



KINGDOM OF CAMBODIA
NATION RELIGION KING



Phnom Penh Autonomous Port

The 1st Quarter Report of 2024

Listed Company

1st Quarterly Report of 2024
(End 31/03/2024)
Phnom Penh Autonomous Port

1. Financial Highlight, Graph of Financial Information and Stock Ownership

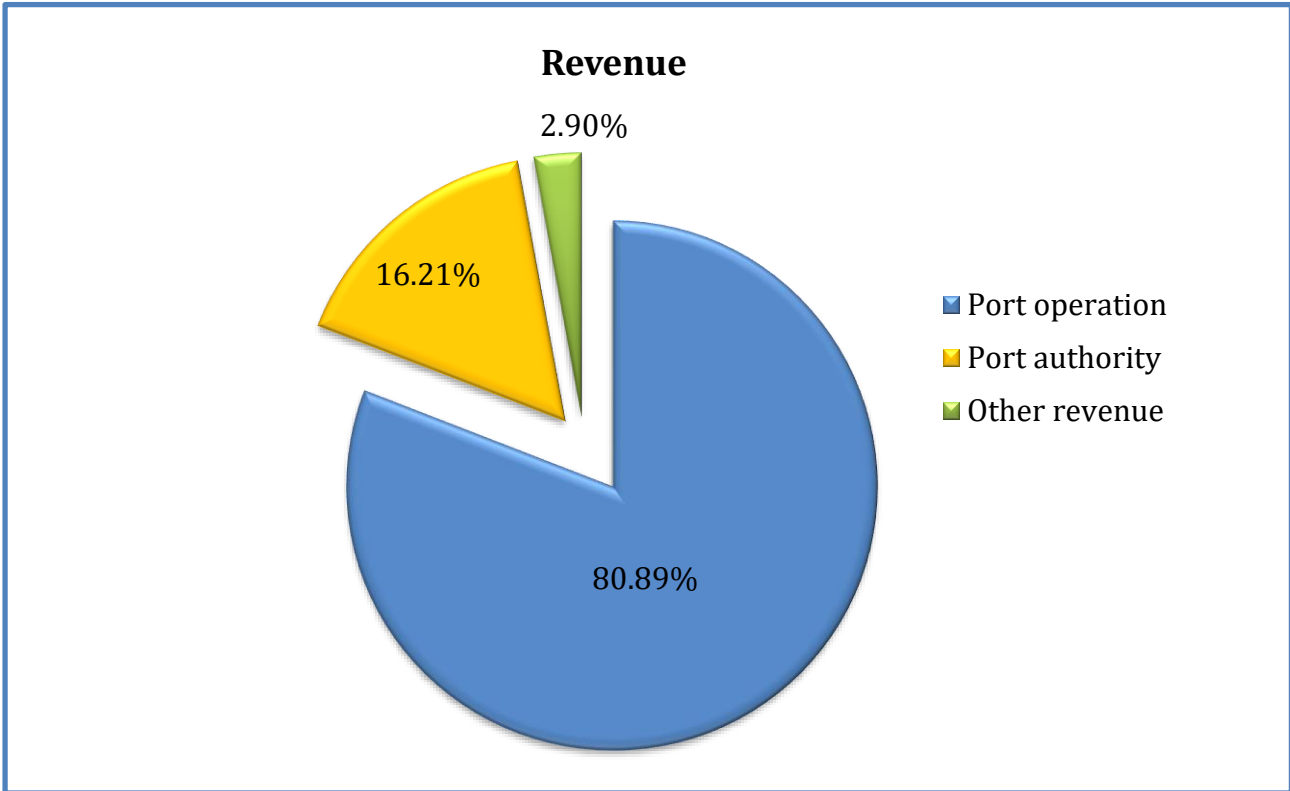
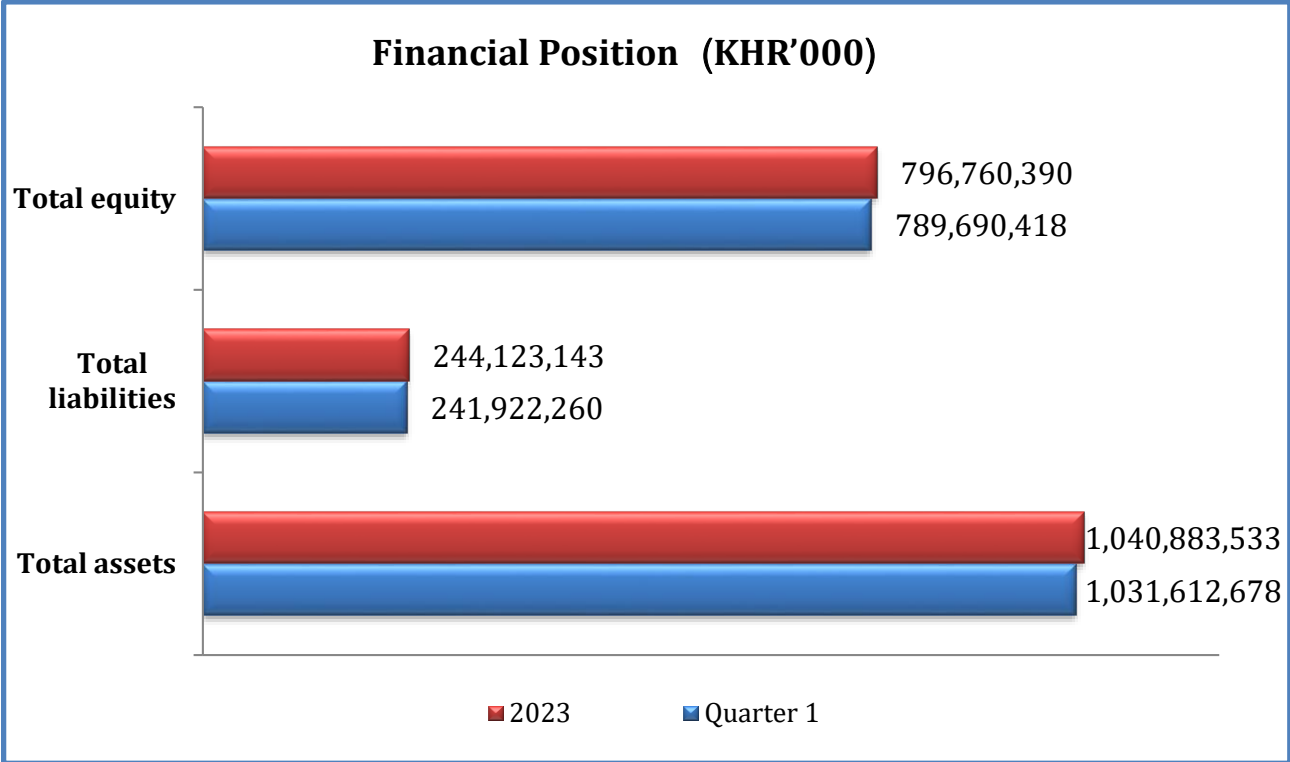
1.1. Financial Highlight

Description		31 March 2024	31 December 2023	31 December (*) 2022 (restatement)
Financial Position (KHR'000)				
Total assets		1,031,612,678	1,040,883,533	1,010,908,085
Total liabilities		241,922,260	244,123,143	241,216,456
Total equity		789,690,418	796,760,390	769,691,629
Profit/(Loss) (KHR'000)		Q1 2024	Q1 2023	Q1 2022 (restatement)
Total revenues		32,847,849	30,761,321	36,295,510
Profit/(Loss) before tax		8,990,947	9,814,606	18,873,613
Profit/(Loss) after tax		6,186,170	7,955,373	14,389,442
Total comprehensive income		(2,440,269)	(3,863,905)	10,198,829
Financial Ratios		Q1 2024	31 December 2023	31 December 2022 (restatement)
Solvency ratio (%)		4.70%	23.55%	31.17%
Liquidity ratio	Current ratio (times)	1.09	1.44	1.85
	Quick ratio (times)	1.00	1.35	1.77
		Q1 2024	Q1 2023	Q1 2022 (restatement)
Profitability ratio	Return on assets (%)	0.60%	0.80%	1.60%
	Return on equity (%)	0.78%	1.04%	2.02%
	Gross profit margin (%)	56.17%	54.73%	67.70%
	Profit margin(%)	18.83%	25.86%	39.65%
	Earning per share (Riel)	299.07	384.61	695.67
Interest coverage ratio (times)		13.61	13.38	24.06

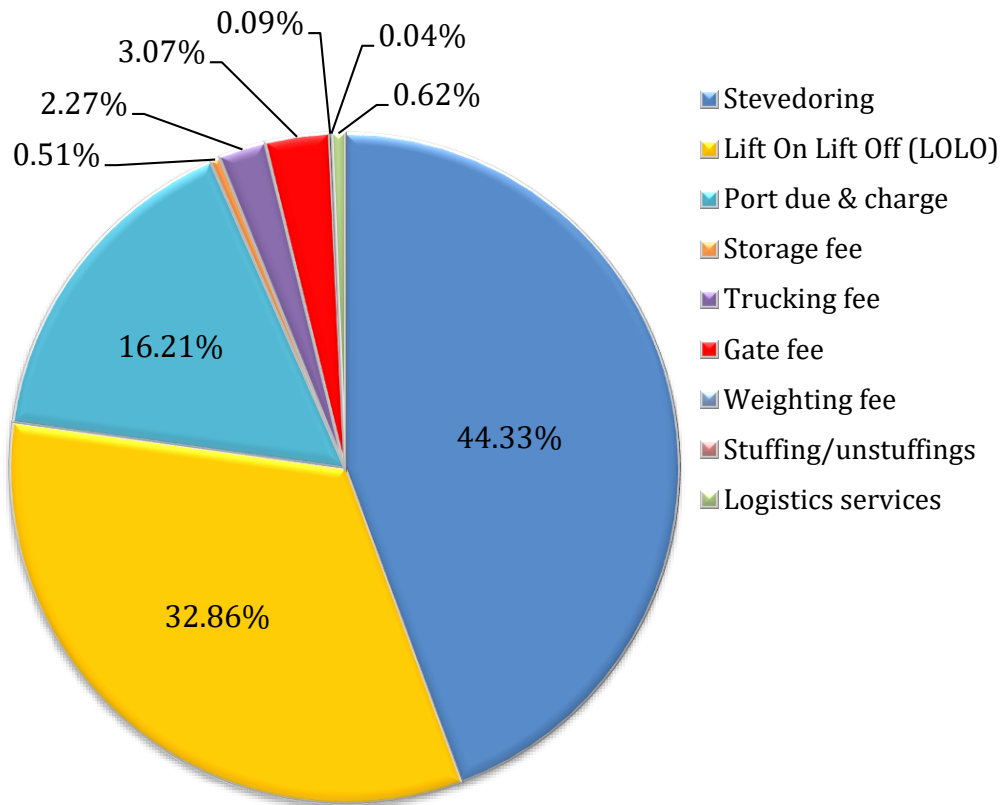
Note: The comparative information has been restated by the independent auditor as below:

- For the period as at 31 December 2022
- For the quarter 1, 2022 (as of 31 March)

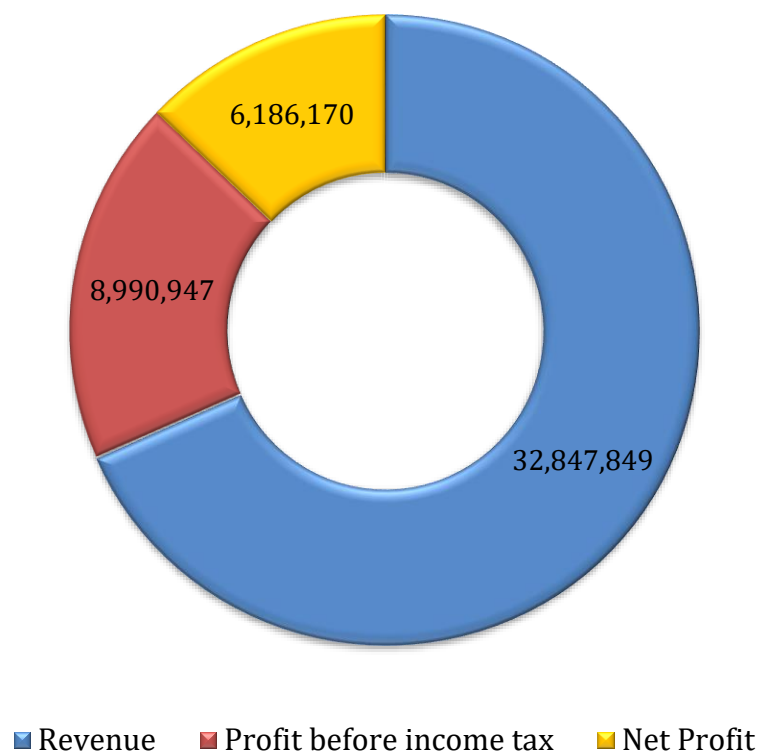
1.2. Graph of Financial Information Highlight (As of 31 March 2024)



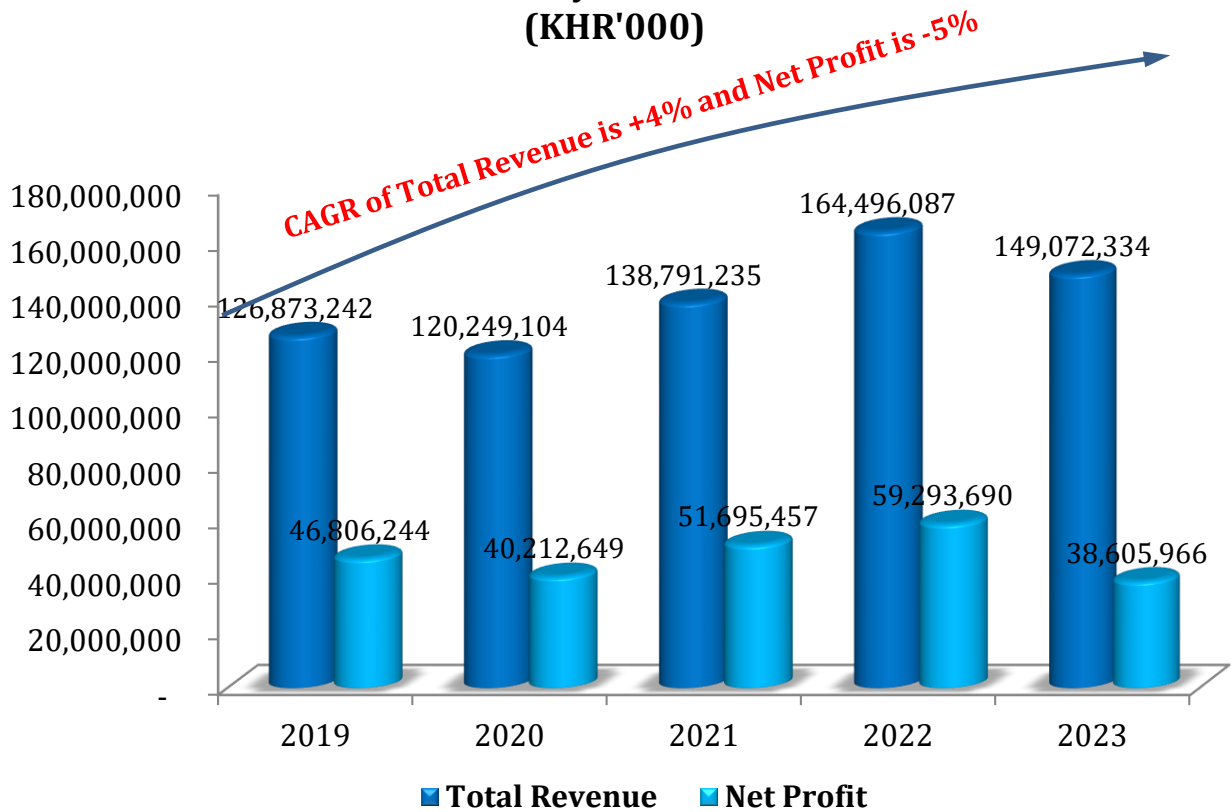
Types of Revenue Distribution Compared to Total Revenues



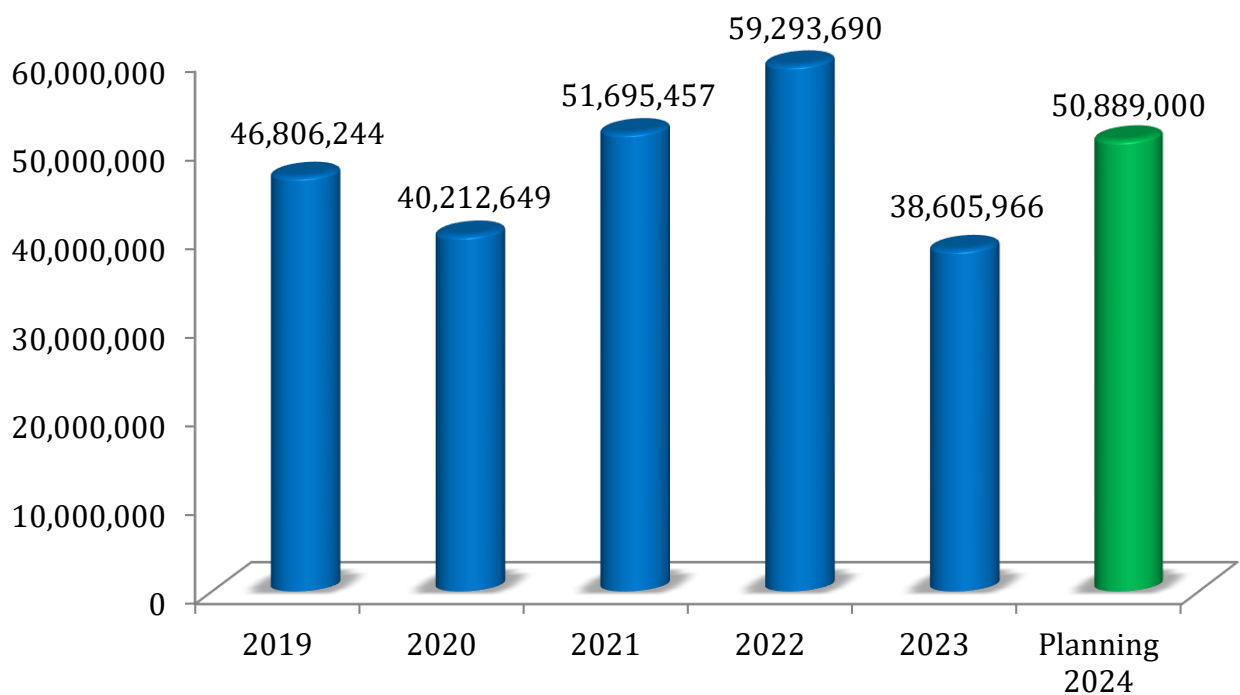
Net Profit for Q1 2024 (KHR'000)



**Compound Annual Growth Rate (CAGR) of Total Revenue
and Net Profit for 5 years from 2019 to 2023
(KHR'000)**



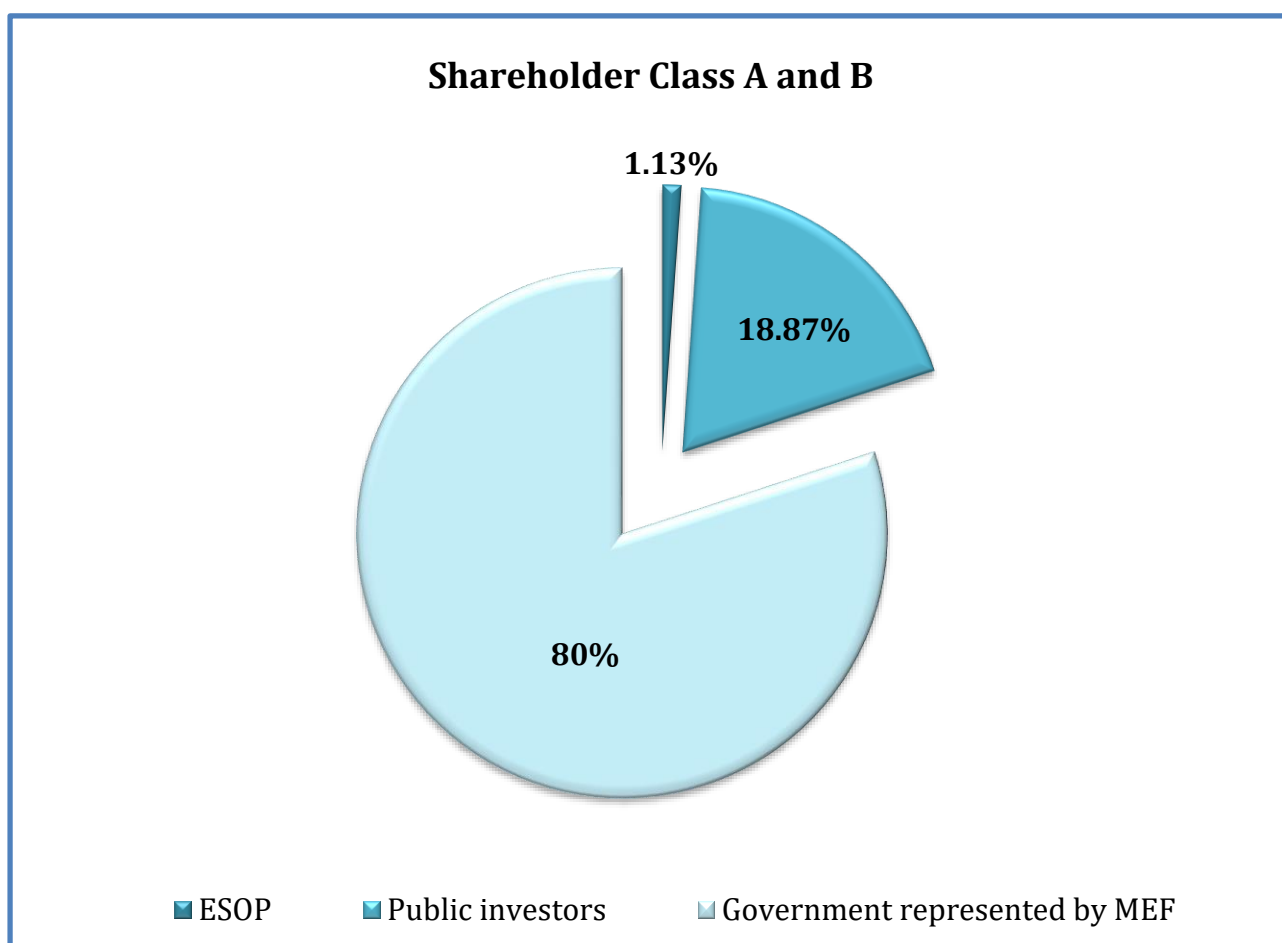
**Net Profit from 2019 to 2023 and Planning 2024
(KHR'000)**



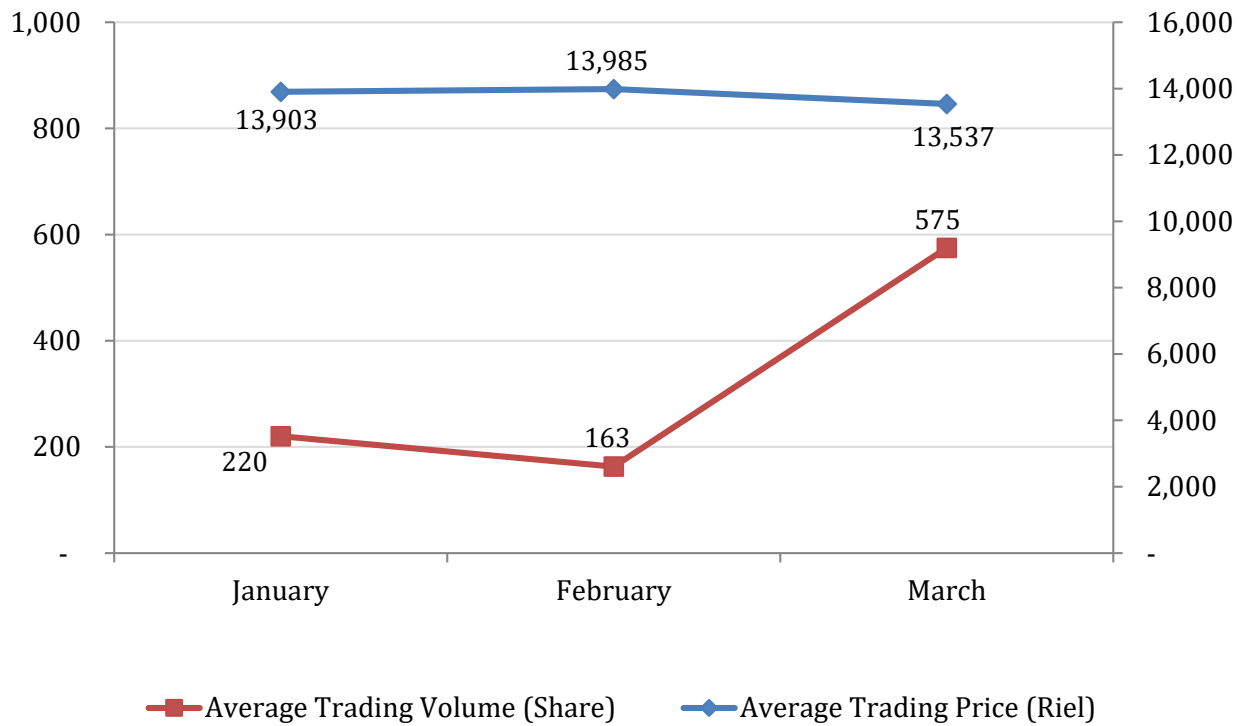
1.3. Stock Ownership (As of 31 March 2024)

Shareholders	Number of Shares	Share in Percentage
Class C		
1. Government represented by MEF	93,769,120	100%
Class B		
1. Government represented by MEF	16,547,492	80%
Class A		
1. ESOP	232,934	1,13%
2. Public investors	3,903,939	18,87%
Total Shares of Class A	4,136,873	20%

* Total shares of Class A and B 20,684,365.



**Average of Trading Price (Riel)
and Average of Trading Volume (Share) of Class A Shares
For 3 Months 2024**



2. Board of Directors



H.E HEI Bavy
Chairman of BOD
And CEO



H.E. SUON Rachana
Member (Rep. of Ministry of
Public Works & Transport)



H.E. KEN Sambath
Member (Rep. of Ministry of
Economy & Finance)



H.E. PENN Sovicheat
Member (Rep. of Ministry of
Commerce)



H.E. GUI Anvanith
Member (Independent
Director)



Mrs. POK Pheakdey
Member (Non-Executive
Director, Rep. of Private
Shareholders)



Mr. KONG Sothea
Member (Rep. of PPAP
Employees)

3. Message from Chairman and CEO

For the first quarter of 2024, total revenue is KHR 32,847,849,000 (USD 8,068,742) increased by KHR 2,086,528,000 (USD 536,587) or +6.78% compared to the first quarter of 2023. However, net profit in the first quarter of 2024 is KHR 6,186,170,000 (USD 1,519,570) decreased by KHR 1,769,203,000 (USD 428,367) or -22.24% compared to the first quarter of 2023.

Apart from this, basic earnings per share in the first quarter of 2024 is 299.07 Riels (USD 0.07).

Despite the fact that our growth for the first quarter of 2024 is lower compared to the first quarter of 2023, in an attempt to achieve 2024's planning result, PPAP has further implemented its strategic mechanisms such as enhancing the quality of services, expanding port capacity, further developing infrastructures and launching the opening of sub-feeder terminals along the rivers.

A. The Direction of main work implementation of PPAP

- Continue to implement the action plans as planned
- Ensure the quality, price, transparency, efficiency and prompt delivery of services to customers
- Expand widely the existing businesses and services and create more services related to the port and logistics sectors
- Strengthen the capacity development of institutions and staffs to respond to the organizational development in line with globalization and efficient delivery of services
- Strengthen the cooperation of the strategic partnership with the domestic ports and other ports in the world
- Work hard and continue to focus on the modernization of the port operations in accordance with standards and technology
- Increase the competitive advantages to be honest with domestic and oversea ports
- Bring port service to get closer to consumers
- Participate in the social activities and the local community.

B. The Work Implementation of the Board of Directors

In Quarter 1 of 2024, PPAP organized the 8th meeting of the 8th mandate Board of Directors, held on March 27th, 2024. The Board of Directors has reviewed and approved the following:

- Reviewed and approved the audited financial statements of PPAP for the year 2023
- Reviewed and approved the incentive distribution for PPAP's employees for the year 2023, which amounts to 3 times the average annual salary and is scheduled to be disbursed on April 8th, 2024. The allocation of net profits to other funds for the year 2023 was also reviewed and approved.
- Reviewed and approved the following:
 - † Distribution of dividends for the year 2023: Shareholders class "A" will receive 6.75% of the IPO price (KHR 5,120) totalling KHR 1,429,703,309 (One billion four hundred twenty-nine million seven hundred three thousand three hundred nine riels), and shareholder class "B"

will receive KHR 3,200,000,000 (Three billion two hundred thousand), in which PPAP must prepare for approval at the annual General Shareholders Meeting.

- † The total dividend per share for both shareholders class “A” and class “B” is KHR 223.83/share, in which the dividend per share for shareholders class “A” is KHR 345.60/share and for shareholder class “B” is KHR 193.38/share.
- Reviewed and approved the organization for PPAP’s 9th General Shareholders Meeting as follows:
 - † Date of Meeting: Friday, 10th May, 2024, at 8:00 am
 - † Record Date: April 9th, 2024
 - † Location: PPAP’s Passenger and Tourist Station of Multipurpose Terminal (TS3), located on Preah Sisowath Quay, Sras Chork Commune, Daun Penh District, Phnom Penh
 - † Agenda: **Agenda 1**, Report on business performance in 2023 and performance targets for 2024; **Agenda 2**, Proposal for review and approval on dividend distribution for the year 2023 to shareholders.

C. Setting the Goal for Further Implementation

The future version of PPAP will be set the goal for the following implementation:

- Strengthen the human resource development
- Enhance the establishment of logistics center, modern warehouse and cold warehouse
- Enhance the establishment of supporting areas for port
- Enhance the establishment of barge operators to other hub ports beside Cai Mep
- Enhance the import of second hand cargoes through PPAP
- Continue to focus on the installation of the modern facilities to strengthen the capacity of handling equipment at Container Terminal LM17
- Improve the capacity of handling of the bulk cargoes and establish the terminal for the bulk cargoes
- Modernize and expand the Passenger and Tourist Terminal (TS3 and TS1)
- Enhance the establishment of multi-purposed terminal along the rivers
- Strengthen the capacity of handling of agricultural products along the terminals of the provinces located in upper Mekong River
- Maintain the navigation and dredge the Sdao Canal to facilitate the transportation of cargoes between the northeastern provinces and Phnom Penh via Mekong River and the Cambodia-Vietnam border
- Continue to promote the service of inland transportation of container between Container Terminal LM17 of PPAP and the customers’ factories/ warehouses or vice-versa
- Continue to promote package services for referred fruit export via Container Terminal LM17 of PPAP.

PPAP do believes and strongly stands to implement the daily work and the operation along the other terminals to be transparency and effective in order to improve confidence and attractiveness of port services with the modernization and standardization to the customers.

PPAP would like to express sincere thanks to the two supervised ministries, Ministry of Public Works and Transport and Ministry of Economy and Finance, as well as Securities and Exchange Regulator of Cambodia and the shareholders who provide the trust and strong support to PPAP.

Phnom Penh, 13th May 2024
Chairman of BOD and CEO

Hei Bavy

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PART 1


GENERAL INFORMATION OF PPAP


A. Identity of PPAP

Name of the listed entity in Khmer : កំពង់ផែស្វយ័តភ្នំពេញ (ក. ស. ភ.)

In Latin : PHNOM PENH AUTONOMOUS PORT (PPAP)

 **Standard Code** : KH1000040001


 **Address** : #649, Preah Sisowath Street, Sangkat Sras Chork, Khan Daun Penh, Phnom Penh

 **Phone Number** : +855 (0)23 427 802 **Fax** : +855 (0)23 427 802

 **Website** : www.ppap.com.kh **Email** : ppapmpwt@online.com.kh

 **Company registration number**: CO.7175 Et/2004

Date: November 23rd, 2004

 **License number**: 0014 ពណ.ចបណ **Issued by**: Ministry of Commerce

Date : January 5th, 2015

 **Disclosure Document registration number issued by SECC**: 074/15/SECC

 **Representative of the listed entity**: H.E HEI Bavy

B. Nature of Business

Phnom Penh Autonomous Port (PPAP) is one of the two international ports in Cambodia. Functioning as Port Operator and Port Authority, PPAP is now providing varieties of main port services and other relevant services.

1. Operation as Port Operator

As a port operator, PPAP provides main services such as :

- stevedoring, storage, stuffing/unstuffing, loading/unloading, and transporting the containerized cargoes for the export and import
- services of pilotage, tug assistance, mooring/ unmooring
- berthing within Passenger and Tourist Terminal (TS1)

2. Operation as Port Authority

As the port authority, PPAP has the roles to :

- maintain navigation channels, installation of aids to navigation such as buoys and landmarks and protection of environment within its commercial zone.
- ensure the enforcement of rules and regulations related to port and water transport.

3. Other Services

Within the main services on Port Operation and Port Authority, PPAP also provides other services / businesses that can generate additional revenue such as :

- Dredging service : PPAP has 2 dredging machines for providing the sand from dredging to customers.
- Sand management service: According to Prakas No 001 and 002 dated on the 10th of April, 2015, of Ministry of Mines and Energy, PPAP may use the sand from dredging for commercial purposes.
- Surveying and installing bouy: PPAP has the services of surveying and installing bouy according to customer needs.

- Container maintenance and repair service: PPAP has the service of container maintenance and repair according to customer needs.
- Besides the main services, PPAP also receives the additional incomes from the use of asset such as the rental of building, land and other assets.

4. Port Commercial Zone

According to Sub-Decree No. 01 ANK. BK. the of 5th January, 2009, PPAP's Commercial Zone is 166 kilometers long, stretching from Chaktumuk river : Mekong luer river 100km, Mekong krorm river 60km, and Tonle Sap river 6km. As an authority within the zone, PPAP oversees the private terminals including petroleum/gas terminals and other general cargo terminals. PPAP also manage and operate our 6 main terminals such as :

4.1. Container Terminal LM17

In 2024, PPAP plan to develop Phase 4 of port infrastructure expansion at container terminal LM17 which will increase the container capacity of 400,000 TEUs more per year. Therefore, the container yard capacity at LM17 will reach 900,000 TEUs per year after the completion of the above project. Currently, PPAP is operating at this terminal as the main terminal for container cargo. The Container Terminal LM17 exists of 3 quay; a quay with a length of 300m and a width of 22m, a quay with a length of 149m and a width of 12m and a quay with a length of 149m and a width of 16m and also installs 4 travelling cargo cranes, 2 Fixed Cargo Crane, 12 RTG cranes, 5 Reach Stackers, 5 Sky Stackers, and 64 Trucks.

Address	Kandal Leu Village, Banteay Deak Commune, Kean Svay District, Kandal Province
Terminal location	Located at the right bank of the Mekong River and 25km downstream from the intersection of the Chaktomuk River (11°28'23.6"N and 105°08'49.8"E)
Total land size	390,838.57 m²
Registered land size	377,869.00 m²
Size of the processing land title	12,969.57 m²
Berth	3 (5,000 DWT)
Anchorage	Between 8.0m and 17.0m in depth, anchorage is available at 11°28'28.14"N and 105°9'2.32"E (mud and sand bottom, strong current during the rainy season).
Tidal effect	Ranges from +0.2m to +0.45m between February and April (as of December 2015)
Permitted draft	Varies from the minimum level of 4.5m in March to the maximum level of 5.5m in September (draft for vessels proceeding to LM17 depends on them being able to cross the bar at Cua Tieu)
Hours of Operation	7days/24hrs
Handling equipment	Traveling Cargo Crane, Fixed Cargo Crane, Tyred Gantry, Folk-Lift, Reach Stacker Cont-stacker, Sky Stacker & Empty Reach Stacker, Truck and Terminal Tractor.

Note: * The difference between registered land size and actual land size is because part of the land adjacent to the street and river bank cannot receive the ownership.

4.2. Multipurpose Terminal (TS3)

Multipurpose Terminal (TS3) was PPAP's main port for general container cargoes and for tourism. Due to TS3 Terminal's limited capacity to accommodate the continual growth of container traffic, PPAP has invested in developing a new container terminal (LM17). Since the completion of LM17, TS3 has been converted into a multipurpose terminal. While it mainly handles general cargoes, it also serves as a passenger terminal. Currently, PPAP has been preparing to transform this port into an international passenger and tourist port, with the construction of a waiting hall and a tourist station (Tourist Hall), which had completed in April 2023.

Address	#649, Preah Sisowath Street, Sangkat Sras Chork, Khan Daun Penh, Phnom Penh
Terminal location	Located at the right bank of Tonle Sap, 3.2km from the intersection of the Chaktomuk River (11°34'59.68"N and 104°55'17.41"E)
Register land size*	85,846 m ²
Berth	3 (5,000 DWT)
Anchorage	Between 5m and 15m in depth, anchorage is available at 11°33'46.98"N and 104°56'34.57"E, in front of the terminal in the Tonle Sap River and also in the Chaktomuk quarter area (mud and sand bottom, strong current during the rainy season).
Tidal effect	Ranges from +0.1m to +0.35m between February and April (as of December 2015)
Permitted drafts	Varies from the minimum level of 4.5m in March to the maximum level of 5.5m in September (draft for a vessel proceeding to TS3 depends on being able to cross the bar at Cua Tieu)
Hours of Operation	7days/24hrs

4.3. Sub-feeder Multipurpose Terminal UM2

In order to improve stevedoring operation of Sub-feeder Multipurpose Terminal UM2 to be more effective, productive and attracting customers to use Sub-feeder Multipurpose Terminal UM2, this Terminal must improve and develop more due to it is located next to Kompongcham and Tboung Kmom boarder which have the connection between the northern and northeast side province of Cambodia that is the necessary areas of agriculture and agro-insdustry from the south downtown to Vietnam country. Sub-feeder Multipurpose Terminal UM2 play an important role in order to gathering the inland waterway transportation and cargo trading. Currently, PPAP completed the construction of a 12-meters by 46.9-meters wharf and developed the Phase 2 step 1 of Port infrastructure and plans to implement the Phase 2 step 2 when there is an increasing in demand.

Address	Doun Mau Leu Village, Tonle Bet commune, Thbong Khmom district, Thbong Khmom province
Terminal location	Located at the left bank of the Mekong River and 103km upstream from the intersection of the Chaktomuk River (11°57'47.73"N and 105°28'33.13"E)
Total land size	161,700 m ²
Registered land size	160,725 m ²
Size of the processing land title	975 m ²
Berth	1 (pontoon; 6m x 28m) 1 (5,000 DWT)
Anchorage	Between 6m to 20m in depth, anchorage is available at 11°58'43.41"N and 105°28'9.58"E (mud and sand bottom, strong current during the rainy season).
Tidal effect	No effect
Permitted drafts	Varies from the minimum level of 4.5m in March to the maximum level of 5.5m in September (draft for a vessel proceeding to UM2 depends on being able to cross the bar at Cua Tieu)
Channel depth	Draft of 4.5m during the dry season; subject to regular maintenance from the intersection of the Chaktomuk River to Kampong Cham via the Sdao Channel (3.5km long and 60m wide)
Hours of Operation	7days/24hrs
Handling equipment	Mobile crane, Pontoon.

Note: * The difference between registered land size and actual land size is because part of the land adjacent to the street and river bank cannot receive the ownership.

4.4. Passenger & Tourist Terminal (TS1)

TS1 is the main passenger terminal for PPAP. From TS1, people can travel to many domestic ports in other provinces as well as Vietnam. . In the 4th Quarter of 2023, the total of 59,286 passengers transited at TS1. The figure includes all passenger travels from Phnom Penh to domestic ports, Phnom Penh to Vietnam, and tours of the Mekong River near Phnom Penh.

Address	Preah Sisowath (Street 1), Sangkat Daun Penh, Khan Daun Penh, Phnom Penh
Terminal location	Located at the right bank of Tonle Sap and approximately 2km from the conjunction of the Chaktomuk quarter (11°34'32.45"N and 104°55'36.88"E)
Registered land size*	6,637 m ²
Berth	3 units of floating pontoon

Anchorage	Between 5m and 15m in depth, anchorage is available at 11°33'46.98"N and 104°56'34.57"E, in front of the terminal in the Tonle Sap River and also in the Chaktomuk quarter area (mud and sand bottom, strong current during the rainy season).
Tidal effect	Ranges from +0.1m to 0.35m between February and April (as of December 2014)
Permitted drafts	Varies from the minimum level of 4.5m in March to the maximum level of 5.5m in September (draft for a vessel proceeding to TS1 depends on being able to cross the bar at Cua Tieu)
Hours of Operation	7days/24hrs

4.5. Sub-feeder Multipurpose Terminal TS11

Sub-feeder multipurpose terminal TS11 is located along the NR5, in Kilometer 6 commune, Russey Keo District, Phnom Penh, which is about 6.6 kilometers long or a 20mn drive from the city center Wat Phnom. It is the strategic area to distribute and collect goods between manufacturers and consumers because it is located nearby the downtown of Phnom Penh city. The development of this terminal will reduce the traffic jam in Phnom Penh City. Anyway, The multipurpose terminal TS3 can not be fully operated as it is located in the city center, which is restricted the container trucks to enter the city during the daytime. Therefore, in order to promote water transport as well as Door to Door Service, the development of Sub-feeder Multipurpose Terminal TS11 is very important and necessary to connect goods between other provinces and Phnom Penh to have a choice. And lower shipping costs.

Address	Located along the NR5, Kilometer 6 commune, Russey Keo District, Phnom Penh.
Terminal location	Located along Tonle Sap river and approximately 3km from conjunction of the Chaktomuk quarter (11°37'34.6"N and 104°54'29.4"E)
Land size	4 Hectare
Berth	1 (5,000 DWT)
Anchorage	The anchorage is available at two location: -First Location is available at 11°34'26.6"N and 104°55'50.4"E -Second location is available at 11°33'39.9"N and 104°56'50.7"E Located at the conjunction of Chatomuk quarter because the riverbed of TS11 is narrow that is difficult for anchorage.
Tidal effect	No effect
Permitted draft	Varies from the minimum level of 4.5m in March to the maximum level of 5.5m in September (draft for a vessel proceeding to TS11 depends on being able to cross the bar at Cua Tieu)
Hours of Operation	7days/24hrs
Handling equipment	Mobile crane, Fixed Cargo Crane, Constacker, Fork-Lift, Truck & Terminal Tractor

4.6. Sub-feeder Multipurpose Terminal LM26

Sub-feeder multi-purpose terminal LM26 is located in Koh Roka commune, Peam Chor District, Prey Veng Province, in the southern part of Cambodia and it is about 3 kilometers away from Vietnam Border, Dong Thap province. It is a potential terminal for Cambodian people to export agricultural products to Vietnam and import raw material and construction materials. Moreover, this terminal will create more opportunities to boost and connect the tourism sector between the two countries.

Currently, the port has expanded the sand-laying infrastructure, filling the conveyor yard and designing other port infrastructure to meet the needs of the two countries' inflows and outflows and connecting waterways for work. Export to the global market more efficiently, as well as contribute to reducing logistics costs and impact on land use. At present, the construction of Koh Roka Multi-Purpose Port has been completed, which is planned to be used for the loading and unloading operation of gradually until the next stage of container loading. PPAP is equipped with 10 Conveyors to facilitate the flow of operations in the export of agricultural products that have been implemented to be put into use in 2023.

Address	Koh Roka commune, Peam Chor District, Prey Veng Province.
Terminal location	Located at eastern bank of the Lower Mekong river and approximately 103km from conjunction of the Chaktomuk quarter (10°55'40.5"N and 105°11'30.6"E)
Total land size	200,042 m2
Registered land size	150,262 m2
Size of the processing land title	49,780 m2
Anchorage	The anchorage is available at two location: -First Location is available at 10°56'01.9"N and 105°11'17.6"E -Second location is available at 10°55'10.1"N and 105°11'24.4"E
Hours of Operation	7days/24hrs
Facilities	Mobile crane , Floating crane and Conveyor

4.7. Terminal which are planned to develop at the future

4.7.1 Sub-feeder Multipurpose Terminal UM1

Sub-feeder Multipurpose Terminal UM1 covers an area of 3.8 Hectares, which is a strategic location in Prek Anchanh Commune, Muk Kampoul District, Kandal Province. This multi-purpose terminal is planned to be set up to boost water transport, boosting the growth of goods passing through the PRC, reduce transportation and logistics costs, find additional sources of revenue, establish a collection and distribution point for goods through water and land transport links, increase the competitiveness of PWR, reduce port and inland waterway transport services to consumers, facilitate better trade, promote national economic growth and attract investment, facilitate and reduce the use of roads, bridges and create Additional job opportunities for Cambodians. Therefore, Sub-feeder Multipurpose Terminal UM1 has played an important role as a gathering place for water transport activities and a place for exchanging local and foreign goods. Considering the potential and potential of this port development site, therefore, It is planned to develop Sub-feeder Multipurpose Terminal UM1 for the Phase 1 in the future.

Address	Prek Anchanh Commune, Muk Kampoul District, Kandal Province.
Total land size	38,362 m ²
Tidal effect	From 0.2 m to 0.4 m
Channel depth	4.5 meters
Hours of Operation	7days/24hrs
Facilities	Mobile crane , Floating crane

4.7.2 Sub-feeder Multipurpose Chhlong (Kratie)

Address	Prek Ta Am Village, Bos Leav Commune, Chit Borey District, Kratie Province.
Total land size	500,000 square meters
Hours of Operation	7days/24hrs

4.7.3 Sub-feeder Multipurpose Boeung Ket (Kampong Cham)

Address	Boeung Ket Krom Village, Prek Kak Commune, Stung Trang District, Kampong Cham Province.
Total land size	200,000 square meters
Hours of Operation	7days/24hrs

4.7.4 Sub-feeder Multipurpose Phnom Krom (Siem Reap)

Address	Village 5, Sangkat Chong Kneas, Siem Reap City, Siem Reap Province.
Total land size	100,000 square meters
Hours of Operation	7days/24hrs

4.7.5 Sub-feeder Multipurpose Kampong Chhnang

Address	Kandal Village, Sangkat Kampong Chhnang, Kampong Chhnang City, Kampong Chhnang Province.
Total land size	3,150,000 square meters
Tidal effect	from 0.10 m to 0.3 m
Channel depth	4.50 m
Hours of Operation	7days/24hrs

4.7.6 Sub-feeder Multipurpose Kampong Chhnang-Kampong Thom

Address	Kampong Boeng Village, Kampong Hao Commune, Kampong Leng District, Kampong Chhnang Province.
Total land size	250,000 square meters
Tidal effect	from 0.10 m to 0.3 m
Channel depth	4.50 m
Hours of Operation	7days/24hrs

4.7.7 Sub-feeder Multipurpose Prek Kdam

Address	Peam Chumnic Village, Kampong Luong Commune, Ponhea Leu District, Kandal Province.
Total land size	400,000 square meters
Tidal effect	from 0.10 m to 0.3 m
Channel depth	4.50 m
Hours of Operation	7days/24hrs

4.7.8 Sub-feeder Multipurpose Sovannaphum LM25

Address	Samrong Kear Village, Samrong Thom Commune, Kien Svay District, Kandal Province.
Total land size	156,000 square meters
Tidal effect	from 0.10 m to 0.4 m
Channel depth	4.50 m
Hours of Operation	7days/24hrs

4.7.9 Sub-feeder Multipurpose kdar Bontas LM5

Address	Khsum Village, Banteay Dek Commune, Kien Svay District, Kandal Province.
Total land size	85 438 square meters
Tidal effect	from 0.10 m to 0.4 m
Channel depth	4.50 m
Hours of Operation	7days/24hrs

C. Quarter's Key Events

As of 1st Quarter of 2024, there has no any quarter's key events.

Part 2

Information on Bussiness Operation Performance

A. The results of the business operations, including partial business information for the quarter of 2024

1. Catalog of Passenger Goods

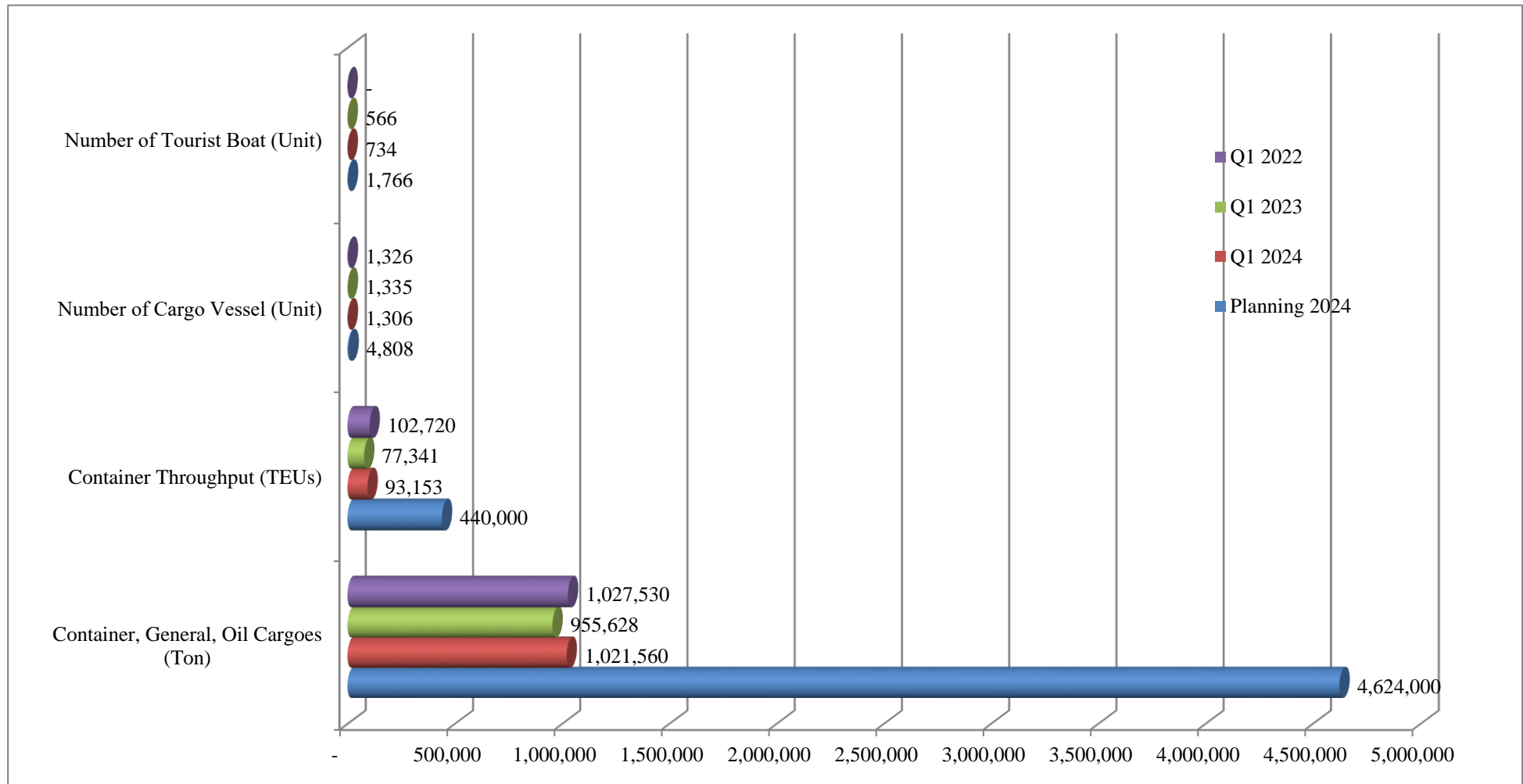
No.	Description	Unit	Planning 2024	Q1			Compare (%)	Up/Down (%)	
				2024	2023	2022			
A	B	C	1	2	3	4	5=(2/1)	6=((2)-(3))/(1)	7=((3)-(4))/(1)
I	<u>Container, General, Oil Cargoes</u>	<u>Ton</u>	<u>4,624,000</u>	<u>1,021,560</u>	<u>955,628</u>	<u>1,027,530</u>	22.09%	+6.90%	-7.00%
	A- Container Throughput	-	<u>2,747,899</u>	<u>522,654</u>	<u>507,019</u>	<u>538,794</u>	19.02%	+3.08%	-5.90%
	- Imported Container Cargo	-	1,310,458	244,956	235,666	246,632			
	- Exported Container Cargo	-	1,437,441	277,698	271,353	292,162			
	B - Mobile General Cargo Handling	-	<u>981,605</u>	<u>276,023</u>	<u>229,284</u>	<u>227,683</u>	28.12%	+20.38%	+0.70%
	- Inside Port	-	146,238	69,784	32,583	25,222			
	- Inside Port	-	835,367	206,239	196,701	202,461			
	C - Imported Oil & Gas	-	<u>894,496</u>	<u>222,883</u>	<u>219,325</u>	<u>261,054</u>	24.92%	+1.62%	-15.98%
	<u>Container Throughput (TEUs)</u>	<u>TEU</u>	<u>440,000</u>	<u>93,153</u>	<u>77,341</u>	<u>102,720</u>	21.17%	+20.44%	-24.71%
	- Laden Cargo	-	279,085	56,963	52,621	66,835			
	- Empty Cargo	-	160,915	36,190	24,720	35,885			
II	<u>Cargo Handling</u>	<u>Ton</u>	<u>3,729,504</u>	<u>798,677</u>	<u>736,303</u>	<u>766,477</u>	21.42%	+8.47%	-3.94%
	- General Cargo	-	981,605	276,023	229,284	227,683			
	- Container Throughput (Ton)	-	2,747,899	522,654	507,019	538,794			
III	<u>Number of Cargo Vessel</u>	<u>Unit</u>	<u>4,808</u>	<u>1,306</u>	<u>1,335</u>	<u>1,326</u>	27.16%	-2.17%	+0.68%
	- Foreign Vessels and Barge	-	4,258	1,175	1,203	1,166			
	- Cambodian Vessels and Barge	-	-	-	-	-			
	- Oil Vessels and Tanker	-	550	131	132	160			

No.	Description	Unit	Planning 2024	Q1			Compare (%)	Up/Down (%)	
				2024	2023	2022			
A	B	C	1	2	3	4	5=(2/1)	6=((2)-(3))/(1)	7=((3)-(4))/(1)
IV	<u>Number of Local Passenger Boat (In-Out)</u>	<u>Unit</u>	<u>9,369</u>	<u>2,664</u>	<u>2,608</u>	<u>2,812</u>	28.43%	+2.15%	-7.25%
	- PhnomPenh-SeimReap-PhnomPenh	-	-	-	-	-			
	- Vessels in Town	-	9,369	2,664	2,608	2,812			
V	<u>Number of Local Passenger (In-Out)</u>	<u>Passenger</u>	<u>175,355</u>	<u>53,280</u>	<u>43,960</u>	<u>15,789</u>	30.38%	+21.20%	+178.42%
	- PhnomPenh-SeimReap-PhnomPenh	-	-	-	-	-			
	- Vessels in Town	-	175,355	53,280	43,960	15,789			
VI	<u>Number of Foreign Passenger and Tourist Boat (In-Out)</u>	<u>Voyage</u>	<u>1,766</u>	<u>734</u>	<u>566</u>	<u>-</u>	41.56%	+29.68%	+566.00%
	- PhnomPenh-ChovDok-PhnomPenh	-	1,264	470	370	-			
	- Cruise Boat	-	502	264	196	-	52.59%	+34.69%	+196.00%
VII	<u>Number of Foreign Passenger and Tourist (In-Out)</u>	<u>Person</u>	<u>40,949</u>	<u>26,271</u>	<u>14,358</u>	<u>-</u>	64.16%	+82.97%	+14358.00%
	- PhnomPenh-ChovDok-PhnomPenh	-	20,002	11,971	6,427	-			
	- Tourist on Cruise Boat	-	20,947	14,300	7,931	-	68.27%	+80.31%	+7931.00%

(Source from the Report of Department of Planning/Marketing of PPAP)

- Cargo-fuel and gas throughput in Q1 2024: 1,021,560 Tons, increased by 6.90% compared to Q1 2023 (955,628 Tons). For Q1 2024, PPAP has accomplished 22.09% compared to planning 2024 (4,624,000 Tons).
- Cargo vessels throughput in Q1 2024: 1,306 Units, decreased by 2.17% compared to Q1 2023 (1,335 Units). For Q1 2024, PPAP has accomplished 27.16% compared to planning 2024 (4,808 Units).
- International passengers and tourist cruises throughput via Cambodia-Vietnam in Q1 2024: 734 Voyages, increased by 29.68% compared to Q1 2023 (566 Voyages). For Q1 2024, PPAP has accomplished 41.56% compared to planning 2024 (1,766 Units).
- Containers throughput in Q1 2024: 93,153 TEUs, increased by 20.44% compared to Q1 2023 (77,341 TEUs). For Q1 2024, PPAP has
- accomplished 21.17% compared to planning 2024 (440,000 TEUs).
- The number of international passengers and tourists throughput via Cambodia-Vietnam in Q1 2024: 26,271 Passengers, increased by 82.97% compared to Q1 2023 (14,358 Passengers). For Q1 2024, PPAP has accomplished 64.16% compared to planning 2024 (40,949 Passengers).

 **Graphs on performance comparisons of the first quarter of 2024 - 2023 - 2022 and 2024 planning**



B- Revenue Structure

Source of Revenue	1 st Quarter for the Period Ended 31 March 2024		1 st Quarter for the Period Ended 31 March 2023		1 st Quarter for the Period Ended 31 March 2022 (restatement)	
	KHR'000	Compared to total revenue	KHR'000	Compared to total revenue	KHR'000	Compared to total revenue
Stevedoring	14,561,149	44.33%	12,279,163	39.92%	15,773,066	43.46%
Lift On Lift Off (LOLO)	10,791,179	32.86%	10,003,472	32.52%	12,590,680	34.69%
Port dues and charges	5,324,058	16.21%	4,697,176	15.27%	4,075,579	11.23%
Storage fees	168,890	0.51%	529,070	1.72%	1,422,732	3.92%
Trucking fee	747,281	2.27%	476,431	1.55%	1,108,752	3.05%
Gate fees	1,009,331	3.07%	819,287	2.66%	1,069,975	2.95%
Weighting fee	29,177	0.09%	18,484	0.06%	21,969	0.06%
Stuffing/Unstuffing	12,620	0.04%	13,069	0.04%	36,161	0.10%
Sand dredging management fee	0	0.00%	0	0.00%	10,775	0.03%
Logistic services	204,164	0.62%	1,925,169	6.26%	185,821	0.51%
Total:	32,847,849	100.00%	30,761,321	100.00%	36,295,510	100.00%

PART3

**Financial Statements Reviewed by
the External Auditor**

**Condensed Interim Financial Statements
for the three-month period ended 31 March 2024
and
Independent Auditors' Report on Review of
Condensed Interim Financial Statements
Will be Attached as Appendix I**

Part 4
Management's Discussion and Analysis
(MD&A)

A- Overview of operations

PPAP is one of the Cambodia's two international port. The port commercial zone covered from Phnom Penh to lower Mekong River (Neak Leoung) and Phnom Penh to upper Mekong River (Tonle Bet) in accordance to the sub-decree number 01 dated 5th January 2009. PPAP has two function as a port operation and port authority. *Please refer to Section 1.2 of this First Quarter 2024 report for further information.*

The container throughput of PPAP in the first quarter 2024 has increased 15,812 TEUs or 20,44% compared to the first quarter 2023. For vessels in the first quarter 2024 decreased by 29 units or 2,17% compared to the first quarter 2023. However, ship (voyage) in the first quarter 2024 increased 168 voyage or 29.68% compared to the first quarter 2023. On the other hand, general cargo in first quarter 2024 has also increased 46,739 TONs or 20,38% compared to first quarter 2023.

The following discussion and analysis of PPAP's top management on the financial position and result of operation is conducted base on the Interim financial report for First Quarter ended 31 March 2024 and 2023 as set out in Section 3 of this First Quarter Report.

PPAP has four main revenue source:

1. **Stevedoring:** refer to revenue from the service of loading or discharging goods/containers into/from vessel and moving cargo from quay to container yard and vice versa.
2. **Lift On/Lift off (LOLO):** refer to revenue from service of loading or discharging good/containers from container yard to truck and vice versa.
3. **Port Dues & Charges:** refer to revenue from maritime service and berthing service which include tonnage due, berthing due, channeling due, pilotage fee, tug boat fee, mooring/unmooring fee, open/close vessel's hatch fee, and cleaning service for vessel.
4. **Storage Fee:** refer to revenue from storage of goods/containers in the container yards or warehouse. General cargos are exempted from stroage fee for 5 days for both import and export cargos, and container cargos as exempted from storage fee for 7 days for both export and import.

1. Revenue Analysis

1.1 Revenue analysis

For the first quarter ended 31 March 2024 compared to the first quarter ended 31 March 2023

Description	1 st Quarter for the Period Ended 31 March 2024		1 st Quarter for the Period Ended 31 March 2023		Change			
	USD	KHR'000	USD	KHR'000	USD	%	KHR'000	%
Port operation	6,710,790	27,319,627	5,910,621	24,138,976	800,169	13.54%	3,180,651	13.18%
Port authority	1,307,801	5,324,058	1,150,141	4,697,176	157,660	13.71%	626,882	13.35%
Other services	50,151	204,164	471,393	1,925,169	(421,242)	-89.36%	(1,721,005)	-89.40%
Total:	8,068,742	32,847,849	7,532,155	30,761,321	536,587	7.12%	2,086,528	6.78%

Noted: *Trucking fee in Quarter 1 of 2023 is classified into Other Services.*

Total revenue increased by KHR 2,086,528,000 (USD 536,587) or +6.78% from KHR 30,761,321,000 (USD 7,532,155) in the first quarter of 2023 to KHR 32,847,849,000 (USD 8,068,742) in the first quarter 2024. This increase in revenue is due to the increase of revenue from port operations such as stevedoring, trucking fees, gate fees and the increase of revenue from port authority (port dues and charges). etc.

1.2 Revenue by segment analysis

For the first quarter ended 31 March 2024 compared to the first quarter ended 31 March 2023

Description	1 st Quarter for the Period Ended 31 March 2024		1 st Quarter for the Period Ended 31 March 2023	
	KHR'000	Compared to total revenue	KHR'000	Compared to total revenue
Stevedoring	14,561,149	44.33%	12,279,163	39.92%
Lift On Lift Off (LOLO)	10,791,179	32.86%	10,003,472	32.52%
Port dues and charges	5,324,058	16.21%	4,697,176	15.27%
Storage fees	168,890	0.51%	529,070	1.72%

Description	1 st Quarter for the Period Ended 31 March 2024		1 st Quarter for the Period Ended 31 March 2023	
	KHR'000	Compared to total revenue	KHR'000	Compared to total revenue
Trucking fee	747,281	2.27%	476,431	1.55%
Gate fees	1,009,331	3.07%	819,287	2.66%
Weighting fee	29,177	0.09%	18,484	0.06%
Stuffing/Unstuffing	12,620	0.04%	13,069	0.04%
Logistic services	204,164	0.62%	1,925,169	6.26%
Total:	32,847,849	100.00%	30,761,321	100.00%

For the first quarter of 2024, the 3 main revenues of PPAP represent about 93% of total revenue from operations and services. Those revenues included stevedoring, lift on lift off (LOLO) and port dues and charges.

For the first quarter ended 31 March 2024 compared to the first quarter ended 31 March 2023

Description	1 st Quarter for the Period Ended 31 March 2024		1 st Quarter for the Period Ended 31 March 2023		Change			
	USD	KHR'000	USD	KHR'000	USD	%	KHR'000	%
Stevedoring	3,576,799	14,561,149	3,006,651	12,279,163	570,148	18.96%	2,281,986	18.58%
Lift On Lift Off (LOLO)	2,650,744	10,791,179	2,449,430	10,003,472	201,314	8.22%	787,707	7.87%
Port Due & Charge	1,307,801	5,324,058	1,150,141	4,697,176	157,660	13.71%	626,882	13.35%

For the first quarter of 2024, 3 main revenues has increased KHR 3,696,575,000 (USD 929,122) or +13.70% compared to the first quarter of 2023.

2. Gross profit margin analysis

Gross profit is presented in the statement of profit or loss of PPAP came from the total revenue from operation and other services minus the cost of services (operating costs).

For the first quarter ended 31 March 2024 compared to the first quarter ended 31 March 2023

Description	1 st Quarter for the Period Ended 31 March 2024		1 st Quarter for the Period Ended 31 March 2023		Change			
	USD	KHR'000	USD	KHR'000	USD	%	KHR'000	%
Revenue	8,068,742	32,847,849	7,532,155	30,761,321	536,587	7.12%	2,086,528	6.78%
Cost of Service								
Crane charge	723,487	2,945,316	639,411	2,611,355	84,076	13.15%	333,961	12.79%
Depreciation	1,084,778	4,416,131	924,833	3,777,018	159,945	17.29%	639,113	16.92%
Fuel and gasoline	482,985	1,966,232	518,811	2,118,824	(35,826)	-6.91%	(152,592)	-7.20%
Salaries and wage	656,146	2,671,170	621,266	2,537,250	34,880	5.61%	133,920	5.28%
Maintenance costs	341,064	1,388,472	429,315	1,753,322	(88,251)	-20.56%	(364,850)	-20.81%
Logistic costs	0	0	152,469	622,683	(152,469)	-100.00%	(622,683)	-100.00%
Others	247,891	1,009,164	123,867	505,874	124,024	100.13%	503,290	99.49%
Total Cost of Service	3,536,351	14,396,485	3,409,972	13,926,326	126,379	3.71%	470,159	3.38%
Gross profit	4,532,391	18,451,364	<u>4,122,183</u>	<u>16,834,995</u>	<u>410,208</u>	<u>9.95%</u>	<u>1,616,369</u>	<u>9.60%</u>
Gross Profit Margin	56.17%	56.17%	54.73%	54.73%				

- Gross Profit Margin Analysis

Gross Profit Margin increased by 1.44% from 54.73% in the first quarter of 2023 to 56.17% in the first quarter of 2024. The increase in gross profit margin is mainly due to the increase in revenue, while the total Cost of Service for the first quarter of 2024 slightly increased by KHR 470,159,000 (USD 126,379) or +3.38% compared to the first quarter of 2023 due to the increase of crane charge, depreciation, salaries and wages, and other expenses, etc.

3. Profit before tax analysis

Profit before income tax derived from gross profit plus other income, minus general administration, plus financial income/(costs), net.

For the first quarter ended 31 March 2024 compared to the first quarter ended 31 March 2023

Description	1 st Quarter for the Period Ended 31 March 2024		1 st Quarter for the Period Ended 31 March 2023		Change			
	USD	KHR'000	USD	KHR'000	USD	%	KHR'000	%
Gross profit	4,532,391	18,451,364	4,122,183	16,834,995	410,208	9.95%	1,616,369	9.60%
Other income	330,457	1,345,290	326,897	1,335,047	3,560	1.09%	10,243	0.77%
General administration and selling expenses								
Salaries and other benefits	1,356,958	5,524,175	1,215,538	4,964,257	141,420	11.63%	559,918	11.28%
Utilities and fuel	169,158	688,642	163,198	666,501	5,960	3.65%	22,141	3.32%
Depreciation	190,716	776,405	176,631	721,361	14,085	7.97%	55,044	7.63%
Board of Directors' fee	61,948	252,190	61,702	251,991	246	0.40%	199	0.08%
Donation expenses	282,343	1,149,418	230,970	943,281	51,373	22.24%	206,137	21.85%
Office supplies	43,841	178,477	51,010	208,325	(7,169)	-14.05%	(29,848)	-14.33%
Business entertainments	82,792	337,046	42,863	175,052	39,929	93.15%	161,994	92.54%
Repairs and maintenance	55,627	226,458	56,629	231,273	(1,002)	-1.77%	(4,815)	-2.08%
Communication expenses	21,563	87,783	18,414	75,203	3,149	17.10%	12,580	16.73%
Professional fee	13,149	53,530	7,651	31,247	5,498	71.86%	22,283	71.31%
Travelling expenses	17,685	71,996	21,146	86,360	(3,461)	-16.37%	(14,364)	-16.63%

Description	1 st Quarter for the Period Ended 31 March 2024		1 st Quarter for the Period Ended 31 March 2023		Change			
	USD	KHR'000	USD	KHR'000	USD	%	KHR'000	%
Other tax expenses	31,335	127,565	26,930	109,982	4,405	16.36%	17,583	15.99%
Lease receivable written off	102,452	417,082	-	-	102,452	N/A	417,082	N/A
Others	63,084	256,815	76,887	314,008	(13,803)	-17.95%	(57,193)	-18.21%
Total general administration and selling expenses	<u>2,492,651</u>	<u>10,147,582</u>	<u>2,149,569</u>	<u>8,778,841</u>	<u>343,082</u>	<u>15.96%</u>	<u>1,368,741</u>	<u>15.59%</u>
Operating profit	<u>2,189,569</u>	<u>8,913,736</u>	<u>2,382,530</u>	<u>9,730,251</u>	<u>(192,961)</u>	<u>-8.10%</u>	<u>(816,515)</u>	<u>-8.39%</u>
Financial income/(cost), net	18,966	77,211	20,655	84,355	(1,689)	-8.18%	(7,144)	-8.47%
Profit before income tax	<u>2,208,535</u>	<u>8,990,947</u>	<u>2,403,185</u>	<u>9,814,606</u>	<u>(194,650)</u>	<u>-8.10%</u>	<u>(823,659)</u>	<u>-8.39%</u>

For the first quarter of 2024, Profit before income tax decreased by KHR 823,659,000 (USD 194,650) or -8.39% compared to the first quarter of 2023. The decrease is due to the increase in General Administration Expenses such as Salaries and other benefits, Depreciation, Business entertainment and Lease receivable written off, etc.

4. Profit after tax analysis

PPAP is subject to the Law on Commercial Enterprise for taxation sector and value-added tax (VAT), thus PPAP has the obligation to pay tax at 20% of taxable profit. However, from 2019 onward PPAP will have an obligation to pay tax as normal after received 50% reduction on the tax on profit for three years (from 2016 to 2018)

For the first quarter ended 31 March 2024 compared to the first quarter ended 31 March 2023

Description	1 st Quarter for the Period Ended 31 March 2024		1 st Quarter for the Period Ended 31 March 2023		Change			
	USD	KHR'000	USD	KHR'000	USD	%	KHR'000	%
Profit before income tax (a)	2,208,535	8,990,947	2,403,185	9,814,606	(194,650)	-8.10%	(823,659)	-8.39%

Description	1 st Quarter for the Period Ended 31 March 2024		1 st Quarter for the Period Ended 31 March 2023		Change			
	USD	KHR'000	USD	KHR'000	USD	%	KHR'000	%
Income tax expense (b)	688,965	2,804,777	455,248	1,859,233	233,717	51.34%	945,544	50.86%
Net profit for the year	1,519,570	6,186,170	1,947,937	7,955,373	(428,367)	-21.99%	(1,769,203)	-22.24%
Other comprehensive income	1,519,570	(2,440,269)	1,947,937	(3,863,905)	(428,367)	-21.99%	1,423,636	-36.84%
Effective tax rate (b)/(a)	31.20%	31.20%	18.94%	18.94%				

PPAP earns profit after tax KHR 6,186,170,000 (USD 1,519,570) in the first quarter of 2024 and KHR 7,955,373,000 (USD 1,947,937) in the first quarter of 2023, representing a decrease of KHR 1,769,203,000 (USD 428,367) or -22.24%. The increase of an effective tax rate of 12.26% from 18.94% in the first quarter of 2023 to 31.20% in the first quarter of 2024, due to the decrease in profit before income tax by -8.39%, while the increase in income tax expense KHR 945,544,000 (USD 233,717) or 50.86%.

5. Factors and trends analysis affecting financial conditions and results

5.1. Level of regional, global trade and globalization

The financial condition and results of PPAP are dependent on throughput volumes and transshipment activity at ports. There rely heavily on the domestic, and global trade volume as well as the regional exports and imports. These may be significantly affected by the changes in regional and global economic, financial and political conditions that are beyond PAPP's control.







5.2. Capacity at the Container Terminal LM17

The main handling operation is conducted at the Container Terminal LM17. PPAP has container cargo handling capacity of approximately 500,000 TEUs in the planned phase of the third phase in 2023. PPAP has plan to finish the Phase VI of port infrastructure project which will increase its capacity 400,000 TEUs/year of the handling capacity at Container Terminal LM17.

Description	Output			
	1 st Quarter 2022	1 st Quarter 2023	1 st Quarter 2024	Planning 2024
Container Terminal LM17 (TEUs)	102,720	77,341	93,153	440,000

5.3. Operation Efficiency

In order to increase the efficiency of operation, PPAP seeks to reduce its costs and achieve optimal operating efficiency by utilizing its existing resources and install the modern equipment and handling machinery. PPAP, therefore, has the following methods to increase the efficiency of operation:

-  Continue introducing new handling machinery in order to speed up the process of cargo handling and reduce wait time cause by the malfunction of machinery.
-  Improving capability of operation by providing employee training.
-  Expand the terminal in order to ensure that vessels are quickly and efficiently transport cargo to and from PPAP.
-  Utilizing external depot to increase the container storage capacity at LM17 such as the ICD depot, KM6 Terminal, Multipurpose Terminal TS3, and Mekong Sentosa Logistic (MSL).
-  Efficiently managing the container yard by reducing the duration of storage of container at the container yard.
-  Efficiently utilizing the terminal by formulating a clear the berthing plan.

5.4. Price

In order to retain existing customers and attract more new customers, PPAP Has offered favorable tariffs on cruise ships, cruise ships, retail and container ships and other types of freight vessels. PPAP also offers preferential prices for both freight services at both inside and outside of the container terminal. In addition to the preferential shipping costs, PPAP also offers preferential package prices for container service (Stevedore) to all container carriers based on the volume of containers that are shipped. This means that if the container carrier of any company shipping more containers will receive a much higher discount.

5.5. Connection to Feeder Port

The connection to feeder port plays an important role when Transport Company selecting a port to transport cargo. Efficient connectivity enable shipper to reduce shipping time. Efficient transportation between feeder-ports depend on the service of other feeder port that managing the flow of transportation. PPAP's location in Phnom Penh Capital is advantageous in consolidating cargo for waterway transshipment.

5.6. Depreciation

Depreciation arise from the depreciated of property, plant and equipment of PPAP such as quay, storage facilities, and handling machinery. The useful lives is estimated on key assets such as harbours and building (10-50 years), plants and machinery (10-15 years), furniture and fixtures (5 years), computer (5-15years), office equipment and others (5-15 years), moto vehicles (8-15 years). Depreciation method, useful lives, and residual values are reviewed at each reporting date and adjusted if appropriate.

B- Significant factors affecting profit

1. Demand and supply conditions analysis

Cargo volume of PPAP is directly related to the national, Regional and Global Economy. PPAP must conduct analysis on the economy and trade in order to recognize the trend of increase or decline in the demand of transportation. It is the base for a timely response on the matters as well as creating proper investment plan on the port infrastructure and machinery. It can avert losses on the expenditure of capital by avoiding excessive investment over the demand of transporation.

2. Fluctuation in prices of cost of service analysis

Maintaining competitiveness in the market is an important factors for the long-term growth of PPAP which include the quality and price of service provided. To ensure quality and competitiveness of our service, PPAP focus on the management of some operating expense as below:

2.1. Staff salaries and other benefits

A large portion of the company's expense is related to staff salaries and other benefits, which is **24.95%** (8.13% from operation staff and 16.82% from administration staff and other benefits) of total revenue in the first quarter of 2024 which recorded in Cost of Services and General Administration Expense. However, PPAP have plan which arrange appropriate human resource according to the scope of work and pay salaries base on the number of container throughput (TEU) in order to ensure that staff cost will not significantly affect our profit.

2.2. Crane Charge

Another large potion of cost of service is crane charges which is **8.97%** of total revenue in the first quarter 2024. PPAP has signed contract with three business partner in using the Traveling Cargo Crane to provide the handling service. According to the contracts, the percentage of revenue sharing to the business partners drop to 80% after 3 to 4 years of operation. PPAP expect that crane charge will

increase as the number of container throughput is also expected to increase. However, crane charge will not significantly affect our profit because the increase in container throughput also lead to the increase in revenue. Table below shows the revenue sharing scheme with the business partners:

Crane Owner	Crane Name	Unit	Capacity (Ton)	% of Revenue To Crane Owner	% of Revenue To PPAP	Date
Sovereign	Floating Crane 1	1	80	80%	20%	01/01/2022-31/12/2023
	Floating Crane 2	1	60	80%	20%	
Jeong Myeong International Co.,Ltd	Traveling Cargo Crane 1	1	41	90%	10%	01/01/2013-31/12/2013
				85%	15%	01/01/2014-31/12/2014
				80%	20%	01/01/2015-31/12/2024
Port Stevedoring Company Limited	Fixed Crane	3	40	90%	10%	07/09/2021-07/09/2024
				85%	15%	08/09/2024-08/09/2025
				80%	20%	09/09/2025-09/09/2041

3. Tax analysis

PPAP is subject to the Law on Commercial Enterprise for matter of taxation. PPAP has an obligation to pay tax as stipulated in the laws and regulation in force. The General Department of Taxation require PPAP to pay tax under the real regime tax system and is a large taxpayer.

3.1. Tax on profit

PPAP has the obligation to pay tax at 20% of taxable profit by preparing tax, by preparing tax on a monthly basis based on 1% of monthly turnover. This prepayment tax of 1% turnover will be settled with the payment of 20% profit tax at the end of fiscal year. PPAP's share was officially listed on the 9th of December 2015. According to Anukret No.01 ANK.BK dated on the 8th of January 2015 on Tax Incentive in Securities Sector, Listed enterprise will received 50% reduction on the tax on profit for three year from the date of the Anukret enforce. Therefore, from 2019 onward PPAP will not received Tax Incentive in Securities Sector, thus PPAP will have obligation to pay tax as normal.

For three year from the date of the Anukret enforce. Therefore, from 2019 onward PPAP will not received Tax Incentive in Securities Sector, thus PPAP will have obligation to pay tax as normal.

3.2. Value added tax (VAT)

PAPP is a VAT registered company. PPAP has to charge VAT of 10% on invoice amount when issuing invoice to its customers. This tax is collected for the government as an output VAT. This output VAT is settled with the 10% input VAT that PPAP has to pay to its supplier when making purchase.

3.3. Tax withheld on Interest Income

PPAP has an obligation to pay withholding tax on interest income at the rate of 4% on deposit and 6% on fixed deposit. PPAP has fixed deposit at the Foreign Trade Bank (FTB).

3.4. Import Tax

PPAP has an obligation to pay import tax on materials and raw materials at rates ranging from 7% to 35%, depending on the type of goods, as determined by the General Department of Customs and Excise. According to the Project of Port infrastructure at LM17 in 2022, PPAP will import additional container handling equipment. As such, the expense on import tax will rise.

C- Material changes in sales and revenue

The main revenue from PPAP are from handling container cargo service such as Stevedor, LOLO and Port Due & Charge which represent about **93%** of the total revenue in the first quarter 2024. This revenue increase mainly contributed by the increase of container throughput and number of vessel which mainly due the growth of construction of industry and other commercial industries such as textile, apparel & footwear manufacturing industry. Moreover, the opening of Cap Mei Hub Port in Vietnam also contribute to the increase of container throughput from our terminals as it provides a more direct and faster route to East pacific country and U.S West.

D- Impact of exchange rate, interest rate and commodity prices

1. Impact of Exchange Rate

PPAP maintain its accounting record in USD which is its functional currency because most of the revenue from the business is USD currency. In addition, most of the payment on machinery maintaining, fuel and gasoline, and other expense is also in USD currency except salary and tax expense. Therefore, the impact from exchange rate is minimum for PPAP.

2. Impact of Interest Rate

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments of PPAP would fluctuate because of changes in market interest rates.

The exposure of PPAP to interest rate risk arises primarily from fixed deposits. PPAP manages its interest rate exposure by closely monitoring the market interest rate. PPAP does not use derivative financial instruments to hedge any debt obligations.

3. Impact of Flunctuation of Gasoline Price

The operation of PPAP depend heavily on the machinery which require high consumption of gasoline. The flunctuation of gasoline price will impact on the cost of service. Hence, PPAP is work to improve our operation by efficient management of container yard which can lead to the reduction of gasoline usage, reduction in unnecessary movement of machinery. Therefore, PPAP equipped with modern marchinery in lifting by substitute to electicity base machinery.

E- Impact on Inflation

Increase in inflation rate may impact the expenditure and investment of the company because of the increase in price of commodity, thus diminish in purchasing power. According to Worldbank.org, the Cambodia inflation rate is averaging 3.8% from year 2011 to 2014 which we believe that it will not materially impact our financial position and operation of PPAP.

F- Governmental/ Economic/ Fiscal/ Monetary Policy of Royal Government

PPAP is benefiting from the some of the government policy as the following:

- ❖ Rice Export policy of Cambodia is showing positive effect by increasing the export of rice via PPAP.
- ❖ The government policy which exempt the import tax on agriculture equipment/machinery which encourage investment in agriculture sector.
- ❖ The government's effort to establish quota or exemption with trade-partner country encourages high volume of export.
- ❖ The establishment of Special Economic Zone and Bonded Warehouse attracted direct investment from foreign country.
- ❖ Cambodia Development Industrial Policy 2015 – 2025 is attracting investment in Cambodia and large enterprise as well as some small and medium size enterprise.
- ❖ Government policy to encourage waterway transportation.
- ❖ The National Bank of Cambodia continued the adoption of tight monetary policy and managed floating exchange rate system. It has boosted public confidence in the macroeconomic environment of Cambodia and facilitated the private sector in carrying out business.
- ❖ The tax incentive in securities sectors which provided to the listed enterprise in Cambodia is encouraging more private and public enterprise to goes IPO. This will contributed to the development of Cambodia economy.

Part 5

Other Necessary Information for Investor Protection

For the 1st Quarter of 2024, PPAP has necessary information for the investor protection as follow:

- Reviewed and approved the audited financial statements of PPAP for the year 2023
- Reviewed and approved the incentive distribution for PPAP’s employees for the year 2023, which amounts to 3 times the average annual salary and is scheduled to be disbursed on April 8th, 2024. The allocation of net profits to other funds for the year 2023 was also reviewed and approved.
- Reviewed and approved the following:
 - † Distribution of dividends for the year 2023: Shareholders class “A” will receive 6.75% of the IPO price (KHR 5,120) totalling KHR 1,429,703,309 (One billion four hundred twenty-nine million seven hundred three thousand three hundred nine riels), and shareholder class “B” will receive KHR 3,200,000,000 (Three billion two hundred thousand), in which PPAP must prepare for approval at the annual General Shareholders Meeting.
 - † The total dividend per share for both shareholders class “A” and class “B” is KHR 223.83/share, in which the dividend per share for shareholders class “A” is KHR 345.60/share and for shareholder class “B” is KHR 193.38/share.
- Reviewed and approved the organization for PPAP’s 9th General Shareholders Meeting as follows:
 - † Date of Meeting: Friday, 10th May, 2024, at 8:00 am
 - † Record Date: April 9th, 2024
 - † Location: PPAP’s Passenger and Tourist Station of Multipurpose Terminal (TS3), located on Preah Sisowath Quay, Sras Chork Commune, Daun Penh District, Phnom Penh
 - † Agenda: Agenda 1, Report on business performance in 2023 and performance targets for 2024; Agenda 2, Proposal for review and approval on dividend distribution for the year 2023 to shareholders.

Signature of The Board of Directors of PPAP

13th May, 2024

Read and Approved

Soun Rachana

Signature

Soun Rachana

Member

(Rep. Of Ministry of Public Works and Transport)

13th May, 2024

Read and Approved

Gui Anvanith

Signature

Gui Anvanith

Member

(Independent Director)

Appendix I

**Condensed Interim Financial Statements
for the three-month period ended 31 March 2024
and
Independent Auditors' Report on Review of
Condensed Interim Financial Statements**

PHNOM PENH AUTONOMOUS PORT

**Condensed Interim Financial Statements
for the three-month period ended
31 March 2024**

and

**Independent Auditors' Report on Review of
Condensed Interim Financial Statements**

Corporate Information

Company	Phnom Penh Autonomous Port
Registration No	Co.7175 Et/2004
Registered office	No. 649, Preah Sisowat Quay Sangkat Sras Chork Khan Daun Penh Phnom Penh Kingdom of Cambodia
Majority shareholder	Ministry of Economy and Finance
Board of Directors	H.E. Hei Bavy, Chairman and Chief Executive Officer H.E. Suon Rachana, Member representing MPWT H.E. Ken Sambath, Member representing MEF H.E. Penn Sovicheat, Member representing MOC H.E. Gui Anvanith, Member as Independent Director Mrs. Pok Pheakdey, Member as Non-Executive Director representing of private shareholders Mr. Kong Sothea, Member representing of PPAP employees
Management team	H.E. Hei Bavy, Chief Executive Officer H.E. Mam Rithy, State Controller H.E. Choun Sokhem, Deputy Director General of Administration/Finance Mr. Hiek Phirun, Deputy Director General of Maritime Service/Traffic Mr. Koy Bunthorn, Deputy Director General of Technique Mrs. Hei Phanin, Deputy Director General of Business/Operation Mr. Kong Sothea, Head of Internal Audit Department Mr. Keo Sophanara, Head of Administration Department Mr. Seng Kunthea, Head of Personnel/HR Department Mr. Im David, Head of Engineer Department Mrs. Khov Chansoma, Acting Head of Accounting/Finance Department Mr. Chiep Viraya, Head of Hydrographic Department Mr. Hun Sokhalay, Head of LM 17 Operation Department Mr. Prak Samit, Acting Head of Commercial Zone/Domestic Port Department Mr. Hoen Song, Head of TS3 Operation Department Mr. Tol Sokhom, Head of Harbour Department Mr. Kong Channy, Head of Corporate Secretariat Ms. Chheav Vanthea, Head of Planning/Marketing Department Mr. Chhiv Songkaing, Head of Sub-feeder Multi-purpose Terminal UM1 Mr. Say Chantha, Head of Machinery Management Department Mrs. Meas Visal, Head of Sub-Feeder Multipurpose Terminal TS11 Department Mr. Heng Vutha, Acting Head of Sub-Feeder Multipurpose Terminal UM2 Department

Corporate Information (continued)

Principal bankers	ACLEDA Bank Plc. Advanced Bank of Asia Limited J Trust Royal Bank Plc. Chip Mong Commercial Bank Plc. Phnom Penh Commercial Bank Plc. Foreign Trade Bank of Cambodia Canadia Bank Plc. Bank of China Limited Phnom Penh Branch
Auditor	KPMG Cambodia Ltd

Phnom Penh Autonomous Port

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KINGDOM OF CAMBODIA

Nation Religion King



Phnom Penh Autonomous Port

N°: 501/24.....PPAP

PHNOM PENH, Date: May 13th 2024

Statement by the Board of Directors

In the opinion of the Board of Directors, the accompanying condensed interim financial statements of Phnom Penh Autonomous Port ("PPAP" or the "Company"), which comprises the condensed interim statement of financial position as at 31 March 2024, and the related condensed interim statement of profit or loss and other comprehensive income, changes in equity and cash flows for the three-month period then ended, and notes to the condensed interim financial statements as set out on pages 4 to 35 are prepared, in all material respects, in accordance with Cambodian International Accounting Standard 34, *Interim Financial Reporting*.

Signed in accordance with a resolution of the Board of Directors,



H.E. Hei Bavy
Chairman and Chief Executive Officer

Mrs. Khov Chansoma
Acting Head of Accounting/Finance Department

Phnom Penh, Kingdom of Cambodia

Date: May 13th 2024



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THE INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

To the shareholders of Phnom Penh Autonomous Port

Introduction

We have reviewed the accompanying condensed interim financial statements of Phnom Penh Autonomous Port ("PPAP" or "the Company"), as set out on pages 4 to 35 (hereafter referred to as "the condensed interim financial statements") which comprise:

- the condensed interim statement of financial position as at 31 March 2024;
- the condensed interim statements of profit or loss and other comprehensive income for the three-month period ended 31 March 2024;
- the condensed interim statement of changes in equity for the three-month period ended 31 March 2024;
- the condensed interim statement of cash flows for the three-month period ended 31 March 2024; and
- other explanatory notes to the condensed interim financial statements.

Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with the Cambodian International Accounting Standard 34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the Cambodian International Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim 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 statements, are not prepared, in all material respects, in accordance with the Cambodian International Accounting Standard 34, “Interim Financial Reporting”.

For **KPMG Cambodia Ltd**




Yim Lundy
Engagement Partner

Phnom Penh, Kingdom of Cambodia

13 May 2024

Phnom Penh Autonomous Port

Condensed interim statement of financial position as at 31 March 2024

	Notes	31 March 2024		31 December 2023	
		US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
ASSETS					
Non-current assets					
Property, plant and equipment	5	128,595,336	519,653,753	126,656,158	517,390,405
Intangible assets		167,536	677,013	131,982	539,146
Right-of-use assets	6(a)	8,725,993	35,261,738	8,760,682	35,787,386
Lease receivables	6(b)	4,667,034	18,859,484	4,671,994	19,085,095
Investment properties	7	87,336,800	352,928,009	87,359,958	356,865,428
Other receivable	8	74,399	300,646	72,683	296,910
Other investments	10	15,000,000	60,615,000	15,000,000	61,275,000
		<u>244,567,098</u>	<u>988,295,643</u>	<u>242,653,457</u>	<u>991,239,370</u>
Current assets					
Inventories	9	913,184	3,690,177	801,808	3,275,386
Lease receivables	6(b)	382,929	1,547,416	430,585	1,758,940
Trade and other receivables	8	7,035,779	28,431,583	7,021,891	28,684,428
Cash and bank balances	10	2,387,493	9,647,859	3,898,509	15,925,409
		<u>10,719,385</u>	<u>43,317,035</u>	<u>12,152,793</u>	<u>49,644,163</u>
TOTAL ASSETS		<u>255,286,483</u>	<u>1,031,612,678</u>	<u>254,806,250</u>	<u>1,040,883,533</u>
EQUITY AND LIABILITIES					
EQUITY					
Share capital	11	114,453,485	457,813,940	114,453,485	457,813,940
Share premium	12	155,502	622,008	155,502	622,008
Reserves	13	78,885,751	321,721,038	70,637,971	287,822,662
Retained earnings		1,924,816	7,749,385	9,798,425	40,091,294
Currency translation reserves		-	1,784,047	-	10,410,486
Total equity		<u>195,419,554</u>	<u>789,690,418</u>	<u>195,045,383</u>	<u>796,760,390</u>
LIABILITIES					
Non-current liabilities					
Other payable	14	37,200	150,325	36,830	150,451
Borrowings	15	13,454,832	54,370,976	14,489,819	59,190,911
Contract liabilities	16	12,975,000	52,431,975	13,050,000	53,309,250
Lease liabilities	6(a)	11,515,368	46,533,602	11,651,908	47,598,044
Provision for retirement benefits	17	580,768	2,346,883	563,762	2,302,968
Liability arising from joint arrangement	18	11,132,982	44,988,380	11,214,195	45,809,987
Deferred tax liabilities, net	19(c)	357,145	1,443,223	343,628	1,403,720
		<u>50,053,295</u>	<u>202,265,364</u>	<u>51,350,142</u>	<u>209,765,331</u>

Phnom Penh Autonomous Port

Condensed interim statement of financial position (continued) as at 31 March 2024

	Notes	31 March 2024		31 December 2023	
		US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Current liabilities					
Trade and other payables	14	6,265,260	25,317,916	3,022,642	12,347,493
Borrowings	15	2,140,698	8,650,561	2,311,056	9,440,664
Lease liabilities	6(a)	696,268	2,813,619	613,391	2,505,702
Contract liabilities	16	300,000	1,212,300	300,000	1,225,500
Current income tax liabilities		411,408	1,662,500	2,163,636	8,838,453
		<u>9,813,634</u>	<u>39,656,896</u>	<u>8,410,725</u>	<u>34,357,812</u>
Total liabilities		<u>59,866,929</u>	<u>241,922,260</u>	<u>59,760,867</u>	<u>244,123,143</u>
TOTAL EQUITY AND LIABILITIES		<u>255,286,483</u>	<u>1,031,612,678</u>	<u>254,806,250</u>	<u>1,040,883,533</u>

The accompanying notes form an integral part of these condensed interim financial statements.

Phnom Penh Autonomous Port

Condensed interim statement of profit or loss and other comprehensive income for the three-month period ended 31 March 2024

	Note	For the three-month period ended 31 March 2024		For the three-month period ended 31 March 2023	
		US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Revenue	21	8,068,742	32,847,849	7,532,155	30,761,321
Cost of services	22	(3,536,351)	(14,396,485)	(3,409,972)	(13,926,326)
Gross profit		4,532,391	18,451,364	4,122,183	16,834,995
Other income	23	330,457	1,345,290	326,897	1,335,047
General and administrative expenses	24	(2,492,651)	(10,147,582)	(2,149,569)	(8,778,841)
Share of loss from joint arrangement		143,797	585,398	134,459	549,131
Impairment loss on trade and other receivables	9	(324,425)	(1,320,734)	(51,440)	(210,081)
Operating profit		2,189,569	8,913,736	2,382,530	9,730,251
Financial income	25	344,980	1,404,414	383,241	1,565,156
Finance costs	25	(326,014)	(1,327,203)	(362,586)	(1,480,801)
Financial income, net	25	18,966	77,211	20,655	84,355
Profit before tax		2,208,535	8,990,947	2,403,185	9,814,606
Income tax expense	19(b)	(688,965)	(2,804,777)	(455,248)	(1,859,233)
Net profit for the period		1,519,570	6,186,170	1,947,937	7,955,373
Other comprehensive income					
<i>Items that will not be reclassified to profit or loss</i>					
Currency translation differences		-	(8,626,439)	-	(11,819,278)
Total comprehensive income for the period		1,519,570	(2,440,269)	1,947,937	(3,863,905)

Earnings per share attributable to the shareholders of PPAP during the period are as follow:

Basic earnings per share	26	0.07	0.30	0.09	0.38
Diluted earnings per share	26	0.07	0.30	0.09	0.38

The accompanying notes form an integral part of these condensed interim financial statements.

Phnom Penh Autonomous Port

Condensed interim statement of changes in equity for the three-month period ended 31 March 2024

	Share capital		Share premium		Reserves		Retained earnings		Currency translation reserves		Total	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Balance at 1 January 2024	114,453,485	457,813,940	155,502	622,008	70,637,971	287,822,662	9,798,425	40,091,294	-	10,410,486	195,045,383	796,760,390
Transaction with the shareholders of PPAP												
Dividends (Note 27)	-	-	-	-	-	-	(1,145,399)	(4,629,703)	-	-	(1,145,399)	(4,629,703)
Transaction recognised directly in equity												
Transfers from retained earning to reserves (Note 13)	-	-	-	-	8,247,780	33,898,376	(8,247,780)	(33,898,376)	-	-	-	-
Total comprehensive incomes												
Net profit for the period	-	-	-	-	-	-	1,519,570	6,186,170	-	-	1,519,570	6,186,170
Currency translation differences	-	-	-	-	-	-	-	-	-	(8,626,439)	-	(8,626,439)
	-	-	-	-	-	-	1,519,570	6,186,170	-	(8,626,439)	1,519,570	(2,440,269)
Balance at 31 March 2024	114,453,485	457,813,940	155,502	622,008	78,885,751	321,721,038	1,924,816	7,749,385	-	1,784,047	195,419,554	789,690,418
Balance at 1 January 2023	114,453,485	457,813,940	155,502	622,008	57,466,697	233,991,665	15,148,231	61,435,683	-	16,937,560	187,223,915	770,800,856
Transaction with the shareholders of PPAP												
Dividends (Note 27)	-	-	-	-	-	-	(1,142,009)	(4,663,965)	-	-	(1,142,009)	(4,663,965)
Transaction recognised directly in equity												
Transfers from retained earning to reserves (Note 13)	-	-	-	-	13,171,274	53,830,997	(13,171,274)	(53,830,997)	-	-	-	-
Total comprehensive incomes												
Net profit for the period	-	-	-	-	-	-	1,947,937	7,955,373	-	-	1,947,937	7,955,373
Currency translation differences	-	-	-	-	-	-	-	-	-	(11,819,278)	-	(11,819,278)
	-	-	-	-	-	-	1,947,937	7,955,373	-	(11,819,278)	1,947,937	(3,863,905)
Balance at 31 March 2023	114,453,485	457,813,940	155,502	622,008	70,637,971	287,822,662	2,782,885	10,896,094	-	5,118,282	188,029,843	762,272,986

The accompanying notes form an integral part of these condensed interim financial statements.

Phnom Penh Autonomous Port

Condensed interim statement of cash flows for the three-month period ended 31 March 2024

	For the three-month period ended 31 March 2024		For the three-month period ended 31 March 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Cash flows from operating activities				
Profit before tax	2,208,535	8,990,947	2,403,185	9,814,606
<i>Adjustments for:</i>				
Depreciation of property, plant and equipment	1,180,763	4,806,886	1,037,652	4,237,771
Depreciation of intangible assets	3,150	12,824	-	-
Depreciation of right-of-use assets	68,423	278,550	50,235	205,160
Depreciation of investment property	23,158	94,276	13,577	55,448
Interest expenses	290,471	1,182,507	300,047	1,225,392
Interest income from lease receivables	(46,269)	(188,361)	(95,185)	(388,735)
Interest from fixed deposit	(296,995)	(1,209,067)	(286,859)	(1,171,532)
Net unwinding effect of long-term deposit	(1,716)	(6,986)	(1,197)	(4,889)
Impairment loss on trade and other receivables	324,425	1,320,734	51,440	210,081
Lease receivable written off	102,452	417,082	-	-
Retirement benefits obligation expenses	10,482	42,672	6,458	26,374
Amortisation of liabilities from joint arrangement	(81,214)	(330,622)	(29,149)	(119,045)
	<u>3,785,665</u>	<u>15,411,442</u>	<u>3,450,204</u>	<u>14,090,631</u>
<i>Changes in working capital:</i>				
Inventories	(111,376)	(453,412)	(44,900)	(183,372)
Lease receivables	(3,567)	(14,521)	-	-
Trade and other receivables	(338,313)	(1,377,272)	1,447,820	5,912,895
Trade and other payables	2,097,225	8,537,803	517,744	2,114,466
Short-term fixed deposit	4,879	19,862	-	-
Contract liabilities	(75,000)	(305,325)	(75,000)	(306,300)
	<u>5,359,513</u>	<u>21,818,577</u>	<u>5,295,868</u>	<u>21,628,320</u>
Cash generated from operations	5,359,513	21,818,577	5,295,868	21,628,320
Income tax paid	(2,410,589)	(9,813,508)	(3,308,802)	(13,513,147)
Withholding tax credit	(17,087)	(69,561)	-	-
Retirement benefit obligation paid	(1,720)	(7,002)	-	-
	<u>2,930,117</u>	<u>11,928,506</u>	<u>1,987,066</u>	<u>8,115,173</u>
Net cash generated from operating activities	<u>2,930,117</u>	<u>11,928,506</u>	<u>1,987,066</u>	<u>8,115,173</u>

Phnom Penh Autonomous Port

Condensed interim statement of cash flows (continued) for the three-month period ended 31 March 2024

	For the three-month period ended 31 March 2024		For the three-month period ended 31 March 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Cash flows from investing activities				
Purchase of property, plant and equipment	(3,119,941)	(12,701,280)	(6,830,575)	(27,896,068)
Purchase of intangible assets	(38,704)	(157,564)	(12,704)	(51,883)
Cash received from lease receivables	-	-	328,489	1,341,549
Interest received	292,117	1,189,208	257,249	1,050,607
Net cash used in investing activities	<u>(2,866,528)</u>	<u>(11,669,636)</u>	<u>(6,257,541)</u>	<u>(25,555,795)</u>
Cash flows from financing activities				
Interest paid	(509,314)	(2,073,417)	(491,196)	(2,006,044)
Payment of principal portion of lease liabilities	(30,304)	(123,368)	(70,259)	(286,938)
Repayments of Borrowings	<u>(1,034,987)</u>	<u>(4,213,432)</u>	<u>(1,034,987)</u>	<u>(4,226,887)</u>
Net cash used in financing activities	<u>(1,574,605)</u>	<u>(6,410,217)</u>	<u>(1,596,442)</u>	<u>(6,519,869)</u>
Net decrease in cash and cash equivalents	(1,511,016)	(6,151,347)	(5,866,917)	(23,960,491)
Cash and cash equivalents at beginning of period	3,898,509	15,925,409	6,194,089	25,501,064
Currency translation differences	-	(126,203)	-	(214,217)
Cash and cash equivalents at end of period (Note 10)	<u>2,387,493</u>	<u>9,647,859</u>	<u>327,172</u>	<u>1,326,356</u>

The accompanying notes form an integral part of these condensed interim financial statements.

Phnom Penh Autonomous Port

Notes to the condensed interim financial statements for the three-month period ended 31 March 2024

These notes form an integral part and should be read conjunction with the accompanying condensed interim financial statements.

1. Background information

Phnom Penh Autonomous Port (“PPAP”) was registered under the Sub-Decree number 51 អនក្រឹត្យ on 17 July 1998 as a state-owned public enterprise supervised by the Ministry of Economy and Finance (“MEF”) and the Ministry of Public Works and Transport (“MPWT”). PPAP was listed on the Cambodia Securities Exchange on 9 December 2015 with the security certificate number 003 CSX/SC and became a state-owned public enterprise offering shares to the public.

PPAP has responsibilities as port authority and port operator, including but not limited to:

- Provide pilotage navigating the vessel entering into or departing from port;
- Provide vessel's berth;
- Provide a location for vessel repairing and fuel refilling;
- Provide dredging service and maintain navigation channel;
- Monitor operation according to technical standard and ensure safety, environmental sustainability, and orders in the port's commercial zone;
- Check ship documents in order to complete the formalities for vessel entering into-departing from the port;
- Train human resources in navigation and port sector through the Cambodia Maritime Institute;
- Develop port infrastructure through cooperation with the domestic and foreign development partners in order to expand container terminal, general/bulk cargo terminal, feeder port, and passenger/tourist terminal;
- Establish port supporting areas, including special economic zone, industrial zone, agricultural products procession zone and logistics zone;
- Take various measures in order to ensure the enforcement of laws and legal norms related to port and means of water transportation;
- Lift on- lift off (“LOLO”), load-unload, and store cargo;
- Transport goods within port area, between the port and industrial area;
- Provide bonded warehouse service, temporary customs warehouse service and container yard;
- Provide tug-boat assistance and mooring-unmooring service;
- Provide logistics supply, pure water, and hygiene service to vessel;

Phnom Penh Autonomous Port

Notes to the condensed interim financial statements (continued) for the three-month period ended 31 March 2024

1. Background information (continued)

PPAP has responsibilities as port authority and port operator, including but not limited to (continued):

- Provide container stuffing-unstuffing service;
- Provide container repair and maintenance service;
- Provide tourist/passenger terminal and domestic port service; and
- Operate other business of any kinds authorised by the laws and legal norms in force to support the growth of PPAP.

The registered office and principal place of business of PPAP is located at No. 649, Preah Sisowat Quay, Sangkat Sras Chork, Khan Duan Penh, Phnom Penh, Kingdom of Cambodia.

As at 31 March 2024, the Company had 838 employees (31 December 2023: 775 employees).

2. Basis of preparation

(a) Statement of compliance

These condensed interim financial statements have been prepared in accordance with Cambodian International Accounting Standard (“CIAS”) 34, “*Interim Financial Reporting*”. They do not include all the information required for a complete set of CIFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company’s financial position and financial performance since the last annual financial statements as at and for the year ended 31 December 2023.

These condensed interim financial statements were authorised for issue by the Company’s Board of Directors on 13 May 2024.

(b) Functional currency

The national currency of Cambodia is the Khmer Riel (“KHR”). However, as the Company transacts and maintains its accounting records primarily in United States Dollars (“US\$”), management has determined the US\$ to be the Company’s functional currency as it reflects the economic substance of the underlying events and circumstances of the Company.

The condensed interim financial statements are presented in US\$, which is the Company’s functional currency. All amounts have been rounded to the nearest dollars, unless otherwise indicated.

Phnom Penh Autonomous Port

Notes to the condensed interim financial statements (continued) for the three-month period ended 31 March 2024

2. Basis of preparation (continued)

(c) Use of estimates and judgements

In preparing these condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

3. Material accounting policies

The accounting policies applied in these condensed interim financial statements are the same as those applied in the Company's annual financial statements as at and for the year ended 31 December 2023.

4. Translation of United States Dollars into Khmer Riel

The condensed interim financial statements are expressed in United States Dollars ("US\$"), which is the Company's functional currency. The translations of US\$ amounts into Khmer Riel ("KHR") meets the presentation requirements pursuant to Law on Accounting and Auditing and has been done in compliance with IAS21 – *the Effects of changes in Foreign Exchange Rate*.

Assets and liabilities are translated at the closing rate as at the reporting date and share capital and other equity account are translated at the historical rate. The statements of profit or loss and other comprehensive income and cash flows are translated into KHR at the average rate for the reporting period, which has been deemed to approximate the exchange rate on the date of transactions as exchange rates have not fluctuated significantly during the period. Exchange differences arising from the translation are recognised as "Currency Translation Differences" in other comprehensive income.

The Company uses the following exchange rates:

For the three-month period			Closing rate	Average rate three-month
31 March 2024	US\$1	=	KHR 4,041	KHR 4,071
31 March 2023	US\$1	=	KHR 4,054	KHR 4,084
31 December 2023	US\$1	=	KHR 4,085	N/A

These convenience translations should not be construed as representations that the US\$ amounts have been, could have been, or could in the future be, converted into KHR at this or any other rate of exchange.

Phnom Penh Autonomous Port

Notes to the condensed interim financial statements (continued) for the three-month period ended 31 March 2024

5. Property, plant and equipment

For the three-month period ended 31 March 2024

	Land US\$	Computer US\$	Office equipment and others US\$	Furniture and fixtures US\$	Motor vehicle US\$	Machineries US\$	Harbours and buildings US\$	Construction in progress US\$	Total US\$	Total KHR'000 (Note 4)
Cost										
Balance at beginning of the period	40,682,318	1,250,460	1,713,723	61,588	2,067,898	29,515,766	77,324,274	5,964,819	158,580,846	647,802,756
Additions	35,162	1,255	12,042	-	8,170	-	65,217	2,998,095	3,119,941	12,701,280
Transfers	-	-	-	-	-	830,090	6,396,932	(7,227,022)	-	-
Currency translation differences	-	-	-	-	-	-	-	-	-	(7,071,156)
Balance at end of the period	<u>40,717,480</u>	<u>1,251,715</u>	<u>1,725,765</u>	<u>61,588</u>	<u>2,076,068</u>	<u>30,345,856</u>	<u>83,786,423</u>	<u>1,735,892</u>	<u>161,700,787</u>	<u>653,432,880</u>
Less: Accumulated depreciation										
Balance at beginning of the period	-	803,634	613,135	59,214	982,174	14,173,755	15,292,776	-	31,924,688	130,412,351
Depreciation for the period	-	55,907	34,880	100	35,313	513,803	540,760	-	1,180,763	4,806,886
Currency translation differences	-	-	-	-	-	-	-	-	-	(1,440,110)
Balance at end of the period	-	<u>859,541</u>	<u>648,015</u>	<u>59,314</u>	<u>1,017,487</u>	<u>14,687,558</u>	<u>15,833,536</u>	-	<u>33,105,451</u>	<u>133,779,127</u>
Carrying amounts										
Balance at beginning of the period	<u>40,682,318</u>	<u>446,826</u>	<u>1,100,588</u>	<u>2,374</u>	<u>1,085,724</u>	<u>15,342,011</u>	<u>62,031,498</u>	<u>5,964,819</u>	<u>126,656,158</u>	<u>517,390,405</u>
Balance at end of the period	<u>40,717,480</u>	<u>392,174</u>	<u>1,077,750</u>	<u>2,274</u>	<u>1,058,581</u>	<u>15,658,298</u>	<u>67,952,887</u>	<u>1,735,892</u>	<u>128,595,336</u>	<u>519,653,753</u>

Phnom Penh Autonomous Port

Notes to the condensed interim financial statements (continued) for the three-month period ended 31 March 2024

5. Property, plant and equipment (continued)

For the three-month period ended 31 March 2023

	Land US\$	Computer US\$	Office equipment and others US\$	Furniture and fixtures US\$	Motor vehicle US\$	Machineries US\$	Harbours and buildings US\$	Construction in progress US\$	Total US\$	Total KHR'000 (Note 4)
Cost										
Balance at beginning of the period	37,356,160	1,586,632	1,519,314	61,588	2,065,448	29,430,016	63,027,742	8,282,902	143,329,802	590,088,794
Additions	193,872	27,970	15,668	-	-	-	75,033	6,518,032	6,830,575	27,896,068
Transfers	2,751,896	5,096	-	-	-	-	4,288,238	(7,045,230)	-	-
Transfer to intangible assets	-	-	-	-	-	-	-	(106,365)	(106,365)	(434,395)
Currency translation differences	-	-	-	-	-	-	-	-	-	(9,231,502)
Balance at end of the period	<u>40,301,928</u>	<u>1,619,698</u>	<u>1,534,982</u>	<u>61,588</u>	<u>2,065,448</u>	<u>29,430,016</u>	<u>67,391,013</u>	<u>7,649,339</u>	<u>150,054,012</u>	<u>608,318,965</u>
Less: Accumulated depreciation										
Balance at beginning of the period	-	979,891	484,166	58,813	841,296	12,147,930	13,500,232	-	28,012,328	115,326,754
Depreciation for the period	-	54,338	31,054	100	35,179	504,664	412,317	-	1,037,652	4,237,771
Currency translation differences	-	-	-	-	-	-	-	-	-	(1,795,906)
Balance at end of the period	-	<u>1,034,229</u>	<u>515,220</u>	<u>58,913</u>	<u>876,475</u>	<u>12,652,594</u>	<u>13,912,549</u>	-	<u>29,049,980</u>	<u>117,768,619</u>
Carrying amounts										
Balance at begin ning of the period	<u>37,356,160</u>	<u>606,741</u>	<u>1,035,148</u>	<u>2,775</u>	<u>1,224,152</u>	<u>17,282,086</u>	<u>49,527,510</u>	<u>8,282,902</u>	<u>115,317,474</u>	<u>474,762,040</u>
Balance at end of the period	<u>40,301,928</u>	<u>585,469</u>	<u>1,019,762</u>	<u>2,675</u>	<u>1,188,973</u>	<u>16,777,422</u>	<u>53,478,464</u>	<u>7,649,339</u>	<u>121,004,032</u>	<u>490,550,346</u>

Phnom Penh Autonomous Port

Notes to the condensed interim financial statements (continued) for the three-month period ended 31 March 2024

6. Leases

(a) Company as lessee

The right-of-use assets and lease liabilities are in respects of 2 leases of lands with the terms of 40 and 30 years.

(i) *Right-of-use assets*

	For the three-month period ended 31 March 2024		For the three-month period ended 31 March 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Cost				
Balance at beginning of the period	9,186,899	37,528,482	6,130,269	25,238,317
Additions	33,734	137,331	389,213	1,589,546
Currency translation differences	-	(405,235)	-	(397,883)
Balance at end of the period	<u>9,220,633</u>	<u>37,260,578</u>	<u>6,519,482</u>	<u>26,429,980</u>
Less: Accumulated depreciation				
Balance at beginning of the period	426,217	1,741,096	222,584	916,378
Depreciation for the period	68,423	278,550	50,235	205,160
Currency translation differences	-	(20,806)	-	(15,530)
Balance at end of the period	<u>494,640</u>	<u>1,998,840</u>	<u>272,819</u>	<u>1,106,008</u>
Carrying amounts				
Balance at beginning of the period	<u>8,760,682</u>	<u>35,787,386</u>	<u>5,907,685</u>	<u>24,321,939</u>
Balance at end of the period	<u>8,725,993</u>	<u>35,261,738</u>	<u>6,246,663</u>	<u>25,323,972</u>

(ii) *Lease liabilities*

	31 March 2024		31 December 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Non-current	11,515,368	46,533,602	11,651,908	47,598,044
Current	696,268	2,813,619	613,391	2,505,702
	<u>12,211,636</u>	<u>49,347,221</u>	<u>12,265,299</u>	<u>50,103,746</u>

Phnom Penh Autonomous Port

Notes to the condensed interim financial statements (continued) for the three-month period ended 31 March 2024

6. Leases (continued)

(a) Company as lessee (continued)

(ii) Lease liabilities (continued)

Movements of the lease liabilities during the period were as follow:

	For the three-month period ended 31 March 2024		For the three-month period ended 31 March 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Balance at beginning of the period	12,265,299	50,103,746	11,710,723	48,213,047
Additions	33,734	137,331	389,213	1,589,546
Interest expense	121,025	492,693	118,567	484,228
Interest paid (*)	(178,118)	(725,118)	(118,567)	(484,228)
Principal paid	(30,304)	(123,368)	(70,259)	(286,938)
Currency translation differences	-	(538,063)	-	(747,344)
Balance at end of the period	<u>12,211,636</u>	<u>49,347,221</u>	<u>12,029,677</u>	<u>48,768,311</u>

(*) This include advance interest payment for the remainder period of the year.

(b) Company as lessor

Lease receivables are in respects of the sub-leasing of the right-of-uses asset on the leased lands to various customers. The Company has classified the sub-leases as finance lease, because the sub-leases are for the whole of the remaining term of the head lease.

Phnom Penh Autonomous Port

Notes to the condensed interim financial statements (continued) for the three-month period ended 31 March 2024

7. Investment properties

Investment properties comprises lands and buildings that are leased to third parties under operating leases.

	For the three-month period ended 31 March 2024				For the three-month period ended 31 March 2023			
	Land US\$	Building US\$	Total US\$	Total KHR'000 (Note 4)	Land US\$	Building US\$	Total US\$	Total KHR'000 (Note 4)
Cost								
Balance at beginning of the period	85,762,296	2,287,349	88,049,645	359,682,800	83,334,771	1,510,578	84,845,349	349,308,301
Currency translation differences	-	-	-	(3,874,185)	-	-	-	(5,345,256)
Balance at end of the period	<u>85,762,296</u>	<u>2,287,349</u>	<u>88,049,645</u>	<u>355,808,615</u>	<u>83,334,771</u>	<u>1,510,578</u>	<u>84,845,349</u>	<u>343,963,045</u>
Less: Accumulated depreciation								
Balance at beginning of the period	-	689,687	689,687	2,817,372	-	610,662	610,662	2,514,095
Depreciation for the period	-	23,158	23,158	94,276	-	13,577	13,577	55,448
Currency translation differences	-	-	-	(31,042)	-	-	-	(38,878)
Balance at end of the period	<u>-</u>	<u>712,845</u>	<u>712,845</u>	<u>2,880,606</u>	<u>-</u>	<u>624,239</u>	<u>624,239</u>	<u>2,530,665</u>
Carrying amounts								
Balance at beginning of the period	<u>85,762,296</u>	<u>1,597,662</u>	<u>87,359,958</u>	<u>356,865,428</u>	<u>83,334,771</u>	<u>899,916</u>	<u>84,234,687</u>	<u>346,794,206</u>
Balance at end of the period	<u>85,762,296</u>	<u>1,574,504</u>	<u>87,336,800</u>	<u>352,928,009</u>	<u>83,334,771</u>	<u>886,339</u>	<u>84,221,110</u>	<u>341,432,380</u>

Phnom Penh Autonomous Port

Notes to the condensed interim financial statements (continued) for the three-month period ended 31 March 2024

8. Trade and other receivable

	31 March 2024		31 December 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Non-current				
<i>Other receivables</i>				
Deposit	<u>74,399</u>	<u>300,646</u>	<u>72,683</u>	<u>296,910</u>
Current				
<i>Trade receivables</i>				
Third parties	<u>8,123,667</u>	<u>32,827,738</u>	<u>8,075,496</u>	<u>32,988,401</u>
<i>Other receivables</i>				
Advances	48,618	196,466	39,144	159,903
Deposits	217,946	880,720	15,347	62,697
Other receivables	1,968,773	7,955,811	1,885,675	7,702,982
Prepayments	<u>155,976</u>	<u>630,299</u>	<u>161,005</u>	<u>657,705</u>
	<u>2,391,313</u>	<u>9,663,296</u>	<u>2,101,171</u>	<u>8,583,287</u>
Less: Allowance for impairment losses	<u>(3,479,201)</u>	<u>(14,059,451)</u>	<u>(3,154,776)</u>	<u>(12,887,260)</u>
	<u>7,035,779</u>	<u>28,431,583</u>	<u>7,021,891</u>	<u>28,684,428</u>

Movements of allowance for impairment losses on trade and other receivables during the period were as follow:

	For the three-month period ended 31 March 2024		For the three-month period ended 31 March 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Balance at beginning of the period	3,154,776	12,887,260	1,377,419	5,670,834
Recognised in profit or loss	324,425	1,320,734	51,440	210,081
Currency translation differences	-	(148,543)	-	(88,321)
Balance at end of the period	<u>3,479,201</u>	<u>14,059,451</u>	<u>1,428,859</u>	<u>5,792,594</u>

Phnom Penh Autonomous Port

Notes to the condensed interim financial statements (continued) for the three-month period ended 31 March 2024

9. Inventories

	31 March 2024		31 December 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Diesel oil	76,748	310,139	100,577	410,857
Lubricant oil	23,379	94,475	25,033	102,260
Spare parts	797,790	3,223,869	656,403	2,681,406
Stationery	15,267	61,694	19,795	80,863
	<u>913,184</u>	<u>3,690,177</u>	<u>801,808</u>	<u>3,275,386</u>

10. Other investments, cash and bank balances

	31 March 2024		31 December 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Non-current				
Other investments – term deposit (*)	<u>15,000,000</u>	<u>60,615,000</u>	<u>15,000,000</u>	<u>61,275,000</u>
Current				
Cash on hand	8,080	32,651	12,540	51,226
<i>Cash at Bank</i>				
Saving Account	218,145	881,524	2,183,434	8,919,328
Current Account	2,079,129	8,401,760	1,625,275	6,639,248
Term deposits (original maturity up to three months)	<u>82,139</u>	<u>331,924</u>	<u>77,260</u>	<u>315,607</u>
	<u>2,387,493</u>	<u>9,647,859</u>	<u>3,898,509</u>	<u>15,925,409</u>

(*) These represent term deposits with the maturity date ranging from 48 months to 240 months and earning annual interest at rates ranging from 6.25% to 7.75% (2023: 6.25% to 7.75%) during the period.

The Company has letter of credits (“LC”) with Foreign Trade Bank (“FTB”) amounting to US\$705,500 and US\$782,000. It is secured by the long-term fixed deposit which has maturity date on 3 May 2024 and 2 August 2024, respectively, for the purpose of acquiring of property, plant and equipment.

Phnom Penh Autonomous Port

Notes to the condensed interim financial statements (continued) for the three-month period ended 31 March 2024

10. Other investments, cash and bank balances (continued)

For purpose of the condensed interim statement of cash flows, cash and cash equivalents comprise the following:

	31 March 2024		31 March 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Cash on hand	8,080	32,651	4,105	16,642
<i>Cash at Bank</i>				
Current accounts	2,079,129	8,401,760	152,880	619,776
Savings accounts	218,145	881,524	501,633	2,033,620
Term deposits (original maturity up to three months)	82,139	331,924	98,652	399,935
Bank overdraft (*)	-	-	(430,098)	(1,743,617)
	<u>2,387,493</u>	<u>9,647,859</u>	<u>327,172</u>	<u>1,326,356</u>

(*) The Company has an overdraft facility with Foreign Trade Bank ("FTB") with a limit of US\$4,500,000. It is secured by the long-term fixed deposit, bore interest rate at 7% per annum and has the maturity date on 2 May 2024. There is no outstanding balance as at 31 March 2024 (31 March 2023: US\$430,098).

11. Share capital

	31 March 2024		31 December 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Voting shares of US\$1 each:				
Class A	4,136,873	16,547,492	4,136,873	16,547,492
Class B	16,547,492	66,189,968	16,547,492	66,189,968
	<u>20,684,365</u>	<u>82,737,460</u>	<u>20,684,365</u>	<u>82,737,460</u>
Non-voting shares of US\$1 each:				
Class C	93,769,120	375,076,480	93,769,120	375,076,480
	<u>114,453,485</u>	<u>457,813,940</u>	<u>114,453,485</u>	<u>457,813,940</u>

Class C shareholders are not entitled to dividend but have first priorities in case of PPAP's liquidation.

Phnom Penh Autonomous Port

Notes to the condensed interim financial statements (continued) for the three-month period ended 31 March 2024

12. Share premium

On 9 December 2015, PPAP was successfully listed on the Cambodia Securities Exchange (“CSX”). The total number of ordinary shares (voting) is 20,684,365 shares, of which 4,136,873 (Class A) shares was from the IPO with a par value of KHR4,000 per share. After the listing, MEF holds 80% of the total number of shares. PPAP received the proceeds from the IPO amounting to US\$5,193,915 and incurred IPO costs of US\$901,540.

13. Reserves

	Legal reserve US\$	General reserve US\$	Development fund US\$	US\$	Total KHR'000 (Note 4)
Balance at 1 January 2024	3,890,110	3,890,110	62,857,751	70,637,971	287,822,662
Transfer from retained earnings (*)	<u>469,659</u>	<u>469,659</u>	<u>7,308,462</u>	<u>8,247,780</u>	<u>33,898,376</u>
Balance at 31 March 2024	<u>4,359,769</u>	<u>4,359,769</u>	<u>70,166,213</u>	<u>78,885,751</u>	<u>321,721,038</u>
Balance at 1 January 2023	3,174,446	3,174,446	51,117,805	57,466,697	233,991,665
Transfer from retained earnings	<u>715,664</u>	<u>715,664</u>	<u>11,739,946</u>	<u>13,171,274</u>	<u>53,830,997</u>
Balance at 31 March 2023	<u>3,890,110</u>	<u>3,890,110</u>	<u>62,857,751</u>	<u>70,637,971</u>	<u>287,822,662</u>

In accordance with PPAP’s Articles of Incorporation, article 66, dated 5 September 2016, the Board of Directors can decide to distribute the PPAP’s profit, after offsetting with losses carried forward (if any), as follows:

- for legal reserve – 5%
- for general reserve – 5%
- the remaining balance for dividend and development fund.

(*) The transfer from retained earnings to reserves was done followed the resolution on the Board of Directors on 27 March 2024.

Phnom Penh Autonomous Port

Notes to the condensed interim financial statements (continued) for the three-month period ended 31 March 2024

14. Trade and other payables

	31 March 2024		31 December 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Non-current				
<i>Other payables</i>				
Deposit	<u>37,200</u>	<u>150,325</u>	<u>36,830</u>	<u>150,451</u>
Current				
<i>Trade payables</i>				
Third parties	2,517,700	10,174,026	642,102	2,622,986
Amount due to a related party (Note 28(c))	<u>171,221</u>	<u>691,904</u>	<u>219,974</u>	<u>898,594</u>
	<u>2,688,921</u>	<u>10,865,930</u>	<u>862,076</u>	<u>3,521,580</u>
<i>Other payables</i>				
Deposits	376,907	1,523,081	390,449	1,594,984
Seniority payable	72,755	294,003	-	-
Dividend payable (Note 27)	1,145,399	4,628,557	-	-
Other tax payables	69,927	282,576	260,072	1,062,394
Other payables	<u>1,911,351</u>	<u>7,723,769</u>	<u>1,510,045</u>	<u>6,168,535</u>
	<u>3,576,339</u>	<u>14,451,986</u>	<u>2,160,566</u>	<u>8,825,913</u>
	<u>6,265,260</u>	<u>25,317,916</u>	<u>3,022,642</u>	<u>12,347,493</u>

15. Borrowings

	31 March 2024		31 December 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
<i>Phnom Penh Port – New Container Terminal Project (“PPPNCTP”) or Phnom Penh Port LM17</i>				
Non-current	13,454,832	54,370,976	14,489,819	59,190,911
Current	<u>2,140,698</u>	<u>8,650,561</u>	<u>2,311,056</u>	<u>9,440,664</u>
	<u>15,595,530</u>	<u>63,021,537</u>	<u>16,800,875</u>	<u>68,631,575</u>

PPPNCTP represents an on-lending agreement between the MEF and PPAP for the lending of proceeds of the Import-Export Bank of China (“the Eximbank”) under the Preferential Buyer Credit Loan Agreement: No. (2010)29(136) dated 4 November 2010 for the Phnom Penh Port – New Container Terminal Project (“Project”).

Phnom Penh Autonomous Port

Notes to the condensed interim financial statements (continued) for the three-month period ended 31 March 2024

15. Borrowings (continued)

The amount to be re-lent to PPAP shall be deemed to be simultaneously lent to PPAP on the same dates, in the same currency and the same amount as those disbursed by the Eximbank for the purposes of financing the implementation of the Project. PPAP pays interest to the MEF semi-annually at the rate of 4% per annum. The loan period is for 20 years, including a grace period of not exceeding 7 years from the date of the conclusion of the Loan Agreement.

Movements of Borrowings during the period were as follow:

	For the three-month period ended 31 March 2024		For the three-month period ended 31 March 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Balance at beginning of the period	16,800,875	68,631,575	18,905,074	77,832,190
Interest expense	160,838	654,771	178,051	727,160
Interest paid	(331,196)	(1,348,299)	(372,629)	(1,521,816)
Principal paid	(1,034,987)	(4,213,432)	(1,034,987)	(4,226,887)
Currency translation differences	-	(703,078)	-	(1,154,133)
Balance at end of the period	<u>15,595,530</u>	<u>63,021,537</u>	<u>17,675,509</u>	<u>71,656,514</u>

16. Contract liabilities

	31 March 2024		31 December 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Non-current	12,975,000	52,431,975	13,050,000	53,309,250
Current	<u>300,000</u>	<u>1,212,300</u>	<u>300,000</u>	<u>1,225,500</u>
	<u>13,275,000</u>	<u>53,644,275</u>	<u>13,350,000</u>	<u>54,534,750</u>

Contract liabilities are in respect of deferred income arising from lease of land to Chean Chhoeng Thai Group, in which they had prepaid the lease in full at the beginning of the lease. The total consideration is amortised on a straight-line basis over the term of 50 years.

Phnom Penh Autonomous Port

Notes to the condensed interim financial statements (continued) for the three-month period ended 31 March 2024

17. Provision for retirement benefits

	31 March 2024		31 December 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Defined benefits obligation				
Present value of defined benefits obligation	<u>459,549</u>	<u>1,857,038</u>	<u>440,823</u>	<u>1,800,762</u>
Other benefits				
National Social Security Funds	<u>121,219</u>	<u>489,845</u>	<u>122,939</u>	<u>502,206</u>
	<u><u>580,768</u></u>	<u><u>2,346,883</u></u>	<u><u>563,762</u></u>	<u><u>2,302,968</u></u>

Movements of the defined benefits obligations during the period were as follows:

	For the three-month period ended 31 March 2024		For the three-month period ended 31 March 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Balance at beginning of the period	440,823	1,800,762	235,835	970,933
Current service costs (*)	10,482	42,672	6,458	26,374
Interest costs	8,244	33,561	3,429	14,004
Currency translation differences	-	(19,957)	-	(15,154)
Balance at end of the period	<u><u>459,549</u></u>	<u><u>1,857,038</u></u>	<u><u>245,722</u></u>	<u><u>996,157</u></u>

(*) These amounts were recognised within salaries, wages and related expenses in the condensed interim statement of profit or loss and other comprehensive income.

Movements of the other benefits during the period were as follows:

	For the three-month period ended 31 March 2024		For the three-month period ended 31 March 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Balance at beginning of the period	122,939	502,206	126,188	519,516
Payment	(1,720)	(7,002)	-	-
Currency translation differences	-	(5,359)	-	(7,950)
Balance at end of the period	<u><u>121,219</u></u>	<u><u>489,845</u></u>	<u><u>126,188</u></u>	<u><u>511,566</u></u>

Phnom Penh Autonomous Port

Notes to the condensed interim financial statements (continued) for the three-month period ended 31 March 2024

18. Liability arising from joint arrangement

Liability arising from joint arrangement is in respect of the property, plant and equipment arising from the agreement on Investment Cooperation for the development of the multi-purpose terminals between PPAP and PTLs Cooperation Co., Ltd. The details are as follow:

Sub-Feeder Multi-purpose Terminal TS11 (“TS11”)

On 8 November 2021, PPAP and PTLs Cooperation Co., Ltd. (“PTLS”) entered into an agreement on Investment Cooperation for Development of Sub-Feeder Multi-purpose Terminal TS11 (“TS11”). Pursuant to the agreement, both parties agreed to cooperate in the development of the sub-feeder multipurpose terminal known as TS11 located at Spean Kpous Village, Sangkat Kilometre 6, Khan Russey Keo, Phnom Penh, whereby PPAP will contribute the right-of-uses of leased land, and PTLs will invest US\$9 million for the construction and other supporting facilities for the terminal based on development master plan. Under the terms of agreement, the duration of the cooperation is 40 years, starting from 8 November 2021 to 8 November 2061. PTLs has the right to extend the cooperation for another 10 years upon the end of the cooperation period.

Sub-Feeder Multi-purpose Terminal UM2 (“UM2”)

On 29 August 2022, PPAP and PTLs entered into another agreement on Investment Cooperation for Development of Sub-Feeder Multi-purpose Terminal UM2 (“UM2”). Pursuant to the agreement, both parties agreed to cooperate in the development of the sub-feeder multi-purpose terminal UM2 known as UM2 located at Daun Mao Leur Village, Tonle Bet Commune, Tboung Khmum District, Tboung Khmum Province, whereby PPAP will contribute land for the operation, and PTLs will invest US\$26.5 million for the construction and other supporting facilities for the terminal based on development master plan. Under the terms of agreement, the duration of the cooperation is 40 years, starting from 29 August 2022 to 29 August 2062. PTLs has the right to extend the cooperation for another 10 years upon the end of the cooperation period.

Pursuant to the above agreements, both parties shall manage the operation of the terminals, TS11 and UM2. PPAP and PTLs shall share 51% and 49%, respectively, in respect of profit or loss arising from the operation of the terminals.

19. Income tax

(a) Applicable tax rates

In accordance with Cambodian tax law, the Company has the obligation to pay tax on income (“TOI”) at the rate of 20% of taxable income or minimum tax at 1% of turnover inclusive of all taxes except value-added tax, whichever is higher.

On 5 July 2023, the Company obtained a gold status certificate of tax compliance from the General Department of Taxation (“GDT”) for the fiscal year 2023 and 2024, respectively. As such, the Company is qualified for the exemption of minimum tax during these years.

Phnom Penh Autonomous Port

Notes to the condensed interim financial statements (continued) for the three-month period ended 31 March 2024

19. Income tax (continued)

(b) Income tax expense

	For the three-month period ended 31 March 2024		For the three-month period ended 31 March 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Current tax at applicable tax rate	507,783	2,067,185	459,076	1,874,866
Change to estimates related to prior period	167,665	682,564	(90,779)	(370,741)
Current income tax	675,448	2,749,749	368,297	1,504,125
Deferred tax expense	13,517	55,028	86,951	355,108
	<u>688,965</u>	<u>2,804,777</u>	<u>455,248</u>	<u>1,859,233</u>

The reconciliation of income tax expense shown in the condensed interim statement of profit or loss and other comprehensive income was as follows:

	%	For the three-month period ended 31 March 2024		%	For the three-month period ended 31 March 2023	
		US\$	KHR'000 (Note 4)		US\$	KHR'000 (Note 4)
Profit before tax		<u>2,208,535</u>	<u>8,990,947</u>		<u>2,403,185</u>	<u>9,814,606</u>
Income tax expense at applicable tax rate	20.00	441,707	1,798,189	20.00	480,637	1,962,922
Non-deductible expenses	4.53	100,027	407,210	2.72	65,390	267,052
Change to estimates related to prior period	7.60	167,665	682,564	(3.78)	(90,779)	(370,741)
Effect of temporary differences	(0.93)	(20,434)	(83,186)	-	-	-
	<u>31.20</u>	<u>688,965</u>	<u>2,804,777</u>	<u>18.94</u>	<u>455,248</u>	<u>1,859,233</u>

During the period, the Company has paid US\$2,410,589 in respect to the tax on income for the fiscal year 2023 and prepayment tax on income for the three-month period ended 31 March 2024 (31 March 2023: US\$3,308,802).

Phnom Penh Autonomous Port

Notes to the condensed interim financial statements (continued) for the three-month period ended 31 March 2024

19. Income tax (continued)

(c) Deferred tax liabilities, net

The deferred tax assets/(liabilities) comprises the following:

	31 March 2024		31 December 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
<i>Deferred tax assets:</i>				
Lease liabilities	2,442,327	9,869,443	2,453,060	10,020,750
Contract liabilities	2,655,000	10,728,855	2,670,000	10,906,950
Provision for retirement benefits	76,085	307,459	72,683	296,910
Impairment loss on trade and other receivables	549,351	2,219,927	484,466	1,979,044
Remeasurement of defined benefit liability	40,069	161,919	40,069	163,682
	<u>5,762,832</u>	<u>23,287,603</u>	<u>5,720,278</u>	<u>23,367,336</u>
<i>Deferred tax liabilities:</i>				
Property, plant and equipment	(3,698,305)	(14,944,851)	(3,623,985)	(14,803,979)
Right-of-use assets	(1,745,199)	(7,052,349)	(1,752,137)	(7,157,480)
Lease receivables	(653,913)	(2,642,462)	(665,150)	(2,717,138)
Long-term deposits	(22,560)	(91,164)	(22,634)	(92,459)
	<u>(6,119,977)</u>	<u>(24,730,826)</u>	<u>(6,063,906)</u>	<u>(24,771,056)</u>
Deferred tax liabilities, net	<u>(357,145)</u>	<u>(1,443,223)</u>	<u>(343,628)</u>	<u>(1,403,720)</u>

(d) Tax contingencies

On 7 September 2021, General Department of Taxation (“GDT”) has issued tax notification letter for comprehensive tax audit in respect of the period from 1 January 2020 to 31 December 2020. As at the date of this report, the Company has already submitted all documents to the GDT but has not yet received any further communication.

Taxes are subject to review and investigation by a number of authorities, who are enabled by law to impose severe fines, penalties and interest charges. The application of tax laws and regulations to many types of transactions are susceptible to varying interpretations.

These facts may create tax risks in Cambodia substantially more significant than in other countries. Management believes that it has adequately provided for tax liabilities based on its interpretation of tax legislation. However, the relevant authorities may have different interpretations and the effects could be significant.

Phnom Penh Autonomous Port

Notes to the condensed interim financial statements (continued) for the three-month period ended 31 March 2024

20. Commitments

	31 March 2024		31 December 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Capital and credit commitments				
<i>In respect of property, plant and equipment:</i>				
Contracted but not yet provided	1,787,174	7,221,970	2,117,855	8,651,438
Letter of credits (*)	1,487,500	6,010,988	1,487,500	6,076,438
	<u>3,274,674</u>	<u>13,232,958</u>	<u>3,605,355</u>	<u>14,727,876</u>

(*) On 14 December 2023, the Company entered into a letter of credit facility with Foreign Trade Bank ("FTB") amounting to US\$705,500 and US\$782,000, which will be matured on 3 May 2024 and 2 August 2024, respectively, for the purpose of acquiring of property, plant and equipment.

21. Revenue

	For the three-month period ended 31 March 2024		For the three-month period ended 31 March 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Stevedoring	3,576,799	14,561,149	3,006,651	12,279,163
Lift On Lift Off ("LOLO")	2,650,744	10,791,179	2,449,430	10,003,472
Port dues and charges	1,307,801	5,324,058	1,150,141	4,697,176
Gate fees	247,932	1,009,331	200,609	819,287
Trucking fee	183,562	747,281	116,658	476,431
Logistics services	50,151	204,164	471,393	1,925,169
Storage fees	41,486	168,890	129,547	529,070
Weighting fee	7,167	29,177	4,526	18,484
Stuffing/Unstuffing	3,100	12,620	3,200	13,069
	<u>8,068,742</u>	<u>32,847,849</u>	<u>7,532,155</u>	<u>30,761,321</u>

Phnom Penh Autonomous Port

Notes to the condensed interim financial statements (continued) for the three-month period ended 31 March 2024

22. Cost of services

	For the three-month period ended 31 March 2024		For the three-month period ended 31 March 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Depreciation	1,084,778	4,416,131	924,833	3,777,018
Crane charges	723,487	2,945,316	639,411	2,611,355
Salaries and wages	656,146	2,671,170	621,266	2,537,250
Fuel and gasoline	482,985	1,966,232	518,811	2,118,824
Maintenance costs	341,064	1,388,472	429,315	1,753,322
Logistic costs	-	-	152,469	622,683
Others	247,891	1,009,164	123,867	505,874
	<u>3,536,351</u>	<u>14,396,485</u>	<u>3,409,972</u>	<u>13,926,326</u>

23. Other income

	For the three-month period ended 31 March 2024		For the three-month period ended 31 March 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Rental income	281,138	1,144,513	231,206	944,245
Others	49,319	200,777	95,691	390,802
	<u>330,457</u>	<u>1,345,290</u>	<u>326,897</u>	<u>1,335,047</u>

Phnom Penh Autonomous Port

Notes to the condensed interim financial statements (continued) for the three-month period ended 31 March 2024

24. General and administrative expenses

	For the three-month period ended 31 March 2024		For the three-month period ended 31 March 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Salaries and other benefits	1,356,958	5,524,175	1,215,538	4,964,257
Donation	282,343	1,149,418	230,970	943,281
Depreciation	190,716	776,405	176,631	721,361
Utilities and fuel	169,158	688,642	163,198	666,501
Lease receivable written off	102,452	417,082	-	-
Business entertainment	82,792	337,046	42,863	175,052
Board of Directors' fees	61,948	252,190	61,702	251,991
Repair and maintenance	55,627	226,458	56,629	231,273
Office supplies	43,841	178,477	51,010	208,325
Other tax expenses	31,335	127,565	26,930	109,982
Communication expenses	21,563	87,783	18,414	75,203
Travelling expenses	17,685	71,996	21,146	86,360
Professional fees	13,149	53,530	7,651	31,247
Others	63,084	256,815	76,887	314,008
	<u>2,492,651</u>	<u>10,147,582</u>	<u>2,149,569</u>	<u>8,778,841</u>

25. Financial income, net

	For the three-month period ended 31 March 2024		For the three-month period ended 31 March 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Finance income				
Interest incomes from:				
Other investment and bank balances	296,995	1,209,067	286,859	1,171,532
Lease receivables	46,269	188,361	95,185	388,735
Others	1,716	6,986	1,197	4,889
Finance income	<u>344,980</u>	<u>1,404,414</u>	<u>383,241</u>	<u>1,565,156</u>

Phnom Penh Autonomous Port

Notes to the condensed interim financial statements (continued) for the three-month period ended 31 March 2024

25. Financial income, net (continued)

	For the three-month period ended 31 March 2024		For the three-month period ended 31 March 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Finance cost				
Net loss on currencies exchange	35,543	144,696	62,539	255,409
Interest expenses from:				
Lease liabilities	121,025	492,693	118,567	484,228
Borrowings	160,838	654,771	178,051	727,160
Provision for retirement benefits	8,244	33,561	3,429	14,004
Others	364	1,482	-	-
	290,471	1,182,507	300,047	1,225,392
Finance cost	326,014	1,327,203	362,586	1,480,801
Financial income, net	18,966	77,211	20,655	84,355

26. Earnings per share

	For the three-month period ended 31 March 2024		For the three-month period ended 31 March 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Profit attributable to ordinary equity holders	1,519,570	6,186,170	1,947,937	7,955,373
Weighted average number of ordinary shares in issue	20,684,365	20,684,365	20,684,365	20,684,365
Basic earnings per share	0.07	0.30	0.09	0.38
Diluted earnings per share	0.07	0.30	0.09	0.38

27. Dividends

On 27 March 2024, the Board of Directors of PPAP resolved to distribute the dividends in respect to the financial year ended 31 December 2023 to shareholders of each class of shares as follows:

- Shareholders in Class A is entitled to total dividend of KHR1,429,703,000.
- Shareholders in Class B is entitled to total dividend of KHR3,200,000,000.

At the date of these condensed interim financial statements, the dividends have not yet been paid.

Phnom Penh Autonomous Port

Notes to the condensed interim financial statements (continued) for the three-month period ended 31 March 2024

28. Related party transactions and balances

(a) Identity of related party

For the purposes of these condensed interim financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The Company have related party relationships with its substantial shareholders and key management personnel.

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly.

The key management personnel include all the Directors of the Company, and certain senior management members of the Company.

Key management have relationships with the Company which are entered into in the normal course of business and on substantially the same terms, including warehouse rental, purchase of goods and services, insurance, telephone expense and other expense, as for comparable transactions with other persons of a similar standing or, where applicable, with other employees. These transactions did not involve more than the normal risk of repayment or present other unfavourable features.

(b) Significant transactions with related parties

	For the three-month period ended 31 March 2024		For the three-month period ended 31 March 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Related parties:				
<i>MEF</i>				
Interest expense	<u>160,838</u>	<u>654,771</u>	<u>178,051</u>	<u>727,160</u>
<i>MPWT</i>				
Donation and charities	15,612	63,556	6,848	27,852
Crane charge	<u>250,413</u>	<u>1,019,431</u>	<u>205,564</u>	<u>839,523</u>

Phnom Penh Autonomous Port

Notes to the condensed interim financial statements (continued) for the three-month period ended 31 March 2024

28. Related party transactions and balances (continued)

(c) Significant balances with related parties

	31 March 2024		31 December 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Related parties:				
<i>MEF</i>				
Borrowing from shareholder (Note 15)	<u>15,595,530</u>	<u>63,021,537</u>	<u>16,800,875</u>	<u>68,631,575</u>
<i>MPWT</i>				
Amount due to a related party (Note 14)	<u>171,221</u>	<u>691,904</u>	<u>219,974</u>	<u>898,594</u>

(d) Compensation of key management personnel

Key management compensation during the financial period is as follows:

	For the three-month period ended 31 March 2024		For the three-month period ended 31 March 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Employee benefits	<u>217,325</u>	<u>884,730</u>	<u>215,832</u>	<u>881,458</u>

29. Financial risk management objectives and policies

The financial risk management objective of PPAP is to optimise value creation for its shareholders whilst minimising the potential adverse impact arising from volatility of the financial markets.

The Directors are responsible for setting the objectives and underlying principles of financial risk management for PPAP. The management then establishes the detailed policies such as authority levels, oversight responsibilities, risk identification and measurement and exposure limits in accordance with the objectives and underlying principles approved by the Directors.

Phnom Penh Autonomous Port

Notes to the condensed interim financial statements (continued) for the three-month period ended 31 March 2024

29. Financial risk management objectives and policies (continued)

(a) Credit risk

Credit risk is the risk of financial loss to PPAP if a counter party to a financial instrument fails to perform as contracted. It is PPAP's policy to monitor the financial standing of these counter parties on an ongoing basis to ensure that PPAP is exposed to minimal credit risk.

PPAP's primary exposure to credit risk arises through its receivables. The credit period for trade receivables is one to three months and PPAP seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by management.

The Company use an allowance matrix to measure ECLs of receivables with its loss rates being calculated using a 'roll rate' method.

There is impairment allowance amounting to US\$3,479,201 recognised for trade and other receivables at 31 March 2024 (31 December 2023: US\$3,154,776).

(b) Liquidity and cash flow risk

Liquidity and cash flow risk arises from PPAP's management of working capital. It is the risk that PPAP will encounter difficulty in meeting its financial obligations when due.

PPAP actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all operating, investing and financing needs are met. In liquidity risk management strategy, PPAP maintains a level of cash and cash equivalents deemed adequate to finance PPAP's activities.

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments of PPAP would fluctuate because of changes in market interest rates.

The exposure of PPAP to interest rate risk arises primarily from deposits at banks, leases transactions and Borrowings. PPAP manages its interest rate exposure by closely monitoring the debt market. PPAP does not use derivative financial instruments to hedge any debt obligations.

30. Seasonality or cyclicity of operations

The demand for PPAP services is subject to seasonal fluctuation as a result of the high demand for mainly garment, commodity, rice, textile raw materials and construction materials. Historically, peak demand is in the third quarter of the year and attributed to the high volume of export to the United States of America and import from China.

Phnom Penh Autonomous Port

Notes to the condensed interim financial statements (continued) for the three-month period ended 31 March 2024

31. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the PPAP's decision makers. Those whom is responsible for allocating resources to and assessing the performance of the operating segments has been identified as the key management team. PPAP operates in one operating segment being port related business.

32. Contingent liability

The Company is currently disputing the invoices received from Saab Technologies Bv ("SAAB") with the amount totalling to US\$1,084,498 for the services rendered under the Support and Maintenance contract (contract no. CP20120224) for Integrated Terminal Operation System dated 24 February 2012 and subsequent invoices in relation to the Growth Paths and Maintenance and Support Fee starting from January 2023. The Company has identified certain performance obligations mentioned in the contract have not been fully satisfied. These include the dysfunctional cargo system for booking stuffing and unstuffing service, booking of refer service, booking weight bridge service, and other system bugs. Moreover, there are limited functionalities for the billing system over services such as additional storage fee charge and stuffing-unstuffing charges among others. Furthermore, the Electronic Data Interchange ("EDI") system for contacting with shipping line and customers and Yard View for monitoring over container masterplan function remains incomplete to date.

On 14 July 2023, the Company has engaged an external legal counsel to conduct the assessment of the claims made by SAAB. Subsequently, the Company has deputed the invoices from SAAB, citing the aforementioned reason. On 12 September 2023, the Company has been notified through a copy of writ of summons that SAAB's legal counsel commenced a lawsuit at Belgian court. The preliminary hearing was set for 12 December 2023 at the Antwerp Court of Enterprises, Belgium. In accordance with the writ of summons, SAAB has claimed a sum of US\$1,281,613, excluding the present summons costs and the court fee, against the Company. On 19 December 2023, the Company has received another letter from Belgian Court instructing them to appear in the hearing on 25 June 2024.

As of the date of this report, the Company denies all allegations of false and misleading facts regarding the claim against the Company initiated by SAAB. Management believes that the amount claim is not equivalent, nor does it reflect to the actual performance obligations being fulfilled by the vendor as at the date of this report.

33. Financial instruments – fair values

The Company has not disclosed the fair value information for the financial assets and financial liabilities because their carrying amounts are a reasonable approximation of the fair value.



ចំណតផែនការពហុបំណងឧស្ម័ន លេខ UM២

Sub-Feeder Multipurpose Terminal Tonle Bet-UM2

ភូមិឧស្ម័ន យ៉ុងឧស្ម័ន ស្រុកត្បូងឃ្មុំ ខេត្តត្បូងឃ្មុំ

Tonle Bet Village, Tonle Bet Commune, Tboung Khmum District, Tboung Khmum Province

ចំណតផែនការពហុបំណង លេខ UM១

Sub-Feeder Multipurpose Terminal UM1

ផ្លូវជាតិលេខ ៦A, ភូមិកណ្តាល ឃុំព្រែកអញ្ជាញ ស្រុកមុខកំពូល ខេត្តកណ្តាល

National Road No. 6A, Kandal Village, Prek Anhchanh Commune, Mok Kampul District, Kandal Province

ចំណតផែនការពហុបំណង TS៣

Multipurpose Terminal TS3

#៦៤៩ ផ្លូវវិថីព្រះសីហនុ ភូមិស្រះចក ខណ្ឌដូនពេញ រាជធានីភ្នំពេញ

#649, Preah Sisowath Street, Sras Chork Commune, Daun Penh District, Phnom Penh

ចំណតផែនការដំណើរ និងទេសចរ TS១

Passenger and Tourist Terminal TS1

ផ្លូវវិថីព្រះសីហនុ ភូមិស្រះចក ខណ្ឌដូនពេញ រាជធានីភ្នំពេញ

Preah Sisowath Street, Wat Phnom Commune, Daun Penh District, Phnom Penh

ចំណតផែនការពហុបំណង លេខ TS១១

Sub-Feeder Multipurpose Terminal TS11

ផ្លូវជាតិលេខ៥ ភូមិស្ពានខ្ពស់ សង្កាត់អូរម៉ែតលេខ៦ ខណ្ឌឫស្សីកែវ រាជធានីភ្នំពេញ

National Road 5, Spean Khpos Village, Kilometer 6 Commune, Reusseykeo District, Phnom Penh

ចំណតផែនការកុងតឺន័រ លេខ LM១៧ និងទីលានស្តុកទុកកុងតឺន័រ

Container Terminal LM17 /ICD-LM១៧/ and Inland Container Depot ICD-LM17

ភូមិកណ្តាល ឃុំបន្ទាយដេក ស្រុកកៀនស្វាយ ខេត្តកណ្តាល

Kandal Leu Village, Bantey Dek Commune, Kien Svay District, Kandal Province

ចំណតផែនការពហុបំណង លេខ LM២៦

Sub-Feeder Multipurpose Terminal LM២៦

ភូមិកោះរកា ឃុំកោះរកា ស្រុកពរម្រះ ខេត្តព្រៃវែង

Koh Roka Village, Koh Roka Commune, Peam Chor District, Prey Veng Province

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