

KINGDOM OF CAMBODIA
NATION RELIGION KING



Sihanoukville Autonomous Port

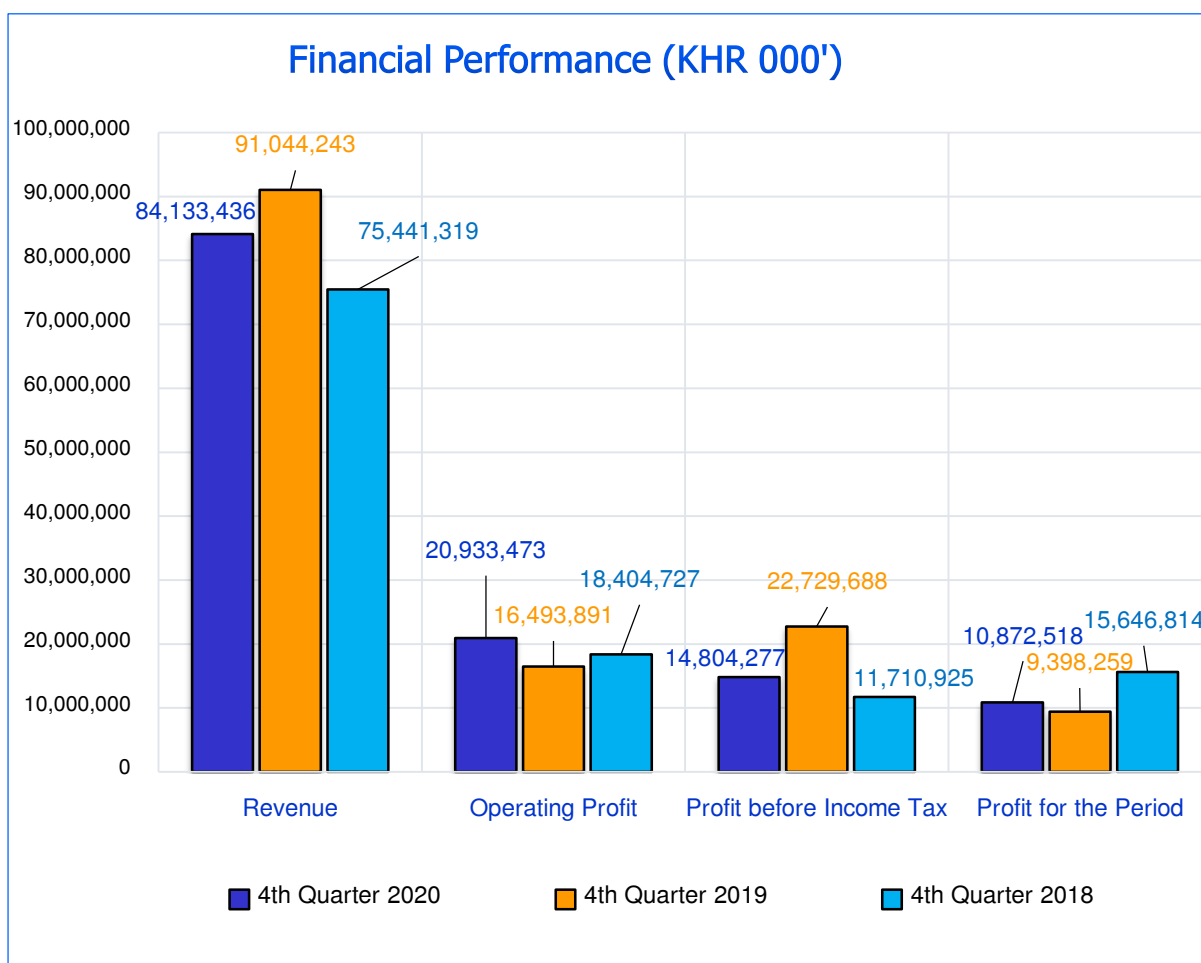
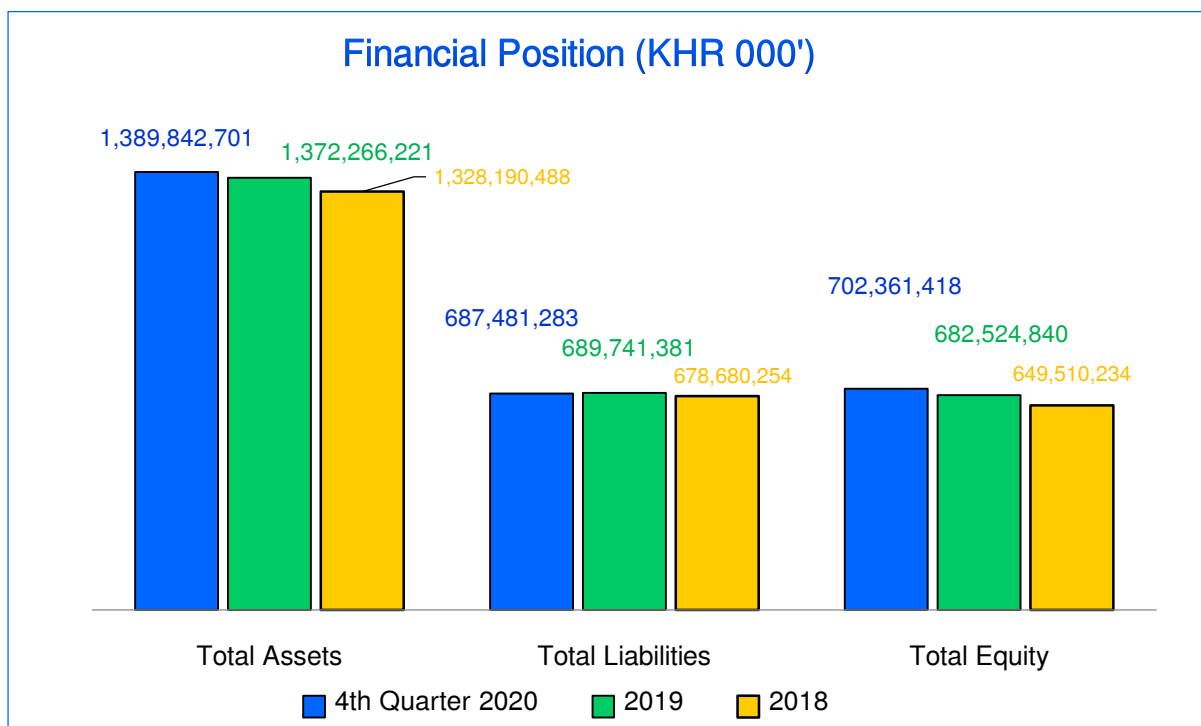
Fourth Quarter Report 2020



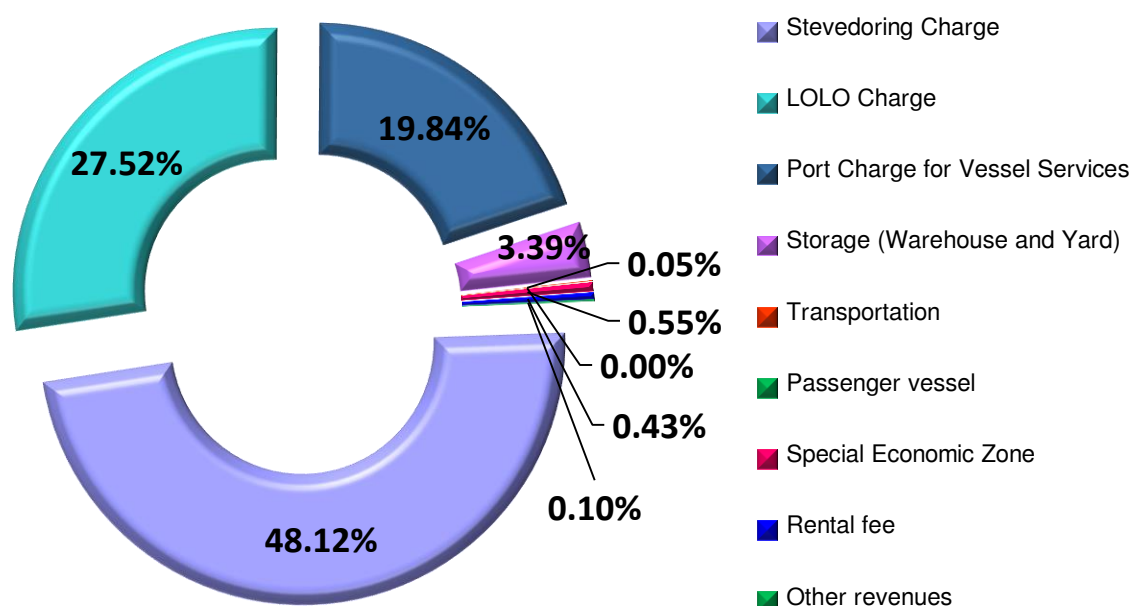
Financial Highlight

Financial Position		31 st December 2020	31 st December 2019	31 st December 2018
		KHR 000'	KHR 000'	KHR 000'
Total Assets		1,389,842,701	1,372,266,221	1,328,190,488
Total Liabilities		687,481,283	689,741,381	678,680,254
Total Shareholders' Equity		702,361,418	682,524,840	649,510,234
Profit/(Loss)		4 th Quarter 2020 KHR 000'	4 th Quarter 2019 KHR 000'	4 th Quarter 2018 KHR 000'
Total Revenues		84,133,436	91,044,243	75,441,319
Profit/(Loss) before Tax		14,804,277	22,729,688	11,710,925
Profit/(Loss) after Tax		10,872,518	9,398,259	15,646,814
Total Comprehensive Income		10,872,518	8,737,259	-8,467,936
Financial Ratios		31 st December 2020	31 st December 2019	31 st December 2018
Solvency Ratio		3.00%	2.70%	3.37%
Liquidity Ratio	Current Ratio	2.42	2.73	3.27
	Quick Ratio	2.12	2.51	3.08
		4 th Quarter 2020	4 th Quarter 2019	4 th Quarter 2018
Profitability Ratio	Return on Assets	0.78%	0.68%	1.18%
	Return on Equity	1.55%	1.38%	2.41%
	Gross Profit Margin	24.88%	18.12%	24.40%
	Profit Margin	12.92%	10.32%	20.74%
	Earnings per share	126.76	109.57	182.42
Interest Coverage Ratio		5.45	4.16	7.01

Financial Summary Charts



Type of Revenues 4th Quarter 2020

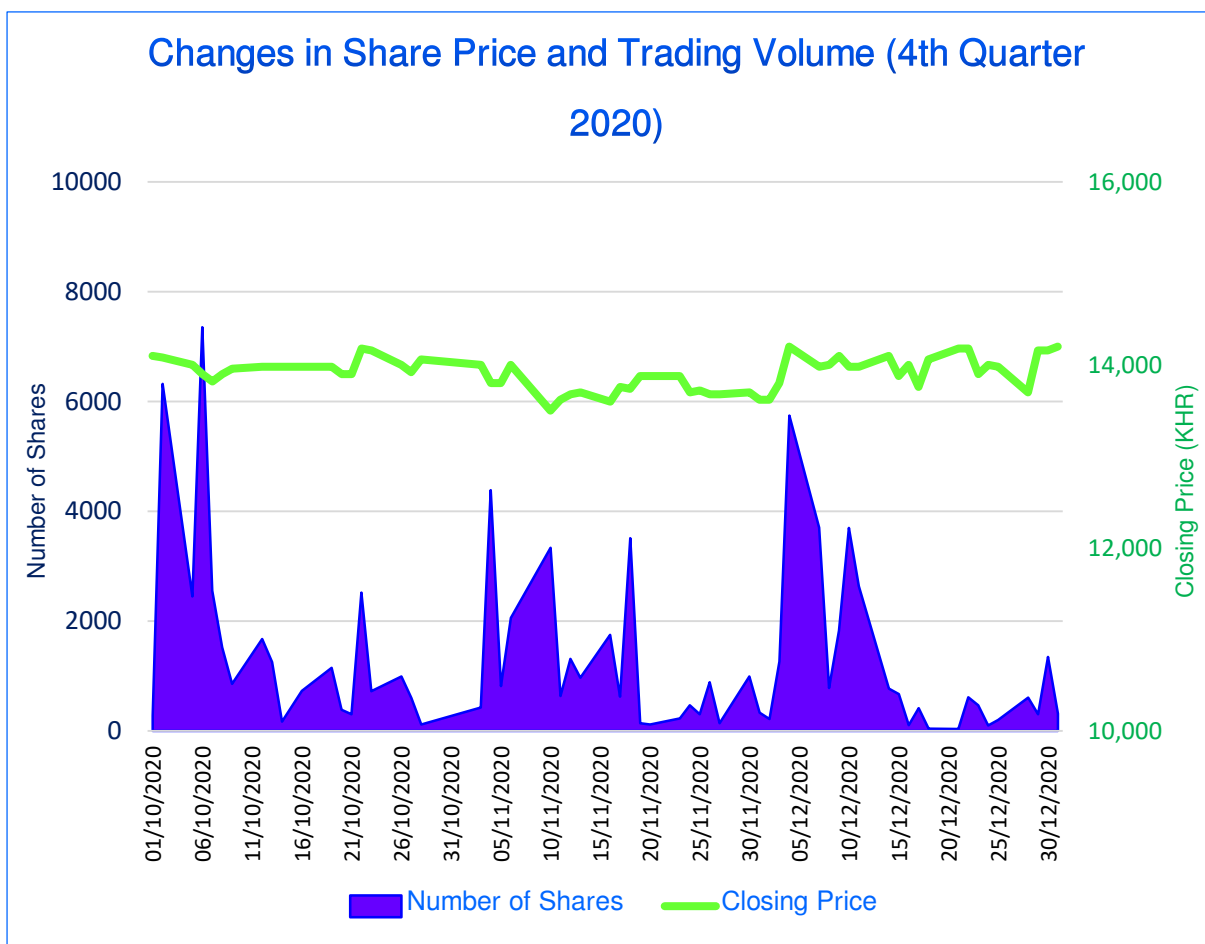
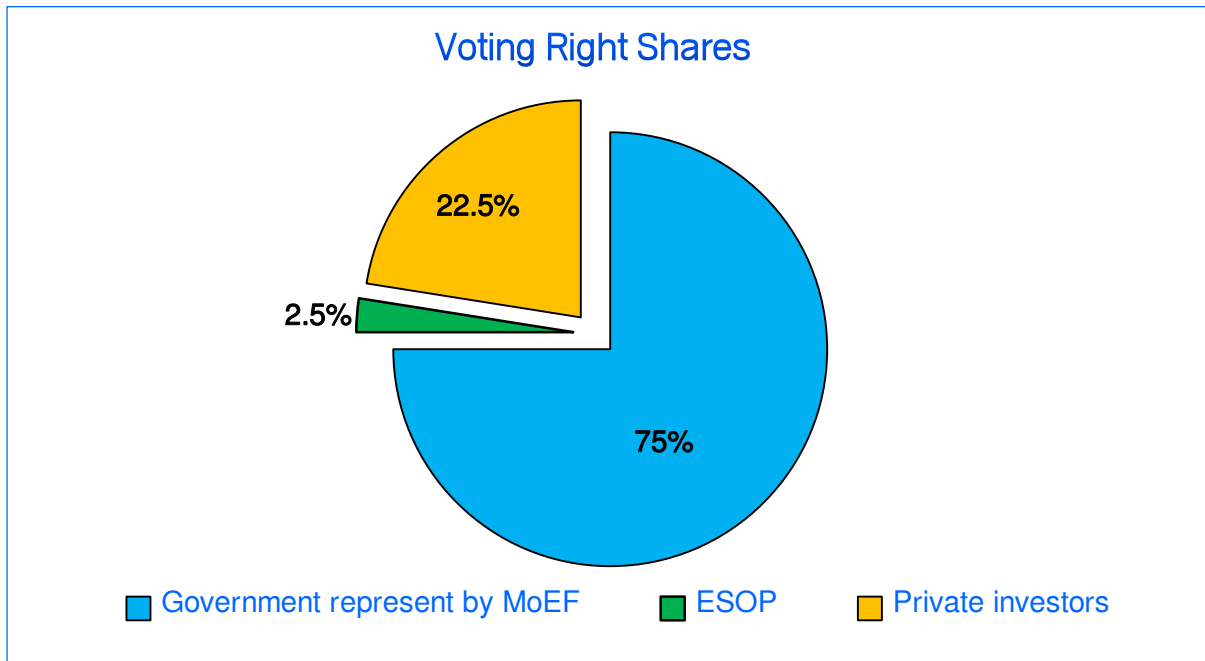


PAS's Shareholders

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%



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 4th quarter, 2020 for the period ended 31st December 2020”.

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 84,133,436,000 Riels and a net profit of 10,872,518,000 Riels in this 4th quarter 2020. The revenue decreased by 6,910,807,000 Riels equal to 7.59% compared to the same period of 2019, while the net profit after tax increased by 1,474,259,000 Riels equal to 15.69%. This was the result of declined in general cargoes throughput and the Fuel, and the increased of Unrealized foreign exchange loss (Japanese Yen) compare to 4th quarter 2019. However, the increased of containers throughput and the decreased of Deferred Tax expense lead to increase in profit after tax instead. As the consequence, PAS’s earnings per share is 126.76 Riels in this 4th quarter 2020. The container throughputs amounted to 176,458 TEUs, increased of 12,070 TEUs equal to 7.34% compared to 4th quarter 2019.

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 2020
- 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 4th Quarter 2020, the Board of Directors had conducted one meeting and adopted the following works:

The 10th Meeting of the Board of Directors in its 7th Mandate on 6th November, 2020

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

- BOD had agreed on the result and requested to continue working on the agreed agenda of the 9th Meeting of the Board of Directors.
- BOD had reviewed, discussed and approved on Audit Committee's report, Risk Committee's report, and Nomination and Remuneration Committee's report.
- BOD had reviewed, discussed and approved on 3rd Quarter 2020 Financial Report which reviewed by Independent Auditor, PWC.
- BOD had reviewed, discussed and approved on Business Performance Report on PAS's 9 months 2020.
- BOD had reviewed, discussed and approved on PAS's Business Plan (Services) Finance 2021.

- BOD had reviewed, discussed and approved on next 11th Meeting of the Board of Directors in its 7th Mandate on 5th February, 2021.

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 PASs' employees for their hard work and dedication to the job.

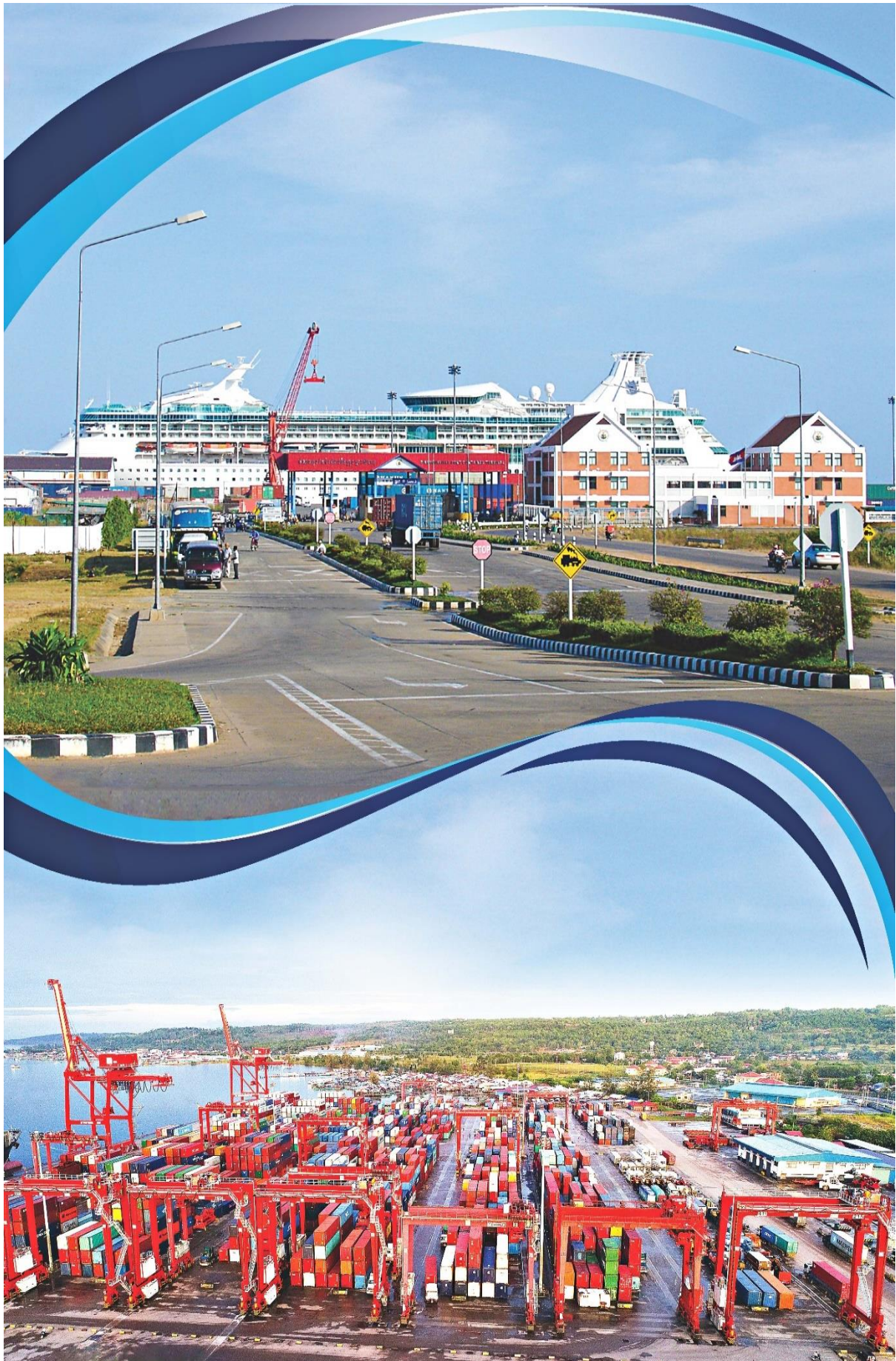
Sihanoukville, Dated: 11 February 2021

Chairman

LOU KIMCHHUN

Table of Contents

Financial Highlight.....	i
Financial Summary Charts.....	ii
Board of Directors	v
Message from the Chairman.....	vi
 PART 1: General Information of Sihanoukville Autonomous Port.....	 2
A. Identity of Sihanoukville Autonomous Port	3
B. Nature of Business	3
C. Quarter's key Events.....	5
 PART 2: Information on Business Operation Performance.....	 6
A. Business Operational	7
B. Revenue Structure.....	12
 PART 3: Financial Statement Reviewed by the External Auditor.....	 13
 PART 4: Management's Discussion and Analysis.....	 38
A. Overview of Operation	39
B. Significant Factors Affecting Profit.....	49
C. Material Changes in Sales and Revenue	49
D. Impact of Foreign Exchange, Interest Rates and Commodity Prices.....	50
E. Impacts of inflation	50
F. Economic/Fiscal/Monetary Policy of Royal Government	50
 PART 5: Other Necessary Information for Investor Protection.....	 52
Signature of Directors of Sihanoukville Autonomous Port.....	54





PART 1:

General Information of

Sihanoukville Autonomous Port



A. Identity of Sihanoukville Autonomous Port

Company name (Khmer) : កំពង់ផែស្វយ័តក្រុងព្រះសីហនុ (កសស)
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
Email : pasinfo@pas.gov.kh
Company Registration Number : Co.4784 Et/2017 Date: 21st February 2017
License Number: 0159 ពណ៌.ថ្មី៧៧ Issued by: Ministry of Economy and Finance Date: 22nd
February 2017
Disclosure Document Registration Number issued by SECC : 058/17/SECC
Date: 09th 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. 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**

Apart 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 4th quarter of 2020, there isn't any key events .



PART: 2

**Information on Business
Operation Performance**

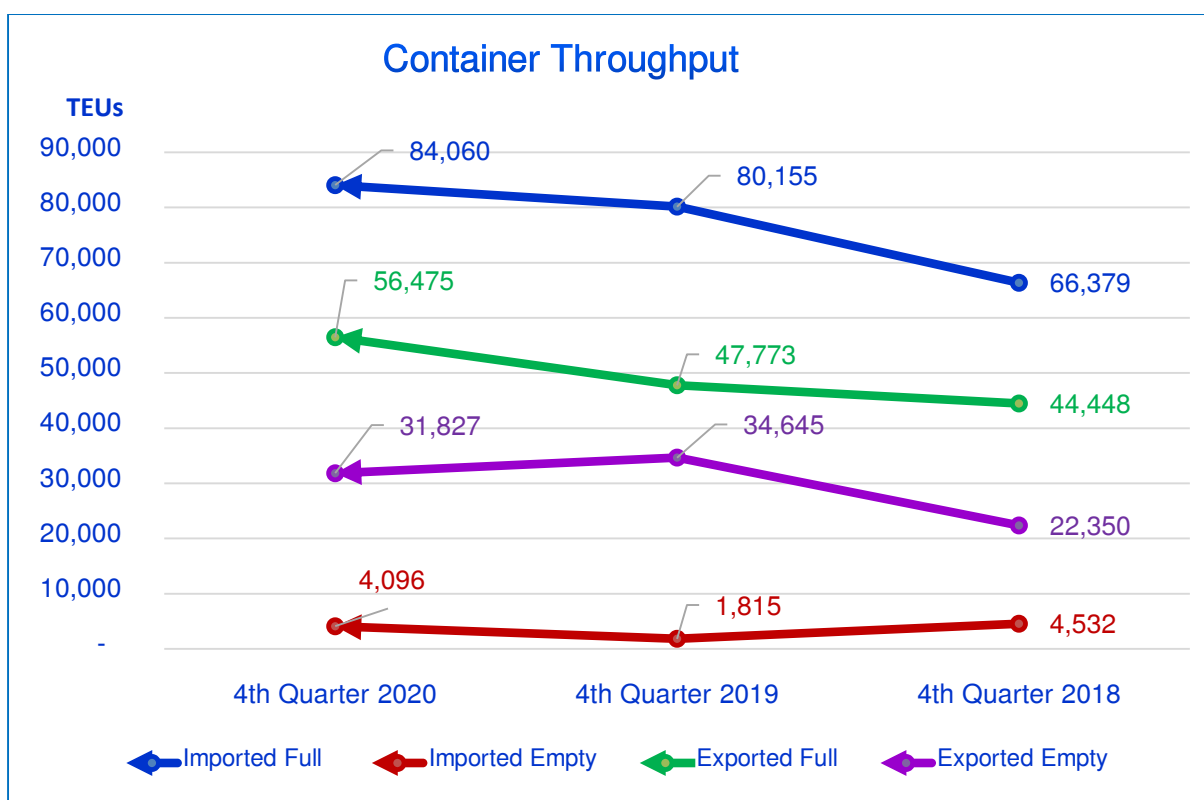
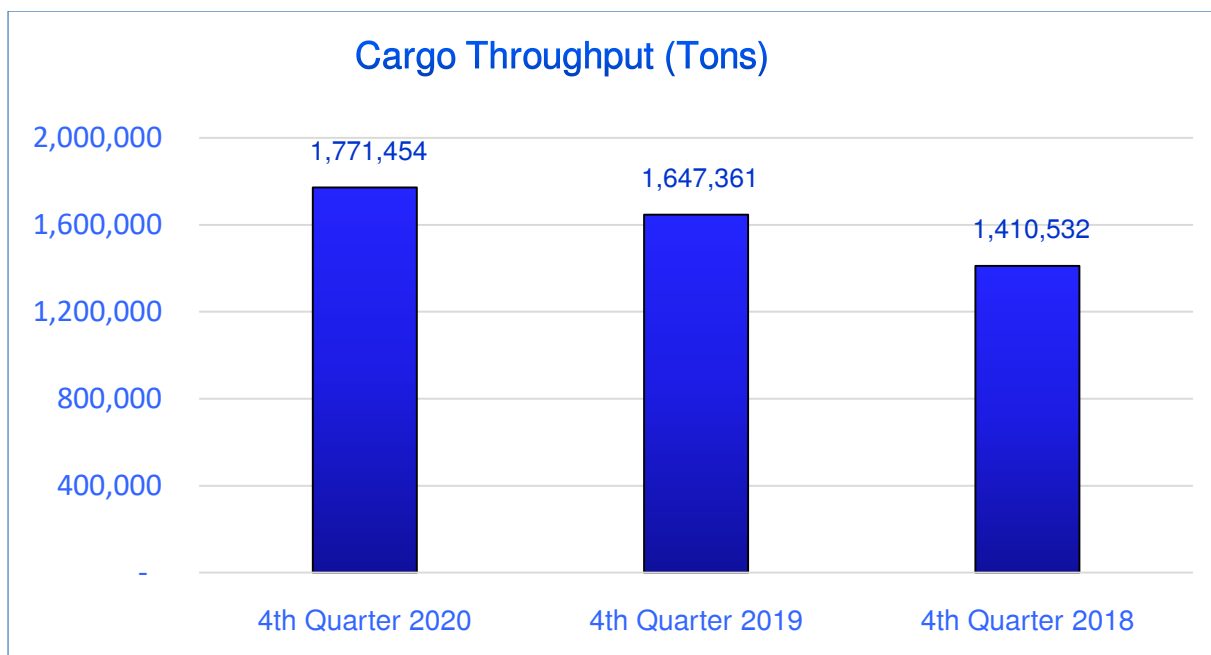


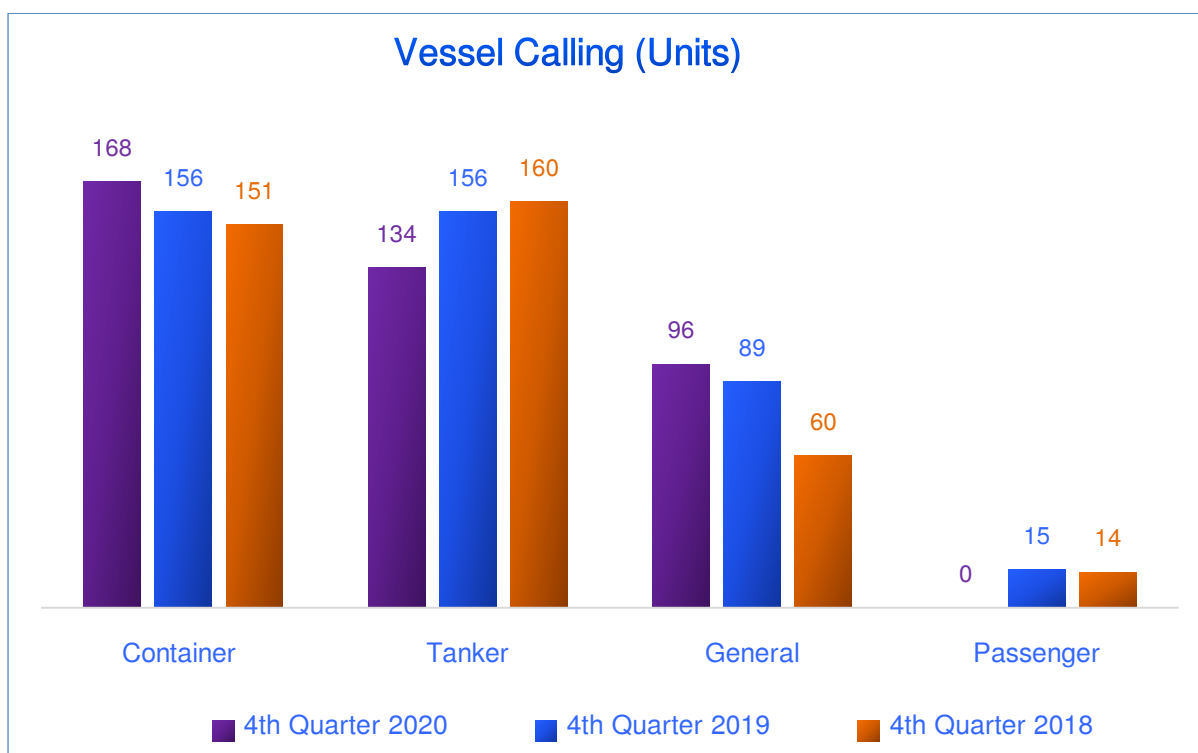
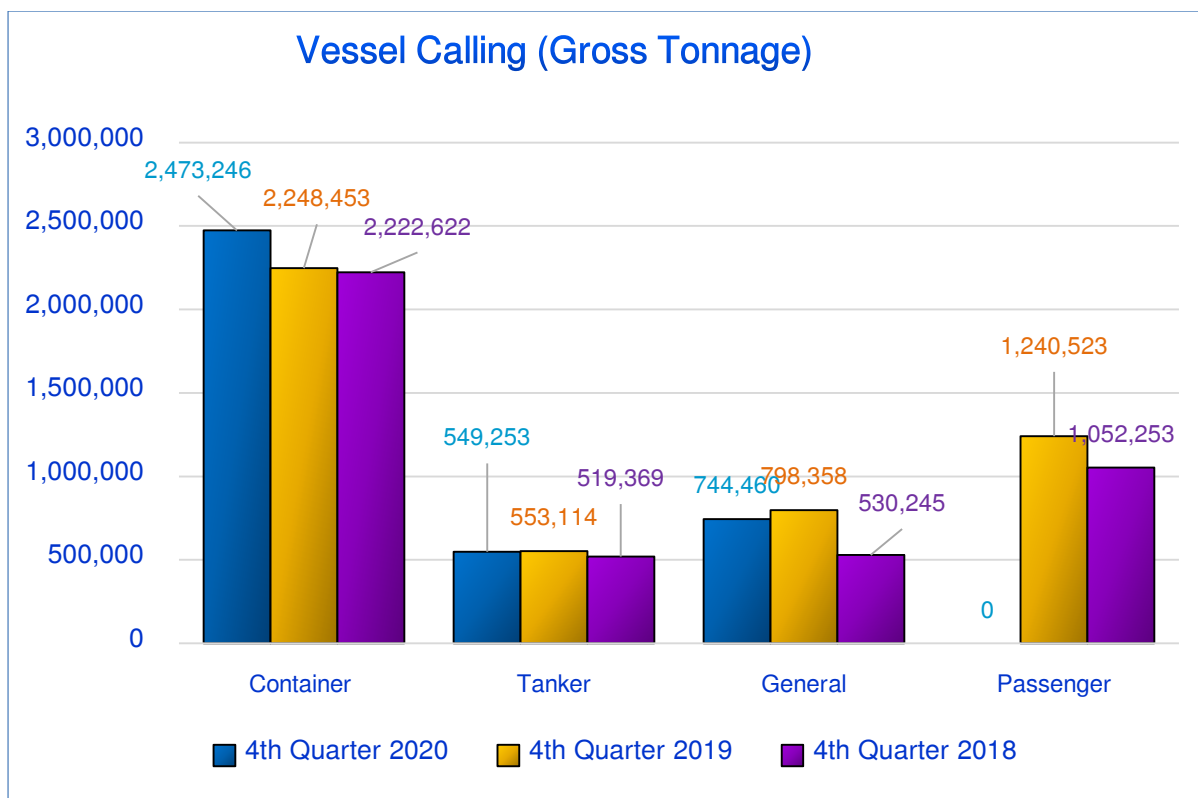
A. Business Operation Performance including business segments information

Items		Planning 2020	4 th Quarter 2020	4 th Quarter 2019	4 th Quarter 2018	Comparison	
		1	2	3	4	(2-3)/3	(2-4)/4
Gross Throughput	Tons	7,187,000	1,771,454	1,647,361	1,410,532	7.53%	25.59%
Container Cargo	—		1,278,628	1,093,041	922,016	16.98%	38.68%
General Cargo	—		85,123	111,384	60,564	-23.58%	40.55%
Fuel	—		407,703	442,936	427,952	-7.95%	-4.73%
Imported Cargo	—	5,701,000	1,272,379	1,234,299	1,048,908	3.09%	21.31%
Container	—		785,851	691,899	560,392	13.58%	40.23%
General	—		486,528	542,400	488,516	-10.30%	-0.41%
Exported Cargo	—	1,486,000	499,075	413,062	361,624	20.82%	38.01%
Container	—		492,777	401,142	361,624	22.84%	36.27%
General	—		6,298	11,920	-	-47.16%	-
Cargo Handling	—	9,313,000	2,667,289	2,310,273	1,905,484	15.45%	39.98%
Direct Transfer	—	536,000	56,362	98,576	59,677	-42.82%	-5.55%
Container Yard and Warehouse	—	8,777,000	2,610,927	2,211,697	1,845,807	18.05%	41.45%



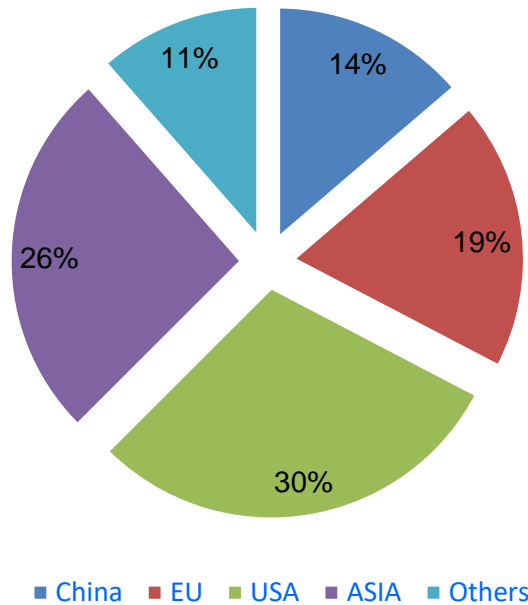
Container Throughput	TEUs	684,000	176,458	164,388	137,709	7.34%	28.14%
Imported Container	—	357,000	88,156	81,970	70,911	7.55%	24.32%
Full Container	—		84,060	80,155	66,379	4.87%	26.64%
Empty Container	—		4,096	1,815	4,532	125.67%	-9.62%
Exported Container	—	327,000	88,302	82,418	66,798	7.14%	32.19%
Full Container	—		56,475	47,773	44,448	18.22%	27.06%
Empty Container	—		31,827	34,645	22,350	-8.13%	42.40%
Calling Vessels	Units	1,711	398	416	385	-4.33%	3.38%
	Tons	18,232,481	3,766,959	4,840,448	4,324,489	-22.18%	-12.89%
Container	Units		168	156	151	7.69%	11.26%
	Tons		2,473,246	2,248,453	2,222,622	10.00%	11.28%
Tanker	Units		134	156	160	-14.10%	-16.25%
	Tons		549,253	553,114	519,369	-0.70%	5.75%
General	Units		96	89	60	7.87%	60.00%
	Tons		744,460	798,358	530,245	-6.75%	40.40%
Passenger (Cruise Ship)	Units		-	15	14	-100.00%	-100.00%
	Tons		-	1,240,523	1,052,253	-100.00%	-100.00%
	Person		-	19,434	16,248	-100.00%	-100.00%





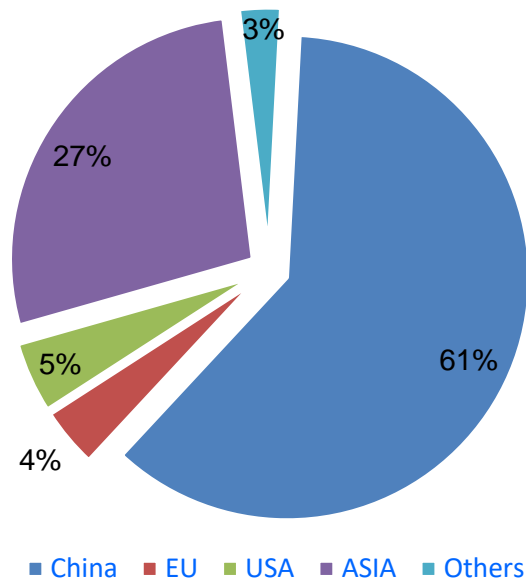
Destination Country of Export Containers

4th Quarter 2020



Origin Country of Import Containers

4th Quarter 2020



B. Revenue structure

Description	4 th Quarter 2020		4 th Quarter 2019		4 th Quarter 2018	
	‘000 riels	Percentage of total income	‘000 riels	Percentage of total income	‘000 riels	Percentage of total income
Stevedoring Charge	40,487,009	48.12%	41,061,998	45.10%	35,251,171	46.73%
LOLO Charge	23,155,650	27.52%	24,480,297	26.89%	19,985,070	26.49%
Port Charge for Vessel Services	16,695,261	19.84%	18,236,742	20.03%	16,133,628	21.39%
Storage (Warehouse and Yard)	2,850,266	3.39%	5,855,691	6.43%	2,664,756	3.53%
Transportation	42,964	0.05%	1,954	0.00%	90,894	0.12%
Passenger vessel	0	0.00%	315,779	0.35%	262,281	0.35%
Special Economic Zone	462,605	0.55%	755,593	0.83%	771,704	1.02%
Rental fee	358,420	0.43%	254,731	0.28%	208,876	0.28%
Other revenues	81,260	0.10%	81,458	0.09%	72,938	0.10%
Total Revenue	84,133,436	100.00%	91,044,243	100.00%	75,441,319	100.00%



PART 3:

**Financial Statements Reviewed
by the External Auditor**





Auditor's report on the review of the condensed interim financial information

To the shareholders of Sihanoukville Autonomous Port

We have reviewed the condensed interim financial information of Sihanoukville Autonomous Port (PAS), which comprises the statement of financial position as at 31 December 2020, the statements of profit or loss and other comprehensive income for the three-month and twelve-month periods then ended, the related statements of changes in equity and cash flows for the twelve-month period then ended and the condensed notes to the condensed interim financial information. 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
11 February 2021



SIHANOUKVILLE AUTONOMOUS PORT

INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED) AS AT 31 DECEMBER 2020

	Notes	31 December 2020 KHR'000 (Reviewed but unaudited)	31 December 2019 KHR'000 (Audited)
ASSETS			
Non-current assets			
Property and equipment	7	915,369,015	857,178,331
Investment properties	8	273,835,467	275,880,745
Intangible assets	9	5,673,745	6,431,960
Loans to employees		-	1,228,019
		<u>1,194,878,227</u>	<u>1,140,719,055</u>
Current assets			
Loans to employees		1,228,021	2,193,112
Inventories		23,853,022	18,519,255
Trade and other receivables		34,615,253	53,429,584
Short-term bank deposits		104,527,103	129,615,618
Cash and cash equivalents		30,741,075	27,789,597
		<u>194,964,474</u>	<u>231,547,166</u>
Total assets		<u>1,389,842,701</u>	<u>1,372,266,221</u>
EQUITY AND LIABILITIES			
EQUITY			
Share capital and share premium	10	518,018,063	518,018,063
Reserves	11	29,059,072	24,712,722
Retained earnings		155,284,283	139,794,055
Total equity		<u>702,361,418</u>	<u>682,524,840</u>
LIABILITIES			
Non-current liabilities			
Borrowings	12	502,343,609	507,273,722
Retirement benefit obligations	13	78,532,967	75,125,061
Seniority payment obligations		983,118	1,096,701
Deferred income		5,406,143	5,580,713
Deferred tax liabilities		19,676,316	15,784,676
		<u>606,942,153</u>	<u>604,860,873</u>
Current liabilities			
Guaranteed dividend payable	10	-	5,256,340
Borrowings	12	37,602,224	36,430,502
Retirement benefit obligations	13	7,949,000	7,949,000
Seniority payment obligations		3,126,060	1,589,505
Deferred income		133,485	134,475
Trade and other payables		24,120,868	24,901,232
Income tax liabilities		7,607,493	8,619,454
		<u>80,539,130</u>	<u>84,880,508</u>
Total liabilities		<u>687,481,283</u>	<u>689,741,381</u>
Total equity and liabilities		<u>1,389,842,701</u>	<u>1,372,266,221</u>

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



SIHANOUKVILLE AUTONOMOUS PORT

INTERIM STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED) FOR THE THREE-MONTH AND TWELVE-MONTH PERIODS ENDED 31 DECEMBER 2020

		Three-month period ended		Twelve-month period ended	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
	Notes	KHR'000	KHR'000	KHR'000	KHR'000
		(Reviewed but unaudited)	(Reviewed but unaudited)	(Reviewed but unaudited)	(Audited)
Revenue	14	84,133,436	91,044,243	311,813,769	333,913,377
Expenses					
Consumable supplies	15	(21,659,156)	(27,197,566)	(83,545,113)	(95,231,741)
Salaries, wages and related expenses	16	(25,873,182)	(25,127,684)	(90,127,696)	(88,128,001)
Depreciation and amortisation charges	17	(9,784,237)	(9,251,984)	(37,989,556)	(30,910,274)
Repairs and maintenances		(2,244,057)	(1,933,028)	(8,879,693)	(8,101,292)
Other expenses		(3,324,481)	(7,383,087)	(21,631,309)	(26,114,242)
Other losses – net		(314,850)	(3,657,003)	(144,097)	(4,057,693)
		<u>(63,199,963)</u>	<u>(74,550,352)</u>	<u>(242,317,464)</u>	<u>(252,543,243)</u>
Operating profit		20,933,473	16,493,891	69,496,305	81,370,134
Finance income		1,060,741	10,291,035	4,507,124	4,175,586
Finance costs		(7,189,937)	(4,055,238)	(31,863,208)	(20,360,292)
Finance (costs)/income – net	18	<u>(6,129,196)</u>	<u>6,235,797</u>	<u>(27,356,084)</u>	<u>(16,184,706)</u>
Profit before income tax		<u>14,804,277</u>	<u>22,729,688</u>	<u>42,140,221</u>	<u>65,185,428</u>
Income tax expense	19	<u>(3,931,759)</u>	<u>(13,331,429)</u>	<u>(15,532,627)</u>	<u>(21,721,928)</u>
Profit for the period		<u>10,872,518</u>	<u>9,398,259</u>	<u>26,607,594</u>	<u>43,463,500</u>
Other comprehensive income					
Items that will not be reclassified to profit or loss:					
Remeasurement of retirement benefit obligations		-	(661,000)	-	(661,000)
Total comprehensive income for the period		<u>-</u>	<u>(661,000)</u>	<u>-</u>	<u>(661,000)</u>
Profit attributable to shareholders		<u>10,872,518</u>	<u>9,398,259</u>	<u>26,607,594</u>	<u>43,463,500</u>
Total comprehensive income attributable to shareholders		<u>10,872,518</u>	<u>8,737,259</u>	<u>26,607,594</u>	<u>42,802,500</u>

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

Basic earnings per share (KHR)	20	<u>126.76</u>	<u>109.57</u>	<u>310.21</u>	<u>506.73</u>
Diluted earnings per share (KHR)	20	<u>126.76</u>	<u>109.57</u>	<u>310.21</u>	<u>506.73</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 2020

	Attributable to shareholders			
	Share capital and share premium KHR'000	Reserves KHR'000	Retained earnings KHR'000	Total KHR'000
Balance at 1 January 2019	518,018,063	20,155,846	111,336,325	649,510,234
Profit for the period	-	-	43,463,500	43,463,500
Other comprehensive income	-	-	(661,000)	(661,000)
Total comprehensive income for the period	-	-	42,802,500	42,802,500
Transfer to reserves (note 11)	-	4,556,876	(4,556,876)	-
Dividend paid (note 6)	-	-	(9,787,894)	(9,787,894)
Balance at 31 December 2019 <i>(audited)</i>	<u>518,018,063</u>	<u>24,712,722</u>	<u>139,794,055</u>	<u>682,524,840</u>
<i>Twelve-month period ended 31 December 2020 (reviewed but unaudited)</i>				
Balance at 1 January 2020	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 11)	-	4,346,350	(4,346,350)	-
Dividend paid (note 6)	-	-	(6,771,016)	(6,771,016)
Balance at 31 December 2020 <i>(reviewed but unaudited)</i>	<u>518,018,063</u>	<u>29,059,072</u>	<u>155,284,283</u>	<u>702,361,418</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 2020

	Notes	Twelve-month period ended	
		31 December 2020 KHR'000 <i>(Reviewed but unaudited)</i>	31 December 2019 KHR'000 <i>(Audited)</i>
Cash flows from operating activities			
Cash generated from operations	21	123,292,356	100,261,462
Income tax paid		(12,652,948)	(7,001,645)
Net cash inflow from operating activities		110,639,408	93,259,817
Cash flows from investing activities			
Purchases of property and equipment	7	(87,318,738)	(33,919,992)
Purchases of investment properties	8	(4,216,838)	(2,594,579)
Purchases of intangible assets		(312,800)	-
Withdrawals/(placements) of short-term bank deposits		25,088,515	(54,742,379)
Proceeds from sale of property and equipment		-	77,864
Receipts of repayment of loans to employees		2,566,726	2,566,726
Interest received		4,251,129	2,929,205
Net cash outflow from investing activities		(59,942,006)	(85,683,155)
Cash flows from financing activities			
Dividends paid	6	(12,174,649)	(15,191,527)
Proceeds from borrowings		11,224,092	4,480,389
Repayments of borrowings		(32,413,412)	(21,873,754)
Interest paid		(14,381,955)	(9,393,698)
Net cash outflow from financing activities		(47,745,924)	(41,978,590)
Net increase/(decrease) in cash and cash equivalents		2,951,478	(34,401,928)
Cash and cash equivalents at beginning of the period		27,789,597	62,191,525
Cash and cash equivalents at end of the period		<u>30,741,075</u>	<u>27,789,597</u>

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 2020

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 11 February 2021.

This condensed interim financial information for the three-month and twelve-month periods ended 31 December 2020 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 2020 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 2019, 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 2019 audited financial statements.



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

An English version of the 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.

(i) *New and amended accounting standards*

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

- Definition of Material – amendments to CIAS 1 and CIAS 8
- Revised Conceptual Framework for Financial Reporting

There is no significant impact on adoption of standards above.

(ii) *New standards and interpretations not yet adopted*

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2020 reporting periods and have not been early adopted by PAS. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

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 2019.

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 2019.

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2020**

4. FINANCIAL RISK MANAGEMENT (continued)

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

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

- (a) *Cash and cash equivalents and short-term bank deposits* – The carrying values of these amounts approximate their fair values due to their short-term nature.
- (b) *Trade and other receivables* – The carrying amounts less impairment provisions approximate the fair value because these are subject to normal credit terms and are short-term in nature.
- (c) *Loans to employees* – The carrying amount of current portion of loans to employees is considered to be the same as their fair value due to the short-term nature of the loans to employees. The fair values were calculated based on cash flows discounted using a current lending rate. They were classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.
- (d) *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.
- (e) *Borrowings* – The fair value is estimated by discounting the future contractual cash outflows using a current borrowing rate at the period-end.

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

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

5. SEGMENT INFORMATION

PAS has a reportable segment, namely, port service. The chief operating decision-maker (Chief Executive Officer) 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 14). CODM also reviews profit before tax and net profit as a whole compared to prior periods. In addition, PAS also has a Special Economic Zone (SEZ) operating at early stage (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 revenue of KHR 107,684,747 thousand represents 35% of total revenue was generated from three major customers during the period.

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2020**

6. DIVIDENDS

On 5 June 2020, the Board of Directors approved to distribute the dividends in respect of profit of the financial year ended 31 December 2019 as follows:

	31 December 2020 KHR'000 <i>(Reviewed but unaudited)</i>	31 December 2019 KHR'000 <i>(Audited)</i>
Dividends paid to Class B shares	3,533,122	6,550,000
Dividends paid to Class C shares	<u>8,641,527</u>	<u>8,641,527</u>
Total dividends paid (*)	<u><u>12,174,649</u></u>	<u><u>15,191,527</u></u>

(*) The total dividends paid amounting to KHR 12,174,649 thousand included the guaranteed dividends amounting to KHR 5,403,633 thousand (note 10) (31 December 2019: KHR 5,403,633 thousand). The remaining of KHR 6,771,016 thousand (31 December 2019: KHR 9,787,894 thousand) have been debited from retained earnings.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2020

7. PROPERTY AND EQUIPMENT

	Land improvement KHR'000	Land improvement KHR'000	Buildings KHR'000	Technical equipment KHR'000	Furniture and fittings KHR'000	Computer and office equipment KHR'000	Motor vehicles KHR'000	Seaport equipment KHR'000	Construction in progress KHR'000	Palettes KHR'000	Total KHR'000
At 31 December 2019 (audited)											
Cost	250,929,909	34,922,391	344,917,322	34,318,979	1,471,385	6,926,818	33,896,552	221,813,668	5,034,897	932,976	935,164,897
Accumulated depreciation	-	(4,307,954)	(20,686,650)	(6,097,366)	(971,257)	(4,917,508)	(6,420,176)	(33,700,747)	-	(884,908)	(77,986,566)
Net book amount (audited)	<u>250,929,909</u>	<u>30,614,437</u>	<u>324,230,672</u>	<u>28,221,613</u>	<u>500,128</u>	<u>2,009,310</u>	<u>27,476,376</u>	<u>188,112,921</u>	<u>5,034,897</u>	<u>48,068</u>	<u>857,178,331</u>
Twelve-month period ended 31 December 2020 (reviewed but unaudited)											
Opening net book amount	250,929,909	30,614,437	324,230,672	28,221,613	500,128	2,009,310	27,476,376	188,112,921	5,034,897	48,068	857,178,331
Additions (*)	-	3,199,247	1,776,613	1,509,355	664,961	2,111,928	7,999,103	10,274,687	61,221,430	89,785	88,847,109
Depreciation charges	-	(1,442,587)	(9,592,013)	(3,713,819)	(358,449)	(1,409,681)	(3,218,281)	(10,833,998)	-	(87,597)	(30,656,425)
Closing net book amount	<u>250,929,909</u>	<u>32,371,097</u>	<u>316,415,272</u>	<u>26,017,149</u>	<u>806,640</u>	<u>2,711,557</u>	<u>32,257,198</u>	<u>187,553,610</u>	<u>66,256,327</u>	<u>50,256</u>	<u>915,369,015</u>
At 31 December 2020											
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 (reviewed but unaudited)	<u>250,929,909</u>	<u>32,371,097</u>	<u>316,415,272</u>	<u>26,017,149</u>	<u>806,640</u>	<u>2,711,557</u>	<u>32,257,198</u>	<u>187,553,610</u>	<u>66,256,327</u>	<u>50,256</u>	<u>915,369,015</u>



SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2020

7. PROPERTY AND EQUIPMENT (continued)

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

	Twelve-month period ended	
	31 December 2020 KHR'000 (Reviewed but unaudited)	31 December 2019 KHR'000 (Audited)
Purchases (cash and non-cash) during the period	88,847,109	35,176,329
Payable to a supplier (non-cash)	(1,528,371)	(1,256,337)
Cash paid during the period	87,318,738	33,919,992

The interest cost that was capitalised on qualifying assets as at 31 December 2020 was KHR 205,720 thousand.

8. INVESTMENT PROPERTIES

	Land KHR'000	Buildings KHR'000	Construction in progress KHR'000	Total KHR'000
At 31 December 2019 (audited)				
Cost	134,325,883	165,987,593	-	300,313,476
Accumulated depreciation	-	(24,432,731)	-	(24,432,731)
Net book value (audited)	134,325,883	141,554,862	-	275,880,745
Twelve-month period ended 31 December 2020 (reviewed but unaudited)				
Opening net book amount	134,325,883	141,554,862	-	275,880,745
Additions	-	2,152,556	2,064,282	4,216,838
Transfers	1,705,002	-	(1,705,002)	-
Depreciation charges	-	(6,262,116)	-	(6,262,116)
Closing net book amount	136,030,885	137,445,302	359,280	273,835,467
At 31 December 2020				
Cost	136,030,885	168,140,149	359,280	304,530,314
Accumulated depreciation	-	(30,694,847)	-	(30,694,847)
Net book amount (reviewed but unaudited)	136,030,885	137,445,302	359,280	273,835,467



SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2020

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:

	Twelve-month period ended	
	31 December 2020	31 December 2019
	KHR'000	KHR'000
	<i>(Reviewed but unaudited)</i>	<i>(Audited)</i>
Rental revenue	2,407,722	2,751,494
Depreciation expenses	(6,262,116)	(6,196,014)
Direct operating expenses arising from investment properties that generate rental revenue	(2,389,248)	(2,777,847)

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

9. INTANGIBLE ASSETS

	Software KHR'000
At 31 December 2019 <i>(audited)</i>	
Cost	10,608,352
Accumulated amortisation	(4,176,392)
Net book amount <i>(audited)</i>	<u>6,431,960</u>
<i>Twelve-month period ended 31 December 2020 (reviewed but unaudited)</i>	
Opening net book amount	6,431,960
Additions	312,800
Amortisation charges	(1,071,015)
Closing net book amount	<u>5,673,745</u>
At 31 December 2020	
Cost	10,921,152
Accumulated amortisation	(5,247,407)
Net book amount <i>(reviewed but unaudited)</i>	<u>5,673,745</u>

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2020

10. SHARE CAPITAL AND SHARE PREMIUM

	Class A share (*)		Class B share (**)		Class C share (***)		Share premium	Total
	Number	KHR'000	Number	KHR'000	Number	KHR'000	KHR'000	KHR'000
At 31 December 2019 (<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 31 December 2020 (<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 2020

10. SHARE CAPITAL AND SHARE PREMIUM (continued)

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

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

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

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

As an incentive to public investors, class C shareholders (all carried voting rights) are entitled to receive a minimum guaranteed dividend yield of 5% per annum for 3 years (either in cash or in share in which the choice of settlement is made by PAS only) of the total class C shares multiplied by the offering price from the IPO listing date in June 2017. The guaranteed dividend payables were fully paid in June 2020.

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

The movement of guaranteed dividend payables is as follows:

	Twelve-month period ended	
	31 December 2020	31 December 2019
	KHR'000	KHR'000
	(Reviewed but unaudited)	(Audited)
Opening balance	5,256,340	10,168,805
Interest expenses from winding up (note 18)	147,293	491,168
Dividend paid	(5,403,633)	(5,403,633)
Closing balance	-	5,256,340

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2020

11. RESERVES

	31 December 2020 KHR'000 <i>(Reviewed but unaudited)</i>	31 December 2019 KHR'000 <i>(Audited)</i>
Opening balance	24,712,722	20,155,846
Add: General reserve	2,173,175	2,278,438
Add: Legal reserve	2,173,175	2,278,438
Closing balance	<u>29,059,072</u>	<u>24,712,722</u>

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 8 May 2020, the Board of Directors approved to transfer the profit for the year ended 31 December 2019 to general reserve of KHR 2,173,175 thousand and legal reserve of KHR 2,173,175 thousand.

12. BORROWINGS

	31 December 2020 KHR'000 <i>(Reviewed but unaudited)</i>	31 December 2019 KHR'000 <i>(Audited)</i>
Borrowings from:		
MoEF – (JBIC) – Loan No. CP-P3	71,044,164	75,074,820
MoEF – (JBIC) – Loan No. CP-P4	104,844,848	113,162,087
MoEF – (JBIC) – Loan No. CP-P6	7,802,673	7,959,883
MoEF – (JBIC) – Loan No. CP-P8	123,998,084	123,100,221
MoEF – (JICA) – Loan No. CP-P10	216,371,064	220,393,009
MoEF – (JICA) – Loan No. CP-P21	15,885,000	4,014,204
	<u>539,945,833</u>	<u>543,704,224</u>

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

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2020

The maturity dates of these borrowings are as follows:

	31 December 2020 KHR'000 <i>(Reviewed but unaudited)</i>	31 December 2019 KHR'000 <i>(Audited)</i>
Current		
Not later than one year	37,602,224	36,430,502
Non-current		
Later than one year but not later than two years	33,453,523	32,413,412
Later than two year but not later than five years	100,360,569	97,240,236
Later than five years	368,529,517	377,620,074
	<u>502,343,609</u>	<u>507,273,722</u>
	<u>539,945,833</u>	<u>543,704,224</u>

12. BORROWINGS (continued)

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

	31 December 2020 KHR'000 <i>(Reviewed but unaudited)</i>	31 December 2019 KHR'000 <i>(Audited)</i>
Carrying value		
Current portion	37,602,224	36,430,502
Non-current portion	<u>502,343,609</u>	<u>507,273,722</u>
	<u>539,945,833</u>	<u>543,704,224</u>
Fair value		
Current portion	32,951,135	31,921,394
Non-current portion	<u>379,276,903</u>	<u>380,591,586</u>
	<u>412,228,038</u>	<u>412,512,980</u>

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2020

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:

	31 December 2020	31 December 2019
	KHR'000	KHR'000
	<i>(Reviewed but unaudited)</i>	<i>(Audited)</i>
JPY	430,518,335	402,088,453
US\$	109,427,498	141,615,771
	<u>539,945,833</u>	<u>543,704,224</u>

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

	31 December 2020	31 December 2019
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	2.65%	2.65%
MoEF – (JICA) – Loan No. CP-P21	1.26%	1.26%

13. RETIREMENT BENEFIT OBLIGATIONS

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

	31 December 2020	31 December 2019
	KHR'000	KHR'000
	<i>(Reviewed but unaudited)</i>	<i>(Audited)</i>
Present value of defined benefit obligations	86,481,967	83,074,061
Unfunded status	<u>86,481,967</u>	<u>83,074,061</u>
Net liability recognised in interim statement of financial position	<u>86,481,967</u>	<u>83,074,061</u>

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



SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2020

	Twelve-month period ended	
	31 December 2020 KHR'000 (Reviewed but unaudited)	31 December 2019 KHR'000 (Audited)
Beginning balance	83,074,061	79,537,976
Current service cost	1,720,000	1,938,000
Interest expense	4,564,000	4,591,000
Curtailments	-	(637,000)
Benefits paid	(2,876,094)	(3,016,915)
Remeasurement losses	-	661,000
Closing balance	86,481,967	83,074,061
	31 December 2020 KHR'000 (Reviewed but unaudited)	31 December 2019 KHR'000 (Audited)
Current portion	7,949,000	7,949,000
Non-current portion	78,532,967	75,125,061
	86,481,967	83,074,061

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:

	Twelve-month period ended	
	31 December 2020 KHR'000 (Reviewed but unaudited)	31 December 2019 KHR'000 (Audited)
Current service cost	1,720,000	1,938,000
Interest expense	4,564,000	4,591,000
Curtailments	-	(637,000)
	6,284,000	5,892,000

13. RETIREMENT BENEFIT OBLIGATIONS (continued)

The principal actuarial assumptions were as follows:

	2020	2019
Average years of service	20	19
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



SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2020

consistent as at 31 December 2020.

14. REVENUE

	Three-month period ended		Twelve-month period ended	
	31 December	31 December	31 December	31 December
	2020	2019	2020	2019
	KHR'000	KHR'000	KHR'000	KHR'000
	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>	<i>(Audited)</i>
Stevedoring charges	40,487,009	41,061,998	144,838,339	151,153,717
Lift-On Lift-Off (LO-LO)	23,155,650	24,480,297	83,821,775	90,877,076
Port due/charge services	16,695,261	18,236,742	67,583,985	65,719,452
Container storage	2,850,266	5,855,691	11,377,785	21,248,122
Rental income from SEZ	462,605	755,593	2,407,722	2,751,494
Other revenue	482,645	653,922	1,784,163	2,163,516
	<u>84,133,436</u>	<u>91,044,243</u>	<u>311,813,769</u>	<u>333,913,377</u>
Timing of revenue recognition				
At a point in time	80,462,144	84,432,958	296,887,430	309,913,761
Over time	<u>3,671,292</u>	<u>6,611,285</u>	<u>14,926,339</u>	<u>23,999,616</u>
	<u>84,133,436</u>	<u>91,044,243</u>	<u>311,813,769</u>	<u>333,913,377</u>

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2020

15. CONSUMABLE SUPPLIES

	Three-month period ended		Twelve-month period ended	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
	KHR'000	KHR'000	KHR'000	KHR'000
	(Reviewed but unaudited)	(Reviewed but unaudited)	(Reviewed but unaudited)	(Audited)
Combustible expenses	8,529,605	10,984,657	33,030,171	44,165,427
Spare parts	9,487,978	12,147,018	34,949,073	35,759,829
Warehouse supplies	1,283,670	1,162,328	6,886,462	6,657,015
Oil and lubricant	1,026,977	1,329,773	3,556,673	4,059,159
Office supplies	1,245,806	422,000	3,265,477	2,691,691
Other consumables	85,120	1,151,790	1,857,257	1,898,620
	<u>21,659,156</u>	<u>27,197,566</u>	<u>83,545,113</u>	<u>95,231,741</u>

16. SALARIES, WAGES AND RELATED EXPENSES

	Three-month period ended		Twelve-month period ended	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
	KHR'000	KHR'000	KHR'000	KHR'000
	(Reviewed but unaudited)	(Reviewed but unaudited)	(Reviewed but unaudited)	(Audited)
Employee salaries	16,339,054	16,239,615	61,180,691	61,403,700
Bonuses	5,429,377	4,713,012	12,179,023	11,116,926
Retirement benefit costs	1,571,000	1,427,250	6,284,000	5,892,000
Accrued seniority payments	656,588	846,485	3,012,477	2,249,433
Directors' remuneration	367,700	306,000	1,372,100	1,224,000
Social security expenses	274,839	373,617	831,961	760,803
Wages for contractors	70,150	71,550	292,300	284,100
Other employee-related expenses	1,164,474	1,150,155	4,975,144	5,197,039
	<u>25,873,182</u>	<u>25,127,684</u>	<u>90,127,696</u>	<u>88,128,001</u>

17. DEPRECIATION AND AMORTISATION CHARGES

	Three-month period ended		Twelve-month period ended	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
	KHR'000	KHR'000	KHR'000	KHR'000
	(Reviewed but unaudited)	(Reviewed but unaudited)	(Reviewed but unaudited)	(Audited)
Property and equipment	7,930,548	7,427,462	30,656,425	23,651,389
Investment properties	1,582,608	1,558,804	6,262,116	6,196,014
Intangible assets	271,081	265,718	1,071,015	1,062,871
	<u>9,784,237</u>	<u>9,251,984</u>	<u>37,989,556</u>	<u>30,910,274</u>



**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2020**

18. FINANCE (COSTS)/INCOME – NET

	Three-month period ended		Twelve-month period ended	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
	KHR'000	KHR'000	KHR'000	KHR'000
	<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)	998,960	1,079,642	4,133,508	3,492,842
Net exchange gains on foreign currency borrowings (c)	-	9,067,872	-	-
Interest income from unwinding of discount of loans to employees	61,781	143,521	373,616	682,744
	<u>1,060,741</u>	<u>10,291,035</u>	<u>4,507,124</u>	<u>4,175,586</u>
<i>Finance costs:</i>				
Interest expenses on borrowings (b)	(3,838,666)	(3,966,860)	(13,624,810)	(12,150,547)
Net exchange losses on foreign currency borrowings (c)	(3,351,271)	-	(18,091,105)	(7,718,577)
Interest expenses from winding up guaranteed dividend payables	-	(88,378)	(147,293)	(491,168)
	<u>(7,189,937)</u>	<u>(4,055,238)</u>	<u>(31,863,208)</u>	<u>(20,360,292)</u>
Finance (costs)/income – net	<u>(6,129,196)</u>	<u>6,235,797</u>	<u>(27,356,084)</u>	<u>(16,184,706)</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 12) 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 losses/gains 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.

	31 December 2020	30 September 2020	31 December 2019	30 September 2019
JPY/KHR	39.275	38.975	37.620	38.120
US\$/KHR	4,045	4,100	4,075	4,095

19. INCOME TAX EXPENSE**i) 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.



**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2020**

19. INCOME TAX EXPENSE (continued)

i) Income tax expense (continued)

Under the Cambodian tax regulations, PAS has obligation to pay income tax at rate of 20%. According to ANUKRET No.01 ANKR.TT dated 8 January 2015, the listed entities are entitled to a three-year tax incentive given by the Securities Exchange Commission of Cambodia. On 16 May 2018, General Department of Taxation 'GDT' approved the incentive as 50% reduction of income tax rate (20%) and accordingly PAS is subject to 10% income tax rate from 2017 to 2019. From 1 January 2020, PAS is required to pay income tax at rate of 20%.

The latest comprehensive tax audit report issued by GDT was for the year ended 2017 and 2018, and all tax liabilities were settled in March 2020.

ii) Deferred tax liabilities

One of the port extension project was completed in October 2019; as a result, it creates a temporary different between tax base and accounting base on accelerated depreciation. Hence, it increased deferred tax liabilities in year 2020.

20. 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.

	Three-month period ended		Twelve-month period ended	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
	KHR'000	KHR'000	KHR'000	KHR'000
	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>	<i>(Reviewed but unaudited)</i>	<i>(Audited)</i>
Profit attributable to shareholders (KHR'000)	10,872,518	9,398,259	26,607,594	43,463,500
Weighted average number of shares	85,771,967	85,771,967	85,771,967	85,771,967
Basic earnings per share (KHR)	<u>126.76</u>	<u>109.57</u>	<u>310.21</u>	<u>506.73</u>

ii) Diluted earnings per share

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

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2020

21. CASH GENERATED FROM OPERATIONS

	Notes	Twelve-month period ended	
		31 December 2020 KHR'000 (Reviewed but unaudited)	31 December 2019 KHR'000 (Audited)
Profit before income tax		42,140,221	65,185,428
Adjustments for:			
Depreciation and amortisation charges	17	37,989,556	30,910,274
Net gain on sale of non-current assets		-	(69,284)
Finance costs– net	18	27,356,084	16,184,706
Retirement benefit obligations		6,284,000	5,892,000
Seniority payment obligations		3,012,477	2,249,433
Other employees related expenses from loans to employees		655,456	655,456
Changes in working capital:			
Inventories		(5,333,767)	(7,196,637)
Trade and other receivables		18,041,254	(11,662,392)
Trade and other payables		(2,211,766)	2,703,925
Retirement benefit obligations		(2,876,094)	(3,016,915)
Seniority payment obligations		(1,589,505)	(1,402,948)
Deferred income		(175,560)	(171,584)
Cash generated from operations		<u>123,292,356</u>	<u>100,261,462</u>

22. 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 2020 KHR'000 (Reviewed but unaudited)	31 December 2019 KHR'000 (Audited)
Borrowings from:		
MoEF – (JICA)	232,256,064	224,407,213
MoEF – (JBIC)	307,689,769	319,297,011
	<u>539,945,833</u>	<u>543,704,224</u>

(ii) Amount due from MoPWT

	31 December 2020 KHR'000 (Reviewed but unaudited)	31 December 2019 KHR'000 (Audited)
Advances to MoPWT	<u>4,754,425</u>	<u>14,287,547</u>



NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2020

22. RELATED PARTY TRANSACTIONS (continued)

(b) Related party transactions

	Twelve-month period ended	
	31 December 2020 KHR'000 (Reviewed but unaudited)	31 December 2019 KHR'000 (Audited)
Interest expenses on borrowings from MoEF (note 18(b))	(13,624,810)	(12,150,547)

(c) Key management compensation

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

	Twelve-month period ended	
	31 December 2020 KHR'000 (Reviewed but unaudited)	31 December 2019 KHR'000 (Audited)
Board of directors		
Fees and related expenses	1,586,400	1,428,000
Key management personnel		
Salaries and other expenses	2,397,964	2,476,818
Retirement benefit expenses (*)	230,539	201,943

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

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

(d) Loan to key management

PAS provided loans to employees including key management and board of directors to buy its class C shares at the Initial Public Offering on 8 June 2017. Loan is interest free and has term of four years. Loan will be repaid on monthly basis by deducting from the monthly salaries of the key management. As at 31 December 2020, outstanding loans to the key management were KHR 488 million (31 December 2019: KHR 1,463 million).

23. COMMITMENTS

As at 31 December 2020, PAS had outstanding capital expenditure commitment of KHR 918,371 million (31 December 2019: KHR 880,132 million) for its purchase of construction services, and 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 17th July 1998, PAS has been entitled as a port operator with detailed business and services in the above Part 1, section B of this 4th quarter 2020 report.

For this 4th quarter 2020, the volume of PAS's container throughput increased by 12,070 TEUs equivalent to 7.34% compared to 4th quarter 2019, and gross cargoes throughput increased by 7.53% equivalent to 124,093 tons. Among gross cargoes throughput, container in tons increased 16.98% equivalent to 185,587 tons, but general cargoes declined 26,261 tons equivalent to 23.58% and fuels declined by 7.95% equal to 35,233 tons. PAS's calling vessel decreased by 4.33% equal to 18 vessels, and gross tonnages decreased by 22.18% equal to 1,073,489 tons compare to 4th quarter 2019.

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 4th quarter 2020 and 2019 as shown in Part 3 of this 4th quarter 2020 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 31st December 2020 compared to the period ended 31st December 2019

Description	4 th Quarter 2020	4 th Quarter 2019	Changes	
	‘000 riels	‘000 riels	‘000 riels	%
Revenue	84,133,436	91,044,243	-6,910,807	-7.59%

For this 4th quarter 2020, PAS's income decreased by 6,910,807,000 Riels equivalent to 7.59% decreased from 91,044,243,000 Riels in 4th quarter 2019 to 84,133,436,000 Riels in 4th quarter 2020. This declined in income was mostly derived from Stevedoring Charges, LOLO Charges, Port Charge for Vessel Services, and Storage Charges of Cargo or Container.

1-B Revenue by Segment Analysis

Table of Revenue Comparison by Sections Against Total Revenues

For 4th Quarter 2020 and 4th Quarter 2019

Description	4 th Quarter 2020		4 th Quarter 2019	
	‘000 riels	Percentage of total income	‘000 riels	Percentage of total income
Stevedoring Charge	40,487,009	48.12%	41,061,998	45.10%
LOLO Charge	23,155,650	27.52%	24,480,297	26.89%
Port Charge for Vessel Services	16,695,261	19.84%	18,236,742	20.03%
Storage (Warehouse and Yard)	2,850,266	3.39%	5,855,691	6.43%
Transportation	42,964	0.05%	1,954	0.00%
Passenger vessel	0	0.00%	315,779	0.35%
Special Economic Zone	462,605	0.55%	755,593	0.83%
Rental fee	358,420	0.43%	254,731	0.28%
Other revenues	81,260	0.10%	81,458	0.09%
Total Revenue	84,133,436	100.00%	91,044,243	100.00%



In the 4th quarter 2020 as well as 2019, there were four important types of incomes accounted for 98% 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 31st December 2020 compared to the period ended 31st December 2019

Description	4 th Quarter 2020	4 th Quarter 2019	Changes	
	‘000 riels	‘000 riels	‘000 riels	%
Stevedoring Charge	40,487,009	41,061,998	-574,989	-1.40%
LOLO Charge	23,155,650	24,480,297	-1,324,646	-5.41%
Port Charge for Vessel Services	16,695,261	18,236,742	-1,541,481	-8.45%
Storage (Warehouse and Yard)	2,850,266	5,855,691	-3,005,425	-51.32%

The income from Stevedoring charge decreased approximately by 1.40% equivalent to 574,989,000 Riels, and LOLO charge decreased by 5.41% equivalent to 1,324,646,000 Riels comparing between 4th quarter 2020 and 4th quarter 2019. The declined of income from Stevedoring charge in 4th quarter 2020 was resulted by the decrease of General cargoes throughput by 32,52%, and at the same time in 2020, most general cargoes were direct transfer by the vessel crane.

The decrease of income form LOLO charge was due to the declined in storage charge, because the average storage of container period in 2020 was under 5days (Free of storage charge period within 5days), if compare the average storage of container period in 2019 which was 8.5days. At the same time, the system calculates LOLO charge include with the storage charge on same invoice.

The income derived from this port charge for vessel services was depended on the number of vessels and tonnage throughput of PAS. For this 4th quarter of 2020, the number of vessels calling to PAS decreased by 18 vessels equal to 4.33%, and tonnage throughput decreased by 22.18% equal to 1,073,489 tons. Therefore, the income on Port charge for vessel service declined from 18,236,742,000 Riels in 4th quarter 2019 to 16,695,261,000 Riels in 4th quarter 2020, decreased by 8.45% equal to 1,541,481,000 Riels.

The income from storage, warehouse, and yard decreased by 3,005,425,000 Riels equivalent to 51.32% compared between 4th quarter 2020 with the income amount of 2,850,266,000 Riels and 4th quarter 2019 with amount of 5,855,691,000 Riels. The reason of this decrease was caused by the container storage period in 2020 was under 5 days (Free of storage charge period within 5 days), if compare with the container storage period in 2019 was 8.5 days.

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 31st December 2020 compared to the period ended 31st December 2019

Description	4 th Quarter 2020	4 th Quarter 2019	Changes	
	‘000 riels	‘000 riels	‘000 riels	%
Revenue	84,133,436	91,044,243	- 6,910,807	-7.59%
Consumable Supplies	(21,659,156)	(27,197,566)	- 5,538,410	-20.36%
Salaries, Wages and related expenses	(25,873,182)	(25,127,684)	745,498	2.97%
Depreciation and Amortization charge	(9,784,237)	(9,251,984)	532,253	5.75%
Repairs and Maintenances	(2,244,057)	(1,933,028)	311,029	16.09%
Other expenses	(3,324,481)	(7,383,087)	- 4,058,606	-54.97%
Other gain /(Losses)-net	(314,850)	(3,657,003)	- 3,342,153	-91.39%
Net- Finance (Costs)/(gain)	(6,129,196)	6,235,797	-12,364,993	-198.29%
Profit before income tax	14,804,277	22,729,688	-7,925,411	-34.87%

For 4th quarter 2020, PAS's expenses on Consumable Supplies amounted to 21,659,156,000 Riels decreased by 5,538,410,000 Riels equivalent to 20.36% compared to the 4th quarter of 2019 with the expense amounted of 27,197,566,000 Riels. The main factor that caused such decrease was resulted by the combustible expense declined by 22.35% equivalent to 2,455,052,000 Riels due to the drop of average petroleum price from 0.64 dollars in 4th quarter 2019 to 0.50 dollars in 4th quarter 2020. For Spare parts expense reduced by 21.89% equivalent to 2,659,040,000 Riels and Other consumables expense reduced by 92.61% equivalent to 1,066,670,000 Riels if compared with 4th quarter 2019.

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 and LOLO incomes declined in this 4th quarter 2020. Nevertheless, the expense on Salary, wages, and other related expenses had increased approximately 2.97% equivalent to 745,498,000 Riels compared that to 4th quarter 2020 with the expense amount of 25,873,182,000 Riels and 25,127,684,000 Riels in 4th quarter 2019. The main factors of this increasing are expense on employees' bonuses which increased approximately 15.20% equal to 716,365,000 Riels, and the increased of Retirement benefit expense by 10.07% equal to 143,750,000 Riels, in this 4th quarter 2020.

The expense on depreciation and amortization included property, equipment, and intangible asset in 4th quarter 2020 amounted to 9,784,237,000 Riels increased by 532,253,000 Riels equivalent to 5.75% compared to that of 4th quarter 2019 with the expense amount of 9,251,984,000 Riels. The factor that caused such an increase was resulted from the expense on depreciation of property and equipment which increased by 503,086,000 Riels equivalent to 6.77%.

The expense on repair and maintenance increased by 311,029,000 Riels equal to 16.09%, the total expense of repair and maintenance in 4th quarter 2020 was 2,244,057,000 Riels and 1,933,028,000 Riels in 4th quarter 2019.

The other expenses decreased by 54.97% equivalent to 4,058,606,000 Riels, which decreased from 7,383,087,000 Riels in 4th quarter 2019 to 3,324,481,000 Riels in 4th quarter 2020.

Other gain /(Losses)-net refers to Realized Foreign Exchange Gain-Loss which in this 4th quarter 2020, the losses from realized foreign exchange with the amount of 314,850,000 Riels decreased by 91,39% equivalent to 3,342,153,000 Riels compared to the losses in 4th quarter 2019 amounted to 3,657,003,000 Riels.

Net-Finance (Costs)/gain refers to Unrealized Foreign Exchange Gain-Loss, for the 4th quarter 2020, there was an expense of 6,129,196,000 Riels increased by 198.29% equivalent to 12,364,993,000 Riels compared to that of 4th quarter 2019 with the Net-Finance gain of 6,235,797,000 Riels instead. The main factor of this change in Net-Finance (Costs)/gain was because of the increase of net exchange losses on foreign currency (Japanese Yen), and in the 4th quarter 2020 amounted to 3,351,271,000 Riels if compared to 4th quarter 2019 with the net exchange gain on foreign currency of 9,067,872,000 Riels.

In conclusion, PAS's Profit before tax in 4th quarter 2020 is 14,804,277,000 Riels decreased by 7,925,411,000 Riels equivalent to 34.87% if compared to 4th quarter 2019 with the amount of 22,729,688,000 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 this year 2020 onward, PAS will 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 31st December 2020 compared to the period ended 31st December 2019

Description	4 th Quarter 2020	4 th Quarter 2019	Changes	
	‘000 riels	‘000 riels	‘000 riels	%
Profit before income tax (A)	14,804,277	22,729,688	-7,925,411	-34.87%
Income tax expense (B)	(3,931,759)	(13,331,429)	- 9,399,670	-70.51%
Profit for the period	10,872,518	9,398,259	1,474,259	15.69%
Remesurement of retirement benefit obligations	-	(661,000)		
Total comprehensive income for the period	10,872,518	8,737,259	2,135,259	24.44%
Effective Tax Rate (B)/(A)	26.56%	58.65%		

PAS has a Profit after tax with the equivalent amount 10,872,518,000 Riels in the 4th quarter 2020 and 9,398,259,000 Riels in the 4th quarter 2019 with the increased amount of 1,474,259,000 Riels equivalent to 15.69%. The main factor that caused the profit after tax to increased is due to Deferred Tax expense decreased in this 4th quarter 2020 compare with the 4th quarter 2019.

The Effective tax rate on profit decreased from 58.65% in 4th quarter 2019 to 26.56% in 4th quarter 2020, due to decreased of Income tax expense in this 4th quarter 2020.

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 decrease to -4.9% for year 2020 due to the Impact of the coronavirus pandemic on the global economy, while Cambodia's economy will decrease around -4.0%, according to the Asian Development Bank (ADB). This shows that the impact from Covid-19 will be affected to port business performance.

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

For the 4th quarter 2020, 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 4th quarter of 2020, 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. While the rail transportation, at present, the Royal Railway Company transports both export and import cargo through PAS 7 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 4th quarter 2020, 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 decline with the expected rate of -4.0%, while the world economy decrease with the expected rate of -4.9% (IMF) for year 2020. Therefore, there will be an impact on market's demand and supply, as well as PAS business.

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 this year 2020 after received the incentive benefit for the last 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 95% of the total income in 4th quarter of 2020, and the main factor bolstering up the increase of revenue is the rise of ships and volume of cargo throughputs, especially containerized cargo 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 4th quarter 2020, 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 4th quarter of 2020, there is other necessary information for the protection of investors as below:

the Board of Directors had conducted one meeting:

The 10th Meeting of the Board of Directors in its 7th Mandate on 6th November, 2020

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

- BOD had agreed on the result and requested to continue working on the agreed agenda of the 9th Meeting of the Board of Directors.
- BOD had reviewed, discussed and approved on Audit Committee's report, Risk Committee's report, and Nomination and Remuneration Committee's report.
- BOD had reviewed, discussed and approved on 3rd Quarter 2020 Financial Report which reviewed by Independent Auditor, PWC.
- BOD had reviewed, discussed and approved on Business Performance Report on PAS's 9 months 2020.
- BOD had reviewed, discussed and approved on PAS's Business Plan (Services) Finance 2021.
- BOD had reviewed, discussed and approved on next 11th Meeting of the Board of Directors in its 7th Mandate on 5th February, 2021.

Signature of Directors of Sihanoukville Autonomous Port

Date: 11 February 2020

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
 034 933 511  pasinfo@pas.gov.kh
 034 933 693  Sihanoukville Autonomous Port