

**SIHANOUKVILLE AUTONOMOUS PORT**

**CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2018**

**SIHANOUKVILLE AUTONOMOUS PORT**

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## Report on review of condensed interim financial information

To the shareholders of Sihanoukville Autonomous Port

### *Introduction*

We have reviewed the accompanying condensed interim statement of financial position of Sihanoukville Autonomous Port as of 31 March 2018 and the related condensed statements of profit or loss and other comprehensive income, changes in equity and cash flows for the three-month period then ended and notes, comprising a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with Cambodian International Accounting Standard 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

### *Scope of review*

We conducted our review in accordance with Cambodian International Standard on Review Engagements 2410, 'Review of interim financial information performed by the independent auditor of the entity'. A review of interim 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 and consequently 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 condensed interim financial information is not prepared, in all material respects, in accordance with Cambodian International Accounting Standard 34, 'Interim Financial Reporting'.

For PricewaterhouseCoopers (Cambodia) Ltd.

  
By Lang Hy  
Partner



Phnom Penh, Kingdom of Cambodia  
Date: 18 May 2018

**SIHANOUKVILLE AUTONOMOUS PORT**

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)  
AS AT 31 MARCH 2018**

	<b>Note</b>	<b>31 March 2018 KHR'000 (Reviewed but unaudited)</b>	<b>31 December 2017 KHR'000 (Audited)</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	7	812,415,593	808,870,338
Investment properties	8	282,416,249	283,672,069
Intangible assets	9	8,291,984	8,557,702
Loans to employees	10	4,860,605	5,305,113
		<u>1,107,984,431</u>	<u>1,106,405,222</u>
<b>Current assets</b>			
Loans to employees	10	1,681,080	1,618,425
Inventories	11	7,568,990	8,443,566
Trade and other receivables	12	39,327,576	39,767,395
Short-term bank deposits	13	73,187,440	73,194,201
Cash and cash equivalents	14	38,672,143	51,081,229
		<u>160,437,229</u>	<u>174,104,816</u>
<b>Total assets</b>		<u><u>1,268,421,660</u></u>	<u><u>1,280,510,038</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital and share premium	15	518,018,063	518,018,063
Other reserves	16	17,641,914	17,641,914
Retained earnings		99,688,816	110,950,577
<b>Total equity</b>		<u>635,348,793</u>	<u>646,610,554</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	17	520,384,420	503,537,306
Retirement benefit obligations	18	42,978,564	41,008,255
Guaranteed dividend payable	15	10,339,777	9,356,260
Deferred tax liabilities		10,722,972	7,617,200
Deferred income	19	5,940,819	5,795,114
		<u>590,366,552</u>	<u>567,314,135</u>
<b>Current liabilities</b>			
Guaranteed dividend payable	15	4,668,282	5,403,634
Income tax liabilities		569,935	3,462,418
Trade and other payables	20	17,084,463	35,888,500
Borrowings	17	20,251,635	21,697,576
Deferred income	19	132,000	133,221
		<u>42,706,315</u>	<u>66,585,349</u>
<b>Total liabilities</b>		<u>633,072,867</u>	<u>633,899,484</u>
<b>Total equity and liabilities</b>		<u>1,268,421,660</u>	<u>1,280,510,038</u>

The accompanying notes on pages 6 to 28 are an integral part of this condensed interim financial information.

**SIHANOUKVILLE AUTONOMOUS PORT**

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME (UNAUDITED)  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2018**

	Note	Three-month period ended	
		31 March 2018 KHR'000 <i>(Reviewed but unaudited)</i>	31 March 2017 KHR'000 <i>(Reviewed but unaudited)</i>
<b>REVENUE</b>	21	<u>59,270,456</u>	<u>49,781,008</u>
<b>EXPENSES</b>			
Consumable supplies	22	(15,412,679)	(11,246,012)
Salaries, wages and related expenses	23	(14,394,147)	(11,936,696)
Depreciation and amortisation	24	(6,842,007)	(5,735,945)
Repairs and maintenances		(1,530,054)	(1,118,884)
Other expenses	25	(5,096,569)	(4,526,320)
Other losses – net	26	(148,505)	(522,040)
		<u>(43,423,961)</u>	<u>(35,085,897)</u>
Operating profit		<u>15,846,495</u>	<u>14,695,111</u>
Finance income		949,661	38,627
Finance costs		(22,700,826)	(13,065,892)
Finance costs – net	27	<u>(21,751,165)</u>	<u>(13,027,265)</u>
<b>(LOSS)/PROFIT BEFORE INCOME TAX</b>		(5,904,670)	1,667,846
Income tax expense	28	<u>(3,676,341)</u>	<u>(4,447,958)</u>
<b>LOSSES FOR THE PERIOD</b>		<u>(9,581,011)</u>	<u>(2,780,112)</u>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss:			
Remeasurements of retirement benefit obligations		(1,680,750)	-
<b>Total comprehensive income for the period</b>		<u>(1,680,750)</u>	<u>-</u>
<b>Losses attributable to shareholders</b>		<u>(11,261,761)</u>	<u>(2,780,112)</u>
<b>Total comprehensive income attributable to shareholders</b>		<u>(11,261,761)</u>	<u>(2,780,112)</u>
The losses per share (expressed in KHR'000) attributable to shareholders of PAS during the period are as follows:			
Basic losses per share	29	<u>(131.30)</u>	<u>(43.22)</u>
Diluted losses per share	29	<u>(131.30)</u>	<u>(43.22)</u>

The accompanying notes on pages 6 to 28 are an integral part of this condensed interim financial information.

SIHANOUKVILLE AUTONOMOUS PORT

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2018

	Attributable to shareholders			
	Share capital and share premium KHR'000	Other reserves KHR'000	Retained earnings KHR'000	Total KHR'000
<i>Three-month period ended 31 March 2017</i> <i>(Reviewed but unaudited)</i>				
<b>Balance at 1 January 2017</b>	<u>428,859,836</u>	<u>14,969,867</u>	<u>90,783,308</u>	<u>534,613,011</u>
Losses for the period	-	-	(2,780,112)	(2,780,112)
Total comprehensive income for the period	-	-	(2,780,112)	(2,780,112)
<b>Balance at 31 March 2017</b> <i>(Reviewed but unaudited)</i>	<u>428,859,836</u>	<u>14,969,867</u>	<u>88,003,196</u>	<u>531,832,899</u>
<i>Three-month period ended 31 March 2018</i> <i>(Reviewed but unaudited)</i>				
<b>Balance at 1 January 2018</b>	<u>518,018,063</u>	<u>17,641,914</u>	<u>110,950,577</u>	<u>646,610,554</u>
Losses for the period	-	-	(9,581,011)	(9,581,011)
Other comprehensive income	-	-	(1,680,750)	(1,680,750)
Total comprehensive income for the period	-	-	(11,261,761)	(11,261,761)
<b>Balance at 31 March 2018</b> <i>(Reviewed but unaudited)</i>	<u>518,018,063</u>	<u>17,641,914</u>	<u>99,688,816</u>	<u>635,348,793</u>

The accompanying notes on pages 6 to 28 are an integral part of this condensed interim financial information.

**SIHANOUKVILLE AUTONOMOUS PORT**

**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2018**

	<b>Note</b>	<b>Three-month period ended</b>	
		<b>31 March 2018</b>	<b>31 March 2017</b>
		<b>KHR'000</b>	<b>KHR'000</b>
		<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>
<b>Cash flows from operating activities</b>			
Cash generated from operations	30	6,466,476	17,989,578
Income tax paid		(3,463,052)	(7,558,237)
Retirement benefit obligations paid		(781,941)	(683,528)
Cash generated from operating activities		<u>2,221,483</u>	<u>9,747,813</u>
<b>Cash flows from investing activities</b>			
Purchases of property and equipment	7	(8,599,899)	(21,214,618)
Purchases of investment properties	8	(265,825)	(528,051)
Purchases of intangible assets		-	(595,023)
Receipts of principal repayment from loans to employees		641,680	-
Placements of short-term bank deposits		6,761	(56,774)
Interest received		638,202	133,614
Cash used in investing activities		<u>(7,579,081)</u>	<u>(22,260,852)</u>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		4,136,764	9,748,903
Repayments of borrowings		(6,970,405)	(232,463)
Interest paid		(4,217,847)	(1,476,488)
Cash (used in)/generated from financing activities		<u>(7,051,488)</u>	<u>8,039,952</u>
<b>Net decrease in cash and cash equivalents</b>		<b>(12,409,086)</b>	<b>(4,473,087)</b>
Cash and cash equivalents at beginning of the period		<u>51,081,229</u>	<u>34,651,604</u>
<b>Cash and cash equivalents at end of the period</b>	14	<u><u>38,672,143</u></u>	<u><u>30,178,517</u></u>

The accompanying notes on pages 6 to 28 are an integral part of this condensed interim financial information.

## SIHANOUKVILLE AUTONOMOUS PORT

### NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2018

#### 1. GENERAL 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 gives it the general status of a public enterprise.

PAS was registered with the Ministry of Commerce under the registration number Co.4784 ET/2017, dated 21 February 2017 and 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 establishing Sub-decree, the mission of PAS is to provide the following sea port services and sea port 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 the PAS's existing infrastructures;
- taking responsibility on health care, security and order in its management areas;
- adhering to the basic principle and working procedures in the same functions as the customers; and
- committing to manage and organise the operational activities to be effective and progressive

In the status of public institution, PAS has hereby obtained an extensive authority and major duties from the government 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 condensed interim financial information was approved for issue by the Board of Directors on 18 May 2018.

This condensed interim financial information for the three-month period ended 31 March 2018 has been reviewed, but not audited.



## **SIHANOUKVILLE AUTONOMOUS PORT**

### **NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2018**

#### **2. BASIS OF PREPARATION**

This condensed interim financial information for the three-month period ended 31 March 2018 has been prepared in accordance with Cambodian International Accounting Standard 34 - Interim financial reporting (CIAS 34).

This condensed interim financial information does not include all the notes of the type normally included in the annual audited financial statements. Accordingly, this report is to be read in conjunction with the annual audited financial statements for the year ended 31 December 2017, which have been prepared in accordance with Cambodian International Financial Reporting Standards (CIFRS). The significant accounting policies used in preparing the condensed interim financial information are consistent with the significant accounting policies used in the preparation of the 2017 audited financial statements.

#### **3. ACCOUNTING POLICIES**

Except as described below, the accounting policies applied and methods of computation used in the preparation of the condensed interim financial information are consistent with those used in the financial statements for the year ended 31 December 2017.

(a) New standards, amendments and interpretations adopted by PAS

A number of new or amended standards became applicable for the current reporting period and PAS had to change its accounting policies and make necessary adjustments as a result of adopting the following standards:

- CIFRS 9 Financial Instruments, and
- CIFRS 15 Revenue from Contracts with Customers.

The adoption of these new and amended standards has no significant impact on the results and financial position of PAS for the current or prior periods.

## SIHANOUKVILLE AUTONOMOUS PORT

### NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2018

#### 3. ACCOUNTING POLICIES (continued)

(b) New standards and interpretations not yet adopted

PAS has not early adopted the following new standards and amendments which have been issued but are not yet effective:

- **CIFRS 16: Leases**

Nature of change	<p>CIFRS 16 was issued in January 2016. It will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.</p> <p>The accounting for lessors will not significantly change.</p>
Impact	<p>The standard will affect primarily the accounting for PAS's operating leases. As at 31 March 2018, PAS does not have significant operating lease commitment.</p> <p>PAS has not yet assessed what other adjustments, if any, are necessary because of the change in the definition of the lease term and the different treatment of variable lease payments and of extension and termination options. It is therefore not yet possible to estimate the amount of right-of-use assets and lease liabilities that will have to be recognised on adoption of the new standard and how this may affect PAS's profit or loss and classification of cash flows going forward.</p>
Date of adoption by PAS	<p>Mandatory for financial years commencing on or after 1 January 2019. At this stage, PAS does not intend to adopt the standard before its effective date. PAS intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption.</p>

PAS is in the process of making an assessment of the impact of these new standards and amendments on the financial statements of PAS in the initial application.

#### 4. MANAGEMENT ESTIMATES

The preparation of condensed interim 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 condensed interim financial information, the significant judgements made by management in applying the PAS's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2017.

## SIHANOUKVILLE AUTONOMOUS PORT

### NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2018

#### 5. FINANCIAL RISK MANAGEMENT

##### 5.1 *Financial risk factors*

PAS's 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 condensed interim 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 annual financial statements for the year ended 31 December 2017.

##### 5.2 *Fair value of financial assets and financial liabilities measured at amortised 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) *Accounts receivable and other payables* – 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) *Loans to employees* – The carrying amount of current portion of loans to employees is considered to be the same as their fair value due to the short-term nature of the loans to employees. For the non-current portion of loans to employees, it has a fair value of KHR 3,472 million as at 31 March 2018, compared to a carrying amount of KHR 4,861 million. The fair values were calculated based on cash flows discounted using a current lending rate. They were classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.
- (d) *Guaranteed dividend payable* - The carrying amount of current portion of guaranteed dividend payable is considered to be the same as their fair value due to the short-term nature of the guaranteed dividend payable. For the non-current portion of guaranteed dividend payable, it has a fair value of KHR 9,046 million as at 31 March 2018, compared to a carrying amount of KHR 10,340 million. The fair values were calculated based on cash flows discounted using a current fixed deposit rate. They were classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.
- (e) *Borrowings* – The fair value is estimated by discounting the future contractual cash outflows using a prevailing borrowing rate at the period-end.

## SIHANOUKVILLE AUTONOMOUS PORT

### NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2018

#### 5. FINANCIAL RISK MANAGEMENT (continued)

##### 5.2 *Fair value of financial assets and financial liabilities measured at amortised cost* (continued)

Financial instruments measured at fair value are analysed into the following fair value measurement hierarchy:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities. PAS does not hold any listed securities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

#### 6. SEGMENT INFORMATION

PAS has a reportable segment, namely, port service. The chief operating decision-maker (the management team) reviews the internal management report, which reports the performances of the port service segment as a whole, to assess performance and allocate resources. The chief operating decision-maker assesses the performance of the reportable segment by measuring gross revenue, profit before tax and net profit compared to prior periods. In addition, PAS also has a Special Economic Zone (SEZ) operating at early stage, please refer to Note 8.

All revenues are derived from external customers. PAS is domiciled in Sihanoukville and all sales originate from Sihanoukville and the surrounding areas.

## SIHANOUKVILLE AUTONOMOUS PORT

### NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2018

#### 7. PROPERTY AND EQUIPMENT

Non-current assets	Land KHR'000	Land improvement KHR'000	Buildings KHR'000	Port facilities KHR'000	Technical equipment KHR'000	Other equipment KHR'000	Furniture and fittings KHR'000	Computer and office equipment KHR'000	Motor vehicles KHR'000	Seaport equipment KHR'000	Construction in progress KHR'000	Palettes KHR'000	Total KHR'000
At 31 December 2017 <i>(Audited)</i>													
Cost	252,045,640	49,949,973	232,090,496	114,290,576	23,129,954	1,201,254	2,270,322	6,596,668	33,807,459	326,868,210	156,903,624	1,617,586	1,200,771,762
Accumulated depreciation	-	(24,799,459)	(79,520,934)	(113,487,684)	(17,033,591)	(882,333)	(1,924,010)	(4,318,430)	(18,072,924)	(130,524,583)	-	(1,337,476)	(391,901,424)
Net book amount <i>(Audited)</i>	<u>252,045,640</u>	<u>25,150,514</u>	<u>152,569,562</u>	<u>802,892</u>	<u>6,096,363</u>	<u>318,921</u>	<u>346,312</u>	<u>2,278,238</u>	<u>15,734,535</u>	<u>196,343,627</u>	<u>156,903,624</u>	<u>280,110</u>	<u>808,870,338</u>
Three-month period ended 31 March 2018 <i>(Reviewed but unaudited)</i>													
Opening net book amount	252,045,640	25,150,514	152,569,562	802,892	6,096,363	318,921	346,312	2,278,238	15,734,535	196,343,627	156,903,624	280,110	808,870,338
Additions	-	-	179,694	-	-	-	-	1,257,660	1,316,250	-	5,846,295	-	8,599,899
Depreciation charges	-	(265,355)	(1,187,399)	(24,264)	(346,609)	(14,522)	(41,641)	(288,102)	(363,621)	(2,456,429)	-	(66,702)	(5,054,644)
Closing net book amount	<u>252,045,640</u>	<u>24,885,159</u>	<u>151,561,857</u>	<u>778,628</u>	<u>5,749,754</u>	<u>304,399</u>	<u>304,671</u>	<u>3,247,796</u>	<u>16,687,164</u>	<u>193,887,198</u>	<u>162,749,919</u>	<u>213,408</u>	<u>812,415,593</u>
At 31 March 2018													
Cost	252,045,640	49,949,973	232,270,190	114,290,576	23,129,954	1,201,254	2,270,322	7,854,328	35,123,709	326,868,210	162,749,919	1,617,586	1,209,371,661
Accumulated depreciation	-	(25,064,814)	(80,708,333)	(113,511,948)	(17,380,200)	(896,855)	(1,965,651)	(4,606,532)	(18,436,545)	(132,981,012)	-	(1,404,178)	(396,956,068)
Net book amount <i>(Reviewed but unaudited)</i>	<u>252,045,640</u>	<u>24,885,159</u>	<u>151,561,857</u>	<u>778,628</u>	<u>5,749,754</u>	<u>304,399</u>	<u>304,671</u>	<u>3,247,796</u>	<u>16,687,164</u>	<u>193,887,198</u>	<u>162,749,919</u>	<u>213,408</u>	<u>812,415,593</u>

The interest cost that was capitalised on qualifying assets under construction in progress for the period ended 31 March 2018 was KHR 1,350 million.

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**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2018**

**8. INVESTMENT PROPERTIES**

Non-current assets	<b>Land KHR'000</b>	<b>Building KHR'000</b>	<b>Construction in progress KHR'000</b>	<b>Total KHR'000</b>
<i>At 31 December 2017 (audited)</i>				
Cost	131,977,505	174,996,763	703,060	307,677,328
Accumulated depreciation	-	(24,005,259)	-	(24,005,259)
<b>Net book value (audited)</b>	<b>131,977,505</b>	<b>150,991,504</b>	<b>703,060</b>	<b>283,672,069</b>
<i>Three-month period ended 31 March 2018 (Reviewed but unaudited)</i>				
Opening net book amount	131,977,505	150,991,504	703,060	283,672,069
Additions	-	-	265,825	265,825
Depreciation charges	-	(1,521,645)	-	(1,521,645)
<b>Closing net book amount</b>	<b>131,977,505</b>	<b>149,469,859</b>	<b>968,885</b>	<b>282,416,249</b>
<i>At 31 March 2018</i>				
Cost	131,977,505	174,996,763	968,885	307,943,153
Accumulated depreciation	-	(25,526,904)	-	(25,526,904)
<b>Net book amount (Reviewed but unaudited)</b>	<b>131,977,505</b>	<b>149,469,859</b>	<b>968,885</b>	<b>282,416,249</b>

The following amounts have been recognised in the interim statement of profit or loss for investment properties – the Special Economic Zone:

	<b>Three-month period ended</b>	
	<b>31 March 2018 KHR'000</b>	<b>31 March 2017 KHR'000</b>
	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>
Rental revenue	721,355	693,705
Amortisation expenses	(6,059,883)	(1,521,645)
Direct operating expenses arising from investment properties that generate rental revenue	(815,631)	(721,405)

Special Economic Zone (SEZ) is still at an early stage of its business operations.

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### NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2018

#### 9. INTANGIBLE ASSETS

Non-current assets	<b>Software KHR'000</b>	<b>Total KHR'000</b>
At 31 December 2017 <i>(audited)</i>		
Cost	13,467,947	13,467,947
Accumulated amortisation	<u>(4,910,245)</u>	<u>(4,910,245)</u>
Net book amount <i>(audited)</i>	<u>8,557,702</u>	<u>8,557,702</u>
Three-month period ended 31 March 2018 <i>(Reviewed but unaudited)</i>		
Opening net book amount	8,557,702	8,557,702
Amortisation charges	<u>(265,718)</u>	<u>(265,718)</u>
Closing net book amount	<u>8,291,984</u>	<u>8,291,984</u>
At 31 March 2018		
Cost	13,467,947	13,467,947
Accumulated amortisation	<u>(5,175,963)</u>	<u>(5,175,963)</u>
Net book amount <i>(Reviewed but unaudited)</i>	<u>8,291,984</u>	<u>8,291,984</u>

#### 10. LOANS TO EMPLOYEES

	<b>31 March 2018 KHR'000</b>	<b>31 December 2017 KHR'000</b>
	<i>(Reviewed but unaudited)</i>	<i>(Audited)</i>
Current	1,681,080	1,618,425
Non-Current	<u>4,860,605</u>	<u>5,305,113</u>
Carrying value	<u>6,541,685</u>	<u>6,923,538</u>

On 8 February 2017, PAS approved to provide interest-free loans of KHR 10,267 million, with a term of four years, to its employees including retired staff to purchase its floating class C shares upon initial public offering (IPO).

The fair value adjustment to the loan balance of KHR 2,622 million was initially recognised as other assets in the statement of financial position and amortised to profit or loss as salaries, wages and related expenses throughout a period of four years. This was because the fair value of the loans has been reduced through a preferential rate (interest free) and a benefit was provided to the employees.

The fair values of the loans to employees are based on cash flows discounted using a weighted average interest rate of 15.27% per annum. Management assessed that the 15.27% interest rate is a reasonable rate, being equivalent to the rate at which the employees could obtain unsecured loans from commercial banks in Khmer Riel currency for a period of four years.

**SIHANOUKVILLE AUTONOMOUS PORT**

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2018**

**10. LOANS TO EMPLOYEES (continued)**

The movement of loans to employees is as follows:

	<b>31 March 2018 KHR'000</b>	<b>31 December 2017 KHR'000</b>
	<i>(Reviewed but unaudited)</i>	<i>(Audited)</i>
Opening balance	6,923,538	-
Loans on cash	-	10,266,904
Less: Fair value adjustment	-	(2,621,824)
Loans initially measured at fair value	<u>6,923,538</u>	<u>7,645,080</u>
Add: Interest income from unwinding of discount rate	259,827	561,821
Less: Repayment of loans	<u>(641,680)</u>	<u>(1,283,363)</u>
Closing balance	<u><u>6,541,685</u></u>	<u><u>6,923,538</u></u>

**11. INVENTORIES**

	<b>31 March 2018 KHR'000</b>	<b>31 December 2017 KHR'000</b>
	<i>(Reviewed but unaudited)</i>	<i>(Audited)</i>
Consumable supplies	7,319,122	8,142,916
Oil and lubricant	508,519	527,098
Combustible materials	<u>484,343</u>	<u>516,546</u>
Provision for consumable supplies (*)	<u>(742,994)</u>	<u>(742,994)</u>
	<u><u>7,568,990</u></u>	<u><u>8,443,566</u></u>

(\*) Management reassesses the slow-moving inventory items periodically and considers the provision value remains sufficient and appropriate at the period-end date.

Inventories recognised as an expense during the period ended 31 March 2018 amounted to KHR 15,112 million (2017: KHR 53,444 million).



## SIHANOUKVILLE AUTONOMOUS PORT

### NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2018

#### 12. TRADE AND OTHER RECEIVABLES

	<b>31 March 2018 KHR'000</b>	<b>31 December 2017 KHR'000</b>
	<i>(Reviewed but unaudited)</i>	<i>(Audited)</i>
Trade receivables	<u>21,525,438</u>	<u>24,314,846</u>
<i>Other receivables:</i>		
Advances to MoPWT (*)	10,630,740	10,550,000
Advances	4,760,653	2,614,624
Withholding tax credit	977,330	961,250
Prepayments	103,517	48,407
Others	<u>1,329,898</u>	<u>1,278,268</u>
	<u>17,802,138</u>	<u>15,452,549</u>
	<u>39,327,576</u>	<u>39,767,395</u>

(\*) This represents outstanding cash advances to the Ministry of Public Works and Transport (“MoPWT”), which based on a letter dated 14 December 2016 issued by MoEF. The letter requested PAS to make cash advances to the MoPWT in order to renovate and widen certain parts of National Road No.4 in Sihanoukville province.

PAS's customers are local and international shipping lines and shipping agents.

#### 13. SHORT-TERM BANK DEPOSITS

This represents fixed deposits placed with financial institutions for a period of between three to twelve months, earning interest at rates ranging from 3.50% to 6.00% (2016: 3.50% to 6.00%) per annum.

#### 14. CASH AND CASH EQUIVALENTS

	<b>31 March 2018 KHR'000</b>	<b>31 December 2017 KHR'000</b>
	<i>(Reviewed but unaudited)</i>	<i>(Audited)</i>
Cash on hand	2,007,042	1,275,252
Cash at banks		
Current accounts	<u>36,665,101</u>	<u>49,805,977</u>
	<u>38,672,143</u>	<u>51,081,229</u>

Cash at banks are deposited in local commercial banks. The current accounts carry no interest.

## SIHANOUKVILLE AUTONOMOUS PORT

### NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2018

#### 15. SHARE CAPITAL AND SHARE PREMIUM

	Class A share (*)		Class B share (*)		Class C share (**)		Share premium	Capital	Total
	Number	KHR'000	Number	KHR'000	Number	KHR'000	KHR'000	KHR'000	KHR'000
Three-month period ended 31 March 2017 <i>(Reviewed but unaudited)</i>									
At 1 January 2017	-	-	-	-	-	-	-	428,859,836	428,859,836
At 31 March 2017 <i>(Reviewed but unaudited)</i>	-	-	-	-	-	-	-	428,859,836	428,859,836
Three-month period ended 31 March 2018 <i>(Reviewed but unaudited)</i>									
At 1 January 2018	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 March 2018 <i>(Reviewed but 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

(\*) According to Article 5 of the Articles of Incorporation dated 21 February 2017, the existing capital of KHR 428,859,836,000 were allocated into 364,531,861 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 21 February 2017. Class B shares have voting rights and are entitled to dividend as approved by the Board of Directors.

## SIHANOUKVILLE AUTONOMOUS PORT

### NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2018

#### 15. SHARE CAPITAL AND SHARE PREMIUM (continued)

(\*\*) The details of class C shares

<b>Shareholders</b>	<b>Number of shares</b>
Japan International Cooperation Agency (JICA)	11,579,216
Employee share option scheme	2,144,299
Other investors	<u>7,719,477</u>
	<u>21,442,992</u>

On 8 June 2017, PAS was successfully listed on the Cambodia Securities Exchange (CSX). The number of new share issued in class C shares are 21,442,992 shares with a par value of KHR 1,000 per share, at an offering price of KHR 5,040 per share. All issued class C shares were fully paid.

	<b>31 December 2017 KHR'000 (Audited)</b>
Opening balance	-
Proceed from new class C shares issued	108,072,680
Transaction costs	<u>(4,733,611)</u>
Cash proceed – net	103,339,069
Reclassification to guaranteed dividend payables	(14,180,842)
Reclassification to share premium	<u>(67,715,235)</u>
Closing balance	<u>21,442,992</u>

As an incentive to public investors, class C shareholders (all carried voting rights) are entitled to receive a minimum guaranteed dividend yield of 5% per annum for 3 years (either in cash or in share in which the choice of settlement is made by PAS only) of the total class C shares multiplied by the offering price from the IPO listing date in June 2017. If settlement mode of dividend payment in shares, it is based on the closing market price of shares before ex-dividend day. No fixed number of share is guaranteed (only variable number of share). In case of having sufficient funds, the Directors shall declare and pay dividends to its investors within twelve months from the IPO listing date. In case that the minimum guaranteed dividend is not fully paid/distributed for any fiscal year, the remaining amount shall be accumulated/accrued to the next years until the minimum guaranteed dividend payment is viable.

The present value of minimum guaranteed dividends amount is KHR 14,180 million (at initial recognition) expected to be paid for three years from the listing date. The government, shareholder of class B voting shares and class A non-voting shares, is not entitled to receive the minimum guaranteed dividend.

## SIHANOUKVILLE AUTONOMOUS PORT

### NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2018

#### 15. SHARE CAPITAL AND SHARE PREMIUM (continued)

(\*\*) The details of class C shares (continued)

The maturity dates of these guaranteed dividend payables are as follows:

	<b>31 March 2018 KHR'000</b>	<b>31 December 2017 KHR'000</b>
	<i>(Reviewed but unaudited)</i>	<i>(Audited)</i>
Current	4,668,282	5,403,634
Non-current	10,339,777	9,356,260
	<u>15,008,059</u>	<u>14,759,894</u>

The movement of guaranteed dividend payables is as follows:

	<b>31 March 2018 KHR'000</b>	<b>31 March 2017 KHR'000</b>
	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>
Opening balance	14,759,894	-
Interest expenses from winding up (Note 27)	248,165	-
Closing balance	<u>15,008,059</u>	<u>-</u>

#### 16. OTHER RESERVES

Article 34 of the Article of Incorporation dated 21 February 2017 stipulates that PAS's profit, after offsetting losses carried forward (if any), is allocated to general and legal reserves.

#### 17. BORROWINGS

	<b>31 March 2018 KHR'000</b>	<b>31 December 2017 KHR'000</b>
	<i>(Reviewed but unaudited)</i>	<i>(Audited)</i>
Borrowings from:		
MoEF – (JICA) – Loan No. CP-P3	85,080,136	85,094,491
MoEF – (JBIC) – Loan No. CP-P4	127,021,703	127,055,028
MoEF – (JBIC) – Loan No. CP-P6	8,632,776	8,517,311
MoEF – (JBIC) – Loan No. CP-P8	128,924,502	126,754,757
MoEF – (JBIC) – Loan No. CP-P10	190,976,938	177,813,295
	<u>540,636,055</u>	<u>525,234,882</u>

## SIHANOUKVILLE AUTONOMOUS PORT

### NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2018

#### 17. BORROWINGS (continued)

MoEF signed borrowing agreements with JICA and JBIC in respect of the transactions relating to PAS. PAS also signed borrowing agreements with MoEF where borrowings are 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:

	<b>31 March 2018</b>	<b>31 December 2017</b>
	<b>KHR'000</b>	<b>KHR'000</b>
	<i>(Reviewed but unaudited)</i>	<i>(Audited)</i>
<b>Current</b>		
Not later than one year	<u>20,251,635</u>	<u>21,697,576</u>
<b>Non-current</b>		
Later than one year but not later than two years	19,183,575	21,808,458
Later than two year but not later than five years	85,385,927	74,819,814
Later than five years	<u>415,814,918</u>	<u>406,909,034</u>
	<u>520,384,420</u>	<u>503,537,306</u>
	<u>540,636,055</u>	<u>525,234,882</u>

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

	<b>31 March 2018</b>	<b>31 December 2017</b>
	<b>KHR'000</b>	<b>KHR'000</b>
	<i>(Reviewed but unaudited)</i>	<i>(Audited)</i>
<b>Carrying value</b>		
Current portion	20,251,635	21,697,576
Non-current portion	<u>520,384,420</u>	<u>503,537,306</u>
	<u>540,636,055</u>	<u>525,234,882</u>
<b>Fair value</b>		
Current portion	17,804,816	18,383,339
Non-current portion	<u>375,181,624</u>	<u>362,191,764</u>
	<u>392,986,440</u>	<u>380,575,103</u>

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

**SIHANOUKVILLE AUTONOMOUS PORT**

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2018**

**17. BORROWINGS** (continued)

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

	<b>31 March 2018 KHR'000</b>	<b>31 December 2017 KHR'000</b>
	<i>(Reviewed but unaudited)</i>	<i>(Audited)</i>
JPY	413,614,352	398,179,854
US\$	127,021,703	127,055,028
	<u>540,636,055</u>	<u>525,234,882</u>

The term of all borrowings is 30 years and the interest rate per annum for each borrowing is as follow:

	<b>31 March 2018</b>	<b>31 December 2017</b>
MoEF – (JICA) – 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	3.00%	3.00%
MoEF – (JBIC) – Loan No. CP-P10	2.50%	2.50%

**18. RETIREMENT BENEFIT OBLIGATIONS**

The amount recognised in the interim statement of financial position was as follows:

	<b>31 March 2018 KHR'000</b>	<b>31 December 2017 KHR'000</b>
	<i>(Reviewed but unaudited)</i>	<i>(Audited)</i>
Present value of defined benefit obligations	42,978,564	41,008,255
Unfunded status	42,978,564	41,008,255
Net liability recognised in interim statement of financial position	<u>42,978,564</u>	<u>41,008,255</u>

**SIHANOUKVILLE AUTONOMOUS PORT**

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2018**

**18. RETIREMENT BENEFIT OBLIGATIONS** (continued)

The movement in the defined benefit obligations over the period was as follows:

	<b>Three-month period ended</b>	
	<b>31 March 2018 KHR'000</b>	<b>31 March 2017 KHR'000</b>
	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>
Beginning balance	41,008,255	40,301,411
Current service cost	287,750	1,148,000
Interest cost	783,750	3,006,000
Benefits paid	(781,941)	(3,447,156)
Remeasurements losses	1,680,750	-
Closing balance	<u>42,978,564</u>	<u>41,008,255</u>

The retirement benefit costs recognised within salaries, wages and related expenses in the interim statement of profit or loss and other comprehensive income were as follows:

	<b>Three-month period ended</b>	
	<b>31 March 2018 KHR'000</b>	<b>31 March 2017 KHR'000</b>
	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>
Current service cost	287,750	287,000
Interest cost	783,750	751,500
	<u>1,071,500</u>	<u>1,038,500</u>

The principal actuarial assumptions were as follows:

	<b>2018</b>	<b>2017</b>
Average expected future working years	20	20
Discount rate	7%	7%
Salary growth rate	5%	5%

*Mortality rates*

In the absence of published mortality rates in Cambodia, PAS used the 2017 Thailand Ordinary Mortality table modified to fit Cambodian life expectancy. The 2017 Thailand Ordinary Mortality table contains the most recent estimates of likelihood of death of the general population in Thailand and has remained consistent as at 31 March 2018.

## SIHANOUKVILLE AUTONOMOUS PORT

### NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2018

#### 19. DEFERRED INCOME

PAS leased out pieces of land at the Sihanouk Special Economic Zone under a 50-year operating lease. The prepayment is credited to the interim statement of profit or loss on a straight line basis over the lease term.

	<b>31 March 2018 KHR'000</b>	<b>31 December 2017 KHR'000</b>
	<i>(Reviewed but unaudited)</i>	<i>(Audited)</i>
Beginning balance	5,928,335	6,061,556
Additions	529,750	232,109
Credited to the interim statement of profit or loss	(331,832)	(367,585)
Foreign currency differences	(53,434)	2,255
	<u>6,072,819</u>	<u>5,928,335</u>
	<b>31 March 2018 KHR'000</b>	<b>31 December 2017 KHR'000</b>
	<i>(Reviewed but unaudited)</i>	<i>(Audited)</i>
Current	132,000	133,221
Non-current	5,940,819	5,795,114
	<u>6,072,819</u>	<u>5,928,335</u>

#### 20. TRADE AND OTHER PAYABLES

	<b>31 March 2018 KHR'000</b>	<b>31 December 2017 KHR'000</b>
	<i>(Reviewed but unaudited)</i>	<i>(Audited)</i>
Trade payables	13,661,491	22,141,725
Deposits from customers	1,158,042	1,231,327
Value added tax payable	1,225,277	1,065,163
Salary tax payable	266,157	300,422
Accrued bonuses	-	8,590,721
Other liabilities	773,496	2,559,142
	<u>3,422,972</u>	<u>13,746,775</u>
	<u>17,084,463</u>	<u>35,888,500</u>

Deposits from customers of KHR 1,158 million (2017: KHR 1,231 million) are expected to settle more than 12 months while the remaining trade and other payables of KHR 15,926 million (2017: KHR 34,657 million) are expected to settle within 12 months.



SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
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21. REVENUE

	<b>Three-month period ended</b>	
	<b>31 March 2018</b>	<b>31 March 2017</b>
	<b>KHR'000</b>	<b>KHR'000</b>
	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>
Stevedoring charges	26,071,496	21,412,590
Lift-On Lift-Off (LO-LO)	16,578,401	13,970,699
Port due/charge services	12,762,757	12,189,165
Rental income from SEZ	721,355	693,705
Other revenue	3,136,447	1,514,849
	<u>59,270,456</u>	<u>49,781,008</u>

22. CONSUMABLE SUPPLIES

	<b>Three-month period ended</b>	
	<b>31 March 2018</b>	<b>31 March 2017</b>
	<b>KHR'000</b>	<b>KHR'000</b>
	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>
Combustible expenses	9,160,710	7,242,045
Spare parts	2,808,501	1,929,927
Warehouse supplies	2,372,180	1,196,890
Oil and lubricant	770,363	645,434
Office supplies	300,925	231,716
	<u>15,412,679</u>	<u>11,246,012</u>

23. SALARIES, WAGES AND RELATED EXPENSES

	<b>Three-month period ended</b>	
	<b>31 March 2018</b>	<b>31 March 2017</b>
	<b>KHR'000</b>	<b>KHR'000</b>
	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>
Employee salaries	12,032,979	9,908,643
Retirement benefit costs (Note 18)	1,071,500	1,038,500
Directors' remuneration	349,200	349,200
Social security expenses	112,438	35,250
Wages for contractors	36,150	69,986
Other employee-related expenses	791,880	535,117
	<u>14,394,147</u>	<u>11,936,696</u>

**SIHANOUKVILLE AUTONOMOUS PORT**

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2018**

**24. DEPRECIATION AND AMORTISATION CHARGES**

	<b>Three-month period ended</b>	
	<b>31 March 2018</b>	<b>31 March 2017</b>
	<b>KHR'000</b>	<b>KHR'000</b>
	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>
Property and equipment (Note 7)	5,054,644	3,959,953
Investment properties (Note 8)	1,521,645	1,515,233
Intangible assets (Note 9)	265,718	260,759
	<u>6,842,007</u>	<u>5,735,945</u>

**25. OTHER EXPENSES**

	<b>Three-month period ended</b>	
	<b>31 March 2018</b>	<b>31 March 2017</b>
	<b>KHR'000</b>	<b>KHR'000</b>
	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>
Contributions and donations	1,518,954	894,481
Reception and hospitality	1,207,385	744,998
Special Economic Zone (SEZ) operating expense	815,631	721,405
Missions	378,597	240,847
Post services	300,168	299,737
Publications	283,630	173,745
Administrative expenses	227,572	747,084
Training, workshops and seminars	124,002	281,367
Professional and related costs	100,603	271,042
Health-care supplies	43,217	39,939
Utilities	35,208	41,145
Equipment rental	24,000	43,897
Other taxes	15,292	10,000
Other expenses	22,310	16,633
	<u>5,096,569</u>	<u>4,526,320</u>

**SIHANOUKVILLE AUTONOMOUS PORT**

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2018**

**26. OTHER GAINS – NET**

	<b>Three-month period ended</b>	
	<b>31 March 2018</b>	<b>31 March 2017</b>
	<b>KHR'000</b>	<b>KHR'000</b>
	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>
Foreign exchange gains	254,478	46,587
Foreign exchange losses	(402,983)	(568,627)
Foreign exchange losses – net	<u>(148,505)</u>	<u>(522,040)</u>

**27. FINANCE COSTS – NET**

	<b>Three-month period ended</b>	
	<b>31 March 2018</b>	<b>31 March 2017</b>
	<b>KHR'000</b>	<b>KHR'000</b>
	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>
Finance income:		
Interest income on bank deposits (a)	689,834	38,627
Interest income from unwinding of discount of loans to employees	259,827	-
	<u>949,661</u>	<u>38,627</u>
Finance costs:		
Interest expenses on borrowings (b)	(2,883,970)	(2,828,893)
Net exchange losses on foreign currency borrowings (c)	(19,568,691)	(10,236,999)
Interest expenses from winding up guaranteed dividend payables	(248,165)	-
	<u>(22,700,826)</u>	<u>(13,065,892)</u>
Finance costs – net	<u>(21,751,165)</u>	<u>(13,027,265)</u>

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

(b) Interest expenses represent the interest charges on borrowings obtained from the MoEF, which are funded through borrowings obtained from JICA and JBIC.

(c) PAS has the borrowings (Note 17) which are denominated in Japanese yen (JPY) and US dollar (US\$). Given the depreciation in KHR against JPY, this resulted in significant exchange losses for the three-month period on its borrowings denominated in JPY. The exchange rates are based on the exchange rates published by the National Bank of Cambodia as at the end of reporting periods.

	<b>31 March 2018</b>	<b>31 December 2017</b>	<b>31 March 2017</b>	<b>31 December 2016</b>
JPY/KHR	37.76	35.92	36.00	34.85
US\$/KHR	4,000	4,037	4,005	4,037

## SIHANOUKVILLE AUTONOMOUS PORT

### NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2018

#### 28. INCOME TAX EXPENSE

Tax on profit is calculated based on the current interpretation of the tax regulations. However, these regulations are subject to periodic variation and the ultimate determination of tax on profit will be made following an inspection by the General Department of Taxation.

Under the Cambodian tax regulations, PAS is subject to 20% Income Tax. According to ANUKRET No.01 ANKR.TT dated 1 January 2015, PAS is entitled to a three-year tax incentive given by the Securities Exchange Commission of Cambodia. As PAS was listed in the CSX in June 2017, the incentive is a reduction of 50% of amount of tax on profit to be paid which will be calculated at the end of fiscal year.

#### 29. LOSSES PER SHARE

##### i) Basic losses per share

Basic losses 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.

	<b>Three-month period ended</b>	
	<b>31 March 2018</b>	<b>31 March 2017</b>
	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>
Losses attributable to shareholders (KHR'000)	(11,261,761)	(2,780,112)
Weighted average number of shares	85,771,967	64,328,975
Basic losses per share (KHR'000)	<u>(131.30)</u>	<u>(43.22)</u>

##### ii) Diluted losses per share

Diluted losses 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 losses per share was equivalent to the basic losses per share.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2018

30. CASH GENERATED FROM OPERATIONS

	Note	Three-month period ended	
		31 March 2018 KHR'000	31 March 2017 KHR'000
(Losses)/profit before income tax		(5,904,670)	1,667,846
<i>Adjustments for:</i>			
Depreciation and amortisation charges	24	6,842,007	5,735,945
Finance costs – net	27	21,751,165	13,027,265
Retirement benefit obligation expenses	18	1,071,500	1,038,500
Other employees related expenses from loans to employees		163,864	-
<i>Changes in working capital:</i>			
Inventories		874,576	(53,463)
Trade and other receivables		327,587	(135,047)
Trade and other payables		(18,804,037)	(3,442,487)
Deferred income		144,484	151,019
Cash generated from operations		<u>6,466,476</u>	<u>17,989,578</u>

31. RELATED PARTY TRANSACTIONS

(a) *Related party transactions and balances*

PAS is under the financial supervision of the MoEF and the technical supervision of the MoPWT.

Significant related party transactions and balances with MoPWT in respect of advances and with the MoEF with respect to borrowings are disclosed in Note 12 and Note 17 respectively.

(b) *Key management compensation*

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

	Three-month period ended	
	31 March 2018 KHR'000	31 March 2017 KHR'000
<i>Board of Directors</i>		
Salaries, fees and related expenses	<u>349,200</u>	<u>349,200</u>
<i>Key management personnel</i>		
Salaries and other expenses	<u>633,307</u>	<u>372,010</u>
Retirement benefits (*)	<u>42,860</u>	<u>38,989</u>

## SIHANOUKVILLE AUTONOMOUS PORT

### NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2018

#### 31. RELATED PARTY TRANSACTIONS (continued)

##### **(b) Key management compensation** (continued)

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 operated at entity wide which key management personnel are also entitled to the benefit scheme the same as other employees of PAS.

##### **(c) Loan to key management**

PAS provided loans to employees including key management and Board of Directors to buy its class C shares at the Initial Public Offering on 8 June 2017. Loan is interest free and has term of four years. Loan will be repaid on monthly basis by deducting from the monthly salaries of the key management in Note 10. As at 31 March 2018, outstanding loans to the key management were KHR 3,658 million (31 December 2017: KHR 3,902 million).

#### 32. COMMITMENTS

As at 31 March 2018, PAS had outstanding capital expenditure commitment of KHR 47,935 million (31 December 2017: KHR 52,608 million) for its purchase of property and equipment to be paid in various stages until September 2018.