

KINGDOM OF CAMBODIA  
NATION RELIGION KING



# Phnom Penh Autonomous Port

## The 3rd Quarter Report of 2023

Listed Company

**3<sup>rd</sup> Quarterly Report of 2023**  
**(End 30/09/2023)**

**Phnom Penh Autonomous Port**

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

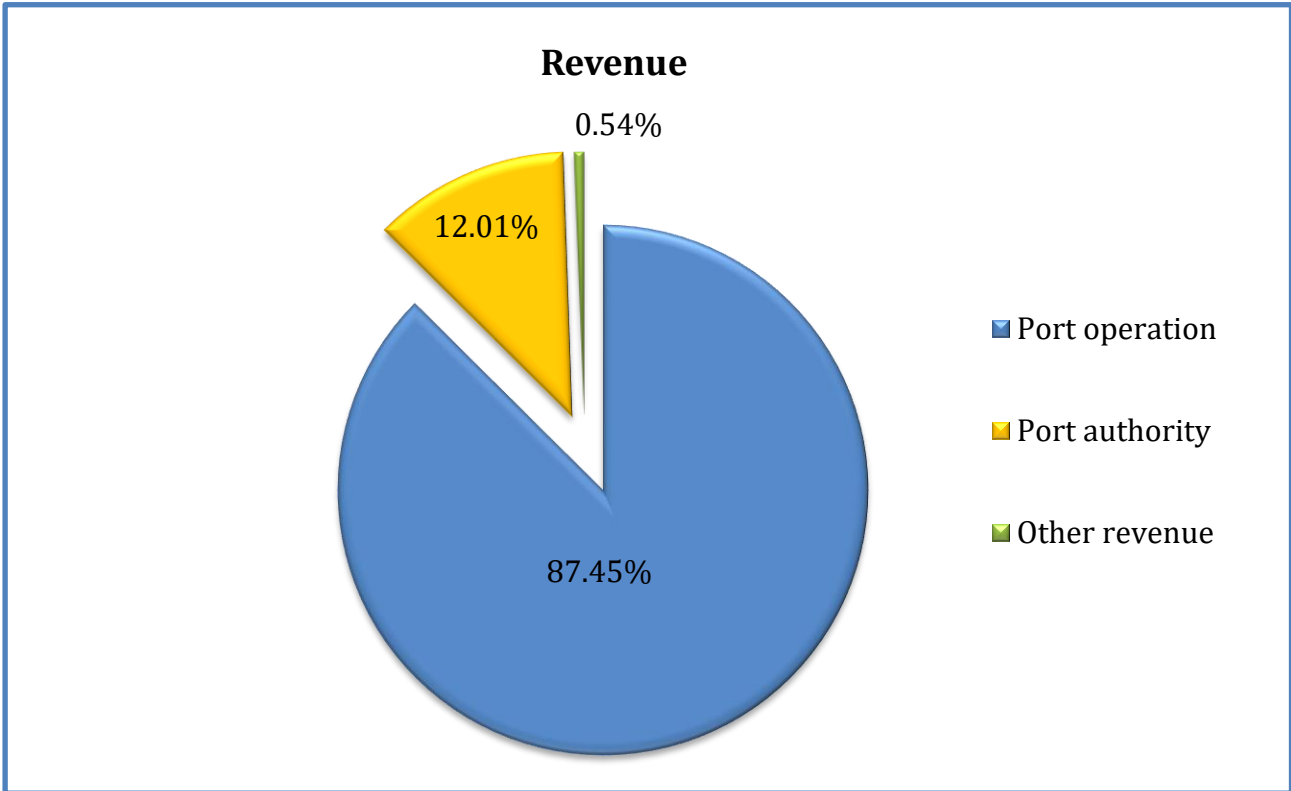
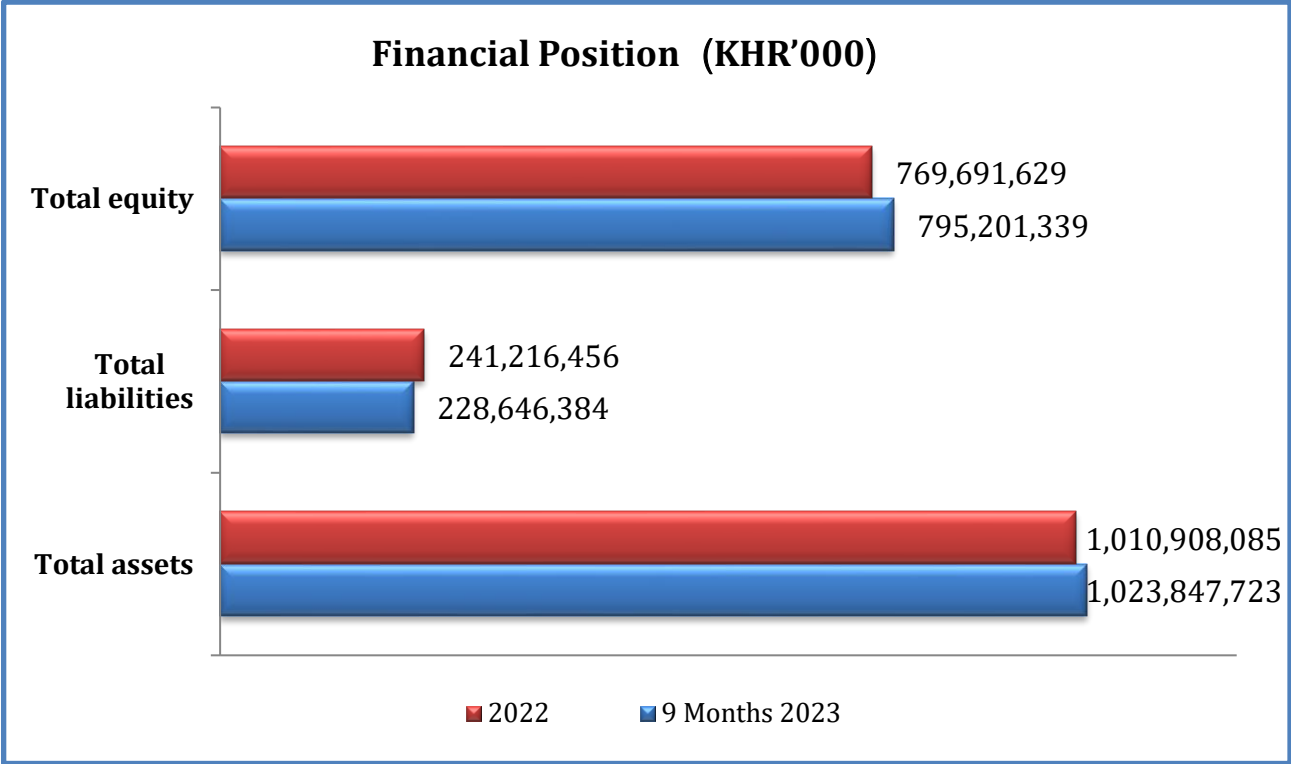
## 1.1. Financial Highlight

Description		30 September 2023	31 December (*) 2022 (restatement)	01 January (*) 2022 (restatement)
<b>Financial Position (KHR'000)</b>				
Total assets		1,023,847,723	1,010,908,085	899,130,220
Total liabilities		228,646,384	241,216,456	193,202,438
Total equity		795,201,339	769,691,629	705,927,782
<b>Profit/(Loss) (KHR'000)</b>		<b>Q3 2023</b>	<b>Q3 2022 (restatement)</b>	<b>Q3 2021</b>
Total revenues		41,813,516	40,345,552	36,893,678
Profit/(Loss) before tax		12,853,585	21,307,467	20,082,762
Profit/(Loss) after tax		9,895,809	16,895,714	15,980,630
Total comprehensive income		8,349,517	25,766,716	15,706,092
<b>Financial Ratios</b>		<b>Q3 2023</b>	<b>31 December 2022</b>	<b>01 January 2022</b>
Solvency ratio (%)		6.43%	31.62%	34.30%
Liquidity ratio	Current ratio (times)	1.32	1.85	1.88
	Quick ratio (times)	1.21	1.77	1.83
		<b>Q3 2023</b>	<b>Q3 2022</b>	<b>Q3 2021</b>
Profitability ratio	Return on assets (%)	0.97%	1.78%	1.81%
	Return on equity (%)	1.24%	2.24%	2.31%
	Gross profit margin (%)	66.08%	66.62%	71.45%
	Profit margin(%)	23.67%	41.88%	43.32%
	Earning per share (Riel)	478.42	816.84	772.59
Interest coverage ratio (times)		19.20	26.43	24.31

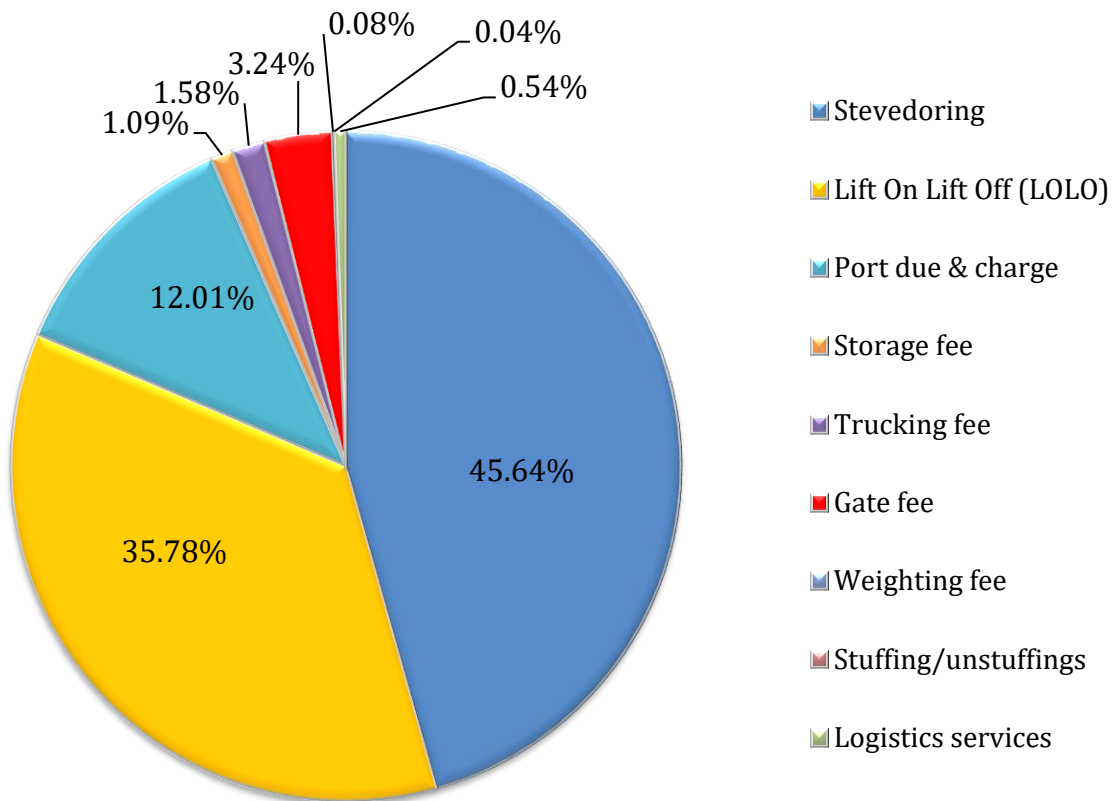
**Note:** The comparative information has been restated by the independent auditor as below:

- For the period ended 31 December 2022 and as at 31 December 2021 to 01 January 2022
- For the quarter 3, 2023 and quarter 3, 2022 (as of 30 September)

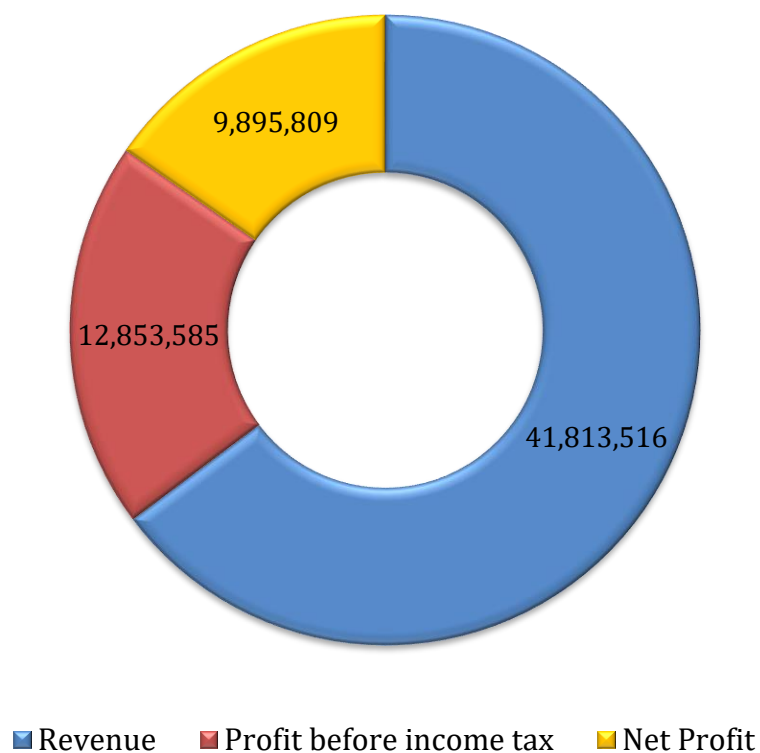
**1.2. Graph of Financial Information Highlight ( As of 30 September 2023 )**



### Types of Revenue Distribution Compared to Total Revenues

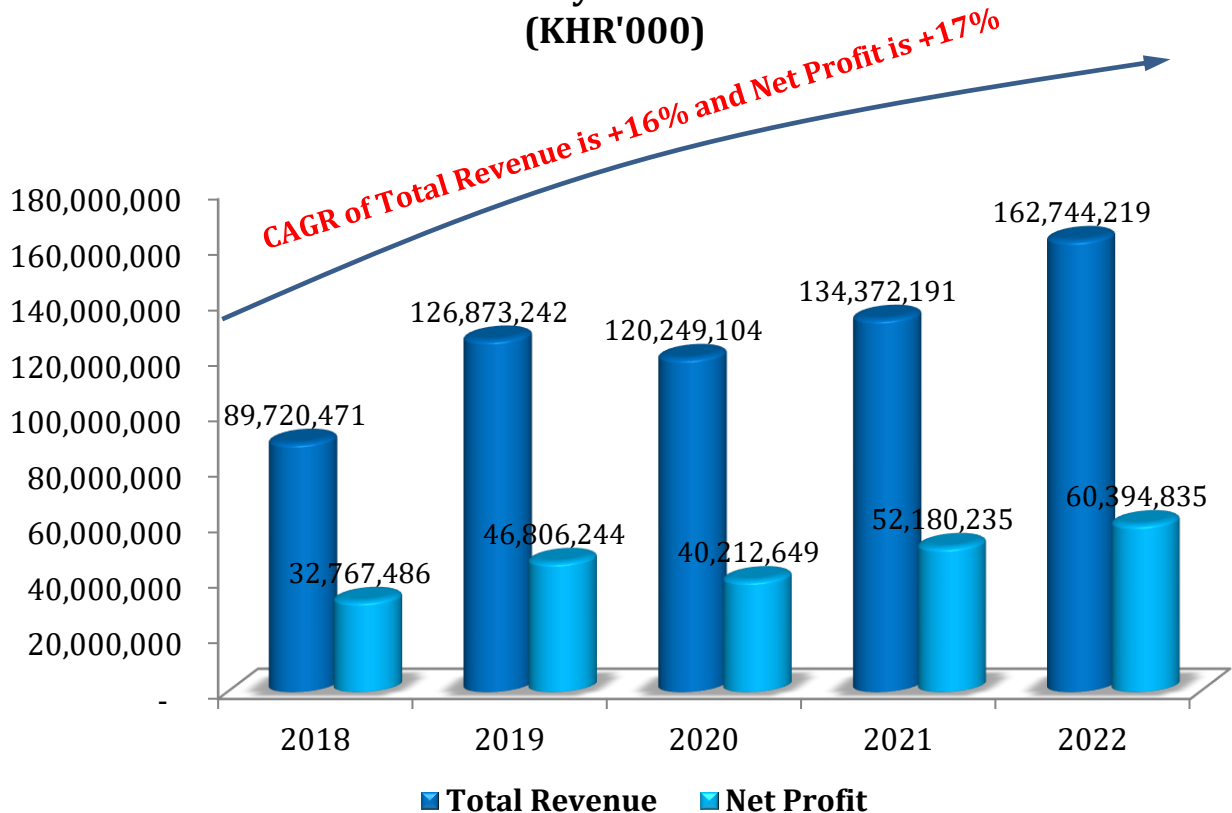


### Net Profit for Q3 2023 (KHR'000)

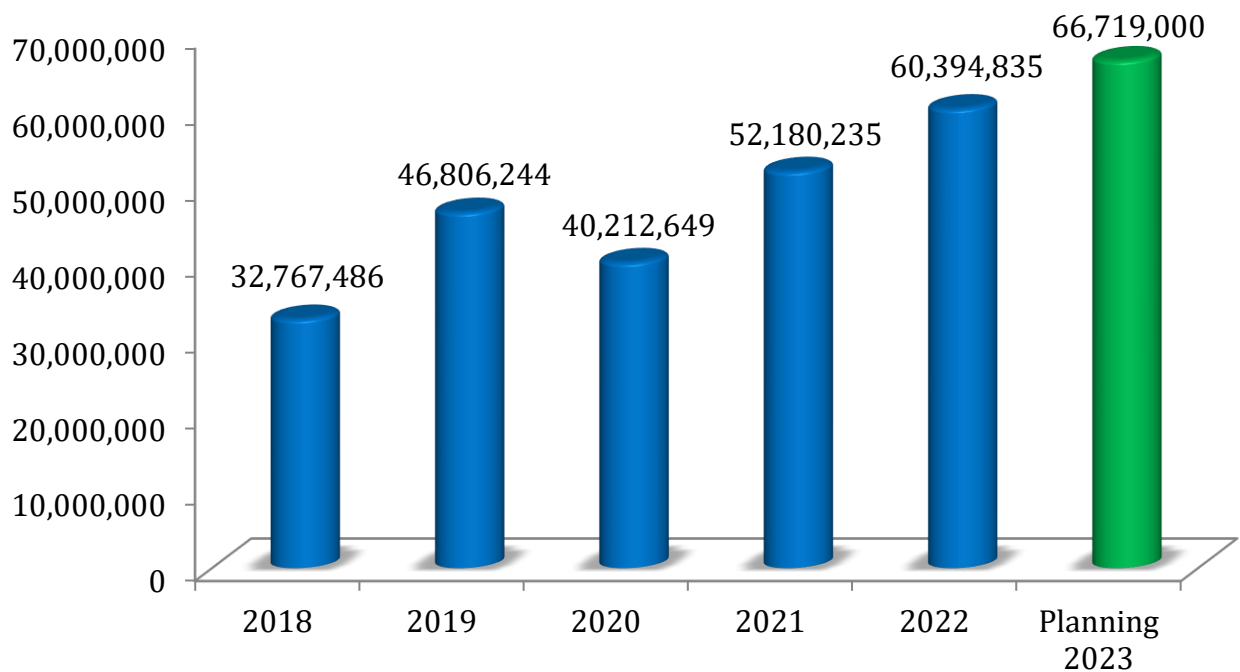




**Compound Annual Growth Rate (CAGR) of Total Revenue  
and Net Profit for 5 years from 2018 to 2022  
(KHR'000)**



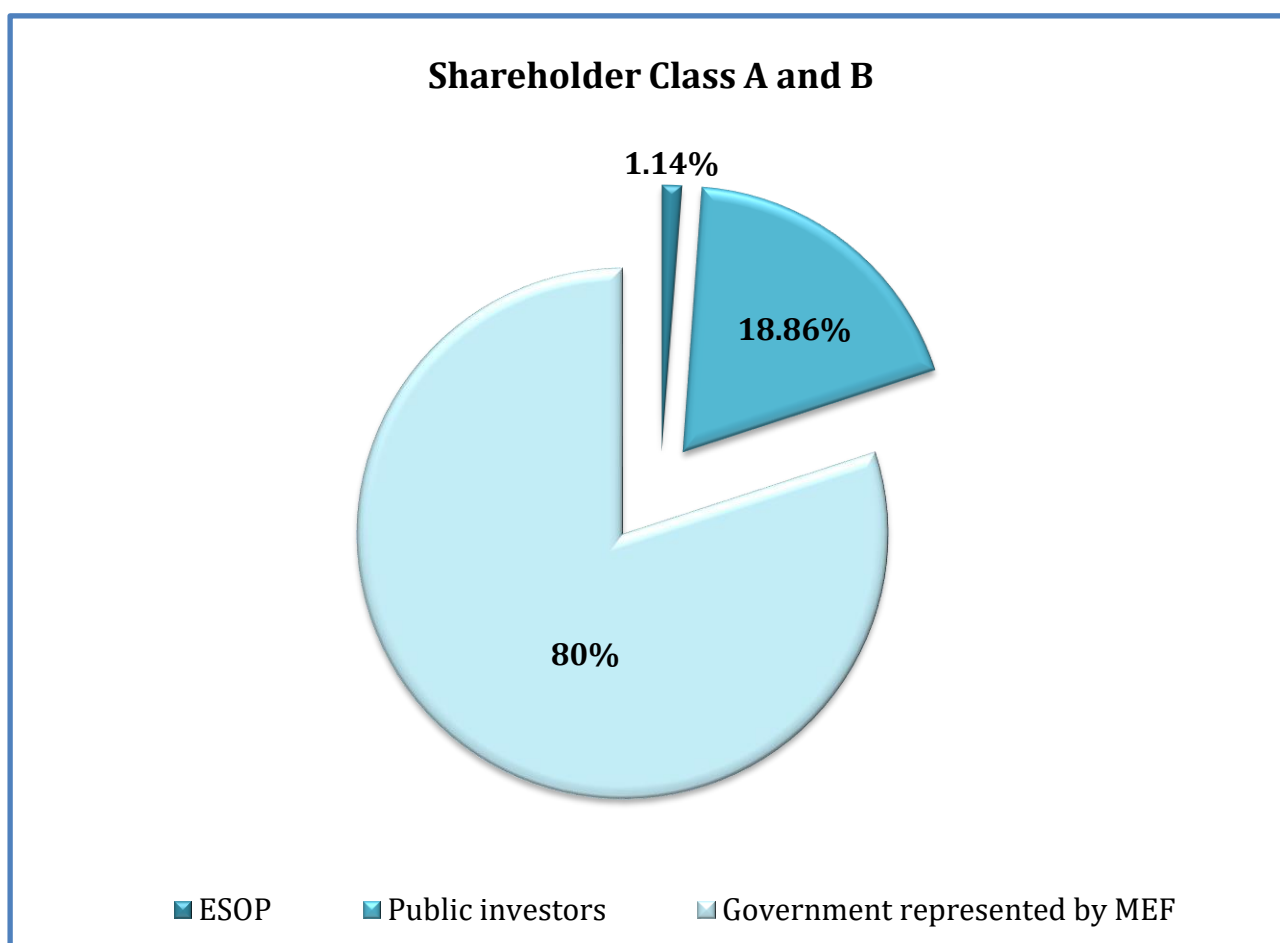
**Net Profit from 2018 to 2022 and Planning 2023  
(KHR'000)**



### 1.3. Stock Ownership ( As of 30 September 2023 )

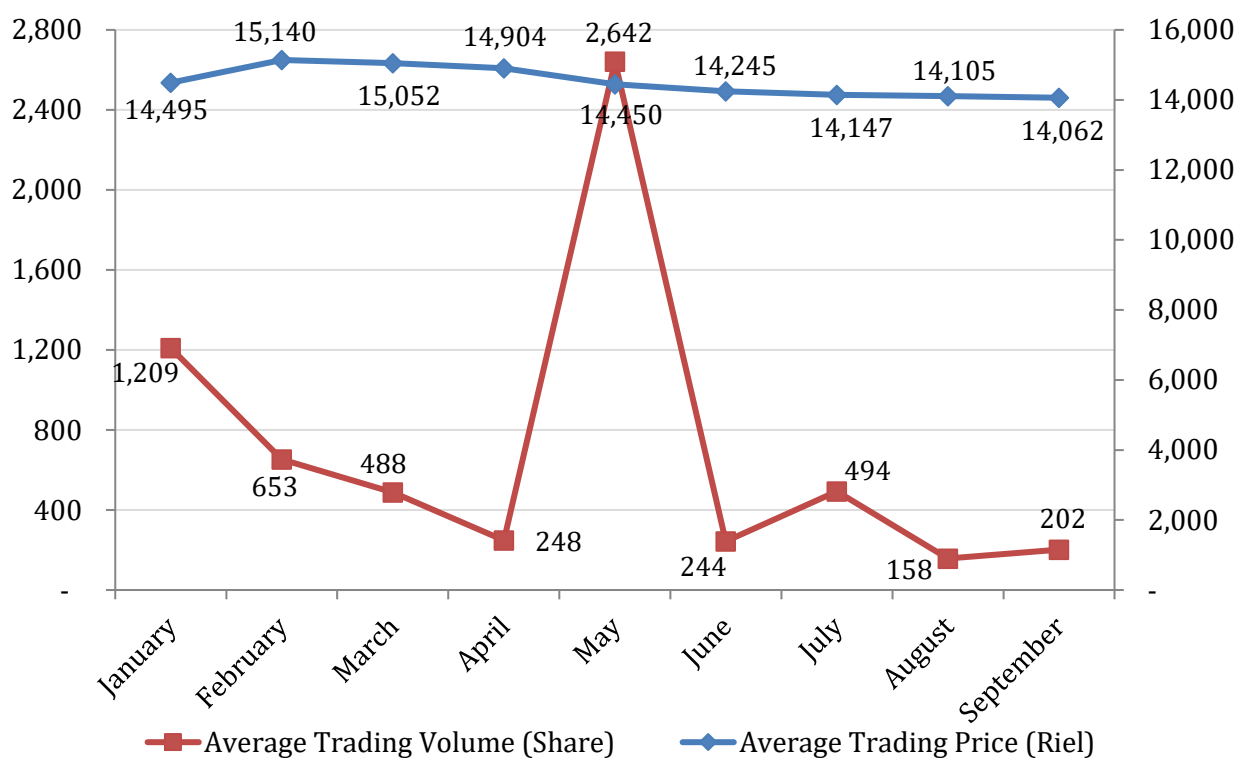
Shareholders	Number of Share	Share in Percentage
<b>Class C</b>		
1. Government represented by MEF	93,769,120	100%
<b>Class B</b>		
1. Government represented by MEF	16,547,492	80%
<b>Class A</b>		
1. ESOP	236,641	1,14%
2. Public investors	3,900,232	18,86%
<b>Total Shares of Class A</b>	<b>4,136,873</b>	<b>20%</b>

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



### Average of Trading Price (Riel) and Average of Trading Volume (Share) of Class A Share

#### For 9 Months 2023





## 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 third quarter of 2023, total revenue is KHR 41,813,516,000 (USD 10,116,989) increased by KHR 1,467,964,000 (USD 279,010) or +3.64% compared to the third quarter of 2022. However, net profit in the third quarter of 2023 is KHR 9,895,809,000 (USD 2,394,340) decreased by KHR 6,999,905,000 (USD 1,725,561) or -41.43% compared to the third quarter of 2022. For the 9 months of 2023, total revenue is KHR 108,592,193,000 (USD 26,440,758) achieved 62.24% of planning 2023 and compared to 2022 decreased by KHR 7,343,471,000 (USD 2,016,695) or -6.33%. However, net profit in the 9 months of 2023 is KHR 29,175,737,000 (USD 7,103,905) achieved 43.73% of planning 2023 and compared to 2022 decreased to KHR 15,592,684,000 (USD 3,884,907) or -34.83%.

Apart from this, basic earnings per share in the third quarter of 2023 is 478.42 Riels (USD 0.12).

The above achievement is because PPAP has paid attention in providing the service of port operation with transparency and efficiency in responding confidently to the needs of customers. In fact, PPAP has utilized all the mechanisms by strengthening the service quality, expanding storage capacity, infrastructure development, work of Topo Hydrographic, and installing the new machineries and facilities.

#### 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 Board of Directors

For the 3rd Quarter of 2023, the Board of Directors attended the 6th meeting of the 8th mandate on October 6th, 2023 and achieved the following results:

- Reviewed and approved
  - The result of business/services and financial performance (unaudited) for the 9 months of 2023 and the estimated results of 2023 as well as the business/services and financial plan of PPAP for 2024.

- Approved PPAP to transfer the budget amount of KHR 65,758,150 in 2023 into the 2024 planning for the construction plan Phase 4 at container terminal LM17 with the forecasted expense of KHR 87,150,000 in which PPAP proceeds to request approval from both guardian ministries, especially Ministry of Economic and Finance.
- Checked and approved the Accounting Policy of PPAP which required review for wordings and sentence correction to reach a comprehensiveness.
- Reviewed and approved an additional fee of USD 12,500.00 to KPMG for the reexamination of the beginning balance (opening and closing balance of 2022) of the Financial Statement from the 1st quarter to the 4th quarter of the year 2023.
- Reviewed and approved PPAP :
  - To proceed acquiring legal service from Bun & Associates to litigate SAAB until the end of 2023 with the expense amount of \$7,500.00 excluding VAT to troubleshoot the Terminal Operating System "TOS system" of PPAP.
  - To choose EANWOL company in providing the Terminal Operating System "TOS system" of LM17 and other terminals of PPAP.

### **C. Setting the Goal for 2023**

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, 14<sup>th</sup> November 2023**  
Chairman of BOD and CEO

**Hei Bavy**

# Contents

Financial Highlight	
1-Financial Highlight, Graph of Financial Information and Stock Ownership	i
2-Board of Directors	vii
3-Message from the Chairman and CEO	viii
<b>Part1: General Information of the Listed Entity</b>	<b>1</b>
A-Identity of PPAP	2
B- Nature of Business	2
C- Quarter's Key Events	9
<b>PART2: Information on Business Operation Performance</b>	<b>12</b>
A- Business Operation	13
B- Revenue Structure	19
<b>PART3: Financial Statements Reviewed by the External Auditor</b>	<b>20</b>
<b>PART4: Management's Discussion and Analysis</b>	<b>22</b>
A-Overview of Operations	23
B-Significant Factors Affecting Profit	31
C. Material Changes in Sales and Revenue	33
D. Impact of Foreign Exchange, Interest Rates and Commodity Prices	33
E. Impact of Inflation	34
F. Economic / Fiscal / Monetary Policy of Royal Government	34
<b>PART5: Other Necessary Information for Investor Protection</b>	<b>35</b>
<b>Signature of Directors of the Listed entity</b>	<b>37</b>
Appendix I: Condensed Interim Financial Statements for the nine-month period ended 30 September 2023	38

# **PART 1**

## **GENERAL INFORMATION OF PPAP**



## A. Identity of PPAP

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

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 23<sup>rd</sup>, 2004

■ **License number**: 0014 ៧៧៧.៥៥៧                      **Issued by**: Ministry of Commerce

**Date** : January 5<sup>th</sup>, 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 krom 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 2022, PPAP has completed the development of port infrastructure at container terminal LM17 for Step III, phase II; meanwhile in order to support the operation of the above achievement, PPAP has developed a new quay to install two additional FCCs, and set up an electricity connection. The overall phase III development will expand its container capacity of 200,000 TEUs more per year. Therefore, the container yard capacity at LM17 will reach 500,000 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 a quay with a length of 300m and a width of 22m and installs 4 travelling cargo cranes, 2 Fixed Cargo Crane, 12 RTG cranes, 5 Reach Stackers, 5 Sky Stackers, and 64 Trucks.

<b>Address</b>	Kandal Leu Village, Banteay Deak Commune, Kean Svay District, Kandal Province
<b>Terminal location</b>	Located at the right bank of the Mekong River and 25km downstream from the intersection of the Chaktumuk River (11°28'23.6"N and 105°08'49.8"E)
<b>Total land size</b>	<b>385,152.25 m<sup>2</sup></b>
<b>Registered land size</b>	<b>377,869.00 m<sup>2</sup></b>
<b>Size of the processing land title</b>	<b>7,283.25 m<sup>2</sup></b>
<b>Berth</b>	3 (5,000 DWT)
<b>Anchorage</b>	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).
<b>Tidal effect</b>	Ranges from +0.2m to +0.45m between February and April (as of December 2015)
<b>Permitted draft</b>	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)
<b>Hours of Operation</b>	7days/24hrs

<b>Handling equipment</b>	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.

<b>Address</b>	#649, Preah Sisowath Street, Sangkat Sras Chork, Khan Daun Penh, Phnom Penh
<b>Terminal location</b>	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)
<b>Register land size*</b>	85,846 m <sup>2</sup>
<b>Berth</b>	3 (5,000 DWT)
<b>Anchorage</b>	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).
<b>Tidal effect</b>	Ranges from +0.1m to +0.35m between February and April (as of December 2015)
<b>Permitted drafts</b>	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)
<b>Hours of Operation</b>	7 days/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-industry 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 is continuing to develop the Phase 1 of infrastructure and plans to implement the Phase 2 in 2023.

<b>Address</b>	Doun Mau Leu Village, Tonle Bet commune, Thbong Khmom district, Thbong Khmom province
<b>Terminal location</b>	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)
<b>Total land size</b>	161,700 m <sup>2</sup>
<b>Registered land size</b>	160,725 m <sup>2</sup>
<b>Size of the processing land title</b>	975 m <sup>2</sup>
<b>Berth</b>	1 (pontoon; 6m x 28m) 1 (5,000 DWT)
<b>Anchorage</b>	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).
<b>Tidal effect</b>	No effect
<b>Permitted drafts</b>	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)
<b>Channel depth</b>	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)
<b>Hours of Operation</b>	7days/24hrs
<b>Handling equipment</b>	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 3<sup>rd</sup> Quarter of 2023, the total of 43,287 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.

<b>Address</b>	Preah Sisowath (Street 1), Sangkat Daun Penh, Khan Daun Penh, Phnom Penh
<b>Terminal location</b>	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)
<b>Registered land size*</b>	6,637 m <sup>2</sup>
<b>Berth</b>	3 units of floating pontoon

<b>Anchorage</b>	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).
<b>Tidal effect</b>	Ranges from +0.1m to 0.35m between February and April (as of December 2014)
<b>Permitted drafts</b>	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)
<b>Hours of Operation</b>	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.

<b>Address</b>	Located along the NR5, Kilometer 6 commune, Russey Keo District, Phnom Penh.
<b>Terminal location</b>	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)
<b>Land size</b>	4 Hectare
<b>Berth</b>	1 (5,000 DWT)
<b>Anchorage</b>	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.
<b>Tidal effect</b>	No effect
<b>Permitted draft</b>	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)
<b>Hours of Operation</b>	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.

<b>Address</b>	Koh Roka commune, Peam Chor District, Prey Veng Province.
<b>Terminal location</b>	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)
<b>Total land size</b>	<b>200,042 m2</b>
<b>Registered land size</b>	<b>150,262 m2</b>
<b>Size of the processing land title</b>	<b>49,780 m2</b>
<b>Anchorage</b>	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
<b>Hours of Operation</b>	7days/24hrs
<b>Facilities</b>	Mobile crane , Floating crane and Conveyer

#### 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.

<b>Address</b>	Prek Anchanh Commune, Muk Kampoul District, Kandal Province.
<b>Total land size</b>	38,362m2
<b>Tidal effect</b>	From 0.2 m to 0.4 m
<b>Channel depth</b>	4.5 meters
<b>Hours of Operation</b>	7days/24hrs
<b>Facilities</b>	Mobile crane , Floating crane

**4.7.2 Sub-feeder Multipurpose Chhlong (Kratie)**

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

**4.7.3 Sub-feeder Multipurpose Boeung Ket (Kampong Cham)**

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

**4.7.4 Sub-feeder Multipurpose Phnom Krom (Siem Reap)**

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

**4.7.5 Sub-feeder Multipurpose Kampong Chhnang**

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

**4.7.6 Sub-feeder Multipurpose Kampong Chhnang-Kampong Thom**

<b>Address</b>	Kampong Boeng Village, Kampong Hao Commune, Kampong Leng District, Kampong Chhnang Province.
<b>Total land size</b>	250,000 square meters

<b>Tidal effect</b>	from 0.10 m to 0.3 m
<b>Channel depth</b>	4.50 m
<b>Hours of Operation</b>	7days/24hrs

#### 4.7.7 Sub-feeder Multipurpose Prek Kdam

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

#### 4.7.8 Sub-feeder Multipurpose Sovannaphum LM25

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

#### 4.7.9 Sub-feeder Multipurpose kdar Bontear LM5

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

### C. Quarter's Key Events

On July 5<sup>th</sup>, 2023, PPAP has received a “Confirmation Letter for Maintaining Proper Accounting Record starting from 2022 to 2023” from the General Department of Taxation. Holding this certificate, PPAP will receive benefits in accordance with Prakas No.638 MEF.Prk dated on July 4<sup>th</sup>, 2017.

Meanwhile, PPAP has also received a “GOLD” Certificate of Tax Compliance from the General Department of Taxation for the period of 2 years and for the tax year of 2023 and 2024.

**ក្រសួងសេដ្ឋកិច្ច និង ហិរញ្ញវត្ថុ**

**អគ្គនាយកដ្ឋានពន្ធដារ**

នាយកដ្ឋានពន្ធដារ និងកិច្ចការទូទៅ  
លេខ.....២០៥១.....អពជ.នកទ



**ព្រះរាជាណាចក្រកម្ពុជា**  
**ជាតិ សាសនា ព្រះមហាក្សត្រ**



L202306260353TD2868

ថ្ងៃ **ព្រហស្បតិ៍** ខែ **ឧសភា** ឆ្នាំ **ថោះ** បញ្ចប់ ព.ស.២៥៦៧  
រាជធានីភ្នំពេញ ថ្ងៃទី **០៩** ខែ **កក្កដា** ឆ្នាំ ២០២៣



**ជម្រាបជូន**  
**លោក-លោកស្រីនាយក**

- ឈ្មោះសហគ្រាស ៖ កំពង់ផែស្វយ័តភ្នំពេញ "ក.ស.ភ"
- ជាអក្សរឡាតាំង ៖ PHNOM PENH AUTONOMOUS PORT "PPAP"
- លេខអត្តសញ្ញាណកម្ម ៖ L001-100044999 ចុះបញ្ជីនៅ៖ នាយកដ្ឋានគ្រប់គ្រងអ្នកជាប់ពន្ធនៃ
- អាសយដ្ឋាន ៖ ផ្ទះលេខ ៦៤៩ ផ្លូវ ព្រះស៊ីសុវត្ថិ ភូមិ ១២ សង្កាត់ស្រះចក ខណ្ឌដូនពេញ រាជធានីភ្នំពេញ

**កម្មវត្ថុ**៖ លិខិតបញ្ជាក់ការកាន់បញ្ជីកាតព្វកិច្ចសារពើពន្ធស្របត្រូវ។  
**យោង** ៖ - ច្បាប់ស្តីពីសារពើពន្ធ ដែលប្រកាសឱ្យប្រើដោយព្រះរាជក្រមលេខ នស/រកម/០២៩៧/០៣ ចុះថ្ងៃទី២៤ ខែកុម្ភៈ ឆ្នាំ១៩៩៧ និងវិសោធនកម្មជាបន្តបន្ទាប់  
 - ប្រកាសលេខ ៦៣៨ សហវ.ប្រក ចុះថ្ងៃទី០៤ ខែកក្កដា ឆ្នាំ២០១៧ ស្តីពីលក្ខណវិនិច្ឆ័យនៃការកាន់បញ្ជីកាតព្វកិច្ចសារពើពន្ធស្របត្រូវ និងនីតិវិធីនៃការបង់ពន្ធអប្បបរមា។

សេចក្តីដូចមានចែងក្នុងកម្មវត្ថុនិងយោងខាងលើ ខ្ញុំសូមជម្រាបជូន លោក-លោកស្រីនាយកសហគ្រាស ជ្រាបថា សហគ្រាសបានដាក់លិខិតមកអគ្គនាយកដ្ឋានពន្ធដារ ដើម្បីស្នើសុំលទ្ធផលនៃការវាយតម្លៃការកាន់បញ្ជីកាតព្វកិច្ចសារពើពន្ធស្របត្រូវ ពីគណៈកម្មការវាយតម្លៃការកាន់បញ្ជីកាតព្វកិច្ចសារពើពន្ធស្របត្រូវរបស់អ្នកជាប់ពន្ធ។

អនុលោមតាមច្បាប់និងបទប្បញ្ញត្តិស្តីពីពន្ធដារ និងការពិនិត្យយ៉ាងហ្មត់ចត់លើឯកសារពាក់ព័ន្ធ ព្រមទាំងសារវត្ថុនៃការអនុវត្តកាតព្វកិច្ចសារពើពន្ធស្របត្រូវរបស់សហគ្រាសលោក-លោកស្រី គណៈកម្មការវាយតម្លៃការកាន់បញ្ជីកាតព្វកិច្ចសារពើពន្ធស្របត្រូវរបស់អ្នកជាប់ពន្ធ សម្រេចវិនិច្ឆ័យថាសហគ្រាសបានកាន់បញ្ជីកាតព្វកិច្ចសារពើពន្ធស្របត្រូវ និងផ្តល់ជូនលិខិតបញ្ជាក់ការកាន់បញ្ជីកាតព្វកិច្ចសារពើពន្ធស្របត្រូវចាប់ពីឆ្នាំ ២០២២ ដល់ឆ្នាំ ២០២៣ ដើម្បីទទួលបានអត្ថប្រយោជន៍នានា ស្របតាមប្រកាសលេខ ៦៣៨ សហវ.ប្រក ចុះថ្ងៃទី០៤ ខែកក្កដា ឆ្នាំ២០១៧។

ទន្ទឹមនឹងនេះ លោក-លោកស្រីនាយកសហគ្រាស ត្រូវបន្តអនុវត្តឱ្យបានម៉ឺងម៉ាត់នូវកាតព្វកិច្ចសារពើពន្ធនានា ស្របតាមច្បាប់និងបទប្បញ្ញត្តិស្តីពីពន្ធដារជាធរមាន។ អគ្គនាយកដ្ឋានពន្ធដារ រក្សាសិទ្ធិក្នុងការដកហូត លិខិតបញ្ជាក់ និងមោឃភាពនូវអត្ថប្រយោជន៍នានាដែលបានផ្តល់ជូនក្នុងអំឡុងពេលនេះ ព្រមទាំងទទួលបានពិន័យ និងទោសទណ្ឌផ្សេងៗទៀត ក្នុងករណីមានការរកឃើញថា សហគ្រាសលោក-លោកស្រី ពុំបានអនុវត្តកាតព្វកិច្ចសារពើពន្ធឱ្យបានខ្ជាប់ខ្ជួនស្របតាមច្បាប់និងបទប្បញ្ញត្តិស្តីពីពន្ធដារនោះទេ។

អាស្រ័យដូចបានជម្រាបជូនខាងលើ សូមលោក-លោកស្រីនាយកសហគ្រាស អនុវត្តតាមការសម្រេចនេះ។  
 សូម លោក-លោកស្រីនាយកសហគ្រាស ទទួលនូវសេចក្តីរាប់អាន ពីខ្ញុំ

**ប្រធាននាយកដ្ឋានពន្ធដារនិងកិច្ចការទូទៅ**   
**ឃ្លេង រដ្ឋា**

- ចម្លងជូន**
- នាយកដ្ឋានពន្ធដារ និងកិច្ចការទូទៅ
  - នាយកដ្ឋានគ្រប់គ្រងអ្នកជាប់ពន្ធនៃ
  - នាយកដ្ឋានបច្ចេកវិទ្យាព័ត៌មាន
  - ឯកសារ-កាលប្បវត្តិ



ក្រសួងសេដ្ឋកិច្ចនិងហិរញ្ញវត្ថុ  
MINISTRY OF ECONOMY AND FINANCE  
អគ្គនាយកដ្ឋានពន្ធដារ  
GENERAL DEPARTMENT OF TAXATION



ព្រះរាជាណាចក្រកម្ពុជា  
KINGDOM OF CAMBODIA  
ជាតិ សាសនា ព្រះមហាក្សត្រ  
NATION RELIGION KING

TCG23070307608

លេខ...២១៦៧២២ អណដ

រាជធានីភ្នំពេញ ថ្ងៃទី ០៤ ខែ កក្កដា ឆ្នាំ២០២៣  
Phnom Penh, 05<sup>th</sup>, July 2023

**អគ្គនាយកដ្ឋានពន្ធដារ**  
GENERAL DEPARTMENT OF TAXATION

**វិញ្ញាបនបត្រ**  
**អនុលោមភាពសារពើពន្ធ**

(ប្រកាសលេខ ១៥៣៦ សហវ.ប្រក ចុះថ្ងៃទី២៣ ខែធ្នូ ឆ្នាំ២០១៦)

អគ្គនាយកដ្ឋានពន្ធដារបញ្ជាក់ថា ៖

ឈ្មោះក្រុមហ៊ុន ៖ ភីណង់អូតូណូម៉ូស ប៊ូតា "ភ.ស.អ"

លេខអត្តសញ្ញាណកម្មសារពើពន្ធ ៖ L001-100044999

ស្ថិតក្រោមការគ្រប់គ្រង ៖ នាយកដ្ឋានគ្រប់គ្រងអ្នកជាប់ពន្ធនៃ កាលបរិច្ឆេទធ្វើបច្ចុប្បន្នភាព ៖ ២៦ សីហា ២០១៥

សកម្មភាពអាជីវកម្ម ៖ សេវាកម្មកសិកម្ម លើកដាក់ និងដឹកជញ្ជូនទំនិញ

អាសយដ្ឋាន ៖ #៦៤៩ ផ្លូវ ព្រះស៊ីសុវត្ថិ ភូមិ ១២ សង្កាត់ ស្រះចក ខណ្ឌ ដូនពេញ រាជធានីភ្នំពេញ

ទទួលបានកម្រិតអនុលោមភាពសារពើពន្ធប្រភេទ ៖ **មាស**

មានសុពលភាពរយៈពេល **២** ឆ្នាំ សម្រាប់ឆ្នាំជាប់ពន្ធ ២០២៣ ដល់ ឆ្នាំ២០២៤។

**CERTIFICATE OF TAX COMPLIANCE**

(Prakas No 1536 MEF/PK dated 23rd December 2016)

GENERAL DEPARTMENT OF TAXATION certifies that :

Company's name : PHNOM PENH AUTONOMOUS PORT "PPAP"

Tax Identification Number (TIN) : L001-100044999

Under : Department of large Taxpayers

Date of Information Update : 26 Aug 2015

Business activity(ies) : Logistics, handle, load, discharge and transport cargoes service

Tax Compliance Type awarded : GOLD

Validity period of **2 years** for the tax year of **2023** and **2024**.

ឧប្បទាន ៖

- នាយកដ្ឋានរដ្ឋបាល និងកិច្ចការទូទៅ
- នាយកដ្ឋានគ្រប់គ្រងអ្នកជាប់ពន្ធនៃ
- នាយកដ្ឋានបច្ចេកវិទ្យាព័ត៌មាន
- ឯកសារ-កាលប្បវត្តិ



រដ្ឋមន្ត្រីប្រតិភូអមនាយករដ្ឋមន្ត្រី  
ប្រតិភូរាជរដ្ឋាភិបាល  
ទទួលបន្ទុកជាអគ្គនាយកនៃអគ្គនាយកដ្ឋានពន្ធដារ

Minister Attached to the Prime Minister  
Delegate of the Royal Government  
in charge as Director General of General Department of Taxation



គង់ វិបុល

## **Part 2**

# **Information on Bussiness Operation Performance**

## A. The results of the business operations, including partial business information for the quarter of 2023

### 1. Catalog of Passenger Goods

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

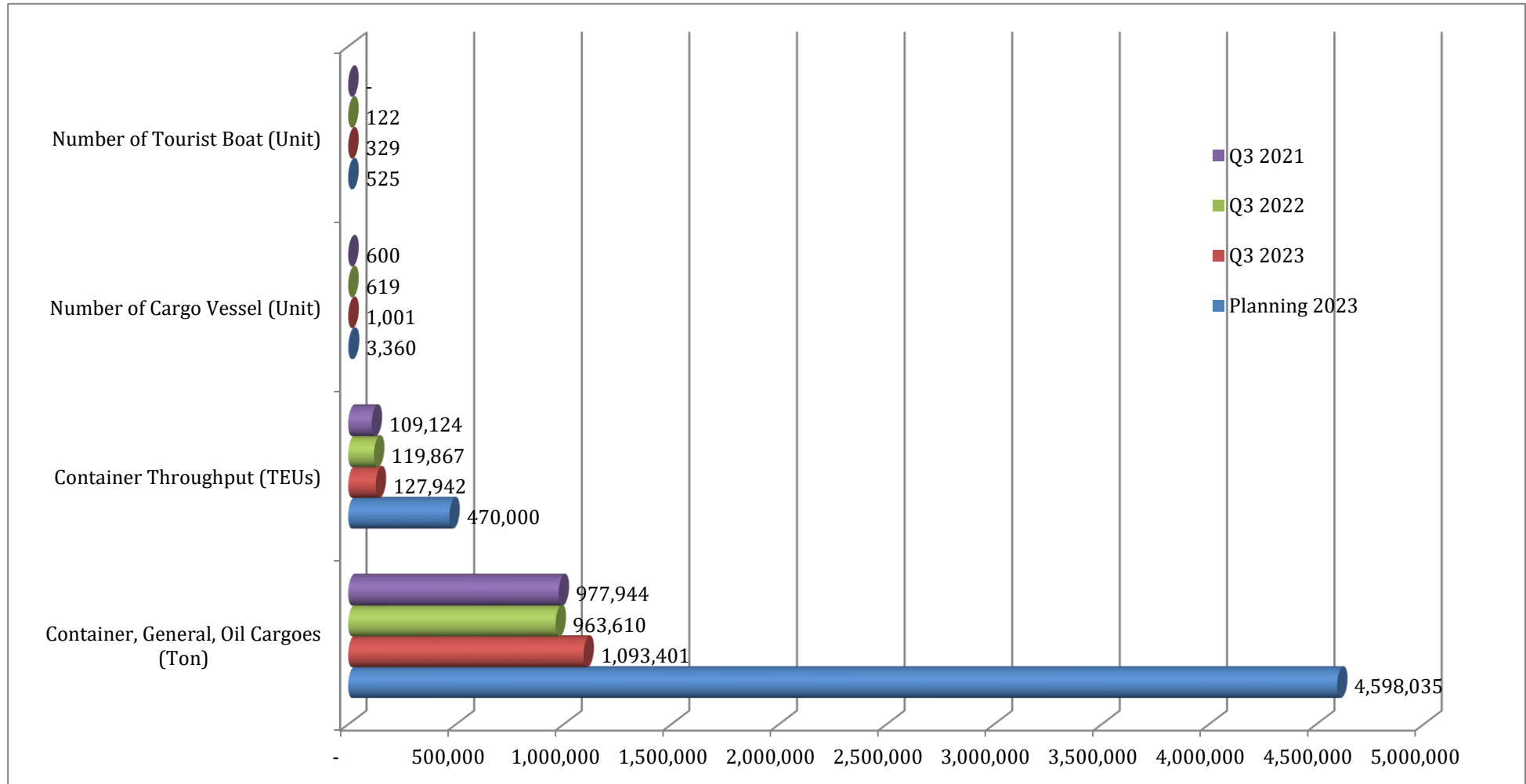
No.	Description	Unit	Planning 2023	Q3			9 Months		Compa re (%)	Up/Down (%)	
				2023	2022	2021	2023	2022		7=(5/1)	8=(2/3) -100%
A	B	C	1	2	3	4	5	6	7=(5/1)	8=(2/3) -100%	9=(3/4) -100%
I	<b>Container, General, Oil Cargoes</b>	<u>Ton</u>	<b><u>4,598,035</u></b>	<b><u>1,093,401</u></b>	<b><u>963,610</u></b>	<b><u>977,944</u></b>	<b><u>3,152,711</u></b>	<b><u>3,068,247</u></b>	69%	+13%	-1%
	A- <u>Container Throughput</u>	-	<b><u>2,711,944</u></b>	<b><u>701,219</u></b>	<b><u>656,511</u></b>	<b><u>614,014</u></b>	<b><u>1,873,552</u></b>	<b><u>1,837,744</u></b>	69%	+7%	+7%
	- Imported Container Cargo	-	1,369,082	338,742	334,790	365,969	893,478	928,057			
	- Exported Container Cargo	-	1,342,862	362,477	321,721	248,045	980,074	909,687			
	B - <u>Mobile General Cargo Handling</u>	-	<b><u>919,351</u></b>	<b><u>218,385</u></b>	<b><u>155,097</u></b>	<b><u>178,287</u></b>	<b><u>669,275</u></b>	<b><u>599,477</u></b>	73%	+41%	-13 %
	- Inside Port	-	73,548	32,817	9,616	7,918	99,707	48,148			
	- Outside Port	-	845,803	185,568	145,481	170,369	569,568	551,329			
	C - <u>Imported Oil &amp; Gas</u>	-	<b><u>966,739</u></b>	<b><u>173,797</u></b>	<b><u>152,002</u></b>	<b><u>185,643</u></b>	<b><u>609,884</u></b>	<b><u>631,026</u></b>	63%	+14%	-18%
	<b><u>Container Throughput (TEUs)</u></b>	<u>TEU</u>	<b><u>470,000</u></b>	<b><u>127,942</u></b>	<b><u>119,867</u></b>	<b><u>109,124</u></b>	<b><u>305,039</u></b>	<b><u>329,043</u></b>	65 %	+7%	+10%
	- Laden Cargo	-	338,400	73,275	72,178	69,243	191,807	213,293			
	- Empty Cargo	-	131,600	54,667	47,689	39,881	113,232	115,750			
II	<b>Cargo Handling</b>	<u>Ton</u>	<b><u>3,631,295</u></b>	<b><u>906,010</u></b>	<b><u>811,609</u></b>	<b><u>792,301</u></b>	<b><u>2,542,827</u></b>	<b><u>2,437,221</u></b>	70%	+12%	+2%
	- General Cargo	-	919,351	204,790	155,097	178,287	669,275	599,477			
	- Container Throughput (Ton)	-	2,711,944	701,219	656,511	614,014	1,873,552	1,837,744			
III	<b>Number of Cargo Vessel</b>	<u>Unit</u>	<b><u>3,360</u></b>	<b><u>1,001</u></b>	<b><u>619</u></b>	<b><u>600</u></b>	<b><u>3,278</u></b>	<b><u>2,743</u></b>	98%	+62%	+3%
	- Foreign Vessels and Barge	-	2,880	891	524	491	2,903	2,358			



No.	Description	Unit	Planning 2023	Q3			9 Months		Compa re (%)	Up/Down (%)	
				2023	2022	2021	2023	2022		8=(2/3) -100%	9=(3/4) -100%
A	B	C	1	2	3	4	5	6	7=(5/1)		
	- Cambodian Vessels and Barge	-	0	-	-	-	-	-			
	- Oil Vessels and Tanker	-	480	110	95	109	375	385			
IV	<b><u>Number of Local Passenger Boat (In-Out)</u></b>	<u>Unit</u>	<b><u>16,078</u></b>	<b><u>1,784</u></b>	<b><u>2,814</u></b>	<b><u>1,938</u></b>	<b><u>6,388</u></b>	<b><u>7,910</u></b>	40%	-37%	+45%
	- PhnomPenh-SeimReap-PhnomPenh	-	0	-	-	-	-	-			
	- Vessels in Town	-	16,078	1,784	2,814	1,938	6,388	7,910			
V	<b><u>Number of Local Passenger (In-Out)</u></b>	<u>Passenger</u>	<b><u>121,000</u></b>	<b><u>35,680</u></b>	<b><u>19,149</u></b>	<b><u>7,655</u></b>	<b><u>119,560</u></b>	<b><u>47,222</u></b>	99%	+86%	+150%
	- PhnomPenh-SeimReap-PhnomPenh	-	0	-	-	-	-	-			
	- Vessels in Town	-	121,000	35,680	19,149	7,655	119,560	47,222			
VI	<b><u>Number of Foreign Passenger and Tourist Boat (In-Out)</u></b>	<u>Voyage</u>	<b><u>525</u></b>	<b><u>329</u></b>	<b><u>122</u></b>	-	<b><u>1,204</u></b>	<b><u>122</u></b>	229%	+170%	+122%
	- PhnomPenh-ChovDok-PhnomPenh	-	451	238	94	-	862	94			
	- Cruise Boat	-	74	91	28	-	342	28	462%	+225%	+28%
VII	<b><u>Number of Foreign Passenger and Tourist (In-Out)</u></b>	<u>Person</u>	<b><u>6,225</u></b>	<b><u>7,607</u></b>	<b><u>1,369</u></b>	-	<b><u>27,920</u></b>	<b><u>1,369</u></b>	448%	+455%	+1369%
	- PhnomPenh-ChovDok-PhnomPenh	-	3,600	3,843	501	-	13,638	501			
	- Tourist on Cruise Boat	-	2,625	3,764	868	-	14,282	868	544%	+334%	+868%

- Cargo-fuel and gas throughput in Q3 2023: 1,093,401 Tons, increased by 13.47% compared to Q3 2022 (963,610 Tons). For 9 Months of 2023, PPAP has accomplished 68,57% compared to planning 2023 (4,598,035 Tons).
- Cargo vessels throughput in Q3 2023: 1,001 Units, increased by 61.71% compared to Q3 2022 (619 Units). For 9 Months of 2023, PPAP has accomplished 97,56% compared to planning 2023 (3,360 Units).
- International passengers and tourist cruises throughput via Cambodia-Vietnam in Q3 2023: 329 Voyages, increased by 169.67% compared to Q3 2022 (122 Voyages). For 9 Months of 2023, PPAP has accomplished 229.33% compared to planning 2023 (525 Units).
- Containers throughput in Q3 2023: 127,942 TEUs, increased by 6.74% compared to Q3 2022 (119,867 TEUs). For 9 Months of 2023, PPAP has accomplished 64,90% compared to planning 2023 (470,000 TEUs).
- The number of international passengers and tourists throughput via Cambodia-Vietnam in Q3 2023: 7,607 Passengers, increased by 455.66% compared to Q3 2022 (1,369 Passengers). For 9 Months of 2023, PPAP has accomplished 448,51% compared to planning 2023 (6,225 Passengers).

Graphs on performance comparisons of the third quarter of 2023 - 2022 - 2021 and 2023 planning



## 2. The implementation of Hydrographic work and the construction of port infrastructure and machinery installation

### ❖ Sand Dredging Management

- Inspected sacks and navigation poles along the Lower Mekong River (Phnom Penh-khaorm Samnor), the Upper Mekong River (Phnom Penh-Kampong Cham), the Tonle Sap (Phnom Penh-Chhnuk Trou) and the canal lot (Koh Keo and Koh Roka).
- Conducted water depth measurements at various ports to facilitate navigation

### ❖ The construction of port infrastructure

#### **Container Terminal LM17**

- Construction of 24.4m x 60m LCL warehouse and pouring 1,510m<sup>2</sup> of Ame concrete floor achieved 100% of the project.
- Construction work on the foundation for Crawler Crane achieved 95% of the project
- Construction of a car wash, machinery, 580 square meters of reinforced concrete, dismantling of 58 meters of fences and rebuilding of 75 meters of fences has achieved 100% of the project.
- Construction of 16m x 149m Port Bridge (Port 3), LM17 Container Terminal, 95% of the project was completed
- Administrative parking lot, 2,075 square meters, 1,066 square meters, 236-meter-long wire fence, 160-meter-long drainage gutter, 7-meter-wide gate and 2.2-meter-by-2.2-meter post. Achieved 82% of projects
- The project to build a 354-meter-long wire mesh fence on the north side and the construction of a 13-meter-long second-line wire mesh fence has been completed 54% of the project.
- Construction of drainage system from the second entrance to the wind tunnel achieved 10% of the project
- Construction of foundation of car scales and equipment of 2 scales at the first gate achieved 05% of the project
- Construction of 130-meter-long wire mesh fence around hazardous warehousing sites achieves 05% of the project

#### **Sub-feeder Multipurpose Terminal UM2**

- Terminal development work Phase 2 step 1 achieved 100% of the project.

#### **Sub-feeder Multipurpose Terminal LM26**

- Construction of 433 square meters of coal truck slope and reinforcement of 1 bit pole achieved 100% of the project
- Construction of 1 1.8m × 2.7m × 1.1m bit poles for achieving 100% of the project
- Construction of 1,095 square meters of concrete road at the LM26 multi-purpose satellite terminal has achieved 100% of the project

- Construction of 544.5 m long fence and 3 gates for achieving 98% of the project
- Preparation of LM26 multi-purpose street lighting and parking lot. Achieved 25% of the project.
- Construction of a warehouse of 30 meters x 50 meters achieved 22% of the project
- Construction of 2,000 square meters of concrete field reached 05% of the project
- Construction of 9,832 square meters of D B S T road at LM26 Multi-Purpose Terminal has reached 05% of the project

❖ **Purchase/installation of machinery or new equipment**

Studying of ordering and renting machinery according to the 2023 plan as follows:

- Has been studied and purchasing:
  - One set of 625 KVA generator for FCC.
  - Two units of Reach-stackers.
  - Ten units of Terminal Tractors
- Has been studying to purchase:
  - 1 Bulldozer
  - 1 van
  - 2 Front-louder
  - 1 yard cleaning truck
  - 10 container trailer
  - 25KVA generator for equipping 10 container trucks
  - Installation of container trailer Cell guide

## B- Revenue Structure

Source of Revenue	3 <sup>rd</sup> Quarter for the Period Ended 30 September 2023		3 <sup>rd</sup> Quarter for the Period Ended 30 September 2022 (restatement)		3 <sup>rd</sup> Quarter for the Period Ended 30 September 2021	
	KHR'000	Compared to total revenue	KHR'000	Compared to total revenue	KHR'000	Compared to total revenue
Stevedoring	19,081,453	45.64%	18,409,795	45.63%	16,725,109	45.33%
Lift On Lift Off (LOLO)	14,961,948	35.78%	14,425,555	35.76%	13,365,839	36.23%
Port dues and charges	5,023,521	12.01%	4,624,234	11.46%	4,024,963	10.91%
Storage fees	457,812	1.09%	1,046,952	2.59%	913,628	2.48%
Trucking fee	659,755	1.58%	375,615	0.93%	450,986	1.22%
Gate fees	1,352,615	3.24%	1,257,875	3.12%	1,132,979	3.07%
Weighting fee	34,130	0.08%	20,357	0.05%	11,434	0.03%
Stuffing/Unstuffing	17,152	0.04%	19,070	0.05%	26,509	0.07%
Sand dredging management fee	0	0.00%	0	0.00%	23,800	0.07%
Logistic services	225,130	0.54%	166,099	0.41%	218,431	0.59%
<b>Total:</b>	<b>41,813,516</b>	<b>100%</b>	<b>40,345,552</b>	<b>100.00%</b>	<b>36,893,678</b>	<b>100%</b>

**PART3**

**Financial Statements Reviewed by  
the External Auditor**



**Condensed Interim Financial Statements  
for the nine-month period ended 30 September 2023  
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 Third Quarter 2023 report for further information.*

The container throughput of PPAP in the third quarter 2023 has increased 8,075 TEUs or 6,74% compared to the third quarter 2022. For vessels in the third quarter 2023 increased by 382 units or 61,71% compared to the third quarter 2022. However, ship (voyage) in the third quarter 2023 increased 207 voyage or 169.67% compared to the third quarter 2022. On the other hand, general cargo in third quarter 2023 has also decreased 63,288 TONs or 40,81% compared to third quarter 2022.

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 Third Quarter ended 30 September 2023 and 2022 as set out in Section 3 of this Third 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 third quarter ended 30 September 2023 compared to the third quarter ended 30 September 2022

Description	3 <sup>rd</sup> Quarter for the Period Ended 30 September 2023		3 <sup>rd</sup> Quarter for the Period Ended 30 September 2022 (restatement)		Change			
	USD	KHR'000	USD	KHR'000	USD	%	KHR'000	%
Port operation	8,847,052	36,564,865	8,669,890	35,555,219	177,162	2.04%	1,009,646	2.84%
Port authority	1,215,466	5,023,521	1,127,587	4,624,234	87,879	7.79%	399,287	8.63%
Other revenue	54,471	225,130	40,502	166,099	13,969	34.49%	59,031	35.54%
<b>Total:</b>	<b>10,116,989</b>	<b>41,813,516</b>	<b>9,837,979</b>	<b>40,345,552</b>	<b>279,010</b>	<b>2.84%</b>	<b>1,467,964</b>	<b>3.64%</b>

Total revenue increased by KHR 1,467,964,000 (USD 279,010) or +3.64% from KHR 40,345,552,000 (USD 9,837,979) in the third quarter of 2022 to KHR 41,813,516,000 (USD 10,116,989) in the third quarter 2023. This increase in revenue is due to the increase of revenue from port operations such as stevedoring, lift on lift off (LOLO), trucking fees, the increase of revenue from port authority (port dues and charges) and other revenue. etc.

### 1.2 Revenue by segment analysis

#### For the third quarter ended 30 September 2023 compared to the third quarter ended 30 September 2022

Description	3 <sup>rd</sup> Quarter for the Period Ended 30 September 2023		3 <sup>rd</sup> Quarter for the Period Ended 30 September 2022 (restatement)	
	KHR'000	Compared to total revenue	KHR'000	Compared to total revenue
Stevedoring	19,081,453	45.64%	18,409,795	45.63%
Lift On Lift Off (LOLO)	14,961,948	35.78%	14,425,555	35.76%
Port dues and charges	5,023,521	12.01%	4,624,234	11.46%
Storage fees	457,812	1.09%	1,046,952	2.59%

Description	3 <sup>rd</sup> Quarter for the Period Ended 30 September 2023		3 <sup>rd</sup> Quarter for the Period Ended 30 September 2022 (restatement)	
	KHR'000	Compared to total revenue	KHR'000	Compared to total revenue
Trucking fee	659,755	1.58%	375,615	0.93%
Gate fees	1,352,615	3.24%	1,257,875	3.12%
Weighting fee	34,130	0.08%	20,357	0.05%
Stuffing/Unstuffing	17,152	0.04%	19,070	0.05%
Sand dredging management fee	0	0.00%	0	0.00%
Logistic services	225,130	0.54%	166,099	0.41%
<b>Total:</b>	<b>41,813,516</b>	<b>100%</b>	<b>40,345,552</b>	<b>100.00%</b>

For the third quarter of 2023 as well as the third quarter of 2022, the 3 main revenue of PPAP represents 93% of total revenue from operations and services. Those revenues included stevedoring, lift on lift off (LOLO) and port dues and charges.

**For the third quarter ended 30 September 2023 compared to the third quarter ended 30 September 2022**

Description	3 <sup>rd</sup> Quarter for the Period Ended 30 September 2023		3 <sup>rd</sup> Quarter for the Period Ended 30 September 2022 (restatement)		Change			
	USD	KHR'000	USD	KHR'000	USD	%	KHR'000	%
Stevedoring	4,616,853	19,081,453	4,489,099	18,409,795	127,754	2.85%	671,658	3.65%
Lift On Lift Off (LOLO)	3,620,118	14,961,948	3,517,570	14,425,555	102,548	2.92%	536,393	3.72%
Port Due & Charge	1,215,466	5,023,521	1,127,587	4,624,234	87,879	7.79%	399,287	8.63%

For the third quarter of 2023, 3 main revenues has increased KHR 1,607,338,000 (USD 318,181) or +4.29% compared to the third quarter of 2022.

## 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 services minus the cost of services (operating costs).

### For the third quarter ended 30 September 2023 compared to the third quarter ended 30 September 2022

Description	3 <sup>rd</sup> Quarter for the Period Ended 30 September 2023		3 <sup>rd</sup> Quarter for the Period Ended 30 September 2022 (restatement)		Change			
	USD	KHR'000	USD	KHR'000	USD	%	KHR'000	%
<b>Revenue</b>	<b>10,116,989</b>	<b>41,813,516</b>	<b>9,837,979</b>	<b>40,345,552</b>	<b>279,010</b>	<b>2.84%</b>	<b>1,467,964</b>	<b>3.64%</b>
<b>Cost of Service</b>								
Depreciation	980,292	4,051,547	793,658	3,254,791	186,634	23.52%	796,756	24.48%
Crane charge	987,038	4,079,428	926,699	3,800,393	60,339	6.51%	279,035	7.34%
Salaries and wage	619,248	2,559,352	528,308	2,166,591	90,940	17.21%	392,761	18.13%
Fuel and gasoline	280,178	1,157,976	473,456	1,941,643	(193,278)	-40.82%	(783,667)	-40.36%
Maintenance costs	449,654	1,858,420	425,370	1,744,442	24,284	5.71%	113,978	6.53%
Logistic costs	-	-	40,975	168,038	(40,975)	-100.00%	(168,038)	-100.00%
Others	115,610	477,816	95,698	392,459	19,912	20.81%	85,357	21.75%
<b>Total Cost of Service</b>	<b>3,432,020</b>	<b>14,184,539</b>	<b>3,284,164</b>	<b>13,468,357</b>	<b>147,856</b>	<b>4.50%</b>	<b>716,182</b>	<b>5.32%</b>
<b>Gross profit</b>	<b><u>6,684,969</u></b>	<b><u>27,628,977</u></b>	<b><u>6,553,815</u></b>	<b><u>26,877,195</u></b>	<b><u>131,154</u></b>	<b><u>2.00%</u></b>	<b><u>751,782</u></b>	<b><u>2.80%</u></b>
<b>Gross Profit Margin</b>	<b>66.08%</b>	<b>66.08%</b>	<b>66.62%</b>	<b>66.62%</b>				

### - Gross Profit Margin Analysis

Gross Profit Margin decreased by 0.54% from 66.62% in the third quarter of 2022 to 66.08% in the third quarter of 2023. The decrease is mainly due to the decrease of total Cost of Service for the third quarter of 2023 increased by KHR 716,182,000 (USD 147,856) or +5.32% compared to the third quarter of 2022 due to the slight increase in the cost of service from crane charge, depreciation 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 third quarter ended 30 September 2023 compared to the third quarter ended 30 September 2022

Description	3 <sup>rd</sup> Quarter for the Period Ended 30 September 2023		3 <sup>rd</sup> Quarter for the Period Ended 30 September 2022 (restatement)		Change			
	USD	KHR'000	USD	KHR'000	USD	%	KHR'000	%
<b>Gross profit</b>	<b>6,684,969</b>	<b>27,628,977</b>	<b>6,553,815</b>	<b>26,877,195</b>	<b>131,154</b>	<b>2.00%</b>	<b>751,782</b>	<b>2.80%</b>
<b>Other income</b>	<b>(1,239,116)</b>	<b>(5,121,266)</b>	<b>484,049</b>	<b>1,985,085</b>	<b>(1,723,165)</b>	<b>-355.99%</b>	<b>(7,106,351)</b>	<b>-357.99%</b>
<b>General administration and selling expenses</b>								
Salaries and other benefits	1,162,714	4,805,497	1,110,197	4,552,918	52,517	4.73%	252,579	5.55%
Donation expenses	103,635	428,323	116,541	477,935	(12,906)	-11.07%	(49,612)	-10.38%
Utilities and fuel	164,517	679,949	164,204	673,401	313	0.19%	6,548	0.97%
Depreciation	184,888	764,142	183,041	750,651	1,847	1.01%	13,491	1.80%
Repairs and maintenance	53,304	220,305	35,094	143,920	18,210	51.89%	76,385	53.07%
Business entertainments	67,177	277,643	57,849	237,239	9,328	16.12%	40,404	17.03%
Travelling expenses	19,612	81,056	13,239	54,293	6,373	48.14%	26,763	49.29%
Professional fee	10,107	41,772	5,388	22,096	4,719	87.58%	19,676	89.05%
Board of Directors' fee	61,111	252,572	61,329	251,510	(218)	-0.36%	1,062	0.42%
Office supplies	51,468	212,717	53,962	221,298	(2,494)	-4.62%	(8,581)	-3.88%
Communication expenses	19,418	80,255	17,874	73,301	1,544	8.64%	6,954	9.49%
Uniforms	59,898	247,558	56,287	230,833	3,611	6.42%	16,725	7.25%
Other tax expenses	19,921	82,333	15,562	63,820	4,359	28.01%	18,513	29.01%

Description	3 <sup>rd</sup> Quarter for the Period Ended 30 September 2023		3 <sup>rd</sup> Quarter for the Period Ended 30 September 2022 (restatement)		Change			
	USD	KHR'000	USD	KHR'000	USD	%	KHR'000	%
Others	71,068	293,725	94,645	388,139	(23,577)	-24.91%	(94,414)	-24.32%
<b>Total general administration and selling expenses</b>	<b>2,048,838</b>	<b>8,467,847</b>	<b>1,985,212</b>	<b>8,141,354</b>	<b>63,626</b>	<b>3.20%</b>	<b>326,493</b>	<b>4.01%</b>
<b>Operating profit</b>	<b><u>3,057,773</u></b>	<b><u>12,637,777</u></b>	<b><u>5,130,337</u></b>	<b><u>21,039,512</u></b>	<b><u>(2,072,564)</u></b>	<b><u>-40.40%</u></b>	<b><u>(8,401,735)</u></b>	<b><u>-39.93%</u></b>
<b>Financial income/(cost), net</b>	<b>52,216</b>	<b>215,808</b>	<b>65,339</b>	<b>267,955</b>	<b>(13,123)</b>	<b>-20.08%</b>	<b>(52,147)</b>	<b>-19.46%</b>
<b>Profit before income tax</b>	<b>3,109,989</b>	<b>12,853,585</b>	<b>5,195,676</b>	<b>21,307,467</b>				

For the third quarter of 2023 General and Administrative expenses increased by KHR 326,493,000 (USD 63,626) or 4.01% compared to the third quarter of 2022. The increased in General and Administrative expenses is due to the increased in repairs and maintenance expenses, professional fee, travelling expenses, business entertainments expenses and others.

#### 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 obligation to pay tax as normal after received 50% reduction on the tax on profit for three years (from 2016 to 2018)

#### For the third quarter ended 30 September 2023 compared to the third quarter ended 30 September 2022

Description	3 <sup>rd</sup> Quarter for the Period Ended 30 September 2023		3 <sup>rd</sup> Quarter for the Period Ended 30 September 2022 (restatement)		Change			
	USD	KHR'000	USD	KHR'000	USD	%	KHR'000	%
Profit before income tax (a)	3,109,989	12,853,585	5,195,676	21,307,467	(2,085,687)	-40.14%	(8,453,882)	-39.68%
Income tax expense (b)	715,649	2,957,776	1,075,775	4,411,753	(360,126)	-33.48%	(1,453,977)	-32.96%

Description	3 <sup>rd</sup> Quarter for the Period Ended 30 September 2023		3 <sup>rd</sup> Quarter for the Period Ended 30 September 2022 (restatement)		Change			
	USD	KHR'000	USD	KHR'000	USD	%	KHR'000	%
Net profit for the year	2,394,340	9,895,809	4,119,901	16,895,714	(1,725,561)	-41.88%	(6,999,905)	-41.43%
Other comprehensive income	2,394,340	8,349,517	4,121,847	25,766,716	(1,727,507)	-41.91%	(17,417,199)	-67.60%
<b>Effective tax rate (b)/(a)</b>	23.01%	23.01%	20.71%	20.71%				

PPAP earns profit after tax KHR 9,895,809,000 (USD 2,394,340) in the third quarter of 2023 and KHR 16,895,714,000 (USD 4,119,901) in the third quarter of 2022, representing a decrease of KHR 6,999,905,000 (USD 1,725,561) or -41.43%. The increase of an effective tax rate of 2.30% from 20.71% in the third quarter of 2022 to 23.01% in the third quarter of 2023, due to the decrease in profit before income tax for -39.68% and the decreased in income tax expense KHR 1,453,977,000 (USD 360,126) or -32.96%

## **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 export and import. These may be significantly affected by the changes in regional and global economic, financial and political condition 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 and the second phase in 2023. PPAP has plan to finish the Phase VI of port infrastructure project which will increase its capacity more 400,000 TEUs/year of the handling capacity at Container Terminal LM17.

Description	Output				
	3 <sup>rd</sup> Quarter 2020	3 <sup>rd</sup> Quarter 2021	3 <sup>rd</sup> Quarter 2022	3 <sup>rd</sup> Quarter 2023	Planning 2023
Container Terminal LM17 (TEUs)	85,681	109,124	119,867	127,942	470,000

### **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 **17.61%** (6.12% from operation staff and 11.49% from administration staff and other benefits) of total revenue in the third quarter of 2023 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 **9.76%** of total revenue in the third quarter 2023. 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 9<sup>th</sup> of December 2015. According to Anukret No.01 ANK.BK dated on the 8<sup>th</sup> 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)***

PPAP 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 more than **93%** of the total revenue in the third quarter 2023. 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 provide 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 3<sup>rd</sup> Quarter of 2023, PPAP has necessary information for the investor protection as follow:

- Reviewed and approved on:
  - The result of business/services and financial performance (unaudited) for the 9 months of 2023 and the estimated results of 2023 as well as the business/services and financial plan of PPAP for 2024.
  - Approved PPAP to transfer the budget amount of KHR 65,758,150 in 2023 into the 2024 planning for the construction plan Phase 4 at container terminal LM17 with the forecasted expense of KHR 87,150,000 in which PPAP proceeds to request approval from both guardian ministries, especially Ministry of Economic and Finance.
- Checked and approved the Accounting Policy of PPAP which required review for wordings and sentence correction to reach a comprehensiveness.
- Reviewed and approved an additional fee of USD 12,500.00 to KPMG for the reexamination of the beginning balance (opening and closing balance of 2022) of the Financial Statements from the 1st quarter to the 4th quarter of the year 2023.
- Reviewed and approved PPAP:
  - To proceed acquiring legal service from Bun & Associates to litigate SAAB until the end of 2023 with the expense amount of \$7,500.00 excluding VAT to troubleshoot the Terminal Operating System "TOS system" of PPAP.
  - To choose EANWOL company in providing the Terminal Operating System "TOS system" of LM17 and other terminals of PPAP.

# Signature of The Board of Directors of PPAP

14<sup>th</sup> November, 2023

Read and Approved

*Soun Rachana*

---

Signature

**Soun Rachana**

Member

(Rep. Of Ministry of Public Works and Transport)

14<sup>th</sup> November, 2023

Read and Approved

*Gui Anvanith*

---

Signature

**Gui Anvanith**

Member

(Independent Director)

# Appendix I

**Condensed Interim Financial Statements  
for the nine-month period ended 30 September 2023  
and  
Independent Auditors' Report on Review of  
Condensed Interim Financial Statements**

**PHNOM PENH AUTONOMOUS PORT**

**Condensed Interim Financial Statements  
for the three-month and nine-month  
periods ended 30 September 2023  
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 Mr. 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 Mrs. Seng Kunthea, Head of Personnel/HR Department Mr. Im David, Head of Engineer Department Mrs. Khov Chansoma, Acting Head of Accounting/Finance Department (appointed on 1 October 2023) 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. Hoeu 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 (appointed on 1 October 2023) 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 (appointed on 1 October 2023) Mr. Heng Vutha, Acting Head of Sub-Feeder Multipurpose Terminal UM2 Department (appointed on 1 October 2023)

## 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

## Contents

	<b>Pages</b>
1. Statement by the Board of Directors	1
2. Independent Auditors' report on review of condensed interim financial statements	2 – 3
3. Condensed interim statement of financial position	4 – 6
4. Condensed interim statement of profit or loss and other comprehensive income	7 – 8
5. Condensed interim statement of changes in equity	9
6. Condensed interim statement of cash flows	10 – 11
7. Notes to the condensed interim financial statements	12 – 54

KINGDOM OF CAMBODIA

Nation Religion King



Phnom Penh Autonomous Port

N°: .....1084/23.....PPAP

PHNOM PENH, Date: 14 November 2023

**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 30 September 2023, and the related condensed interim statements of profit or loss and other comprehensive income for the three-month and nine-month periods then ended, and changes in equity and cash flows for the nine-month periods then ended, and notes to the condensed interim financial statements as set out on pages 4 to 54 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

14 November 2023



KPMG Cambodia Ltd  
GIA Tower, Sopheak Mongkul Street, Phum 14  
Sangkat Tonle Bassac, Khan Chamkar Mon  
Phnom Penh, Cambodia  
+855 (17) 666 537 / +855 (81) 533 999 | kpmg.com.kh

## 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 54 (hereafter referred to as "the condensed interim financial statements") which comprise:

- the condensed interim statement of financial position as at 30 September 2023;
- the condensed interim statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended 30 September 2023;
- the condensed interim statement of changes in equity for the nine-month period ended 30 September 2023;
- the condensed interim statement of cash flows for the nine-month period ended 30 September 2023; 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”.

**Emphasis of Matter – Comparative Information**

We draw attention to Note 32 to the condensed interim financial statements which indicates that the comparative information presented as at 31 December 2022 and 1 January 2022, and for the three-month and nine-month periods ended 30 September 2022 has been restated. Our conclusion is not modified in respect of this matter.

**Other Matter Relates to Comparative Information**

The Company’s condensed interim financial statements for the three-month and nine-month periods ended 30 September 2022 and financial statements for the years ended 31 December 2022 and 2021, excluding the adjustments described in Note 32 to the condensed interim financial statements, were reviewed and audited by another firm of auditors who expressed an unmodified conclusion and unmodified opinion on those financial statements on 15 December 2022, 31 March 2023 and 25 March 2022, respectively.

As part of our review of the condensed interim financial statements for the three-month and nine-month periods ended 30 September 2023, we reviewed the adjustments described in Note 32 that were applied to restate the comparative information presented as at 31 December 2022 and 1 January 2022, and for the three-month and nine-month periods ended 30 September 2022. We were not engaged to review or apply any procedures to the condensed interim financial statements for the three-month and nine-month periods ended 30 September 2022 or the financial statements for the years ended 31 December 2022 and 2021, other than with respect to the adjustments described in Note 32 to the condensed interim financial statements. Accordingly, we do not express a conclusion or any other form of assurance on those respective financial statements taken as a whole. However, based on our review, nothing has come to our attention that cause us to believe that the adjustments described in Note 32 are not appropriate or have not been properly applied.

For KPMG Cambodia Ltd

Yim Lundy  
Engagement Partner

Phnom Penh, Kingdom of Cambodia

14 November 2023

# Phnom Penh Autonomous Port

## Condensed interim statement of financial position as at 30 September 2023

	Notes	30 September 2023		31 December 2022		1 January 2022	
		US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4) <i>(Restated)</i>	US\$	KHR'000 (Note 4) <i>(Restated)</i>
<b>ASSETS</b>							
<b>Non-current assets</b>							
Property, plant and equipment	5	121,808,425	502,094,328	112,889,949	464,767,920	100,900,850	411,070,063
Intangible assets		107,236	442,027	-	-	-	-
Right-of-use assets	6(a)	8,811,815	36,322,301	5,907,685	24,321,939	3,533,872	14,396,995
Lease receivables	6(b)	4,769,771	19,660,996	8,527,740	35,108,706	5,422,294	22,090,426
Investment properties	7	87,383,139	360,193,299	86,662,212	356,788,327	87,054,388	354,659,577
Other receivables	8	72,683	299,599	70,289	289,380	67,585	275,341
Other investments	10	15,000,000	61,830,000	15,000,000	61,755,000	10,000,000	40,740,001
		<u>237,953,069</u>	<u>980,842,550</u>	<u>229,057,875</u>	<u>943,031,272</u>	<u>206,978,989</u>	<u>843,232,403</u>
<b>Current assets</b>							
Inventories	9	802,918	3,309,628	714,982	2,943,581	352,114	1,434,512
Lease receivables	6(b)	405,492	1,671,438	650,694	2,678,907	295,721	1,204,767
Trade and other receivables	8	7,962,809	32,822,699	7,827,195	32,224,561	4,425,974	18,031,418
Cash and bank balances	10	1,261,865	5,201,408	7,294,089	30,029,764	8,646,814	35,227,120
		<u>10,433,084</u>	<u>43,005,173</u>	<u>16,486,960</u>	<u>67,876,813</u>	<u>13,720,623</u>	<u>55,897,817</u>
<b>TOTAL ASSETS</b>		<u>248,386,153</u>	<u>1,023,847,723</u>	<u>245,544,835</u>	<u>1,010,908,085</u>	<u>220,699,612</u>	<u>899,130,220</u>

# Phnom Penh Autonomous Port

## Condensed interim statement of financial position (continued) as at 30 September 2023

	Notes	30 September 2023		31 December 2022		1 January 2022	
		US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4) <i>(Restated)</i>	US\$	KHR'000 (Note 4) <i>(Restated)</i>
<b>EQUITY AND LIABILITIES</b>							
<b>EQUITY</b>							
Share capital	11	114,453,485	457,813,940	114,453,485	457,813,940	114,453,485	457,813,940
Share premium	12	155,502	622,008	155,502	622,008	155,502	622,008
Reserves	13	70,637,971	287,822,662	57,466,697	233,991,665	45,861,380	186,839,262
Retained earnings		7,669,427	31,015,314	14,878,805	60,334,539	12,805,966	51,862,847
Currency translation reserves		-	17,927,415	-	16,929,477	-	8,789,725
<b>Total equity</b>		<b>192,916,385</b>	<b>795,201,339</b>	<b>186,954,489</b>	<b>769,691,629</b>	<b>173,276,333</b>	<b>705,927,782</b>
<b>LIABILITIES</b>							
<b>Non-current liabilities</b>							
Other payable	14	36,462	150,296	83,650	344,386	33,793	137,672
Borrowings	15	14,489,819	59,727,034	16,559,793	68,176,668	18,629,767	75,897,671
Contract liabilities	16	13,125,000	54,101,250	13,350,000	54,961,950	13,650,000	55,610,100
Lease liabilities	6(a)	11,497,897	47,394,331	11,330,427	46,647,368	7,110,611	28,968,629
Provision for retirement benefits	17	389,118	1,603,944	362,023	1,490,449	555,829	2,264,447
Liability arising from joint arrangement	18	7,648,682	31,527,867	7,727,723	31,815,036	-	-
Deferred tax liabilities, net	19(c)	354,133	1,459,736	264,928	1,090,709	136,559	556,341
		<b>47,541,111</b>	<b>195,964,458</b>	<b>49,678,544</b>	<b>204,526,566</b>	<b>40,116,559</b>	<b>163,434,860</b>



## Phnom Penh Autonomous Port

### Condensed interim statement of financial position (continued) as at 30 September 2023

	Notes	30 September 2023		31 December 2022		1 January 2022	
		US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4) <i>(Restated)</i>	US\$	KHR'000 (Note 4) <i>(Restated)</i>
<b>Current liabilities</b>							
Trade and other payables	14	3,054,943	12,592,475	2,757,895	11,354,254	2,088,011	8,506,557
Borrowings	15	2,143,573	8,835,808	2,345,281	9,655,522	2,375,870	9,679,295
Lease liabilities	6(a)	756,197	3,117,044	380,296	1,565,679	356,608	1,452,821
Contract liabilities	16	300,000	1,236,600	300,000	1,235,100	300,000	1,222,200
Current income tax liabilities		1,673,944	6,899,999	3,128,330	12,879,335	2,186,231	8,906,705
		<u>7,928,657</u>	<u>32,681,926</u>	<u>8,911,802</u>	<u>36,689,890</u>	<u>7,306,720</u>	<u>29,767,578</u>
<b>Total liabilities</b>		<u>55,469,768</u>	<u>228,646,384</u>	<u>58,590,346</u>	<u>241,216,456</u>	<u>47,423,279</u>	<u>193,202,438</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>248,386,153</u>	<u>1,023,847,723</u>	<u>245,544,835</u>	<u>1,010,908,085</u>	<u>220,699,612</u>	<u>899,130,220</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 and nine-month periods ended 30 September 2023

	Note	For the nine-month period ended				For the three-month period ended			
		30 September 2023		30 September 2022		30 September 2023		30 September 2022	
		US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
				<i>(Restated)</i>				<i>(Restated)</i>	
Revenue	21	26,440,758	108,592,193	28,457,453	115,935,664	10,116,989	41,813,516	9,837,979	40,345,552
Cost of services	22	(10,026,586)	(41,179,189)	(9,468,623)	(38,575,170)	(3,432,020)	(14,184,539)	(3,284,164)	(13,468,357)
<b>Gross profit</b>		16,414,172	67,413,004	18,988,830	77,360,494	6,684,969	27,628,977	6,553,815	26,877,195
Other (loss)/income	23	(445,606)	(1,830,104)	910,204	3,708,171	(1,239,116)	(5,121,266)	484,049	1,985,085
General and administrative expenses	24	(6,531,687)	(26,825,639)	(5,724,382)	(23,321,132)	(2,048,838)	(8,467,847)	(1,985,212)	(8,141,354)
Share of loss from joint arrangement		297,549	1,222,034	-	-	89,715	370,792	-	-
Impairment loss on trade and other receivables	8	(569,524)	(2,339,035)	(268,587)	(1,094,223)	(428,957)	(1,772,879)	77,685	318,586
<b>Operating profit</b>		9,164,904	37,640,260	13,906,065	56,653,310	3,057,773	12,637,777	5,130,337	21,039,512
Financial income		1,086,637	4,462,818	890,159	3,626,508	348,860	1,441,838	331,933	1,361,257
Finance costs		(967,481)	(3,973,444)	(804,997)	(3,279,558)	(296,644)	(1,226,030)	(266,594)	(1,093,302)
<b>Financial income, net</b>	25	119,156	489,374	85,162	346,950	52,216	215,808	65,339	267,955
<b>Profit before tax</b>		9,284,060	38,129,634	13,991,227	57,000,260	3,109,989	12,853,585	5,195,676	21,307,467
Income tax expense	19(b)	(2,180,155)	(8,953,897)	(3,002,415)	(12,231,839)	(715,649)	(2,957,776)	(1,075,775)	(4,411,753)
<b>Net profit for the period</b>		7,103,905	29,175,737	10,988,812	44,768,421	2,394,340	9,895,809	4,119,901	16,895,714

## Phnom Penh Autonomous Port

### Condensed interim statement of profit or loss and other comprehensive income (continued) for the three-month and nine-month periods ended 30 September 2023

	Note	For the nine-month period ended				For the three-month period ended			
		30 September 2023		30 September 2022		30 September 2023		30 September 2022	
		US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4) <i>(Restated)</i>	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4) <i>(Restated)</i>
<b>Other comprehensive income</b>									
<i>Items that will not be reclassified to profit or loss</i>									
Remeasurement of defined benefit liability		-	-	(10,105)	(41,168)	-	-	1,946	7,981
Currency translation differences		-	997,938	-	8,230,912	-	(1,546,292)	-	8,863,021
		-	997,938	(10,105)	8,189,744	-	(1,546,292)	1,946	8,871,002
<b>Total comprehensive income for the period</b>		<u>7,103,905</u>	<u>30,173,675</u>	<u>10,978,707</u>	<u>52,958,165</u>	<u>2,394,340</u>	<u>8,349,517</u>	<u>4,121,847</u>	<u>25,766,716</u>
Earnings per share attributable to the shareholders of PPAP during the period are as follow:									
Basic earnings per share	26	0.34	1.41	0.53	2.16	0.12	0.48	0.20	0.82
Diluted earnings per share	26	<u>0.34</u>	<u>1.41</u>	<u>0.53</u>	<u>2.16</u>	<u>0.12</u>	<u>0.48</u>	<u>0.20</u>	<u>0.82</u>

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 nine-month period ended 30 September 2023

	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 2023	114,453,485	457,813,940	155,502	622,008	57,466,697	233,991,665	14,878,805	60,334,539	-	16,929,477	186,954,489	769,691,629
<b>Transaction with the shareholders of PPAP</b>												
Dividends	-	-	-	-	-	-	(1,142,009)	(4,663,965)	-	-	(1,142,009)	(4,663,965)
<b>Transaction recognised directly in equity</b>												
Transfer to reserves	-	-	-	-	13,171,274	53,830,997	(13,171,274)	(53,830,997)	-	-	-	-
<b>Total comprehensive incomes</b>												
Net profit for the period	-	-	-	-	-	-	7,103,905	29,175,737	-	-	7,103,905	29,175,737
Other comprehensive income	-	-	-	-	-	-	-	-	-	997,938	-	997,938
	-	-	-	-	-	-	7,103,905	29,175,737	-	997,938	7,103,905	30,173,675
<b>Balance at 30 September 2023</b>	<b>114,453,485</b>	<b>457,813,940</b>	<b>155,502</b>	<b>622,008</b>	<b>70,637,971</b>	<b>287,822,662</b>	<b>7,669,427</b>	<b>31,015,314</b>	<b>-</b>	<b>17,927,415</b>	<b>192,916,385</b>	<b>795,201,339</b>
Balance at 1 January 2022 (Restated)	114,453,485	457,813,940	155,502	622,008	45,861,380	186,839,262	12,805,966	51,862,847	-	8,789,725	173,276,333	705,927,782
<b>Transaction with shareholders of PPAP</b>												
Dividends	-	-	-	-	-	-	(1,081,480)	(4,394,053)	-	-	(1,081,480)	(4,394,053)
<b>Transaction recognised directly in equity</b>												
Transfer to reserves	-	-	-	-	11,605,317	47,152,403	(11,605,317)	(47,152,403)	-	-	-	-
<b>Total comprehensive incomes</b>												
Net profit for the period (Restated)	-	-	-	-	-	-	10,988,812	44,768,421	-	-	10,988,812	44,768,421
Other comprehensive income	-	-	-	-	-	-	(10,105)	(41,168)	-	8,230,912	(10,105)	8,189,744
	-	-	-	-	-	-	10,978,707	44,727,253	-	8,230,912	10,978,707	52,958,165
<b>Balance at 30 September 2022 (Restated)</b>	<b>114,453,485</b>	<b>457,813,940</b>	<b>155,502</b>	<b>622,008</b>	<b>57,466,697</b>	<b>233,991,665</b>	<b>11,097,876</b>	<b>45,043,644</b>	<b>-</b>	<b>17,020,637</b>	<b>183,173,560</b>	<b>754,491,894</b>

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 nine-month period ended 30 September 2023

	For the nine-month period ended 30 September 2023		For the nine-month period ended 30 September 2022	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4) <i>(Restated)</i>
<b>Cash flows from operating activities</b>				
Profit before tax	9,284,060	38,129,634	13,991,227	57,000,260
<i>Adjustments for:</i>				
Depreciation of property, plant and equipment	3,186,312	13,086,183	2,782,613	11,336,365
Depreciation of intangible assets	575	2,362	-	-
Depreciation of investment property	55,844	229,351	38,482	156,776
Depreciation of right-of-use assets	152,500	626,318	67,594	275,378
Interest expenses	904,940	3,716,588	804,997	3,279,558
Interest income from lease receivables	(246,258)	(1,011,382)	(148,971)	(606,908)
Interest from other investments and bank balances	(837,985)	(3,441,604)	(738,484)	(3,008,584)
Net unwinding effect of long-term deposit	(2,394)	(9,832)	(2,704)	(11,016)
Impairment loss on trade and other receivables	569,524	2,339,035	268,587	1,094,223
Loss/(Gain) from termination of sub- leasing right-of-use assets	1,529,904	6,283,316	(8,248)	(33,602)
Loss on disposal of property, plant and equipment	-	-	11,930	48,603
Property, plant and equipment written off	-	-	8,309	33,851
Retirement benefits obligation expenses	19,377	79,581	66,251	269,907
Amortisation of liabilities from joint arrangement	(79,041)	(324,621)	-	-
	<u>14,537,358</u>	<u>59,704,929</u>	<u>17,141,583</u>	<u>69,834,811</u>
<i>Changes in working capital:</i>				
Inventories	(87,937)	(361,157)	(336,570)	(1,371,186)
Lease receivables	(125,000)	(513,375)	-	-
Trade and other receivables	(705,136)	(2,895,994)	(1,585,177)	(6,458,011)
Short-term fixed deposit	(13,137)	(53,953)	46,002	187,412
Trade and other payables	83,970	344,865	270,928	1,103,761
Liability arising from joint arrangement	-	-	15,372	62,626
Contract liabilities	(225,000)	(924,075)	(225,000)	(916,650)
Cash generated from operations	13,465,118	55,301,240	15,327,138	62,442,763
Income tax paid	(3,494,423)	(14,351,595)	(2,586,567)	(10,537,674)
Withholding tax credit	(50,914)	(209,104)	(40,731)	(165,938)
Retirement benefits obligation paid	(2,568)	(10,547)	(20,315)	(82,763)
Net cash generated from operating activities	<u>9,917,213</u>	<u>40,729,994</u>	<u>12,679,525</u>	<u>51,656,388</u>

## Phnom Penh Autonomous Port

### Condensed interim statement of cash flows (continued) for the nine-month period ended 30 September 2023

	For the nine-month period ended 30 September 2023		For the nine-month period ended 30 September 2022	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4) <i>(Restated)</i>
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(12,104,788)	(49,714,364)	(6,653,914)	(27,108,046)
Purchase of intangible assets	(107,811)	(442,780)	-	-
Purchase of investment property	(776,771)	(3,190,198)	-	-
Cash received from lease receivables	328,489	1,349,104	144,101	587,067
Proceeds from disposal of property, plant and equipment	-	-	3,355	13,668
Interest received	851,122	3,495,558	692,482	2,821,172
Withdrawal/(Placement) of fixed deposits	1,100,000	4,517,700	(5,000,000)	(20,370,000)
Net cash used in investing activities	<u>(10,709,759)</u>	<u>(43,984,980)</u>	<u>(10,813,976)</u>	<u>(44,056,139)</u>
<b>Cash flows from financing activities</b>				
Dividends paid	(1,142,009)	(4,690,231)	(1,081,480)	(4,405,950)
Interest paid	(808,233)	(3,319,413)	(1,054,423)	(4,295,719)
Payment of principal portion of lease liabilities	(119,462)	(490,630)	(20,796)	(84,723)
Repayments of borrowings	<u>(2,069,974)</u>	<u>(8,501,383)</u>	<u>(2,069,974)</u>	<u>(8,433,074)</u>
Net cash used in financing activities	<u>(4,139,678)</u>	<u>(17,001,657)</u>	<u>(4,226,673)</u>	<u>(17,219,466)</u>
<b>Net decrease in cash and cash equivalents</b>	<b>(4,932,224)</b>	<b>(20,256,643)</b>	<b>(2,361,124)</b>	<b>(9,619,217)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>6,194,089</b>	<b>25,501,064</b>	<b>8,646,814</b>	<b>35,227,120</b>
Currency translation differences	<u>-</u>	<u>(43,013)</u>	<u>-</u>	<u>282,854</u>
<b>Cash and cash equivalents at end of period (Note 10)</b>	<b><u>1,261,865</u></b>	<b><u>5,201,408</u></b>	<b><u>6,285,690</u></b>	<b><u>25,890,757</u></b>
<b>Significant non-cash transaction from investing activities</b>				
Acquisition of property, plant and equipment through liabilities from joint management	<u>-</u>	<u>-</u>	<u>1,954,585</u>	<u>7,962,979</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 and nine-month periods ended 30 September 2023

These notes form an integral part of and should be read in 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 and nine-month periods ended 30 September 2023

### 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 30 September 2023, the Company had 774 employees (31 December 2022: 755 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 2022.

These condensed interim financial statements were authorised for issue by the Company’s Board of Directors on 14 November 2023.

#### (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 and nine-month periods ended 30 September 2023

### 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. Significant 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 2022.

### 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 CIAS21 – *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:

			<b>Closing rate</b>	<b>Average rate nine-month</b>	<b>Average rate three-month</b>
For the three-month and nine-month periods/year ended					
30 September 2023	USD1 =	KHR 4,122		KHR 4,107	KHR 4,133
30 September 2022	USD1 =	KHR 4,119		KHR 4,074	KHR 4,101
31 December 2022	USD1 =	KHR 4,117		N/A	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 and nine-month periods ended 30 September 2023

### 5. Property, plant and equipment

For the nine-month period ended 30 September 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\$	US\$	Total KHR'000 (Note 4)
<b>Cost</b>										
Balance at beginning of the period (restated)	34,928,635	1,586,632	1,519,314	61,588	2,065,448	29,430,016	63,027,742	8,282,902	140,902,277	580,094,674
Additions	193,874	41,203	14,599	-	2,450	-	160,476	11,692,186	12,104,788	49,714,364
Transfers	4,564,706	18,919	109,409	-	-	85,750	8,573,608	(13,352,392)	-	-
Written off	-	(397,784)	-	-	-	-	-	-	(397,784)	(1,633,699)
Currency translation differences	-	-	-	-	-	-	-	-	-	880,117
Balance at end of the period	<u>39,687,215</u>	<u>1,248,970</u>	<u>1,643,322</u>	<u>61,588</u>	<u>2,067,898</u>	<u>29,515,766</u>	<u>71,761,826</u>	<u>6,622,696</u>	<u>152,609,281</u>	<u>629,055,456</u>
<b>Less: Accumulated depreciation</b>										
Balance at beginning of the period (restated)	-	979,891	484,166	58,813	841,296	12,147,930	13,500,232	-	28,012,328	115,326,754
Depreciation for the period	-	165,702	95,223	301	105,622	1,518,016	1,301,447	-	3,186,312	13,086,183
Written off	-	(397,784)	-	-	-	-	-	-	(397,784)	(1,633,699)
Currency translation differences	-	-	-	-	-	-	-	-	-	181,890
Balance at end of the period	<u>-</u>	<u>747,809</u>	<u>579,389</u>	<u>59,114</u>	<u>946,918</u>	<u>13,665,946</u>	<u>14,801,679</u>	<u>-</u>	<u>30,800,856</u>	<u>126,961,128</u>
<b>Carrying amounts</b>										
Balance at beginning of the period (restated)	<u>34,928,635</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>112,889,949</u>	<u>464,767,920</u>
Balance at end of the period	<u>39,687,215</u>	<u>501,161</u>	<u>1,063,933</u>	<u>2,474</u>	<u>1,120,980</u>	<u>15,849,820</u>	<u>56,960,147</u>	<u>6,622,696</u>	<u>121,808,425</u>	<u>502,094,328</u>

# Phnom Penh Autonomous Port

## Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

### 5. Property, plant and equipment (continued)

For the nine-month period ended 30 September 2022

	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\$	US\$	Total KHR'000 (Note 4)
<b>Cost</b>										
Balance at beginning of the period (restated)	33,424,683	1,406,261	1,163,692	64,817	1,936,661	28,097,013	56,550,906	2,842,607	125,486,640	511,232,571
Additions	198,274	39,140	3,711	-	216,809	-	-	8,150,565	8,608,499	35,071,025
Transfers	90,750	-	325,031	-	-	1,486,981	551,314	(2,454,076)	-	-
Disposals	-	-	-	-	-	(153,978)	-	-	(153,978)	(627,306)
Written off	-	(45,794)	(45,492)	(3,229)	(88,022)	-	-	-	(182,537)	(743,656)
Currency translation differences	-	-	-	-	-	-	-	-	-	6,019,138
Balance at end of the period	<u>33,713,707</u>	<u>1,399,607</u>	<u>1,446,942</u>	<u>61,588</u>	<u>2,065,448</u>	<u>29,430,016</u>	<u>57,102,220</u>	<u>8,539,096</u>	<u>133,758,624</u>	<u>550,951,772</u>
<b>Less: Accumulated depreciation</b>										
Balance at beginning of the period	-	849,687	433,912	60,562	784,843	10,287,008	12,169,778	-	24,585,790	100,162,508
Depreciation for the period	-	130,280	64,170	1,289	103,944	1,494,952	987,978	-	2,782,613	11,336,365
Disposals	-	-	-	-	-	(138,693)	-	-	(138,693)	(565,035)
Written off	-	(45,794)	(42,535)	(3,229)	(82,670)	-	-	-	(174,228)	(709,804)
Currency translation differences	-	-	-	-	-	-	-	-	-	1,217,496
Balance at end of the period	<u>-</u>	<u>934,173</u>	<u>455,547</u>	<u>58,622</u>	<u>806,117</u>	<u>11,643,267</u>	<u>13,157,756</u>	<u>-</u>	<u>27,055,482</u>	<u>111,441,530</u>
<b>Carrying amounts</b>										
Balance at beginning of the period (restated)	<u>33,424,683</u>	<u>556,574</u>	<u>729,780</u>	<u>4,255</u>	<u>1,151,818</u>	<u>17,810,005</u>	<u>44,381,128</u>	<u>2,842,607</u>	<u>100,900,850</u>	<u>411,070,063</u>
Balance at end of the period (restated)	<u>33,713,707</u>	<u>465,434</u>	<u>991,395</u>	<u>2,966</u>	<u>1,259,331</u>	<u>17,786,749</u>	<u>43,944,464</u>	<u>8,539,096</u>	<u>106,703,142</u>	<u>439,510,242</u>

## Phnom Penh Autonomous Port

### Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

#### 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 nine-month period ended 30 September 2023		For the nine-month period ended 30 September 2022	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4) <i>(Restated)</i>
<b>Cost</b>				
Balance at beginning of the period	6,130,269	25,238,317	3,659,892	14,910,400
Additions	389,213	1,598,498	-	-
Termination of sub-leases	2,667,417	10,955,082	3,645,221	14,850,630
Sub-leasing of right-of-use assets	-	-	(3,829,468)	(15,601,253)
Currency translation differences	-	76,501	-	156,405
Balance at end of the period	<u>9,186,899</u>	<u>37,868,398</u>	<u>3,475,645</u>	<u>14,316,182</u>
<b>Less: Accumulated depreciation</b>				
Balance at beginning of the period	222,584	916,378	126,020	513,405
Depreciation for the period	152,500	626,318	67,594	275,378
Currency translation differences	-	3,401	-	8,713
Balance at end of the period	<u>375,084</u>	<u>1,546,097</u>	<u>193,614</u>	<u>797,496</u>
<b>Carrying amounts</b>				
Balance at beginning of the period	<u>5,907,685</u>	<u>24,321,939</u>	<u>3,533,872</u>	<u>14,396,995</u>
Balance at end of the period	<u>8,811,815</u>	<u>36,322,301</u>	<u>3,282,031</u>	<u>13,518,686</u>

## Phnom Penh Autonomous Port

### Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

#### 6. Leases (continued)

##### (a) Company as lessee (continued)

##### (ii) Lease liabilities

	30 September 2023		31 December 2022	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4) <i>(Restated)</i>
Non-current	11,497,897	47,394,331	11,330,427	46,647,368
Current	756,197	3,117,044	380,296	1,565,679
	<u>12,254,094</u>	<u>50,511,375</u>	<u>11,710,723</u>	<u>48,213,047</u>

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

	For the nine-month period ended			
	30 September 2023		30 September 2022	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4) <i>(Restated)</i>
Balance at beginning of the period	11,710,723	48,213,047	7,467,219	30,421,450
Additions	389,213	1,598,498	-	-
Interest expense	357,362	1,467,686	217,372	885,574
Interest paid	(83,742)	(343,928)	(247,124)	(1,006,783)
Principal paid	(119,462)	(490,630)	(20,796)	(84,723)
Currency translation differences	-	66,702	-	333,750
Balance at end of the period	<u>12,254,094</u>	<u>50,511,375</u>	<u>7,416,671</u>	<u>30,549,268</u>

##### (b) Company as lessor

Lease receivables are in respects of the sub-leasing of the right-of-uses asset 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 and nine-month periods ended 30 September 2023

#### 7. Investment properties

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

	For the nine-month period ended 30 September 2023				For the nine-month period ended 30 September 2022			
	Land US\$	Buildings US\$	Total US\$	Total KHR'000 (Note 4)	Land US\$	Buildings US\$	Total US\$	Total KHR'000 (Note 4)
<b>Cost</b>								
Balance at beginning of the period	85,762,296	1,510,578	87,272,874	359,302,422	86,132,962	1,480,578	87,613,540	356,937,562
Addition	-	776,771	776,771	3,190,198	-	-	-	-
Currency translation differences	-	-	-	448,017	-	-	-	3,942,608
Balance at end of the period	<u>85,762,296</u>	<u>2,287,349</u>	<u>88,049,645</u>	<u>362,940,637</u>	<u>86,132,962</u>	<u>1,480,578</u>	<u>87,613,540</u>	<u>360,880,170</u>
<b>Less: Accumulated depreciation</b>								
Balance at beginning of the period	-	610,662	610,662	2,514,095	-	559,152	559,152	2,277,985
Depreciation for the period	-	55,844	55,844	229,351	-	38,482	38,482	156,776
Currency translation differences	-	-	-	3,892	-	-	-	26,892
Balance at end of the period	<u>-</u>	<u>666,506</u>	<u>666,506</u>	<u>2,747,338</u>	<u>-</u>	<u>597,634</u>	<u>597,634</u>	<u>2,461,653</u>
<b>Carrying amounts</b>								
Balance at beginning of the period	<u>85,762,296</u>	<u>899,916</u>	<u>86,662,212</u>	<u>356,788,327</u>	<u>86,132,962</u>	<u>921,426</u>	<u>87,054,388</u>	<u>354,659,577</u>
Balance at end of the period	<u>85,762,296</u>	<u>1,620,843</u>	<u>87,383,139</u>	<u>360,193,299</u>	<u>86,132,962</u>	<u>882,944</u>	<u>87,015,906</u>	<u>358,418,517</u>

## Phnom Penh Autonomous Port

### Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

#### 8. Trade and other receivables

	30 September 2023		31 December 2022	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4) <i>(Restated)</i>
<b>Non-current</b>				
<i>Other receivables</i>				
Deposit	<u>72,683</u>	<u>299,599</u>	<u>70,289</u>	<u>289,380</u>
<b>Current</b>				
<i>Trade receivables</i>				
Third parties	<u>7,874,659</u>	<u>32,459,344</u>	<u>5,545,813</u>	<u>22,832,112</u>
<i>Other receivables</i>				
Advances	57,760	238,087	23,563	97,009
Deposits	16,114	66,422	17,729	72,990
Other receivables	1,834,579	7,562,135	3,453,885	14,219,644
Prepayments	<u>126,640</u>	<u>522,010</u>	<u>163,624</u>	<u>673,640</u>
	<u>2,035,093</u>	<u>8,388,654</u>	<u>3,658,801</u>	<u>15,063,283</u>
Less: Allowance for impairment losses	<u>(1,946,943)</u>	<u>(8,025,299)</u>	<u>(1,377,419)</u>	<u>(5,670,834)</u>
	<u>7,962,809</u>	<u>32,822,699</u>	<u>7,827,195</u>	<u>32,224,561</u>

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

	For the nine-month period ended			
	30 September 2023		30 September 2022	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Balance at beginning of the period	1,377,419	5,670,834	790,673	3,202,225
Recognised in profit or loss	569,524	2,339,035	268,587	1,094,223
Currency translation differences	-	15,430	-	66,644
Balance at end of the period	<u>1,946,943</u>	<u>8,025,299</u>	<u>1,059,260</u>	<u>4,363,092</u>

## Phnom Penh Autonomous Port

### Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

#### 9. Inventories

	30 September 2023		31 December 2022	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Diesel oil	104,897	432,385	123,770	509,561
Lubricant oil	28,601	117,893	32,202	132,576
Spare parts	644,807	2,657,894	553,307	2,277,965
Stationery	24,613	101,456	5,703	23,479
	<u>802,918</u>	<u>3,309,628</u>	<u>714,982</u>	<u>2,943,581</u>

#### 10. Other investments, cash and bank balances

	30 September 2023		31 December 2022	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4) <i>(Restated)</i>
<b>Non-current</b>				
Other investments – term deposit (*)	<u>15,000,000</u>	<u>61,830,000</u>	<u>15,000,000</u>	<u>61,755,000</u>
<b>Current</b>				
Cash on hand	10,334	42,597	6,746	27,772
<i>Cash at Bank:</i>				
Saving Account	410,354	1,691,480	705,125	2,903,000
Current Account	763,061	3,145,337	4,389,792	18,072,774
Term deposits (original maturity up to three months)	78,116	321,994	1,092,426	4,497,518
Term deposits (original maturity of less than 1 year)	-	-	1,100,000	4,528,700
	<u>1,261,865</u>	<u>5,201,408</u>	<u>7,294,089</u>	<u>30,029,764</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% (2022: 6.25% to 7.75%) during the periods.



## Phnom Penh Autonomous Port

### Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

#### 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:

	30 September 2023		30 September 2022	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4) <i>(Restated)</i>
Cash on hand	10,334	42,597	1,744	7,184
<i>Cash at Bank:</i>				
Current accounts	410,354	1,691,480	5,791,670	23,855,889
Savings accounts	763,061	3,145,337	414,160	1,705,924
Term deposits (original maturity up to three months)	78,116	321,994	78,116	321,760
	<u>1,261,865</u>	<u>5,201,408</u>	<u>6,285,690</u>	<u>25,890,757</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 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 30 September 2023 (30 September 2022: Nil).

#### 11. Share capital

	30 September 2023		31 December 2022	
	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 and nine-month periods ended 30 September 2023

#### 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 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 30 September 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>
Balance at 1 January 2022	2,539,054	2,539,054	40,783,272	45,861,380	186,839,262
Transfer from retained earnings	<u>635,392</u>	<u>635,392</u>	<u>10,334,533</u>	<u>11,605,317</u>	<u>47,152,403</u>
Balance at 30 September 2022	<u>3,174,446</u>	<u>3,174,446</u>	<u>51,117,805</u>	<u>57,466,697</u>	<u>233,991,665</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 31 March 2023.

## Phnom Penh Autonomous Port

### Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

#### 14. Trade and other payables

	30 September 2023		31 December 2022	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4) <i>(Restated)</i>
<b>Non-current</b>				
<i>Other payables</i>				
Deposit	<u>36,462</u>	<u>150,296</u>	<u>83,650</u>	<u>344,386</u>
<b>Current</b>				
<i>Trade payables</i>				
Third parties	<u>1,061,878</u>	<u>4,377,061</u>	<u>629,216</u>	<u>2,590,482</u>
<i>Other payables</i>				
Deposits	588,778	2,426,943	295,001	1,214,519
Seniority payable	-	-	130,859	538,747
Other tax payables	263,290	1,085,281	213,219	877,823
Other payables	<u>1,140,997</u>	<u>4,703,190</u>	<u>1,489,600</u>	<u>6,132,683</u>
	<u>1,993,065</u>	<u>8,215,414</u>	<u>2,128,679</u>	<u>8,763,772</u>
	<u>3,054,943</u>	<u>12,592,475</u>	<u>2,757,895</u>	<u>11,354,254</u>

#### 15. Borrowings

	30 September 2023		31 December 2022	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4) <i>(Restated)</i>
<i>Phnom Penh Port – New Container Terminal Project (“PPPNCTP”) or Phnom Penh Port LM17</i>				
Non-current	14,489,819	59,727,034	16,559,793	68,176,668
Current	<u>2,143,573</u>	<u>8,835,808</u>	<u>2,345,281</u>	<u>9,655,522</u>
	<u>16,633,392</u>	<u>68,562,842</u>	<u>18,905,074</u>	<u>77,832,190</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 and nine-month periods ended 30 September 2023

#### 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 periods were as follow:

	For the nine-month period ended			
	30 September 2023		30 September 2022	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4) <i>(Restated)</i>
Balance at beginning of the period	18,905,074	77,832,190	21,005,637	85,576,966
Interest expense	522,783	2,147,070	586,272	2,388,472
Interest paid	(724,491)	(2,975,485)	(807,299)	(3,288,936)
Principal paid	(2,069,974)	(8,501,383)	(2,069,974)	(8,433,074)
Currency translation differences	-	60,450	-	842,157
Balance at end of the period	<u>16,633,392</u>	<u>68,562,842</u>	<u>18,714,636</u>	<u>77,085,585</u>

#### 16. Contract liabilities

	30 September 2023		31 December 2022	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Non-current	13,125,000	54,101,250	13,350,000	54,961,950
Current	<u>300,000</u>	<u>1,236,600</u>	<u>300,000</u>	<u>1,235,100</u>
	<u>13,425,000</u>	<u>55,337,850</u>	<u>13,650,000</u>	<u>56,197,050</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 and nine-month periods ended 30 September 2023

#### 17. Provision for retirement benefits

	30 September 2023		31 December 2022	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
<b>Defined benefits obligation</b>				
Present value of defined benefits obligation	262,930	1,083,797	235,835	970,933
<b>Other benefits</b>				
National Social Security Funds	126,188	520,147	126,188	519,516
	<u>389,118</u>	<u>1,603,944</u>	<u>362,023</u>	<u>1,490,449</u>

Movements of the defined benefits obligation during the periods were as follows:

	For the nine-month period ended			
	30 September 2023		30 September 2022	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Balance at beginning of the period	235,835	970,933	455,842	1,857,100
Current service costs (*)	19,377	79,581	46,600	189,849
Interest costs	10,286	42,245	-	-
Benefits paid	(2,568)	(10,547)	(20,315)	(82,763)
Remeasurement	-	-	10,105	41,168
Currency translation differences	-	1,585	-	22,150
Balance at end of the period	<u>262,930</u>	<u>1,083,797</u>	<u>492,232</u>	<u>2,027,504</u>

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

	For the nine-month period ended			
	30 September 2023		30 September 2022	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Balance at beginning of the period	126,188	519,516	99,987	407,347
Additional expenses (*)	-	-	19,651	80,058
Currency translation differences	-	631	-	5,384
Balance at end of the period	<u>126,188</u>	<u>520,147</u>	<u>119,638</u>	<u>492,789</u>

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

# Phnom Penh Autonomous Port

## Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

### 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:

On 8 November 2021, PPAP and PTLs Cooperation Co., Ltd. (“PTLS”) entered into an agreement on Investment Cooperation for Development of Multi-purpose Terminal TS11 (“TS11”). Pursuant to the agreement, both parties agreed to cooperate in the development of the 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.

On 29 August 2022, PPAP and PTLs entered into another agreement on Investment Cooperation for Development of Multi-purpose Terminal UM2 (“UM2”). Pursuant to the agreement, both parties agreed to cooperate in the development of the 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.

## Phnom Penh Autonomous Port

### Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

#### 19. Income tax (continued)

##### (b) Income tax expense

	For the nine-month period ended				For the three-month period ended			
	30 September 2023		30 September 2022		30 September 2023		30 September 2022	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4) <i>(Restated)</i>	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4) <i>(Restated)</i>
Current tax at applicable tax rate	2,006,583	8,241,036	2,950,875	12,021,865	700,385	2,894,691	935,345	3,835,850
Change to estimates related to prior period	84,368	346,499	121,991	496,991	-	-	-	-
Current income tax	2,090,951	8,587,535	3,072,866	12,518,856	700,385	2,894,691	935,345	3,835,850
Deferred tax expense	86,311	354,480	(70,451)	(287,017)	18,912	78,163	140,430	575,903
Income tax expense	2,177,262	8,942,015	3,002,415	12,231,839	719,297	2,972,854	1,075,775	4,411,753
Tax resulting from share of loss from joint arrangement	2,893	11,882	-	-	(3,648)	(15,078)	-	-
	<u>2,180,155</u>	<u>8,953,897</u>	<u>3,002,415</u>	<u>12,231,839</u>	<u>715,649</u>	<u>2,957,776</u>	<u>1,075,775</u>	<u>4,411,753</u>

## Phnom Penh Autonomous Port

### Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

#### 19. Income tax (continued)

##### (b) Income tax expense (continued)

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 nine-month period ended						For the three-month period ended					
	30 September 2023			30 September 2022			30 September 2023			30 September 2022		
	%	US\$	KHR'000 (Note 4)	%	US\$	KHR'000 (Note 4) (Restated)	%	US\$	KHR'000 (Note 4)	%	US\$	KHR'000 (Note 4) (Restated)
Profit before tax		9,284,060	38,129,634		13,991,227	57,000,260		3,109,989	12,853,585		5,195,676	21,307,467
Income tax expense at applicable tax rate	20.00	1,856,812	7,625,927	20.00	2,798,245	11,400,052	20.00	621,998	2,570,716	20.00	1,039,135	4,261,493
Non-deductible expenses	2.54	236,082	969,589	0.59	82,179	334,796	3.13	97,299	402,137	0.69	36,640	150,260
Change to estimates related to prior period	0.91	84,368	346,499	0.87	121,991	496,991	-	-	-	-	-	-
	23.45	2,177,262	8,942,015	21.46	3,002,415	12,231,839	23.13	719,297	2,972,853	20.69	1,075,775	4,411,753
Tax resulting from share of loss from joint arrangement	0.03	2,893	11,882	-	-	-	(0.12)	(3,648)	(15,077)	-	-	-
	23.48	2,180,155	8,953,897	21.46	3,002,415	12,231,839	23.01	715,649	2,957,776	20.69	1,075,775	4,411,753

During the periods, the Company has paid US\$3,494,423 in respect to the income tax for the nine-month period ended 30 September 2023 (30 September 2022: US\$2,586,567).



## Phnom Penh Autonomous Port

### Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

#### 19. Income tax (continued)

##### (c) Deferred tax liabilities, net

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

	30 September 2023		31 December 2022	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4) <i>(Restated)</i>
<i>Deferred tax assets:</i>				
Lease liabilities	2,450,819	10,102,276	2,342,145	9,642,611
Contract Liabilities	2,685,000	11,067,570	2,730,000	11,239,410
Provision for retirement benefits	77,824	320,791	72,405	298,091
Impairment loss on trade and other receivables	389,388	1,605,057	275,484	1,134,168
Long-term deposits	-	-	16,730	68,877
	<u>5,603,031</u>	<u>23,095,694</u>	<u>5,436,764</u>	<u>22,383,157</u>
<i>Deferred tax liabilities:</i>				
Property, plant and equipment	(3,492,783)	(14,397,252)	(3,237,153)	(13,327,359)
Right-of-use assets	(1,762,363)	(7,264,461)	(1,181,537)	(4,864,388)
Lease receivables	(679,311)	(2,800,120)	(1,283,002)	(5,282,119)
Long-term deposits	(22,707)	(93,597)	-	-
	<u>(5,957,164)</u>	<u>(24,555,430)</u>	<u>(5,701,692)</u>	<u>(23,473,866)</u>
Deferred tax liabilities, net	<u>(354,133)</u>	<u>(1,459,736)</u>	<u>(264,928)</u>	<u>(1,090,709)</u>

##### (d) Tax contingencies

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 and nine-month periods ended 30 September 2023

#### 20. Capital commitments

	30 September 2023		31 December 2022	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Capital expenditure in respect of property, plant and equipment:				
Contracted but not yet provided	<u>2,150,665</u>	<u>8,865,041</u>	<u>1,896,145</u>	<u>7,806,429</u>

## Phnom Penh Autonomous Port

### Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

#### 21. Revenue

	For the nine-month period ended				For the three-month period ended			
	30 September 2023		30 September 2022		30 September 2023		30 September 2022	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Stevedoring	11,536,508	47,380,438	12,581,006	51,255,018	4,616,853	19,081,453	4,489,099	18,409,795
Lift On Lift Off (“LOLO”)	9,192,855	37,755,055	9,976,912	40,645,939	3,620,118	14,961,948	3,517,570	14,425,555
Port dues and charges	3,481,700	14,299,342	3,193,669	13,011,008	1,215,466	5,023,521	1,127,587	4,624,234
Logistics services	551,663	2,265,680	869,092	3,540,682	54,471	225,130	40,502	166,099
Gate fees	790,716	3,247,471	843,037	3,434,533	327,272	1,352,615	306,724	1,257,875
Trucking fee	467,073	1,918,269	99,421	405,041	159,631	659,755	91,591	375,615
Storage fees	390,110	1,602,182	855,874	3,486,831	110,770	457,812	255,292	1,046,952
Weighting fee	18,933	77,758	15,840	64,532	8,258	34,130	4,964	20,357
Stuffing/Unstuffing	11,200	45,998	19,950	81,276	4,150	17,152	4,650	19,070
Sand dredging management fee	-	-	2,652	10,804	-	-	-	-
	<u>26,440,758</u>	<u>108,592,193</u>	<u>28,457,453</u>	<u>115,935,664</u>	<u>10,116,989</u>	<u>41,813,516</u>	<u>9,837,979</u>	<u>40,345,552</u>

## Phnom Penh Autonomous Port

### Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

#### 22. Cost of services

	For the nine-month period ended				For the three-month period ended			
	30 September 2023		30 September 2022		30 September 2023		30 September 2022	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Crane charges	2,458,373	10,096,538	2,556,811	10,416,448	987,038	4,079,428	926,699	3,800,393
Depreciation	2,858,489	11,739,815	2,348,609	9,568,233	980,292	4,051,547	793,658	3,254,791
Fuel and gasoline	1,151,821	4,730,529	1,457,678	5,938,580	280,178	1,157,976	473,456	1,941,643
Salaries and wages	1,852,948	7,610,057	1,523,890	6,208,328	619,248	2,559,352	528,308	2,166,591
Maintenance costs	1,235,920	5,075,923	1,076,124	4,384,129	449,654	1,858,420	425,370	1,744,442
Logistic costs	152,469	626,190	220,955	900,171	-	-	40,975	168,038
Others	316,566	1,300,137	284,556	1,159,281	115,610	477,816	95,698	392,459
	<u>10,026,586</u>	<u>41,179,189</u>	<u>9,468,623</u>	<u>38,575,170</u>	<u>3,432,020</u>	<u>14,184,539</u>	<u>3,284,164</u>	<u>13,468,357</u>

#### 23. Other (loss)/income

	For the nine-month period ended				For the three-month period ended			
	30 September 2023		30 September 2022		30 September 2023		30 September 2022	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Rental income	861,414	3,537,827	634,258	2,583,967	237,813	982,881	231,368	948,840
(Loss)/Gain from termination of sub-leasing right-of-use assets	(1,529,904)	(6,283,316)	8,248	33,602	(1,529,904)	(6,323,093)	144,101	590,958
Others	222,884	915,385	267,698	1,090,602	52,975	218,946	108,580	445,287
	<u>(445,606)</u>	<u>(1,830,104)</u>	<u>910,204</u>	<u>3,708,171</u>	<u>(1,239,116)</u>	<u>(5,121,266)</u>	<u>484,049</u>	<u>1,985,085</u>

## Phnom Penh Autonomous Port

### Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

#### 24. General and administrative expenses

	For the nine-month period ended				For the three-month period ended			
	30 September 2023		30 September 2022		30 September 2023		30 September 2022	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4) <i>(Restated)</i>	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4) <i>(Restated)</i>
Salaries and other benefits	3,548,313	14,572,921	3,237,032	13,187,668	1,162,714	4,805,497	1,110,197	4,552,918
Utilities and fuel	490,135	2,012,984	523,249	2,131,716	164,517	679,949	164,204	673,401
Depreciation	536,742	2,204,399	540,080	2,200,286	184,888	764,142	183,041	750,651
Board of Directors' fees	184,288	756,871	185,347	755,104	61,111	252,572	61,329	251,510
Donation	642,394	2,638,312	356,205	1,451,179	103,635	428,323	116,541	477,935
Office supplies	162,613	667,852	161,143	656,497	51,468	212,717	53,962	221,298
Business entertainment	187,423	769,746	162,325	661,312	67,177	277,643	57,849	237,239
Repair and maintenance	223,872	919,442	115,126	469,023	53,304	220,305	35,094	143,920
Communication expenses	57,050	234,304	50,642	206,316	19,418	80,255	17,874	73,301
Professional fees	24,325	99,903	20,499	83,513	10,107	41,772	5,388	22,096
Travelling expenses	64,225	263,772	30,785	125,418	19,612	81,056	13,239	54,293
Other tax expenses	73,200	300,632	62,172	253,289	19,921	82,333	15,562	63,820
Uniforms	113,560	466,391	111,902	455,889	59,898	247,558	56,287	230,833
Others	223,547	918,110	167,875	683,922	71,068	293,725	94,645	388,139
	<u>6,531,687</u>	<u>26,825,639</u>	<u>5,724,382</u>	<u>23,321,132</u>	<u>2,048,838</u>	<u>8,467,847</u>	<u>1,985,212</u>	<u>8,141,354</u>

## Phnom Penh Autonomous Port

### Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

#### 25. Financial income/(cost), net

	For the nine-month period ended				For the three-month period ended			
	30 September 2023		30 September 2022		30 September 2023		30 September 2022	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4) <i>(Restated)</i>	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4) <i>(Restated)</i>
<b>Finance cost</b>								
Net loss on currencies exchange	62,541	256,856	-	-	-	-	-	-
Interest expenses from:								
Lease liabilities	357,362	1,467,686	217,372	885,574	119,995	495,939	72,477	297,228
Borrowings	522,783	2,147,070	586,272	2,388,472	159,298	658,379	194,117	796,074
Provision for retirement benefits	10,286	42,245	-	-	3,428	14,168	-	-
Others	14,509	59,587	1,353	5,512	13,923	57,544	-	-
	<u>904,940</u>	<u>3,716,588</u>	<u>804,997</u>	<u>3,279,558</u>	<u>296,644</u>	<u>1,226,030</u>	<u>266,594</u>	<u>1,093,302</u>
Finance cost	<u>967,481</u>	<u>3,973,444</u>	<u>804,997</u>	<u>3,279,558</u>	<u>296,644</u>	<u>1,226,030</u>	<u>266,594</u>	<u>1,093,302</u>
<b>Finance income</b>								
Interest incomes from:								
Other investments and bank balances	837,985	3,441,604	738,484	3,008,584	275,326	1,137,922	275,604	1,130,252
Lease receivables	246,258	1,011,382	148,971	606,908	73,534	303,916	56,329	231,005
Others	2,394	9,832	2,704	11,016	-	-	-	-
	<u>1,086,637</u>	<u>4,462,818</u>	<u>890,159</u>	<u>3,626,508</u>	<u>348,860</u>	<u>1,441,838</u>	<u>331,933</u>	<u>1,361,257</u>
Finance income	<u>1,086,637</u>	<u>4,462,818</u>	<u>890,159</u>	<u>3,626,508</u>	<u>348,860</u>	<u>1,441,838</u>	<u>331,933</u>	<u>1,361,257</u>
<b>Financial income, net</b>	<u>119,156</u>	<u>489,374</u>	<u>85,162</u>	<u>346,950</u>	<u>52,216</u>	<u>215,808</u>	<u>65,339</u>	<u>267,955</u>

## Phnom Penh Autonomous Port

### Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

#### 26. Earnings per share

	For the nine-month period ended				For the three-month period ended			
	30 September 2023		30 September 2022		30 September 2023		30 September 2022	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4) <i>(Restated)</i>	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4) <i>(Restated)</i>
Profit attributable to ordinary equity holders	7,103,905	29,175,737	10,988,812	44,768,421	2,394,340	9,895,809	4,119,901	16,895,714
Weighted average number of ordinary shares in issue	<u>20,684,365</u>	<u>20,684,365</u>	<u>20,684,365</u>	<u>20,684,365</u>	<u>20,684,365</u>	<u>20,684,365</u>	<u>20,684,365</u>	<u>20,684,365</u>
Basic earnings per share	0.34	1.41	0.53	2.16	0.12	0.48	0.20	0.82
Diluted earnings per share	<u>0.34</u>	<u>1.41</u>	<u>0.53</u>	<u>2.16</u>	<u>0.12</u>	<u>0.48</u>	<u>0.20</u>	<u>0.82</u>

# Phnom Penh Autonomous Port

## Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

### 27. Dividends

On 31 March 2023, the Board of Directors of PPAP resolved to distribute the dividends in respect to the financial year ended 31 December 2022 to shareholders of each class of shares as follows:

- Shareholders in Class A is entitled to total dividend of US\$352,665 (equivalent to KHR1,429,703,809).
- Shareholders in Class B is entitled to total dividend of US\$789,344 (equivalent to KHR3,200,000,000).

The dividends were paid on 5 June 2023 after approval from the Company's 8<sup>th</sup> shareholder general meeting on 11 May 2023.

### 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.



## Phnom Penh Autonomous Port

### Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

#### 28. Related party transactions and balances (continued)

##### (b) Significant transactions with related parties

	For the nine-month period ended				For the three-month period ended			
	30 September 2023		30 September 2022		30 September 2023		30 September 2022	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Related parties:								
<i>Interest expense</i>								
MEF	<u>522,783</u>	<u>2,147,070</u>	<u>586,272</u>	<u>2,388,472</u>	<u>159,298</u>	<u>658,379</u>	<u>194,117</u>	<u>796,074</u>
<i>Donation and charities</i>								
MEF and MPWT	<u>14,187</u>	<u>58,266</u>	<u>23,675</u>	<u>96,453</u>	<u>3,635</u>	<u>15,066</u>	<u>3,655</u>	<u>14,989</u>

##### (c) Compensation of key management personnel

Key management compensation during the financial periods are as follows:

	For the nine-month period ended				For the three-month period ended			
	30 September 2023		30 September 2022		30 September 2023		30 September 2022	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Short term employee benefits	<u>184,288</u>	<u>756,871</u>	<u>185,347</u>	<u>755,104</u>	<u>61,111</u>	<u>252,584</u>	<u>61,329</u>	<u>251,510</u>

# Phnom Penh Autonomous Port

## Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

### 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.

#### (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\$1,946,943 recognised for trade and other receivables at 30 September 2023 (31 December 2022: US\$1,377,419).

#### (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.

# Phnom Penh Autonomous Port

## Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

### 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.

### 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. Restatement of comparative information

During the preparation of the condensed interim financial statements for the three-month and nine-month periods ended 30 September 2023, the management has identified errors in the prior years' financial statements relating to the following:

- A. Other investments – Non-current vs Current asset;
- B. Financial instrument measured at amortised cost;
- C. Present interest revenue as a separate line item in the statement of profit or loss and other comprehensive income;
- D. Present impairment loss as a separate line item in the statement of profit or loss and other comprehensive income;
- E. Leases
- F. Classification and measurement of Property, plant and equipment (“PPE”)
- G. Measurement of current tax income liabilities and deferred tax
- H. Classification of inventory
- I. Earnings per share
- J. Corresponding impacts to Retained earnings
- K. Corresponding impacts on Statement of Cash flows

# Phnom Penh Autonomous Port

## Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

### 32. Restatement of comparative information (continued)

The details of the adjustments are as follows:

#### A. Other investments – Non-current vs Current asset

In accordance with paragraph 60 of CIAS 1, the current and non-current assets shall be presented as separate classifications in the statement of financial position. According to certificate of deposit, the maturities of the Company's fixed deposits were more than 1 year as at 31 December 2022 and 2021. However, as at 31 December 2022 and 2021, these balances were classified as current assets under "cash and bank balances" instead of non-current assets. As a result, the current assets and non-current assets were overstated and understated by US\$15,000,000 and US\$10,000,000 as at 31 December 2022 and 2021, respectively.

Similarly, the placement of fixed deposit reported in cash from investing activities for the nine-month period ended 30 September 2022 was understated by US\$2,000,000.

#### B. Financial instrument measured at amortised cost

Under CIFRS 9, the accrued interest receivable and payable are included as cash flows in the amortised cost measurement method of financial assets and financial liabilities, respectively. However, as at 31 December 2022, 30 September 2022 and 31 December 2021, the Company classified the accrued interest receivable (to be received every 3 months) and payable (to be paid every 6 months) to other receivables (current assets) and other liabilities (current liabilities), respectively. As a result:

- The other receivables and cash and bank balances were overstated and understated by US\$91,254, US\$78,116 and US\$32,114 as at 31 December 2022, 30 September 2022 and 31 December 2021, respectively; and
- The current other liabilities and borrowings were overstated and understated by US\$275,307 US\$84,869 and US\$305,896 as at 31 December 2022, 30 September 2022 and 31 December 2021, respectively.

#### C. Present interest revenue as a separate line item in the statement of profit or loss and other comprehensive income

In accordance with paragraph 82(a) of CIAS 1, the revenue items such as interest revenue calculated using the effective interest rate method shall be presented separately as a line item in the statement of profit or loss. However, the Company presented the interest income from deposits with financial institutions, lease receivables, and the unwinding effect of long-term deposit amount totalling to US\$357,447 and US\$909,183 as "other income" in the statement of profit or loss for the three-month and nine-month periods ended 30 September 2022, respectively. Consequently, these amounts shall be reclassified to a separate line item as "Financial income" in the statement of profit or loss for the three-month and nine-month periods ended 30 September 2022.

# Phnom Penh Autonomous Port

## Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

### 32. Restatement of comparative information (continued)

#### D. Present impairment loss as a separate line item in the statement of profit or loss and other comprehensive income

In accordance with paragraph 82(ba) of CIAS 1, items such as impairment loss (including reversal of impairment losses or impairment gain) determined in accordance with the section 5.5 of CIFRS 9 shall be presented separately as a line item in the statement of profit or loss. However, in relation to the trade and other receivables, the Company has presented the impairment gain amounting to US\$77,685 under “Other income” for the three-month and nine-month periods ended 30 September 2022, and impairment losses amounting to Nil and US\$346,272 under “General and administrative expenses” for the three-month and nine-month periods ended 30 September 2022, respectively. Consequently, these amounts shall be reclassified to a separate line item as “Impairment (gain)/losses on trade and other receivables” amount netting to US\$77,685 and US\$268,587 in the statement of profit or loss for the three-month and nine-month periods ended 30 September 2022.

#### E. Leases

##### (i) Recognition and measurement of right-of-use assets and lease liabilities

In accordance with paragraph 22 of CIFRS 16, a lessee shall recognise a right-of-use asset and a lease liability at the commencement date of the lease. However, the Company recognised the right-of-use assets and lease liabilities for 2 leases, which had commenced on 1 February 2021 and 1 May 2021, in September 2022 instead of the respective commencement dates of each lease. Additionally, there was another new lease of land in December 2022 which the Company has made an error in the calculation. As a result, the following items were impacted:

*As at 31 December 2021:*

- The right-of-use assets were understated by US\$658,135.
- The lease liabilities were understated by US\$639,954 (non-current and current was understated by US\$292,607 and US\$347,347, respectively).
- Retained earnings was understated by US\$18,181.

*As at 31 December 2022:*

- The right-of-use assets were understated by US\$178,444.
- The other current receivables were overstated by US\$96,000.
- The lease liabilities were understated by US\$48,407 (non-current was overstated by US\$275,493 and current was understated by US\$323,900).
- Retained earnings were understated by US\$34,037.

# Phnom Penh Autonomous Port

## Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

### 32. Restatement of comparative information (continued)

#### E. Leases (continued)

##### (i) Recognition and measurement of right-of-use assets and lease liabilities (continued)

*For the three-month and nine-month periods ended 30 September 2022:*

- The depreciation expense was overstated by US\$8,106 and US\$13,306, respectively.
- The interest expenses were overstated by US\$28,582 and US\$18,250, respectively.

*As at 30 September 2022:*

- The right-of-use assets were understated by US\$113,214.
- The lease liabilities were understated by US\$63,475 (non-current and current was overstated and understated by US\$283,872 and US\$347,347, respectively).
- The opening retained earnings were understated by US\$18,181.

##### (ii) Recognition and measurement of sub-leases transactions

- a) In accordance with CIFRS16.B58, the intermediate lessor shall classify the sub-lease as finance lease or as an operating lease with reference to the right-of-use asset arising from the head lease. However, the Company has identified an error such that a transaction relating to the sub-leasing of the Company's right-of-use assets for a piece of land with a size 9,057 m<sup>2</sup> located at Kilometre no.6 to a lessee for a period of 38 years (starting from January 2021), which is almost the entirety of the head lease's remaining terms of 38.25 years, was classified as operating lease instead of finance lease.

The Company identified other recording errors in relation to the calculation and recording of the head lease and sub-lease of a piece of land with size totalling 14,247 m<sup>2</sup> located at Kilometre no.6. Consequently, the following items were impacted:

*As at 31 December 2021:*

- The right-of-use assets were overstated by US\$785,255.
- The lease receivables were understated by US\$1,407,541 (non-current and current was understated by US\$1,125,706 and US\$281,835, respectively).
- The other current receivables were overstated by US\$324,319.
- Non-current lease liability was understated by US\$39,119.
- Retained earnings was understated by US\$258,848.

# Phnom Penh Autonomous Port

## Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

### 32. Restatement of comparative information (continued)

#### E. Leases (continued)

##### (ii) Recognition and measurement of sub-leases transactions (continued)

- b) On 1 January 2022, all the Company's sub-leases were terminated; and 2 locations were sub-leased to various lessees in the same month (i.e. January 2022). The Company, however, recognised these transactions in September 2022 instead of January, and recorded an incorrect amount when it recognised this transaction. Furthermore, the refundable security deposits from these leases were inaccurately reported at cost rather than amortised cost. Additionally, there were a number of transactions in relation to these transactions that were recorded incorrectly across various accounts. Consequently, the following items were impacted:

*As at 31 December 2022:*

- The right of use assets was overstated by US\$37,754.
- The lease receivables were understated by US\$307,951 (non-current and current were overstated and understated by US\$308,246 and US\$616,197, respectively).
- The other current receivables were overstated by US\$284,298.
- The other non-current and current payables were understated and overstated by US\$48,505 and US\$200,000, respectively.
- Non-current lease liability was understated by US\$39,119.
- Retained earnings was understated by US\$98,275.

*For the three-month and nine-month periods ended 30 September 2022:*

- The net income from sub-leasing of right-of-use assets was overstated by US\$1,397,385 and US\$1,791,512, respectively.
- Other rental income was understated by Nil and US\$258,274, respectively.
- The general and administrative expenses and miscellaneous expense were overstated by US\$1,046,959 and US\$82,862, respectively both three-month and nine-month periods.
- The interest income was overstated by US\$25,514 and US\$19,024, respectively.

*As at 30 September 2022:*

- The right of use assets was overstated by US\$144,586.
- The lease receivables were understated by US\$4,781 (non-current and current was overstated and understated by US\$277,054 and US\$281,835, respectively).
- The other current receivables were understated by US\$16,807.
- The other payable was understated by US\$1,477.
- Non-current lease liability was understated by US\$39,120.
- The opening retained earnings was understated by US\$258,848.

# Phnom Penh Autonomous Port

## Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

### 32. Restatement of comparative information (continued)

#### F. Classification and measurement of Property, plant and equipment (“PPE”)

##### (i) Classification of concession assets vs. PPE

CIAS16 defines PPE as tangible items that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and are expected to be used during more than one period. However, as at 31 December 2022, the Company classified the non-current assets, including construction in progress, and harbours and buildings among others, which resulted from the joint arrangement for the development of TS11 and UM2 ports, in the financial statement caption called “concession asset”, instead of PPE. Consequently, the concession assets and PPE were overstated and understated by US\$8,135,093 and, respectively, as at 31 December 2022.

Similarly, the significant non-cash transaction from investing activities on acquisition of property, plant and equipment through this joint arrangement for the development of TS11 for the nine-month period ended 30 September 2022 was understated by US\$1,954,585.

##### (ii) Measurement of the PPE

In accordance with CIAS 16.16, the element of cost of property, plant, and equipment comprises the purchases price including non-refundable purchase taxes. However, as at 31 December 2022, the Company has recorded the refundable valued-added tax (“VAT”) amounting to US\$450,569 as a cost of the above PPE. As a result, the cost of PPE and the liability arising from joint arrangement was overstated by the US\$450,569, respectively, as at 31 December 2022.

##### (iii) Classification of PPE vs Investment property (“IP”)

CIAS 40 defines IP as property held to earn rental income or for capital appreciation, or both, rather than for use in the production or supply of goods or services or for administrative purposes, or sale in the ordinary course of business. On 31 December 2021, the Company has entered into an agreement with Khmer Cold Chain Company Limited (“KCCC”) to lease two plots of land, located at Kien Svay District, Kandal Province, with a total areas of 12,380 square meters for a period of around 15 years. However, the leased land amounting to US\$2,427,525 was reported under PPE instead of IP. Consequently, the PPE and IP were overstated and understated by US\$2,427,525, respectively, as at 31 December 2021 and 31 December 2022.



# Phnom Penh Autonomous Port

## Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

### 32. Restatement of comparative information (continued)

#### G. Measurement of current income tax liabilities and deferred tax

As at 31 December 2022 and 2021, the Company reported net deferred tax liabilities amounting to US\$271,230 and net deferred tax assets amounting US\$140,376, respectively. However, the Company identified errors in their calculation of current income tax and deferred tax for the years ended 31 December 2022 and 2021 and for the three-month and nine-month periods ended 30 September 2022 together with the impact from the restatements mentioned herein this Note. Consequently, the following items were impacted:

*As at 31 December 2021:*

- Net deferred tax asset was overstated by US\$140,376.
- Net deferred tax liability was understated by US\$136,559.
- The current income tax liability was overstated by US\$119,075.
- Retained earnings was overstated by US\$157,860.

*As at 31 December 2022:*

- Net deferred tax liability was overstated by US\$6,302.
- The current income tax liability was overstated by US\$175,148.
- Retained earnings was understated by US\$181,450.

*For the three-month and nine-month periods ended 30 September 2022:*

- The income tax expense was overstated and understated by US\$23,436 and US\$63,030, respectively.

*As at 30 September 2022:*

- Net deferred tax liability was overstated by US\$83,171.
- The current income tax liability was understated by US\$304,061.
- The opening retained earnings was overstated by US\$157,860.

#### H. Classification of inventory

The Company has identified an error in classification of its recording of the inventory balance as at 31 December 2021 and 30 September 2022 of US\$352,114 and US\$688,684, respectively under the Trade and other receivables. As a result, as at 31 December 2021 and 30 September 2022, the Inventory and Trade and other receivables were understated and overstated, respectively, by US\$352,114 and US\$688,684. Consequently, under the statement of cash flows for nine-month period ended 30 September 2022, the changes in the Inventory, and Trade and other receivables were overstated and understated, respectively by US\$336,570.

# Phnom Penh Autonomous Port

## Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

### 32. Restatement of comparative information (continued)

#### I. Earnings per share

As a result from items E and G above, the earnings per share and diluted earnings per share for the three-month and nine-month periods ended 30 September 2023 were consequently adjusted to US\$0.20 per share and US\$0.53 per share, respectively.

#### J. Corresponding impacts to Retained earnings

As a result from items E and G, the retained earnings were impacted as follows:

- As at 31 December 2021, retained earnings was understated by US\$119,169.
- As at 31 December 2022, retained earnings was understated by US\$313,762.
- As at 30 September 2022, retained earnings was overstated by US\$334,746.

#### K. Corresponding impacts on Statement of Cash flows

*For the nine-month period ended 30 September 2022:*

##### ***Operating activities:***

The income tax paid and withholding tax credit were overstated and understated by US\$40,731, respectively.

As a result from the above restatement B, C, D, E, G, and H, the cash generated from operating activities were overstated by US\$227,738.

##### ***Investing activities:***

The interest received and trade and other receivables were understated by US\$129,639.

As a result from the above restatement A, E and F, the net cash used in investing activities for the nine-month period ended 30 September 2022 was overstated by US\$1,726,260.

##### ***Financing activities:***

As a result from the above restatement E, the interest paid portion was understated by US\$ 247,124 and the principal portion payment for lease liability was overstated by US\$ 247,124.

##### ***Cash and cash equivalents at beginning of period:***

As a result from the above restatement A and B, the cash and cash equivalents were understated by US\$2,032,114 as at 1 January 2022.

##### ***Cash and cash equivalents at end of period:***

As a result from the above restatement B, the cash and cash equivalents were understated by US\$78,116 as at 30 September 2022.

# Phnom Penh Autonomous Port

## Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

### 32. Restatement of comparative information (continued)

A summary of the line items effected by the restatements of the comparative information and correction of those errors is as follows:

		31 December 2022				1 January 2022			
Items		Previously reported US\$	Adjustments US\$	As restated		Previously reported US\$	Adjustments US\$	As restated	
				US\$	KHR'000 (Note 4)			US\$	KHR'000 (Note 4)
<b>Statement of financial position</b>									
<b>Assets</b>									
<b>Non-current assets</b>									
Concession assets	F	8,135,093	(8,135,093)	-	-	-	-	-	-
Property, plant and equipment	F(i),(ii), (iii)	107,632,950	5,256,999	112,889,949	464,767,920	103,328,375	(2,427,525)	100,900,850	411,070,063
Right-of-use assets	E(i), E(ii)	5,766,995	140,690	5,907,685	24,321,939	3,660,992	(127,120)	3,533,872	14,396,995
Lease receivables	E(ii)	8,835,986	(308,246)	8,527,740	35,108,706	4,296,588	1,125,706	5,422,294	22,090,426
Investment properties	F(iii)	84,234,687	2,427,525	86,662,212	356,788,327	84,626,863	2,427,525	87,054,388	354,659,577
Other investments	A	-	15,000,000	15,000,000	61,755,000	-	10,000,000	10,000,000	40,740,001
Deferred tax assets	G	-	-	-	-	140,376	(140,376)	-	-
<b>Current assets</b>									
Inventories	H	714,982	-	714,982	2,943,581	-	352,114	352,114	1,434,512
Lease receivables	E(ii)	34,497	616,197	650,694	2,678,907	13,886	281,835	295,721	1,204,767
Trade and other receivables	B,E(i), E(ii),H	8,298,747	(471,552)	7,827,195	32,224,561	5,134,521	(708,547)	4,425,974	18,031,418
Cash and bank balances	A,B	22,202,835	(14,908,746)	7,294,089	30,029,764	18,614,700	(9,967,886)	8,646,814	35,227,120

# Phnom Penh Autonomous Port

## Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

### 32. Restatement of comparative information (continued)

A summary of the line items effected by the restatements of the comparative information and correction of those errors is as follows: (continued)

Items	31 December 2022				1 January 2022				
	Previously reported US\$	Adjustments US\$	As restated US\$      KHR'000		Previously reported US\$	Adjustments US\$	As restated US\$      KHR'000		
<b>Statement of financial position</b>									
<b>Equity</b>									
Retained earnings	J	<u>414,565,043</u>	<u>313,762</u>	<u>14,878,805</u>	<u>60,334,539</u>	<u>12,686,797</u>	<u>119,169</u>	<u>12,805,966</u>	<u>51,862,847</u>
<b>Liabilities</b>									
<b>Non-current liabilities</b>									
Other payable	E(ii)	35,145	48,505	83,650	344,386	33,793	-	33,793	137,672
Lease liabilities	E(i)	11,566,801	(236,374)	11,330,427	46,647,368	6,778,885	331,726	7,110,611	28,968,629
Liability arising from joint arrangement	F	8,178,292	(450,569)	7,727,723	31,815,036	-	-	-	-
Deferred tax liabilities, net	G	<u>271,230</u>	<u>(6,302)</u>	<u>264,928</u>	<u>1,090,709</u>	<u>-</u>	<u>136,559</u>	<u>136,559</u>	<u>556,341</u>
<b>Current liabilities</b>									
Trade and other payables	B, E(ii)	3,233,202	(475,307)	2,757,895	11,354,254	2,393,907	(305,896)	2,088,011	8,506,557
Borrowings	B	2,069,974	275,307	2,345,281	9,655,522	2,069,974	305,896	2,375,870	9,679,295
Lease liabilities	E(i), E(ii)	56,396	323,900	380,296	1,565,679	9,261	347,347	356,608	1,452,821
Current income tax liabilities	G	<u>3,303,478</u>	<u>(175,148)</u>	<u>3,128,330</u>	<u>12,879,335</u>	<u>2,305,306</u>	<u>(119,075)</u>	<u>2,186,231</u>	<u>8,906,705</u>

# Phnom Penh Autonomous Port

## Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

### 32. Restatement of comparative information (continued)

A summary of the line items effected by the restatements of the comparative information and correction of those errors is as follows: (continued)

Items	For the nine-month period ended 30 September 2022				For the three-month period ended 30 September 2022			
	Previously reported US\$	Adjustments US\$	As restated US\$	As restated KHR'000 (Note 4)	Previously reported US\$	Adjustments US\$	As restated US\$	As restated KHR'000 (Note 4)
<b>Statement of profit or loss</b>								
Revenue	28,457,453	-	28,457,453	115,935,664	9,837,979	-	9,837,979	40,345,552
Cost of sales and services	(9,468,623)	-	(9,468,623)	(38,575,170)	(3,284,164)	-	(3,284,164)	(13,468,357)
Gross profit	18,988,830	-	18,988,830	77,360,494	6,553,815	-	6,553,815	26,877,195
Other income	C,E(ii) 3,430,310	(2,520,106)	910,204	3,708,171	2,316,566	(1,832,517)	484,049	1,985,085
General and administrative expenses	D,E(i) (7,213,781)	1,489,399	(5,724,382)	(23,321,132)	(3,123,137)	1,137,925	(1,985,212)	(8,141,354)
Impairments loss on trade and other receivables	D -	(268,587)	(268,587)	(1,094,223)	-	77,685	77,685	318,586
Operating profit	15,205,359	(1,299,294)	13,906,065	56,653,310	5,747,244	(616,907)	5,130,337	21,039,512
Financial income	C,E(ii) -	890,159	890,159	3,626,508	-	331,933	331,933	1,361,257
Finance costs	E(i) (823,247)	18,250	(804,997)	(3,279,558)	(295,176)	28,582	(266,594)	(1,093,302)
Finance income, net	(823,247)	908,409	85,162	346,950	(295,176)	360,515	65,339	267,955
Profit before tax	14,382,112	(390,885)	13,991,227	57,000,260	5,452,068	(256,392)	5,195,676	21,307,467
Income tax expense	G (2,939,385)	(63,030)	(3,002,415)	(12,231,839)	(1,099,211)	23,436	(1,075,775)	(4,411,753)
<b>Profit for the period</b>	<b>11,442,727</b>	<b>(453,915)</b>	<b>10,988,812</b>	<b>44,768,421</b>	<b>4,352,857</b>	<b>(232,956)</b>	<b>4,119,901</b>	<b>16,895,714</b>
Earnings per share attributable to shareholder of PPAP during the period are as follow:								
Basic earnings per share	I 0.55	(0.02)	0.53	2.16	0.21	(0.01)	0.20	0.82
Diluted earnings per share	I 0.55	(0.02)	0.53	2.16	0.21	(0.01)	0.20	0.82

# Phnom Penh Autonomous Port

## Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

### 32. Restatement of comparative information (continued)

A summary of the line items affected by the restatements of the comparative information and correction of those errors is as follows: (continued)

Items	For the nine-month period ended 30 September 2022				
	Previously reported US\$	Adjustments US\$	As restated US\$	KHR'000 (Note 4)	
<b>Cash flows from operating activities</b>					
Profit before tax	C, D, E(i),E(ii)	14,382,112	(390,885)	13,991,227	57,000,260
<i>Adjustments for:</i>					
Depreciation of property, plant and equipment		2,782,613	-	2,782,613	11,336,365
Depreciation of investment property		38,482	-	38,482	156,776
Depreciation of right-of-use assets	E(i)	80,900	(13,306)	67,594	275,378
Interest expenses	E(i)	821,895	(16,898)	804,997	3,279,558
Interest income from lease receivables	E(ii)	(167,995)	19,024	(148,971)	(606,908)
Interest from fixed deposit		(738,484)	-	(738,484)	(3,008,584)
Net unwinding effect of long-term deposit	E(i)	(1,352)	(1,352)	(2,704)	(11,016)
Net impairment loss on receivable:		268,587	-	268,587	1,094,223
Loss/(income) from sub-leasing right-of-use assets	E(ii)	1,046,966	(1,055,214)	(8,248)	(33,602)
Loss on disposal of property, plant and equipment		11,930	-	11,930	48,603
Property, plant and equipment written off		8,309	-	8,309	33,851
Retirement benefits obligation expenses		66,251	-	66,251	269,907
Income from net of investment from subleases	E(ii)	(1,655,658)	1,655,658	-	-
		16,944,556	197,027	17,141,583	69,834,811
<i>Changes in working capital:</i>					
Inventories	H	-	(336,570)	(336,570)	(1,371,186)
Trade and other receivables	B, E(ii), H, K	(1,450,980)	(134,197)	(1,585,177)	(6,458,011)
Short-term fixed deposit		-	46,002	46,002	187,412
Trade and other payables		270,928	-	270,928	1,103,761
Liability arising from joint arrangement		15,372	-	15,372	62,626
Contract Liability		(225,000)	-	(225,000)	(916,650)
Cash generated from operations		15,554,876	(227,738)	15,327,138	62,442,763
Income tax paid	K	(2,627,298)	40,731	(2,586,567)	(10,537,674)
Withholding tax credit	K	-	(40,731)	(40,731)	(165,938)
Retirement benefits obligation paid		(20,315)	-	(20,315)	(82,763)
Net cash generated from operating activities	K	12,907,263	(227,738)	12,679,525	51,656,388

# Phnom Penh Autonomous Port

## Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

### 32. Restatement of comparative information (continued)

A summary of the line items affected by the restatements of the comparative information and correction of those errors is as follows: (continued)

					For the nine-month period ended 30 September 2022			
Items	Previously reported US\$	Adjustments US\$	As restated US\$	KHR'000 (Note 4)				
<b>Cash flows from investing activities</b>								
Purchase of property, plant and equipment	(6,653,914)	-	(6,653,914)	(27,108,046)				
Cash received from lease receivables	-	144,101	144,101	587,067				
Proceeds from disposal of property, plant and equipment	3,355	-	3,355	13,668				
Interest received	562,843	129,639	692,482	2,821,172				
Placement of fixed deposit	(3,000,000)	(2,000,000)	(5,000,000)	(20,370,000)				
Net cash used in investing activities	<u>(9,087,716)</u>	<u>(1,726,260)</u>	<u>(10,813,976)</u>	<u>(44,056,139)</u>				
<b>Cash flows from financing activities</b>								
Dividend paid	(1,081,480)	-	(1,081,480)	(4,405,950)				
Interest paid	(807,299)	(247,124)	(1,054,423)	(4,295,719)				
Payment of principal portion of lease liabilities	(267,920)	247,124	(20,796)	(84,723)				
Repayments of borrowings	<u>(2,069,974)</u>	<u>-</u>	<u>(2,069,974)</u>	<u>(8,433,074)</u>				
Net cash used in financing activities	<u>(4,226,673)</u>	<u>-</u>	<u>(4,226,673)</u>	<u>(17,219,466)</u>				
<b>Net decrease in cash and cash equivalents</b>	(407,126)	(1,953,998)	(2,361,124)	(9,619,217)				
<b>Cash and cash equivalents at beginning of period</b>	6,614,700	2,032,114	8,646,814	35,227,120				
Currency translation differences	-	-	-	282,854				
<b>Cash and cash equivalents at end of period</b>	<u>6,207,574</u>	<u>78,116</u>	<u>6,285,690</u>	<u>25,890,757</u>				
<b>Significant non-cash transaction from investing activities</b>								
Acquisition of property, plant and equipment through liabilities from joint management	-	1,954,585	1,954,585	7,962,979				

## Phnom Penh Autonomous Port

### Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023

#### 32. Restatement of comparative information (continued)

A summary of the line items affected by the restatements of the comparative information and correction of those errors is as follows: (continued)

Item	For the nine-month period ended 30 September 2022				
	Previously reported US\$	Adjustments US\$	As restated US\$	As restated KHR'000 (Note 4)	
<b>Statement of change in equity</b>					
Retained earnings	J	<u>11,432,622</u>	<u>(334,746)</u>	<u>11,097,876</u>	<u>45,043,644</u>

#### 33. 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. In responses, the Company has deputed the invoices from SAAB, citing the aforementioned reasons. 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 is 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.

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.



## **Phnom Penh Autonomous Port**

### **Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2023**

#### **34. 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.



**ចំណតផែនការពហុបំណងឧបទ្វីប UM២**

Sub-Feeder Multipurpose Terminal Tonle Bet-UM2

**ភូមិឧបទ្វីប យ៉ុងឧបទ្វីប ស្រុកត្បូងឃ្មុំ ខេត្តត្បូងឃ្មុំ**

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

**ចំណតផែនការពហុបំណង 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 ផ្លូវបឹងព្រះសីសុវត្ថិ សង្កាត់ស្រះមក ខណ្ឌដូនពេញ រាជធានីភ្នំពេញ**

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

**ចំណតផែនការដំណើរ និងទេសចរ TS១**

Passenger and Tourist Terminal TS1

**ផ្លូវបឹងព្រះសីសុវត្ថិ សង្កាត់វត្តភ្នំពេញ ខណ្ឌដូនពេញ រាជធានីភ្នំពេញ**

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

**ចំណតផែនការពហុបំណង TS១១**

Sub-Feeder Multipurpose Terminal TS11

**ផ្លូវជាតិលេខ៥ ភូមិស្ពានខ្ពស់ សង្កាត់គីឡូម៉ែត្រលេខ៦ ខណ្ឌឫស្សីកែវ រាជធានីភ្នំពេញ**

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

**ចំណតផែនការកុងតឺន័រ LM១៧ និងទីលានស្តុកទុកកុងតឺន័រ**

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

**ភូមិកណ្តាលលើ ឃុំបន្ទាយដេក ស្រុកកៀនស្វាយ ខេត្តកណ្តាល**

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

**ចំណតផែនការពហុបំណង LM២៦**

Sub-Feeder Multipurpose Terminal LM២៦

**ភូមិកោះរកា ឃុំកោះរកា ស្រុកពរម្រះ ខេត្តព្រៃវែង**

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

**ទំនាក់ទំនង/ Contact**

Email ppapmpwt@online.com.kh

Tel/Fax +855 23 427 802

Website www.ppap.com.kh

Headquarter's Address #649, Preah Sisowath Street, Sras Chork Commune, Daun Penh District, Phnom Penh

