

SIHANOUKVILLE AUTONOMOUS PORT

**CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2019**

SIHANOUKVILLE AUTONOMOUS PORT

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CONTENTS	Page(s)
REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION	1
CONDENSED INTERIM FINANCIAL INFORMATION:	
Interim statement of financial position	2
Interim statement of profit or loss and other comprehensive income	3
Interim statement of changes in equity	4
Interim statement of cash flows	5
Notes to the condensed interim financial information	6 - 20



Report on review of condensed interim financial information

To the shareholders of Sihanoukville Autonomous Port

Introduction

We have reviewed the accompanying statement of financial position of Sihanoukville Autonomous Port ('PAS') as at 30 September 2019 and the related statements of profit or loss and other comprehensive income for the three-month and nine-month periods then ended, the statement of changes in equity and cash flows for the nine-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
14 November 2019

PricewaterhouseCoopers (Cambodia) Ltd.

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SIHANOUKVILLE AUTONOMOUS PORT

INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT 30 SEPTEMBER 2019

	Notes	30 September 2019 KHR'000 <i>(Reviewed but unaudited)</i>	31 December 2018 KHR'000 <i>(Audited)</i>
ASSETS			
Non-current assets			
Property and equipment	7	845,397,257	845,661,971
Investment properties	8	277,259,693	279,482,180
Intangible assets	9	6,697,677	7,494,831
Loans to employees		1,807,920	3,421,132
		<u>1,131,162,547</u>	<u>1,136,060,114</u>
Current assets			
Loans to employees		2,111,372	1,883,981
Inventories		14,180,564	11,322,618
Trade and other receivables		63,041,743	41,859,011
Short-term bank deposits		104,572,053	74,873,239
Cash and cash equivalents		38,145,207	62,191,525
		<u>222,050,939</u>	<u>192,130,374</u>
Total assets		<u>1,353,213,486</u>	<u>1,328,190,488</u>
EQUITY AND LIABILITIES			
EQUITY			
Share capital and share premium	10	518,018,063	518,018,063
Other reserves		24,712,723	20,155,846
Retained earnings		138,735,997	119,015,525
Total equity		<u>681,466,783</u>	<u>657,189,434</u>
LIABILITIES			
Non-current liabilities			
Guaranteed dividend payable	10	-	5,256,339
Borrowings	11	515,119,097	528,423,918
Retirement benefit obligations		69,084,885	66,881,976
Seniority payment obligations		1,471,768	1,471,768
Deferred income		5,641,886	5,635,245
Deferred tax liabilities		7,061,768	4,606,884
		<u>598,379,404</u>	<u>612,276,130</u>
Current liabilities			
Guaranteed dividend payable	10	5,167,961	4,912,466
Borrowings	11	33,098,159	22,197,311
Retirement benefit obligations		3,057,000	3,057,000
Seniority payment obligations		367,953	367,953
Deferred income		244,548	251,527
Trade and other payables		25,499,935	20,941,904
Income tax liabilities		5,931,743	6,996,763
		<u>73,367,299</u>	<u>58,724,924</u>
Total liabilities		<u>671,746,703</u>	<u>671,001,054</u>
Total equity and liabilities		<u>1,353,213,486</u>	<u>1,328,190,488</u>

The accompanying notes on pages 6 to 20 are an integral part of this condensed interim financial information.

SIHANOUKVILLE AUTONOMOUS PORT

INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
(UNAUDITED)
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2019

	Notes	Three-month period ended		Nine-month period ended	
		30 September 2019	30 September 2018	30 September 2019	30 September 2018
		KHR'000	KHR'000	KHR'000	KHR'000
		(Reviewed but unaudited)	(Reviewed but unaudited)	(Reviewed but unaudited)	(Reviewed but unaudited)
Revenue	12	91,557,105	70,756,114	242,869,134	200,134,326
Expenses					
Consumable supplies	13	(23,841,116)	(19,896,335)	(68,034,175)	(55,969,091)
Salaries, wages and related expenses	14	(22,369,890)	(21,151,298)	(63,000,317)	(52,727,818)
Depreciation and amortisation charges	15	(7,332,156)	(7,160,327)	(21,658,290)	(21,046,649)
Repairs and maintenances		(1,213,029)	(1,447,124)	(6,168,264)	(4,914,034)
Other expenses		(5,179,074)	(5,819,208)	(18,731,155)	(19,616,624)
Other losses – net		(605,583)	(184,978)	(400,690)	(156,224)
		<u>(60,540,848)</u>	<u>(55,659,270)</u>	<u>(177,992,891)</u>	<u>(154,430,440)</u>
Operating profit		31,016,257	15,096,844	64,876,243	45,703,886
Finance income		1,078,230	9,814,830	2,952,422	2,814,766
Finance costs		(4,466,890)	(2,756,930)	(25,372,925)	(11,526,790)
Finance (costs)/income – net	16	<u>(3,388,660)</u>	<u>7,057,900</u>	<u>(22,420,503)</u>	<u>(8,712,024)</u>
Profit before income tax		<u>27,627,597</u>	<u>22,154,744</u>	<u>42,455,740</u>	<u>36,991,862</u>
Income tax expense	17	<u>(3,346,995)</u>	<u>(1,959,220)</u>	<u>(8,390,499)</u>	<u>(7,472,904)</u>
Profit for the period		<u>24,280,602</u>	<u>20,195,524</u>	<u>34,065,241</u>	<u>29,518,958</u>
Other comprehensive income					
Items that will not be reclassified to profit or loss:					
Remeasurement of retirement benefit obligations		-	(1,680,750)	-	(5,042,250)
Total comprehensive income for the period		<u>-</u>	<u>(1,680,750)</u>	<u>-</u>	<u>(5,042,250)</u>
Profit attributable to shareholders		<u>24,280,602</u>	<u>20,195,524</u>	<u>34,065,241</u>	<u>29,518,958</u>
Total comprehensive income attributable to shareholders		<u>24,280,602</u>	<u>18,514,774</u>	<u>34,065,241</u>	<u>24,476,708</u>

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

Basic earnings per share (KHR)	18	<u>283.08</u>	<u>235.46</u>	<u>397.16</u>	<u>344.16</u>
Diluted earnings per share (KHR)	18	<u>283.08</u>	<u>235.46</u>	<u>397.16</u>	<u>344.16</u>

The accompanying notes on pages 6 to 20 are an integral part of this condensed interim financial information.

SIHANOUKVILLE AUTONOMOUS PORT

INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2019

	Attributable to shareholders			
	Share capital and share premium KHR'000	Other reserves KHR'000	Retained earnings KHR'000	Total KHR'000
<i>Nine-month period ended 30 September 2018 (reviewed but unaudited)</i>				
Balance at 1 January 2018	518,018,063	17,641,914	110,950,577	646,610,554
Profit for the period	-	-	29,518,958	29,518,958
Other comprehensive loss	-	-	(5,042,250)	(5,042,250)
Total comprehensive loss for the period	-	-	24,476,708	24,476,708
Transfer to reserves	-	2,513,932	(2,513,932)	-
Dividend paid (note 6)	-	-	(7,237,892)	(7,237,892)
Balance at 30 September 2018 <i>(reviewed but unaudited)</i>	518,018,063	20,155,846	125,675,461	663,849,370
<i>Nine-month period ended 30 September 2019 (reviewed but unaudited)</i>				
Balance at 1 January 2019	518,018,063	20,155,846	119,015,525	657,189,434
Profit for the period	-	-	34,065,241	34,065,241
Total comprehensive income for the period	-	-	34,065,241	34,065,241
Transfer to reserves	-	4,556,877	(4,556,877)	-
Dividend paid (note 6)	-	-	(9,787,892)	(9,787,892)
Balance at 30 September 2019 <i>(reviewed but unaudited)</i>	518,018,063	24,712,723	138,735,997	681,466,783

The accompanying notes on pages 6 to 20 are an integral part of this condensed interim financial information.

SIHANOUKVILLE AUTONOMOUS PORT

**INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2019**

	Notes	Nine-month period ended	
		30 September 2019 KHR'000	30 September 2018 KHR'000
		<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>
Cash flows from operating activities			
Cash inflow from operations	19	67,546,846	46,086,511
Income tax paid		<u>(7,000,635)</u>	<u>(3,463,696)</u>
Net cash inflow from operating activities		<u>60,546,211</u>	<u>42,622,815</u>
Cash flows from investing activities			
Purchases of property and equipment	7	(15,109,308)	(44,576,139)
Purchases of investment properties	8	(2,147,275)	(799,341)
Placements of short-term bank deposits		(29,698,814)	(1,529,725)
Proceeds from sale of property and equipment		77,864	-
Receipts of repayment of loans to employees		1,925,044	1,888,246
Interest received		<u>2,925,594</u>	<u>2,787,465</u>
Net cash outflow from investing activities		<u>(42,026,895)</u>	<u>(42,229,494)</u>
Cash flows from financing activities			
Dividends paid	6	(15,191,527)	(12,641,526)
Proceeds from borrowings		504,710	27,353,002
Repayments of borrowings		(21,522,886)	(15,761,286)
Interest paid		<u>(6,355,931)</u>	<u>(8,148,460)</u>
Net cash outflow from financing activities		<u>(42,565,634)</u>	<u>(9,198,270)</u>
Net decrease in cash and cash equivalents		<u>(24,046,318)</u>	<u>(8,804,949)</u>
Cash and cash equivalents at beginning of the period		<u>62,191,525</u>	<u>51,081,229</u>
Cash and cash equivalents at end of the period		<u><u>38,145,207</u></u>	<u><u>42,276,280</u></u>

The accompanying notes on pages 6 to 20 are an integral part of this condensed interim financial information.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2019

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 gave it the general status as a public autonomous institution.

PAS was registered 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 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; and
- committing to manage and organise the operational activities to be effective and progressive

In the status as public autonomous institution, PAS has hereby 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 condensed interim financial information was approved for issue by the Board of Directors on 14 November 2019.

This condensed interim financial information for the nine-month period ended 30 September 2019 has been reviewed, but not audited.

2. BASIS OF PREPARATION

This condensed interim financial information for the nine-month period ended 30 September 2019 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 2018, 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 2018 audited financial statements.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2019

2. BASIS OF PREPARATION (continued)

2.1 New and amended standards adopted by PAS

A number of new, improvement, or amended standards and interpretation below became applicable for the current reporting period:

• New standard (*)	CIFRS 16: Leases
• Annual improvement	CIAS12: Income tax
• Annual improvement	CIAS 23: Borrowing cost
• Amended standard	CIAS 19: Employee benefit

(*) CIFRS 16: Leases, it results 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. PAS has a minimal operating lease with low value.

The accounting for lessor has not significantly changed and PAS is a primary lessor.

There is no significant impact on adoption of standards above.

3. 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 2018.

4. FINANCIAL RISK MANAGEMENT

4.1 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 2018.

4.2 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) *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) *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 KHR 1,685 million as at 30 September 2019, compared to a carrying amount of KHR 1,808 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.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2019

4. FINANCIAL RISK MANAGEMENT (continued)

4.2 Fair value of financial assets and financial liabilities measured at amortised cost (continued)

- (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. 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 current borrowing rate at the period-end.

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).

5. 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 'CODM' assesses the performance of the reportable segment by measuring gross revenue (please refer to note 12). CODM also reviews profit before tax and net profit as a whole compared to prior periods. In addition, PAS also has a Special Economic Zone (SEZ) operating at early stage, please refer to note 8.

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

6. DIVIDENDS

On 12 April 2019, the Board of Directors approved to distribute the dividends in respect of profit of the financial year ended 31 December 2018 as follows:

	30 September 2019	30 September 2018
	KHR'000	KHR'000
	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>
Dividends paid to Class B shares	6,550,000	4,000,000
Dividends paid to Class C shares of KHR 403 per share	8,641,527	8,641,526
Total dividends paid (*)	<u>15,191,527</u>	<u>12,641,526</u>

(*) The total dividends paid amounting to KHR 15,191,527 thousand included the guaranteed dividends amounting to KHR 5,403,635 thousand (note 10) (30 September 2018: KHR 5,403,635 thousand). The remaining of KHR 9,787,892 thousand (30 September 2018: KHR 7,237,892 thousand) have been debited from retained earnings.

SIHANOUKVILLE AUTONOMOUS PORT

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2019**

7. PROPERTY AND EQUIPMENT

	Land KHR'000	Land improvement KHR'000	Buildings KHR'000	Technical 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
<i>At 31 December 2018 (audited)</i>											
Cost	250,929,909	51,816,151	347,793,486	24,331,208	2,507,582	8,052,102	43,758,253	326,868,210	200,816,981	1,797,412	1,258,671,294
Accumulated depreciation	-	(25,885,071)	(197,897,912)	(19,360,449)	(2,111,730)	(5,740,738)	(20,037,851)	(140,350,300)	-	(1,625,272)	(413,009,323)
Net book amount <i>(audited)</i>	<u>250,929,909</u>	<u>25,931,080</u>	<u>149,895,574</u>	<u>4,970,759</u>	<u>395,852</u>	<u>2,311,364</u>	<u>23,720,402</u>	<u>186,517,910</u>	<u>200,816,981</u>	<u>172,140</u>	<u>845,661,971</u>
<i>Nine-month period ended 30 September 2019 (reviewed but unaudited)</i>											
Opening net book amount	250,929,909	25,931,080	149,895,574	4,970,759	395,852	2,311,364	23,720,402	186,517,910	200,816,981	172,140	845,661,971
Additions (*)	-	86,357	179,538	2,659,600	173,716	618,218	5,810,709	1,362,778	5,076,875	-	15,967,791
Disposal – net	-	-	-	-	-	-	(8,580)	-	-	-	(8,580)
Transfers	-	14,827,690	166,506,474	20,080,249	-	-	-	-	(201,414,413)	-	-
Depreciation charges	-	(889,236)	(3,751,216)	(932,898)	(162,006)	(1,067,355)	(1,859,102)	(7,460,518)	-	(101,594)	(16,223,925)
Closing net book amount	<u>250,929,909</u>	<u>39,955,891</u>	<u>312,830,370</u>	<u>26,777,710</u>	<u>407,562</u>	<u>1,862,227</u>	<u>27,663,429</u>	<u>180,420,170</u>	<u>4,479,443</u>	<u>70,546</u>	<u>845,397,257</u>
<i>At 30 September 2019</i>											
Cost	250,929,909	66,730,198	514,479,498	47,071,057	2,681,298	8,670,320	49,547,661	328,230,988	4,479,443	1,797,412	1,274,617,784
Accumulated depreciation	-	(26,774,307)	(201,649,128)	(20,293,347)	(2,273,736)	(6,808,093)	(21,884,232)	(147,810,818)	-	(1,726,866)	(429,220,527)
Net book amount <i>(reviewed but unaudited)</i>	<u>250,929,909</u>	<u>39,955,891</u>	<u>312,830,370</u>	<u>26,777,710</u>	<u>407,562</u>	<u>1,862,227</u>	<u>27,663,429</u>	<u>180,420,170</u>	<u>4,479,443</u>	<u>70,546</u>	<u>845,397,257</u>

SIHANOUKVILLE AUTONOMOUS PORT

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2019**

7. PROPERTY AND EQUIPMENT (continued)

(*) Please refer to below reconciliation of cash and non-cash of additions (purchases of property and equipment) for the nine-month period ended.

	30 September 2019 KHR'000	30 September 2018 KHR'000
	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>
Purchases (cash and non-cash) during the period	15,967,791	44,755,552
Payable to a supplier (non-cash)	<u>(858,483)</u>	<u>(179,413)</u>
Cash paid during the period	<u>15,109,308</u>	<u>44,576,139</u>

The interest cost that was capitalised on qualifying assets as at 30 September 2019 was KHR 10,802 million which (interest rate at 1.65% per annum from MoEF – (JBIC) – Loan No. CP-P10 – note 11).

8. INVESTMENT PROPERTIES

	Land KHR'000	Buildings KHR'000	Total KHR'000
At 31 December 2018 <i>(audited)</i>			
Cost	134,325,883	175,266,517	309,592,400
Accumulated depreciation	<u>-</u>	<u>(30,110,220)</u>	<u>(30,110,220)</u>
Net book value <i>(audited)</i>	<u>134,325,883</u>	<u>145,156,297</u>	<u>279,482,180</u>
<i>Nine-month period ended 30 September 2019 (reviewed but unaudited)</i>			
Opening net book amount	134,325,883	145,156,297	279,482,180
Additions (*)	-	2,414,724	2,414,724
Depreciation charges	<u>-</u>	<u>(4,637,211)</u>	<u>(4,637,211)</u>
Closing net book amount	<u>134,325,883</u>	<u>142,933,810</u>	<u>277,259,693</u>
At 30 September 2019			
Cost	134,325,883	177,681,241	312,007,124
Accumulated depreciation	<u>-</u>	<u>(34,747,431)</u>	<u>(34,747,431)</u>
Net book amount <i>(reviewed but unaudited)</i>	<u>134,325,883</u>	<u>142,933,810</u>	<u>277,259,693</u>

(*) Please refer to below reconciliation of cash and non-cash of additions (purchases of investment properties) for the nine-month period ended.

SIHANOUKVILLE AUTONOMOUS PORT

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2019**

8. INVESTMENT PROPERTIES (continued)

	30 September 2019 KHR'000	30 September 2018 KHR'000
	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>
Purchases (cash and non-cash) during the period	2,414,724	799,341
Payable to a supplier (non-cash)	<u>(267,449)</u>	<u>-</u>
Cash paid during the period	<u>2,147,275</u>	<u>799,341</u>

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

	Nine-month period ended	
	30 September 2019 KHR'000	30 September 2018 KHR'000
	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>
Rental revenue	1,995,901	2,244,661
Depreciation expenses	(4,637,211)	(4,576,572)
Direct operating expenses arising from investment properties that generate rental revenue	<u>(2,057,801)</u>	<u>(2,553,377)</u>

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

9. INTANGIBLE ASSETS

	Software KHR'000
At 31 December 2018 <i>(audited)</i>	
Cost	13,467,947
Accumulated amortisation	<u>(5,973,116)</u>
Net book amount <i>(audited)</i>	<u>7,494,831</u>
<i>Nine-month period ended 30 September 2019 (reviewed but unaudited)</i>	
Opening net book amount	7,494,831
Amortisation charges	<u>(797,154)</u>
Closing net book amount	<u>6,697,677</u>
At 30 September 2019	
Cost	13,467,947
Accumulated amortisation	<u>(6,770,270)</u>
Net book amount <i>(reviewed but unaudited)</i>	<u>6,697,677</u>

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2019

10. SHARE CAPITAL AND SHARE PREMIUM

	Class A share (*)		Class B share (**)		Class C share (***)		Share premium	Total
	Number	KHR'000	Number	KHR'000	Number	KHR'000	KHR'000	KHR'000
At 31 December 2018 (<i>audited</i>)	<u>364,530,861</u>	<u>364,530,861</u>	<u>64,328,975</u>	<u>64,328,975</u>	<u>21,442,992</u>	<u>21,442,992</u>	<u>67,715,235</u>	<u>518,018,063</u>
At 30 September 2019 (<i>reviewed but unaudited</i>)	<u>364,530,861</u>	<u>364,530,861</u>	<u>64,328,975</u>	<u>64,328,975</u>	<u>21,442,992</u>	<u>21,442,992</u>	<u>67,715,235</u>	<u>518,018,063</u>

(*) 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 364,530,861 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 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 NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2019**

10. SHARE CAPITAL AND SHARE PREMIUM (continued)

(**) The details of voting rights shares are as follows:

Shareholders	Percentage	Number of shares	KHR'000
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
Employee share option scheme	2%	2,144,299	2,144,299
Other investors	10%	8,148,369	8,148,369
	25%	21,442,992	21,442,992
	100%	85,771,967	85,771,967

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 class C shares were fully paid.

(***) Guaranteed dividend payable to all class C shares

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 shares 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 government, shareholder of class B voting shares and class A non-voting shares, is not entitled to receive the minimum guaranteed dividend.

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

	30 September 2019 KHR'000	31 December 2018 KHR'000
	<i>(Reviewed but unaudited)</i>	<i>(Audited)</i>
Current	5,167,961	4,912,466
Non-current	-	5,256,339
	<u>5,167,961</u>	<u>10,168,805</u>

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2019

10. SHARE CAPITAL AND SHARE PREMIUM (continued)

The movement of guaranteed dividend payables is as follows:

	Nine-month period ended	
	30 September 2019 KHR'000	30 September 2018 KHR'000
	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>
Opening balance	10,168,805	14,759,894
Interest expenses from winding up (note 16)	402,791	641,572
Dividend paid	<u>(5,403,635)</u>	<u>(5,403,634)</u>
Closing balance	<u>5,167,961</u>	<u>9,997,832</u>

11. BORROWINGS

	30 September 2019 KHR'000	31 December 2018 KHR'000
	<i>(Reviewed but unaudited)</i>	<i>(Audited)</i>
Borrowings from:		
MoEF – (JICA) – Loan No. CP-P3	75,501,660	79,795,514
MoEF – (JBIC) – Loan No. CP-P4	118,599,617	119,018,127
MoEF – (JBIC) – Loan No. CP-P6	8,367,838	8,212,084
MoEF – (JBIC) – Loan No. CP-P8	123,908,522	123,945,263
MoEF – (JBIC) – Loan No. CP-P10	<u>221,839,619</u>	<u>219,650,241</u>
	<u>548,217,256</u>	<u>550,621,229</u>

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:

	30 September 2019 KHR'000	31 December 2018 KHR'000
	<i>(Reviewed but unaudited)</i>	<i>(Audited)</i>
Current		
Not later than one year	<u>33,098,159</u>	<u>22,197,311</u>
Non-current		
Later than one year but not later than two years	30,504,619	24,144,780
Later than two year but not later than five years	91,513,857	88,411,112
Later than five years	<u>393,100,621</u>	<u>415,868,026</u>
	<u>515,119,097</u>	<u>528,423,918</u>
	<u>548,217,256</u>	<u>550,621,229</u>

SIHANOUKVILLE AUTONOMOUS PORT

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2019**

11. BORROWINGS (continued)

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

	30 September 2019 KHR'000	31 December 2018 KHR'000
	<i>(Reviewed but unaudited)</i>	<i>(Audited)</i>
Carrying value		
Current portion	33,098,159	22,197,311
Non-current portion	515,119,097	528,423,918
	<u>548,217,256</u>	<u>550,621,229</u>
Fair value		
Current portion	30,173,985	18,487,318
Non-current portion	377,767,222	381,369,035
	<u>407,941,207</u>	<u>399,856,353</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.

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

	30 September 2019 KHR'000	31 December 2018 KHR'000
	<i>(Reviewed but unaudited)</i>	<i>(Audited)</i>
JPY	422,680,702	420,192,943
US\$	125,536,554	130,428,286
	<u>548,217,256</u>	<u>550,621,229</u>

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

	30 September 2019	31 December 2018
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	2.65%	2.65%
MoEF – (JBIC) – Loan No. CP-P10	1.65%	1.65%

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2019

12. REVENUE

	Three-month period ended		Nine-month period ended	
	30 September 2019 KHR'000	30 September 2018 KHR'000	30 September 2019 KHR'000	30 September 2018 KHR'000
	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>
Stevedoring charges	43,415,029	33,488,359	110,091,720	91,836,367
Lift-On Lift-Off (LO-LO)	23,839,503	19,666,083	66,396,779	55,153,908
Port due/charge services	16,616,038	13,925,399	47,482,710	41,560,406
Rental income from SEZ	610,077	800,515	1,995,901	2,244,661
Other revenue	7,076,458	2,875,758	16,902,024	9,338,984
	<u>91,557,105</u>	<u>70,756,114</u>	<u>242,869,134</u>	<u>200,134,326</u>

13. CONSUMABLE SUPPLIES

	Three-month period ended		Nine-month period ended	
	30 September 2019 KHR'000	30 September 2018 KHR'000	30 September 2019 KHR'000	30 September 2018 KHR'000
	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>
Combustible expenses	11,419,309	11,120,598	33,180,770	31,197,163
Spare parts	7,865,595	4,925,434	23,612,811	14,512,590
Warehouse supplies	2,498,619	1,653,433	5,494,686	5,326,779
Oil and lubricant	967,004	837,837	2,729,386	2,389,433
Office supplies	1,090,589	774,043	2,269,692	1,782,496
Other consumables	-	584,990	746,830	760,630
	<u>23,841,116</u>	<u>19,896,335</u>	<u>68,034,175</u>	<u>55,969,091</u>

14. SALARIES, WAGES AND RELATED EXPENSES

	Three-month period ended		Nine-month period ended	
	30 September 2019 KHR'000	30 September 2018 KHR'000	30 September 2019 KHR'000	30 September 2018 KHR'000
	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>
Employee salaries	16,364,775	14,473,291	45,164,084	38,640,748
Bonuses	2,779,951	2,462,820	6,403,915	4,803,820
Accrued seniority payments	-	1,798,724	-	1,798,724
Retirement benefit costs	1,262,073	1,071,500	4,464,750	3,214,500
Directors' remuneration	306,000	306,000	918,000	1,004,400
Social security expenses	127,522	71,577	387,186	277,696
Wages for contractors	69,450	26,350	212,550	96,550
Other employee-related expenses	1,460,119	941,036	5,449,832	2,891,380
	<u>22,369,890</u>	<u>21,151,298</u>	<u>63,000,317</u>	<u>52,727,818</u>

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2019

15. DEPRECIATION AND AMORTISATION CHARGES

	Three-month period ended		Nine-month period ended	
	30 September 2019 KHR'000	30 September 2018 KHR'000	30 September 2019 KHR'000	30 September 2018 KHR'000
	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>
Property and equipment	5,506,580	5,366,220	16,223,925	15,672,923
Investment properties	1,559,858	1,528,389	4,637,211	4,576,572
Intangible assets	265,718	265,718	797,154	797,154
	<u>7,332,156</u>	<u>7,160,327</u>	<u>21,658,290</u>	<u>21,046,649</u>

16. FINANCE (COSTS)/INCOME – NET

	Three-month period ended		Nine-month period ended	
	30 September 2019 KHR'000	30 September 2018 KHR'000	30 September 2019 KHR'000	30 September 2018 KHR'000
	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>
<i>Finance income:</i>				
Interest income on bank deposits (a)	916,142	687,204	2,413,199	2,080,667
Net exchange gains on foreign currency borrowings (c)	-	8,898,400	-	-
Interest income from unwinding of discount of loans to employees	162,088	229,226	539,223	734,099
	<u>1,078,230</u>	<u>9,814,830</u>	<u>2,952,422</u>	<u>2,814,766</u>
<i>Finance costs:</i>				
Interest expenses on borrowings (b)	(3,082,611)	(2,585,957)	(8,183,687)	(8,171,832)
Net exchange losses on foreign currency borrowings (c)	(1,295,902)	-	(16,786,447)	(2,713,386)
Interest expenses from winding up guaranteed dividend payables	(88,377)	(170,973)	(402,791)	(641,572)
	<u>(4,466,890)</u>	<u>(2,756,930)</u>	<u>(25,372,925)</u>	<u>(11,526,790)</u>
Finance (costs)/income– net	<u>(3,388,660)</u>	<u>7,057,900</u>	<u>(22,420,503)</u>	<u>(8,712,024)</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.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2019

16. FINANCE (COSTS)/INCOME – NET (continued)

(c) PAS has the borrowings (note 11) which are denominated in Japanese yen (JPY) and US dollar (US\$). Given the fluctuations in KHR against JPY and US\$, 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>30 September 2019</u>	<u>30 June 2019</u>	<u>31 December 2018</u>	<u>30 September 2018</u>	<u>30 June 2018</u>
JPY/KHR	38.120	37.945	36.590	36.180	36.970
US\$/KHR	4,095	4,066	4,018	4,082	4,063

17. 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 (GDT).

Under the Cambodian tax regulations, PAS is subject to pay income tax at rate of 20%. According to ANUKRET No.01 ANKR.TT dated 8 January 2015, listed entities are entitled to a three-year tax incentive given by the Securities Exchange Commission of Cambodia. On 16 May 2018, GDT approved the incentive of 50% of income tax rate (20%) and accordingly PAS is subject to 10% income tax rate from 2017 to 2019. The latest comprehensive tax audit report issued by General Department of Taxation was for the year ended 2015, and all tax liabilities were settled in 2017.

18. 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.

	<u>Three-month period ended</u>		<u>Nine-month period ended</u>	
	<u>30 September 2019</u>	<u>30 September 2018</u>	<u>30 September 2019</u>	<u>30 September 2018</u>
	<u>KHR'000</u>	<u>KHR'000</u>	<u>KHR'000</u>	<u>KHR'000</u>
	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>
Profit attributable to shareholders (KHR'000)	24,280,602	20,195,524	34,065,241	29,518,958
Weighted average number of shares	<u>85,771,967</u>	<u>85,771,967</u>	<u>85,771,967</u>	<u>85,771,967</u>
Basic earnings per share (KHR)	<u>283.08</u>	<u>235.46</u>	<u>397.16</u>	<u>344.16</u>

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 CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2019

19. CASH GENERATED FROM OPERATIONS

	Notes	Nine-month period ended	
		30 September 2019 KHR'000 <i>(Reviewed but unaudited)</i>	30 September 2018 KHR'000 <i>(Reviewed but unaudited)</i>
Profit before income tax		42,455,740	36,991,862
<i>Adjustments for:</i>			
Depreciation and amortisation charges	15	21,658,290	21,046,649
Net gain on sale of non-current assets		(69,284)	-
Finance costs– net	16	22,420,503	8,712,024
Retirement benefit obligation expenses		4,464,750	3,214,500
Seniority payment obligations		-	1,798,724
Other employees related expenses from loans to employees		491,592	482,195
<i>Changes in working capital:</i>			
Inventories		(2,857,946)	(996,851)
Trade and other receivables		(22,186,719)	(6,690,399)
Trade and other payables		3,432,099	(16,166,691)
Retirement benefit obligations		(2,261,841)	(2,349,414)
Deferred income		(338)	43,912
Cash inflow from operations		<u>67,546,846</u>	<u>46,086,511</u>

20. 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

	30 September 2019 KHR'000 <i>(Reviewed but unaudited)</i>	31 December 2018 KHR'000 <i>(Audited)</i>
Borrowings from:		
MoEF – (JICA)	75,501,660	79,795,514
MoEF – (JBIC)	472,715,596	470,825,715
	<u>548,217,256</u>	<u>550,621,229</u>

(ii) Amount due from MoPWT

	30 September 2019 KHR'000 <i>(Reviewed but unaudited)</i>	31 December 2018 KHR'000 <i>(Audited)</i>
Advances to MoPWT	<u>14,287,547</u>	<u>9,771,300</u>

SIHANOUKVILLE AUTONOMOUS PORT

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2019**

20. RELATED PARTY TRANSACTIONS (continued)

(b) Related party transactions

	Nine-month period ended	
	30 September 2019 KHR'000	30 September 2018 KHR'000
	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>
Interest expenses on borrowings from MoEF (note 16(b))	<u>(8,183,687)</u>	<u>(8,171,832)</u>

(c) Key management compensation

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

	Nine-month period ended	
	30 September 2019 KHR'000	30 September 2018 KHR'000
	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>
Board of directors		
Fees and related expenses	<u>918,000</u>	<u>1,047,600</u>
Key management personnel		
Salaries and other expenses	<u>1,732,144</u>	<u>1,533,409</u>
Retirement benefit expenses (*)	<u>154,438</u>	<u>125,042</u>

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.

(d) 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. As at 30 September 2019, outstanding loans to the key management were KHR 1,707 million (31 December 2018: KHR 2,439 million).

21. COMMITMENTS

As at 30 September 2019, PAS had outstanding capital expenditure commitment of KHR 46,664 million (31 December 2018: KHR 531 million) for its purchase of construction services, property and equipment.