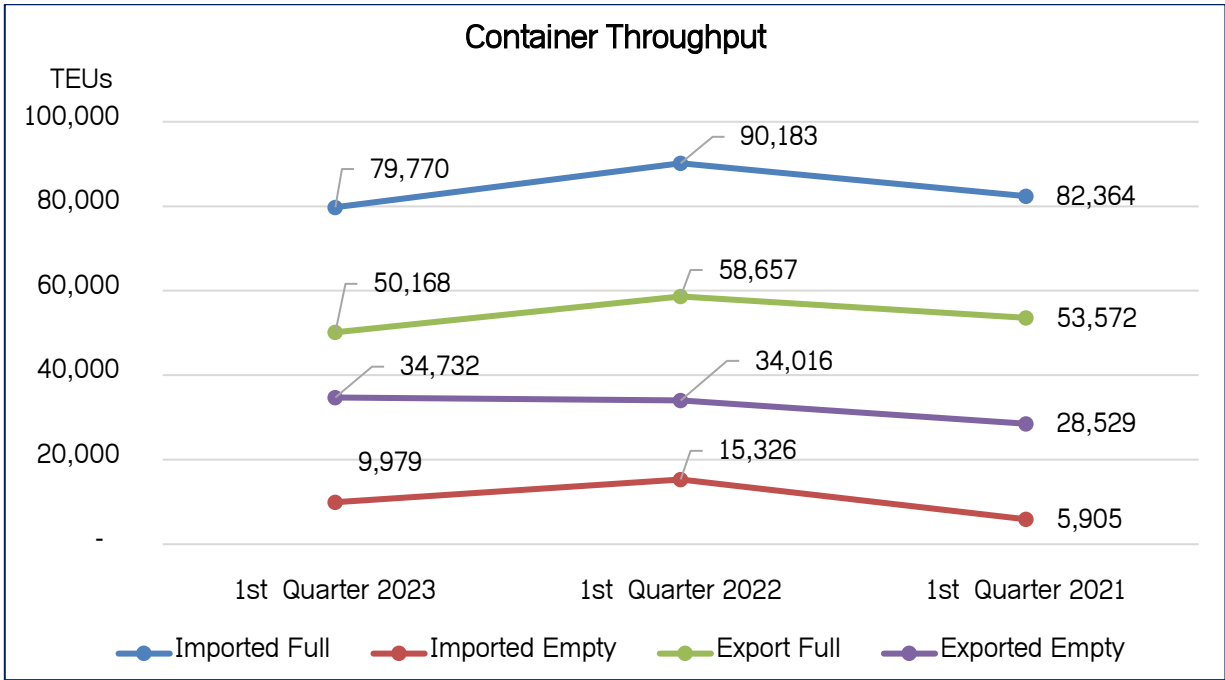


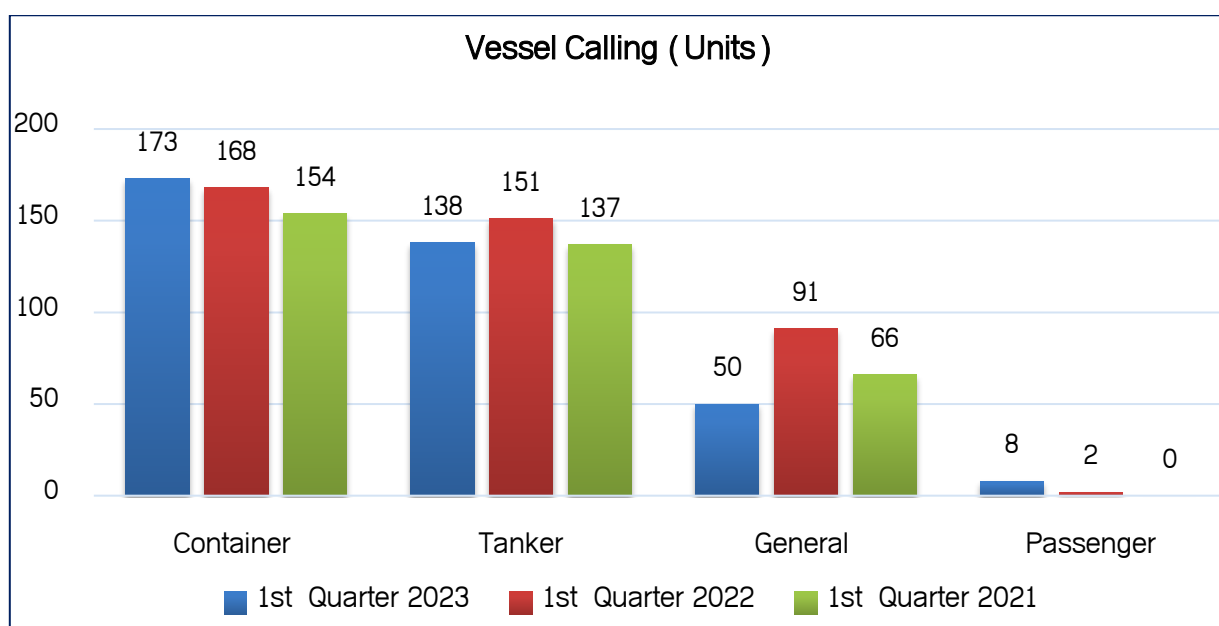
A. Business Operation Performance including business segments information

Items		Planning 2023	1 st Quarter 2023	1 st Quarter 2022	1 st Quarter 2021	Comparison	
		1	2	3	4	(2-3)/3	(2-4)/4
Gross Throughput	Tons	7,282,000	1,828,878	1,939,802	1,730,583	-5.72%	5.68%
Container Cargo	–		1,209,534	1,348,116	1,179,447	-10.28%	2.55%
General Cargo	–		19,262	47,764	73,798	-59.67%	-73.90%
Fuel	–		563,705	528,866	462,112	6.59%	21.98%
Gas	–		36,378	15,056	15,227	141.61%	138.91%
Imported Cargo	–	5,436,000	1,384,180	1,457,182	1,301,725	-5.01%	6.33%
Container	–		768,462	865,496	754,534	-11.21%	1.85%
General	–		615,718	591,686	547,191	4.06%	12.52%
Exported Cargo	–	1,846,000	444,699	482,621	428,858	-7.86%	3.69%
Container	–		441,072	482,621	424,913	-8.61%	3.80%
General	–		3,627	-	3,946	-	-8.08%
Cargo Handling	–	15,852,400	4,010,827	2,749,755	2,178,795	45.86%	84.08%
Direct Transfer	–	140,000	10,588	42,005	64,794	-74.79%	-83.66%
Container Yard and Warehouse	–	15,712,400	4,000,238	2,707,749	2,114,001	47.73%	89.23%
Container Throughput	TEUs	800,000	174,649	198,182	170,370	-11.87%	2.51%
Imported Container	–	415,000	89,749	105,509	88,269	-14.94%	1.68%
Full Container	–		79,770	90,183	82,364	-11.55%	-3.15%
Empty Container	–		9,979	15,326	5,905	-34.89%	68.99%
Exported Container	–	385,000	84,900	92,673	82,101	-8.39%	3.41%

Full Container	-		50,168	58,657	53,572	-14.47%	-6.35%
Empty Container	-		34,732	34,016	28,529	2.10%	21.74%
Calling Vessels	Units	1,458	369	412	357	-10.44%	3.36%
	Tons	14,404,000	4,582,004	3,898,453	3,477,075	17.53%	31.78%
Container	Units		173	168	154	2.98%	12.34%
	Tons		2,735,961	2,250,833	2,207,597	21.55%	23.93%
Tanker	Units		138	151	137	-8.61%	0.73%
	Tons		653,939	646,912	580,922	1.09%	12.57%
General	Units		50	91	66	-45.05%	-24.24%
	Tons		922,657	848,900	688,556	8.69%	34.00%
Passenger (Cruise Ship)	Units		8	2	-	300.00%	-
	Tons		269,447	151,808	-	77.49%	-
	Person		2,178	-	-	-	-







B. Revenue structure

Description	1 st Quarter 2023		1 st Quarter 2022		1 st Quarter 2021	
	'000 riels	Percentage of total income	'000 riels	Percentage of total income	'000 riels	Percentage of total income
Stevedoring Charge	36,383,789	46.87%	41,910,450	46.37%	38,107,218	46.88%
LOLO Charge	20,347,682	26.21%	25,661,631	28.39%	23,554,706	28.98%
Port Charge for Vessel Services	16,790,506	21.63%	15,669,790	17.34%	15,469,237	19.03%
Storage (Warehouse and Yard)	3,170,509	4.08%	6,050,402	6.69%	3,140,921	3.86%
Transportation	29,236	0.04%	42,047	0.05%	32,026	0.04%
Passenger vessel	34,968	0.05%	0	0.00%	0	0.00%
Special Economic Zone	383,442	0.49%	695,388	0.77%	576,995	0.71%
Rental fee	409,770	0.53%	282,342	0.31%	334,315	0.41%
Other revenues	77,543	0.10%	71,004	0.08%	75,695	0.09%
Total Revenue	77,627,445	100.00%	90,383,054	100.00%	81,291,113	100.00%



PART 3

Financial Statements Reviewed by the External Auditor



Reference: 61803762/67357358

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 31 March 2023 and the interim condensed statements of comprehensive income, changes in equity and cash flows for the three-month period ended 31 March 2023 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.

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 31 March 2023 and for the three-month period 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

30 May 2023

SIHANOUKVILLE AUTONOMOUS PORT

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
as at 31 March 2023

	Notes	31 March 2023	31 December 2022
		<i>KHR'000</i>	<i>KHR'000</i>
		<i>Unaudited</i>	<i>Audited</i>
ASSETS			
Non-current assets			
Property and equipment	6	983,265,472	963,712,781
Investment properties	7	248,036,438	248,296,705
Intangible assets	8	3,723,815	4,019,091
		1,235,025,725	1,216,028,577
Current assets			
Inventories	9	29,098,424	29,083,364
Trade and other receivables	10	37,533,671	37,956,862
Short-term bank deposits		175,791,305	102,908,264
Cash and cash equivalents		22,148,290	23,586,368
		264,571,690	193,534,858
Assets classified as held for sale	11	-	16,582,161
		264,571,690	210,117,019
Total assets		1,499,597,415	1,426,145,596
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	41,090,572
Retained earnings		370,669,835	304,692,311
Total equity		929,778,470	863,800,946
LIABILITIES			
Non-current liabilities			
Borrowings	14	351,677,996	364,677,087
Deposits from lessees		1,013,500	1,029,250
Retirement benefit obligations	15	70,915,761	69,824,053
Seniority payment obligations		1,338,383	1,316,716
Deferred income		11,947,746	12,203,200
Deferred tax liabilities		35,373,672	33,003,354
		472,267,058	482,053,660
Current liabilities			
Trade and other payables		45,585,291	35,066,073
Borrowings	14	29,392,045	30,433,490
Retirement benefit obligations	15	5,927,963	6,214,363
Seniority payment obligations		842,492	127,739
Deferred income		522,854	171,679
Income tax liabilities		15,281,242	8,277,646
		97,551,887	80,290,990
Total liabilities		569,818,945	562,344,650
Total equity and liabilities		1,499,597,415	1,426,145,596

The attached notes 1 to 26 form part of this interim condensed financial information.

SIHANOUKVILLE AUTONOMOUS PORT

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME for the three-month period ended 31 March 2023

	Notes	Three-month period ended	
		31 March 2023	31 March 2022
		KHR'000	KHR'000
		Unaudited	Unaudited
Revenue			
Revenue from contracts with customers	16	77,244,003	89,687,666
Rent income	7	383,442	695,388
		77,627,445	90,383,054
Expenses			
Other gains – net		82,988,545	112,385
Salaries, wages and related expenses	17	(24,679,691)	(28,262,942)
Consumable supplies	18	(28,578,209)	(27,474,183)
Depreciation and amortization charges	19	(11,568,346)	(11,118,499)
Repairs and maintenances		(454,442)	(435,670)
Other expenses		(12,281,372)	(6,771,770)
		5,426,485	(73,950,679)
Operating profit		83,053,930	16,432,375
Finance income - net	20	1,361,290	20,453,383
Profit before income tax		84,415,220	36,885,758
Income tax expense	21	(18,437,696)	(3,843,904)
Profit for the period		65,977,524	33,041,854
Profit for the period attributable to shareholders		65,977,524	33,041,854
Total comprehensive income for the period attributable to shareholders		65,977,524	33,041,854
The earnings per share attributable to shareholders of PAS during the period are as follows:			
Basic earnings per share (KHR)	22	769.22	385.23

The attached notes 1 to 26 form part of this interim condensed financial information.

SIHANOUKVILLE AUTONOMOUS PORT

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY for the three-month period ended 31 March 2023

	<i>Issued capital</i>	<i>Share premium</i>	<i>Reserves</i>	<i>Retained earnings</i>	<i>Total</i>
	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>
Balance at 1 January 2023 <i>(audited)</i>	450,302,828	67,715,235	41,090,572	304,692,311	863,800,946
Total comprehensive income for the period	-	-	-	65,977,524	65,977,524
Balance at 31 March 2023 <i>(unaudited)</i>	450,302,828	67,715,235	41,090,572	370,669,835	929,778,470
Balance at 1 January 2022 <i>(audited)</i>	450,302,828	67,715,235	31,719,832	234,156,264	783,894,159
Total comprehensive income for the period	-	-	-	33,041,854	33,041,854
Balance at 31 March 2022 <i>(unaudited)</i>	450,302,828	67,715,235	31,719,832	267,198,118	816,936,013

The attached notes 1 to 26 form part of this interim condensed financial information.

SIHANOUKVILLE AUTONOMOUS PORT

INTERIM CONDENSED STATEMENT OF CASH FLOWS for the three-month period ended 31 March 2023

	Notes	<i>Three-month period ended</i>	
		<i>31 March 2023</i>	<i>31 March 2022</i>
		<i>KHR'000</i> <i>Unaudited</i>	<i>KHR'000</i> <i>Unaudited</i>
Cash flows from operating activities			
Cash inflow from operations	23	20,925,685	27,154,037
Income tax paid		(9,063,782)	(8,216,223)
Net cash flows from operating activities		11,861,903	18,937,814
Cash flows from investing activities			
Purchases of property and equipment	6	(26,113,784)	(11,321,784)
Purchases of investment properties	7	(1,207,480)	(272,070)
Proceeds from short-term bank deposits		-	976,110
Placements in short-term bank deposits		(71,515,227)	-
Interest received		29,747	206,729
Proceeds from disposal of assets classified as held for sale	11	98,797,767	-
Net cash flows used in investing activities		(8,977)	(10,411,015)
Cash flows from financing activities			
Proceeds from borrowings		8,099	969,124
Repayments of borrowings		(10,100,613)	(11,558,787)
Interest paid		(3,198,490)	(3,880,217)
Net cash flows used in financing activities		(13,291,004)	(14,469,880)
Net decrease in cash and cash equivalents		(1,438,078)	(5,943,081)
Cash and cash equivalents at beginning of the period		23,586,368	22,468,929
Cash and cash equivalents at end of the period		22,148,290	16,525,848

The attached notes 1 to 26 form part of this interim condensed financial information.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
for the three-month period ended 31 March 2023

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 30 May 2023.

2. BASIS OF PREPARATION AND CHANGES TO THE COMPANY’S POLICIES

2.1 *Basis of preparation*

This interim condensed financial information for the three-month period ended 31 March 2023 has been prepared in accordance with Cambodian International Accounting Standard 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 2022, 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 period ended 31 March 2023

2. BASIS OF PREPARATION AND CHANGES TO THE COMPANY'S 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 2022, except for the adoption of new standards effective as of 1 January 2023. PAS has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments as summarised below apply for the first time in 2023, but do not have an impact on the interim condensed financial statements of the PAS.

- CIFRS 17, *Insurance Contracts*
- Definition of Accounting Estimates - Amendments to CIAS 8
- Disclosure of Accounting Policies - Amendments to CIAS 1 and CIFRS Practice Statement 2
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to CIAS 12

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 2022.

4. FINANCIAL RISK MANAGEMENT

4.1 *Financial risk factors*

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

The interim condensed financial information does not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with PAS' audited financial statements as at and for the year ended 31 December 2022.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month period ended 31 March 2023

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 cash equivalents 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 27,318,135 was generated from PAS’ major customers, each of which contributed at least 10% to the total reportable segment revenues for the three-month periods ended 31 March 2023.

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 behavior of end customers during the holiday season.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month period ended 31 March 2023

6. PROPERTY AND EQUIPMENT

2023 (Unaudited)

	<i>Land</i>	<i>Land improvement</i>	<i>Building</i>	<i>Technical equipment</i>	<i>Furniture and fittings</i>	<i>Computer and office equipment</i>	<i>Motor vehicles</i>	<i>Seaport equipment</i>	<i>Construction in progress</i>	<i>Palettes</i>	<i>Total</i>
	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>
Cost											
As at 1 January 2023	296,735,409	60,368,228	349,258,058	39,742,317	2,857,109	13,187,278	60,308,594	277,554,377	41,445,938	1,116,855	1,142,574,163
Additions	-	-	438,417	8,773	85,293	54,227	9,072,195	737,410	18,758,063	-	29,154,378
As at 31 March 2023	296,735,409	60,368,228	349,696,475	39,751,090	2,942,402	13,241,505	69,380,789	278,291,787	60,204,001	1,116,855	1,171,728,541
Accumulated depreciation											
As at 1 January 2023	-	(10,284,858)	(49,633,139)	(17,930,024)	(2,233,720)	(10,454,965)	(17,192,291)	(70,095,468)	-	(1,036,917)	(178,861,382)
Depreciation	-	(749,275)	(2,482,779)	(1,047,263)	(118,922)	(458,520)	(1,236,895)	(3,503,328)	-	(4,705)	(9,601,687)
As at 31 March 2023	-	(11,034,133)	(52,115,918)	(18,977,287)	(2,352,642)	(10,913,485)	(18,429,186)	(73,598,796)	-	(1,041,622)	(188,463,069)
Net book value											
As at 31 March 2023	296,735,409	49,334,095	297,580,557	20,773,803	589,760	2,328,020	50,951,603	204,692,991	60,204,001	75,233	983,265,472

2022 (Audited)

	<i>Land</i>	<i>Land improvement</i>	<i>Building</i>	<i>Technical equipment</i>	<i>Furniture and fittings</i>	<i>Computer and office equipment</i>	<i>Motor vehicles</i>	<i>Seaport equipment</i>	<i>Construction in progress</i>	<i>Palettes</i>	<i>Total</i>
	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>
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	1,650,805	2,234,217	385,333	1,459,152	12,477,035	587,408	16,020,695	94,094	36,426,045
Disposal	-	-	-	-	-	-	(973,100)	-	-	-	(973,100)
Transfers	-	-	99,558	-	-	-	-	-	(99,558)	-	-
As at 31 December 2022	296,735,409	60,368,228	349,258,058	39,742,317	2,857,109	13,187,278	60,308,594	277,554,377	41,445,938	1,116,855	1,142,574,163
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	-	(2,962,521)	(9,709,946)	(4,102,483)	(470,600)	(2,742,354)	(4,386,521)	(13,958,625)	-	(19,520)	(38,352,570)
Disposal	-	-	-	-	-	-	446,562	-	-	-	446,562
As at 31 December 2022	-	(10,284,858)	(49,633,139)	(17,930,024)	(2,233,720)	(10,454,965)	(17,192,291)	(70,095,468)	-	(1,036,917)	(178,861,382)
Net book value											
As at 31 December 2022	296,735,409	50,083,370	299,624,919	21,812,293	623,389	2,732,313	43,116,303	207,458,909	41,445,938	79,938	963,712,781

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month period ended 31 March 2023

6. PROPERTY AND EQUIPMENT (continued)

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

	<i>31 March 2023</i>	<i>31 March 2022</i>
	<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)	29,106,574	11,519,183
Increase in payable to a supplier	<u>(2,992,790)</u>	<u>(197,399)</u>
Cash used in purchase of property and equipment	<u>26,113,784</u>	<u>11,321,784</u>

Interest cost on borrowings that was capitalized on qualifying assets for the three-month period ended 31 March 2023 was KHR'000 47,804 (31 March 2022: KHR'000 45,370).

7. INVESTMENT PROPERTIES

2023

	<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 2023 (<i>audited</i>)	122,715,963	168,774,898	-	291,490,861
Additions	-	1,144,926	266,190	1,411,116
Disposal	-	<u>(274,194)</u>	-	<u>(274,194)</u>
As at 31 March 2023 (<i>unaudited</i>)	<u>122,715,963</u>	<u>169,645,630</u>	<u>266,190</u>	<u>292,627,783</u>
Accumulated depreciation				
As at 1 January 2023 (<i>audited</i>)	-	(43,194,156)	-	(43,194,156)
Depreciation	-	(1,671,383)	-	(1,671,383)
Disposal	-	<u>274,194</u>	-	<u>274,194</u>
As at 31 March 2023 (<i>unaudited</i>)	<u>-</u>	<u>(44,591,345)</u>	<u>-</u>	<u>(44,591,345)</u>
Net book value				
As at 31 March 2023 (<i>unaudited</i>)	<u>122,715,963</u>	<u>125,054,285</u>	<u>266,190</u>	<u>248,036,438</u>

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month period ended 31 March 2023

7. INVESTMENT PROPERTIES (continued)

2022 (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 2022	121,633,563	168,579,653	-	290,213,216
Additions	-	195,245	1,082,400	1,277,645
Transfers	1,082,400	-	(1,082,400)	-
As at 31 December 2022	122,715,963	168,774,898	-	291,490,861
Accumulated depreciation				
As at 1 January 2022	-	(37,017,517)	-	(37,017,517)
Depreciation	-	(6,176,639)	-	(6,176,639)
As at 31 December 2022	-	(43,194,156)	-	(43,194,156)
Net book value				
As at 31 December 2022	122,715,963	125,580,742	-	248,296,705

Cash purchases of investment properties:

	<i>31 March 2023</i>	<i>31 March 2022</i>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Unaudited</i>
Purchases (cash and non-cash) during the period	1,411,116	272,070
Increase payable to a supplier (non-cash)	(203,636)	-
Cash used in purchase of investment properties	1,207,480	272,070

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>31 March 2023</i>	<i>31 March 2022</i>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Unaudited</i>
Rental income	383,442	695,388
Depreciation	(1,671,383)	(1,540,878)
Direct operating expenses arising from investment properties that generate rental income	(705,782)	(700,868)

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month period ended 31 March 2023

8. INTANGIBLE ASSETS

	<u>2023</u>	<u>2022</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Audited</i>
Cost		
As at 1 January	11,539,381	11,288,083
Additions	-	251,298
As at 31 March/31 December	11,539,381	11,539,381
Accumulated amortization		
As at 1 January	(7,520,290)	(6,351,751)
Amortization	(295,276)	(1,168,539)
As at 31 March/31 December	(7,815,566)	(7,520,290)
Net book value		
As at 31 March/31 December	3,723,815	4,019,091

9. INVENTORIES

	<u>31 March 2023</u>	<u>31 December 2022</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Audited</i>
Consumable supplies	25,962,034	25,507,563
Combustible materials	1,895,673	2,021,678
Oil and lubricant	1,336,121	1,649,527
	29,193,828	29,178,768
Allowance for slow-moving inventories	(95,404)	(95,404)
	29,098,424	29,083,364

10. TRADE AND OTHER RECEIVABLES

	<u>31 March 2023</u>	<u>31 December 2022</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Audited</i>
Trade receivables	35,005,222	30,567,910
Loss allowance (<i>Note a</i>)	(87,481)	(232,950)
Trade receivables, net	34,917,741	30,334,960
Advances to MoPWT (<i>Note b</i>)	2,221,303	7,221,303
Advances	308,926	314,488
Prepayments	85,701	86,111
Other receivables	2,615,930	7,621,902
	37,533,671	37,956,862

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

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month period ended 31 March 2023

10. TRADE AND OTHER RECEIVABLES (continued)

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

	<u>31 March 2023</u>	<u>31 December 2022</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Audited</i>
Beginning balance	232,950	329,241
Reversal during the period/year	(145,469)	(96,291)
Ending balance	87,481	232,950

(b) This represents outstanding cash advance amounting to KHR'000 1,221,303 to the MoPWT according to 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. On 14 March 2023, MoPWT repaid KHR 5 billion to PAS.

The remaining 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. 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. The size of the land changed based on remeasurement as part of ownership transferring process by the Ministry of Land Management, Urban Planning and Construction. The buyer settled the remaining contract value based on the confirmed size at US\$ 20 or KHR'000 81 per square meter. Since then, it has been classified and presented as assets classified as held for sale.

In January 2023, the process of transferring hard title deeds was completed. The size of the land was 1,309,275 square meters based on hard title deed issued by the Ministry of Land Management, Urban Planning and Construction. The remaining contract value was settled and received in February 2023. Gain on disposal amounted to KHR'000 84,815,997 was recognized under Other gains – net in profit or loss for the period.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month period ended 31 March 2023

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 31 March 2023 (unaudited)	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 2022 (audited)	364,530,861	364,530,861	64,328,975	64,328,975	21,442,992	21,442,992	67,715,235	518,018,063

According to Article 11 of the Articles of Incorporation dated 12 April 2019, the existing capital of KHR 428,859,836,000 were allocated into 364,530,861 class A shares and 64,328,975 class B shares with a par value of KHR 1,000 per share. Both class A shares and class B shares are 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 Article 9 of the Articles of Incorporation dated 12 April 2019. Class B shares have voting rights and are entitled to dividend as approved by the Board of Directors. The number of shares issued in class C shares are 21,442,992 shares with a par value of KHR 1,000 per share. All issued shares were fully paid.

The details of voting rights shares are as follows:

	Percentage	Number of shares	KHR'000
Shareholders			
Class B shares:			
The Royal Government of Cambodia	75%	64,328,975	64,328,975
Class C shares:			
Kamigumi	13%	11,150,324	11,150,324
Public investors	12%	10,292,668	10,292,668
	25%	21,442,992	21,442,992
	100%	85,771,967	85,771,967

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month period ended 31 March 2023

13. OTHER RESERVES

	<u>31 March 2023</u>	<u>31 December 2022</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Audited</i>
Opening balance	41,090,572	31,719,832
Add: General reserve	-	4,685,370
Legal reserve	-	4,685,370
Closing balance	<u>41,090,572</u>	<u>41,090,572</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>31 March 2023</u>	<u>31 December 2022</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Audited</i>
Borrowings from:		
MoEF - (JBIC) - Loan No. CP-P3	40,998,158	44,418,903
MoEF - (JBIC) - Loan No. CP-P4	90,885,289	91,466,472
MoEF - (JBIC) - Loan No. CP-P6	5,089,863	5,354,396
MoEF - (JBIC) - Loan No. CP-P8	87,751,209	90,590,009
MoEF - (JICA) - Loan No. CP-P10	142,764,248	149,582,039
MoEF - (JICA) - Loan No. CP-P21	13,581,274	13,698,758
	<u>381,070,041</u>	<u>395,110,577</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>31 March 2023</u>	<u>31 December 2022</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Audited</i>
<i>Current</i>		
Not later than one year	<u>29,392,045</u>	<u>30,433,490</u>
<i>Non-current</i>		
Later than one year but not later than two years	27,844,077	28,072,753
Later than two years but not later than five years	83,532,232	84,218,260
Later than five years	240,301,687	252,386,074
	<u>351,677,996</u>	<u>364,677,087</u>
	<u>381,070,041</u>	<u>395,110,577</u>

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month period ended 31 March 2023

14. BORROWINGS (continued)

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

	<u>31 March 2023</u>	<u>31 December 2022</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Audited</i>
<i>Carrying value</i>		
Current portion	29,392,045	30,433,490
Non-current portion	351,677,996	364,677,087
	<u>381,070,041</u>	<u>395,110,577</u>
<i>Fair value</i>		
Current portion	29,392,045	30,433,490
Non-current portion	351,677,996	364,677,087
	<u>381,070,041</u>	<u>395,110,577</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>31 March 2023</u>	<u>31 December 2022</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Audited</i>
JPY	290,184,752	303,644,105
US\$	90,885,289	91,466,472
	<u>381,070,041</u>	<u>395,110,577</u>

The interest rates per annum are as follows:

	<u>31 March 2023</u>	<u>31 December 2022</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%

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month period ended 31 March 2023

15. RETIREMENT BENEFIT OBLIGATIONS

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

	<u>31 March 2023</u>	<u>31 December 2022</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>76,843,724</u>	<u>76,038,416</u>

The retirement benefit obligations as at end of 31 March 2023 and 31 December 2022 above are unfunded.

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

	<i>Three-month period ended</i>	
	<u>31 March 2023</u>	<u>31 March 2022</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Unaudited</i>
Beginning balance	76,038,416	88,180,984
Current service cost	452,873	427,250
Interest expense	1,198,910	1,153,500
Benefits paid	(846,475)	(790,698)
Closing balance	<u>76,843,724</u>	<u>88,971,036</u>
	<u>31 March 2023</u>	<u>31 December 2022</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Audited</i>
Current portion	5,927,963	6,214,363
Non-current portion	70,915,761	69,824,053
	<u>76,843,724</u>	<u>76,038,416</u>

The retirement benefit costs recognized within salaries, wages and related expenses and remeasurement of retirement benefit obligations in the interim statement comprehensive income are as follows:

	<i>Three-month period ended</i>	
	<u>31 March 2023</u>	<u>31 March 2022</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Unaudited</i>
Current service cost	452,873	427,250
Interest expense	1,198,910	1,153,500
	<u>1,651,783</u>	<u>1,580,750</u>

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month period ended 31 March 2023

15. RETIREMENT BENEFIT OBLIGATIONS (continued)

The principal actuarial assumptions are as follows:

	<u>2023</u>	<u>2022</u>
Average years of service	19.9	19.9
Discount rate per annum	6.5%	6.5%
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

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

	<i>Three-month period ended</i>	
	<u>31 March 2023</u>	<u>31 March 2022</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Unaudited</i>
Stevedoring charges	36,383,789	41,910,451
LO-LO and container storage	23,518,191	31,712,033
Port due/charge services	16,790,506	15,669,790
Others	551,517	395,392
	<u>77,244,003</u>	<u>89,687,666</u>

Timing of revenue recognition:

	<i>Three-month period ended</i>	
	<u>31 March 2023</u>	<u>31 March 2022</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Unaudited</i>
At a point in time	73,663,724	83,354,922
Over time	3,580,279	6,332,744
	<u>77,244,003</u>	<u>89,687,666</u>

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month period ended 31 March 2023

17. SALARIES, WAGES AND RELATED EXPENSES

	<i>Three-month period ended</i>	
	<i>31 March 2023</i>	<i>31 March 2022</i>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Unaudited</i>
Employee salaries	16,115,122	18,932,254
Bonus	4,183,141	4,964,879
Retirement benefit expenses	1,651,783	1,580,750
Seniority benefits	736,420	1,041,813
Directors' remuneration	349,200	349,200
Social security	334,473	234,544
Wages for contractors	55,665	28,500
Others	1,253,887	1,131,002
	24,679,691	28,262,942

18. CONSUMABLE SUPPLIES

	<i>Three-month period ended</i>	
	<i>31 March 2023</i>	<i>31 March 2022</i>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Unaudited</i>
Spare parts	13,499,335	6,971,236
Combustible expenses	10,269,889	16,889,391
Warehouse supplies	2,592,398	2,354,649
Office supplies	1,118,881	231,787
Oil and lubricant	762,741	942,060
Other consumables	334,965	85,060
	28,578,209	27,474,183

19. DEPRECIATION AND AMORTIZATION CHARGES

	<i>Three-month period ended</i>	
	<i>31 March 2023</i>	<i>31 March 2022</i>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Unaudited</i>
Property and equipment (Note 6)	9,601,687	9,294,909
Investment properties (Note 7)	1,671,383	1,540,878
Intangible assets (Note 8)	295,276	282,712
	11,568,346	11,118,499

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month period ended 31 March 2023

20. FINANCE INCOME - NET

	<i>Three-month period ended</i>	
	<u>31 March 2023</u>	<u>31 March 2022</u>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Unaudited</i>
<i>Finance income:</i>		
Interest income on bank deposits (<i>Note a</i>)	1,407,258	944,995
Net exchange gains on foreign currency borrowings (<i>Note b</i>) and others	2,314,657	22,173,857
	3,721,915	23,118,852
<i>Finance costs:</i>		
Interest expenses on borrowings from MoEF (<i>Note c</i>)	(2,360,625)	(2,665,469)
Finance income - net	1,361,290	20,453,383

(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 losses/gains on its borrowings. The exchange rates are based on the exchange rates published by the National Bank of Cambodia as at the end of reporting period.

	<u>31 March 2023</u>	<u>31 December 2022</u>	<u>31 March 2022</u>	<u>31 December 2021</u>
JPY/KHR	30.775	30.945	33.305	35.590
US\$/KHR	4,054	4,117	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 24*).

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.

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.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month period ended 31 March 2023

21. INCOME TAX EXPENSE (continued)

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>31 March 2023</i>	<i>31 March 2022</i>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Unaudited</i>
Current income tax	16,067,378	4,162,560
Under provision of current income tax from prior year	-	1,629,600
Deferred income tax	2,370,318	(1,948,256)
	18,437,696	3,843,904

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>31 March 2023</i>	<i>31 March 2022</i>
	<i>KHR'000</i>	<i>KHR'000</i>
	<i>Unaudited</i>	<i>Unaudited</i>
Profit attributable to shareholders	65,977,524	33,041,854
Weighted average number of shares	85,771,967	85,771,967
Basic earnings per share (KHR)	769.22	385.23

(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.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month period ended 31 March 2023

23. CASH GENERATED FROM OPERATIONS

	Notes	Three-month period ended	
		31 March 2023	31 March 2022
		KHR'000	KHR'000
		Unaudited	Unaudited
Profit before income tax		84,415,220	36,885,758
<i>Adjustments for:</i>			
Finance income – net	20	(1,361,291)	(20,453,383)
Depreciation and amortization charges	19	11,568,346	11,118,499
Gain from disposal of assets classified as held for sale	11	(84,815,997)	-
Seniority payment obligations		736,420	1,041,814
Retirement benefit obligations	15	1,651,783	790,052
Provision for expected credit losses on short-term bank deposits		9,697	17,810
(Reversal of) provision for impairment of trade receivables		(145,469)	454,735
<i>Changes in working capital:</i>			
Inventories		(15,060)	272,199
Trade and other receivables		(274,643)	(8,473,105)
Trade and other payables		9,060,958	353,385
Deferred income		95,721	5,146,273
Cash generated from operations		20,925,685	27,154,037

24. 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) Amount due to MoEF

	31 March 2023	31 December 2022
	KHR'000	KHR'000
	Unaudited	Audited
Borrowings from:		
MoEF – (JICA) (Note 14)	156,345,522	163,280,797
MoEF – (JBIC) (Note 14)	224,724,519	231,829,780
	381,070,041	395,110,577

(ii) Amount due from MoPWT

	31 March 2023	31 December 2022
	KHR'000	KHR'000
	Unaudited	Audited
Advances to MoPWT (Note 10)	2,221,303	7,221,303

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (continued)
for the three-month period ended 31 March 2023

24. RELATED PARTY TRANSACTIONS (continued)

(b) Related party transactions

	Three-month period ended	
	31 March 2023	31 March 2022
	KHR'000	KHR'000
	Unaudited	Unaudited
Costs of borrowings from MoEF:		
Interest expenses (Note 20)	2,360,625	2,665,469
Capitalized interest costs (Note 6)	47,804	45,370
Repayment of advances to MoPWT (Note 10)	5,000,000	-
Advance to MoPWT (Note 10)	-	6,000,000

(c) Key management compensation

Key management compensation for the three-month period ended is as follows:

	Three-month period ended	
	31 March 2023	31 March 2022
	KHR'000	KHR'000
	Unaudited	Unaudited
<i>Board of Directors</i>		
Fees and related expenses	349,200	349,200
<i>Key management personnel</i>		
Salaries and other expenses	1,154,887	1,370,736
Retirement benefit expenses (*)	57,638	4,654

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.

25. COMMITMENT AND CONTINGENCY

Commitment

As at 31 March 2023, PAS had outstanding capital expenditure commitment of KHR 1,120,567 million for the New Container Terminal 1 project (31 December 2022: KHR 1,138,007 million) for its purchase of construction services and property and equipment.

Contingency

On 11 January 2023, the Company received a Notice of Tax Reassessment ("NTR") from the GDT for the desk tax audit from 1 April 2021 to 30 November 2022. The Company is continuously discussing with the GDT the merits of these outstanding tax matters with a firm position against the GDT. Given the uncertainty of the final outcome of these reassessments, management believes that an outflow of resources cannot be reliably estimated at the present date.

26. 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 1st quarter 2022 report.

For this 1st quarter 2023, the volume of PAS's container throughput decreased by 23,533 TEUs equivalent to 11.87% compared to 1st quarter 2022, and Gross cargoes throughput decreased by 5.72% equivalent to 110,924 tons. Among gross cargoes throughput, container in tons decreased 10.28% equivalent to 138,583 tons, and general cargoes decreased 28,502 tons equivalent to 59.67%, as for fuels increased by 6.59% equal to 34,839 tons, also gas increased by 141.61% equivalent to 21,322 tons. Moreover, PAS's calling vessel decreased by 10.44% equal to 43 vessels, yet gross tonnages increased by 17.53% equal to 683,551 tons compared to 1st quarter 2022.

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 1st quarter 2023 and 2022 as shown in Part 3 of this 1st quarter 2023 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

For the period ended 31st March 2023 compared to the period ended 31st March 2022

Description	1 st Quarter 2023	1 st Quarter 2022	Changes	
	'000 riels	'000 riels	'000 riels	%
Revenue	77,627,445	90,383,054	(12,755,609)	-14.11

For this 1st quarter 2023, PAS's income decreased by 12,755,609,000 Riels equivalent to 14.11% decreased from 90,383,054,000 Riels in 1st quarter 2022 to 77,627,445,000 Riels in 1st quarter 2023. This decreased in income was mostly derived from Stevedoring Charges, LOLO Charge, Port Charge Services and Storage Fees (warehouse and yard).

1.1 Revenue by Segment Analysis

Table of Revenue Comparison by Sections Against Total Revenues For 1st Quarter 2023 and 1st Quarter 2022

Description	1 st Quarter 2023		1 st Quarter 2022	
	'000 riels	Percentage of total income	'000 riels	Percentage of total income
Stevedoring Charge	36,383,789	46.87%	41,910,450	46.37%
LOLO Charge	20,347,682	26.21%	25,661,631	28.39%
Port Charge for Vessel Services	16,790,506	21.63%	15,669,790	17.34%
Storage (Warehouse and Yard)	3,170,509	4.08%	6,050,402	6.69%
Transportation	29,236	0.04%	42,047	0.05%
Passenger vessel	34,968	0.05%	0	0.00%
Special Economic Zone	383,442	0.49%	695,388	0.77%
Rental fee	409,770	0.53%	282,342	0.31%
Other revenues	77,543	0.10%	71,004	0.08%
Total Revenue	77,627,445	100.00%	90,383,054	100.00%

In the 1st quarter 2023 as well as 2022, 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 31st March 2023 compared to the period ended 31st March 2022

Description	1 st Quarter 2023	1 st Quarter 2022	Changes	
	'000 riels	'000 riels	'000 riels	%
Stevedoring Charge	36,383,789	41,910,450	(5,526,661)	-13.19%
LOLO Charge	20,347,682	25,661,631	(5,313,949)	-20.71%
Port Charge for Vessel Services	16,790,506	15,669,790	1,120,716	7.15%
Storage (Warehouse and Yard)	3,170,509	6,050,402	(2,879,893)	-47.60%

The income from Stevedoring charge decreased approximately by 13.19% equivalent to 5,526,661,000 Riels, and LOLO charge decreased by 20.71% equivalent to 5,313,949,000 Riels comparing between 1st quarter 2023 and 1st quarter 2022. These decreases were resulted by the decrease of container throughput with the volume of 23,533 TEUs equivalent to 11.87% for this 1st quarter 2023.

The income derived from this port charge for vessel services was depended on the number of vessels and tonnage throughput of PAS. For this 1st quarter of 2023, the number of vessels calling to PAS decreased by 43 vessels equal to 10.44%, yet tonnage throughput increased by 17.53% equal to 683,551 tons. However, the income on Port charge for vessel service increased from 15,669,790,000 Riels in 1st quarter 2022 to 16,790,506,000 Riels in 1st quarter 2023, increased by 7.15% equal to 1,120,716,000 Riels. This is because in 1st quarter 2023, the container vessels increased by 2.98% equal to 5 vessels and cruise ship increased by 300.00% equal to 6 vessels if compared to the same period in 2022.

The income from storage, warehouse, and yard decreased by 2,879,893,000 Riels equivalent to 47.60% compared between 1st quarter 2023 with the income amount of 3,170,509,000 Riels and 1st quarter 2022 with amount of 6,050,402,000 Riels. The reason for this decrease was caused by the decreasing in container cargoes and cargoes throughput if compared to the same period in 2022.

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 31st March 2023 compared to the period ended 31st March 2022

Description	1 st Quarter 2023	1 st Quarter 2022	Changes	
	'000 riels	'000 riels	'000 riels	%
Revenue	77,627,445	90,383,054	(12,755,609)	-14.11%
Consumable Supplies	(28,578,209)	(27,474,183)	(1,104,026)	4.02%
Salaries, Wages and related expenses	(24,679,691)	(28,262,942)	3,583,251	-12.68%
Depreciation and Amortisation charge	(11,568,346)	(11,118,499)	(449,847)	4.05%
Repairs and Maintenances	(454,442)	(435,670)	(18,772)	4.31%
Other expenses	(12,281,372)	(6,771,770)	(5,509,602)	81.36%
Other gain /(Losses)-net	82,988,545	112,385	82,876,160	73743.08%
Net- Finance (Costs)/(gain)	1,361,290	20,453,383	(19,092,093)	-93.34%
Profit before income tax	84,415,220	36,885,758	47,529,462	128.86%

For 1st quarter 2023, PAS's expenses on Consumable Supplies amounted to 28,578,209,000 Riels increased by 1,104,026,000 Riels equivalent to 4.02% compared to the 1st quarter of 2022 with the expense amounted of 27,474,183,000 Riels. The main factor that caused such increase was resulted by spare parts expenses increased by 93.64% equivalent to 6,528,099,000 Riels in this 1st quarter 2023 because large-scale of machinery was repaired and maintained when the port operation was less busy to avoid congestion when the full operation was smoothly at that time (Pre-Maintenance).

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 decreased by 13.19% and LOLO incomes slightly decreased by 20.71% in this 1st quarter 2023. Moreover, the expense on Salary, wages, and other related expenses had decreased by 12.68% equivalent to 3,583,251,000 Riels compared that to 1st quarter 2023 with the expense amount of 24,679,691,000 Riels and 28,262,942,000 Riels in 1st quarter 2022. The main factors of the decrease on employee salaries expenses which decreased by 14.88% equal to 2,817,132,000 Riels, also the bonuses expenses which decreased approximately 15.75% equal to 781,738,000 Riels. Moreover, accrued seniority payment decreased 29.31% equal to 305,393,000 Riels if compared to 1st quarter 2022.

The expense on depreciation and amortization included property, equipment, and intangible asset in 1st quarter 2023 amounted to 11,568,346,000 Riels increased by 449,847,000 Riels equivalent to 4.05% compared to that of 1st quarter 2022 with the expense amount of 11,118,499,000 Riels. The factor that caused such an increase was resulted from the expense on depreciation of property and equipment which increased by 306,778,000 Riels equivalent to 3.30% and depreciation of investment properties increased by 130,505,000 Riels equivalent to 8.47%.

The expense on repair and maintenance increased by 18,772,000 Riels equal to 4.31%, the total expense of repair and maintenance in 1st quarter 2023 was 454,442,000 Riels and 435,670,000 Riels in 1st quarter 2022.

The Other expenses increased by 81.36% equivalent to 5,509,602,000 Riels, which increased from 6,771,770,000 Riels in 1st quarter 2022 to 12,281,372,000 Riels in 1st quarter 2023. The main reasons that caused the increased of other expenses were the decreased in Contributions and donations expenses which decreased by 138.88% equal to 4,433,451,000 Riels and the increased of utilities expenses by 984.13% equivalent to 714,028,000 Riels in this 1st quarter 2023.

Other gain /(Losses)-net refers to Realized Foreign Exchange Gain-Loss and gain on disposal which in this 1st quarter 2023, the gains from realized foreign exchange with the amount

of 82,988,545,000 Riels increased by 73743.08% equivalent to 82,876,160,000 Riels compared to 1st quarter 2022 amounted to the gains of 112,385,000 Riels due to gained from assets classified as held for sale.

Finance Income/(Costs)-net refers to Unrealized Foreign Exchange Gain-Loss, for the 1st quarter 2023, there was an income of 1,361,290,000 Riels decreased the Finance income by 93.34% equivalent to 19,092,093,000 Riels compared to the 1st quarter 2022 with the Finance income of 20,453,383,000 Riels. The main factor of this change in Finance Income/(Costs)-net was because in 1st quarter 2022, there was the net gain unrealized foreign exchange currency (Japanese Yen) amounted to 22,173,857,000 Riels, if compared to 1st quarter 2023 with the net gain unrealized foreign exchange currency of 2,312,662,000 Riels.

In conclusion, PAS's profit before income tax in 1st quarter 2023 is 84,415,220,000 Riels increased by 47,529,462,000 Riels equivalent to 128.86% if compared to 1st quarter 2022 with the profit before income tax amount of 36,885,758,000 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 31st March 2023 compared to the period ended 31st March 2022

Description	1 st Quarter 2023	1 st Quarter 2022	Changes	
	'000 riels	'000 riels	'000 riels	%
Profit before income tax (A)	84,415,220	36,885,758	47,529,462	128.86%
Income tax expense (B)	(18,437,696)	(3,843,904)	(14,593,792)	379.66%
Profit for the period	65,977,524	33,041,854	32,935,670	99.68%
Remeasurement of retirement benefit obligations	-	-		
Total comprehensive income for the period	65,977,524	33,041,854	32,935,670	99.68%
Effective Tax Rate (B)/(A)	21.84%	10.42%		

PAS has the profit after tax with the equivalent amount 33,041,854,000 Riels in the 1st quarter 2022 and Profit after tax of 65,977,524,000 Riels in the 1st quarter 2023 with the increased profit after income tax amount of 32,935,670,000 Riels equivalent to 99.68%. The main factors

that caused the profit after tax to be increased is due to the gain of assets classified as held for sale compared to the same period of 2022.

The Effective tax rate on profit increased from 10.42% in 1st quarter 2022 to 21.84% in 1st quarter 2023, because of increased of profit before income tax in 1st quarter 2023.

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 2.9% for year 2023, while Cambodia's economy will growth around 6.2%, 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 1st quarter 2023, 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 1st quarter of 2023, 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. 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 1st quarter 2023, there is no modification or a request for modification of the depreciation policy by the independent 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 6.2%, while the world economy growth with the expected rate of 2.9% (IMF) for year 2023. 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.

2. Fluctuations in Prices of Raw Materials Analysis

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

3. Tax Analysis

PAS is under the law of business companies in the field of taxation and VAT; therefore, PAS has the obligation to pay tax in accordance with the laws and regulations in force. PAS has to pay tax and in accordance with the ration of income and was determined as a large taxpayer by the General Department of Taxation. Regarding tax on annual profit, PAS will be obligated to pay at 20% rate start from year 2020 after received the incentive benefit for three years. While other

kinds of taxes, PAS has implemented its obligation according to the law on taxation of the Kingdom of Cambodia.

C. Material Changes in Sales and Revenue

PAS' main income is derived from stevedoring, LOLO and port's services which contributed around 98% of the total income in 1st quarter of 2023, 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

1. 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.

2. 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 1st quarter 2023, there is no impact on the changes of interest rate.

3. 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, and infrastructure of the International Airport in Preah Sihanouk province.
- Policy on save cost of transportation through the Express Way from Phnom Penh - Sihanoukville
- 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 1st quarter of 2023, there is other necessary information for the protection of investors as below:

- Approved 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)
- Approved the report of the Risk Management, the Nomination and Remuneration and the Audit Committee. The members of board approved the purchase of a 4,000-horsepower trailer included in the 2023 PAS's Business Budget Plan (Services). As for the Pilot Boat, PAS must send a formal letter request to His Excellency, General Deputy Prime Minister, Minister of Economy and Finance to review and decide.
- Approved the report on the progress of the project to renovate the general cargo port into a 253-meter-long container port, the new container terminal development project - Phase 1, Phase 2 and Phase 3 and requested His Excellency Phan Phalla, a representative of the Ministry of Economy and Finance, helped to accelerate the implementation of these projects as planned, as the PAS's operation has now exceeded its normal capacity more than twice.
- Approved the report of the 2022 PAS's business results.
- Approved the financial statements for the fourth quarter and for the 12-month period ended 31 December 2022, reviewed by the independent audit firm Ernst & Young (Cambodia) Ltd (Financial Performance Review).
- After reviewing and discussing, the members of board was joyed and honored to have **Samdech Akka Moha Sena Padei Techo Hun Sen**, Prime Minister of the Kingdom of Cambodia come to visit and have a conversation meeting with the employees and staffs, the Opening Construction Ceremony of a 253-Meter Container Terminal (Modified from a General Warehouse); -16.5 meters and the third step, 430 meters long, water depth -17.5 meters and the Westerdam Memorial on the occasion of the celebration of International Labor Day, May 1, 2023 at Sihanoukville Autonomous Port and approved PAS to organize this ceremony.
- Approved for PAS to have a meeting with Royal Railway Co., Ltd to determine the lease term of a land of 156,728 square meters in Sangkat Trapeang Krasang. Khan Dangkor, Phnom Penh, between 3 to 5 years with a reasonable price, and send a formal letter request to His Excellency, General Deputy Prime Minister, Minister of Economy and Finance for decision.
- Approved the sight visit plan of the Board of Directors and PAS's management team to visit Japan for the purpose of studying information technology and port development in the ports of Japan, and thanked Mr. KUME Hidetoshi for the cooperation with PAS's

management team on this job This is the first experience for the Board of Directors, State Controller and PAS's management team which we hope that there would be more sight visit to other port that has connection with PAS as well.

- Approved the report on the sale of land of Sihanoukville Autonomous Port, located in Koki village, Bit Trang commune, Prey Nob district, Sihanoukville province.
- Approved the report on the PAS's preferential service fee for goods of the Royal Government in 2022.

Signature of Directors of Sihanoukville Autonomous Port

Date: 1st June 2023

Read and Approved



Signature

Lou Kim Chhun

Chairman



Sihanoukville Autonomous Port



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