

**KINGDOM OF CAMBODIA  
NATION RELIGION KING**



**Sihanoukville Autonomous Port**

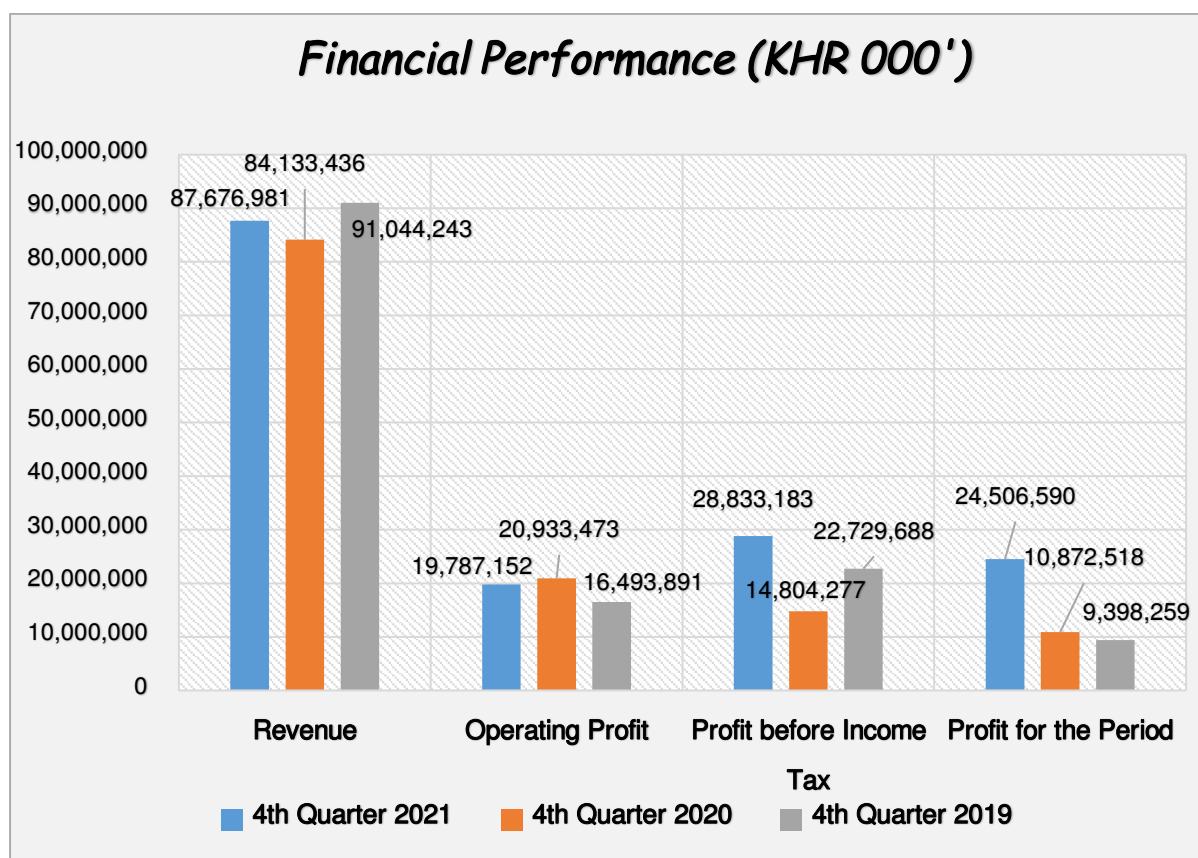
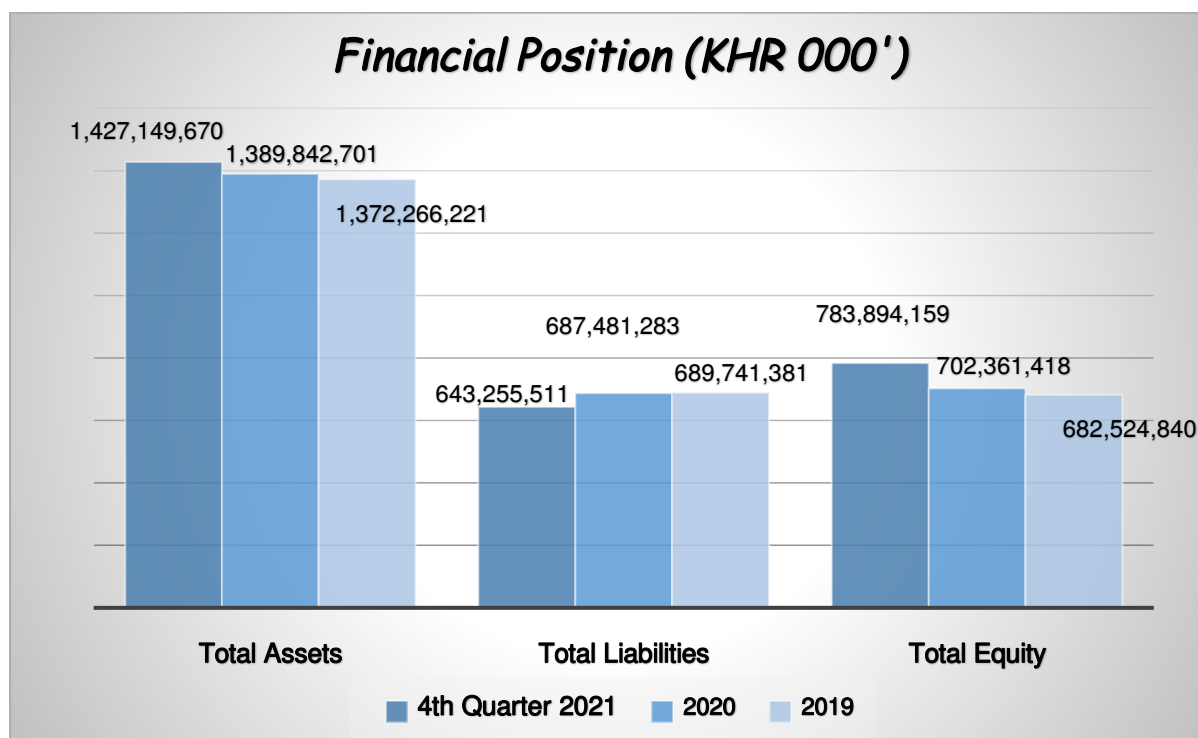
# **Fourth Quarter Report 2021**



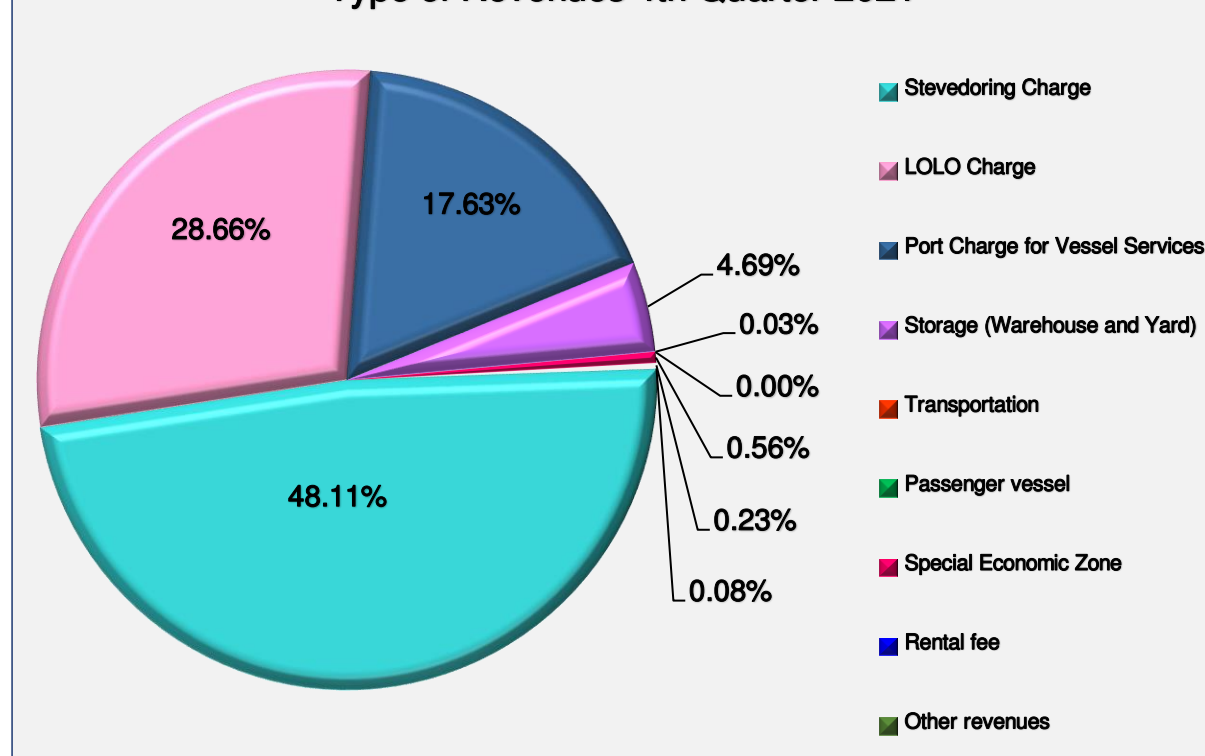
## Financial Highlight

| Financial Position         |                     | 31 <sup>st</sup> December<br>2021        | 31 <sup>st</sup> December<br>2020        | 31 <sup>st</sup> December<br>2019        |
|----------------------------|---------------------|------------------------------------------|------------------------------------------|------------------------------------------|
|                            |                     | KHR 000'                                 | KHR 000'                                 | KHR 000'                                 |
| Total Assets               |                     | 1,427,149,670                            | 1,389,842,701                            | 1,372,266,221                            |
| Total Liabilities          |                     | 643,255,511                              | 687,481,283                              | 689,741,381                              |
| Total Shareholders' Equity |                     | 783,894,159                              | 702,361,418                              | 682,524,840                              |
| Profit/(Loss)              |                     | 4 <sup>th</sup> Quarter 2021<br>KHR 000' | 4 <sup>th</sup> Quarter 2020<br>KHR 000' | 4 <sup>th</sup> Quarter 2019<br>KHR 000' |
| Total Revenues             |                     | 87,676,981                               | 84,133,436                               | 91,044,243                               |
| Profit/(Loss) before Tax   |                     | 28,833,183                               | 14,804,277                               | 22,729,688                               |
| Profit/(Loss) after Tax    |                     | 24,506,590                               | 10,872,518                               | 9,398,259                                |
| Total Comprehensive Income |                     | 24,506,590                               | 10,872,518                               | 8,737,259                                |
| Financial Ratios           |                     | 31 <sup>st</sup> December<br>2021        | 31 <sup>st</sup> Dec 2020                | 31 <sup>st</sup> Dec 2019                |
| Solvency Ratio             |                     | 5.39%                                    | 3.00%                                    | 2.70%                                    |
| Liquidity<br>Ratio         | Current Ratio       | 2.25                                     | 2.42                                     | 2.73                                     |
|                            | Quick Ratio         | 1.94                                     | 2.12                                     | 2.51                                     |
|                            |                     | 4 <sup>th</sup> Quarter 2021             | 4 <sup>th</sup> Quarter 2020             | 4 <sup>th</sup> Quarter 2019             |
| Profitability<br>Ratio     | Return on Assets    | 1.72%                                    | 0.78%                                    | 0.68%                                    |
|                            | Return on Equity    | 3.13%                                    | 1.55%                                    | 1.38%                                    |
|                            | Gross Profit Margin | 22.57%                                   | 24.88%                                   | 18.12%                                   |
|                            | Profit Margin       | 27.95%                                   | 12.92%                                   | 10.32%                                   |
|                            | Earnings per share  | 285.72                                   | 126.76                                   | 109.57                                   |
| Interest Coverage Ratio    |                     | 6.86                                     | 5.45                                     | 4.16                                     |

## Financial Summary Charts



### Type of Revenues 4th Quarter 2021



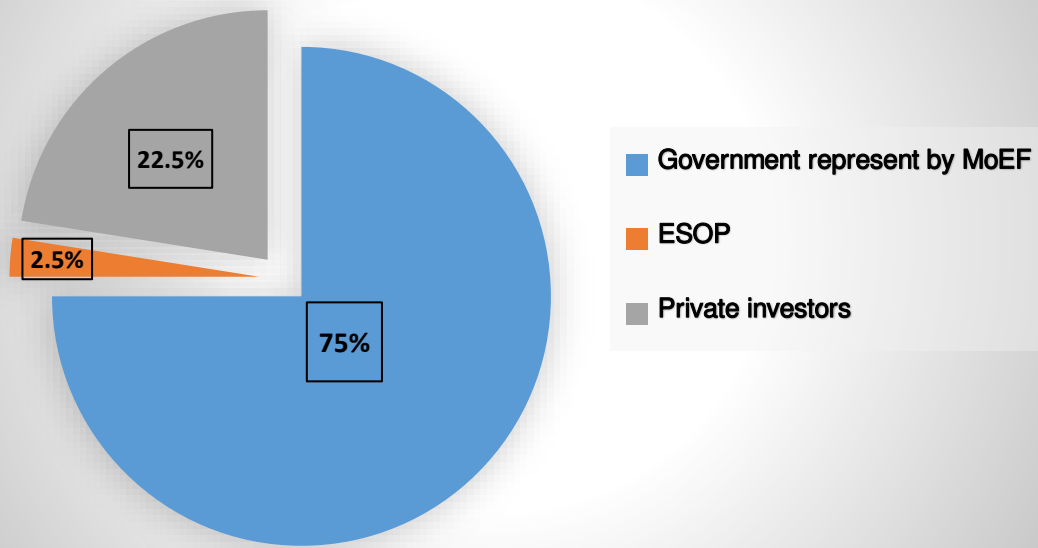
### PAS's Shareholders

| No.   | Classes of Shares                 | Shareholders                                          | Numbers of Shares | Percentage |
|-------|-----------------------------------|-------------------------------------------------------|-------------------|------------|
| 1     | Non-voting Right Shares "Class A" | State, represented by Ministry of Economy and Finance | 364,530,861       | 80.95%     |
| 2     | Voting Right Shares "Class B"     | State, represented by Ministry of Economy and Finance | 64,328,975        | 14.29%     |
| 3     | Voting Right Shares "Class C"     | Private                                               | 21,442,992        | 4.76%      |
| Total |                                   |                                                       | 450,302,828       | 100%       |

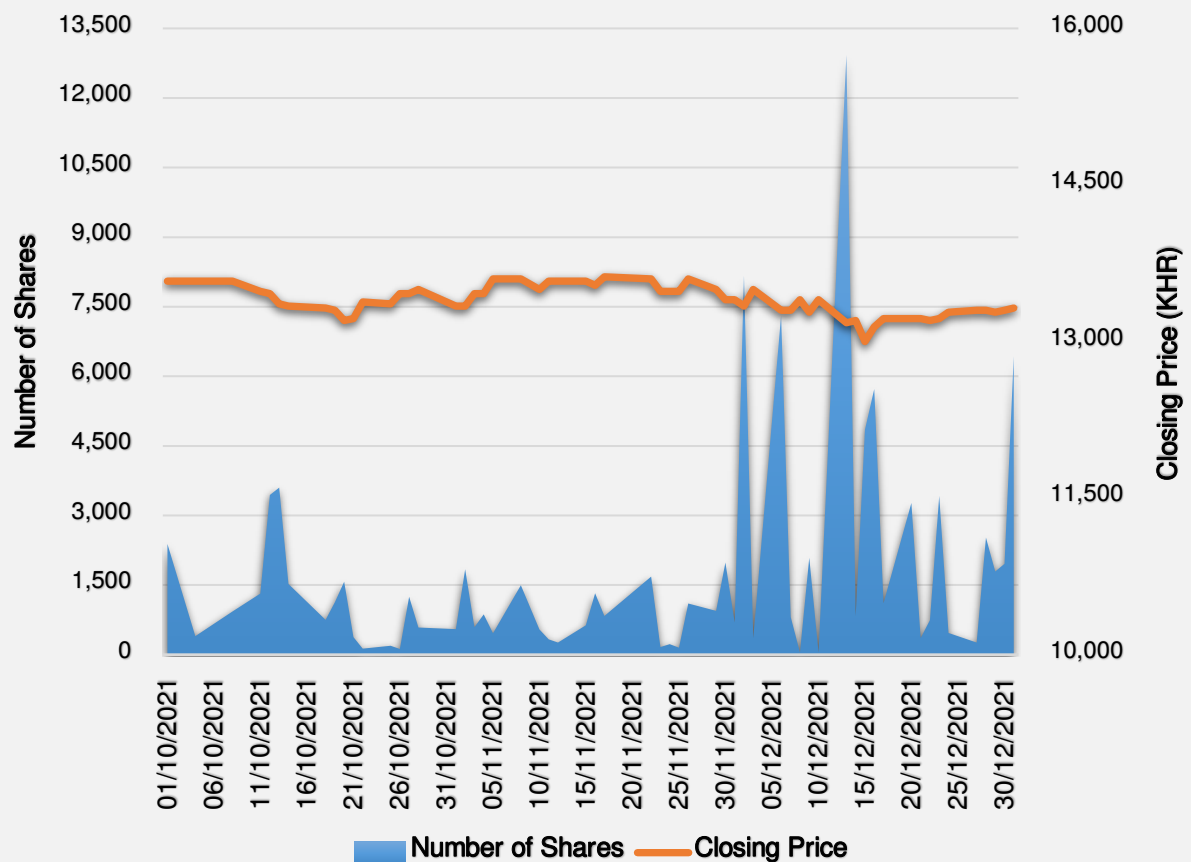
### PAS's Shareholders Class C

| No.   | Shareholders                              | Number of Shares | Percentage |
|-------|-------------------------------------------|------------------|------------|
| 1     | ESOP                                      | 2,144,299        | 10%        |
| 2     | KAMIGUMI CO., LTD                         | 11,150,324       | 52%        |
| 3     | KOBE-OSAKA International Port Corporation | 2,144,300        | 10%        |
| 4     | Other Private Shareholders                | 6,004,069        | 28%        |
| Total |                                           | 21,442,992       | 100%       |

### Voting Right Shares



### Changes in Share Price and Trading Volume



## Board of Directors



H.E. Lou Kim Chhun  
Chairman & CEO



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



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



H.E. Sok Sopheak  
Representative of  
Ministry of Commerce



Mr. Hun Monivann  
Independent Director



Mr. Hidetoshi KUME  
Non-Executive Director



Mr. Lou Lykheng  
Representative of  
PAS's Employee



## Speech of H.E Chairman & CEO

“On behalf of the Board of Directors of Sihanoukville Autonomous Port (PAS), I have the honor and pleasure to present the PAS’s business and financial reports of the 4<sup>th</sup> quarter, 2021 for the period ended 31<sup>st</sup> December 2021”.

With a solid support of the Royal Government as well as the two Ministries in Charge, PAS has continued an immense evolution to serve its business activities with an earned revenue of 87,676,981,000 Riels and a net profit of 24,506,590,000 Riels in this 4<sup>th</sup> quarter 2021. The revenue increased by 3,543,545,000 Riels equal to 4.21% compared to the same period of 2020, while the net profit after tax increased by 13,634,072,000 Riels equal to 125.40%. This was the result of increasing in Container throughputs and increasing in Unrealized foreign exchange gain (Japanese Yen) which led to increase in net profit compared to 4<sup>th</sup> quarter 2020. As the result, PAS’s earnings per share is 285.72 Riels in this 4<sup>th</sup> quarter 2021. Furthermore, the container throughputs amounted to 185,808 TEUs, increased of 9,350 TEUs equal to 5.30% compared to 4<sup>th</sup> quarter 2020.

PAS is going to continue its efforts for the betterment of business and service operation and to achieve the highest benefits for its shareholders. PAS has strengthened the work efficiency and built additional infrastructure to meet the increasing demand of customers and the growing economy. Besides, the multi-purpose terminal is designed to contribute and promote such important fields as agriculture, agro-industry, industry, trade, and especially in order to support the export of such Cambodian agricultural products as rice, dry tapioca, and bulk cargo in response to the Royal Government’s market expansion strategy for rice export as well as the provision of logistic services for oil exploration within the Cambodia’s sea territory. In addition, the multi-purpose terminal is also designed to import coal to be used for the generation of electricity and cement production. PAS is also in the process of its New Container Terminal Project which is still under architectural detail designs. This new container



terminal will be able to accommodate vessels with gross tonnage of 60,000 tons or container vessels with 5,000 TEUs which are the Post Panamax vessels.

➤ **In response to the increasing cargo throughputs as well as customers' service demand, PAS has set its main goal as follows:**

- Continue to carry out the works in accordance with the scheduled plan for 2021
- Maintain its competitive advantages, thereby ensuring service quality, competitive prices, work efficiency, and building up confidences for the customers
- Strengthen staff's capacity on management and technical skill to timely respond to the increasing demands of port's services
- Repair, maintenance and additionally develop port's infrastructure and machinery to ensure competitive advantages and promote its cargo handling capacity
- Strengthen strategic cooperation with domestic and regional ports
- Strengthen corporate governance by establishing necessary committees
- Contribute to the development of Corporate Social Responsibility's activities and promoting social welfare.

➤ **Duty of the Board of Directors**

In this 4<sup>th</sup> Quarter 2021, the Board of Directors had conducted two meetings and adopted the following works:

**The 1<sup>st</sup> (Extra-Ordinary) Meeting of the Board of Directors in its 8<sup>th</sup> Mandate on October 22<sup>nd</sup>, 2021 (ZOOM Video Conference)**

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

- After reviewing and discussing, the board members have unanimously approved on the request to purchase a plot of land for the development as a container depot (ICD) and the development of other infrastructure of PAS with an area approximately of 750,000 square meters at a cost of USD \$15 per square meter located along Hun Sen-Keo Phos Road in Rithy 2 Village, Keo Phos Commune, Stung Hav District, Sihanouk Province by allowing PAS to make a contract agreement for the purchase and sale of land and payment accordance with PAS's cashflow which the committee agreed with the landowner and to request PAS to prepare a formal letter to His Excellency, Deputy Prime Minister, Minister of Economy and Finance to review, decide and approve PAS to purchase the land by preparing the contract agreement

for the purchase and sale of land and payment accordance with PAS's cashflow which the committee agreed with the landowner immediately.

- After reviewing and discussing, the board members have revised the Vision, Mission and Values of PAS as follow:

#### **1. VISION**

- To become the only efficient and dynamic deep seaport, contributing to the improvement of logistic service and socio-economic development in the Kingdom of Cambodia.

#### **2. MISSION**

- To develop in accordance with the policy of the Royal Government.
- To improve service quality through close cooperation with port users, modernize port management and human resources development in line with international innovation
- To collaborate with development partners to study and towards the construction of deep-water ports in line with the vision and growth of transit containers
- To promote and strengthen the principle of being a port for all.

#### **3. VALUE**

- (Geographical Superiority)
- (Customer-Oriented)
- (Pro-action & Innovation)
- (Integrity & Accountability)
- (Friendliness & Respectfulness)
- (Teamwork & Service Quality)
- (Reliability & Sustainable Growth)

**The 2<sup>nd</sup> (Ordinary) Meeting of the Board of Directors in its 8<sup>th</sup> Mandate on November 05<sup>th</sup>, 2021 (ZOOM Video Conference)**

- After reviewing and discussing, the board members has approved the report of Audit Committee, Nomination Committee and Risk Committee which was raised in the meeting.
- After reviewing and discussing, the board members has approved PAS to prepare a report and presentation immediately to the Guardian Ministry on the Feasibility Study of the new terminal project Phase 2 and Phase 3 as a single project.



- After reviewing and discussing, the board members has approved on the Business Result Report for the Nine-Month Period and Third Quarter of 2021.
- After reviewing and discussing, the board members has approved on the Condensed Interim Financial Information for the Third Quarter of 2021 which reviewed by PWC.
- After reviewing and discussing, the board members has approved on the operational plan (service) of PAS for 2022 as follow:

### 1. Operational Plan

#### a. Product Quantity

|                          |                 |                   |
|--------------------------|-----------------|-------------------|
| • Cargo throughput       | 7,418,000 tons  | an increase of 6% |
| • Cargo Handling in tons | 10,298,000 tons | an increase of 6% |
| • Container throughput   | 787,000 TEUs    | an increase of 8% |
| • Calling Vessel         | 1,450 vessels   | an increase of 2% |
| • Vessel capacity        | 14,128,000 tons | an increase of 3% |

|                             |                     |              |
|-----------------------------|---------------------|--------------|
| b. Revenue                  | KHR'000 355,585,000 | increase 5%  |
| c. Operating expenses       | KHR'000 265,854,000 | increase 1%  |
| d. Operating profit         | KHR'000 89,731,000  | increase 18% |
| e. Finance Profit-net       | KHR'000 19,272,000  | increase 0%  |
| f. Profit before income tax | KHR'000 109,003,000 | increase 14% |
| g. Income tax expenses      | KHR'000 21,801,000  | increase 14% |
| h. Profit for the year      | KHR'000 87,202,000  | increase 14% |

### 2. Investment Plan: Investment plan in 2022 of PAS is as follow:

- Construction site using Japan ODA loan KHR'000 28,482,700
  - Construction of basic structure KHR'000 30,655,700
  - Equipment and machinery KHR'000 117,846,300 (Expense in 2022 = KHR'000 67,006,300 and expense in 2023 = KHR'000 50,840,000)
  - Office equipment and furniture KHR'000 3,367,535
- After reviewing and discussing, the board members has approved on setting the date for the 3<sup>rd</sup> Board Meeting of the 8<sup>th</sup> Mandate on 11<sup>th</sup> February 2022.

## Acknowledgement

Once again, I would like to express my profound thanks to the Royal Government of Cambodia led by Samdech Akka Moha Sena Padei Techo Hun Sen, Prime Minister of the



Kingdom of Cambodia, and the two Ministries in Charge, namely Ministry of Public Works and Transport and Ministry of Economy and Finance for extending their support and trust on PAS's operational activities from time to time.

Last but not least, I would like to thank to all the PAS's employees for their hard work and dedication to the job.

Sihanoukville, Dated: 18 February 2022

Chairman

**LOU KIMCHHUN**

# Table of Contents

|                                                                               |           |
|-------------------------------------------------------------------------------|-----------|
| Financial Highlight .....                                                     | i         |
| Financial Summary Charts .....                                                | ii        |
| Board of Directors .....                                                      | v         |
| Message from the Chairman .....                                               | vi        |
| <br><b>PART 1: General Information of Sihanoukville Autonomous Port .....</b> | <b>1</b>  |
| A. Identity of Sihanoukville Autonomous Port .....                            | 2         |
| B. Nature of Business .....                                                   | 2         |
| C. Quarter's key Events .....                                                 | 4         |
| <br><b>PART 2: Information on Business Operation Performance .....</b>        | <b>5</b>  |
| A. Business Operational .....                                                 | 6         |
| B. Revenue Structure .....                                                    | 10        |
| <br><b>PART 3: Financial Statement Reviewed by the External Auditor .....</b> | <b>11</b> |
| <br><b>PART 4: Management's Discussion and Analysis .....</b>                 | <b>35</b> |
| A. Overview of Operation .....                                                | 36        |
| B. Significant Factors Affecting Profit .....                                 | 46        |
| C. Material Changes in Sales and Revenue .....                                | 47        |
| D. Impact of Foreign Exchange, Interest Rates and Commodity Prices .....      | 47        |
| E. Impacts of inflation .....                                                 | 47        |
| F. Economic/Fiscal/Monetary Policy of Royal Government .....                  | 48        |
| <br><b>PART 5: Other Necessary Information for Investor Protection .....</b>  | <b>49</b> |
| Signature of Directors of Sihanoukville Autonomous Port .....                 | 53        |



# **PART 1**

## **General Information of Sihanoukville Autonomous Port**



## A. Identity of Sihanoukville Autonomous Port

Company name (Khmer) : កំពង់ផែស្វយ័តក្រុងព្រះសីហនុ (ភសស)  
Company name (Latin) : PORT AUTONOME DE SIHANOUKVILLE “PAS”  
Company name (English) : SIHANOUKVILLE AUTONOMOUS PORT  
Standard Code : KH1000060009  
Address : Terak Vithei Samdech Akka Moha Sena Padei Techo Hun Sen,  
Sangkat 3, Preah Sihanouk City, Preah Sihanouk Province,  
Cambodia.  
Phone Number : (855) 34 933 416/ 933 511  
Fax Number : (855) 34 933 693  
Website : [www.pas.gov.kh](http://www.pas.gov.kh)  
Email : [pasinfo@pas.gov.kh](mailto:pasinfo@pas.gov.kh)  
Company Registration Number : Co.4784 Et/2017 Date: 21st February 2017  
License Number: 0159 ពណ៌.ច័រ័ព Issued by: Ministry of Economy and Finance Date: 22<sup>nd</sup>  
February 2017  
Disclosure Document Registration Number issued by SECC : 058/17/SECC  
Date: 09<sup>th</sup> May 2017  
Representative of PAS: His Excellency **Lou Kim Chhun**

## B. Nature of Business

Sihanoukville Autonomous Port which is the sole international deep sea port of the Kingdom of Cambodia is performing its business operation on the land area approximately 125 hectares. Situated along the coastal line of the Kingdom of Cambodia, in the Gulf of Thailand, PAS enjoys a favorable natural condition which contributes smoothly to the year-round business operation with calm sea water and no tidal storms.

PAS is connected by a variety of multi-modal transportation networks. By road, PAS is connected by two main national roads, namely National Road No. 4 with 226 Km long from Phnom Penh capital and National Road No. 3 with 244 Km long through Kampot province. PAS is also connected by the southern railroad from Phnom Penh through Kampot province with 264 Km long. By airways, PAS is connected to Siem Reap province and Phnom Penh capital by Sihanoukville International Airport.

**As the port operator, PAS offers business services as follows:**

- Bringing vessels in and out and provide logistics supplies
- Conducting cargo handling, offloading, loading operation
- Stocks, warehousing and yards
- Transporting cargo
- Special Economic Zone.

**PAS has a total quay length of 1,860 meters and divided into 13 berths as follows:**

| No | Terminal                       | Type of Goods                                               | Length (m) | Width (m) | Terminal Number                                                                                                                                                                                                                                                             |
|----|--------------------------------|-------------------------------------------------------------|------------|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1  | Passenger Terminal (Old Jetty) | Passengers and General Cargo                                | 290        | 28        | Terminal No. 1 and No. 3: 9m to 13m draft for ships with 8.5m alongside depth.<br>Terminal No. 2 and No. 4: 6.5m to 8m draft for ships with 7m alongside depth.                                                                                                             |
| 2  | New Wharf                      | Container                                                   | 350        | 500       | Terminal No. 5 (West) and No. 6 (East): 10m draft for ships with under 8.5m alongside depth.                                                                                                                                                                                |
| 3  | Container terminal             | Container                                                   | 400        | 350       | Terminal No. 7 and No. 8: 11m draft for ships with under 8.5m alongside depth.                                                                                                                                                                                              |
| 4  | Multipurpose terminal          | Passengers, General Cargo and Oil Exploration Logistic Base | 330        | 200       | Multipurpose terminal with 330m length and 13.5m depths for bulk and general cargoes which allow vessels with 50,000 DWT and the Terminal for Logistic Base Oil Exploration with 200m length and 7.5m depths for the offshore oil exploration in the territory of Cambodian |

|   |                |           |    |   |                                                                                                                                                                  |
|---|----------------|-----------|----|---|------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5 | Concrete Wharf | Petroleum | 53 | 5 | Petroleum port: 4.5m draft with under 80m long. Mooring and unmooring facilities have been prepared for berthing alongside of ships with under 6m and 110m long. |
|---|----------------|-----------|----|---|------------------------------------------------------------------------------------------------------------------------------------------------------------------|

- **Railway Container Terminal**

Beside from the above terminals, in cooperation with Royal Railway Co., Ltd, PAS has also established a railroad operational system and container yard within the port's premises so that customers or cargo owners can transport containers from PAS to Phnom Penh and vice versa. PAS has rented the land area in this premises to Royal Railway Co., Ltd and provided container loading and offloading services on board train and vice versa.

- **Sihanoukville Port Special Economic Zone**

Apart from the business and services mentioned above, PAS also operates the Sihanoukville Port Special Economic Zone with approximately 64 hectares of land area which was constructed in accordance with Japanese standard.



## c. Quarter's Key Events

For this 4<sup>th</sup> quarter of 2021, there isn't any key event.



## **PART 2**

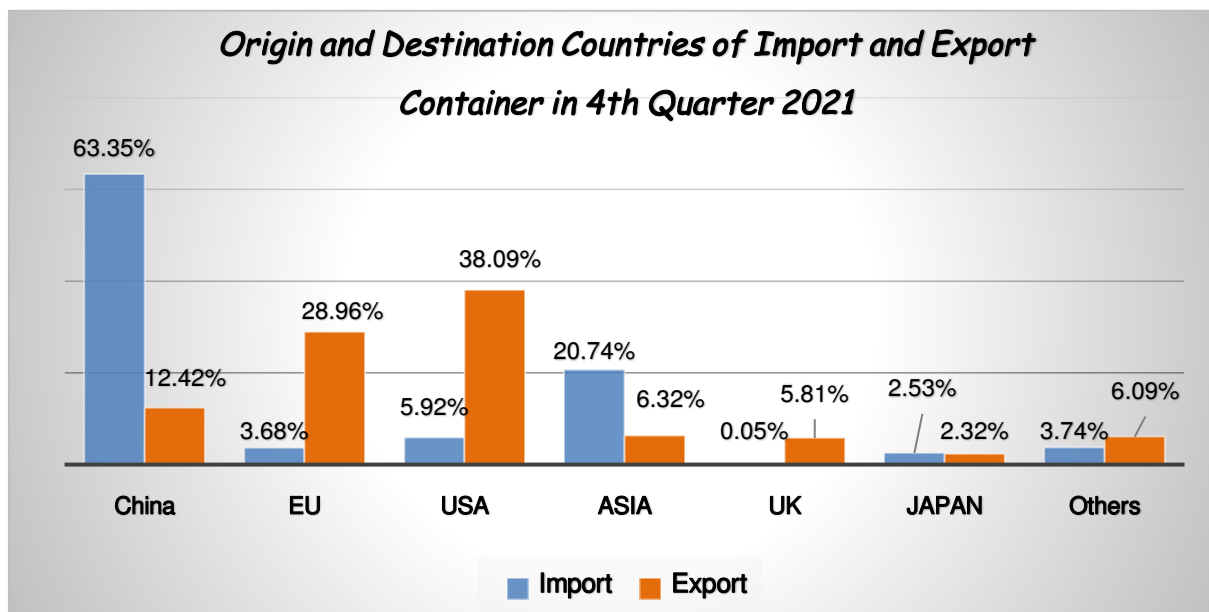
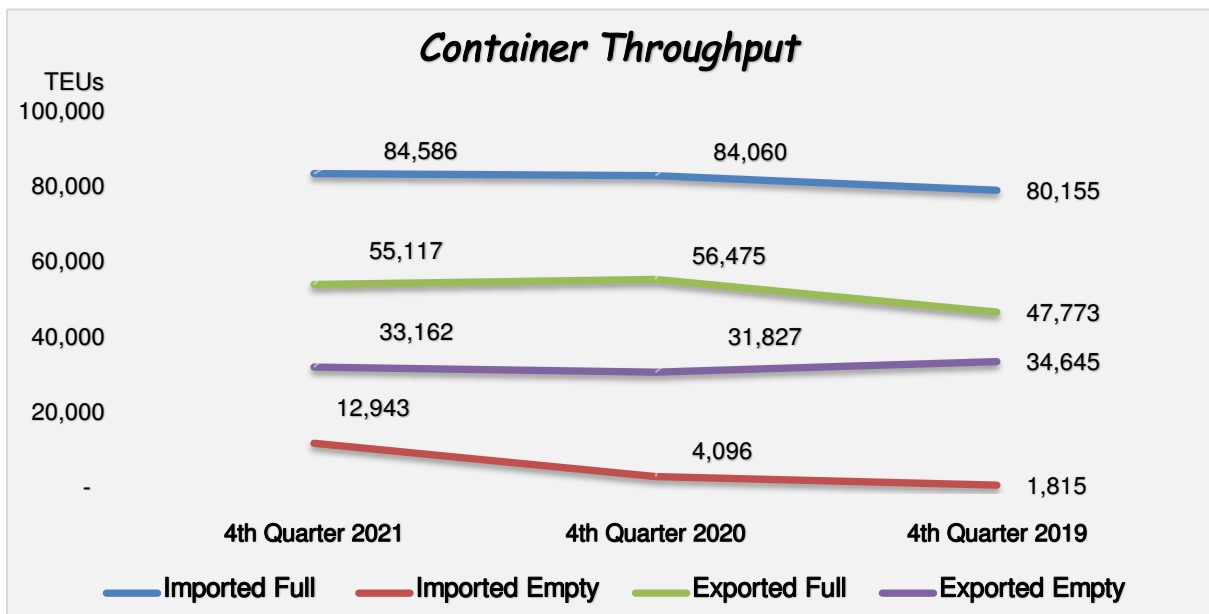
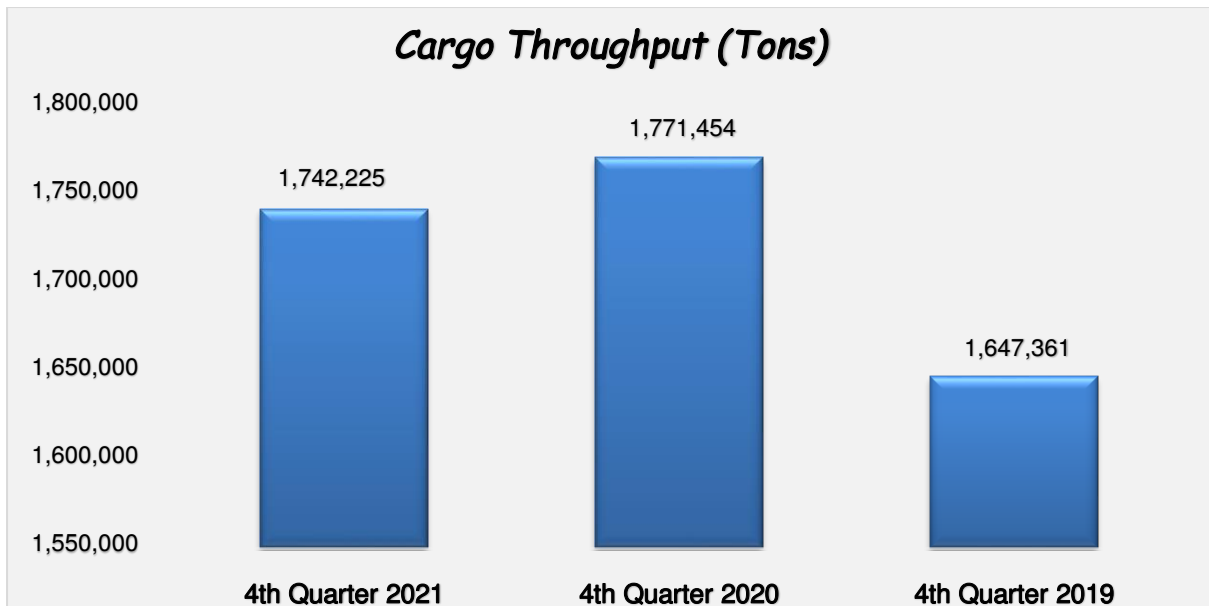
# **Information on Business Operation Performance**



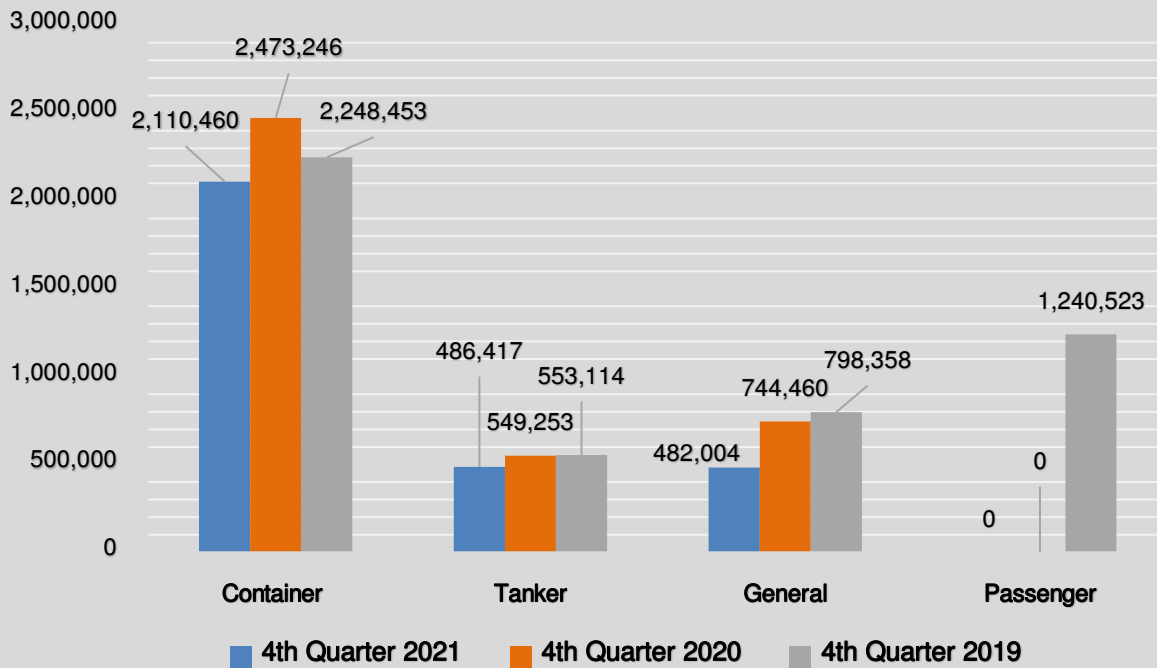
## A. Business Operation Performance including business segments information

| Items                        |             | Planning<br>2021 | 4 <sup>th</sup> Quarter<br>2021 | 4 <sup>th</sup> Quarter<br>2020 | 4 <sup>th</sup> Quarter<br>2019 | Comparison    |               |
|------------------------------|-------------|------------------|---------------------------------|---------------------------------|---------------------------------|---------------|---------------|
|                              |             | 1                | 2                               | 3                               | 4                               | (2-3)/3       | (2-4)/4       |
| <b>Gross Throughput</b>      | <b>Tons</b> | <b>6,698,000</b> | <b>1,742,225</b>                | <b>1,771,454</b>                | <b>1,647,361</b>                | <b>-1.65%</b> | <b>5.76%</b>  |
| Container Cargo              | —           |                  | 1,295,857                       | 1,278,628                       | 1,093,041                       | 1.35%         | 18.56%        |
| General Cargo                | —           |                  | 52,681                          | 85,123                          | 111,384                         | -38.11%       | -52.70%       |
| Fuel & Gas                   | —           |                  | 393,687                         | 407,703                         | 442,936                         | -3.44%        | -11.12%       |
| <b>Imported Cargo</b>        | <b>—</b>    | <b>5,013,000</b> | <b>1,267,570</b>                | <b>1,272,379</b>                | <b>1,234,299</b>                | <b>-0.38%</b> | <b>2.70%</b>  |
| Container                    | —           |                  | 821,201                         | 785,851                         | 691,899                         | 4.50%         | 18.69%        |
| General                      | —           |                  | 446,369                         | 486,528                         | 542,400                         | -8.25%        | -17.70%       |
| <b>Exported Cargo</b>        | <b>—</b>    | <b>1,685,000</b> | <b>474,657</b>                  | <b>499,075</b>                  | <b>413,062</b>                  | <b>-4.89%</b> | <b>14.91%</b> |
| Container                    | —           |                  | 474,657                         | 492,777                         | 401,142                         | -3.68%        | 18.33%        |
| General                      | —           |                  | -                               | 6,298                           | 11,920                          | -100.00%      | -100.00%      |
| <b>Cargo Handling</b>        | <b>—</b>    | <b>8,718,000</b> | <b>2,650,254</b>                | <b>2,667,289</b>                | <b>2,310,273</b>                | <b>-0.64%</b> | <b>14.72%</b> |
| Direct Transfer              | —           | 211,000          | 46,824                          | 56,362                          | 98,576                          | -16.92%       | -52.50%       |
| Container Yard and Warehouse | —           | 8,507,000        | 2,603,430                       | 2,610,927                       | 2,211,697                       | -0.29%        | 17.71%        |
| <b>Container Throughput</b>  | <b>TEUs</b> | <b>639,000</b>   | <b>185,808</b>                  | <b>176,458</b>                  | <b>164,388</b>                  | <b>5.30%</b>  | <b>13.03%</b> |

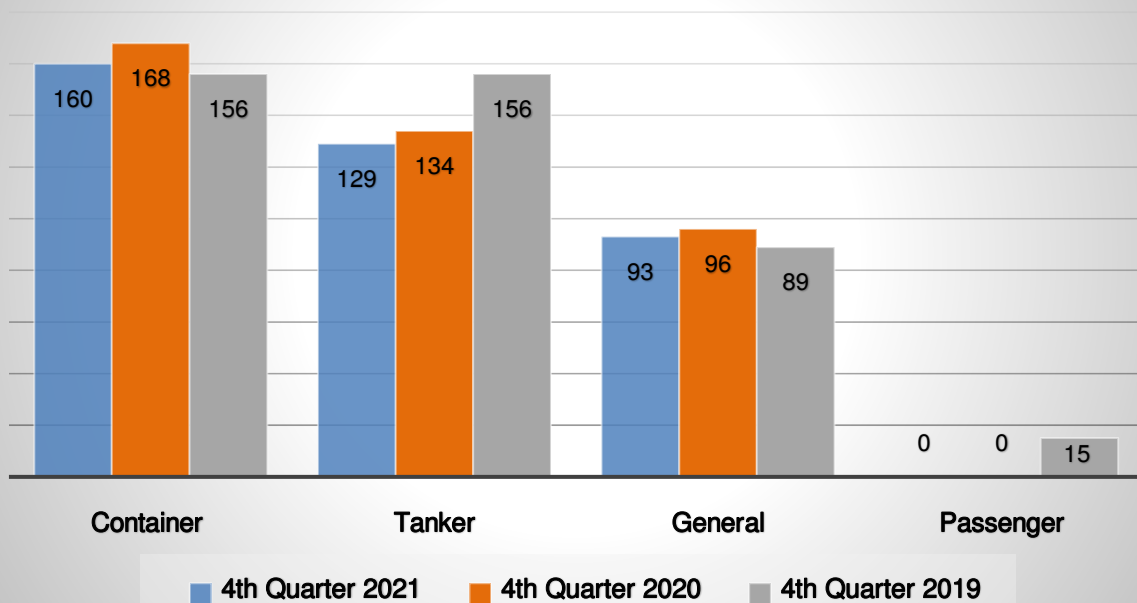
|                                |              |                   |                  |                  |                  |                |                |
|--------------------------------|--------------|-------------------|------------------|------------------|------------------|----------------|----------------|
| <b>Imported Container</b>      | —            | <b>318,000</b>    | <b>97,529</b>    | <b>88,156</b>    | <b>81,970</b>    | <b>10.63%</b>  | <b>18.98%</b>  |
| Full Container                 | —            |                   | 84,586           | 84,060           | 80,155           | 0.63%          | 5.53%          |
| Empty Container                | —            |                   | 12,943           | 4,096            | 1,815            | 215.99%        | 613.11%        |
| <b>Exported Container</b>      | —            | <b>321,000</b>    | <b>88,279</b>    | <b>88,302</b>    | <b>82,418</b>    | <b>-0.3%</b>   | <b>7.11%</b>   |
| Full Container                 | —            |                   | 55,117           | 56,475           | 47,773           | -2.40%         | 15.37%         |
| Empty Container                | —            |                   | 33,162           | 31,827           | 34,645           | 4.19%          | -4.28%         |
| <b>Calling Vessels</b>         | <b>Units</b> | <b>1,580</b>      | <b>382</b>       | <b>398</b>       | <b>416</b>       | <b>-4.02%</b>  | <b>-8.17%</b>  |
|                                | <b>Tons</b>  | <b>17,705,000</b> | <b>3,078,881</b> | <b>3,766,959</b> | <b>4,840,448</b> | <b>-18.27%</b> | <b>-36.39%</b> |
| <b>Container</b>               | Units        |                   | 160              | 168              | 156              | -4.76%         | 2.56%          |
|                                | Tons         |                   | 2,110,460        | 2,473,246        | 2,248,453        | -14.67%        | -6.14%         |
| <b>Tanker</b>                  | Units        |                   | 129              | 134              | 156              | -3.73%         | -17.31%        |
|                                | Tons         |                   | 486,417          | 549,253          | 553,114          | -11.44%        | -12.06%        |
| <b>General</b>                 | Units        |                   | 93               | 96               | 89               | -3.13%         | 4.49%          |
|                                | Tons         |                   | 482,004          | 744,460          | 798,358          | -35.25%        | -39.63%        |
| <b>Passenger (Cruise Ship)</b> | Units        |                   | -                | -                | 15               | -100.00%       | -100.00%       |
|                                | Tons         |                   | -                | -                | 1,240,523        | -100.00%       | -100.00%       |
|                                | Person       |                   | -                | -                | 19,434           | -100.00%       | -100.00%       |



### *Vessel Calling (Gross Tonnage)*



### *Vessel Calling (Units)*



## B. Revenue structure

| Description                     | 4 <sup>th</sup> Quarter 2021 |                            | 4 <sup>th</sup> Quarter 2020 |                            | 4 <sup>th</sup> Quarter 2019 |                            |
|---------------------------------|------------------------------|----------------------------|------------------------------|----------------------------|------------------------------|----------------------------|
|                                 | '000 riels                   | Percentage of total income | '000 riels                   | Percentage of total income | '000 riels                   | Percentage of total income |
| Stevedoring Charge              | 42,181,877                   | 48.11%                     | 40,487,009                   | 48.12%                     | 41,061,998                   | 45.10%                     |
| LOLO Charge                     | 25,131,857                   | 28.66%                     | 23,155,650                   | 27.52%                     | 24,480,297                   | 26.89%                     |
| Port Charge for Vessel Services | 15,457,738                   | 17.63%                     | 16,695,261                   | 19.84%                     | 18,236,742                   | 20.03%                     |
| Storage (Warehouse and Yard)    | 4,109,819                    | 4.69%                      | 2,850,266                    | 3.39%                      | 5,855,691                    | 6.43%                      |
| Transportation                  | 26,885                       | 0.03%                      | 42,964                       | 0.05%                      | 1,954                        | 0.00%                      |
| Passenger vessel                | 0                            | 0.00%                      | 0                            | 0.00%                      | 315,779                      | 0.35%                      |
| Special Economic Zone           | 493,864                      | 0.56%                      | 462,605                      | 0.55%                      | 755,593                      | 0.83%                      |
| Rental fee                      | 205,712                      | 0.23%                      | 358,420                      | 0.43%                      | 254,731                      | 0.28%                      |
| Other revenues                  | 69,230                       | 0.08%                      | 81,260                       | 0.10%                      | 81,458                       | 0.09%                      |
| <b>Total Revenue</b>            | <b>87,676,981</b>            | <b>100.00%</b>             | <b>84,133,436</b>            | <b>100.00%</b>             | <b>91,044,243</b>            | <b>100.00%</b>             |





## **PART 3**

# **Financial Statements Reviewed by the External Auditor**



## Report on review of condensed interim financial information

To the shareholders of Sihanoukville Autonomous Port

### Introduction

We have reviewed the accompanying statement of financial position of Sihanoukville Autonomous Port (PAS) as at 31 December 2021 and the related statements of profit or loss and other comprehensive income for the three-month and twelve-month periods then ended, the statement of changes in equity and cash flows for the twelve-month period then ended and notes, comprising a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with Cambodian International Accounting Standard 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

### Scope of review

We conducted our review in accordance with Cambodian International Standard on Review Engagements 2410, 'Review of interim financial information performed by the independent auditor of the entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Cambodian International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information is not prepared, in all material respects, in accordance with Cambodian International Accounting Standard 34, 'Interim Financial Reporting'.

For PricewaterhouseCoopers (Cambodia) Ltd.

  
  
By Lang Hy  
Partner

Phnom Penh, Kingdom of Cambodia  
18 February 2022

# SIHANOUKVILLE AUTONOMOUS PORT

## INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED) AS AT 31 DECEMBER 2021

|                                      | Notes | 31 December<br>2021<br>KHR'000<br>(Reviewed but<br>unaudited) | 31 December<br>2020<br>KHR'000<br>(Audited) |
|--------------------------------------|-------|---------------------------------------------------------------|---------------------------------------------|
| <b>ASSETS</b>                        |       |                                                               |                                             |
| <b>Non-current assets</b>            |       |                                                               |                                             |
| Property and equipment               | 7     | 966,165,844                                                   | 915,369,015                                 |
| Investment properties                | 8     | 256,328,259                                                   | 273,835,467                                 |
| Intangible assets                    | 9     | 4,936,332                                                     | 5,673,745                                   |
| <b>Total non-current assets</b>      |       | <b>1,227,430,435</b>                                          | <b>1,194,878,227</b>                        |
| <b>Current assets</b>                |       |                                                               |                                             |
| Loans to employees                   |       | -                                                             | 1,228,021                                   |
| Inventories                          |       | 27,225,006                                                    | 23,853,022                                  |
| Trade and other receivables          | 10    | 35,659,911                                                    | 34,615,253                                  |
| Short-term bank deposits             |       | 101,306,681                                                   | 104,527,103                                 |
| Cash and cash equivalents            |       | 22,468,929                                                    | 30,741,075                                  |
|                                      |       | <b>186,660,527</b>                                            | <b>194,964,474</b>                          |
| Assets classified as held for sale   | 11    | 13,058,708                                                    | -                                           |
| <b>Total current assets</b>          |       | <b>199,719,235</b>                                            | <b>194,964,474</b>                          |
| <b>Total assets</b>                  |       | <b>1,427,149,670</b>                                          | <b>1,389,842,701</b>                        |
| <b>EQUITY AND LIABILITIES</b>        |       |                                                               |                                             |
| <b>EQUITY</b>                        |       |                                                               |                                             |
| Share capital and share premium      | 12    | 518,018,063                                                   | 518,018,063                                 |
| Other reserves                       | 13    | 31,719,832                                                    | 29,059,072                                  |
| Retained earnings                    |       | 234,156,264                                                   | 155,284,283                                 |
| <b>Total equity</b>                  |       | <b>783,894,159</b>                                            | <b>702,361,418</b>                          |
| <b>LIABILITIES</b>                   |       |                                                               |                                             |
| <b>Non-current liabilities</b>       |       |                                                               |                                             |
| Borrowings                           | 14    | 435,025,425                                                   | 502,343,609                                 |
| Retirement benefit obligations       | 15    | 83,646,559                                                    | 78,532,967                                  |
| Seniority payment obligations        |       | 1,080,149                                                     | 983,118                                     |
| Deferred income                      |       | 5,310,459                                                     | 5,406,143                                   |
| Deferred tax liabilities             |       | 29,419,014                                                    | 19,676,316                                  |
| <b>Total non-current liabilities</b> |       | <b>554,481,606</b>                                            | <b>606,942,153</b>                          |
| <b>Current liabilities</b>           |       |                                                               |                                             |
| Borrowings                           | 14    | 33,961,572                                                    | 37,602,224                                  |
| Retirement benefit obligations       | 15    | 4,534,425                                                     | 7,949,000                                   |
| Seniority payment obligations        |       | -                                                             | 3,126,060                                   |
| Deferred income                      |       | 134,442                                                       | 133,485                                     |
| Trade and other payables             |       | 44,208,159                                                    | 24,120,868                                  |
| Income tax liabilities               |       | 5,935,307                                                     | 7,607,493                                   |
| <b>Total current liabilities</b>     |       | <b>88,773,905</b>                                             | <b>80,539,130</b>                           |
| <b>Total liabilities</b>             |       | <b>643,255,511</b>                                            | <b>687,481,283</b>                          |
| <b>Total equity and liabilities</b>  |       | <b>1,427,149,670</b>                                          | <b>1,389,842,701</b>                        |

The accompanying notes on pages 6 to 23 are an integral part of this condensed interim financial information.



**SIHANOUKVILLE AUTONOMOUS PORT**
**INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
(UNAUDITED)  
FOR THE THREE-MONTH AND TWELVE-MONTH PERIODS ENDED 31 DECEMBER 2021**

|                                                                | <b>Notes</b> | <b>Three-month period ended</b> |                                 | <b>Twelve-month period ended</b> |                         |
|----------------------------------------------------------------|--------------|---------------------------------|---------------------------------|----------------------------------|-------------------------|
|                                                                |              | <b>31 December 2021</b>         | <b>31 December 2020</b>         | <b>31 December 2021</b>          | <b>31 December 2020</b> |
|                                                                |              | <b>KHR'000</b>                  | <b>KHR'000</b>                  | <b>KHR'000</b>                   | <b>KHR'000</b>          |
|                                                                |              | <i>(Reviewed but unaudited)</i> | <i>(Reviewed but unaudited)</i> | <i>(Reviewed but unaudited)</i>  | <i>(Audited)</i>        |
| <b>Revenue</b>                                                 | 16           | 87,676,981                      | 84,133,436                      | 342,349,229                      | 311,813,769             |
| <b>Expenses</b>                                                |              |                                 |                                 |                                  |                         |
| Consumable supplies                                            | 17           | (25,656,557)                    | (21,659,156)                    | (93,739,246)                     | (83,545,113)            |
| Salaries, wages and related expenses                           | 18           | (25,283,054)                    | (25,873,182)                    | (104,366,949)                    | (90,127,696)            |
| Depreciation and amortisation charges                          | 19           | (10,175,801)                    | (9,784,237)                     | (39,922,677)                     | (37,989,556)            |
| Repairs and maintenances                                       |              | (359,030)                       | (2,244,057)                     | (4,857,053)                      | (8,879,693)             |
| Other expenses                                                 |              | (5,890,833)                     | (3,324,481)                     | (20,347,406)                     | (21,631,309)            |
| Other (losses)/gains – net                                     |              | (524,554)                       | (314,850)                       | (273,300)                        | (144,097)               |
|                                                                |              | <u>(67,889,829)</u>             | <u>(63,199,963)</u>             | <u>(263,506,631)</u>             | <u>(242,317,464)</u>    |
| Operating profit                                               |              | 19,787,152                      | 20,933,473                      | 78,842,598                       | 69,496,305              |
| Finance income                                                 |              | 11,931,959                      | 1,060,741                       | 43,397,485                       | 4,507,124               |
| Finance costs                                                  |              | (2,885,928)                     | (7,189,937)                     | (11,194,446)                     | (31,863,208)            |
| Finance income/(costs) – net                                   | 20           | 9,046,031                       | (6,129,196)                     | 32,203,039                       | (27,356,084)            |
| <b>Profit before income tax</b>                                |              | <u>28,833,183</u>               | <u>14,804,277</u>               | <u>111,045,637</u>               | <u>42,140,221</u>       |
| Income tax expense                                             |              | <u>(4,326,593)</u>              | <u>(3,931,759)</u>              | <u>(17,338,247)</u>              | <u>(15,532,627)</u>     |
| <b>Profit for the period</b>                                   |              | <u>24,506,590</u>               | <u>10,872,518</u>               | <u>93,707,390</u>                | <u>26,607,594</u>       |
| <b>Profit attributable to shareholders</b>                     |              | <u>24,506,590</u>               | <u>10,872,518</u>               | <u>93,707,390</u>                | <u>26,607,594</u>       |
| <b>Total comprehensive income attributable to shareholders</b> |              | <u>24,506,590</u>               | <u>10,872,518</u>               | <u>93,707,390</u>                | <u>26,607,594</u>       |

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

|                                        |    |               |               |                 |               |
|----------------------------------------|----|---------------|---------------|-----------------|---------------|
| Basic/diluted earnings per share (KHR) | 22 | <u>285.72</u> | <u>126.76</u> | <u>1,092.52</u> | <u>310.21</u> |
|----------------------------------------|----|---------------|---------------|-----------------|---------------|

The accompanying notes on pages 6 to 23 are an integral part of this condensed interim financial information.

# SIHANOUKVILLE AUTONOMOUS PORT

## INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2021

|                                                                            | Attributable to shareholders                     |                              |                                 |                    |
|----------------------------------------------------------------------------|--------------------------------------------------|------------------------------|---------------------------------|--------------------|
|                                                                            | Share capital<br>and share<br>premium<br>KHR'000 | Other<br>reserves<br>KHR'000 | Retained<br>earnings<br>KHR'000 | Total<br>KHR'000   |
| <b>Balance at 1 January 2020</b>                                           | 518,018,063                                      | 24,712,722                   | 139,794,055                     | 682,524,840        |
| Profit for the period                                                      | -                                                | -                            | 26,607,594                      | 26,607,594         |
| Total comprehensive income for the period                                  | -                                                | -                            | 26,607,594                      | 26,607,594         |
| Transfer to reserves (note 13)                                             | -                                                | 4,346,350                    | (4,346,350)                     | -                  |
| Dividends paid (note 6)                                                    | -                                                | -                            | (6,771,016)                     | (6,771,016)        |
| <b>Balance at 31 December 2020<br/>(audited)</b>                           | <u>518,018,063</u>                               | <u>29,059,072</u>            | <u>155,284,283</u>              | <u>702,361,418</u> |
| <i>Twelve-month period ended 31 December 2021 (reviewed but unaudited)</i> |                                                  |                              |                                 |                    |
| <b>Balance at 1 January 2021</b>                                           | 518,018,063                                      | 29,059,072                   | 155,284,283                     | 702,361,418        |
| Profit for the period                                                      | -                                                | -                            | 93,707,390                      | 93,707,390         |
| Total comprehensive income for the period                                  | -                                                | -                            | 93,707,390                      | 93,707,390         |
| Transfer to reserves (note 13)                                             | -                                                | 2,660,760                    | (2,660,760)                     | -                  |
| Dividends paid (note 6)                                                    | -                                                | -                            | (12,174,649)                    | (12,174,649)       |
| <b>Balance at 31 December 2021<br/>(reviewed but unaudited)</b>            | <u>518,018,063</u>                               | <u>31,719,832</u>            | <u>234,156,264</u>              | <u>783,894,159</u> |

The accompanying notes on pages 6 to 23 are an integral part of this condensed interim financial information.

# SIHANOUKVILLE AUTONOMOUS PORT

## INTERIM STATEMENT OF CASH FLOWS (UNAUDITED) FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2021

|                                                             | Notes | Twelve-month period ended                                     |                                             |
|-------------------------------------------------------------|-------|---------------------------------------------------------------|---------------------------------------------|
|                                                             |       | 31 December<br>2021<br>KHR'000<br>(Reviewed but<br>unaudited) | 31 December<br>2020<br>KHR'000<br>(Audited) |
| <b>Cash flows from operating activities</b>                 |       |                                                               |                                             |
| Cash inflow from operations                                 | 23    | 130,334,464                                                   | 119,759,234                                 |
| Income tax paid                                             |       | (8,141,938)                                                   | (12,652,948)                                |
| Net cash inflow from operating activities                   |       | 122,192,526                                                   | 107,106,286                                 |
| <b>Cash flows from investing activities</b>                 |       |                                                               |                                             |
| Purchases of property and equipment                         | 7     | (85,331,238)                                                  | (87,318,738)                                |
| Purchases of investment properties                          | 8     | (1,874,170)                                                   | (4,216,838)                                 |
| Purchases of intangible assets                              | 9     | (366,931)                                                     | (312,800)                                   |
| Withdrawals of short-term bank deposits                     |       | 3,276,970                                                     | 25,088,515                                  |
| Receipts of repayment of loans to employees                 |       | 1,283,363                                                     | 2,566,726                                   |
| Interest received                                           |       | 3,867,324                                                     | 4,251,129                                   |
| Net cash outflow from investing activities                  |       | (79,144,682)                                                  | (59,942,006)                                |
| <b>Cash flows from financing activities</b>                 |       |                                                               |                                             |
| Dividends paid                                              | 6     | (8,641,527)                                                   | (8,641,527)                                 |
| Proceeds from borrowings                                    |       | 1,137,532                                                     | 11,224,092                                  |
| Repayments of borrowings                                    |       | (32,442,511)                                                  | (32,413,412)                                |
| Interest paid                                               |       | (11,373,484)                                                  | (14,381,955)                                |
| Net cash outflow from financing activities                  |       | (51,319,990)                                                  | (44,212,802)                                |
| <b>Net (decrease)/increase in cash and cash equivalents</b> |       | (8,272,146)                                                   | 2,951,478                                   |
| Cash and cash equivalents at beginning of the period        |       | 30,741,075                                                    | 27,789,597                                  |
| <b>Cash and cash equivalents at end of the period</b>       |       | 22,468,929                                                    | 30,741,075                                  |

### Non-cash transaction:

Non-cash operating and financing activities is the dividend paid to Class B shares amounting to KHR 3,533,122 thousand (note 6) which is offsetting with advance to Ministry of Public Work and Transport (MoPWT) (note 10) (31 December 2020: KHR 3,533,122 thousand out of total dividend distribution KHR 12,174,649 thousand was offset with advance to MoPWT).

The accompanying notes on pages 6 to 23 are an integral part of this condensed interim financial information.

## SIHANOUKVILLE AUTONOMOUS PORT

### NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2021

#### 1. GENERAL INFORMATION

The Sihanoukville Autonomous Port (PAS) is a public autonomous institution that is under the technical supervision of the Ministry of Public Works and Transport (MoPWT) and the financial supervision of the Ministry of Economy and Finance (MoEF), with its headquarters in Preah Sihanouk Province, the Kingdom of Cambodia.

PAS is a legal entity with autonomous administration and financing and was established in accordance with Sub-decree 50 ANKR BK dated 17 July 1998, which gave it the general status as a public autonomous institution.

PAS was registered with the Ministry of Commerce and obtained the registration number Co.4784 ET/2017, dated 21 February 2017. Its shares of class C were listed on the Main Board of Cambodia Securities Exchange (CSX) on 8 June 2017.

PAS is currently the sole international and commercial deep-sea port in the Kingdom of Cambodia. According to the establishing Sub-decree, the mission of PAS is to provide the following seaport services and seaport related services which include:

- bringing vessels in and out and providing them with supplies;
- conducting cargo handling, offloading, loading and transporting;
- maintaining and safeguarding stocks, warehouses and yards;
- developing, rehabilitating and expanding the PAS's existing infrastructures;
- taking responsibility on health care, security and order in its management areas; and
- committing to manage and organise the operational activities to be effective and progressive.

In the status as public autonomous institution, PAS has hereby obtained an extensive authority and major duties from the Royal Government of Cambodia to carry out its activities in accordance with its objectives.

The registered office of PAS is Terak Vithei Samdech Akka Moha Sena Padei Techo Hun Sen Sangkat No. 3, Sihanoukville City, Preah Sihanouk Province, the Kingdom of Cambodia.

The condensed interim financial information was approved for issue by the Board of Directors on 18 February 2022.

This condensed interim financial information for the twelve-month period ended 31 December 2021 has been reviewed, but not audited.

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### 2.1 Basis of preparation

This condensed interim financial information for the twelve-month period ended 31 December 2021 has been prepared in accordance with Cambodian International Accounting Standard 34 - Interim financial reporting (CIAS 34).

This condensed interim financial information does not include all the notes of the type normally included in the annual audited financial statements. Accordingly, this report is to be read in conjunction with the annual audited financial statements for the year ended 31 December 2020, which have been prepared in accordance with Cambodian International Financial Reporting Standards (CIFRS).

The significant accounting policies used in preparing the condensed interim financial information are consistent with the significant accounting policies used in the preparation of the 2020 audited financial statements.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.1 Basis of preparation (continued)

An English version of this condensed interim financial information has been prepared from the condensed interim financial information that is in the Khmer language. In the event of a conflict or a difference in interpretation between the two languages, the Khmer language condensed interim financial information shall prevail.

### 2.2 New and amended standards adopted by PAS

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

- Covid-19-related Rent Concessions Extension of the practical expedient – Amendments to CIFRS 16.
- Interest rate benchmark reform - Phase 2 - Amendments to CIFRS 9, CIAS 39, CIFRS 7, and CIFRS 16.

There is no significant impact on adoption of standards above.

## 3. MANAGEMENT ESTIMATES

The preparation of condensed interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this condensed interim financial information, the significant judgements made by management in applying the PAS's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2020.

## 4. FINANCIAL RISK MANAGEMENT

### 4.1 Financial risk factors

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

The condensed interim financial information does not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with PAS's annual financial statements for the year ended 31 December 2020.

### 4.2 Fair value of financial assets and financial liabilities measured at amortised cost

The methods and assumptions used in estimating the fair values of financial instruments are as follows:

- Cash and cash equivalents and short-term bank deposits* – The carrying values of these amounts approximate their fair values due to their short-term nature.
- Trade and other receivables* – The carrying amounts less impairment provisions approximate the fair value because these are subject to normal credit terms and are short-term in nature.
- Trade and other payables* – The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.
- Borrowings* – The fair value is estimated by discounting the future contractual cash outflows using a current borrowing rate at the period-end.

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2021**

**4. FINANCIAL RISK MANAGEMENT (continued)**

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

During the period, PAS has not changed the methods and assumptions used to estimate the fair value of financial instruments and there were no transfers within the fair value hierarchy.

**5. SEGMENT INFORMATION**

PAS has a reportable segment, namely, port service. The chief operating decision-maker (the management team) reviews the internal management report, which reports the performances of the port service segment as a whole, to assess performance and allocate resources. The chief operating decision-maker 'CODM' assesses the performance of the reportable segment by measuring gross revenue (note 16). CODM also reviews profit before tax and net profit as a whole compared to prior periods. In addition, PAS also has a Special Economic Zone (SEZ) operating as a lessor and earns rental income (note 8).

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

The total revenue of KHR 118,849,616 thousand was generated from three major customers during twelve-month period ended.

**6. DIVIDENDS**

On 25 June 2021, the Board of Directors approved to distribute the dividends in respect of profit of the financial year ended 31 December 2020 as follows:

|                                  | <b>31 December 2021</b><br><b>KHR'000</b><br><i>(Reviewed but<br/>unaudited)</i> | <b>31 December 2020</b><br><b>KHR'000</b><br><i>(Audited)</i> |
|----------------------------------|----------------------------------------------------------------------------------|---------------------------------------------------------------|
| Dividends paid to Class B shares | 3,533,122                                                                        | 3,533,122                                                     |
| Dividends paid to Class C shares | 8,641,527                                                                        | 8,641,527                                                     |
| Total dividends paid (*)         | <u>12,174,649</u>                                                                | <u>12,174,649</u>                                             |

(\*) The total dividends paid amounting to KHR 12,174,649 thousand have been debited from retained earnings (31 December 2020: KHR 6,771,016 thousand have been debited from retained earnings and the remaining of KHR 5,403,633 thousand debited from the guaranteed dividends which was recorded as a liability).

# SIHANOUKVILLE AUTONOMOUS PORT

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2021

### 7. PROPERTY AND EQUIPMENT

|                                                                           | Land<br>KHR'000 | Land<br>improvement<br>KHR'000 | Buildings<br>KHR'000 | Technical<br>equipment<br>KHR'000 | Furniture<br>and fittings<br>KHR'000 | Computer<br>and office<br>equipment<br>KHR'000 | Motor<br>vehicles<br>KHR'000 | Seaport<br>equipment<br>KHR'000 | Construction<br>in progress<br>KHR'000 | Palettes<br>KHR'000 | Total<br>KHR'000 |
|---------------------------------------------------------------------------|-----------------|--------------------------------|----------------------|-----------------------------------|--------------------------------------|------------------------------------------------|------------------------------|---------------------------------|----------------------------------------|---------------------|------------------|
| At 31 December 2020<br>(audited)                                          |                 |                                |                      |                                   |                                      |                                                |                              |                                 |                                        |                     |                  |
| Cost                                                                      | 250,929,909     | 38,121,638                     | 346,693,935          | 35,828,334                        | 2,136,346                            | 9,038,746                                      | 41,895,655                   | 232,088,355                     | 66,256,327                             | 1,022,761           | 1,024,012,006    |
| Accumulated depreciation                                                  | -               | (5,750,541)                    | (30,278,663)         | (9,811,185)                       | (1,329,706)                          | (6,327,189)                                    | (9,638,457)                  | (44,534,745)                    | -                                      | (972,505)           | (108,642,991)    |
| Net book amount (audited)                                                 | 250,929,909     | 32,371,097                     | 316,415,272          | 26,017,149                        | 806,640                              | 2,711,557                                      | 32,257,198                   | 187,553,610                     | 66,256,327                             | 50,256              | 915,369,015      |
| Twelve-month period ended<br>31 December 2021<br>(reviewed but unaudited) |                 |                                |                      |                                   |                                      |                                                |                              |                                 |                                        |                     |                  |
| Opening net book amount                                                   | 250,929,909     | 32,371,097                     | 316,415,272          | 26,017,149                        | 806,640                              | 2,711,557                                      | 32,257,198                   | 187,553,610                     | 66,256,327                             | 50,256              | 915,369,015      |
| Additions (*)                                                             | 45,805,500      | 681,152                        | 813,760              | 320,666                           | 335,430                              | 2,689,380                                      | 7,092,284                    | 7,418,560                       | 18,135,760                             | -                   | 83,292,492       |
| Transfers                                                                 | -               | 20,048,132                     | -                    | 1,359,100                         | -                                    | -                                              | -                            | 37,460,054                      | (58,867,286)                           | -                   | -                |
| Depreciation charges                                                      | -               | (1,571,796)                    | (9,644,530)          | (4,016,356)                       | (433,414)                            | (1,385,422)                                    | (3,797,155)                  | (11,602,098)                    | -                                      | (44,892)            | (32,495,663)     |
| Closing net book amount                                                   | 296,735,409     | 51,528,585                     | 307,584,502          | 23,680,559                        | 708,656                              | 4,015,515                                      | 35,552,327                   | 220,830,126                     | 25,524,801                             | 5,364               | 966,165,844      |
| At 31 December 2021                                                       |                 |                                |                      |                                   |                                      |                                                |                              |                                 |                                        |                     |                  |
| Cost                                                                      | 296,735,409     | 58,850,922                     | 347,507,695          | 37,508,100                        | 2,471,776                            | 11,728,126                                     | 48,987,939                   | 276,966,969                     | 25,524,801                             | 1,022,761           | 1,107,304,498    |
| Accumulated depreciation                                                  | -               | (7,322,337)                    | (39,923,193)         | (13,827,541)                      | (1,763,120)                          | (7,712,611)                                    | (13,435,612)                 | (56,136,843)                    | -                                      | (1,017,397)         | (141,138,654)    |
| Net book amount<br>(reviewed but unaudited)                               | 296,735,409     | 51,528,585                     | 307,584,502          | 23,680,559                        | 708,656                              | 4,015,515                                      | 35,552,327                   | 220,830,126                     | 25,524,801                             | 5,364               | 966,165,844      |



# SIHANOUKVILLE AUTONOMOUS PORT

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2021

### 7. PROPERTY AND EQUIPMENT (continued)

(\*) During the period, PAS acquired 75 hectares of land located at Keo Phos commune, Steung Hav District, Preah Sihanouk Province. to expand its operations (inland container depot) with a total cost of KHR45,805m. The transaction has been completed, and the payments has been made in full. Soft title deeds have already been transferred to PAS. Management is in the process of transferring soft title deeds to hard title deeds (LMAP).

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

|                                                      | <b>Twelve-month period ended</b> |                         |
|------------------------------------------------------|----------------------------------|-------------------------|
|                                                      | <b>31 December 2021</b>          | <b>31 December 2020</b> |
|                                                      | <b>KHR'000</b>                   | <b>KHR'000</b>          |
|                                                      | <i>(Reviewed but unaudited)</i>  | <i>(Audited)</i>        |
| Purchases (cash and non-cash) during the period      | 83,292,492                       | 88,847,109              |
| Decrease/(increase) payable to a supplier (non-cash) | 2,038,746                        | (1,528,371)             |
| <b>Cash paid during the period</b>                   | <b>85,331,238</b>                | <b>87,318,738</b>       |

The interest cost that was capitalised on qualifying assets for the period ended 31 December 2021 was KHR 745,962 thousand (31 December 2020: KHR 205,720 thousand).

### 8. INVESTMENT PROPERTIES

|                                                                            | <b>Land</b>        | <b>Buildings and land improvement</b> | <b>Construction in progress</b> | <b>Total</b>       |
|----------------------------------------------------------------------------|--------------------|---------------------------------------|---------------------------------|--------------------|
|                                                                            | <b>KHR'000</b>     | <b>KHR'000</b>                        | <b>KHR'000</b>                  | <b>KHR'000</b>     |
| At 31 December 2020 <i>(audited)</i>                                       |                    |                                       |                                 |                    |
| Cost                                                                       | 136,030,885        | 168,140,149                           | 359,280                         | 304,530,314        |
| Accumulated depreciation                                                   | -                  | (30,694,847)                          | -                               | (30,694,847)       |
| <b>Net book value <i>(audited)</i></b>                                     | <b>136,030,885</b> | <b>137,445,302</b>                    | <b>359,280</b>                  | <b>273,835,467</b> |
| <i>Twelve-month period ended 31 December 2021 (reviewed but unaudited)</i> |                    |                                       |                                 |                    |
| Opening net book amount                                                    | 136,030,885        | 137,445,302                           | 359,280                         | 273,835,467        |
| Additions                                                                  | -                  | 165,310                               | 1,708,860                       | 1,874,170          |
| Transfers                                                                  | 2,068,140          | -                                     | (2,068,140)                     | -                  |
| Transfers to assets held for sale (note 11)                                | (13,058,708)       | -                                     | -                               | (13,058,708)       |
| Depreciation charges                                                       | -                  | (6,322,670)                           | -                               | (6,322,670)        |
| <b>Closing net book amount</b>                                             | <b>125,040,317</b> | <b>131,287,942</b>                    | <b>-</b>                        | <b>256,328,259</b> |
| At 31 December 2021                                                        |                    |                                       |                                 |                    |
| Cost                                                                       | 125,040,317        | 168,305,459                           | -                               | 293,345,776        |
| Accumulated depreciation                                                   | -                  | (37,017,517)                          | -                               | (37,017,517)       |
| <b>Net book amount <i>(reviewed but unaudited)</i></b>                     | <b>125,040,317</b> | <b>131,287,942</b>                    | <b>-</b>                        | <b>256,328,259</b> |



**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2021**

**8. INVESTMENT PROPERTIES** (continued)

The following amounts have been recognised in the interim statement of profit or loss and other comprehensive income deriving from the business of investment properties:

|                                                                                              | <b>Twelve-month period ended</b>    |                             |
|----------------------------------------------------------------------------------------------|-------------------------------------|-----------------------------|
|                                                                                              | <b>31 December<br/>2021</b>         | <b>31 December<br/>2020</b> |
|                                                                                              | <b>KHR'000</b>                      | <b>KHR'000</b>              |
|                                                                                              | <i>(Reviewed but<br/>unaudited)</i> | <i>(Audited)</i>            |
| Rental revenue                                                                               | 2,195,869                           | 2,407,722                   |
| Depreciation expenses                                                                        | (6,322,670)                         | (6,262,116)                 |
| Direct operating expenses arising from investment properties that<br>generate rental revenue | (2,545,602)                         | (2,389,248)                 |

**9. INTANGIBLE ASSETS**

|                                                                            | <b>Software<br/>KHR'000</b> |
|----------------------------------------------------------------------------|-----------------------------|
| At 31 December 2020 <i>(audited)</i>                                       |                             |
| Cost                                                                       | 10,921,152                  |
| Accumulated amortisation                                                   | <u>(5,247,407)</u>          |
| Net book amount <i>(audited)</i>                                           | <u>5,673,745</u>            |
| <i>Twelve-month period ended 31 December 2021 (reviewed but unaudited)</i> |                             |
| Opening net book amount                                                    | 5,673,745                   |
| Additions                                                                  | 366,931                     |
| Amortisation charges                                                       | <u>(1,104,344)</u>          |
| Closing net book amount                                                    | <u>4,936,332</u>            |
| At 31 December 2021                                                        |                             |
| Cost                                                                       | 11,288,083                  |
| Accumulated amortisation                                                   | <u>(6,351,751)</u>          |
| Net book amount <i>(reviewed but unaudited)</i>                            | <u>4,936,332</u>            |

# SIHANOUKVILLE AUTONOMOUS PORT

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2021

### 10. TRADE AND OTHER RECEIVABLES

|                            | 31 December<br>2021<br>KHR'000<br><i>(Reviewed but<br/>unaudited)</i> | 31 December<br>2020<br>KHR'000<br><i>(Audited)</i> |
|----------------------------|-----------------------------------------------------------------------|----------------------------------------------------|
| Trade receivables          | 33,985,519                                                            | 30,636,358                                         |
| Loss allowance             | <u>(329,241)</u>                                                      | <u>(2,655,478)</u>                                 |
| Trade receivables – net    | <u>33,656,278</u>                                                     | <u>27,980,880</u>                                  |
| Advances to MoPWT (a)      | 1,221,303                                                             | 4,754,425                                          |
| Advances                   | 696,502                                                               | 668,510                                            |
| Withholding tax credit (b) | -                                                                     | 1,125,797                                          |
| Prepayments                | <u>85,828</u>                                                         | <u>85,641</u>                                      |
|                            | <u>2,003,633</u>                                                      | <u>6,634,373</u>                                   |
|                            | <u>35,659,911</u>                                                     | <u>34,615,253</u>                                  |

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

- (a) This represents outstanding cash advances to the Ministry of Public Works and Transport (MoPWT), which based on letters issued by MoEF dated 22 April 2019 for the purpose of renovating certain parts of city road. The advances were settled by way of deduction from the dividend payment or repayment. There is no specific term of repayment.
- (b) On 21 January 2021, the General Department of Taxation approved a withholding tax credit of KHR 1,125,797 thousand to offset with further income tax payable from the year 2021 onwards. The current income tax liabilities for the twelve-month period ended 31 December 2021 of KHR 1,125,797 thousand were offset with the withholding tax credit.

### 11. ASSETS CLASSIFIED AS HELD FOR SALE

On 10 November 2021, PAS signed a sale and purchase agreement with a buyer to sell a parcel of vacant land (130 hectares) located in the Bet Trang commune, which was acquired for capital appreciation. It has been classified and presented as an investment property.

The total contract value is US\$26m at a price of US\$20 per square metre. PAS received US\$2m as a deposit on the contract date and the remaining amount will be paid by the buyer upon completion of ownership title deeds transferred to buyer which is expected to be completed by June 2022. The net book value of these 130 hectares - land is KHR13,058m (equivalent to US\$3,264,677). This has been recorded as assets held for sale on the statement of financial position as of 31 December 2021. No gain was recognised as of 31 December 2021 as the transaction has not been completed, and the risk and rewards have not been completely transferred to the buyer.

This size of the land might be reduced as public road construction is taking place on it. Management is in the process of transferring the hard title deeds (LMAP) and the actual size of land will be known once the Ministry of Land Management, Urban Planning and Construction issues the hard title deeds and the buyer settles based on the confirmed size at US\$20 per square metre.

Land classified as held for sale during the reporting period was measured at the lower of either its carrying amount, which is its cost, and the fair value less costs to sell.

# SIHANOUKVILLE AUTONOMOUS PORT

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2021

### 12. SHARE CAPITAL AND SHARE PREMIUM

|                                                       | Class A share (*)  |                    | Class B share (**) |                   | Class C share (**) |                   | Share premium     | Total              |
|-------------------------------------------------------|--------------------|--------------------|--------------------|-------------------|--------------------|-------------------|-------------------|--------------------|
|                                                       | Number             | KHR'000            | Number             | KHR'000           | Number             | KHR'000           | KHR'000           | KHR'000            |
| At 31 December 2020 ( <i>audited</i> )                | <u>364,530,861</u> | <u>364,530,861</u> | <u>64,328,975</u>  | <u>64,328,975</u> | <u>21,442,992</u>  | <u>21,442,992</u> | <u>67,715,235</u> | <u>518,018,063</u> |
| At 30 December 2021 ( <i>reviewed but unaudited</i> ) | <u>364,530,861</u> | <u>364,530,861</u> | <u>64,328,975</u>  | <u>64,328,975</u> | <u>21,442,992</u>  | <u>21,442,992</u> | <u>67,715,235</u> | <u>518,018,063</u> |

- (\*) According to Article 5 of the Articles of Incorporation dated 21 February 2017, the existing capital of KHR 428,859,836,000 were allocated into 364,530,861 class A shares and 64,328,975 class B shares with a par value of KHR 1,000 per share. Both class A shares and class B shares are controlled by the Royal Government of Cambodia represented by MoEF. Class A shares are not entitled to any dividend payment and have no voting rights except for conditions as detailed in article 9 of the Articles of Incorporation dated 21 February 2017. Class B shares have voting rights and are entitled to dividend as approved by the Board of Directors.

# SIHANOUKVILLE AUTONOMOUS PORT

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2021

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

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

| Shareholders                     | Percentage | Number of shares | KHR'000    |
|----------------------------------|------------|------------------|------------|
| Class B shares:                  |            |                  |            |
| The Royal Government of Cambodia | 75%        | 64,328,975       | 64,328,975 |
| Class C shares:                  |            |                  |            |
| Kamigumi                         | 13%        | 11,150,324       | 11,150,324 |
| Employee share option scheme     | 2%         | 2,144,299        | 2,144,299  |
| Other investors                  | 10%        | 8,148,369        | 8,148,369  |
|                                  | 25%        | 21,442,992       | 21,442,992 |
|                                  | 100%       | 85,771,967       | 85,771,967 |

The number of shares issued in class C shares are 21,442,992 shares with a par value of KHR 1,000 per share. All issued class C shares were fully paid.

### 13. OTHER RESERVES

|                      | 31 December<br>2021<br>KHR'000<br>(Reviewed but<br>unaudited) | 31 December<br>2020<br>KHR'000<br>(Audited) |
|----------------------|---------------------------------------------------------------|---------------------------------------------|
| Opening balance      | 29,059,072                                                    | 24,712,722                                  |
| Add: General reserve | 1,330,380                                                     | 2,173,175                                   |
| Add: Legal reserve   | 1,330,380                                                     | 2,173,175                                   |
| Closing balance      | 31,719,832                                                    | 29,059,072                                  |

Article 34 of the Article of Incorporation dated 21 February 2017 stipulates that PAS's annual profit, after offsetting losses carried forward (if any), is allocated to general reserve at 5% and legal reserve at 5%. On 7 May 2021, the Board of Directors approved to transfer the profit for the year ended 31 December 2020 to general reserve of KHR 1,330,380 thousand and legal reserve of KHR 1,330,380 thousand.

# SIHANOUKVILLE AUTONOMOUS PORT

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2021

### 14. BORROWINGS

|                                 | 31 December<br>2021<br>KHR'000<br>(Reviewed but<br>unaudited) | 31 December<br>2020<br>KHR'000<br>(Audited) |
|---------------------------------|---------------------------------------------------------------|---------------------------------------------|
| Borrowings from:                |                                                               |                                             |
| MoEF – (JBIC) – Loan No. CP-P3  | 57,735,813                                                    | 71,044,164                                  |
| MoEF – (JBIC) – Loan No. CP-P4  | 98,053,918                                                    | 104,844,848                                 |
| MoEF – (JBIC) – Loan No. CP-P6  | 6,614,677                                                     | 7,802,673                                   |
| MoEF – (JBIC) – Loan No. CP-P8  | 108,281,770                                                   | 123,998,084                                 |
| MoEF – (JICA) – Loan No. CP-P10 | 183,227,712                                                   | 216,371,064                                 |
| MoEF – (JICA) – Loan No. CP-P21 | 15,073,107                                                    | 15,885,000                                  |
|                                 | <u>468,986,997</u>                                            | <u>539,945,833</u>                          |

MoEF signed borrowing agreements with JICA and JBIC in respect of the transactions relating to PAS. The borrowings are disbursed by JICA and JBIC directly to the suppliers of PAS. Repayments of borrowings are made by PAS directly to MoEF according to the repayment schedules.

The maturity dates of these borrowings are as follows:

|                                                   | 31 December<br>2021<br>KHR'000<br>(Reviewed but<br>unaudited) | 31 December<br>2020<br>KHR'000<br>(Audited) |
|---------------------------------------------------|---------------------------------------------------------------|---------------------------------------------|
| <b>Current</b>                                    |                                                               |                                             |
| Not later than one year                           | <u>33,961,572</u>                                             | <u>37,602,224</u>                           |
| <b>Non-current</b>                                |                                                               |                                             |
| Later than one year but not later than two years  | 31,067,938                                                    | 33,453,523                                  |
| Later than two year but not later than five years | 93,203,813                                                    | 100,360,569                                 |
| Later than five years                             | <u>310,753,674</u>                                            | <u>368,529,517</u>                          |
|                                                   | <u>435,025,425</u>                                            | <u>502,343,609</u>                          |
|                                                   | <u>468,986,997</u>                                            | <u>539,945,833</u>                          |

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

|                     | 31 December<br>2021<br>KHR'000<br>(Reviewed but<br>unaudited) | 31 December<br>2020<br>KHR'000<br>(Audited) |
|---------------------|---------------------------------------------------------------|---------------------------------------------|
| Carrying value      |                                                               |                                             |
| Current portion     | 33,961,572                                                    | 37,602,224                                  |
| Non-current portion | <u>435,025,425</u>                                            | <u>502,343,609</u>                          |
|                     | <u>468,986,997</u>                                            | <u>539,945,833</u>                          |
| Fair value          |                                                               |                                             |
| Current portion     | 30,595,211                                                    | 32,951,135                                  |
| Non-current portion | <u>332,424,855</u>                                            | <u>379,276,903</u>                          |
|                     | <u>363,020,066</u>                                            | <u>412,228,038</u>                          |

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2021**

**14. BORROWINGS (continued)**

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

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

|      | <b>31 December<br/>2021<br/>KHR'000</b><br><i>(Reviewed but<br/>unaudited)</i> | <b>31 December<br/>2020<br/>KHR'000</b><br><i>(Audited)</i> |
|------|--------------------------------------------------------------------------------|-------------------------------------------------------------|
| JPY  | 370,933,079                                                                    | 430,518,335                                                 |
| US\$ | 98,053,918                                                                     | 109,427,498                                                 |
|      | <b>468,986,997</b>                                                             | <b>539,945,833</b>                                          |

The interest rate per annum for each borrowing is as follow:

|                                 | <b>31 December<br/>2021</b> | <b>31 December<br/>2020</b> |
|---------------------------------|-----------------------------|-----------------------------|
| MoEF – (JBIC) – Loan No. CP-P3  | 3.00%                       | 3.00%                       |
| MoEF – (JBIC) – Loan No. CP-P4  | 3.70%                       | 3.70%                       |
| MoEF – (JBIC) – Loan No. CP-P6  | 3.00%                       | 3.00%                       |
| MoEF – (JBIC) – Loan No. CP-P8  | 2.65%                       | 2.65%                       |
| MoEF – (JICA) – Loan No. CP-P10 | 1.65%                       | 2.65%                       |
| MoEF – (JICA) – Loan No. CP-P21 | 1.26%                       | 1.26%                       |

**15. RETIREMENT BENEFIT OBLIGATIONS**

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

|                                                                     | <b>31 December<br/>2021<br/>KHR'000</b><br><i>(Reviewed but<br/>unaudited)</i> | <b>31 December<br/>2020<br/>KHR'000</b><br><i>(Audited)</i> |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------|-------------------------------------------------------------|
| Present value of defined benefit obligations                        | 88,180,984                                                                     | 86,481,967                                                  |
| Unfunded status                                                     | 88,180,984                                                                     | 86,481,967                                                  |
| Net liability recognised in interim statement of financial position | <b>88,180,984</b>                                                              | <b>86,481,967</b>                                           |

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

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2021**

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

|                      | <b>Twelve-month period ended</b>        |                                         |
|----------------------|-----------------------------------------|-----------------------------------------|
|                      | <b>31 December<br/>2021<br/>KHR'000</b> | <b>31 December<br/>2020<br/>KHR'000</b> |
|                      | <i>(Reviewed but<br/>unaudited)</i>     | <i>(Audited)</i>                        |
| Beginning balance    | 86,481,967                              | 83,074,061                              |
| Current service cost | 1,709,000                               | 1,720,000                               |
| Interest expense     | 4,614,000                               | 4,564,000                               |
| Benefits paid        | (4,623,983)                             | (2,876,094)                             |
| Closing balance      | <u>88,180,984</u>                       | <u>86,481,967</u>                       |
|                      | <b>31 December<br/>2021<br/>KHR'000</b> | <b>31 December<br/>2020<br/>KHR'000</b> |
|                      | <i>(Reviewed but<br/>unaudited)</i>     | <i>(Audited)</i>                        |
| Current portion      | 4,534,425                               | 7,949,000                               |
| Non-current portion  | <u>83,646,559</u>                       | <u>78,532,967</u>                       |
|                      | <u>88,180,984</u>                       | <u>86,481,967</u>                       |

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

|                      | <b>Twelve-month period ended</b>        |                                         |
|----------------------|-----------------------------------------|-----------------------------------------|
|                      | <b>31 December<br/>2021<br/>KHR'000</b> | <b>31 December<br/>2020<br/>KHR'000</b> |
|                      | <i>(Reviewed but<br/>unaudited)</i>     | <i>(Audited)</i>                        |
| Current service cost | 1,709,000                               | 1,720,000                               |
| Interest expense     | <u>4,614,000</u>                        | <u>4,564,000</u>                        |
|                      | <u>6,323,000</u>                        | <u>6,284,000</u>                        |

The principal actuarial assumptions were as follows:

|                                | <b>2021</b> | <b>2020</b> |
|--------------------------------|-------------|-------------|
| Average years of service       | 21          | 20          |
| Discount rate per annum        | 6%          | 6%          |
| Salary increase rate per annum | 5%          | 5%          |
| Turnover rate per annum        | 0.5%        | 0.5%        |

*Mortality rates*

In the absence of published mortality rates in Cambodia, PAS used the 2017 Thailand Ordinary Mortality table modified to fit Cambodian life expectancy. The 2017 Thailand Ordinary Mortality table contains the most recent estimates of likelihood of death of the general population in Thailand and has remained consistent as at 31 December 2021.

# SIHANOUKVILLE AUTONOMOUS PORT

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2021

### 16. REVENUE

|                          | Three-month period ended    |                             | Twelve-month period ended   |                     |
|--------------------------|-----------------------------|-----------------------------|-----------------------------|---------------------|
|                          | 31 December<br>2021         | 31 December<br>2020         | 31 December<br>2021         | 31 December<br>2020 |
|                          | KHR'000                     | KHR'000                     | KHR'000                     | KHR'000             |
|                          | (Reviewed but<br>unaudited) | (Reviewed but<br>unaudited) | (Reviewed but<br>unaudited) | (Audited)           |
| Stevedoring charges      | 42,181,877                  | 40,487,009                  | 158,566,499                 | 144,838,339         |
| Lift-On Lift-Off (LO-LO) | 25,131,857                  | 23,155,650                  | 100,602,046                 | 83,821,775          |
| Port due/charge services | 15,457,738                  | 16,695,261                  | 65,016,267                  | 67,583,985          |
| Container storage        | 4,109,819                   | 2,850,266                   | 14,374,488                  | 11,377,785          |
| Rental income from SEZ   | 493,864                     | 462,605                     | 2,195,869                   | 2,407,722           |
| Other revenue            | 301,826                     | 482,645                     | 1,594,060                   | 1,784,163           |
|                          | <u>87,676,981</u>           | <u>84,133,436</u>           | <u>342,349,229</u>          | <u>311,813,769</u>  |

Timing of revenue recognition

|                    | Three-month period ended    |                             | Twelve-month period ended   |                     |
|--------------------|-----------------------------|-----------------------------|-----------------------------|---------------------|
|                    | 31 December<br>2021         | 31 December<br>2020         | 31 December<br>2021         | 31 December<br>2020 |
|                    | KHR'000                     | KHR'000                     | KHR'000                     | KHR'000             |
|                    | (Reviewed but<br>unaudited) | (Reviewed but<br>unaudited) | (Reviewed but<br>unaudited) | (Audited)           |
| At a point in time | 82,867,587                  | 80,462,144                  | 324,610,624                 | 296,887,430         |
| Over time          | 4,809,394                   | 3,671,292                   | 17,738,605                  | 14,926,339          |
|                    | <u>87,676,981</u>           | <u>84,133,436</u>           | <u>342,349,229</u>          | <u>311,813,769</u>  |

### 17. CONSUMABLE SUPPLIES

|                      | Three-month period ended    |                             | Twelve-month period ended   |                     |
|----------------------|-----------------------------|-----------------------------|-----------------------------|---------------------|
|                      | 31 December<br>2021         | 31 December<br>2020         | 31 December<br>2021         | 31 December<br>2020 |
|                      | KHR'000                     | KHR'000                     | KHR'000                     | KHR'000             |
|                      | (Reviewed but<br>unaudited) | (Reviewed but<br>unaudited) | (Reviewed but<br>unaudited) | (Audited)           |
| Combustible expenses | 12,924,397                  | 8,529,605                   | 44,676,922                  | 33,030,171          |
| Spare parts          | 8,663,605                   | 9,487,978                   | 32,908,017                  | 34,949,073          |
| Warehouse supplies   | 1,867,665                   | 1,283,670                   | 7,609,670                   | 6,886,462           |
| Office supplies      | 1,177,776                   | 1,245,806                   | 2,836,715                   | 3,265,477           |
| Oil and lubricant    | 875,864                     | 1,026,977                   | 3,810,914                   | 3,556,673           |
| Other consumables    | 147,250                     | 85,120                      | 1,897,008                   | 1,857,257           |
|                      | <u>25,656,557</u>           | <u>21,659,156</u>           | <u>93,739,246</u>           | <u>83,545,113</u>   |

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2021

## 18. SALARIES, WAGES AND RELATED EXPENSES

|                                 | <b>Three-month period ended</b> |                                 | <b>Twelve-month period ended</b> |                    |
|---------------------------------|---------------------------------|---------------------------------|----------------------------------|--------------------|
|                                 | <b>31 December</b>              | <b>31 December</b>              | <b>31 December</b>               | <b>31 December</b> |
|                                 | <b>2021</b>                     | <b>2020</b>                     | <b>2021</b>                      | <b>2020</b>        |
|                                 | <b>KHR'000</b>                  | <b>KHR'000</b>                  | <b>KHR'000</b>                   | <b>KHR'000</b>     |
|                                 | <i>(Reviewed but unaudited)</i> | <i>(Reviewed but unaudited)</i> | <i>(Reviewed but unaudited)</i>  | <i>(Audited)</i>   |
| Employee salaries               | 17,303,788                      | 16,339,054                      | 69,318,998                       | 61,180,691         |
| Bonuses                         | 3,943,075                       | 5,429,377                       | 17,723,746                       | 12,179,023         |
| Retirement benefit expenses     | 1,580,750                       | 1,571,000                       | 6,323,000                        | 6,284,000          |
| Accrued seniority payments      | 703,868                         | 656,588                         | 3,470,928                        | 3,012,477          |
| Directors' remuneration         | 349,200                         | 367,700                         | 1,396,800                        | 1,372,100          |
| Social security expenses        | 203,825                         | 274,839                         | 783,022                          | 831,961            |
| Wages for contractors           | 36,900                          | 70,150                          | 232,550                          | 292,300            |
| Other employee-related expenses | 1,161,648                       | 1,164,474                       | 5,117,905                        | 4,975,144          |
|                                 | <b>25,283,054</b>               | <b>25,873,182</b>               | <b>104,366,949</b>               | <b>90,127,696</b>  |

## 19. DEPRECIATION AND AMORTISATION CHARGES

|                        | <b>Three-month period ended</b> |                                 | <b>Twelve-month period ended</b> |                    |
|------------------------|---------------------------------|---------------------------------|----------------------------------|--------------------|
|                        | <b>31 December</b>              | <b>31 December</b>              | <b>31 December</b>               | <b>31 December</b> |
|                        | <b>2021</b>                     | <b>2020</b>                     | <b>2021</b>                      | <b>2020</b>        |
|                        | <b>KHR'000</b>                  | <b>KHR'000</b>                  | <b>KHR'000</b>                   | <b>KHR'000</b>     |
|                        | <i>(Reviewed but unaudited)</i> | <i>(Reviewed but unaudited)</i> | <i>(Reviewed but unaudited)</i>  | <i>(Audited)</i>   |
| Property and equipment | 8,322,964                       | 7,930,548                       | 32,495,663                       | 30,656,425         |
| Investment properties  | 1,570,126                       | 1,582,608                       | 6,322,670                        | 6,262,116          |
| Intangible assets      | 282,711                         | 271,081                         | 1,104,344                        | 1,071,015          |
|                        | <b>10,175,801</b>               | <b>9,784,237</b>                | <b>39,922,677</b>                | <b>37,989,556</b>  |

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2021**

**20. FINANCE INCOME/(COSTS) – NET**

|                                                                  | <b>Three-month period ended</b> |                                 | <b>Twelve-month period ended</b> |                     |
|------------------------------------------------------------------|---------------------------------|---------------------------------|----------------------------------|---------------------|
|                                                                  | <b>31 December</b>              | <b>31 December</b>              | <b>31 December</b>               | <b>31 December</b>  |
|                                                                  | <b>2021</b>                     | <b>2020</b>                     | <b>2021</b>                      | <b>2020</b>         |
|                                                                  | <b>KHR'000</b>                  | <b>KHR'000</b>                  | <b>KHR'000</b>                   | <b>KHR'000</b>      |
|                                                                  | <i>(Reviewed but unaudited)</i> | <i>(Reviewed but unaudited)</i> | <i>(Reviewed but unaudited)</i>  | <i>(Audited)</i>    |
| <i>Finance income:</i>                                           |                                 |                                 |                                  |                     |
| Interest income on bank deposits (a)                             | 963,763                         | 998,960                         | 3,810,776                        | 4,133,508           |
| Net exchange gains on foreign currency borrowings (c)            | 10,968,196                      | -                               | 39,531,367                       | -                   |
| Interest income from unwinding of discount of loans to employees | -                               | 61,781                          | 55,342                           | 373,616             |
|                                                                  | <u>11,931,959</u>               | <u>1,060,741</u>                | <u>43,397,485</u>                | <u>4,507,124</u>    |
| <i>Finance costs:</i>                                            |                                 |                                 |                                  |                     |
| Interest expenses on borrowings (b)                              | (2,885,928)                     | (3,838,666)                     | (11,194,446)                     | (13,624,810)        |
| Net exchange losses on foreign currency borrowings (c)           | -                               | (3,351,271)                     | -                                | (18,091,105)        |
| Interest expenses from winding up guaranteed dividend payables   | -                               | -                               | -                                | (147,293)           |
|                                                                  | <u>(2,885,928)</u>              | <u>(7,189,937)</u>              | <u>(11,194,446)</u>              | <u>(31,863,208)</u> |
| Finance income/(costs) – net                                     | <u>9,046,031</u>                | <u>(6,129,196)</u>              | <u>32,203,039</u>                | <u>(27,356,084)</u> |

- (a) Interest income represents interest earned from savings and fixed deposit accounts held at local banks during the period.
- (b) Interest expenses represent the interest charges on borrowings obtained from the MoEF, which are funded through borrowings obtained from JICA and JBIC.
- (c) PAS has the borrowings (note 14) which are denominated in Japanese yen (JPY) and US dollar (US\$). PAS also has short-term bank deposits which are denominated in US dollar (US\$). Given the fluctuations in KHR against JPY and US\$, this resulted in significant exchange gains/losses on its borrowings and short-term bank deposits. The exchange rates are based on the exchange rates published by the National Bank of Cambodia as at the end of reporting period. The significant gains on foreign exchange are mainly from the weaken Japanese Yen against KHR currency compared to prior period.

|          | <b>31 December</b> | <b>30 September</b> | <b>31 December</b> | <b>30 September</b> |
|----------|--------------------|---------------------|--------------------|---------------------|
|          | <b>2021</b>        | <b>2021</b>         | <b>2020</b>        | <b>2020</b>         |
| JPY/KHR  | 35.590             | 36.640              | 39.275             | 38.975              |
| US\$/KHR | 4,074              | 4,079               | 4,045              | 4,100               |

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2021**

**21. INCOME TAX EXPENSE**

Taxes are calculated on the basis of current interpretation of the tax regulations enacted as at reporting date. The management periodically evaluates position taken in tax returns with respect to situations in which applicable tax regulation is subjected to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

However, these regulations are subject to periodic variation and the ultimate determination of tax liabilities will be made following inspection by the tax authorities. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the taxes liabilities and balances in the period in which the determination is made.

**22. EARNINGS PER SHARE**

**i) Basic earnings per share**

Basic earnings per share is calculated by dividing the profit attributable to equity holders of PAS by the weighted average number of ordinary shares in issue during the period.

|                                        | <b>Three-month period ended</b>     |                                     | <b>Twelve-month period ended</b>    |                             |
|----------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-----------------------------|
|                                        | <b>31 December<br/>2021</b>         | <b>31 December<br/>2020</b>         | <b>31 December<br/>2021</b>         | <b>31 December<br/>2020</b> |
|                                        | <b>KHR'000</b>                      | <b>KHR'000</b>                      | <b>KHR'000</b>                      | <b>KHR'000</b>              |
|                                        | <i>(Reviewed but<br/>unaudited)</i> | <i>(Reviewed but<br/>unaudited)</i> | <i>(Reviewed but<br/>unaudited)</i> | <i>(Audited)</i>            |
| Profit attributable to<br>shareholders | 24,506,590                          | 10,872,518                          | 93,707,390                          | 26,607,594                  |
| Weighted average number of<br>shares   | 85,771,967                          | 85,771,967                          | 85,771,967                          | 85,771,967                  |
| Basic earnings per share<br>(KHR)      | 285.72                              | 126.76                              | 1,092.52                            | 310.21                      |

**ii) Diluted earnings per share**

Diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. PAS had no dilutive potential ordinary shares as at the period end. As such, the diluted earnings per share was equivalent to the basic earnings per share.

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2021**

**23. CASH GENERATED FROM OPERATIONS**

|                                                          |              | Twelve-month period ended                                     |                                             |
|----------------------------------------------------------|--------------|---------------------------------------------------------------|---------------------------------------------|
|                                                          |              | 31 December<br>2021<br>KHR'000<br>(Reviewed but<br>unaudited) | 31 December<br>2020<br>KHR'000<br>(Audited) |
|                                                          | <b>Notes</b> |                                                               |                                             |
| Profit before income tax                                 |              | 111,045,637                                                   | 42,140,221                                  |
| <i>Adjustments for:</i>                                  |              |                                                               |                                             |
| Depreciation and amortisation charges                    | 19           | 39,922,677                                                    | 37,989,556                                  |
| Impairment of trade receivables                          |              | (2,326,237)                                                   | 1,440,230                                   |
| Finance (income)/costs - net                             | 20           | (32,203,039)                                                  | 27,356,084                                  |
| Retirement benefit obligations                           | 18           | 6,323,000                                                     | 6,284,000                                   |
| Seniority payment obligations                            |              | 3,470,928                                                     | 3,012,477                                   |
| Other employees related expenses from loans to employees |              | 327,728                                                       | 655,456                                     |
| <i>Changes in working capital:</i>                       |              |                                                               |                                             |
| Inventories                                              |              | (3,371,984)                                                   | (5,333,767)                                 |
| Trade and other receivables                              |              | (3,761,616)                                                   | 13,067,902                                  |
| Trade and other payables                                 |              | 22,126,037                                                    | (2,211,766)                                 |
| Retirement benefit obligations paid                      |              | (4,623,983)                                                   | (2,876,094)                                 |
| Seniority payment obligations paid                       |              | (6,499,957)                                                   | (1,589,505)                                 |
| Deferred income                                          |              | (94,727)                                                      | (175,560)                                   |
| Cash inflow from operations                              |              | <u>130,334,464</u>                                            | <u>119,759,234</u>                          |

**24. RELATED PARTY TRANSACTIONS**

PAS is under the financial supervision of the MoEF and the technical supervision of the MoPWT. Transactions with MoEF and MoPWT are considered to be related parties.

**(a) Related party balances**

**(i) Amount due to MoEF**

|                  | 31 December<br>2021<br>KHR'000<br>(Reviewed but<br>unaudited) | 31 December<br>2020<br>KHR'000<br>(Audited) |
|------------------|---------------------------------------------------------------|---------------------------------------------|
| Borrowings from: |                                                               |                                             |
| MoEF – (JICA)    | 198,300,819                                                   | 232,256,064                                 |
| MoEF – (JBIC)    | 270,686,178                                                   | 307,689,769                                 |
|                  | <u>468,986,997</u>                                            | <u>539,945,833</u>                          |

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2021

## 24. RELATED PARTY TRANSACTIONS (continued)

(ii) Amount due from MoPWT

|                   | 31 December<br>2021<br>KHR'000<br>(Reviewed but<br>unaudited) | 31 December<br>2020<br>KHR'000<br>(Audited) |
|-------------------|---------------------------------------------------------------|---------------------------------------------|
| Advances to MoPWT | 1,221,303                                                     | 4,754,425                                   |

## (b) Related party transactions

|                                                        | Twelve-month period ended<br>31 December<br>2021<br>KHR'000<br>(Reviewed but<br>unaudited) | 31 December<br>2020<br>KHR'000<br>(Audited) |
|--------------------------------------------------------|--------------------------------------------------------------------------------------------|---------------------------------------------|
| Interest expenses on borrowings from MoEF (note 20(b)) | 11,194,446                                                                                 | 13,624,810                                  |

## (c) Key management compensation

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

|                                 | Twelve-month period ended<br>31 December<br>2021<br>KHR'000<br>(Reviewed but<br>unaudited) | 31 December<br>2020<br>KHR'000<br>(Audited) |
|---------------------------------|--------------------------------------------------------------------------------------------|---------------------------------------------|
| <b>Board of directors</b>       |                                                                                            |                                             |
| Fees and related expenses       | 1,396,800                                                                                  | 1,586,400                                   |
| <b>Key management personnel</b> |                                                                                            |                                             |
| Salaries and other expenses     | 3,063,495                                                                                  | 2,397,964                                   |
| Retirement benefit expenses (*) | 245,718                                                                                    | 230,539                                     |

Key management personnel comprise of Chief Executive Officer and Executive Directors who make strategic decisions over PAS's direction, financial and operational performances.

(\*) Retirement benefit scheme is operated at entity wide which key management personnel are also entitled to the benefit scheme the same as other employees of PAS.

## 25. COMMITMENTS

As at 31 December 2021, PAS had outstanding capital expenditure commitment of KHR 821,416m (31 December 2020: KHR 918,371m) for its purchase of construction services, property and equipment.



# **PART 4**

## **Management's Discussion and Analysis**



## A. Overview of Operations

PAS is the only international deep sea port of the Kingdom of Cambodia, which is operating on an approximately 125 hectares land area, located in Preah Sihanouk city, Preah Sihanouk province and connected by multi-modal transport networks. According to the definition of Sub-Decree No. 50 ANKr/BK dated 17<sup>th</sup> July 1998, PAS has been entitled as a port operator with detailed business and services in the above Part 1, section B of this 4<sup>th</sup> quarter 2021 report.

For this 4<sup>th</sup> quarter 2021, the quantity of PAS's container throughput increased by 9,350 TEUs equivalent to 5.30% compared to 4<sup>th</sup> quarter 2020, and Gross cargoes throughput decreased by 1.65% equivalent to 29,229 tons. Among gross cargoes throughput, container in tons increased 1.35% equivalent to 17,229 tons, and general cargoes decreased 32,442 tons equivalent to 38.11% and fuels & gas decreased by 3.44% equal to 14,016 tons. PAS's calling vessel decreased by 4.02% equal to 16 vessels, and gross tonnages decreased by 18.27% equal to 688,078 tons compared to 4<sup>th</sup> quarter 2020.

The discussion and analysis by the management on PAS's financial status and operation results below were made on the basis of financial information report audited by the independent auditor for 4<sup>th</sup> quarter 2021 and 2020 as shown in Part 3 of this 4<sup>th</sup> quarter 2021 report.

### **PAS has important sources of income as follows:**

- **Port Charges for Vessel Services:** is the income derived from vessel services and ship berthing alongside consisting of tonnage dues, berthage charge, channel charge, pilotage fee, tug assistance charge, mooring & unmooring charge, charge for opening & closing hatch cover and waste collection charges.
- **Stevedoring Charges:** is the income derived from loading and unloading services of general cargo or container onto and from the vessel berthing alongside at the port.
- **LOLO Charges:** is the income derived from loading and unloading services of general cargo or containers into or out of the yard.
- **Storage Fees:** is the income derived from storing general cargo or container in the warehouse and yard.
- **Transportation Charges:** is the income derived from transport services of general cargo or container within the port premises.
- **Income from Special Economic Zone:** is the income derived from land lease for building factory, building from Sihanoukville Port Special Economic Zone.

PAS had recorded financial transaction (account book) and financial reports in Riel, which is its national currency, while the operations using other international currency were shown in Riels based on the average of daily official exchange rate of the National Bank of Cambodia according to the respective dates of the operations.

## 1. Revenue Analysis

### 1-A Revenue Analysis

**For the period ended 31<sup>st</sup> Dec 2021 compared to the period ended 31<sup>st</sup> Dec 2020**

| Description | 4th Quarter 2021 | 4th Quarter 2020 | Changes    |       |
|-------------|------------------|------------------|------------|-------|
|             | '000 riels       | '000 riels       | '000 riels | %     |
| Revenue     | 87,676,981       | 84,133,436       | 3,543,545  | 4.21% |

For this 4<sup>th</sup> quarter 2021, PAS's income increased by 3,543,545,000 Riels equivalent to 4.21% increased from 84,133,436,000 Riels in 4<sup>th</sup> quarter 2020 to 87,676,981,000 Riels in 4<sup>th</sup> quarter 2021. This increased in income was mostly derived from Stevedoring Charges, LOLO Charges, and Port Charge for storage fees.

## 1-B Revenue by Segment Analysis

### Table of Revenue Comparison by Sections Against Total Revenues

For 4<sup>th</sup> Quarter 2021 and 4<sup>th</sup> Quarter 2020

| Description                     | 4 <sup>th</sup> Quarter 2021 |                            | 4 <sup>th</sup> Quarter 2020 |                            |
|---------------------------------|------------------------------|----------------------------|------------------------------|----------------------------|
|                                 | '000 riels                   | Percentage of total income | '000 riels                   | Percentage of total income |
| Stevedoring Charge              | 42,181,877                   | 48.11%                     | 40,487,009                   | 48.12%                     |
| LOLO Charge                     | 25,131,857                   | 28.66%                     | 23,155,650                   | 27.52%                     |
| Port Charge for Vessel Services | 15,457,738                   | 17.63%                     | 16,695,261                   | 19.84%                     |
| Storage (Warehouse and Yard)    | 4,109,819                    | 4.69%                      | 2,850,266                    | 3.39%                      |
| Transportation                  | 26,885                       | 0.03%                      | 42,964                       | 0.05%                      |
| Passenger vessel                | 0                            | 0.00%                      | 0                            | 0.00%                      |
| Special Economic Zone           | 493,864                      | 0.56%                      | 462,605                      | 0.55%                      |
| Rental fee                      | 205,712                      | 0.23%                      | 358,420                      | 0.43%                      |
| Other revenues                  | 69,230                       | 0.08%                      | 81,260                       | 0.10%                      |
| <b>Total Revenue</b>            | <b>87,676,981</b>            | <b>100.00%</b>             | <b>84,133,436</b>            | <b>100.00%</b>             |

In the 4<sup>th</sup> quarter 2021 as well as 2020, there were four important types of incomes accounted for 99% of PAS's total business and service incomes. Those incomes were derived from Stevedoring charges, LOLO charges, Port Charges for Vessel Services and Storage (Warehouse and Yard).

**For the period ended 31<sup>st</sup> Dec 2021 compared to the period ended 31<sup>st</sup> Dec 2020**

| Description                     | 4 <sup>th</sup> Quarter 2021 | 4 <sup>th</sup> Quarter 2020 | Changes     |        |
|---------------------------------|------------------------------|------------------------------|-------------|--------|
|                                 | '000 riels                   | '000 riels                   | '000 riels  | %      |
| Stevedoring Charge              | 42,181,877                   | 40,487,009                   | 1,694,868   | 4.19%  |
| LOLO Charge                     | 25,131,857                   | 23,155,650                   | 1,976,206   | 8.53%  |
| Port Charge for Vessel Services | 15,457,738                   | 16,695,261                   | (1,237,523) | -7.41% |
| Storage (Warehouse and Yard)    | 4,109,819                    | 2,850,266                    | 1,259,553   | 44.19% |

The income from Stevedoring charge increased by 4.19% equivalent to 1,694,868,000 Riels, and LOLO charge increased by 8.53% equivalent to 1,976,206,000 Riels comparing between 4<sup>th</sup> quarter 2021 and 4<sup>th</sup> quarter 2020. These growths were resulted by the increase of container throughput with the volume of 9,350 TEUs equivalent to 5.30% for this 4<sup>th</sup> quarter 2021.

The income derived from this port charge for vessel services was depended on the number of vessels and tonnage throughput of PAS. For this 4<sup>th</sup> quarter of 2021, the number of vessels calling to PAS decreased by 16 vessels equal to 4.02%, and tonnage throughput decreased by 18.27% equal to 688,078 tons. However, the income on Port charge for vessel service decreased from 15,457,738,000 Riels in 4<sup>th</sup> quarter 2021 to 16,695,261,000 Riels in 4<sup>th</sup> quarter 2020, decreased by 7.41% equal to 1,237,523,000 Riels. This is because in 4<sup>th</sup> quarter 2021, the container vessels decreased by 4.76% equal to 8 vessels and general cargo vessels decreased by 3.13% equal to 3 vessels if compare to the same period in 2020.

The income from storage, warehouse, and yard increased by 1,259,553,000 Riels equivalent to 44.19% compared between 4<sup>th</sup> quarter 2021 with the income amount of 4,109,819,000 Riels and 4<sup>th</sup> quarter 2020 with amount of 2,850,266,000 Riels.

## **2. Gross Profit Margin Analysis**

PAS had prepared its resultant reports in a form of specification report and therefore there was no disclosure of the gross profits. However, the format of this report can enable us to discuss and analyze the operating profit derived from the gross revenues minus the operating expenses.

The operating expenses will be discussed and analyzed in the following section 3, the analysis of profit before tax.

### 3. Profit/(Loss) before Tax Analysis

The profit before tax is the result derived from the gross profit minus the operating expense and income or expense of net interest. In an analysis of the operating expenses, we will point out the expense on Consumable supplies, expense on Salary and Wages, and Related expenses, expense on Depreciation and Amortization, expense on Repair and Maintenance, Other expense and Other gain /(Losses)-net as follows:

#### **For the period ended 31<sup>st</sup> Dec 2021 compared to the period ended 31<sup>st</sup> Dec 2020**

| Description                          | 4 <sup>th</sup> Quarter<br>2021 | 4 <sup>th</sup> Quarter<br>2020 | Changes           |               |
|--------------------------------------|---------------------------------|---------------------------------|-------------------|---------------|
|                                      | '000 riels                      | '000 riels                      | '000 riels        | %             |
| <b>Revenue</b>                       | <b>87,676,981</b>               | <b>84,133,436</b>               | <b>3,543,545</b>  | <b>4.21%</b>  |
| Consumable Supplies                  | (25,656,557)                    | (21,659,156)                    | (3,997,401)       | 18.46%        |
| Salaries, Wages and related expenses | (25,283,054)                    | (25,873,182)                    | 590,128           | -2.28%        |
| Depreciation and Amortization charge | (10,175,801)                    | (9,784,237)                     | (391,564)         | 4.00%         |
| Repairs and Maintenances             | (359,030)                       | (2,244,057)                     | 1,885,027         | -84.00%       |
| Other expenses                       | (5,890,833)                     | (3,324,481)                     | (2,566,352)       | 77.20%        |
| Other gain /(Losses)-net             | (524,554)                       | (314,850)                       | (209,704)         | 66.60%        |
| Finance Income/(Costs)-net           | 9,046,031                       | (6,129,196)                     | 15,175,227        | -247.59%      |
| <b>Profit before income tax</b>      | <b>28,833,183</b>               | <b>14,804,277</b>               | <b>14,028,906</b> | <b>94.76%</b> |

For 4<sup>th</sup> quarter 2021, PAS's expenses on Consumable Supplies amounted to 25,656,557,000 Riels increased by 3,997,401,000 Riels equivalent to 18.46% compared to the 4<sup>th</sup> quarter of 2020 with the expense amounted of 21,659,156,000 Riels. The main factor that caused such increase was resulted by combustible expense increased by 51.52% equivalent to 4,394,792,000 Riels and warehouse supplies expense increased by 45.49% equivalent to 583,995,000 Riels. Besides, other consumables expense increased by 72.99% equivalent to 62,130,000 Riels in this 4<sup>th</sup> quarter 2021.

The fundamental of PAS's salary calculation is based on the output (Stevedoring and LOLO incomes), i.e. when stevedoring and LOLO incomes increases, the expense on salary will also increase, and on the contrary, if stevedoring and LOLO incomes decreases, the expense on salary will also decrease, and we found that stevedoring income increased by 4.19% and LOLO incomes increased by 8.53% in this 4<sup>th</sup> quarter 2021. Separately, the expense on Salary, wages, and other related expenses had decreased by 2.28% equivalent to 590,128,000 Riels compared that to 4<sup>th</sup> quarter 2021 with the expense amount of 25,283,054,000 Riels and 25,873,182,000 Riels in 4<sup>th</sup> quarter 2020. The main factors of this decreasing are on bonuses expenses which decreased by 27.38% equal to 1,486,302,000 Riels and the expense on social security which decreased approximately 25.84% equal to 71,014,000 Riels compared to 4<sup>th</sup> quarter 2020.

The expense on depreciation and amortization included property, equipment, and intangible asset in 4<sup>th</sup> quarter 2021 amounted to 10,175,801,000 Riels increased by 391,564,000 Riels equivalent to 4.00% compared to that of 4<sup>th</sup> quarter 2020 with the expense amount of 9,784,237,000 Riels. The factor that caused such an increase was resulted from the expense on depreciation of property and equipment which increased by 392,416,000 Riels equivalent to 4.95%.

The expense on repair and maintenance decreased by 1,885,027,000 Riels equal to 84.00%, the total expense of repair and maintenance in 4<sup>th</sup> quarter 2021 was 359,030,000 Riels and 2,244,057,000 Riels in 4<sup>th</sup> quarter 2020.

The Other expenses increased by 77.20% equivalent to 2,566,352,000 Riels, which increased from 3,324,481,000 Riels in 4<sup>th</sup> quarter 2020 to 5,890,833,000 Riels in 4<sup>th</sup> quarter 2021. The main reasons that caused the increased of Other expenses were contributions and donations which increased by 961.77% equal to 2,897,980,000 Riels, and the increased of administrative expenses by 59.21% equivalent to 142,353,000 Riels in this 4<sup>th</sup> quarter 2021.

Moreover, the increased of health-care supplies' expenses by 285.44% equal to 130,253,000 Riels if compared to the same period of 2020.

Other gain /(Losses)-net refers to Realized Foreign Exchange Gain-Loss which in this 4<sup>th</sup> quarter 2021, the loss from realized foreign exchange with the amount of 524,554,000 Riels increased by 66.60% equivalent to 209,704,000 Riels compared to 4<sup>th</sup> quarter 2020 amounted to the loss of 314,850,000 Riels.

Finance (Income)/Costs-net refers to Unrealized Foreign Exchange Gain-Loss, for the 4<sup>th</sup> quarter 2021, there was an income of 9,046,031,000 Riels increased the Finance income by 247.59% equivalent to 15,175,227,000 Riels compared to that of 4<sup>th</sup> quarter 2020 with the Net-Finance costs of 6,129,196,000 Riels. The main factor of this change in Finance (Income)/Costs-net was because in 4<sup>th</sup> quarter 2021, there was the increase of net unrealized exchange gain on foreign currency (Japanese Yen) amounted to 10,968,196,000 Riels, if compared to 4<sup>th</sup> quarter 2020 with the net exchange losses on foreign currency of 3,351,271,000 Riels.

In conclusion, PAS's Profit before tax in 4<sup>th</sup> quarter 2021 is 28.833,183,000 Riels increase by 14,028,906,000 Riels equivalent to 94.76% if compared to 4<sup>th</sup> quarter 2020 with the amount of 14,804,277,000 Riels.

#### **4. Profit/(Loss) after Tax Analysis**

PAS is under the law of business companies in the field of taxation and VAT; therefore, PAS has the obligation to pay tax on annual profit at the rate of 20%. From 2020 onward, PAS continue its obligation to pay tax on annual profit at the rate of 20% after PAS have received the incentive benefit in Taxation from the Security market for the last three years (2017 to 2019).

**For the period ended 31<sup>st</sup> Dec 2021 compared to the period ended 31<sup>st</sup> Dec 2020**

| Description                                    | 4 <sup>th</sup> Quarter<br>2021 | 4 <sup>th</sup> Quarter<br>2020 | Changes           |                |
|------------------------------------------------|---------------------------------|---------------------------------|-------------------|----------------|
|                                                | `000 riels                      | `000 riels                      | `000 riels        | %              |
| Profit before income tax (A)                   | 28,833,183                      | 14,804,277                      | 14,028,906        | 94.76%         |
| Income tax expense (B)                         | (4,326,593)                     | (3,931,759)                     | (394,834)         | 10.04%         |
| Profit for the period                          | <b>24,506,590</b>               | <b>10,872,518</b>               | <b>13,634,072</b> | <b>125.40%</b> |
| Remesurement of retirement benefit obligations | -                               | -                               |                   |                |
| Total comprehensive income for the period      | <b>24,506,590</b>               | <b>10,872,518</b>               | <b>13,634,072</b> | <b>125.40%</b> |
| Effective Tax Rate (B)/(A)                     | <b>15.01%</b>                   | <b>26.56%</b>                   |                   |                |

PAS has a Profit after tax with the equivalent amount 24,506,590,000 Riels in the 4<sup>th</sup> quarter 2021 and 10,872,518,000 Riels in the 4<sup>th</sup> quarter 2020 with the increased amount of 13,634,072,000 Riels equivalent to 125.40%. The main factors that caused the profit after tax to increased is due to the increase in total Revenue and increased unrealized foreign exchange gain (Japanese Yen) compare to the same period of 2020.

The Effective tax rate on profit decreased from 26.56% in 4<sup>th</sup> quarter 2020 to 15.01% in 4<sup>th</sup> quarter 2021, as a result of increased of Profit before income tax in 4<sup>th</sup> quarter 2021.

## **5. Factors and Trends Analysis affecting Financial conditions and results**

A number of factors that influence the status and financial outcome of PAS are:

### **- Factors That Cause Restriction on International Business**

Because of PAS's main source of income is derived from the movement of cargo throughput which is the transaction of international trade, therefor, various factors that affects the international trade may influence PAS's business operation through such factors as the status of global, regional and local economy, social stability, security issues, or maritime cooperation. According to the IMF, the world economy will increase to 6.0% for year 2021, while Cambodia's economy will growth around 1.9%, according to the Asian Development Bank (ADB). This is still showing a stable economy growth of Cambodia which is a good sign for port business.

### **- PAS's Ability and Work Performance Efficiency**

For the 4<sup>th</sup> quarter 2021, PAS has container handling capacity up to 650,000 TEUs after launching two more units of QCs since 2017. This factor has enabled the work capacity and efficiency to increase in the performance of its services.

### **- Status of Domestic Transportation**

For this 4<sup>th</sup> quarter of 2021, the domestic transportation network, especially the National Route No. 4 connecting from PAS to Phnom Penh capital, has not caused any obstacles to cargo transportation. Despite the outbreak of COVID-19 in early 2021, the cargo transportations on National Route No. 4 still continues as usual. While the rail transportation, at present, the Royal Railway Company transports both export and import cargo through PAS 6 times per week and this rail transportation has also been performed smoothly and with no issues that may obstruct the transportation process.

### **- Cooperation between Ports in the Region**

The cooperation between regional ports, especially the connectivity between major hub ports in the region is very important in cargo traffic facilitation between PAS and other mainly international marketplaces, thereby influencing on the expenses and transportation period which may affect other industrial competitiveness. In this case, PAS has strived to keep a good communication with various major ports in the region in order to ensure a smooth operation.

### **- Depreciation**

Because of PAS's business is using many kinds of infrastructures, the expenses on depreciation of port's infrastructures such as ship berths, machinery, and buildings are relatively large, which may affect the PAS business. Therefore, PAS shall conduct an

appropriate inspection on the depreciation policy and shall make necessary modification in every period of the financial report. For this 4<sup>th</sup> quarter 2021, there is no modification or a request for modification of the depreciation policy by the independence auditor.

## **B. Significant factors affecting Profit**

### **1. Demand and Supply Conditions Analysis**

PAS's business activities have a direct link with the national, regional, and global economy. In particular, when there is a change in the national economy, there will be a direct impact on port's business and service operation, i.e when the national economy increases, the port's business and service operation will also increase, accordingly, PAS's revenues also have the same growth rate, on the contrary, if the national economy decreases, there will also be a negative impact on PAS's revenues. According to ADB's report, Cambodia's economy growth with the expected rate of 1.9%, while the world economy growth with the expected rate of 6.0% (IMF) for year 2021. Therefore, there will not be big impact on market's demand and supply even though there is an increase of COVID-19 infection cases in Cambodia since early this year.

### **2. Fluctuations in Prices of Raw Materials Analysis**

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

### **3. Tax Analysis**

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

## **C. Material Changes in Sales and Revenue**

PAS' main income is derived from stevedoring, LOLO and port's services which contributed around 99% of the total income in 4<sup>th</sup> quarter of 2021, and the main factor bolstering up the increase of revenue is the rise of volume of cargo throughputs, especially containerized cargoes which is the most important source of PAS's income. The growth in the field of agriculture, commerce, construction, and industry has reflected the status of Cambodia's economy, and at the same time these factors also have positive influences on PAS's business operation, services and revenues.

## **D. Impacts of Foreign Exchange, Interest Rates and Commodity Price**

### **- Impacts from Currency Exchange Rate**

PAS has received JICA and JBIC financial soft loans from the Ministry of Economy and Finance, thereby requiring PAS to pay back both principal and interest in Japanese Yen and US dollars while the PAS's functional currency is Riel. Therefore, the change of Riel exchange rate compared to US dollars, Riel compared to Japanese Yen, and US dollars compared to Japanese Yen will affect the rate of PAS's profit.

### **- Impacts from the Interest Rate**

At present, PAS does not have any loans with flexible interest rates. PAS has received JICA and JBIC financial soft loan from the Ministry of Economy and Finance with the interest rate from 2.65% to 3.70%. Therefore, in this 4<sup>th</sup> quarter 2021, there is no impact on the changes of interest rate.

### **- Impacts from the Change of Oil Prices**

The change of oil price will have an impact on PAS's profit since the port's operation is strongly relied on machinery that consumes fuel oil. Therefore, PAS has enhanced the efficiency of cargo loading-unloading operation and management of container yard in order to cut down the unnecessary removal or displacement of containers with the aim to reduce the operational expense and promote its services.

## **E. Impacts of Inflation**

PAS has kept its service charges stable without making any modification or amendment according to the change of inflation and still retains its sound financial status.

## **F. Economic/Fiscal/Monetary Policy of Royal Government**

The policy on economy, tax system, and currency of the Government has a strong influence on PAS's business operation since this policy is aimed at supporting and stimulating the international trade and yielding positive result on PAS's business. The main policies of the Royal Government are:

- Industrial sector promotion policy, the Royal Government has planned to transform Preah Sihanouk province to be a center for trade, logistics, and production through the construction of port infrastructure, expansion of National Route No. 4, the Express Way construction project from Phnom Penh - Sihanoukville, and infrastructure of the International Airport in Preah Sihanouk province.
- Industrial, mine and energy sector, the oil exploration in Cambodian Sea is being developed and PAS has already prepared to support such move.
- Maritime transportation stimulation policy.
- Policy on rice export to foreign markets is yielding positive result to PAS.
- Policy on international trade stimulation, thereby trying an effort to cut down trade barriers involving trading process between Cambodia and other partner countries in the world.
- The Royal Government, through the National Bank, has implemented the currency policy through the free currency exchange market mechanism under the intervention in order to stabilize the national currency, and the balance of this currency has secured the stability of Cambodia's Macro Economy, which built confidences for the investors and encouraged private sectors' business operation.
- The taxation incentive in stock market sector to various enterprises publishing the IPO in Cambodia has been stimulating more and more public enterprises and private companies to be incorporated into the IPO and to contribute to the development of the national economy.



## **Part 5**

# **Other Necessary Information for Investor Protection**



In this 4<sup>th</sup> quarter of 2021, there is other necessary information for the protection of investors as below:

- After reviewing and discussing, the board members have unanimously approved on the request to purchase a plot of land for the development as a container depot (ICD) and the development of other infrastructure of PAS with an area approximately of 750,000 square meters at a cost of USD \$15 per square meter located along Hun Sen-Keo Phos Road in Rithy 2 Village, Keo Phos Commune, Stung Hav District, Sihanouk Province by allowing PAS to make a contract agreement for the purchase and sale of land and payment accordance with PAS's cash flow which the committee agreed with the landowner and to request PAS to prepare a formal letter to His Excellency, Deputy Prime Minister, Minister of Economy and Finance to review, decide and approve PAS to purchase the land by preparing the contract agreement for the purchase and sale of land and payment accordance with PAS's cashflow which the committee agreed with the landowner immediately.
- After reviewing and discussing, the board members have revised the Vision, Mission and Values of PAS as follow:

### **1. VISION**

To become the only efficient and dynamic deep seaport, contributing to the improvement of logistic service and socio-economic development in the Kingdom of Cambodia.

### **2. Mission**

- To develop in accordance with the policy of the Royal Government.
- To improve service quality through close cooperation with port users, modernize port management and human resources development in line with international innovation
- To collaborate with development partners to study and towards the construction of deep-water ports in line with the vision and growth of transit containers
- To promote and strengthen the principle of being a port for all.

### **3. Values**

- Geographical Superiority
- Customer-Oriented
- Pro-action & Innovation
- Integrity & Accountability

- Friendliness & Respectfulness
  - Teamwork & Service Quality
  - Reliability & Sustainable Growth
- After reviewing and discussing, the board members has approved the report of Audit Committee, Nomination Committee and Risk Committee which was raised in the meeting.
  - After reviewing and discussing, the board members has approved PAS to prepare a report and presentation immediately to the Guardian Ministry on the Feasibility Study of the new terminal project Phase 2 and Phase 3 as a single project.
  - After reviewing and discussing, the board members has approved on the Business Result Report for the Nine-Month Period and Third Quarter of 2021.
  - After reviewing and discussing, the board members has approved on the Condensed Interim Financial Information for the Third Quarter of 2021 which reviewed by PWC.
  - After reviewing and discussing, the board members has approved on the operational plan (service) of PAS for 2022 as follow:

## 1. Operational Plan

### A. Product Quantity

|                               |                 |                |
|-------------------------------|-----------------|----------------|
| ▪ Cargo throughput            | 7,418,000 tons  | increase of 6% |
| ▪ Lifting volume in tons      | 10,298,000 tons | increase of 6% |
| ▪ Container volume throughput | 787,000 TEUs    | increase of 8% |
| ▪ Vessel calling              | 1,450 vessels   | increase of 2% |
| ▪ Vessel capacity             | 14,128,000 tons | increase of 3% |

|                             |                     |              |
|-----------------------------|---------------------|--------------|
| B. Revenue                  | KHR'000 355,585,000 | increase 5%  |
| C. Operating expenses       | KHR'000 265,854,000 | increase 1%  |
| D. Operating profit         | KHR'000 89,731,000  | increase 18% |
| E. Finance Profit-net       | KHR'000 19,272,000  | increase 0%  |
| F. Profit before income tax | KHR'000 109,003,000 | increase 14% |
| G. Income tax expenses      | KHR'000 21,801,000  | increase 14% |
| H. Profit for the year      | KHR'000 87,202,000  | increase 14% |

## 2. Investment Plan: Investment plan in 2022 of PAS is as follow:

- Construction site using Japan ODA loan KHR'000 28,482,700

- Construction of basic structure KHR'000 30,655,700
  - Equipment and machinery KHR'000 117,846,300 (Expense in 2022 = KHR'000 67,006,300 and expense in 2023 = KHR'000 50,840,000)
  - Office equipment and furniture KHR'000 3,367,535
- After reviewing and discussing, the board members has approved on setting the date for the 3<sup>rd</sup> Board Meeting of the 8th Mandate on 11<sup>th</sup> February 2022.

## Signature of Directors of Sihanoukville Autonomous Port

Date: 18 Feb 2022  
Read and Approved

---

Signature  
**Lou Kim Chhun**  
**Chairman**



# Sihanoukville Autonomous Port



## Address:

Terak Vithei Samdech Akka Moha Sena  
Padei Techo Hun Sen, Sangkat 3, Preah  
Sihanouk City, Preah Sihanouk Province, Cambodia.

## Contacts:

 034 933 416  [pas.gov.kh](http://pas.gov.kh)  
 034 933 511  [pasinfo@pas.gov.kh](mailto:pasinfo@pas.gov.kh)  
 034 933 693  Sihanoukville Autonomous Port