



KINGDOM OF CAMBODIA
NATION RELIGION KING

Sihanoukville Autonomous Port

Annual Report *2024*



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.

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.

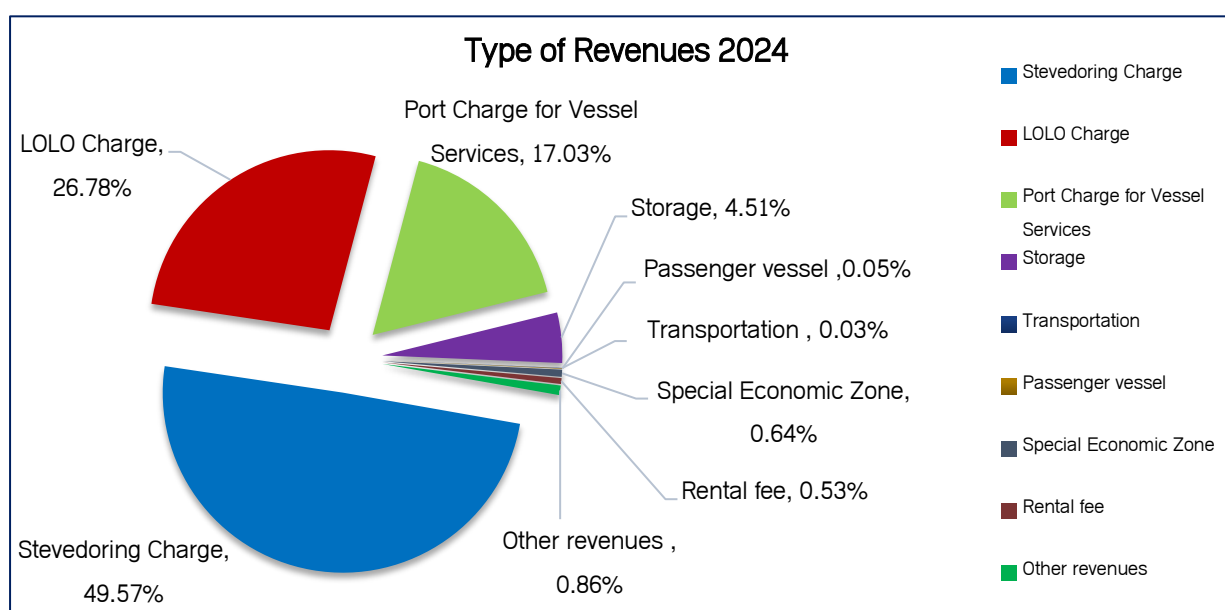
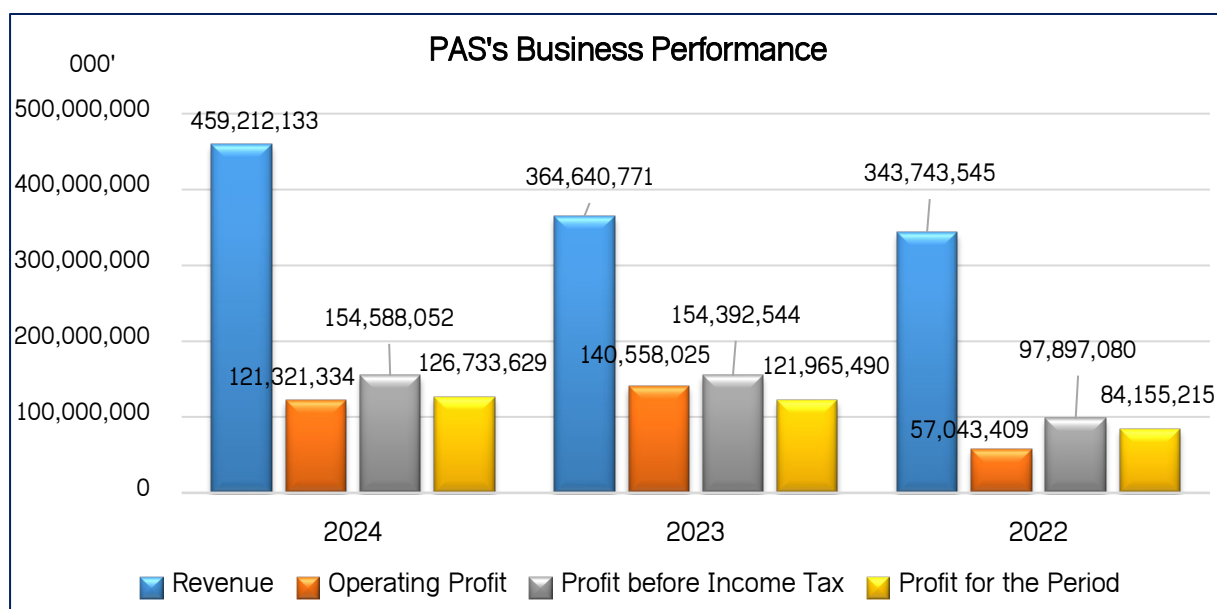
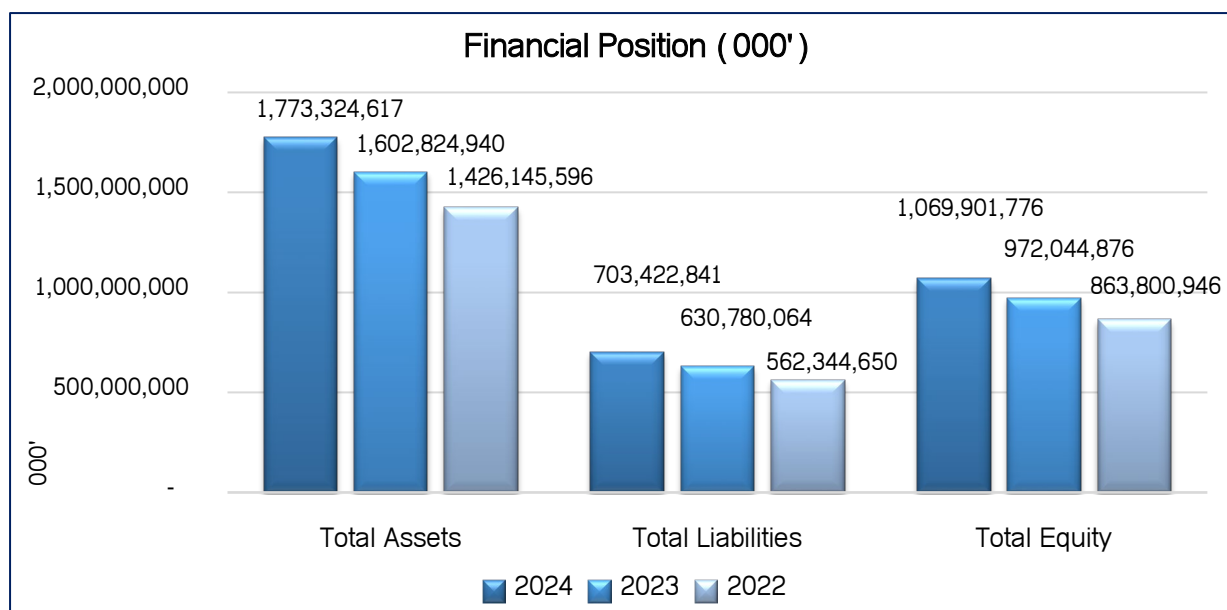
Values

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

Financial Highlight

Financial Position		2024	2023	2022
		KHR 000'	KHR 000'	KHR 000'
Total Assets		1,773,324,617	1,602,824,940	1,426,145,596
Total Liabilities		703,422,841	630,780,064	562,344,650
Total Shareholders' Equity		1,069,901,776	972,044,876	863,800,946
Profit/(Loss)		2024	2023	2022
		KHR 000'	KHR 000'	KHR 000'
Total Revenues		459,212,133	364,640,771	343,743,545
Profit/(Loss) before Tax		154,588,052	154,392,544	97,897,080
Profit/(Loss) after Tax		126,733,629	121,965,490	84,155,215
Total Comprehensive Income		113,664,168	121,965,490	96,014,055
Financial Ratios		31 st December 2024	31 st December 2023	31 st December 2022
Solvency Ratio		25.74%	26.92%	23.09%
Debt to Equity Ratio		0.66	0.65	0.65
Liquidity Ratio	Current Ratio	2.38	1.94	2.62
	Quick Ratio	2.06	1.69	2.25
Profitability Ratio		2024	2023	2022
Return on Assets		7.15%	7.61%	5.90%
Return on Equity		11.85%	12.55%	9.74%
Gross Profit Margin		26.42%	38.55%	16.59%
Profit Margin		27.60%	33.45%	24.48%
Earnings per share		1,477.56	1,421.97	981.15
Interest Coverage Ratio		19.15	18.23	10.85
Dividend per share (KHR)		-	504	454

Financial Summary Charts

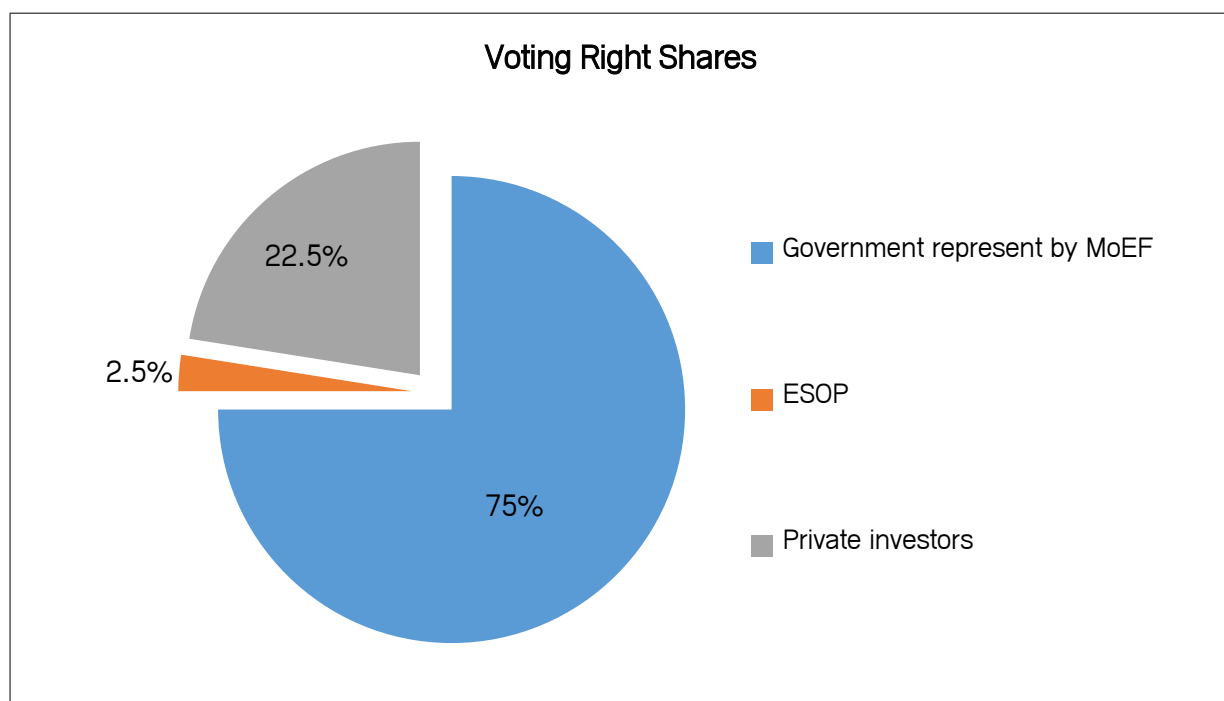


PAS's Shareholders

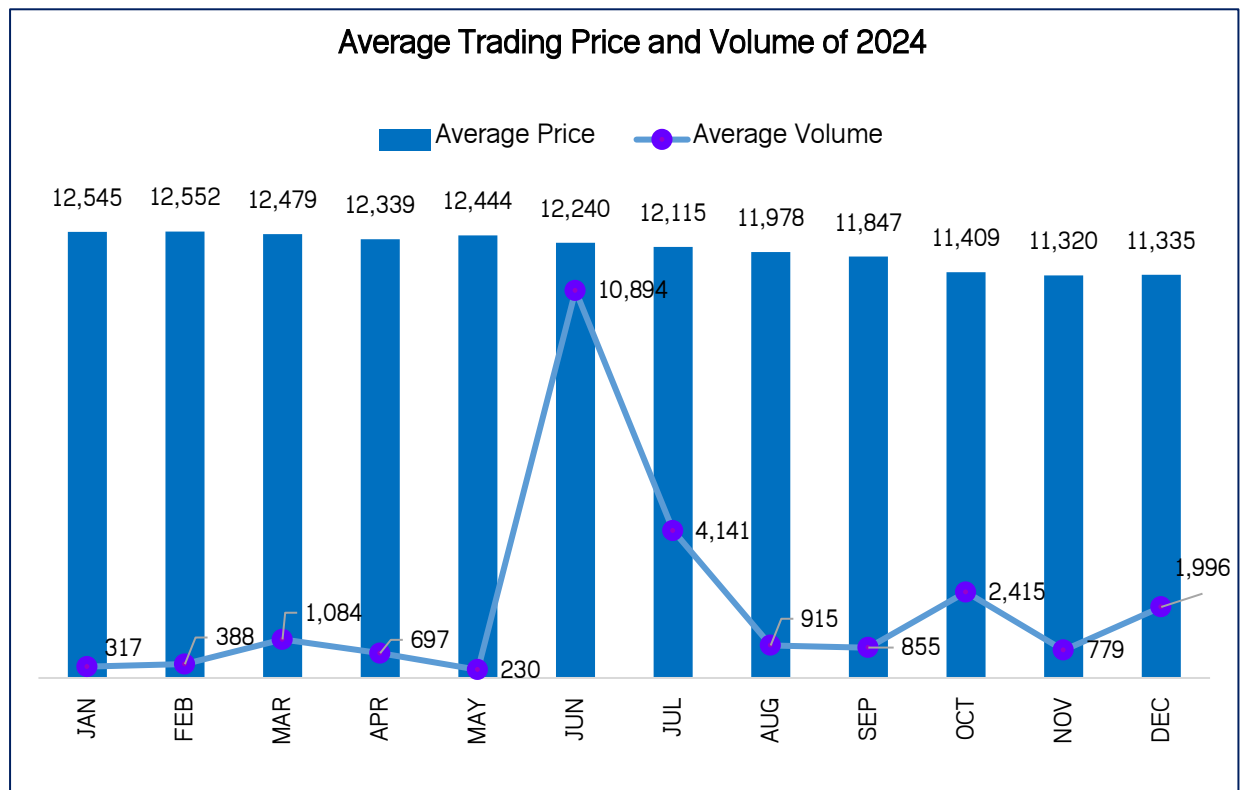
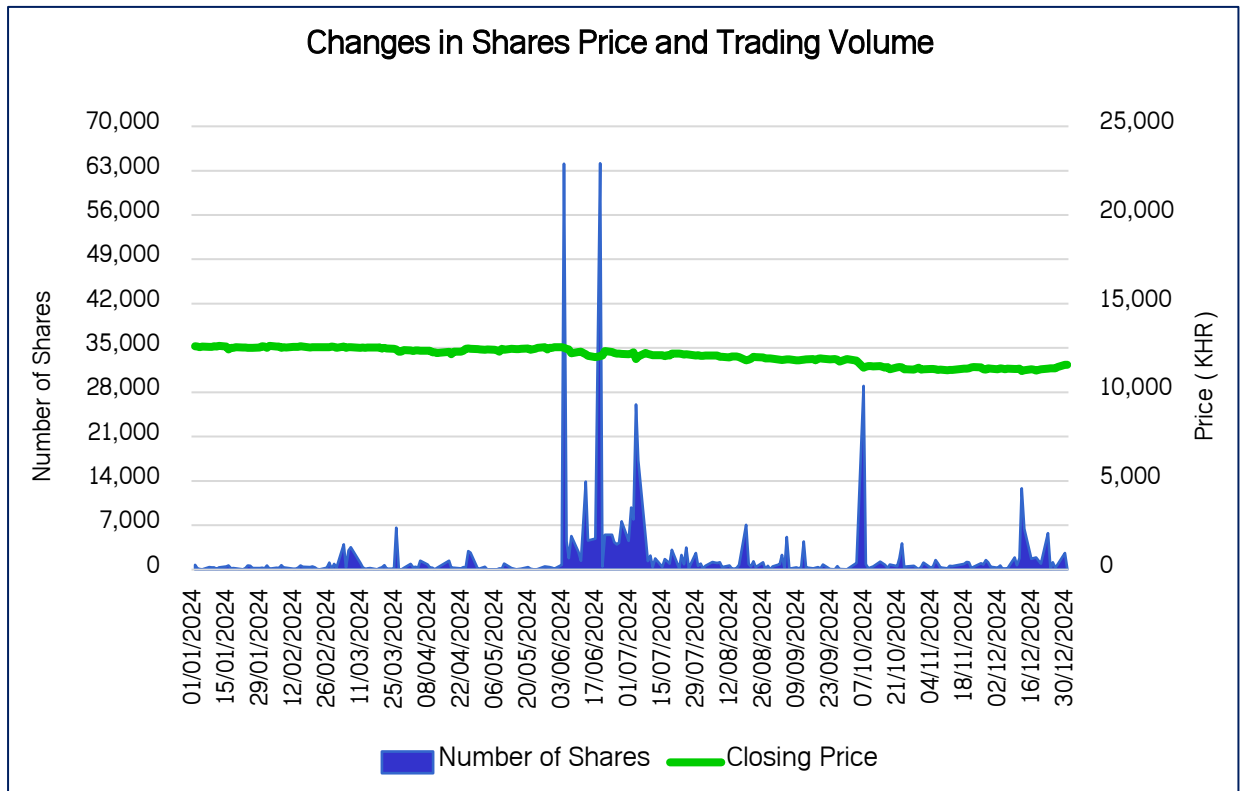
No.	Classes of Shares	Shareholders	Numbers of Shares	Percentage
1	Non-voting Right Shares "Class A"	State, represented by Ministry of Economy and Finance	364,530,861	80.95%
2	Voting Right Shares "Class B"	State, represented by Ministry of Economy and Finance	64,328,975	14.29%
3	Voting Right Shares "Class 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%



Changes in Shares Price and Trading Volume



Annual Statistical Summary

Items		Planning 2024	2024	2023	2022	Comparison		
		1	2	3	4	(2-1)/1	(2-3)/3	(2-4)/4
Gross Throughput	Tons	8,069,000	9,797,413	7,893,157	7,003,157	21.42%	24.13%	39.90%
Container Cargo	—		7,156,099	5,611,207	5,031,988		27.53%	42.21%
General Cargo	—		413,634	203,304	142,944		103.46%	189.37%
Fuel	—		2,077,873	1,939,721	1,729,700		7.12%	20.13%
Gas	—		149,807	138,924	98,525		7.83%	52.05%
Imported Cargo	—	6,055,000	7,345,412	5,842,989	5,225,236	21.31%	25.71%	40.58%
Exported Cargo	—	2,014,000	2,452,001	2,050,168	1,777,921	21.75%	19.60%	37.91%
Cargo Handling	—	17,612,000	21,108,169	17,161,938	11,239,434	19.85%	22.99%	87.80%
Direct Transfer	—	115,000	371,783	169,173	121,180	0.00%	119.77%	206.80%
Container Yard and Warehouse	—	17,497,000	20,736,385	16,992,765	11,118,253	0.00%	22.03%	86.51%
Container Throughput	TEUs	823,000	1,032,191	797,778	750,148	25.42%	29.38%	37.60%
Imported Container	—	0	537,017	402,633	395,114	0.00%	33.38%	35.91%
Exported Container	—	0	495,174	395,145	355,034	0.00%	25.31%	39.47%
Calling Vessels	Units	1,552	1,566	1,506	1,442	0.90%	3.98%	8.60%
	Tons	19,417,000	20,211,433	19,105,702	14,108,032	4.09%	5.79%	43.26%

Board of Directors



H.E. Lou Kim Chhun
Delegate of the Royal Government of
Cambodia in charge as Chairman & CEO



H.E. Chhoun Vin
Representative of Ministry of
Public Work and Transport



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



H.E. Kem Sithan
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, management, officers, and staff of the Sihanoukville Autonomous Port (PAS), I am honored and delighted to present the Business Performance Report and Financial Report for the year 2024, for the financial period ending December 31, 2024.

Under the peace in the Kingdom of Cambodia for over two decades and the wise leadership of Samdech Akka Moha Sena Padei Techo Hun Sen, continued by Samdech Moha Borvor Thipadei Hun Manet, Prime Minister of the Kingdom of Cambodia, the Sihanoukville Autonomous Port (PAS) has seen continuous development, strengthening, and expansion of its capacity. Despite the uncertainty of the global economic situation in recent years, it is a source of immense pride and historical honor for PAS to have achieved a throughput of over 1 million TEUs in 2024. This achievement demonstrates that PAS is gradually transforming itself, in line with its vision and Master Plan, into a Regional Port and Logistics Hub, not only for Cambodia but also for the Mekong region and beyond.

With the strong support from the Royal Government of Cambodia, the parents ministries (Ministry of Economy and Finance and Ministry of Public Works and Transport), the people and government of Japan, relevant authorities, stakeholders, and all port users, including PAS officers, staff, and workers who have diligently provided services with professionalism, the container throughput at PAS in 2024 reached 1,032,191 TEUs, an increase of 234,413 TEUs equivalent to 29.38%, resulting in total revenue amounted to KHR 459,212,133,000, an increase of KHR 94,571,362,000 equivalent to 25.94% and a net profit after tax of KHR 126,733,629,000, an increase of KHR 4,768,139,000 equivalent to 3.91% compared to the same period in 2023. Based on these excellent results, the earnings per share were KHR 1,477.56.

To achieve the vision, as well as to contribute to the Cambodian Royal Government's goal of realizing Cambodia's Vision 2050 of becoming a high-income country, PAS is committed to enhancing service quality by increasing the use of digital transformation and promoting connectivity to become a key gateway for international trade and to attract investment to Cambodia. In parallel, PAS is continuing to strengthen its human resource capacity through skills enhancement and training to ensure efficient, high-value, timely, and competitive services for our customers. Furthermore, PAS will continue its efforts to improve its performance and service delivery to achieve greater results for the benefit of its shareholders.

- ❖ In response to the increasing Container throughput as well as customers' service demand, PAS has set its main goal as follows:
- Operating and developing the Sihanoukville Autonomous Port (PAS) in line with the direction and requirements of the Cambodian Royal Government's policies.
 - Continue to implement work according to the planned schedule.
 - Continuously improve service quality through further repair, maintenance, and development of port infrastructure and machinery, close cooperation with port users, and development of human resources, technology, and modern machinery in line with international innovations.
 - Collaborate with development partners to conduct step-by-step studies and have a clear plan for constructing a deep-sea port, in line with the vision and growth of container throughput.
 - Strengthen the principle of the Sihanoukville Autonomous Port as "a port for all," contributing to national development and poverty reduction.
 - Participate in local community development activities and promote social welfare.

Acknowledgement

Once again, I would like to express our deepest gratitude to the Royal Government of Cambodia led by Samdech Moha Borvor Thipadei **HUN MANET**, Prime Minister of the Kingdom of Cambodia, the parent ministries (Ministry of Public Works and Transport and Ministry of Economy and Finance), local authorities, the General Department of Customs and Excise, and relevant authorities, who have consistently supported and collaborated with the port, providing efficient service quality and earning the trust of our customers, leading to excellent results.

Finally, I would like to thank the Board of Directors, Management team and all staff of the Sihanoukville Autonomous Port, who have consistently paid attention and worked diligently with a high sense of responsibility in fulfilling their duties.

Preah Sihanouk Province, 28th March 2025

**Delegate of the Royal Government of
Cambodia in charge as Chairman & CEO**



LOU KIMCHHUN

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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
Investor Relations	: (855) 78 49 6789
Website	: www.pas.gov.kh
Email	: pasinfo@pas.gov.kh
Certification of Incorporation	: MOC-37805504 ពណ.ចបព Issued by: Ministry of Commerce
Registration Number	: 00074638
Incorporation Date	: 21 st February 2017
Disclosure Document Registration Number	: 058/17/SECC Issued by: SECC Date: 09 th May 2017
Representative of PAS	: His Excellency LOU KIMCHHUN

B. Nature of Business

Sihanoukville Autonomous Port is a significant deep-water seaport in the Kingdom of Cambodia, covering an operational area of approximately 125 hectares. The port is located at the site of Kampong Som, which represents the only deep-water seaport in Cambodia, playing a critical role in facilitating maritime transportation. The port benefits from natural features such as deep water, islands, windbreaks, and large waves, which help ensure smooth operations. These natural advantages contribute to the port's efficient operation, as it does not require regular dredging for vessel navigation.

PAS serves as a distribution and supply center, incorporating a comprehensive transportation network that includes various modes of transport to facilitate services for customers and port users. PAS is connected to the capital city, Phnom Penh, via National Road No. 4, which spans 226 kilometers, or alternatively, through National Road No. 3, passing through Kampot Province, with a length of 244 kilometers, or via an expressway that measures 187 kilometers. In addition to the road networks, PAS is also linked by a railway line extending from Phnom Penh to Kampot Province, with a total length of 264 kilometers. Furthermore, the port is accessible by air, with connections from Siem Reap, Phnom Penh, and Vietnam to 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.
- Transshipment.

PAS has a total quay length of 1,860 meters and is 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	Additional Container terminal	Container	350	500	Terminal No. 5 (West) 97m length for general cargo ships and No. 6 (East): 253m length and 10.5m alongside depth which allows container vessels with a depth of 9.5m.
3	Container terminal	Container	400	350	Terminal No. 7 and No. 8: 11.5m draft for ships with under 10.5m 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 Cambodia.
5	Concrete Wharf	Petroleum	53	5	Petroleum port: 4.5m draft with under 80m in length. Mooring and unmooring facilities have been prepared for berthing alongside of ships with under 6m and 110m in length.

- **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.

- **Sihanoukville Port Special Economic Zone**

In addition to the business and services mentioned above, PAS also operates the Sihanoukville Port Special Economic Zone covering an area of approximately 64 hectares, located near the port, and has been constructed in accordance with the standards and technical specifications of Japan.

C. Group Structure of Sihanoukville Autonomous Port

PAS doesn't have Subsidiary company, Holding company or any related companies.

D. Sihanoukville Autonomous Port's Key Events

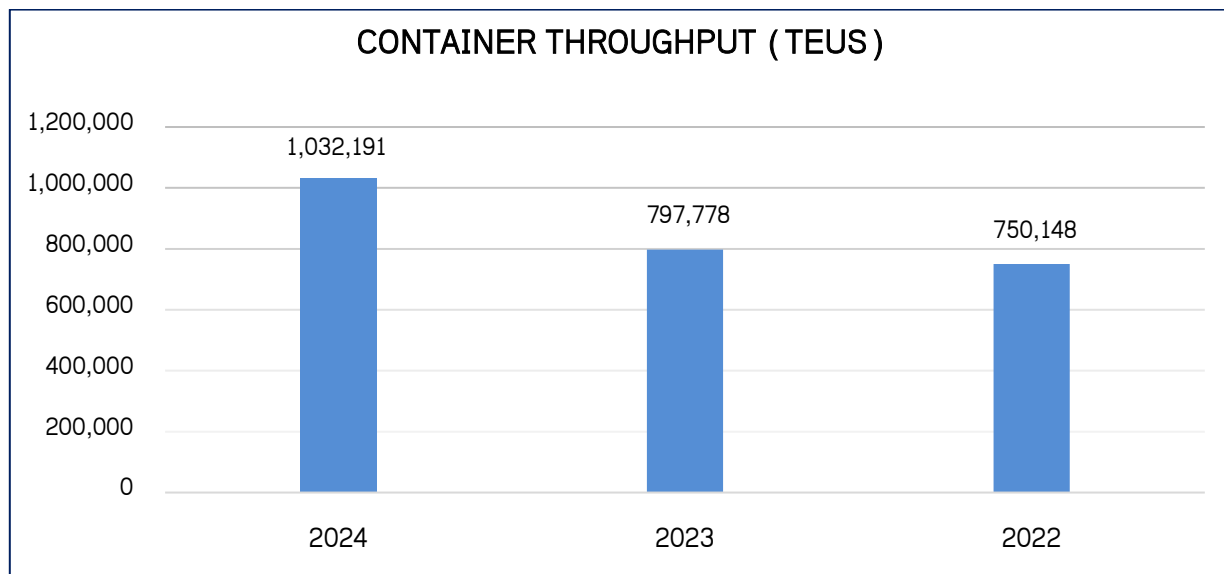
In 2024, PAS had a few key events as below:

- On 1st May 2024, PAS held a gathering of civil servants, staffs, and workers of PAS as well as other relevant parties on the 138th Anniversary of International Labor Day under the high presidency of **Samdech Moha Borvor Thipadei Hun Manet**, Prime Minister of the Kingdom of Cambodia, which was held at the multi-purpose port of PAS.
- On 01st June 2024, PAS had announced Prakas on Guideline on Transshipment through Sihanoukville Autonomous Port.
- On 21st June 2024, PAS had held the 7th General Shareholder Meeting at Sokha Beach Hotel and Resort was presided **H.E Lou Kim Chhun**, Chairman and President of the 7th General Shareholder Meeting.
- On 12th September 2024, PAS held a gathering of civil servants, staffs, and employees of PAS as well as other relevant parties on the occasion of The Inauguration Ceremony for the Official Use of the Additional Container with the Length of 253 meters which under ODA Loans from the Government of Japan under the high presidency of **Samdech Moha Borvor Thipadei Hun Manet**, Prime Minister of the Kingdom of Cambodia, which was held at PAS's yard.
- On Saturday, 21st December 2024 at the venue of PAS Container Terminal, Sihanoukville Autonomous Port proudly under of peace and development as a historical achievement of **Samdech Akka Moha Sena Padei Techo Hun Sen**, President of the Senate, and continued to lead the country under **Samdech Moha Bovor Hun Manet, the Prime Minister**, PAS had held a celebration ceremony of achievement of container throughput in the volume of 1,000,000 TEUs for a period of container handling operation from the beginning of Q1 2024 to the end of Q4 2024, presided over by **His Excellency Mang Sineth**, Governor of Preah Sihanouk Province and **His Excellency Lou Kim Chhun**, Delegate of the Royal Government of Cambodia in charge as Chairman and CEO of Sihanoukville Autonomous Port, **Mr. ABE Yoshihiro**, First Secretary of the Embassy of

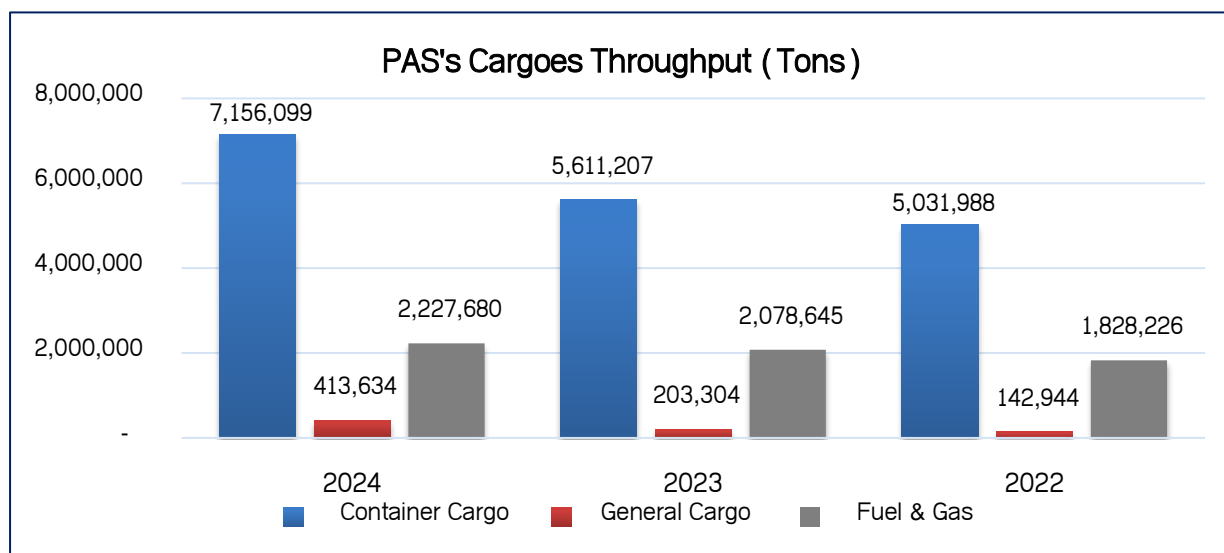
Japan to Cambodia, **Ms. MIURA Yoshiko**, Senior Representative of JICA Cambodia Office and participated by managements of Preah Sihanouk Province, management, employees and workers of Sihanoukville Autonomous Port, Stakeholders, JICA Expert Team, Representatives of Consulting Firms, and Representatives of 15 Shipping Line Companies who contributed to achieving this 1,000,000 TEUs milestone.

E. Market Situation

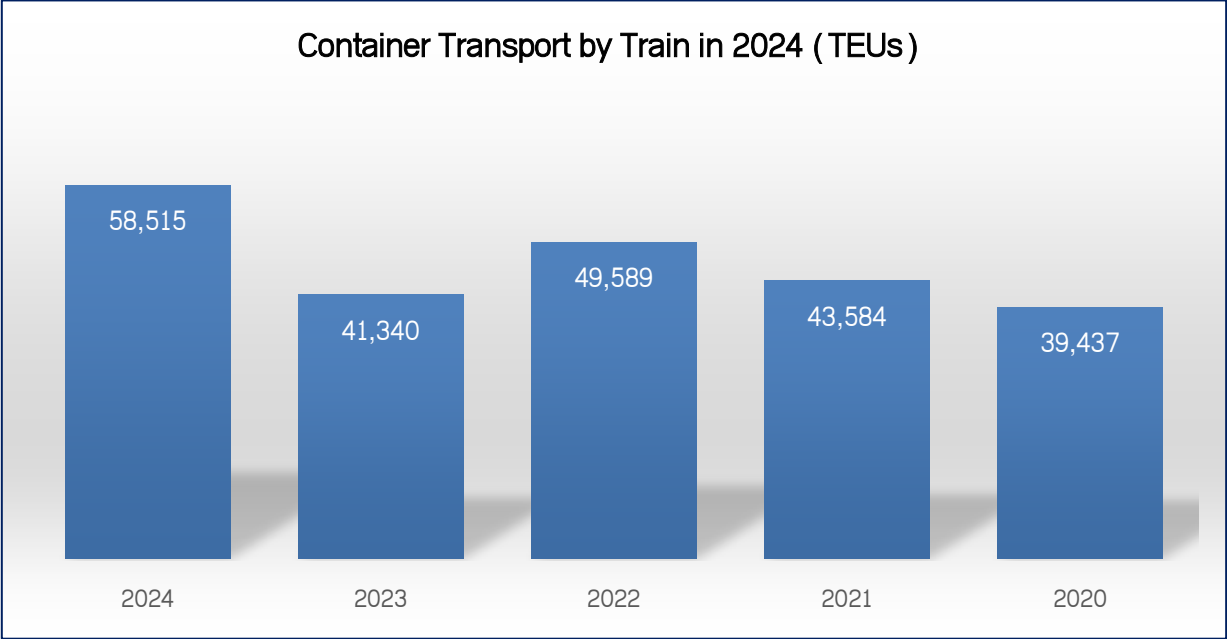
PAS's market situation is primarily based on container throughput. In 2024, the total container throughput was 1,032,191 TEUs, an increase of 234,413 TEUs equivalent to 29.38% compared to 2023, and an increase of 282,043 TEUs equivalent to 37.60% compared to 2022.



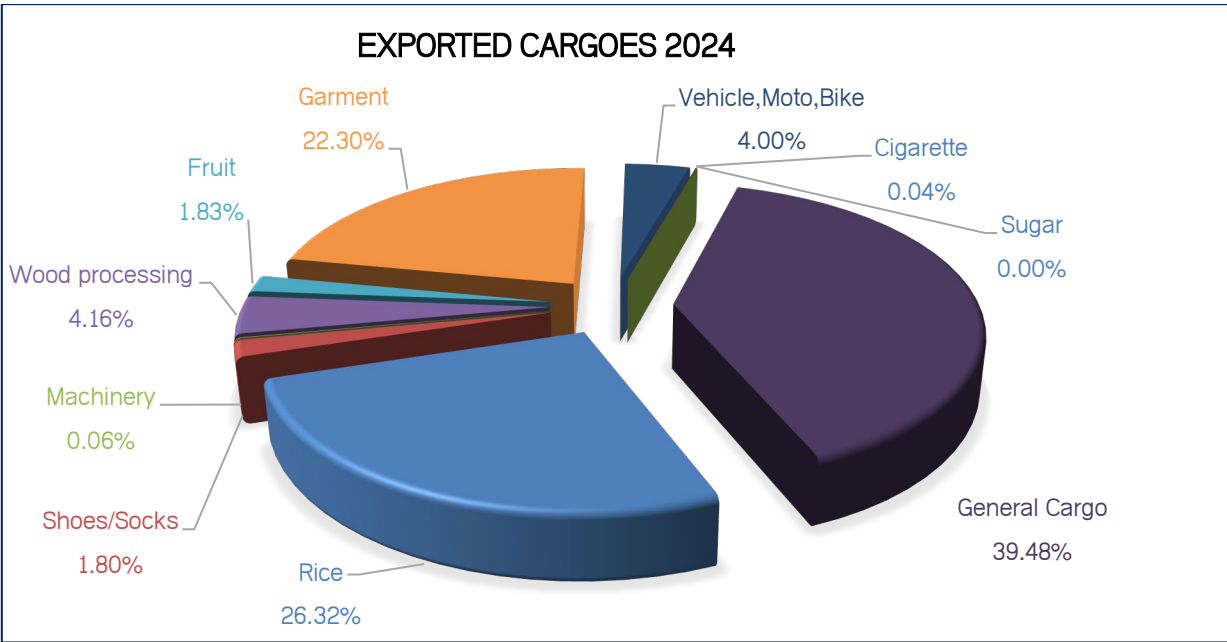
Furthermore, for 2024, the total cargo volume passing through PAS was 9,797,413 tons, an increase of 1,904,256 tons equivalent to 24.13% compared to 2023, and an increase of 2,794,256 tons equivalent to 39.90% compared to 2022. Of that, containerized cargo increased by 1,544,892 tons equivalent to 27.53%, general cargo increased by 210,330 tons equivalent to 103.46%, and oil and gas cargo increased by 149,035 tons equivalent to 7.17% compared to 2023.



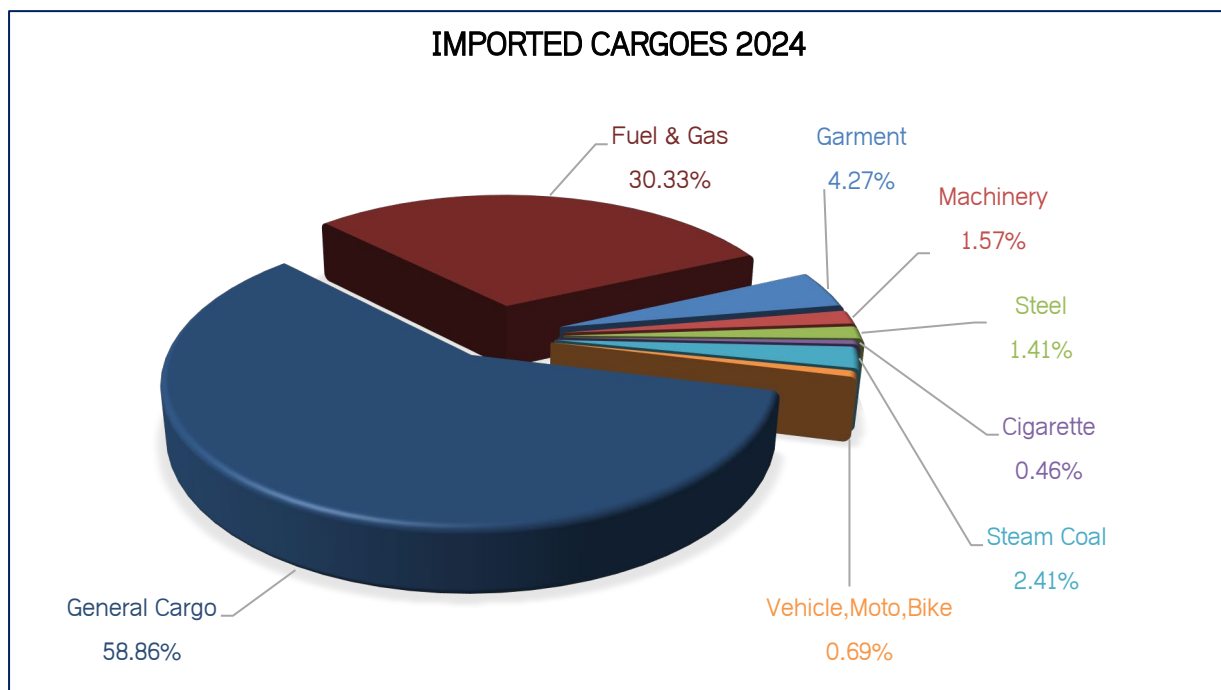
Since 2014, a number of containers have been transported by rail through PAS, which has helped alleviate traffic congestion on National Road 4 and provided customers with an alternative for transporting goods in and out of the port. For 2024, the volume of containers transported by rail through PAS was 58,515 TEUs, an increase of 17,175 TEUs equivalent to 41.55% compared to 2023.



The total of export volume for 2024 was 2,452,001 tons, an increase of 431,833 tons, equivalent to 21.38%, compared to 2023. The largest export category was general merchandise, totaling 968,167 tons, equivalent to 39.48%, followed by rice at 645,342 tons, equivalent to 26.32%, and textiles/garments at 546,824 tons, equivalent to 22.30% of the total exports. Other exports included: processed wood at 4.16%, vehicles (cars, motorcycles, bicycles) at 4.00%, fruits at 1.83%, footwear/socks at 1.80%, machinery at 0.06%, and cigarettes at 0.04%



The total amount of imported cargoes via PAS in 2024 is 7,345,412 tons which increased by 25.71% equivalent to 1,502,423 tons if compared to 2023. Among the imported cargoes, general cargoes amount to 4,323,669 tons equal to 58.86% , Fuel & Gas 30.33% and Garment 4.27% of the total amount of imported cargoes in 2024. For cargo commodities such as Steam Coal 2.41%, Machinery consist of 1.57%, Steel 1.41%, Vehicle/Motor/bike 0.69%, and Cigarette 0.46% of the total amount of imported cargoes in 2024.



F. Competitive Situation

PAS still retains its competitive advantages by several factors as follows:

- **Favorable Geographical Location:**

- PAS is the only deep-sea port in the Kingdom of Cambodia, located in Sihanoukville Province, and is situated in the center of Southeast Asian countries, facilitating easy transportation to major international markets. Transportation from PAS to ports in the Asia-Pacific region does not require transit through regional hub ports; direct transportation is possible. In addition to transportation to Asia-Pacific ports, transportation to Hong Kong or Singapore, gateways to European and U.S. markets, is also convenient.
- It has a favorable location, unaffected by natural disasters such as typhoons, earthquakes, or floods.
- There is no need for regular dredging of shipping channels.

- **Modern Infrastructure:**

- PAS has modern infrastructure, including the use of container terminal operation management systems such as CTMS, SWSS, VTMS, and other systems, to serve business with high efficiency and reliability. Currently, PAS has three container berths

and modern lifting equipment, and the dredging of all three container berths has increased the total port capacity to 1,000,000 TEUs/year, allowing container ships with a draft of 10.4 meters to dock (an increase from 18% to approximately 38% of ships operating worldwide, and up to 49.25% for ships operating in the Asia-Pacific region).

- **Work Efficiency:**

- Continued strengthening of management efficiency and implementation of good governance.
- Regular training and motivation of officers, staff, and workers to develop capacity, strengthen morale, and provide encouragement in efforts to deliver better services to customers.
- Efficient and reliable container handling operations for customers (shipping companies).

- **Competitive Service Prices:**

- PAS continues to maintain its service prices at a competitive level to support the Royal Government in trade facilitation, benefiting customers, investors, and port users.

- **Maintaining Good Relationships with Stakeholders:**

- PAS maintains good relationships with its customers by striving to meet their needs and accepting feedback to understand shortcomings and make further improvements.
- PAS regularly cooperates with regional and international ports to share experiences and provide training to enhance its service quality.

G. Future Plan

PAS's Development Plan for the next 5-Year (2025-2030)

PAS has short-term and medium-term development plans from 2025 to 2030, as follows:

- ❖ New Container Terminal Construction Project - Phase 1: 350 meters long, 14.5 meters deep

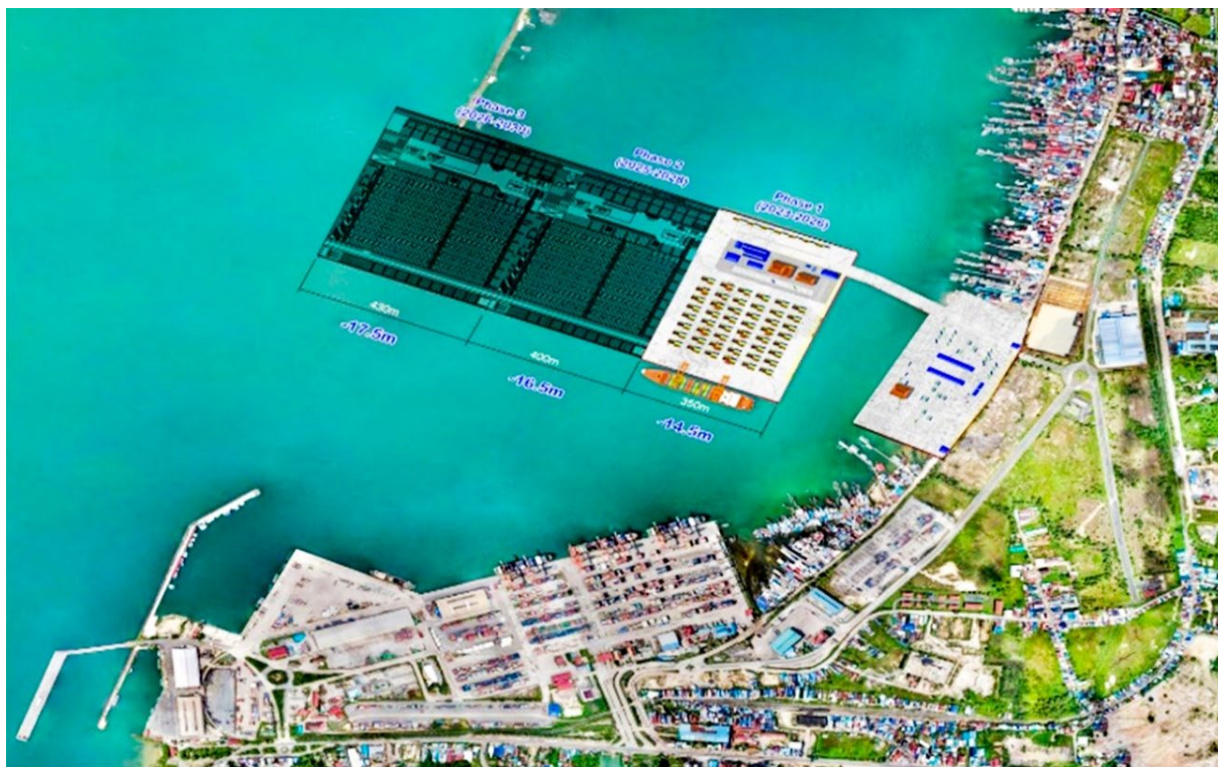
From 2024 to 2027, the project involves the development of a new container terminal (Phase 1) with a length of 350 meters and a water depth of 14.5 meters, including the installation of modern container handling equipment, such as 03 QC cranes and 09 RTG cranes, and other container handling equipment.

This project is financed by the Japanese government (JICA) through the Ministry of Economy and Finance, and construction began in April 2024. The construction is scheduled to be completed and operational in March 2027.

Summary of the Project	
Project Period	From 2024 to 2027
Project Purpose	To enhance container handling capacity of Sihanoukville port which is the sole deep-sea port of Cambodia and the efficiency of Cambodian logistics by the construction of a new container terminal with 350m in length by 14.5m depth and develop other facilities in order to allow larger container vessels with the capacity to store 60,000 DWT (4,000 TEUs) to dock (93% of the container vessels in Asia-Pacific region). The new container terminal construction project is expected to be completed and fully operate at the beginning of 2027 which has the capacity to handle container passing through of 450,000 TEUs per year, allowing PAS's handling capacity to increase furthermore up to 1,250,000 TEUs per year in 2027 (additional capacity of the new wharf of 100,000 TEUs per year) as well as the Ocean Freight Cost that will similar to neighboring countries and the region, and contribute to trade facilitation and the development of Cambodian socio economy.
Expected Outcomes	Container handling capacity will reach 1,250,000 TEUs per year when this new container terminal is launched for operation in the upcoming year of 2027.
Important Inputs of the Project	Construction of a new Container Terminal with 350m in length by 14.5m depth, container yard and port facilities and dredging of vessel basin and navigation channel with 4.3 km in length by 13.5m depth. Installation 3 units of QCs, 9 units of RTGs, 2 units of Top Lifters, and 16 units of trucks and trailers, and 1 set of Auto container terminal management system, etc.
Project Location	Located to the east of the existing container terminal and on the surface of sea water adjacent to the breakwater with the distance approximately 300m from the seashore and connected with the access bridge from land area to the container terminal. The total land area is 17.5 hectares.
Project Operating Agent	PAS is the project operating agent, and the Ministry of Economy and Finance is the Employer.
Financial Source	JICA loan (No. CP-P21), sub-loan by the Ministry of Economy and Finance
Estimated Cost	JPY 23,502,000,000 approximately USD 203,000,000.00
Stages of Project Implementation	Stage 1: Pre-qualification study and financial preparation (2016-2017) First step (2016 to 2017): JICA study team conducted a study and prepared a report on pre-qualification of the new container terminal development project of Sihanoukville port. Second step (2016-2017): JICA study team conducted a study and evaluated the financial conditions of Sihanoukville Autonomous Port new container terminal development project and signed the financial loan Agreement No. CP-P21 on 7th August 2017. Stage 2: Selection of project consultants (2018-2019) The selection of project consultant was carried out in accordance with the procedures of Single Source Selection (SSS). The process in each step must be approved in principle by the two ministries in charge (MEF & MPWT) and JICA. This consulting service consists of the study on engineering detailed design, civil construction and procurement of heavy container handling equipment, and monitoring work upon the completion of the project.

	Nippon-Koei & Oriental Consultants Global JV (Japanese Company) have signed the contract with PAS in August 2019. Stage 3: Preparation for engineering detailed design, assistance for bidding, selection of construction company/contractor, and heavy container handling equipment procurement company (2019-2020) First step (2019-2020): Preparation for engineering detailed design for (1) civil construction work (Package-1) and (2) procurement of heavy container handling equipment (Package-2) NK-OCG JV Consultant company has started the preparation for engineering detailed design and the bidding document for the construction contractor since July 2019 which submitted to PAS in July 2020. However, for the engineering detailed design work has been modified to comply with the trade agreement, as well as due to the global impact of COVID-19 that causing the project to delay and resubmitted to PAS in November 2022. Second step (2022-2024): (1) Selection of construction company/ contractor for the new container terminal (Package-1) (2024) and (2) selection of heavy container handling equipment procurement company (Package-2) (2024). The selection procedures of the construction and procurement companies shall be implemented in accordance with the procedures of the International Competitive Bidding (ICB) and must be agreed in principle from the two ministries in charge (MEF & MPWT) and JICA. Stage 4: Construction stage of a new container terminal and procurement of heavy container handling equipment (2024-2026) - Package 1 (2024): the construction of a new container terminal shall be commenced in March 2024 and completed in 2027 (36 months). - Package 2 (2024-2027) : the procurement of heavy container handling equipment shall be commenced in the and of 2024 and expect to be completed in 2027 (28 months). Stage 5: Maintenance and repair period (LDP) (2027 to 2028) The maintenance and repair period of the project shall last for 1 year: - New container terminal construction work (2027-2028) - Procurement of heavy container handling equipment (2027-2028).
Progress of the Project	- The loan Agreement was signed on 7th August 2017. - The loan Agreement was effective on 7th November 2017. - The loan Agreement expire on 7th August 2025. - Consultant Agreement between PAS and NK-OCG JV signed on 8th August 2019. - Consultation service for engineering detailed design and the preparation of bidding document for the construction contractor started since July 2019 and expected to complete in June 2020. However, the project has been delayed due to the impact of global pandemic COVID-19 and the modification of engineering detailed design in accordance with the trade agreement, and the revised bidding document were resubmitted to PAS in November 2022. - On December 4, 2023, PAS signed an agreement with TOA Corporation and open the construction site of a new container Port under the Samdach Moha Borvor Thipadei Hun Maneth, Prime Minister of the Kingdom of Cambodia on December 22, 2023. Construction will begin in mid-March 2024 and is scheduled to be completed in March 2027.

Project Location of New Container Terminal Construction Project - Phase 1:
350 meters long, 14.5 meters deep



- ❖ New container terminal construction project, New Deep-Phase 2 (400m in length by 16.5m depth) and Phase 3 (430m in length by 17.5m depth) financed by Japanese loan

The vision is to develop PAS into the efficient and dynamic deep seaport, contributing to the improvement of logistic service and socio-economic development in the Kingdom of Cambodia. Once the new deep-sea container ports - Phase 2 and Phase 3 are operational, PAS will be able to attract large container vessels with shipping routes in the Asia-Pacific, Europe and the United States directly to Cambodia without needing to transfer at various ports, taking advantage of the economic benefits of reducing costs and saving time on shipping.

PAS is becoming a potential regional port, especially to support national economic growth and reduce poverty for Cambodian and connect Cambodia to the region and the world.

Therefore, PAS needs to develop both phases of the new deep sea container terminal together by 2028 to 2029, which is the option study by the JICA Survey Team:

- 1- New container terminal (Phase 2) 400m in length by 16.5m depth
 - Capacity of vessel with 120,000 DWT, average containers of 10,000 TEUs will be able to dock and install heavy container handling equipment as well as other necessary Container terminal operating system, TOS.
- 2- New container terminal (Phase 3) 430m in length by 17.5m depth
 - Capacity of vessel with 160,000 DWT, average containers of 15,000 TEUs will be able to dock and install heavy container handling equipment as well as other necessary Container terminal operating system (TOS).

Summary of the Project	
Project Period	From 2025 to 2030
Purpose of the Project	To support trade and business facilitation in Cambodia, reduce the time and logistic cost, which ensure the sustainability of import and export cargoes, competitiveness, quality service and non-congestion in the future. To meet the Cambodia Industrial Development Policy 2015-2025, PAS need to develop and built a new container terminal –Phase 2 (400m in length by 16.5m depth) and Phase 3 (430m in length by 17.5m depth). The vision is to develop PAS into the only effective and prosperous deep-sea port to contribute to the improvement of the logistics sector and socio-economic development in the Kingdom of Cambodia. The new terminal project will be able to attract large container vessels with shipping routes in the Asia-Pacific, Europe and the United States directly to Cambodia without needing to transfer at various ports, taking advantage of the economic benefits of reducing costs and saving time on shipping. Besides, PAS is becoming a potential regional port, especially to support national economic growth and reduce poverty for Cambodian and connect Cambodia to the region and the world.
Expected Outcomes	Container handling capacity has reached 2,500,000 TEUs per year when the new container terminal Phase 2 and Phase 3 is expected to launch for operation in the upcoming 2030.
Important Inputs of the Project	1-New container terminal (Phase 2) 400m in length by 16.5m depth (Capacity of vessel with 120,000 DWT, average containers of 10,000 TEUs) and install heavy container handling equipment as well as other necessary Container terminal operating system, TOS. 2-New container terminal (Phase 3) 430m in length by 17.5m depth (Capacity of vessel with 160,000D WT, average containers of 15,000 TEUs) and install heavy container handling equipment as well as other necessary Container terminal operating system, TOS. 3- Equipped 2 units of tugboats with 4.400 capacity horsepower and 1 unit of pilot boat
Location of the Project	To be connected from the 350m in length container terminal on the surface of the sea water adjacent to the breakwater with the distance approximately 650m in length from the seashore and connected with an access bridge from the land area to the container terminal. The total land area is 42.5 hectares.
Operating Agent	PAS is the project operating agent and the Ministry of Economy and Finance is the employer.
Financial Source	JICA loan (No. CP-P21), sub-loan by the Ministry of Economy and Finance
Estimated Cost	JPY 64,973,000,000.00 equivalent to USD 547,000,000.00 (Received the first JICA loan: JPY 41,388,000,000, equivalent to approximately USD 360,000,000,000)

Stages of the Project	Stage 1: Pre-qualification study and financial preparation (2022-2024) - 2022-2024: JICA survey team is studying and preparing a report on the pre-qualification study of new container terminal development project Phase 2 and Phase 3, and financial evaluation of this new container terminal development project Phase 2 and Phase 3 together in order to provide financial loan. Stage 2: Selection of project consultants (2024-2024) - Selection of consultant companies for Container Terminal Expansion Project - Phase 2 and Phase 3: following the Shortlisted Consultants Procedures by development partners. The consultant services include civil engineering design studies for NCT2 & NCT3, preparation bidding document assistance, and construction supervision for construction, recruitment of construction contractors for NCT2 & NCT3, heavy machinery supply, container handling, and supply ship operation and inspection work during the warranty period of the construction period. Stage 3: Preparation for engineering detailed designs and assistance for bidding in the selection of construction contractor/company and modern heavy container handling equipment procurement company (2024-2025). - First step (2024-2025): Preparation of engineering detailed designs for (1) civil construction-Phase 2 (Package-1) and (2) civil construction-Phase 3 (Package-2) and 3 supplying modern container lifting equipment (Package-3) and (4) Operation Ship Work (Package-4). - Second step (2024-2025): Selection of engineering design for civil construction-Phase 3 (Package-2). - Third step (2025-2026): Selection of construction company-Phase 2 (Package-1) (2) Heavy container handling equipment (Package-3) and (3) Operation Ship Work (Package 4). - Fourth step (2025-2026): (1) Selection of construction company-Phase 3 (Package-2). The procedure for the selection of construction and procurement companies shall be carried out in accordance with the procedures of the International Competitive Bidding (ICB). Stage 4: Construction stage of the new container terminal – Phase 2 and 3, and the procurement of modern heavy container handling equipment (2025-2029) - First step (2025 to 2028) (36 months): The construction of a new container terminal Phase 2 (Package-1) (2) Heavy container handling equipment (Package-2) (3) Operation Ship Work (Package-3). - Second step (2027-2030) (48 months): The construction of a new container terminal-Phase 3 (Package-4). Stage 5: Maintenance and repair period (LDP) (2029 to 2030) The maintenance and repair guarantee period shall last for 1 year.
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Progress of the Project	- On February 15, 2024, the Procurement Review Committee (PRC) and JV-Nippon Koei and Oriental Consultant Global in association with OCDI negotiated and signed a contract, agreeing on a total price of JPY 2,692,952,644 and USD 20,307,320. - On April 14, 2024, JV-Nippon Koei and Oriental Consultant Global in association with OCDI began work on detailed drawings and tender documents for the construction of the new container terminal - Phase 2 and Phase 3. - In March 2025, the company completed the detailed drawings and tender documents for Package 1, Package 2, and Package 3 of the construction of the new container terminal - Phase 2 and Phase 3.
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H. Risk Factors

For 2024, PAS has reviewed and discussed the following risk factors:

- High growth in container throughput as the result of urgent infrastructure expansion.
- Operating beyond capacity (High rate of Occupancy), requiring accelerated construction of the new container terminal to meet deadlines.
- Analysis of operating profit margins and risks arising from exchange rate fluctuations, and undecided reservation of locations for development in accordance with the Sihanoukville Autonomous Port Master Plan.
- Responding to information technology risks, which requires modernization and protection of systems from various attacks.



PART: 2

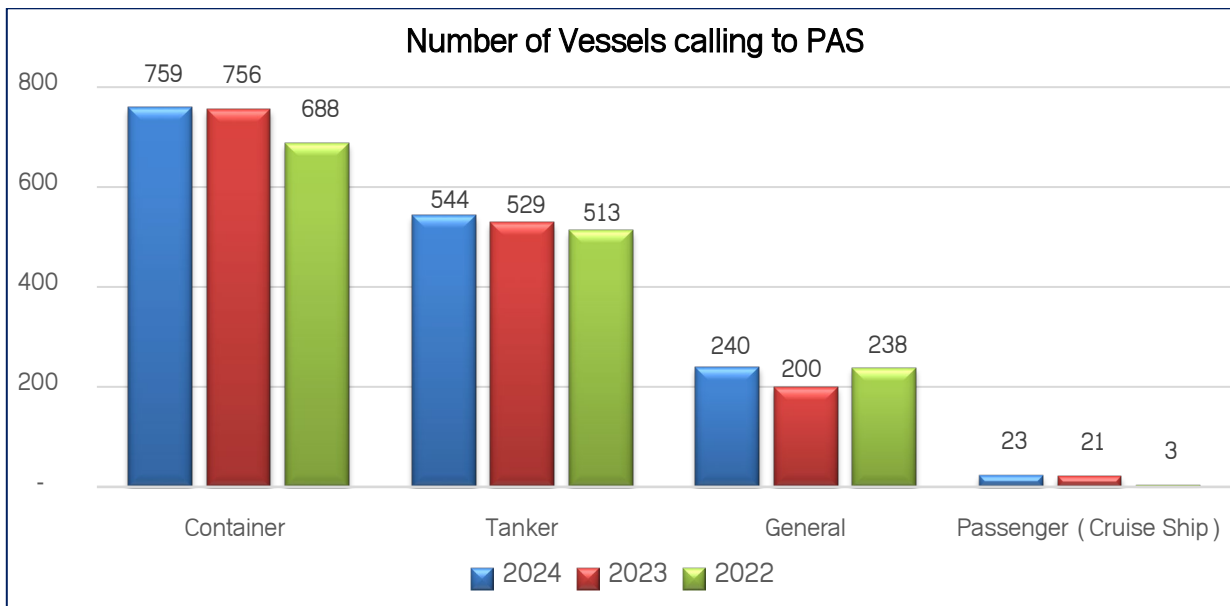
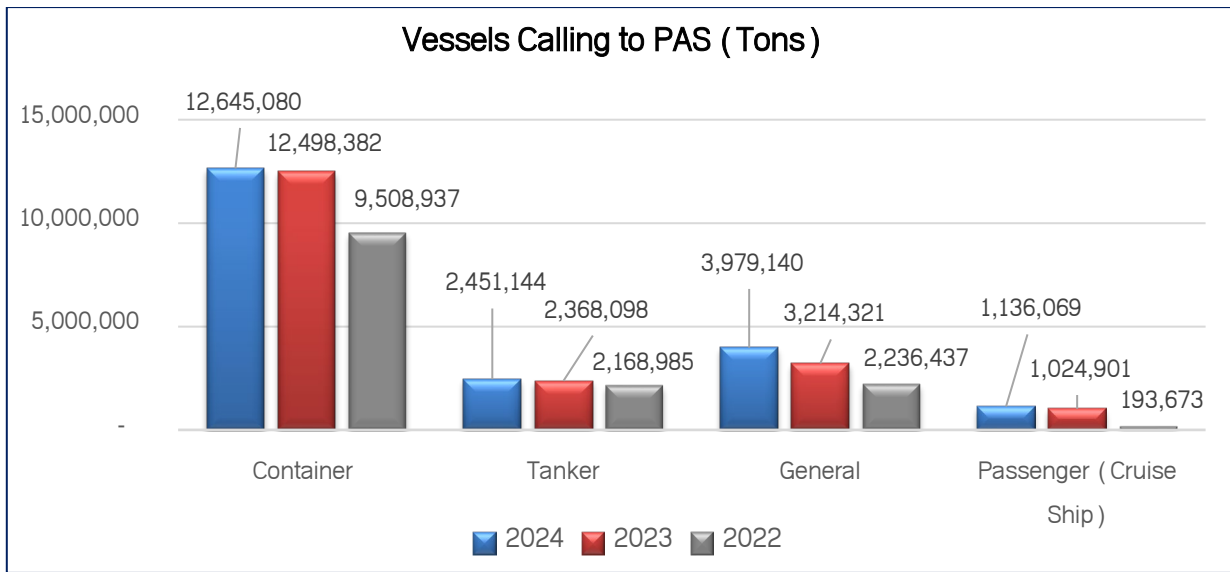
Information on Business Operation Performance

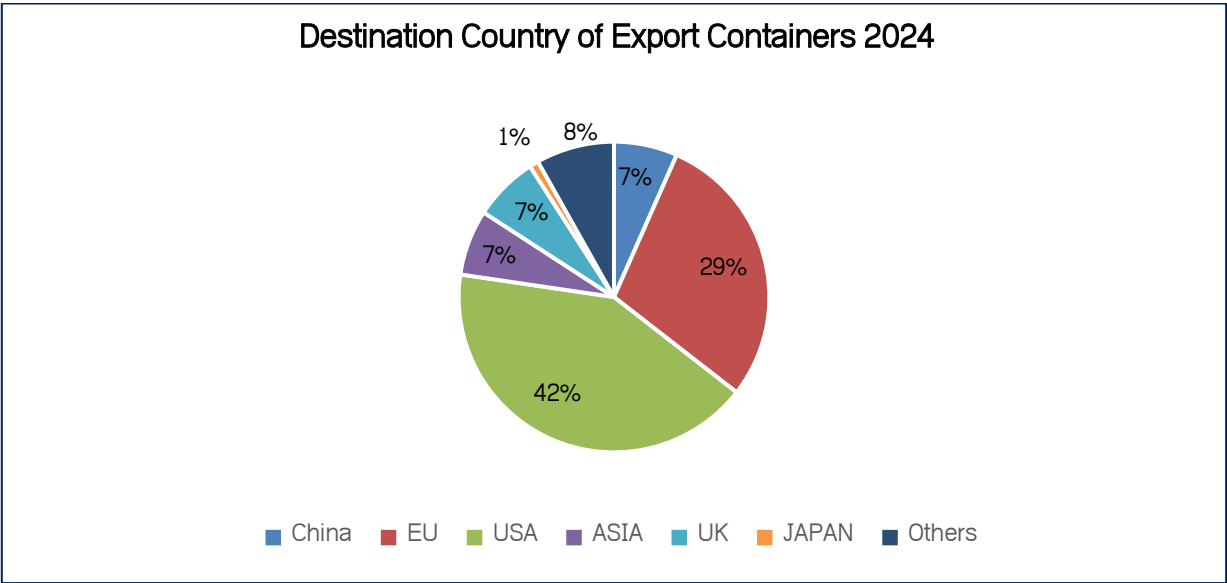
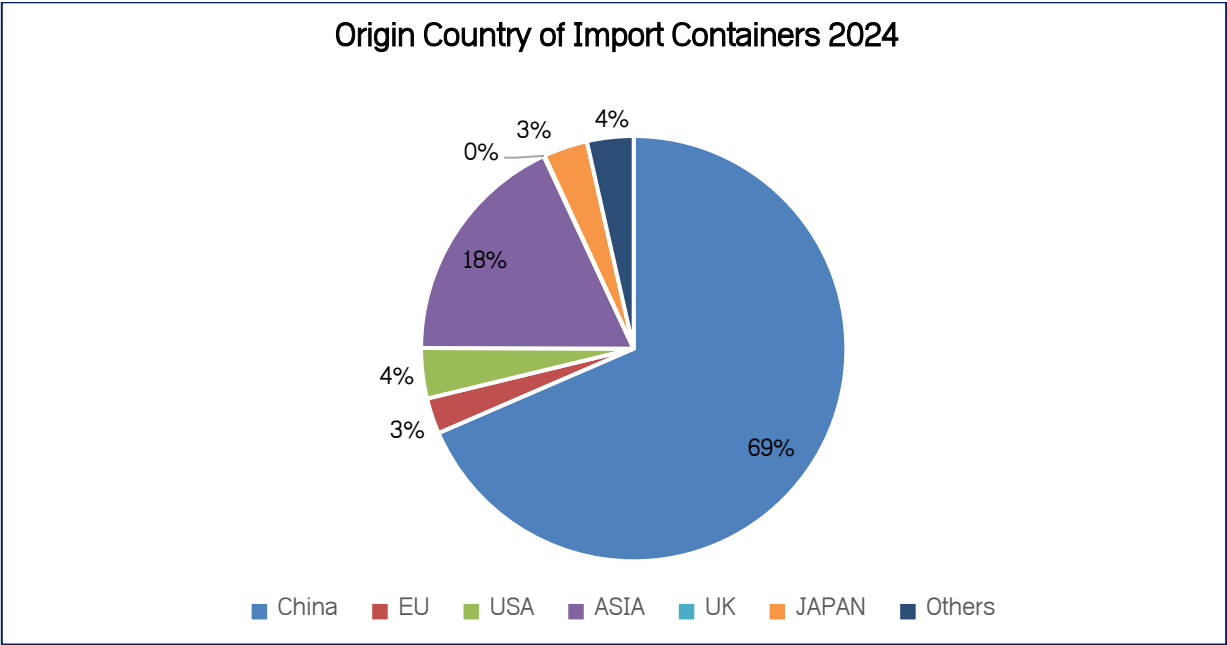
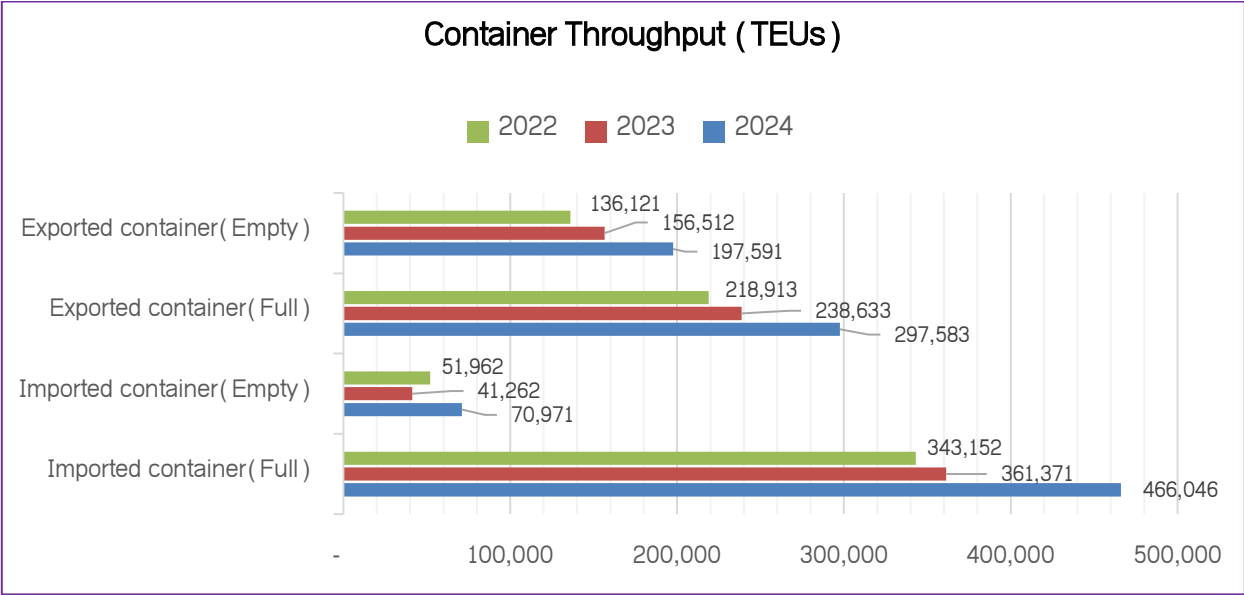


A. Business Operation Performance including business segments information

Items		Planning 2024	2024	2023	2022	Comparison		
		1	2	3	4	(2-1)/1	(2-3)/3	(2-4)/4
Gross Throughput	Tons	8,069,000	9,797,413	7,893,157	7,003,157	21.42%	24.13%	39.90%
Container Cargo	—	-	7,156,099	5,611,207	5,031,988		27.53%	42.21%
General Cargo	—	-	413,634	203,304	142,944		103.46%	189.37%
Fuel	—	-	2,077,873	1,939,721	1,729,700		7.12%	20.13%
Gas			149,807	138,924	98,525		7.83%	52.05%
Imported Cargo	—	6,055,000	7,345,412	5,842,989	5,225,236	21.31%	25.71%	40.58%
Container	—	-	4,707,751	3,574,124	3,254,499		31.72%	44.65%
General	—	-	2,637,661	2,268,865	1,970,737		16.25%	33.84%
Exported Cargo	—	2,014,000	2,452,001	2,050,168	1,777,921	21.75%	19.60%	37.91%
Container	—	-	2,448,347	2,037,083	1,777,489		20.19%	37.74%
General	—	-	3,653	13,085	432		-72.08%	746.19%
Cargo Handling	—	17,612,000	21,108,169	17,161,938	11,239,434	19.85%	22.99%	87.80%
Direct Transfer	—	115,000	371,783	169,173	121,180		119.77%	206.80%
Container Yard and Warehouse	—	17,497,000	20,736,385	16,992,765	11,118,253		22.03%	86.51%
Container Throughput	TEUs	823,000	1,032,191	797,778	750,148	25.42%	29.38%	37.60%
Imported Container	—	-	537,017	402,633	395,114	0.00%	33.38%	35.91%
Full Container	—	-	466,046	361,371	343,152		28.97%	35.81%
Empty Container	—	-	70,971	41,262	51,962		72.00%	36.58%
Exported Container	—	-	495,174	395,145	355,034	0.00%	25.31%	39.47%
Full Container	—	-	297,583	238,633	218,913		24.70%	35.94%
Empty Container	—	-	197,591	156,512	136,121		26.25%	45.16%

Calling Vessels	Units	1,552	1,566	1,506	1,442	0.90%	3.98%	8.60%
	Tons	19,417,000	20,211,433	19,105,702	14,108,032	4.09%	5.79%	43.26%
Container	Units	-	759	756	688		0.40%	10.32%
	Tons	-	12,645,080	12,498,382	9,508,937		1.17%	32.98%
Tanker	Units	-	544	529	513		2.84%	6.04%
	Tons	-	2,451,144	2,368,098	2,168,985		3.51%	13.01%
General	Units	-	240	200	238		20.00%	0.84%
	Tons	-	3,979,140	3,214,321	2,236,437		23.79%	77.92%
Passenger (Cruise Ship)	Units	-	23	21	3		9.52%	666.67%
	Tons	-	1,136,069	1,024,901	193,673		10.85%	486.59%
	Person	-	14,038	12,906	231		8.77%	5,977.06%





B. Revenue structure

Description	2024		2023		2022	
	'000 riels	Percentage of total income	'000 riels	Percentage of total income	'000 riels	Percentage of total income
Stevedoring Charge	227,643,155	49.57%	177,778,892	48.75%	164,873,445	47.96%
LOLO Charge	122,984,311	26.78%	93,390,482	25.61%	96,920,196	28.20%
Port Charge for Vessel Services	78,185,635	17.03%	74,057,713	20.31%	62,285,050	18.12%
Storage (Warehouse and Yard)	20,717,757	4.51%	14,064,536	3.86%	15,516,975	4.51%
Transportation	136,409	0.03%	123,264	0.03%	92,090	0.03%
Passenger vessel	227,502	0.05%	209,932	0.06%	-	0.00%
Special Economic Zone	2,957,970	0.64%	2,297,616	0.63%	2,374,696	0.69%
Rental fee	2,415,986	0.53%	1,938,597	0.53%	1,385,553	0.40%
Other revenues	3,943,409	0.86%	779,739	0.21%	295,539	0.09%
Total Revenue	459,212,133	100.00%	364,640,771	100.00%	343,743,545	100.00%

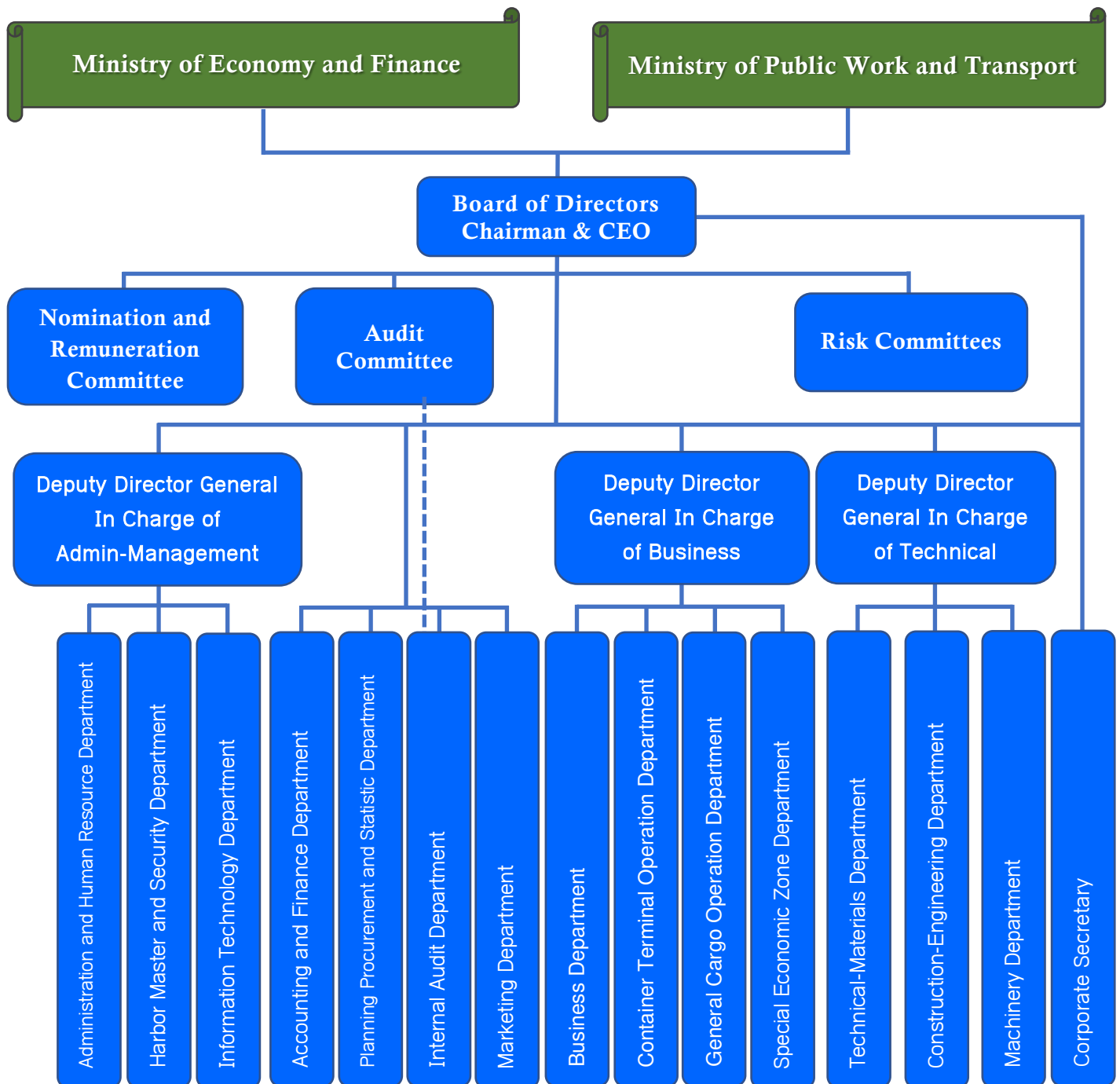


PART 3:
Information on Corporate
Governance



A. Organization Structure

Organization chart of Sihanoukville Autonomous Port



B. Board of Director

Board Composition

No.	Name	Position	Date of term being Director	Expired Date of being Director
1	H.E. Lou Kim Chhun	Chairman	21 May 2024	20 May 2028
2	H.E. Chhuon Vin	Director	21 May 2024	20 May 2028
3	H.E. Dr. Phan Phalla	Director	21 May 2024	20 May 2028
4	H.E. Kem Sithan	Director	21 May 2024	20 May 2028
5	Mr. Hun Monivann	Director	21 June 2024	20 June 2028
6	Mr. Hidetoshi KUME	Director	21 June 2024	20 June 2028
7	Mr. Lou Lykheng	Director	05-May 2024	04 May 2028
8	H.E. Suy San	End of Mandate	05 May 2021	04 May 2024
9	H.E. Sok Sopheak	End of Mandate	05 May 2021	04 May 2024

C. Senior Officers

Senior Officers Composition

No.	Name	Gender	Position
1	H.E. Lou Kim Chhun	Male	Delegate of the Royal Government of Cambodia in charge as Chairman & CEO
2	Mr. Nom Sinith	Male	State Controller of PAS
3	Mr. Thai Rithy	Male	Deputy Director General of Business
4	Mr. Thong Viro	Male	Deputy Director General of Administration
5	Mr. Ty Sakun	Male	Deputy Director General of Technique
6	Mr. Roth Sela	Male	Director of Administration and Human Resource Department
7	Mr. Pith Prakath	Male	Director of Financial and Accounting Department
8	Mr. So Seang	Male	Director of Planning, Procurement and Statistic Department
9	Mr. Ouk Vannara	Male	Director of Technical-Materials Department
10	Mrs. Chey Sokunthea	Female	Director of Marketing Department
11	Mr. Chiv Chansopha	Male	Director of Special Economic Zone Department
12	Mr. Ngoun Ratana	Male	Director of Business Department
13	Mr. Kim Hor	Male	Director of Container Terminal Operation Department
14	Mr. Lou LyKheng	Male	Director of General Cargo Operation Department
15	Mr. Sing Seno	Male	Director of Harbor Master and Security Department
16	Mr. Thai Mengly	Male	Director of Machinery Department
17	Mr. Men Chann	Male	Director of Internal Audit Department
18	Mr. Sorm Karaney	Male	Director of Information Technology Department
19	Mr. Mean Koeung	Male	Director of Construction-Engineering Department
20	Mr. Sam Sopheap	Male	Director
21	Mr. Souk Kolchenda	Male	Director

Note: Detail information of corporate governance is attached as appendix 1.



PART 4:

Information on Securities' Trading and Shareholders



A. Information on Equity Securities

- Name of Equity Securities: Class C Voting Shares
- Equity Securities' symbol: PAS (ភីស៊ី)
- Class of Equity Securities: Class C Voting Shares
- Par Value per Equity Securities: KHR 1,000
- IPO Price: KHR 5,040 (US\$ 1.259)
- The Total number of Outstanding shares: 21,442,992 shares
- Market Capitalization: KHR 108,072,679,680 (US\$ 26,991,179)
- Permitted Securities Market: Cambodia Securities Exchange
- Listing date: 8th June 2017

B. Securities' Price and Trading Volume

Stock Properties		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Trading Price (Riels)	Maximum	12,620	12,620	12,580	12,480	12,540	12,540	12,260	12,080	11,920	11,780	11,420	11,560
	Minimum	12,420	12,500	12,300	12,140	12,300	11,980	11,880	11,800	11,740	11,280	11,240	11,200
	Average	12,545	12,552	12,479	12,339	12,444	12,240	12,115	11,978	11,847	11,409	11,320	11,335
Trading Volume	Maximum	744	1,116	6,605	2,943	929	64,162	26,078	7,088	5,135	29,019	1,512	12,833
	Minimum	22	52	11	59	7	498	212	29	49	65	170	109
	Average	317	388	1,084	697	230	10,894	4,141	915	855	2,415	779	1,996

C. Controlling Shareholders (30% or more)

No.	Name	National	Number of Shares	Percentage
1	State, represented by Ministry of Economy and Finance	Khmer	64,328,975	75.00%
Total			64,328,975	75.00%

D. Substantial Shareholders (5% or more)

No.	Name	National	Number of Shares	Percentage
1	KAMIGUMI CO., LTD	Japanese	11,150,324	13.00%
Total			11,150,324	13.00%

E. Information on Dividend distribution in last three years

Details of Dividend Distribution	2023	2022	2021
Net Profit	121,965,490,000	84,155,215,000 Riels	93,707,390,000 Riels
Total Cash Dividend	15,807,267,968	13,721,560,368 Riels	16,107,267,968 Riels
Total Share Dividend	N/A	N/A	N/A
Other Dividend	N/A	N/A	N/A
Dividend Payout Ratio (%)	12.96%	16.31%	17.19%
Dividend Yield (%)	10.00%	9.00%	10.00%
Dividend per Share	504 Riels	454 Riels	504 Riels



PART 5:
**Internal Control Audit Report by
Internal Auditor**



Audit Report **On Performance of Internal Control** **For the 2024 Fiscal Year**

Part A: Executive Summary

1. Background

The Department of Internal Audit of Sihanoukville Autonomous Port conducted an audit on the management, operation, disposition, and internal control activities processed by the Departments of Business, Container Terminal Operation, General Cargo Operation, Harbor Master-Pilotage and Security, Technical-Materials, Construction-Engineering, Special Economic Zone, Information and Technology, Marketing, Administration and Human Resources, Accounting and Finance, Planning-Procurement and Statistics, and Machinery and Electricity for the 2024 fiscal year as part of the 2024 audit action plan of the three-year internal audit program 2022-2024 of the Department of Internal Audit. This report reflects the audit findings, the auditor's recommendations, and the auditees' corrective measures.

2. Key Risks

Generally, the risks are included:

- **Operational Risk** : The risk of loss resulting from failed processes of people and management system or from external events;
- **Financial Risk** : The possibility that financial information might be materially misstated resulting in poor management decision-making;
- **Compliance Risk** : The possibility that the action carried out is not complied with laws and regulations in force.

Individually, the auditor has identified some key risks in the audit of the above auditees as follows:

- The possibility of an impact on public service quality;
- The possibility of an impact on staff management, discipline, and work effectiveness;
- The possibility of an impact on law disposition, regulation, and procedure in force; and
- The possibility of an impact on the management of state properties.

3. Audit Scope

The process of this audit covered the activities of management and operation carried out by the Departments of Business, Container Terminal Operation, General Cargo Operation, Harbor Master-Pilotage and Security, Technical-Materials, Construction-Engineering, Special Economic Zone, Information and Technology, Marketing, Administration and Human Resources, Accounting and Finance, Planning-Procurement and Statistics, and Machinery and Electricity for the 2024 fiscal year. The collection of audit information and audit performance was conducted at the Department of Internal Audit of Sihanoukville Autonomous Port. The audit work team will report only the deficiencies and critical points to be recommended for improvement.

The audit report in the English language was prepared from the audit report in the Khmer language. In the event of any discrepancies between the two languages, the audit report in the Khmer language shall prevail over the interpretation.

4. Audit Objective

The objective of this audit is to evaluate and improve the process of risk management effectiveness, internal controls, and good governance within the audit areas covered by the scope of the audit.

Generally, the audit is mainly focused on the emphasis that the internal controls provide reasonable assurances to achieve the following objectives:

- **Operational Objective** : The effective achievement of actual business objectives;
- **Financial Info. Objective**: Reliability and completeness of financial information used by the management;

- **Compliance Objective** : Compliance with laws, principles, and procedures in force. In the performance of this audit, the auditor has defined some audit main objectives as follows:
- Strengthening of compliance, implementation efficiency, and work effectiveness;
 - Strengthening of compliance, implementation efficiency and technical skills;
 - Strengthening of efficiency of PAS's operational system;
 - Strengthening the management efficiency of PAS's lorries and machinery;
 - Strengthening the business efficiency and administration of PAS's handling equipment and means of transportation;
 - Strengthening of compliance and the efficiency of PAS's machinery repair-maintenance;
 - Strengthening of efficiency of repair-maintenance of PAS heavy means of transport and cargo handling machinery;
 - Strengthening of compliance and management efficiency of the construction materials-engineering shed;
 - Strengthening the electrical current and work efficiency in the SEZ's administration building;
 - Strengthening the rehabilitation of the infrastructure and road system within the SEZ's premises;
 - Strengthening the management effectiveness and increase the scope of PAS system of information and technology;
 - Strengthening the management effectiveness of PAS's information and technology system;
 - Strengthening of compliance, effectiveness, and PAS's service quality;
 - Strengthening of Compliance and Efficiency of PAS's Operational Income Payment Through the Electronic System;
 - Strengthening of Compliance, Management Efficiency, and Safety of Accounting Documents;
 - Strengthening the Effectiveness of PAS's Procurement Implementation;
 - Strengthening of Compliance and Procurement Implementation Efficiency;
 - Strengthening of Compliance and Implementation Efficiency of the Auditee's Task-Duties; and
 - Strengthening the Management Efficiency of PAS's Generators.

5. Audit Approach

The audit approach focuses on the risk process that is used in this audit. This audit approach includes:

- Recording of the internal controls by reviewing related documents and interviewing officials;
- Identification of key internal controls and comparison with expected internal controls; and
- Audit testing on the operational effectiveness of controls.

The audit work team has hereby cooperated with the management of the auditees to identify expectations.

6. Summary of Key Findings

The audit work team has identified some deficiencies through the control of:

1. The Account Creation via PAS E-DO System and Tax Invoices;
2. The Training of Staff Members in 2024;
3. Reports on the Operational Output for January and February 2024;
4. The Comprehensive List of Machinery Repair, Maintenance, and Replacement of Materials (Spare Parts) for January and February 2024;
5. The Comprehensive Report on Trucks Repair for January- February 2024;
6. The Administration of Handling Equipment and Means of Transportation;
7. The Department of Harbor Master-Pilotage and Security Work Status Update;
8. The Staff Work Presence Summary Report for April and May 2024;
9. The Inspection of the Technical Warehouse of Materials-Parts and Stock in the 2nd Quarter of 2024;

10. The Status Update of Repair-Maintenance of PAS Heavy Means of Transport and Cargo Handling Machinery;
11. The Work Status Update of the Department of Construction-Engineering in the 2nd Quarter of 2024;
12. The Inspection of the Fuel Oil Shed of the Department of Construction-Engineering in the 2nd Quarter of 2024;
13. The Status of Electricity in the SEZ's Administration Building;
14. The Infrastructure and Road System within the SEZ Premises;
15. The Update of PAS's Mobile App and Integration of CTMS and ASYCUDA System;
16. The Disaster Recovery Server or Off-Site Backup;
17. The Monthly Report of August 2024 and the Implementation Plan of September 2024 of the Office of Customer Relation of the Marketing Department;
18. The Timetable of the Action Plan of 2024;
19. The Meeting Room of Sihanoukville Autonomous Port (PAS);
20. The Table of Annexes of Transportation Means Managed by the Department of Administration and Human Resources;
21. The Payment of Invoices Through KHQR-Payment System;
22. The Storage Places of Accounting Documents and Justification Letters of Financial Operation;
23. The Public Bidding Competition Invitation Notice for 2024;
24. The New Administration Building Construction Plan;
25. The Status Update of the Organization Chart and Task-Duties of the Department of Machinery-Electricity (MEL); and
26. The Management of PAS's Generators.

7. Overall Conclusion

Based on the audit findings for the 2024 fiscal year in the Departments of Business, Container Terminal Operation, General Cargo Operation, Harbor Master-Pilotage and Security, Technical-Materials, Construction-Engineering, Special Economic Zone, Information and Technology, Marketing, Administration and Human Resources, Accounting and Finance, Planning-Procurement and Statistics, and Machinery and Electricity, the audit work team observed that some internal controls were well prepared and with contributions from officials, staffs, and workers at all levels, despite some performances have not been completed and sufficed to guarantee the efficiency of internal controls in the future. The audit work team has remarked that the foregoing deficiencies are related to law compliance, implementation efficiency, and effectiveness in the management of state property which must be gradually strengthened and improved.

8. Corrective Measures

The recommendations provided to enhance the performance of the business process and management of the auditees are included in the detailed findings (Part B). The recommendations on some deficiencies have been agreed upon with the individual auditee management in writing. The detailed findings (Part B) also reflect the responses by the auditee management to the auditor's recommendations and findings.

The measures of the auditee management are reflected in the corrective action plan as stipulated in Annex 2 attached herein.

9. Acknowledgements

The audit work team led by **Mr. Men Chann** would like to extend acknowledgments to the Directors of the Departments of Business, Container Terminal Operation, General Cargo Operation, Harbor Master-Pilotage and Security, Technical-Materials, Construction-Engineering, Special Economic Zone, Information and Technology, Marketing, Administration and Human Resources, Accounting and Finance, Planning-Procurement and Statistics, and Machinery and Electricity as well as colleagues, for their assistance in providing information, documents, and insightful opinions to enabling this audit to be performed as planned.



Part B: Detailed Findings

1. Component of Participation and Key Milestones

1.1 Members of the Audit Work Team

- Mr. Men Chann	Director of Internal Audit	Team Leader	
- Mr. Chiv Chansopheap	Deputy Director	Deputy Team	
- Mr. Hor Sothy	Deputy Director	Deputy	Team
- Mr. Meas Sovanna	Office Chief	Member	
- Mrs. Touch Vanna	Office Chief	Member	
- Mrs. Rath Nimol	Office Chief	Member	
- Mrs. Khorn Sokhom	Office Staff	Member	
- Mrs. Chhun Hoeunrina	Office Staff	Member	
- Mr. Pheap Mengsrean	Office Staff	Member	
- Mrs. Teng Sovansreyrath	Office Staff	Member	

1.2 Auditees' Join Component

1.2.1 Department of Business

- Mr. Ngoun Rattana	Director	Auditee
- Mr. Sou Long Srin	Deputy Director	Auditee

1.2.2 Department of Container Terminal Operation

- Mr. Thay Mengly	Director	Auditee
- Mr. Heang Sophal	Deputy Director	Auditee
- Mr. Sek Sovannara	Deputy Director	Auditee

1.2.3 Department of General Cargo Operation

- Mr. Lou Likheng	Director	Auditee
- Mr. Ouk Sovannarith	Deputy Director	Auditee
- Mr. Ying Koy	Deputy Director	Auditee

1.2.4 Department of Harbor Master-Pilotage and Security

- Mr. Sing Seno	Director	Auditee
- Mr. Chan Sokha	Deputy Director	Auditee
- Mr. Sen Sotha	Deputy Director	Auditee

1.2.5 Department of Technical-Materials

- Mr. Ouk Vannara	Director	Auditee
- Mr. Chea Chanthorn	Deputy Director	Auditee
- Mrs. Sor Malin	Deputy Director	Auditee

1.2.6 Department of Construction-Engineering

- Mr. Mean Koeung	Director	Auditee
- Mr. Gnim Ngor	Deputy Director	Auditee
- Mr. Chhim Hor	Deputy Director	Auditee

1.2.7 Department of Special Economic Zone

- Mr. Chiv Chansophal	Director	Auditee
- Mr. Heng Sokhsan	Deputy Director	Auditee
- Mr. Hak Narith	Office Chief	Auditee

1.2.8 Department of Information and Technology

- Mr. Sorm Karaney	Director	Auditee
- Mr. Suon Bunsong	Deputy Director	Auditee

1.2.9 Department of Marketing

-	Ms. Chey Sokunthea	Directress	Auditee
-	Mr. Mao Samon	Office Chief	Auditee
-	Mr. Khin Vy	Office Chief	Auditee

1.2.10 Department of Administration and Human Resources

-	Mr. Rath Sela	Director	Auditee
-	Mr. San Chhoun	Deputy Director	Auditee

1.2.11 Department of Accounting and Finance

-	Mr. Pith Prakath	Director	Auditee
-	Mr. Ouk Ratana	Office Chief	Auditee

1.2.12 Department of Planning-Procurement and Statistics

-	Mr. So Seang	Director	Auditee
-	Mr. Ouk Somethy	Deputy Director	Auditee

1.2.13 Department of Machinery and Electricity

-	Mr. Kim Hor	Director	Auditee
-	Mr. Kim Houn	Deputy Director	Auditee

1.3 Key Milestones

The key milestones in the audit process are as follows:

➤ The first draft was completed on	January 24, 2025
➤ The audit was completed on	January 27, 2025
➤ Last responses of the auditee management	January 29, 2025
➤ Final report	January 31, 2025

2. Internal Audit Overview

The overall objective of the internal audit is to help the auditee management in the process of risk management, internal controls, and good governance. The internal controls are implemented by the auditee management and some officials to ensure the achievement of the following objectives:

- Operation with efficiency, effectiveness, and economical;
- Reliable financial report;
- Law compliance, regulations, and procedures in force.

This audit also controls the preparation and operation of the internal controls.

3. Internal Control Review

The audit work team evaluated the internal controls based on the capability of the management process to meet the 7- criteria of authorization, completeness, accuracy, validity, physical safeguards and security, error handling, and segregation of duties, following the definition of structure and task-duties of the Departments of Business, Container Terminal Operation, General Cargo Operation, Harbor Master-Pilotage and Security, Technical-Materials, Construction-Engineering, Special Economic Zone, Information and Technology, Marketing, Administration and Human Resources, Accounting and Finance, Planning-Procurement and Statistics, and Machinery and Electricity.

4. Information about the Auditees

The Departments of Business, Container Terminal Operation, General Cargo Operation, Harbor Master-Pilotage and Security, Technical-Materials, Construction-Engineering, Special Economic Zone, Information and Technology, Marketing, Administration and Human Resources, Accounting and Finance, Planning-Procurement and Statistics, and Machinery and Electricity are subject to the management of Sihanoukville Autonomous Port under Sub-Decree No.50 ANKr.BK dated July 17, 1998, which defines the Establishment and Functioning of Sihanoukville Autonomous Port (PAS) and the process according to the definition of structures and task-duties for the respective departments under the PAS's management dated January 27, 2016, and the decision to amend the structure and complement of task-duties dated January 31, 2020.

4.1 Department of Business (BUS)

The Department of Business of Sihanoukville Autonomous Port (PAS) employs 12 privileged officials and staff in total, including 1 woman, and is led by 1 Director with 2 Deputy Directors and 4 Chiefs of Offices as assistants according to the task-duties stipulated in the Decision No. 064/ SSR/PAS/BSN dated April 9, 2020:

- (1) Office of Operation and Contract;
- (2) Office of Business and Report Recapitulation;
- (3) Office of Relation and Transport Management;
- (4) Office of Information Technology System;
- (5) Office of Research and Development; and
- (6) Office of PAS's Representative based in Phnom Penh.

4.2 Department of Container Terminal Operation (CTO)

The Department of Container Terminal Operation of Sihanoukville Autonomous Port (PAS) employs 494 privileged officials and staff in total, including 40 women, 7 contract staff, and is led by 1 Director with 3 Deputy Directors and 8 Chiefs of Offices as assistants according to the task-duties stipulated in the Decision No. 228/ SSR/PAS/CTO dated April 29, 2020:

- (1) Office of Data and Report;
- (2) Office of Ship Planning;
- (3) Office of Yard Planning;
- (4) Office of Operation;
- (5) Office of Staff Management;
- (6) Office of Machinery;
- (7) Office of Empty Container Yard (ECD); and
- (8) Office of (LCL) Warehouse.

4.3 Department of General Cargo Operation (GCO)

The Department of General Cargo Operation of Sihanoukville Autonomous Port (PAS) employs 209 privileged officials and staff in total, including 10 women, 8 contract staff, and is led by 1 Director with 2 Deputy Directors and 6 Chiefs of Offices as assistants according to the task-duties stipulated in the Decision No. 229/SSR/PAS/GCO dated April 29, 2020:

- (1) Office of Research - Development and Safety Management;
- (2) Office of Warehouse - General Cargo Yard Management;
- (3) Office of Tally - Weighbridge and Vessel Information Management;
- (4) Office of Information and Report Management;
- (5) Office of General Cargo Machinery; and
- (6) Office of Cargo Handling.

4.4 Department of Harbor Master-Pilotage and Security (HMPS)

The Department of Harbor Master-Pilotage and Security of Sihanoukville Autonomous Port (PAS) employs 111 total officials, staff, and workers, including 2 women, 4 contractual staff, 5 hired retired workers, 19 volunteers, and is led by 1 Director with 6 Deputy Directors and 8 Chiefs of Offices as assistants, according to the task-duties outlined in the Decision No.060/ SSR/PAS/HMPS dated April 9, 2020.

- (1) Office of Pilotage;
- (2) Office of Data & Consolidation;
- (3) Office of Navigation;
- (4) Office of VTMS and Training;
- (5) Office of Public Relation-Research and Development;
- (6) Office of Navigational Management;
- (7) Office of Flotilla Management;
- (8) Office of Security and Safety; and
- (9) Office of Public Order Arrangement.



4.5 Department of Technical-Materials (TM)

The Department of Technical-Materials of Sihanoukville Autonomous Port (PAS) employs 73 total officials, staff, and workers, including 3 women, and 2 contractual staff, and is led by 1 Director with 3 Deputy Directors, and 9 Chiefs of Offices as assistants.

- (1) Office of Technical Material-Spare Parts;
- (2) Office of Procurement Documentation Management;
- (3) Office of Warehouse-Technical Materials and Spare Parts;
- (4) Office of Fuel and Lubricant;
- (5) Office of Research-Development;
- (6) Office of Information Technology;
- (7) Office of Repair-Maintenance and Electrical Mechanics;
- (8) Office of Garage; and
- (9) Office of Ship -Tugboat Mechanics.

4.6 Department of Construction-Engineering (CENG)

The Department of Construction-Engineering of Sihanoukville Autonomous Port (PAS) employs 150 total officials and staff, including 2 women, and 38 contractual staffs, and is led by 1 Director with 5 Deputy Directors and 11 Chiefs of Offices as assistants, according to the task-duties outlined in the Decision No. 024/SSR/PAS/SVK dated February 21, 2020.

- (1) Office of Construction-Repair and Maintenance;
- (2) Office of Electricity;
- (3) Office of Architecture-Project Study;
- (4) Office of Warehouse-Construction Materials;
- (5) Office of Construction-Procurement Documentation Management;
- (6) Office of Engineering;
- (7) Office of Measurement;
- (8) Office of Summary-Report;
- (9) Office of Construction Machinery;
- (10) Office of Fuel Station;
- (11) Office of Ship Yard; and
- (12) Office of Buoy.

4.7 Department of Special Economic Zone (SEZ)

The Department of Special Economic Zone of Sihanoukville Autonomous Port (PAS) employs 12 total officials and staff, including 1 woman, and 1 contracted staff, and is led by 1 Director with 3 Deputy Directors and 3 Chiefs of Offices as assistants according to the task-duties stipulated in the Decision No.397/ SSR/PAS/SEZ dated August 10, 2020:

- (1) Office of Administration and Information Technology;
- (2) Office of Logistics and Research-Development;
- (3) Office of Customer Service; and
- (4) Office of Maintenance and Repair.

4.8 Department of Information and Technology (IT)

The Department of Information and Technology of Sihanoukville Autonomous Port (PAS) employs 20 total officials and staff, including 1 woman, and is led by 1 Director with 1 Deputy Director and 3 Chiefs of Offices as assistants according to the task-duties stipulated in the Decision No. 115/ SSR/PAS/IT dated April 10, 2020:

- (1) Office of Research-Development & Promotion;
- (2) Office of Network Management; and
- (3) Office of Information -Technology System.

4.9 Department of Marketing (MT)

The Department of Marketing of Sihanoukville Autonomous Port (PAS) employs 12 total officials and staff, including 3 women, 1 contracted staff, and 1 volunteer, and is led by 1 Directress with 3 Chiefs of Offices as assistants according to the task-duties stipulated in the Decision No. 227/SSR/ PAS/MT dated April 29, 2020.

- (1) Office of Marketing Research & Service Quality Development;
- (2) Office of Marketing Information;
- (3) Office of Customer Relation; and
- (4) Office of Facilitation.

4.10 Department of Administration and Human Resources (ADM.HR)

The Department of Admin-Human Resources of Sihanoukville Autonomous Port (PAS) employs 117 officials and staff in total, including 35 women, and 60 contract staff, and is led by 1 Director with 4 Deputy Directors, 7 Chiefs of Offices, and the assistant to H.E Delegate of the Royal Government of Cambodia with equivalent title to Chief of Office as assistants, according to the task-duties stipulated in the Decision No.059/SSR/PAS/RB.B dated April 09, 2020:

- (1) Office of Administration and General Affairs;
- (2) Office of Maintenance and Repair;
- (3) Office of Management of Administrative Warehouse-Materials;
- (4) Office of Protocol;
- (5) Office of Health Care;
- (6) Office of Information Technology;
- (7) Office of Human Resource and Research-Development;
- (8) Office of Transport Means & Petroleum Management;
- (9) Office of Environment and Sanitation; and
- (10) Office of Order and Documentation.

4.11 Department of Accounting and Finance (AC.F)

The Department of Accounting-Finance of Sihanoukville Autonomous Port (PAS) employs 20 total officials and staff, including 8 women, and is led by 1 Director with 3 Deputy Directors and 7 Chiefs of Offices as assistants, according to the task-duties stipulated in the Decision No. 062/ SSR/PAS/AC.F dated April 9, 2020:

- (1) Office of Cashier;
- (2) Office of Accounting;
- (3) Office of Assets;
- (4) Office of Stock Market;
- (5) Office of Finance;
- (6) Office of Debt Management; and
- (7) Office of Payment.

4.12 Department of Planning-Procurement and Statistics (PPS)

The Department of Planning-Procurement and Statistics of Sihanoukville Autonomous Port (PAS) employs 13 officials and staff in total, including 6 women, and is led by 1 Director with 2 Deputy Directors and 4 Chiefs of Offices as assistants, according to the task-duties stipulated in the Decision No.226/ SSR/PAS/PLS dated April 29, 2020:

- (1) Office of Planning-Investment;
- (2) Office of Public Procurement;
- (3) Office of Statistics; and
- (4) Office of Project Management.

4.13 Department of Machinery - Electricity (MEL)

The Department of Machinery-Electricity of Sihanoukville Autonomous Port (PAS) employs 59 total officials and staff, including 3 women and 11 hired staff, and is led by 1 Director with 3 Chiefs of Offices as assistants:

- (7) Office of Research and Standard;
- (8) Office of Statistics and Control;
- (9) Office of Maintenance and Repair;
- (10) Office of Machinery-Electrical Network Repair-Maintenance; and
- (11) Office of Generator Management.

5. Audit Findings

5.1 Operational Efficiency

The objective of this control is to promote the quality and efficiency of PAS's business operations to provide a smooth and timely service to the customers and port users and to encourage the respective auditees to perform their task-duties following the auditees' definitions and requirements and to comply with the PAS's Personnel Statute, Laws, and Regulations in force.

5.2 Positive Findings

The audit work team discovered that the Departments of Business, Container Terminal Operation, General Cargo Operation, Harbor Master-Pilotage and Security, Technical-Materials, Construction-Engineering, Special Economic Zone, Information and Technology, Marketing, Administration and Human Resources, Accounting and Finance, Planning-Procurement and Statistics, and Machinery and Electricity including relevant offices and units, have been carrying out their works according to the task-duties defined by PAS, and paying close attention to implement each of the individual tasks in a responsible manner, and have contributed to providing documents to the auditor to help encourage the process of PAS's internal audit to be performed according to the audit action plan and with smoothness.

5.3 Negative Findings

5.3.1 Department of Business (BUS)

5.3.1.1 The Account Creation via PAS E-DO System and Tax Invoices

Based on the actual control and testing of PAS E-DO (PAS Electronic Delivery Order), which consists of the following 3 primary Control Panels:

- Admin Panel;
- Shipping Line; and
- Freight forwarder.

The auditor observed that in the Shipping Line panel, the customers could not create personal accounts via www.pasedo.biz yet, and there was also no indication of a QR-Code Payment on the tax invoice to allow the customer to pay cash online either.

The aforementioned aspect has yet to fully comply with the Pentagonal Strategy-Phase 1, Pentagon 5: Development of Digital Economy and Society, Angle 2: Development of Digital Economy, Digital Business, e-Commerce, and Digital Innovation System dated August 2023.

This aspect may have arisen since the auditee is conducting a study on the advantages and disadvantages as well as the safety of cash payment via the electronic system.

The above factor might make the cash payment process to PAS take longer and be incompatible with digital business practices.

The auditee management should collaborate with the experienced departments concerned to update the Shipping Line panel in order to enable the customers to create personal E-DO accounts via www.pasedo.biz and to indicate a QR-Code Payment on the tax invoice to allow the customers to have the option of paying PAS in cash online and in compliance with the requirements of the digital business.

- *The Department of Business demands that the Shipping Lines present documentation for confirmation and inspection because the process is related to the cargo release;*
- *The Department of Business has provided phone numbers and email addresses for creating the E-DO account for them; and*
- *QR-Code is being prepared at the Department of IT.*

The audit work team has remarked on a response from the auditee management and will follow up on the auditor's recommendation from time to time.

5.3.1.2 The Training of Staff Members in 2024

Based on a response to the queries on internal control, the auditor noticed that the auditee had not yet requested additional training for staff members regarding the electronic data exchange system to collaborate and prepare the PAS's IT system to be a unique system which is operated online such as E-payment, E-registration, and E-gate, etc. and to prepare the PAS's operation system to be able to synchronize with Port EDI and NSW, and other systems required for trade facilitation.

The component mentioned above has yet to fully comply with the Business (Service) and Financial Plan for 2024 dated November 20, 2023, in Appendix 7: Human Resource Training Plan for 2024, in items A-12: Training on VTMS and Port EDI.

This case might have arisen because the experienced officials working in the auditee framework are busy serving the PAS's business and service operations.

The aforementioned factor may have an impact on the implementation efficiency of PAS's Human Resource Training Plan.

The auditee management should request additional training for staff members regarding the electronic data exchange system in order to collaborate and prepare the IT system needed for online operation and to prepare the PAS's operation system to be able to synchronize with Port EDI and NSW, and other systems required for trade facilitation in compliance with the requirements of the digital economy.

PAS has had significant growth over the past four months of this 2024-roughly 24%, which has kept officials quite busy. However, The Department of Business will offer more E-paymen relatedt training.

The audit work team has remarked on a response from the auditee management and will follow up on the auditor's recommendation from time to time.

5.3.2 Department of Container Terminal Operation (CTO)

5.3.2.1 Reports on the Operational Output for January and February 2024

Based on reports No. 002 and 003 dated February 7, and March 11, 2024, regarding the container handling output for January and February 2024, the auditor noted that the operational productivity had significantly increased if compared to January and February 2023:

Description	January-February 2023	January-February 2024	Percentage (%)
Received from ships	50,804 TEUs	74,768 TEUs	47%
Delivered to ships	55,540 TEUs	70,724 TEUs	27%
Total container throughput	106,344 TEUs	145,492 TEUs	37%

In the meantime, the auditee still faces some challenges with the lack of labor force and drivers due to staff, workers aging, chronic illness, and occasional retirement, while the labor force for machinery maintenance has less amount and is not appropriate to the number of machinery either. In this connection, the MDT (Mobile Data Terminal) system in yards AE and AF has also been disrupted and caused a slowdown to the container handling operations.

The aforementioned aspect has yet to fully respond to the actual requirement of the auditee.

This aspect may have arisen due to the aging of major staff and workers and the high growth in container throughput volume, which requires the ongoing preparation, maintenance, and repair of machinery. Individually, the MDT issue could have resulted from a distance between the internet system or wireless access point and the MDT devices, or it could have been caused by multiple MDT devices connected to the same WiFi network, which weakened and unstable the WiFi signal.

The aforementioned factor may affect the productivity of container handling at the yard as well as PAS's cargo handling and service operations that make use of the shared WiFi network.

The auditee management should designate experienced officials to oversee labor force, drivers and maintenance workers on a permanent basis by verifying with the actual operation plan to prevent workers from being absent or ceasing work without authorization and then report to the PAS management for further guidance.

In this regard, the auditee should request the experienced departments concerned to examine the MDT system as well as the wireless access point and resolve the disruption as quickly as feasible to prevent impeding the PAS's operation process.

- *The state of container throughput volume is increasing, PAS's means of handling equipment have been repeatedly purchased, and drivers have been retired from time to time creating a shortage of labor force in the sections of QC, transport trucks, RTG, and tallymen.*
- *The container yard operation has not yet had a full WiFi network coverage making the MDT operation hamper and the operation becomes less efficient.*

The audit work team has remarked on a response from the auditee management and will follow up on the auditor's recommendation from time to time.

5.3.2.2 The Comprehensive List of Machinery Repair, Maintenance, and

Replacement of Materials (Spare Parts) for January and February 2024

Based on a comprehensive list of machinery repair, maintenance, and replacement of materials (spare parts), the auditor observed that a total of 116 units of machinery, including 5 units of Quay Cranes (QC), 18 units of Rubber Tyred Gantry Cranes (RTG), 19 units of Stackers, 18 units of Forklifts, and 56 units of Platforms have been controlled, maintained, and repaired permanently and of the machinery above 24 units were out of commission and awaiting repair at the workshop:

- 2 units of Rubber Tyred Gantry Crane (RTG): Nos. 201 and 202 (Long-term out of commission);
- 4 units of Stacker: Nos. 102, 104, 117, 120 (out of order battery terminal clamps, damaged motor, and pending general inspection);
- 1 unit of Forklift (non-repairable out of commission); and
- 17 units of Platforms (of which 9 units have malfunctioning horns, 1 unit has a damaged fuel pump, 4 units have engine check signs, 1 unit needs its engine oil changed, 1 unit has a trailer paint that has peeled off and become corroded, and 1 more unit has a malfunctioning battery and battery terminal clamps).

Furthermore, according to the actual examination, the auditor discovered the condition of tools and materials of the 5 Quay Crane units as follows:

- QC No. 401: The operator chair is malfunctioning, the safety belt is out of commission, and the bottom viewing mirror is scratched and severely dimmed (difficult to see during night time operation and in hot weather);
- QC No. 402: The bottom viewing mirror is scratched and severely dimmed (difficult to see during night time operation and in hot weather);
- QC No. 404: The safety belt is malfunctioning; and



- QC No. 405: The safety belt is malfunctioning, the front chair is in fine shape, but the side portion-the area where we press down and up is damaged).

The aforementioned factor has not yet fully complied with the Internal Regulation of Sihanoukville Autonomous Port (PAS) No.001 BBPK/PAS/RB.B dated June 12, 2007, as stated in item No. 3, Article V, which outlines the operation and protection of PAS's properties, materials, and means or equipment with economical, precautionary, cleaning, maintenance, and sound storage.

This case may have arisen due to long-term wear and tear, a shortage of replacement parts, and/or being occupied with the PAS's operations.

The above factor may harm the state property and affect PAS's business and service operations' productivity.

The auditee management should designate responsible officials to inspect the machinery's actual out-of-commission state to promptly request repair and motivate operators/drivers to participate in the cleaning and maintenance of all machinery according to technical conditions.

Many machinery units, like QC, have been out of commission for an extended period of time, lack the RTG necessary for handling containers in the yard, and request that the machinery repair be performed with quality so that it can continue to function for a long time.

The audit work team has remarked on a response from the auditee management and will follow up on the auditor's recommendation from time to time.

5.3.3 Department of General Cargo Operation (GCO)

5.3.3.1 The Comprehensive Report on Trucks Repair for January-February 2024

Based on the comprehensive report on truck repair for January-February 2024, the auditor noted that the following 2 units of cranes and 1 unit of transport truck have been out of action for an extended period of time and have not been repaired yet:

- Crane H.M.C. (LHM) 250 No. 301, Manufactured in 2001, was out of action on 10/05/2014 (damaged pump system and lacks spare parts for engine replacement);
- Crane H.M.C. (LHM) 250 No. 302, Manufactured in 2001, was out of action on 26/12/2022 (damaged pump system); and
- Transport Truck ISUZU No. 1690, Manufactured in 2017, was out of action on 14/08/2023 (damage to the glass of the right door window).

The aforementioned factor has not yet fully complied with the Internal Regulation of Sihanoukville Autonomous Port (PAS) No.001 BBPK/PAS/RB.B dated June 12, 2007, as stated in item No. 3, Article V, which outlines the operation and protection of PAS's properties, materials, and means or equipment with economical, precautionary, cleaning, maintenance, and sound storage.

This case may have arisen due to long-term wear and tear, a shortage of replacement parts, and/or being occupied with the PAS's operations.

The above factor may harm the state property and affect PAS's business and service operations' productivity.

The auditee management should designate responsible officials to inspect the machinery's actual out-of-commission state in order to request for repair as soon as feasible.

The Department of General Cargo Operation always directs chiefs of offices, deputy chiefs of offices, and section chiefs of transport trucks, cranes, and forklifts to oversee and maintain the machinery under their supervision and operation and to promptly file a request for repair if any of the machinery breaks down.

With regard to H.M.C. (LHM) 250 No. 301 and H.M.C. (LHM) 250 No.302, the directors of the Departments of Technical Materials, and Machinery, and Electricity have determined through their inspection and evaluation that these 2 units of H.M.C are still repairable. Therefore, the Department of General Cargo Operation will issue a request for guidance and repair from the management in due course.

Meanwhile, the auditee will also request the management to repair a transport truck (ISUZU No. 1690) and replace the broken glass in the right door window.

The audit work team has remarked on a response from the auditee management and will follow up on the auditor's recommendation from time to time.

5.3.3.2 The Administration of Handling Equipment and Means of Transportation

Based on a response to the queries on internal control, the auditor observed that the auditee has encountered the following issues during the performance of PAS's business operations:

- Does not have 8 and 10-ton forklifts that can lift cargo stacked on top of one another up to 6 meters below the edge of each vessel's hold.
- Lacks transport vehicles to transport, and discharge-load containers/cargo from a yard to a vessel or from a vessel to a yard.

The component mentioned above has yet to fully comply with the Business (Service) and Financial Plan for 2024, dated November 20, 2023, in Table 3: The installation plan of equipment and means of machinery for 2024. In item B-1: 8 units of trucks and trailers for use in the Departments of Container Terminal Operation and General Cargo Operation in transportation, discharging-loading containers and cargo from a yard to a vessel or from a vessel to a yard, and in items B-2 and 3: 6 units of forklifts with 8 and 10-ton capacity for use in the Departments of Container Terminal Operation and General Cargo Operation in discharging-loading cargo from the container into-out of the warehouse, or handling vehicles.

This case may have arisen due to the high growth of containers and cargo throughput volume over the past four months of 2024.

The above factor may affect either PAS's containers or cargo handling, discharging-loading operations, and transport.

The auditee management should report to the management of the current state and true need for machinery to prevent any hindrance to PAS's cargo handling and discharging-loading operations.

The Department of General Cargo Operation accepts the recommendation of the auditor and will draft a request for 1 unit of an 8-ton forklift that can lift cargo stacked on top of one another up to 6 meters below the edge of a vessel's hold, 1 unit of forklift with 10-ton capacity, and transport trucks since most of them are obsolete and frequently out-of-service.

The audit work team has remarked on a response from the auditee management and will follow up on the auditor's recommendation from time to time.

5.3.4 Department of Harbor Master-Pilotage and Security (HMPS)

5.3.4.1 Department of Harbor Master-Pilotage and Security Work Status Update

Based on the auditee's work status update report dated April 30, 2024, in item 2: challenge, and the actual inspection, the auditor observed the following noteworthy points:

- The Switch Internet Ethernet HUB's device for the VTMS has been out of commission since February 9, 2024;
- Lack of an alert equipment for weather forecast;
- The pilot boat is in critically old condition;
- Some tugboats are in critically old condition, despite efforts to repair them.

- Sand transport barges and fishing boats have been observed navigating the PAS's vessel channel both days and nights; and
- Lack of security guards to man the port's entrances and the special economic zone.

The aforementioned factor has not yet fully complied with the Internal Regulation of Sihanoukville Autonomous Port (PAS) No.001 BBPK/PAS/RB.B dated June 12, 2007, as stated in item No. 3, Article V, which outlines the operation and protection of PAS's properties, materials, and means or equipment with economical, precautionary, cleaning, maintenance, and sound storage.

The above reason could have resulted from long-term usage.

This aspect may affect work activities, daily service operational productivities, and the effective application of the PAS's Internal Regulation.

The auditee management should move quickly to collaborate with the experienced department to examine the actual status of the aforementioned means of equipment, materials, including pilot boats and tugboats in order to request the PAS management for a high decision and implementation principle.

The auditee management will continue to trace and further strengthen the deficiencies.

The audit work team has remarked on a response from the auditee management and will follow up on the auditor's recommendation from time to time.

5.3.4.2 Staff Work Presence Summary Report for April and May 2024

Based on the examination of an extracted list of presence in the summary report of staff work presence for April and May 2024, the auditor noted that no presence was listed in the Office of Data and Summary, and the auditee has instead designated the Director Office for listing the presence.

The aforementioned factor has yet to fully comply with Decision No. 060.SSR/PAS/NV.KT dated April 9, 2020, which defines the organization of the departments' structure, task-duties of the offices of the Department of Harbor Master-Pilotage and Security.

This aspect may have resulted from confusion and/or not realizing the names of the 9 offices which were defined in the Appendix of the Decision for Auditee No. 060.SSR/PAS/NV.KT dated April 9, 2020.

The above aspect may affect the implementation efficiency of the PAS Management's Decision.

The auditee management should facilitate implementation according to the principle of Decision No. 060.SSR/PAS/NV.KT dated April 9, 2020.

The auditee management will facilitate implementation according to the principle of Decision No. 060.SSR/PAS/NV.KT dated April 9, 2020.

The audit work team has remarked on a response from the auditee management and will follow up on the auditor's recommendation from time to time.

5.3.5 Department of Technical-Materials (TM)

5.3.5.1 Inspection of the Technical Warehouse of Materials-Parts and Stock in the 2nd Quarter of 2024

Based on an inspection of the technical warehouse of materials-parts and stock which was recently extended, the auditor noticed that the warehouse surface is in larger condition than before and that preparations are being made to connect the electrical system, install a fire extinguisher system, install concrete pavement at the bottom, and create shelves for storing materials and vehicle spare parts based on each category to manage stock with convenience.

In this regard, based on the examination of the stock-in and stock-out report of the technical warehouse of materials-parts in this 2nd quarter of 2024, the auditor observed a preparation of the record list for cargo categories and stock quantity in the

list of stock-in and stock-out appropriate to the usage, only found not enough column for a description of cargo items/materials-parts.

There are still some points that need to be added to the aforementioned feature in order to make it easy to examine, observe stock-in and stock-out promptly, and adhere to inventory management standards.

This reason could be the result of the official in charge being preoccupied with the technical warehouse of materials-parts' recent extension, stock, materials, and vehicle spare parts management procedure.

The aforementioned factor can result in a protracted extension of the inspection process for the quantity of materials and spare parts coming in and going out when the stock levels rise.

The auditee management should prepare a table in the list of monthly stock-in and stock-out in a shared spreadsheet including the item descriptions, initial quantity purchased, quantity sold, remaining quantity, and the date of transactions to make the stocking operation easier to manage and examine.

The Department of Technical Materials has already generated the table list of reports for the Department of Internal Audit; however, for further information, the latter will make improvements in the upcoming quarter.

The audit work team has remarked on a response from the auditee management and will follow up on the auditor's recommendation from time to time.

5.3.5.2 Status Update of Repair-Maintenance of PAS Heavy Means of Transport and Cargo Handling Machinery

Based on a response from the auditee management about the repair and maintenance of the PAS heavy means of transport and cargo handling machinery in the internal control query in the 2nd quarter of 2024 and the actual inspection, the auditor noted some noteworthy points as follows:

- The repair-maintenance of heavy means of transport and cargo handling machinery is difficult because:
- The order purchase and procurement of some replacement parts is a laborious procedure;
- A shortage of labor force, including engine repairers and skilled engineers.

The above aspect has not yet fully responded to the requirement for repair and maintenance of transport means and all sorts of machinery, as well as the labor force and the experienced capacity of the auditee.

The aforementioned reasons may have resulted since some important spare parts need to be sorted through and ordered from foreign countries with which to spend more time, including a progressive growth in transportation means and all kinds of PAS freight handling machinery.

The aforementioned factor could make the repair and maintenance process of PAS transportation means and machinery more slowly.

The auditee management should carry out a suitable study on the scope of the necessity of vital spare parts, including labor force, engine repairers, and skilled engineers to report to and request a high implementation principle from the PAS management.

We will update the list of spare parts and existing volumes in the most appropriate time depending on the amount and status of machinery that is currently under development, the operational state and the terms of the order purchase.

The audit work team has remarked on a response from the auditee management and will follow up on the auditor's recommendation from time to time.

5.3.6 Department of Construction-Engineering (CENG)

5.3.6.1 Work Status Update of the Department of Construction-Engineering in the 2nd Quarter of 2024

Based on the report on work status updates for April and May of 2024, the auditor observed the auditee extracted work outcomes from all the experienced offices to make a summary report to the management following a routine working procedure, but the Office of Data Summary was observed not filing the work status update report. However, the auditee organization chart defined the name as the Office of Summary and Report, i.e. not the Office of Data Summary.

Table of stock in – out of fuel oil for April and May 2024									
No.	Description	April				May			
		Beginning Stock	Stock In	Stock Out	Balance	Beginning Stock	Stock In	Stock Out	Balance
1	Engine Oil	55,315	7,290	8,681	53,924	53,924	37,455	12,671	78,708
2	AFT, Castrol, Break Fluid	506		61	445	445		64	381
3	Grease (EP0, EP2, EP3 and EP15)	1,031	1,650	1,394	1,287	1,287	2,340	1,920	1,707
Total		56,852	8,940	10,136	55,656	55,656	39,795	14,655	80,796

The aforementioned aspect has not yet fully complied with Decision No. 024.SSR/PAS/SN.VK dated February 21, 2020, which defines the organization of the department's structure, task-duties of the offices of the Department of Construction-Engineering.

This aspect may have resulted from confusion and/or not realizing the names of the 12 offices which were defined in the Appendix of the Decision for Auditee No. 024.SSR/PAS/SN.VK dated February 21, 2020.

The above aspect may affect operational activities and the implementation efficiency of the PAS Management's Decision.

The auditee management must keep an eye on the operational activities of the offices under its supervision and assist in putting Decision No. 024, SSR/PAS/SN.VK, dated February 21, 2020, into practice.

The Department of Construction-Engineering acknowledges the Department of Internal Audit's recommendation and will work together to make the necessary improvements and better preparations for the future.

The audit work team has remarked on a response from the auditee management and will follow up on the auditor's recommendation from time to time.

5.3.6.2 Inspection of the Fuel Oil Shed of the Department of Construction-Engineering in the 2nd Quarter of 2024

Based on an examination of the fuel oil shed's condition and its stock of fuel oil in the Department of Construction and Engineering during the 2nd quarter of 2024, the auditor observed that the volume of beginning stock, stock-in, stock-out, and balance of fuel oil in April and May corresponded to the following amount:

However, out of the above fuel oil stock, the auditor observed that none of the equipment or fire extinguishers, along with other restricted or forbidden signs pertaining to the prevention of fire accidents, had been installed in the shed premises yet.

The aforementioned aspect has not fully complied with the safety, health and environmental management policy of Sihanoukville Autonomous Port dated August 23, 2021 yet.

This case might have arisen as a result of the responsible official's failure to check and report to the auditee management of the requisite materials/equipment in order to request the management for installation within the shed premises.

This factor may affect the implementation efficiency of the safety, health and environmental management policy of Sihanoukville Autonomous Port.

In order to ensure the effective implementation of protection and fire extinguishing measures with the aim of reducing risks and property destroyed by fire accident, the auditee should encourage caution, create safety signage, and request the installation of fire extinguishers suitable for the scope and condition of the shed.

The Department of Construction-Engineering accepts this recommendation and will enhance further protection and prepare to initially install fire extinguishers for the fuel oil shed according to its basic state.

The audit work team has remarked on a response from the auditee management and will follow up on the auditor's recommendation from time to time.

5.3.7 Department of Special Economic Zone (SEZ)

5.3.7.1 The Status of Electricity in the SEZ's Administration Building

Based on the auditee's answers to the internal control questions and an examination of the actual situation, the auditor discovered that the SEZ's Administration Building's electrical current supply has been occasionally interrupted and requires a lengthy time to start the PAS's backup generator.

The aforementioned factor has not yet fully complied with the Internal Regulation of Sihanoukville Autonomous Port (PAS) No.001 BBPK/PAS/RB.B dated June 12, 2007, as stated in item No. 3, Article V, which outlines the operation and protection of PAS's properties, materials, and means or equipment with economical, precautionary, cleaning, maintenance, and sound storage.

This aspect might have happened because the backup generator in the SEZ's Administration Building has not used the ATS (Auto Transfer Switch), which would have started the generator automatically in the event that the EDC's electrical current was interrupted.

This element may have hampered business operations and spoiled some materials used in the SEZ.

The auditee management should report to PAS management to fix the electrical current and request that an ATS (Auto Transfer Switch) be placed/ used in accordance with technical conditions.

- *At present, the backup generators have not been used because of having a source of current supply from GS and reserved power from MV and PAS's generators.*
- *The electrical current in the SEZ was connected from GS and has become more stable than before.*

The audit work team has remarked on a response from the auditee management and will follow up on the auditor's recommendation from time to time.

5.3.7.2 The Infrastructure and Road System within the SEZ Premises

Based on the inspection of the infrastructure/road system within the SEZ premises, the auditor observed that the road condition from the SEZ administration building security guard post to the empty container yard and from the roundabout next to HAULE STEEL (CAMBODIA) Co., Ltd. to the freshwater tank is in extremely poor condition and has many large puddles.

The aforementioned factor has not yet fully complied with the Internal Regulation of Sihanoukville Autonomous Port (PAS) No.001 BBPK/PAS/RB.B dated June 12, 2007, as stated in item No. 3, Article V, which outlines the operation and protection of PAS's properties, materials, and means or equipment with economical, precautionary, cleaning, maintenance, and sound storage.

The aforementioned cause may have been brought on by intense rain during the rainy season and a lot of lorries crossing.

This aspect may impact the customers' transportation activities within the SEZ.

The auditee management should promptly report to PAS management to request repair of the above road system, including the empty container yard according to the demands of transportation and storage within the SEZ.

- *In September 2024, the SEZ department requested a concrete pavement that would be: 1) 546 meters long from the main gate to the empty container yard's entrance end, and 2) 555m long of road circles the roundabout to the end of HAULE STEEL factory in the SEZ.*
- *In 2024, the Department of Construction and Engineering maintained the road using stone compaction and temporarily installed steel plates to facilitate cargo transportation and passengers.*
- *Requested repair in the annual plan.*

The audit work team has remarked on a response from the auditee management and will follow up on the auditor's recommendation from time to time.

5.3.8 Department of Information and Technology (IT)

5.3.8.1 The Update of PAS's Mobile App and Integration of CTMS and ASYCUDA System

Based on the auditee's answers to the internal control questions and an examination of the actual situation, the auditor found that while some new additional features need to be developed, the PAS Mobile App's primary functions are operating normally.

In order to satisfy business demands, the auditor noted that the Department of Information and Technology is integrating the CTMS with some national networks such as Port EDI and Customs' ASYCUDA System, etc. combining to be the Port Community System. However, the integration of the above two systems is unable to be operated yet because the auditee is awaiting cooperation and additional crucial information from the General Department of Customs and Excise, such as:

- Cargo Release Note;
- Container Scanning Message-CSM showing Customs' Declaration in such reception colors as Green, Yellow, and Red; and
- Container Loading Approval.

The aforementioned aspect has not yet fully complied with the Pentagonal Strategy-Phase 1 dated August 2023, in Pentagon 5: Development of Digital Economy and Society, Angle 2: Development of Digital Economy, Digital Business, e-Commerce, and Digital Innovation System.

This case might have arisen as a result of the General Department of Customs and Excise updating key functionalities required to interface the ASYCUDA System with PAS's CTMS as well as other national networks and systems.

This feature has not yet had a full implementation efficiency in accordance with the Pentagonal Strategy-Phase 1 of the Royal Government of Cambodia.

The auditee management should request further principles from the PAS management and resume their contact with the General Department of Customs and Excise.

In relation to the aforementioned, the Department of Information and Technology met with the IT Work Team of the General Department of Customs and Excise already and the Customs IT Work Team has been working on the development of the ASYCUDA HUB. After having been developed, the two work teams will meet/get together for integration.

The audit work team has remarked on a response from the auditee management and will follow up on the auditor's recommendation from time to time.

5.3.8.2 The Disaster Recovery Server or Off-Site Backup

Based on the examination and interview with the auditee's experienced officials, the auditor noticed that the Disaster Recovery Server, or Off-Site Backup, in the SEZ Administration Building, had been frequently disrupted.

The above aspect has not yet fully responded to the requirements and standards of the new technology system.

The above cause may have resulted from long-term wear and tear and outdated since it was 14 years ago and the firm that used to enter into the contract with PAS has stopped producing the necessary spare parts.

This element may affect how well the data and information are copied and recovered in the event of an incident, or the data center becoming out of function and/or losing master data or original information.

The auditee management should promptly determine the possibility of repairing the Disaster Recovery Server, or Off-Site Backup and/or quickly outline the parameters of a new requirement to request principles and decisions from PAS management.

The Department of Information and Technology has requested that the Data Center (DC) be replaced and installed in the new DC in 2025, and then the IT will instead use the old DC as a Disaster Recovery Server (DR).

The audit work team has remarked on a response from the auditee management and will follow up on the auditor's recommendation from time to time.

5.3.9 Department of Marketing (MT)

5.3.9.1 Monthly Report of August 2024 and the Implementation Plan of September 2024 of the Office of Customer Relation of the Marketing Department

Based on the Office of Customer Relation's August 2024 Monthly Report and September 2024 Implementation Plan, the auditor observed that the auditee had compiled significant work results in the implementation plan, including outputs achieved, customer challenges, solutions, proposals, assumptions, and prospected implementation plan, together with solutions following the expected works.

In item 2, defining the brief outputs achieved, the auditor found issues about customer challenges with PAS's services concerning the following:

- The assessment of SITC demonstrated that QC Productivity achieved 40 boxes/2QCs/1hour;
- The company operating team finds it difficult to notify their head office because the vessel berthing schedule has not been followed exactly;
- Sometimes, the operating team and the container loading document (Loading Plan) loaded containers onboard the ship in the incorrect position, making it difficult to correct the document;
- Sometimes, the company sends loading-discharge lists to the document team via email, however when the information is corrected, the document team is slow to respond to the company;
- The container storage location is at the SPSEZ farther from the loading position to the vessel and takes a lengthy time to transport empty containers from the SPSEZ to the vessel (loading), and documentation appears to be relatively complicated with the relevant authority.

The aforementioned element has not fully corresponded with the needs of customers/shipping lines and PAS's aspirations yet.

The aforementioned aspect might have happened as a result of PAS's container lifting machinery (QC) being overused and not having adequate time for maintenance, which lowers productivity. While the container berths are becoming increasingly crowded, that's why the operating team could not set berthing schedules to accommodate the next vessels in an appropriate condition. Individually, due to their involvement in urgent technical works, the operating team/container loading plan, and document team each have some unwilful mistakes and respond slowly to the shipping lines.

The above factor may affect the effectiveness of PAS's service provision.



The auditee management should report to PAS management, discuss with the department of container terminal operation, and/or facilitate with the relevant authority to identify a solution for the customers in an appropriate condition and timely manner.

The Marketing Department has agreed with the opinion and recommendation raised by the auditor and will incorporate this matter into the work program to find solutions for the customers by cooperating with such relevant parties as the Department of Container Terminal Operation.

The audit work team has remarked on a response from the auditee management and will follow up on the auditor's recommendation from time to time.

5.3.9.2 Timetable of the Action Plan of 2024

Based on the Timetable of the Action Plan of 2024 of the Office of Market Research and Development of Service Quality and meeting with the official in charge, the auditor noticed that the auditee had prepared the Annual Action Plan in early December (before the year-end), including:

- A research study to improve PAS's service quality;
- Machinery productivity, gateway, terminal, and truck turnaround time;
- Analyzing the import-export market segmentation;
- Service charge, competitor, and ports of neighboring countries;
- Analyzing PAS's SWOT; and
- Compiling a report on the above activities.

The auditor noted that, of the above topics, no research study has yet been conducted to compare the import-export market segmentation, competitors, and ports of neighboring countries.

The aforementioned factor has not yet fully complied with the Internal Regulation of Sihanoukville Autonomous Port (PAS) No.001 BBPK/PAS/RB.B dated June 12, 2007, as stated in item No. 2, Article VII, which outlines the working order: Each department and office must have a work plan and work program, and carry out the reporting form/regime to the superior in a regular and timely manner.

This factor might have arisen as a result of the responsible official within the framework of the Office of Market Research and Development of Service Quality not having received the appropriate inputs yet.

The aforementioned aspect may affect the working efficiency and cause significant delays in the preparation of weekly, monthly, semester, and annual reports.

The auditee management should report to PAS management to get principles/guidelines and additional confirmation regarding the extent and needs of the research study being conducted.

The Department of Marketing has carried out a research and observed the market information on local rivals, particularly the information on regional ports, but since the scope of work is relatively large and limited resources, the shortcoming is truly existed. The Marketing Department will carry out according to the auditor's recommendation and report to the management for support and further direction.

The audit work team has remarked on a response from the auditee management and will follow up on the auditor's recommendation from time to time.

5.3.10 Department of Administration and Human Resources (ADM.HR)

5.3.10.1 The Meeting Room of Sihanoukville Autonomous Port (PAS)

According to the Department of Administration and Human Resources' work output report for November 2024, section 2 defining challenges and solutions, and an inspection of the actual situation, the auditor found that the PAS's meeting room



dimensions are limited and cannot yet host a seminar, summit, or large meeting with more than 120 attendees.

The aspect above has not addressed PAS's essential requirements yet.

This case might have arisen due to PAS's busy schedules in developing prioritized infrastructure to handle the increasing volume of goods and container throughputs.

The factors mentioned above could make it difficult to host a seminar, summit, or large meeting as well as the guarantee of work efficiency between PAS and its business partners.

The auditee management should conduct a study that suitably limits the meeting room's required dimensions in the design of the new administration building and report to PAS management for decision and implementation principles.

The auditee accepts the auditor's recommendation and will join in the study that will appropriately limit the meeting room's required dimensions in the design of the new administration building.

The audit work team has remarked on a response from the auditee management and will follow up on the auditor's recommendation from time to time.

5.3.10.2 The Table of Annexes of Transportation Means Managed by the Department of Administration and Human Resources

According to the table of annexes of transportation means managed and operated by the Department of Administration and Human Resources, the auditor discovered 44 units of vehicles in total, including 16 pickup trucks, 9 tourist vehicles, 7 passenger vehicles, 5 ISUZU heavy transport trucks, 2 dump trucks, 1 ambulance, and 4 firefighting trucks. Out of the above modes of transportation, the auditor found 1 firefighting truck, a Mitsubishi brand, red, manufactured in 1999, with license plate number State 25-4.1348, was in deplorable condition, unable to operate at full capacity, and unfit for the real conditions in the city.

The aforementioned factor has not yet fully complied with the Internal Regulation of Sihanoukville Autonomous Port (PAS) No.001 BBPK/PAS/ RB.B dated June 12, 2007, as stated in item No. 3, Article V, which outlines the operation and protection of PAS's properties, materials, and means or equipment with economical, precautionary, cleaning, maintenance, and sound storage.

This case may have arisen due to long-term wear and tear and/or excessive use.

The above aspect may have an impact on the effectiveness of daily use and urgent interventions in the event of fire incidents.

The auditee management should check the actual situation and conditions in cooperation with the experienced department in order to report to and request instruction principles from PAS management.

The auditee accepts the auditor's recommendation and will cooperate with the experienced department to check the actual situation and conditions in order to report to and request instruction principles from PAS management.

The audit work team has remarked on a response from the auditee management and will follow up on the auditor's recommendation from time to time.

5.3.11 Department of Accounting-Finance (AC.F)

5.3.11.1 The Payment of Invoices Through KHQR-Payment System

According to an examination of the implementation activities and responses to the internal control questions, the auditor observed that on December 1, 2024, the auditee deployed the KHQR payment function at billing counters with success. However, to improve PAS's payment service with quick and convenient conditions for customers and port users, the auditor realizes that the auditee should examine the possibility and request PAS management to add an electronic payment function (e-Payment via PAS Mobile App) with partner banks that have signed the memorandums of understanding with PAS.



The aforementioned aspect has not yet fully complied with the Pentagonal Strategy-Phase 1 dated August 2023, in Pentagon 5: Development of Digital Economy and Society, Angle 2: Development of Digital Economy, Digital Business, e-Commerce, and Digital Innovation System.

This case may have resulted since the auditee and the IT department, together with partner banks are conducting a study on report workflows and other essential requirements in usage by customers and port users.

This case may make PAS's payment service not yet appropriate for digital businesses and slow.

The auditee management should conduct a study on workflow, requirements, and the extent of usage by customers/port users, including the benefits of paying invoices via an electronic system (e-Payment via PAS Mobile App), and report to PAS management for decision and implementation principles.

The Department of Accounting-Finance deployed KHQR Payment at PAS's billing counters on December 1, 2024. Individually, regarding the payment of invoices via an electronic system (e-Payment via PAS Mobile App), has been tested with the IT department and partner banks since January 17, 2024, and will soon be put into use.

The audit work team has remarked on a response from the auditee management and will follow up on the auditor's recommendation from time to time.

5.3.11.2 The Storage Places of Accounting Documents and Justification Letters of Financial Operation

According to an examination of the actual situation, the auditor found that owing to a lack of a document storage warehouse for ten years following the principle of law, the auditee had kept some important accounting documents and justification letters of financial operation in one unit of container behind the administration building, and some others in the warehouse of the former administration building in a suitably good condition. However, due to busy work schedules and frequent document storage arrangements, the auditor noticed that the auditee had only locked the inner glass door of the document storage container behind the administration building, but had not locked the container's exterior door and installed fire extinguishers on the document storage warehouse-container's premises yet.

The aforementioned factor has not yet fully complied with the Internal Regulation of Sihanoukville Autonomous Port (PAS) No.001 BBPK/PAS/ RB.B dated June 12, 2007, as stated in item No. 3, Article V, which outlines the operation and protection of PAS's properties, materials, and means or equipment with economical, precautionary, cleaning, maintenance, and sound storage.

This case might have happened because during the audit documents had been frequently checked to meet the needs of the ministries' auditors and inspectors.

This case may have an impact on document safety and fire management which may happen incidentally.

The auditee management should continue keeping accounting documents/ records and justification letters of financial operations organized and manageable in order to make things easier in the event of demands, and make arrangements to have the container door locked and ask for an appropriate installation of fire extinguishers in each location/document storage warehouse.

The growth in port container throughputs has resulted in a significant increase in invoice documents, and documents of accounting processes have also expanded significantly. Meanwhile, the Department of Accounting and Finance has set up one more unit of container to store new documents next to the PAS Administration Building since the location behind this administration building is easy to store and verify the documents needed for the audit and inspection of the accounting processes by auditors and inspectors from pertinent ministries, while the new warehouse in the former

administration building are being repaired and erected with shelves to store invoice documents and other supporting documents related to the accounting processes.

The audit work team has remarked on a response from the auditee management and will follow up on the auditor's recommendation from time to time.

5.3.12 Department of Planning-Procurement and Statistics (PPS)

5.3.12.1 The Public Bidding Competition Invitation Notice for 2024

According to the review of the meeting minutes to open bidding documents for local competition on goods procurement for the first semester of 2024 and the examination through the website, the auditor discovered that the notice for bidding was advertised via the website of the General Department of Public Procurement of the Ministry of Economy and Finance and Nokor Thom media. However, the auditee has not yet advertised the notice via the official website (www.pas.gov.kh) and Facebook page of Sihanoukville Autonomous Port (PAS).

The above aspect has not yet fully complied with the Royal Krom No. NS/RKM/0523/005 dated May 16, 2023, defining the promulgation of the law on public procurement in Chapter 8, Article 43, stipulates that the notice on bidding and certain modifications must be advertised via the public procurement website of the Ministry of Economy and Finance, the website of the procurement implementation institution, the media, and posted on the information board of the procurement implementation institution.

This case might have arisen because the responsible officials are carrying out other prioritized tasks assigned by PAS management.

This factor may result in the PAS's procurement bidding notification not having a significant event.

The auditee management should carry out the PAS's procurement bidding notification according to the principles stipulated in the Royal Krom No. NS/RKM/0523/005 dated May 16, 2023.

The auditee accepts and tries to carry out according to the auditor's recommendation.

The audit work team has remarked on a response from the auditee management and will follow up on the auditor's recommendation from time to time.

5.3.12.2 The New Administration Building Construction Plan

According to the report on the procurement execution for the 1st semester of 2024 of Sihanoukville Autonomous Port, the auditor discovered that PAS completed 17 procurement projects among which 16 contracts were for procuring goods and 1 contract was for procuring services. Individually, the construction procurement and the new administration building construction plan have not yet been carried out.

The above element has not yet fully complied with the Sihanoukville Autonomous Port's procurement plan for 2024 and the business (service) and financial plan of 2024 dated November 20, 2023, in table 2: the draft of the 2024 basic construction plan, item b-1 Construction of the New Administration Building.

This case may have occurred as a result of PAS's busy schedules in the development of prioritized infrastructure to meet the increasing volume of cargo/containers throughputs.

This factor may affect the implementation efficiency of PAS's business (service) and financial plan.

Due to the current administration building's and meeting/conference rooms limited dimensions, the auditee management should examine the possibilities and request PAS management to construct the new administration building in accordance with PAS's business (service) and financial plan.

The auditee accepts the recommendation and points out that in 2024 PAS had busy schedules in developing infrastructure like the 253-meter-long container terminal, container yard, among other things, the auditee will make an effort to follow the auditor's recommendation.



The audit work team has remarked on a response from the auditee management and will follow up on the auditor's recommendation from time to time.

5.3.13 Department of Machinery and Electricity (MEL)

5.3.13.1 The Status Update of the Organization Chart and Task-Duties of the Department of Machinery-Electricity (MEL)

According to the Department of Machinery-Electricity's organization chart, the auditor observed a new draft of the organization chart and task-duties, which consist of 5 (five) offices and is led by 1 director, 2 deputy directors, and 5 office chiefs as assistants, but has not yet obtained a decision approved by the PAS management.

The aforementioned aspect has not yet fully complied with the decision defining the organization of structures and task-duties for all departments of Sihanoukville Autonomous Port No. 009/20/SSR/PAS/RB.HR dated January 31, 2020, as stated in Article 3- all departments of Sihanoukville Autonomous Port (PAS) are led by 1 (one) director with a number of deputy directors as assistants, and in Article 4- all departments of Sihanoukville Autonomous Port (PAS) must appropriately define detailed tasks of offices and sections subject to their departments and have decisions approved by the Director General.

This case may have emerged as a result of further study by the auditee management into the extent of daily work, including technical abilities and the professional code of ethics of employees and workers inside the auditee's framework.

This factor may affect the implementation efficiency of the decision defining the organization of structure and task-duties for all departments of Sihanoukville Autonomous Port No. 009/20/SSR/PAS/RB.HR dated January 31, 2020.

The auditee management should ask the relevant experienced management for guidance principles in order to request a high decision on a draft of this structure and task-duties from H.E. Delegate of the Royal Government in Charge as Chairman & CEO of PAS according to Articles 3 and 4 of the organization of structure and task-duties for all departments of Sihanoukville Autonomous Port No. 009/20/SSR/PAS/RB.HR dated January 31, 2020.

The auditee accepts the auditor's recommendation and will continue asking for further guidance principles from the relevant experienced management in order to request a high decision approved by H.E Delegate of the Royal Government in Charge as Chairman & CEO of PAS.

The audit work team has remarked on a response from the auditee management and will follow up on the auditor's recommendation from time to time.

5.3.13.2 The Management of PAS's Generators

Based on the Machinery Report of the Office of Machinery Management of the Department of Machinery-Electricity and an examination of the location status, the auditor found a total of 20 generator units with identification numbers, manufacturing dates, operating dates, and operational targets, as written below:

- The generator units with identification numbers 201, 202, 303, 304, 305, 306, 308, 309, 310, 311, and 312 have been assigned to the operational system;
- The generator units with identification numbers 203, 204, and 205 have been assigned for mobile operation;
- The generator units with identification numbers 307 and 313 have been assigned out of the operational system (already fixed), and
- The generator units with identification numbers 314, 315, 316, and 317 have been assigned out of the operational system (new generators).

The auditor noticed that 16 of the 20 generator units were already assigned with the new fuel standard, but the remaining 4 generator units, identified by the numbers 314, 315, 316, and 317, have not yet been assigned with the fuel standard, and the other 6 generator units, identified by the numbers 204, 205, 314, 315, 316, and 317, have not yet had the proper shelters.

The aforementioned factor has not yet fully complied with the Internal Regulation of Sihanoukville Autonomous Port (PAS) No.001 BBPK/PAS/RB.B dated June 12, 2007, as stated in item No. 3, Article V, which outlines the operation and protection of PAS's properties, materials, and means or equipment with economical, precautionary, cleaning, maintenance, and sound storage.

The above aspect may have been contributed to by the officials in charge busy schedules in serving PAS's business operations.

The above factor may have an impact on the fuel standard limiting principles as well as the effectiveness and safety of PAS's generators management.

The auditee management should report to PAS management and request the fuel standard for the new generator units, along with the shelters for generators in suitable condition.

The generator units, identified by the numbers 313, 314, 315, 316, and 317, have been ready to be installed in the operational system where the study project is being carried out. Regarding the new generator units identified by the numbers 314, 315, 316, and 317, the auditee will request fuel standard when they are assigned to the operational system. These generator units will have suitable shelters after the construction is completed.

Periodically, the auditee will ask that suitable shelters be built for the remaining generators.

The audit work team has remarked on a response from the auditee management and will follow up on the auditor's recommendation from time to time.

6. Overall Conclusion

During the performance of this audit, the auditor discovered that each of the auditees made every effort to prepare the implementation process with efficiency, operational productivity, and responsibility. At the same time, the audit work team observed that the management, officials, and staffs of all the departments are willing to work together and pay close attention to completing their individual tasks and duties in accordance with the PAS's Personnel Statute, Laws, and Regulations in force.

7. Corrective Action Plan

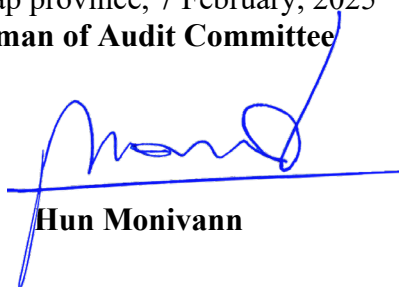
In order to ensure implementation efficiency and improvement pursuant to the auditor's recommendations, the Management of the Departments of Business, Container Terminal Operation, General Cargo Operation, Harbor Master-Pilotage and Security, Technical-Materials, Construction-Engineering, Special Economic Zone, Information and Technology, Marketing, Administration and Human Resources, Accounting and Finance, Planning-Procurement and Statistics, and Machinery and Electricity have agreed with the corrective action plans as determined in the list of Appendix 2.

Preah Sihanouk province, 31 January, 2025

Seen and Approved

Siem Reap province, 7 February, 2025

Chairman of Audit Committee



Hun Monivann

Director of Internal Audit



MEN CHANN



PART 6:
**Financial Statements Audited by the
External Auditor**



Note: The financial report, is referred to Appendix 2.



PART 7
**Information on Related Party
Transactions and Conflict of Interest**



A. Material transactions with Shareholder who hold at least 5% or more shares of outstanding equity securities.

In 2024, there wasn't any transaction with Shareholder who hold at least 5% or more shares of outstanding equity securities.

B. Material transactions with Director and Senior Office.

In 2024, there wasn't any transactions with Director and Senior Office.

C. Transactions with Director and Shareholder related to buy/sell asset and service.

In 2024, there wasn't any transactions with Director and Shareholder related to buy/sell asset and service.

D. Material transactions with immediate family members of the Director, Senior office and Shareholder who hold at least 5% or more shares.

In 2024, there wasn't any transactions with immediate family members of the Director, Senior office and Shareholder who hold at least 5% or more shares.

E. Material transactions with the person, who associated with director of the listed entity, its subsidiary or holding company, whose relationship has occurred in any transactions or have been made by the listed entity.

In 2024, there wasn't any transactions with the person, who associated with director of the listed entity, its subsidiary or holding company, whose relationship has occurred in any transactions or have been made by the listed entity.

F. Material transactions with former director or person who involved with former director.

In 2024, there wasn't any transactions with the former director or person who involved with former director.

G. Material transactions with director who is holding any position in a non-profit organization or in any other company other than the listed entity.

In 2024, there wasn't any transactions with director who is holding any position in a non-profit organization or in any other company other than the listed entity.

H. Material transactions with directors who get benefit either finance or non-financial from the listed entity.

In 2024, there wasn't any transactions with directors who get benefit either finance or non-financial from the listed entity.



PART 8

Management's Discussion and Analysis



A. Overview of Operations

The Sihanoukville Autonomous Port (PAS) is the main deep-sea port of the Kingdom of Cambodia, with an operating area of approximately 125 hectares, located in Sangkat 3, Sihanoukville, Sihanoukville Province, and is connected by a diverse transportation network as specified in Sub-Decree No. 50 ANKR/BK dated 17th July 1998.

For 2024, the container throughput at PAS in 2024 was 1,032,191 TEUs, an increase of 234,413 TEUs equivalent to 29.38%, and total revenue was KHR 459,212,133,000 an increase of KHR 94,571,362,000 equivalent to 25.94%, resulting in a net profit after tax for the financial period of KHR 126,733,629,000 an increase of KHR 4,768,139,000 equivalent to 3.91% compared to 2023. Based on these excellent results, the earnings per share were KHR 1,477.56 .

The management's discussion and analysis of PAS's financial position and operating results are based on the audited financial statements for the year ended 2024 and 2023, as shown in Appendix 2 of this report.

PAS has the following main sources of revenue:

- Revenue from Port Charges for Vessel Services is revenue derived from shipping services and vessel berthing, including revenue from tonnage charge, berthage charge, pilotage, tug assistance fee, mooring and unmooring, hatch opening and closing, and garbage collection from ships.
- Revenue from Stevedoring Charges is revenue derived from the handling of general cargo or containers, transferring and loading from ships to the pier.
- Revenue from Lo-Lo Charges is revenue derived from the handling of general cargo or containers on the yard.
- Revenue from Storage Fees is revenue derived from the storage of general cargo or containers in warehouses and yards.
- Transportation Charges are revenue derived from cargo or container transportation services.
- Revenue from the Special Economic Zone is revenue derived from leasing land in the Sihanoukville Autonomous Port's Special Economic Zone.

PAS maintains accounting records and financial statements in KHR, the national currency, while transactions in other international currencies are presented in KHR using the daily official exchange rate of the National Bank of Cambodia on the date of each transaction.

1- Revenue Analysis

Comparative Table of Revenue of 2024 vs 2023

Description	2024	2023	Changes	
	KHR '000	KHR '000	KHR '000	%
Revenue	459,212,133	364,640,771	94,571,362	25.94%

For 2024, PAS's revenue increased by KHR 94,571,362,000 equivalent to 25.94%, compared to 2023. This increase in total revenue is due to the rise in revenue from Stevedoring Charge, Lo-Lo Charge, revenue from Port Charge for Vessel Services, and revenue from Storage Fees (warehouse and yard) for goods or containers.

2- Revenue by Segment Analysis

Comparative Table of Revenue by Sections Against Total Revenues of 2024 and 2023

Description	2024		2023	
	KHR '000	Percentage of total income	KHR '000	Percentage of total income
Stevedoring Charge	227,643,155	49.57%	177,778,892	48.75%
Lo-Lo Charge	122,984,311	26.78%	93,390,482	25.61%
Port Charge for Vessel Services	78,185,635	17.03%	74,057,713	20.31%
Storage (Warehouse and Yard)	20,717,757	4.51%	14,064,536	3.86%
Transportation	136,409	0.03%	123,264	0.03%
Passenger vessel	227,502	0.05%	209,932	0.06%
Special Economic Zone	2,957,970	0.64%	2,297,616	0.63%
Rental fee	2,415,986	0.53%	1,938,597	0.53%
Other revenues	3,943,409	0.86%	779,739	0.21%
Total Revenue	459,212,133	100.00%	364,640,771	100.00%

Based on the comparative table above, four types of revenue, including: 1). Revenue from Stevedoring Charges, 2). Revenue from Lo-Lo Charges, 3). Revenue from Port Charge Services, and 4). Revenue from Storage Fees (warehouse and yard) contribute significantly to approximately 98% of PAS's total business (service) revenue.

**Comparative table of Revenue by major Sections Against Total Revenues For 4th quarter
2024 and 4th quarter 2023**

Description	2024	2023	Changes	
	KHR '000	KHR '000	KHR '000	%
Stevedoring Charge	227,643,155	177,778,892	49,864,263	28.05%
Lo-Lo Charge	122,984,311	93,390,482	29,593,829	31.69%
Port Charge for Vessel Services	78,185,635	74,057,713	4,127,922	5.57%
Storage (Warehouse and Yard)	20,717,757	14,064,536	6,653,221	47.30%

Revenue from Stevedoring Charge increased by KHR 49,864,263,000 equivalent to 28.05%, and revenue from Lo-Lo Charge increased by KHR 29,593,829,000 equivalent to 31.69%, compared to the same period in 2023. These two major revenue streams increased in line with the 29.38% growth in container throughput at PAS.

As for other revenues, such as revenue from Port Charge for Vessel Services, it depends on the number of vessels and vessel tonnage. In 2024, compared to the same period in 2023, the total number of vessels passing through PAS increased by 60 vessels, equivalent to 3.98%, and the vessel tonnage increased by 1,105,730 tons, equivalent to 5.79%, leading to an increase in revenue from Port Charge for Vessel Services of KHR 4,127,922,000 equivalent to 5.57%. At the same time, revenue from Storage Fees (warehouse and yard), which increased by KHR 6,653,221,000 equivalent to 47.30%, compared to the same period in 2023, also came from the 22.03% growth in container throughput warehouse and yard.

3. Gross Profit Margin Analysis

PAS had prepared its resulting reports in the form of a 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 4, the analysis of profit/(loss) before tax.

4. Profit/(Loss) before Tax Analysis

The profit/(loss) 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 /(loss)-net as follows:

Comparative Table of Profit/(Loss) before Tax Analysis for 2024 and 2023

Description	2024	2023	Changes	
	KHR '000	KHR '000	KHR '000	%
Revenue	459,212,133	364,640,771	94,571,362	25.94%
Consumable Supplies	(108,159,069)	(112,610,075)	(4,451,006)	-3.95%
Salaries, Wages and related expenses	(137,826,504)	(114,290,634)	23,535,870	20.59%
Depreciation and Amortisation charge	(54,322,871)	(47,851,778)	6,471,093	13.52%
Repairs and Maintenances	(2,116,794)	(2,194,873)	(78,079)	-3.56%
Other expenses	(36,060,884)	(33,456,647)	2,604,237	7.78%
Other gains /(Losses)-net	595,323	86,321,261	(85,725,938)	-99.31%
Net- Finance (Costs)/(gains)	33,266,718	13,834,519	19,432,199	140.46%
Profit before income tax	154,588,052	154,392,544	195,508	0.13%

Salaries, wages, and related expenses increased by 20.59%, due to the growth in container throughput which led to an increase in employees' salaries and performance bonuses (13th, 14th, and 15th month salaries) for 2024.

Depreciation expenses, including depreciation of property and equipment and depreciation of intangible assets, increased by 13.52%, due to the expansion of port infrastructure and the installation of handling equipment to respond to the growth in PAS's container throughput.

Other expenses increased by 7.78%, due to the increased consumption of water and electricity in PAS's business operations.

Other gains/(losses)-net (Realized Foreign Exchange Gain-Losses) refers to gains or (losses) from currency exchange during the settlement period, which for 2024, showed a decrease in realized foreign exchange gains of 99.31%.

Meanwhile, financial income/(expenses)-net (Unrealized Foreign Exchange Gain-Loss) refers to gains or (losses) from currency exchange during the unsettled period, which in 2024, showed an increase of 140.46%. The main factor contributing to the change in financial income/(expenses)-net is the increase in unrealized foreign exchange gains from loans (Japanese Yen).

In conclusion, PAS's profit before tax in 2024 was slightly increased by 0.13% if compared to 2023.

5. 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%.

After publicly listing its equity securities, PAS received a three-year securities sector tax incentive, from 2017 to 2019. Thus, from 2020 onwards, PAS has fulfilled its obligation to pay annual profit tax at a rate of 20%

Comparative Table of Profit/(Loss) after Tax Analysis for 2024 and 2023

Description	2024	2023	Changes	
	KHR '000	KHR '000	KHR '000	%
Profit before income tax (A)	154,588,052	154,392,544	195,508	0.13%
Income tax expense (B)	(27,854,423)	(32,427,054)	(4,572,631)	-14.10 %
Profit for the period	126,733,629	121,965,490	4,768,139	3.91%
Remeasurement of retirement benefit obligations	(13,069,461)	-	(13,069,461)	-
Total comprehensive income for the period	113,664,168	121,965,490	(8,301,322)	-6.81%
Effective Tax Rate (B)/(A)	18.02%	21.00%		-2.98%

PAS recorded a profit of KHR 126,733,629,000 for 2024, an increase of KHR 4,768,139,000 equivalent to 3.91%, compared to 2023. The factors contributing to this increase in profit for the financial period was the rise in revenue and the unrealized gain from the Japanese Yen exchange rate.

Observing the effective profit tax rate for 2024, there was a decrease of 2.98% compared to 2023, due to a decrease in profit tax expenses.

6. Factors and Trends Analysis affecting Financial conditions and results

Several factors can influence the financial position and results of PAS, such as:

- **Impact of regional and global trade:** Since PAS's main source of revenue comes from the flow of goods through international trade, factors that affect international trade will have an impact on PAS's business. These factors include economic conditions in the country, region, and world, social stability, security issues, or maritime cooperation. According to the International Monetary Fund (IMF), the global economy will grow at an estimated rate of 3.2% for 2024, while the Cambodian economy will grow by about 5.8% according to the Asian Development Bank (ADB). These figures show that the Cambodian economic situation remains resilient and strong, which is a positive factor for the port business.

- **PAS's operational capacity and efficiency:** Since the end of the third quarter of 2024, PAS has had a total port capacity of 1,000,000 TEUs of containers throughputs per year after the commissioning of an additional 253-meter container terminal berth, along with the installation of container handling equipment and the dredging of the three berths of PAS. This has increased port capacity, operational productivity, and efficiency to meet customer demand and the growth in container throughput at PAS.
- **Status of domestic transport networks:** PAS is connected to domestic transport networks, such as National Road 4, National Road 3, and the expressway, which connect PAS to the hinterland of the country smoothly. As for rail transport, currently, in cooperation with Royal Railway, rail transport has increased by 06 to 07 times per week to transport goods in and out, and this rail transport is proceeding smoothly as usual without any delays.
- **Cooperation between PAS and regional ports:** PAS connects with major ports in the region, which is important for facilitating the flow of goods to major international markets. To ensure smooth operations and transportation, PAS has strived to maintain good relations with major ports in the region.
- **Depreciation:** Since PAS's business (services) uses a lot of infrastructure, depreciation expenses on port infrastructure such as ship berths, machinery, and buildings are relatively large, which can affect PAS's business result. Therefore, PAS needs to have appropriate depreciation policy reviews and adjust as needed at each financial reporting date. For the fourth quarter of 2024, there were no revisions or requests for revisions to this depreciation policy from the independent auditor.

B. Significant factors affecting Profit

1. Demand and Supply Conditions Analysis

The business activities of the Sihanoukville Autonomous Port (PAS) are directly related to the national economy, regional economy, and global economy. When the national economy changes, it will directly affect the port's business and services. That is, when the national economy grows, the port's business and services also grow accordingly, and PAS's revenue also increases. Conversely, if the national economy declines, it will also have a negative impact on PAS's revenue. According to the Asian Development Bank (ADB), the Cambodian economy is expected to grow at a rate of approximately 5.8%, while the global economy is expected to grow at a rate of approximately 3.2% (IMF) for 2024. However, PAS may be affected by supply and demand factors due to the Russia-Ukraine war, the Israel-Palestine war, and the global crisis.

2. Fluctuations in Prices of Raw Materials Analysis

Fuel is the most important raw material for port services, as it is a key requirement for the operation of machinery. However, the Sihanoukville Autonomous Port (PAS) maintains its service prices regardless of fluctuations in fuel prices. Therefore, PAS has strictly implemented procurement procedures to ensure that the prices of these raw materials are appropriate and competitive in the market.

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 must pay tax and in accordance with the ratio of income and was determined as a large taxpayer by the General Department of Taxation. Regarding tax on annual profit, PAS will be obligated to pay at 20% rate starting from year 2020 after receiving 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's main revenues, including handling, transfer and storage revenue, and port service revenue, contributed approximately 98% of PAS's total revenue for 2024. The main factor driving the increase in revenue was the growth in container throughput at the port. Growth in the agricultural, commercial, construction, and industrial sectors reflects the national economic situation of Cambodia and, in line with this, has a positive impact on PAS's business, services, and revenue.

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

1. Impact of Exchange Rates

PAS has received sub-loans through the Ministry of Economy and Finance from JICA and JBIC, requiring PAS to repay principal and interest in Japanese Yen and US Dollars, while PAS's functional currency is the KHR. Therefore, fluctuations in the KHR exchange rate against the US Dollar, the KHR against the Japanese Yen, and the US Dollar against the Japanese Yen affect PAS's profitability.

2. Impact of Interest Rates

Currently, PAS has no loans with variable interest rates. PAS has received loans from the Ministry of Economy and Finance, which are sub-loans from JICA and JBIC at interest rates ranging from 2.65% to 3.70%. Therefore, for the fourth quarter of 2024, there is no impact from interest rate fluctuations.

3. Impact of Fuel Price Fluctuations

Changes in fuel prices will affect PAS's profitability, as port operations use handling equipment that is heavily dependent on fuel. Therefore, PAS continues to strengthen handling efficiency and container yard management, as well as connecting to the medium-voltage electricity grid to reduce operating costs and improve service quality.

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, and infrastructure of the International Airport in Preah Sihanouk province.
- Policy on save cost of transportation through the Express Way from Phnom Penh - Sihanoukville
- 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 9

Other Necessary Information for Investor Protection



In this of 2024, there is other necessary information for the protection of investors as below:

- Approved and agreed on the progress report on ongoing container terminal development projects (1. Project to convert the general cargo terminal into a 253-meter container terminal, and 2. New container terminal development projects - Phase 1, Phase 2, and Phase 3) and the preparation of a Master Plan for the future of Sihanoukville Autonomous Port.
- Approved and agreed on the date, location, and agenda for the 7th Annual General Meeting of Shareholders 2024.
- Approved PAS to distribute dividends, set the record date for dividend distribution, and the payment date for shareholders for the 2023 financial period.
- Approved and agreed to allow PAS to lease additional land to HUALE STEEL (Cambodia) Co., Ltd., with an area of 88,000 square meters, for a period of 50 years in the Sihanoukville Port Special Economic Zone (SPSEZ), with rental prices and conditions in accordance with the contracts that the company has previously implemented with Sihanoukville Autonomous Port.
- Approved and agreed on PAS's investment participation with Phnom Penh Autonomous Port and Funan Techo Canal Investment Co., Ltd. to establish a company named "Funan Techo Inland Waterways and Logistics Co., Ltd." with an investment amount of approximately 10 million US dollars.
- Approved and agreed on the PAS 2025 business (service) and financial plan project.
- Approved and agreed for PAS to purchase a plot of land with an area of approximately 80 hectares, adjacent to PAS land, located along Hun Sen Kaev Phos Road, Rithy 2 Village, Kaev Phos Commune, Stueng Hav District, Sihanoukville Province, for expansion and development as an Inland Container Depot (ICD) or Logistic Complex or PAS Special Economic Zone, and allowed PAS to sell a plot of wind turbine land with an area of 63,948 square meters, located in Village 3, Sangkat 1, Sihanoukville City, Sihanoukville Province.
- Approved and agreed for PAS to select PricewaterhouseCoopers (PwC) Cambodia as the independent audit company for Sihanoukville Autonomous Port for the financial periods 2025, 2026, and 2027.

Signature of Directors of Sihanoukville Autonomous Port

Date: 28 March 2025

Read and Approved

Signature

Lou Kim Chhun

**Delegate of the Royal
Government of
Cambodia in charge as
Chairman & CEO**

Date: 28 March 2025

Read and Approved

Signature

Chhoun Vin

Director

Date: 28 March 2025

Read and Approved

Signature

Phan Phalla

Director

Date: 28 March 2025

Read and Approved

Signature

Kem Sithan

Director

Date: 28 March 2025

Read and Approved

Signature

Hun Monivann

Director

Date: 28 March 2025

Read and Approved

Signature

Hidetoshi KUME

Director

Date: 28 March 2025

Read and Approved

Signature

Lou Lykheng

Director

Annual Report Appendix 1
of
Sihanoukville Autonomous Port
Annual Corporate
Governance Report 2024

Part 1

Shareholders

A. Shareholders structure (By 31st December 2024)

1. Shareholder Information

Description	Nationality	Types of Shareholders	Number of Shareholders	Number of Shares	Percentage
Less than 5%	Cambodian	Individual	2,532	3,945,371	4.60%
		Legal Person	5	3,337,010	3.89%
	Non-Cambodian	Individual	409	503,082	0.59%
		Legal Person	4	2,507,205	2.92%
From 5% to 30%	Cambodian	Individual	N/A	N/A	N/A
		Legal Person	N/A	N/A	N/A
	Non-Cambodian	Individual	N/A	N/A	N/A
		Legal Person	1	11,150,324	13.00%
From 30%	Cambodian	Individual	N/A	N/A	N/A
		Legal Person	1	64,328,975	75.00%
	Non-Cambodian	Individual	N/A	N/A	N/A
		Legal Person	N/A	N/A	N/A

2. Shareholders Who Are Directors, Senior Officials and Employees of Sihanoukville Autonomous Port

Shareholders	Number of Shareholders	Number of Shares	Percentage
Directors	4	164,305	7.66%
Senior Officials	15	310,480	14.48%
Employees	200	1,669,514	77.86%
Total	219	2,144,299	100,00%

B. Shareholders' and Protection of shareholders' Right

1. Rights of Shareholders

The Rights of PAS's shareholders as below:

- Shareholders Type "A"
 - Voting rights: Shareholders Type "A" generally do not have any voting rights except in the case that there is a meeting to decide certain issues that might reduce or restrict the rights or benefits of such shareholders as follows:
 - A reduction or restriction of the numbers and rights of shareholders type "A" shares.

- Request for inclusion or separation of PAS
- Decision for liquidation or dissolution of PAS.

In this case, shareholder type "A" has a right to vote with 1 share equivalent to 1 vote.

- Right to receive information: shareholder type "A" has a right to receive any information relative to PAS.
- Right to receive benefits remaining from the liquidation or dissolution: Shareholder Type "A" have priority rights to receive PAS's benefits remaining from the liquidation or dissolution before Shareholders type "B" and "C".
- Shareholders Type "B"
 - Voting rights: Shareholders type "B" have full rights to vote with 1 share equivalent to 1 vote.
 - Rights to receive dividend: Shareholders type "B" have the right to receive dividend in any fiscal year according to the decision of Board of Directors (BOD).
 - Right to receive information: Shareholder type "B" has a right to receive any information relative to PAS.
 - Rights to receive benefits remaining from the liquidation or dissolution: Shareholders type "B" shall be entitled to receive PAS's property after the liquidation or dissolution, but the latter shall comply with the priority rights of shareholder type "A" in advance.
 - Rights of conversion: Shareholders type "B" shall be entitled to convert all of its type "B" shares to type "C" shares with a ratio of 1 type "B" share equivalent to 1 type "C" share under the following conditions:
 - After the completion of a 3-year term of announcement and division of the guaranteed minimum dividend.
 - PAS has no guaranteed minimum dividend that has not been divided.
 - Rights of conversion shall be carried out for all Shareholders type "B".
 - The conversion of type "B" share will come into force when the decision of PAS's BOD is made and get the approval from Ministry of Economy and Finance.
- Shareholders Type "C"
 - Voting rights: Shareholders type "C" have full right to vote with 1 share equivalent to 1 vote.
 - Rights to receive dividend:
 - The dividend that distributes among shareholders' type "C" have to be announced by the BOD in the fiscal year and approved by the Shareholders meeting.
 - The dividend can be done in the form of Cash or Share to shareholders before its Ex-dividend day, in according to the definition of the BOD and approved by the Shareholder Meeting.

- Right to receive information: Shareholder type "C" has a right to receive any information relative to PAS.
- Rights to receive benefits remaining from the liquidation or dissolution: Shareholders type "C" shall be entitled to receive the property remaining from the liquidation or dissolution, but the latter shall comply with the priority rights of shareholders' type "A" and type "B" in advance.

2. Protection of Shareholders' Rights and Implementation

The rights of shareholders are guaranteed by the General Shareholder Meeting, by the BOD and CEO as stipulated in the PAS's personnel statute. All shareholders equally have the right to receive information at the same time whether they have a smaller amount or larger number of shares. All shareholders of PAS must be invited to join the annual shareholder meeting and have the right to query operating performance, implementation and other development plans of port. Furthermore, members of the BOD also consist of Independent director and Non-executive director as representatives of the private shareholders in order to protect the interests of all shareholders.

3. Protection of Minority Shareholders' Rights and Implementation

The rights of minority shareholders are also guaranteed by the General Shareholder Meeting, by the BOD and CEO as stipulated in the PAS's personnel statute. All shareholders equally have the right to receive information at the same time whether they have a smaller amount or larger amount of shares. The minority shareholders also get invited to join the annual shareholder meeting and have the right to query on operating performance, implementation and other development plans of port.

C. General Shareholders' Meeting

1. Procedures of the General Shareholders' Meeting and Voting

- Procedures of the General Shareholders' Meeting
 - The General Shareholders' Meeting shall be held once a year after the end of the fiscal year in accordance with the date and agendas which is to be decided by the Board of Directors.
 - The Extraordinary General Shareholders' Meeting may take place upon request by the shareholders holding at least 51% (fifty-one percent) of shares class B and C.
 - A shareholders' request for the General Shareholders' Meeting shall be submitted to the Board of Directors at least 21 days prior to the date of the meeting, with a signature and attached agenda.
 - If the General Shareholders' Meeting is unable to comply with the above procedure, any member of the Board of Directors or any shareholder entitled to vote in the

General Shareholders' Meeting may request the court to convene a shareholders' meeting, one that the court deems appropriate.

- The General Shareholders' Meeting shall be presided by the Chairman or the Director General. In the event of the absence of the Chairman or the Director General, the member of the Board of Directors, acting as proxy on behalf of the Ministry of Economy and Finance, shall preside.
- The Chairman of the General Shareholders' Meeting shall have the right to vote only upon the transfer of ownership by one of its shareholders or his/her own share.
- The General Shareholders' Meeting shall be held at the registered office or elsewhere in the Kingdom of Cambodia which is decided by the Chairman of the Board of Directors.
- The notice of the General Meeting of the shareholders shall be made in writing and shall be sent to the shareholders by letter or by electronic or by any other appropriate means stating the date, time, place and agenda.
- Notification shall be sent to voting shareholders and the Board of Directors not later than 21 (twenty-one) days prior to the date of the General Shareholders' Meeting.
- Election Procedures
 - The process of electing an independent director and non-executive director representing the private shareholders in the General Shareholders' Meeting of the Company shall be as follows:
- Attendance at the election and quorum
 - Attendance made at the General Shareholders' Meeting with an invitation letter or investor ID. In the case of a transfer of the right to vote, the authorized person must enclose the proxy letter and the identity card or passport of the authorized person.
 - Voters are all eligible voting shareholders listed in the list (record date).
 - The election can only be held in the event of a quorum of shareholders representing more than half of the total shares.
- Transfer of voting rights
 - Shareholders can delegate their representative to vote. Shareholder who authorize other person to vote in his/her stead is no longer eligible to vote.
 - The authorized person does not have to be a shareholder.
 - The authorized person can only obtain the voting right from only one shareholder.
 - The proxy letter must be given to the election committee before the election process. The proxy shall be made public in the shareholders' meeting.
 - The proxy letter must be accompanied by invitation letter.
 - The proxy letter must contain the signature of the shareholder and authorized person.

- Election Campaign
 - A 10-minute campaign for candidates to present and introduce their skills, experience and career direction.
 - Propaganda is to be held at the General Shareholders' Meeting, either orally or/and by a Power Point Slide presentation.
 - All images and promotional activities must not be subject to criticism, personal or professional work of other candidates. In case of violation, the Election Committee shall have the right to immediately stop the candidate's campaign.
- The Polling Station and Confidential Compartment
 - The polling station shall be under the control of the Election Committee.
 - The polling station shall be set up in the General Shareholders' Meeting Hall. The polling station shall have the confidential compartments necessary for shareholders to vote.
 - The polling station shall consist of at least 5 members of the committee, including 1 President and at least 4 Members.
 - The Chairman of the polling station shall undertake the task of reviewing the names of the voters on the list, two members in charge of the order outside the office and two others in charge of the internal order.
- Voting Procedures
 - The method of voting shall be conducted by calling the registered shareholders' name of 10 personnel at a time.
 - All presidents, board members, candidates, and members of the Election Committee shall be allowed to vote first.
 - A shareholder who is absent from the calling period shall be given the opportunity to vote when the shareholder is present at the polls and before the official closing of the polling station.
 - Shareholders who have been called to vote must go to the voting booth to cast their favorite candidates' ballot in the ballot box with the names and photos of the candidates as independent directors and non-executive directors representing the private shareholders.
- Voting
 - The election of independent directors and non-executive directors representing private shareholders shall be conducted in a free, confidential and transparent manner.
 - The election is conducted under single-winner system.

- The election of independent directors is conducted by public and private shareholders. The election of non-executive directors representing the private shareholders is conducted by private shareholders only, the public shareholders is not eligible to vote in this election.
- Candidates who have been nominated and elected are the one who receive the most votes.
- The election of independent directors and non-executive directors representing the private shareholders shall be done only once.
- The Election Committee has the authority to solve any issues that occur at the polls or on the vote count.
- Voting Registration Cards, Ballot Counting, and Result Declaration
 - There are two types of voter registration card :
 - Blue for the election of independent directors
 - Red for the election of non-executive directors, representing the private shareholders
 - Voting cards will be given when the shareholders or delegates register their attendance. The ballot will specify the investor ID and the number of shares held by the shareholders.
 - The shareholders shall drop the ballot papers in the ballot box in accordance with the color of the ballot. Any mistake on casting the vote in the wrong ballot or marking any ballot or overwritten by the voter shall be considered as an invalid ballot.
 - Shareholders may ask the Election Committee for assistance on how to vote properly.
 - The counting and summation of the election results shall be done in accordance with the information system (Computer).
 - The Chairman of the polling station shall review and present the ballot papers, 2 members shall be recorded on the computer system and the other 2 shall organize the ballot papers in the form of valid and invalid ballots.
 - The results of the election shall be announced by the President of the General Shareholders' Meeting.
- Appeal on Election Results
 - The Election Committee has the authority to solve any post-election issues.
 - The candidates who have the right to vote shall have the right to appeal the election results before the Election Committee.

2- Information of General Shareholder Meeting

No.	Date	Type of Meeting	Quorums	Agendas	Resolutions
1	21 st June, 2024	Ordinary	80,832,684 shares, equivalent to 94.24 %	- Welcome speech of the Chairman Meeting - Short Speech of (KAMIGUMI Co., Ltd. And Kobe -Osaka International Port Corporation) - PAS's Business-Operation Performance 2023 and Financial Statement year ended 31st December 2023 (Audited) - PAS's Performance Target for 2023 - Voting on the dividend distribution to shareholders for the year 2023 and remuneration of BOD and State Controller for 2023 and selection of Independent Director and Non-Executive Director Representative of Private Shareholders for the 9th Mandate - Question & answer - Declare of Voting Result and closing remark	- PAS's Business-Operation Performance 2023 - PAS's Financial Statement year ended 31st December 2023 (Audited) - PAS's Performance Target for 2024 - Approval on Dividend Distribution to Shareholders for Fiscal year 2023. • Shareholders class "B" amounted to KHR 5,000,000,000 • Shareholders class "C" 10% of IPO price (KHR 5,040), equivalent to KHR 10,807,267,968 - Approval on Remuneration for Board of Directors and State controller 2024. - Approval on the Appointment of Independent Director and Non-Executive Director Representative of Private Shareholders for the 9th Mandate of Sihanoukville Autonomous Port: • Approval for appointed Mr. Hun Monivann as Independent Director • Approval for appointed Mr. Hidetoshi KUME as Non-Executive Director Representative of Private Shareholders

D. Dividend Distribution

1. Dividend Policy

In order to encourage investors, Board of Directors adopted a dividend policy with an annual minimum dividend yield equal to 5% of the investment amount, based on the IPO price. For three years after listing on the CSX. The minimum dividend yield guarantee of 5% is only available to securities entitled "Category C". The Royal Government of Cambodia, a shareholder holding the right to vote Category "B" and the "A" non-voting securities, has no dividend guarantee.

After a three-year guarantee period, dividend payments are proposed by the Board of Directors and put to the General Assembly of the shareholders.

2. Historical Information of Dividend Distribution for the last 3 years

No.	Detail of Dividend Distribution	2023	2022	2021
1	Announcement Date of Dividend Distribution	21 st June 2024	09 th June 2023	17 th June 2022
2	Record Date	05 th July 2024	20 th June 2023	27 th June 2022
3	Dividend Payment Date	16 th July 2024	28 th June 2023	14 th July 2022

Part 2

Board of Director

A. Board of Director

1. Board Composition

No.	Name	Position	Appointing Date	Ending Date
1	H.E. Lou Kim Chhun	Chairman	21 st May 2024	20 th May 2028
2	H.E. Chhoun Vin	Director	21 st May 2024	20 th May 2028
3	H.E. Phan Phalla	Director	21 st May 2024	20 th May 2028
4	H.E. Kem Sithan	Director	21 st May 2024	20 th May 2028
5	Mr. Hun Monivann	Director	21 st June 2024	20 nd June 2028
6	Mr. Hidetoshi KUME	Director	21 st June 2024	20 nd June 2028
7	Mr. Lou Lykheng	Director	02 nd May 2024	01 st May 2028
8	H.E. Suy San	End of Mandate	05 th May 2021	04 th May 2024
9	H.E. Sok Sopheap	End of Mandate	05 th May 2021	04 th May 2024

2. Director Biography



H.E. Lou Kim Chhun
Chairman of the Board of Directors Delegate
of the Royal Government in Charge as Chairman
and CEO of Sihanoukville Autonomous Port

His Excellency was born in 11th March 1956, Cambodian Nationality, Place of Birth: Prek Po Village, Prek Po Commune, Srey Santhor district, Kampong Cham province.

Education

His Excellency received a bachelor's degree and a Master's degree in Hydraulic and Port Construction in 1986 from the former Soviet Union, a Master's degree in Commerce in 2006 from the National University of Management, and a Doctoral degree in Economic Sciences in 2008.

Experience

In 1986, His Excellency began his career at Sihanoukville Autonomous Port as a Construction Engineer in the Technical Materials Construction Department. From 1990 to 1992, he served as Deputy Director of Sihanoukville Autonomous Port. From 1992 to 1999, he held the position of Director of Sihanoukville Autonomous Port. From 1999 to 2008, he served as Director-General of Sihanoukville Port, and from 2008 to the present, he has been a Delegate of the Royal Government of Cambodia in charge as Chairman & CEO.



H.E. Chhuon Vin
Member of the Board of Directors
Representative of the Ministry of
Public Works and Transport

His Excellency was born on 01st February 1980, Cambodian nationality, in Prek Po Village, Prek Po Commune, Srey Santhor District, Kampong Cham Province.

Education

His Excellency received his High School Diploma in 1997 from Preah Sisowath High School, his Bachelor of Commerce degree in Management in 2001 from the National Institute of Management, and his Master of Science degree in Accounting-Finance in 2004 from the University of Greenwich, England. Additionally, he received a Senior Official Diploma in Good Governance, specializing in Management, Leadership, and Public Administration, in 2007 from the Royal School of Administration, Cambodia.

Experience

In 2007, His Excellency began his career as an officer at the Ministry of Public Works and Transport. From 2007 to 2008, he served as an Assistant and Director of the Cabinet of the Ministry of Public Works and Transport. From 2008 to 2009, he served as Deputy Director of the Department of the Ministry of Public Works and Transport. From 2009 to 2013, he served as Deputy Director-General of the Ministry of Public Works and Transport. From 2013 to 2019, he served as Undersecretary of State of the Ministry of Public Works and Transport, and from 2019 to the present, he has served as Secretary of State of the Ministry of Public Works and Transport.



H.E. Dr. Phan Phalla

Member of the Board of Directors

**Representative of the Ministry of
Economy and Finance**

His Excellency was born in 01st September 1973, Cambodian nationality, in Sangkat 1 Phnom Penh, Cambodia.

Education

His Excellency received a bachelor's degree in business administration in 1996 from Hawaii Pacific University, USA. Additionally, he received a master's degree in commerce from the University of New South Wales, and a Doctoral degree in Economics in 2003 from the University of Wollongong, Australia.

Experience

In 2004, His Excellency began his career as an officer at the Ministry of Economy and Finance. From 2005 to 2008, he served as Deputy Director of a Department at the Ministry of Economy and Finance. From 2008 to 2013, he served as Director of the Information Technology Department at the Ministry of Economy and Finance. From 2013 to 2016, he served as Director-General of the General Department of Economic and Financial Policy at the Ministry of Economy and Finance, and from 2016 to the present, he has served as Secretary of State at the Ministry of Economy and Finance.



H.E. Kem Sithan
Member of the Board of Directors
of the Ministry of Commerce

His Excellency was born in 28th June 1950, Cambodian nationality, in Sangkat 5 Phnom Penh, Cambodia.

Education

His Excellency received an Associate's degree in Electrical Engineering in 1986 from the Institute of Technology of Cambodia, Cambodia, and a Bachelor's degree in Economics in 1992 from the Institute of Economic Sciences, Cambodia, and a Master's degree in Economics and Finance in 1997 from the University of London, England. Additionally, he received a Master's degree in Public Policy in 2000 from Saitama University, Japan, and a Doctoral degree in Business Administration from Ashwood College in 2006.

Experience

In 1979, His Excellency began his career at the Cambodia-Vietnam Friendship Association. From 1980 to 1981, he worked at the Central Propaganda and Education Committee. From 1981 to 1984, he served as the Head of the Organization Office, from 1984 to 1986 as the Deputy Director of the Organization Department, and from 1986 to 1988 as the Director of the Nationwide Specialist Management Department of the Council of Ministers. From 1988 to 1997, he was the Director of the Personnel Department, from 1997 to 1998, he was the Director-General of Administration and Finance, from 1998 to 2004, he was an Undersecretary of State, from 2004 to 2018, he was a Secretary of State, and from 2018 to the present, he has been the Permanent Secretary of State at the Ministry of Commerce.



Mr. Hun Monivann

Member of the Board of Directors

Independent director

Mr. Hun Monivann was born in 22nd January 1973 Cambodian Nationality, in Odong district, Kampong Speu province.

Education

From 1993 to 1997, he obtained a Bachelor's Degree in Management majoring in Accounting at the University of Technology, Cambodia. From 2017 to present, he is pursuing a Master's Degree in Online Business Management majors at the University of London, UK. In 2023, he obtained a Master's Degree of Management at University of Management and Economy (UME), Cambodia.

Experience

From approximately 1989 to 1992, he served in the T88 Political Unit of the Cambodian Armed Forces as an Assistant to the Unit Chief. From 1997 to 2000, he was a Senior Auditor at Ernst & Young, Phnom Penh. From 1998 to 2000, he was a government official at the Ministry of Foreign Affairs and International Cooperation. From 2000 to 2008, he was the Chief Financial Officer of Artisans Angkor Co., Ltd., and from 2003 to 2008, he was a member of the Board of Directors, representing employees within the company. From 2006 to 2008, he was an Independent Director and Chairman of the Audit Committee of the Stung Mean Chey Limited Institution. From 2006 to the present, he has actively participated and served as a fund coordinator for various charitable projects. From 2008 to 2022, he was the President of a leading human resources company in Cambodia, known as A Plus Consulting Co., Ltd. From 2009 to 2013, he was the Chairman of the Board of Directors and the Audit Committee of Stung Mean Chey Limited. From 2011 to 2013, he was a Board Member of the Young Entrepreneurs Association of Cambodia (YEAC). From 2011 to 2024, he was the Vice President of the Chamber of Commerce of Siem Reap and Oddar Meanchey Provinces (SROCC). From 2012 to 2013, he was the President of the Cambodia IATSS Alumni Association (CIAA). From 2014 to 2018, he was a shareholder and CEO of Active Property (Cambodia). From 2016 to 2021, he was an Independent Director and Chairman of the Audit Committee of Stung Mean Chey Bank Plc. In 2017, he was the Vice President of LSi Business School. In 2018, he was the Vice President of MVU Investment Co., Ltd. and an Independent Director. In 2021, he was the Chairman of the Board of Mega Leasing Plc and the Chairman of Amara Capital Plc. From 2024 to the present, he has been an Independent Director and Chairman of the Audit Committee of Sihanoukville Autonomous Port (PAS), a state-owned company listed on the Cambodia Securities Exchange.



Mr. Hidetoshi KUME

Member of the Board of Directors

Non-executive directors representing private shareholders

Mr. Hidetoshi KUME was born in 22nd April 1975 ,Japanese Nationality.

Education

He received a Bachelor of Engineering degree in Wastewater Treatment Engineering in 1980 from Kyushu University and a Master of Engineering degree in Wastewater Treatment Engineering in 1982 from Kyushu University, Japan.

Experience

During 1982, he worked as a technical officer in port and maritime development at the Ministry of Transport. From 1989 to 1990, he was the Land Agency Officer in charge of the project, the development of the Capital Region (Kansai Region) and from 1990 to 1992, he is the project manager at the Transport and Marine Research Institute of the Ministry of Transport, in charge of technical cooperation with international trainees who hold port and airport facilities. From 1993 to 1996, he was the first Secretary of the Economic Department of the Japanese Embassy in the Philippines, in charge of economic assistance of the Japanese government in the Philippines. From 1996 to 1998, he was Director of the Takamatsu Port Office and Airport Construction of the Third Port Construction Office and from 1999 to 2001 he was the Head of the Local Second Port Construction Office at the Ministry of Transport. From 1997 to 1999, he was a Senior Research Officer at the Coastal Development Institute in charge of the study of port development strategy, the first policy of the JICA project to develop the port area. From 2002 to 2004, the Governor of Okinawa served as a construction consultant. From 2003 to 2005, he was Deputy Director of the Department of Ports and Maritime at the Ministry of Land, Infrastructure and Transport for Private Disaster Prevention and Prevention. From 2005 to 2007, he served as Mayor of Fukuoka and advisor to the Port and Maritime Department. From 2007 to 2009, he was the Senior Researcher for the International Research Program on Climate Change and Air Transport Strategies, at the Institute for Transport Policy Studies. From 2009 to 2010, he served as Deputy Director of the Ministry of Land, Infrastructure and Transport from 2010 to 2012 and was Director of the Research Department at the Institute for Transport Policy Studies and from 2012 to 2014, he was Director of the Osa Bay Area Environmental Improvement Center. May 2014 - March 2018, an expert at the Ministry of Public Works and Transport of Cambodia serves as a Consultant for Shipping Policy and from June 2018 he is Director of the Department of Maritime Transport.



Mr. Lou Lykheng
Member of the Board of Directors
Representative of PAS's Workers

Mr. Lou Lykheng was born in 11th April 1974, Cambodian Nationality, in Ruessei Srok commune, Srey Santhor district, Kampong Cham province.

Education

He received an Engineer's degree in Food Chemistry in 1996 from the Institute of Technology of Cambodia (Techno School) and a Master's degree in Commerce in 2006 from the National University of Management, Cambodia.

Experience

From 1997 to 2003, he served as an industrial officer. In 2003, he began working at Sihanoukville Autonomous Port as a container goods recorder from the yard. From 2008 to 2011, he was the Head of the Container Inspection and Lane Arrangement Section. From 2011 to 2015, he was the Deputy Director, responsible for the general task supervision of the General Cargo Operations Department. From 2015 to the present, he has been the Director of the General Cargo Operations Department.

3. If Any Director is Director, Shareholders or Co-owner of Other Company

Mr. HUN Monivann is currently the Independent Director of Sihanoukville Autonomous Port, Vice Chairman of MVU Investment Plc., Chairman of the Board Director of Mega Leasing Plc. And is also the President of Amara Capital Plc.

4. Board Roles, Duties, and Responsibilities and Performance

The Board of Directors is entrusted with the joint mission for orientation and oversight for PAS. Within this framework, the Board of directors have the following roles, duties and responsibilities as below:

- Make a decision according to the request of H.E Chairman & CEO on PAS's organization chart and internal regulation, including statute, monthly salary, incentive bonus, allowances and staff payment in accordance with the laws and legal procedures in force.
- Determine the organization and general duties of PAS
- Review and approve on the development plan within the framework for orientation of PAS.
- Review and approve on PAS's planning for Business, Services, Financial and Investment.
- Approve on Quarterly and Annual reports of Independent Auditors.
- Approve on Quarterly and Annual Performance reports.
- Manage to process the committees and commissions as determined by the sub-decree on the establishment of PAS or the statute of PAS.
- Approve on the number of PAS's employees and the provision of benefits for employees, all level of senior officers.
- Conduct an evaluation on the limit of goal achievement based on a regular interval which was determined by PAS and devise necessary measures for improvement.
- Review and approve on the request to amend PAS's statute and Staff statute.
- Review and approve on Service fees related to business of PAS.
- Review and approve on Profit distribution plan or filling Deficit plan of PAS.
- Review and approve on the proposal to increase or decrease the Capital of PAS.
- Review and approve on the implementation of various procurement of PAS.
- Decide on opening and closing of offices, branches, agencies or any other necessary representatives to achieve the goals and tasks of PAS.
- Approve on contracts that cannot be practiced in public procurement procedure.

Board of director exercises other rights and powers as defined in the regulation of Public enterprise, regulation of Commercial enterprises, as well as law and regulations in force that related to listing in Securities Market.

5. Board Meetings

No.	Date	Type of Meeting	Name of Directors Attending the Meeting
1	08 th February 2024	11 th Board of Directors Meeting, 8 th Mandate discussion and approval (Ordinary)	H.E. Lou Kim Chhun H.E. Suy San H.E. Phan Phalla H.E. Sok Sopheak Mr. Hun Monivann Mr. Hidetoshi KUME Mr. Lou Lykheng
2	16 th May 2024	12 th Board of Directors Meeting, 8 th Mandate discussion and approval (Ordinary)	H.E. Lou Kim Chhun H.E. Suy San H.E. Phan Phalla H.E. Sok Sopheak Mr. Hun Monivann Mr. Hidetoshi KUME Mr. Lou Lykheng
3	29 th July 2024	9 th Mandate discussion and approval (Extra-Ordinary)	H.E. Lou Kim Chhun H.E. Chhuon Vin H.E. Phan Phalla H.E. Kem Sithan Mr. Hun Monivann Mr. Hidetoshi KUME Mr. Lou Lykheng
4	9 th August 2024	1 st Board of Directors Meeting, 9 th Mandate discussion and approval (Ordinary)	H.E. Lou Kim Chhun H.E. Chhuon Vin H.E. Phan Phalla H.E. Kem Sithan Mr. Hun Monivann Mr. Hidetoshi KUME Mr. Lou Lykheng
5	5 th November 2024	2 nd Board of Directors Meeting, 9 th Mandate discussion and approval (Ordinary)	H.E. Lou Kim Chhun H.E. Chhuon Vin H.E. Phan Phalla H.E. Kem Sithan Mr. Hun Monivann Mr. Hidetoshi KUME Mr. Lou Lykheng

B. Board Committees

1- Board Committee Structure

1-1 Audit Committee

No.	Name	Position	Appointing Date	Number of Attending the Meeting	Total Number of Meetings
1	Mr. Hun Monivann	President	19 th August 2024	4	4
2	H.E. Kem Sithan	Vice President	19 th August 2024	2	2
3	Mr. KUME Hidetoshi	Member	19 th August 2024	4	4
4	Mr. Nom Sinith	Member	19 th August 2024	4	4
5	Mr. Ty Sakun	Member	19 th August 2024	4	4
6	Mr. Men Chann	Member	19 th August 2024	4	4
7	Mr. So Seang	Member	19 th August 2024	2	2
8	H.E. Sok Sopheak	End of Mandate	1 st October 2021	2	2

- Roles and Responsibilities of Audit Committee

The Audit committee has the roles and responsibilities as follow:

- Control of report relevant to finance
- Control of internal control
- Control of internal audit
- Control of external audit
- Audit of working and PAS business
- Report to Board of Directors of its working
- Completion of other duties according to the accomplishment of Board of Director

- Result of Audit Committee Performance

In this 2024, the Audit Committee have conducted 4 meeting as below:

No.	Date of Meeting	Items of Meeting	Members of Audit Committee	Representatives of PAS Management
1	07 th February 2024	11 th Audit Committee Meeting, 8 th Mandate	- Mr. Hun Monivann - H.E. Sok Sopheak - Mr. Hidetoshi KUME - Mr. Nom Sinith - Mr. Ty Sakun - Mr. Men Chann	- Mr. Thay Rithy - Mr. Rath Sela - Mr. Pith Prakath - Mr. Sam Sopheap - Mr. So Searng
2	15 th May 2024	12 th Audit Committee Meeting, 8 th Mandate	- Mr. Hun Monivann - H.E. Sok Sopheak - Mr. Hidetoshi KUME - Mr. Nom Sinith - Mr. Ty Sakun - Mr. Men Chann	- Mr. Thay Rithy - Mr. Lou Lykheng - Mr. Thay Rithy - Mr. Rath Sela - Mr. Pith Prakath - Mr. Sam Sopheap - Mr. So Searng

3	08 th August 2025	1 st Audit Committee Meeting, 9 th Mandate	- Mr. Hun Monivann - H.E. Kem Sithan - Mr. Hidetoshi KUME - Mr. Nom Sinith - Mr. Ty Sakun - Mr. Men Chann - Mr. So Seang	- Mr. Thay Rithy - Mr. Rath Sela - Mr. Pith Prakath - Mr. Mean Koeung - Mr. Ouk Vannara
4	04 th November 2024	2 nd Audit Committee Meeting, 9 th Mandate	- Mr. Hun Monivann - H.E. Kem Sithan - Mr. Hidetoshi KUME - Mr. Nom Sinith - Mr. Ty Sakun - Mr. Men Chann - Mr. So Seang	- Mr. Thay Rithy - Mr. Rath Sela - Mr. Pith Prakath - Mrs. Chey Sokunthea - Mr. Chiv Chansophal - Mr. Sorm Karaney

In this 2024, the Audit Committee have achieved the outcomes as below:

1. The first meeting on 07th February 2024

- Reviewing and approving the previous minutes of meeting
- Issues that occurred after the previous minutes of meeting
- Progress and Results of Internal Audit - Fourth Quarterly Report 2023
- Presentation on Port Safety, Health and Environment Management System
- Discussion on the draft audit report for the fourth quarter of 2023

2. The second meeting on 15th May 2024

- Reviewing and approving the previous minutes of meeting
- Issues that occurred after the previous minutes of meeting
- Progress and Results of Internal Audit - First Quarterly Report 2024
- Discussion on the draft audit report for the first quarter of 2024

3. The third meeting on 08th August 2025

- Reviewing and approving the previous minutes of meeting
- Issues that occurred after the previous minutes of meeting
- Progress and Results of Internal Audit - Second Quarter Report 2024
- Discussion on the draft audit report for the second quarter of 2024

4. The fourth meeting on 04th November 2024

- Reviewing and approving the previous minutes of meeting
- Progress and Results of Internal Audit - Third Quarterly Report 2024
- Review and discuss on Selection External Auditor
- Report of the National Audit Authority regarding the audit of compliance with laws and regulations at Sihanoukville Autonomous Port for the 2023 financial period
- Discussion on the draft audit report for the third quarter of 2023

1-2 Nomination and Remuneration Committee

No.	Name	Position	Appointing Date	Number of Attending the Meeting	Total Number of Meetings
1	H.E. Chhuon Vin	President	19 th August 2024	1	1
2	H.E. Kem Sithan	Vice President	19 th August 2024	1	1
3	Mr. Lou Lykheng	Member	19 th August 2024	3	3
4	Mr. KUME Hidetoshi	Member	19 th August 2024	1	1
5	Mr. Nom Sinith	Member	19 th August 2024	3	3
6	Mr. Thong Viro	Member	19 th August 2024	1	1
7	Mr. Rath Sela	Member	19 th August 2024	3	3
8	H.E. Sok Sopheak	End of Mandate	1 st October 2021	2	2
9	H.E. Suy San	End of Mandate	1 st October 2021	2	2

- Roles and Responsibilities of Nomination and Remuneration Committee

The Nomination and Remuneration committee has the roles and responsibilities as follow:

- Review and make recommendations on qualifications and procedures of Director and high-level staff selection
- Evaluate candidates as director and high-level staff before application submission to the board of directors
- Review and update the mechanism and evaluate the work efficiency of the board of directors, directors and other committees
- Establish procedures for reviewing and recommending on benefits or allowances for director and high-level staff
- Other tasks assigned as per Board of Director's Resolutions

- Result of Nomination and Remuneration Committee's Performance

In 2024, the Nomination and Remuneration Committee have conducted 3 meeting as below:

No.	Date	Type of Meeting	Members of the Nomination and Remuneration Committee	Representative of PAS
1	07 th February 2024	11 th Nomination and Remuneration Committee Meeting, 8 th Mandate	H.E. Sok Sopheak H.E. Suy San Mr. Lou Lykheng Mr. Nom Sinith Mr. Rath Sela	- Mr. Thay Rithy - Mr. Pith Prakath
2	16 th May 2024	12 th Nomination and Remuneration Committee Meeting, 8 th Mandate	H.E. Sok Sopheak H.E. Suy San Mr. Lou Lykheng Mr. Nom Sinith Mr. Rath Sela	- Mr. Thay Rithy - Mr. Pith Prakath - Mr. So Searng - Mr. Souk Kolchenda
3	04 th November 2024	1 st Nomination and Remuneration Committee Meeting, 9 th Mandate	H.E. Chhuon Vin H.E. Kem Sithan Mr. Lou Lykheng Mr. KUME Hidetoshi Mr. Nom Sinith Mr. Thong Viro Mr. Rath Sela	- Mr. Thay Rithy - Mr. Pith Prakath

In 2024, the Nomination and Remuneration Committee have achieved the outcomes as below:

1. The first meeting on 07th February 2024

- Report on employee status and training for 2023
- Review and evaluate the work efficiency of the Board of Directors for the 8th Mandate
- Review and make recommendations on the election of Employee Representatives, Independent Director and Non-Executive Director representative for private shareholders for the 9th Mandate of the Board of Directors.

2. The second meeting on 16th May 2024

- Evaluate candidates as Independent Director and Non-Executive Director representative for private shareholders to request approval from the Board of Directors for submission to 7th Shareholders' General Meeting

3. The third meeting on 4th November 2024

- Resolution on the appointment and adjustment of the committee composition of the Board of Directors
- Presentation on the Leadership and Management of Sihanoukville Autonomous Port
- Review and provide feedback on the draft of Human Resources Plan and Employee Training Plan for 2025.

1-3 Risk Management Committees

No.	Name	Position	Appointing Date	Number of Attending the Meeting	Total Number of Meetings
1	H.E. Phan Phalla	President	19th August 2024	4	4
2	H.E. Chhuon Vin	Vice President	19th August 2024	2	2
3	Mr. KUME Hidetoshi	Vice President	19th August 2024	4	4
4	H.E. Kem Sithan	Member	19th August 2024	2	2
5	Mr. Hun Monivann	Member	19th August 2024	4	4
6	Mr. Nom Sinith	Member	19th August 2024	4	4
7	Mr. Thay Rithy	Member	19th August 2024	4	4
8	Mr. Pith Prakath	Member	19th August 2024	4	4
9	H.E. Sok Sopheak	End of Mandate	1st October 2021	2	2
10	H.E. Suy San	End of Mandate	1st October 2021	2	2

- Roles and Responsibilities of Risk Management Committee

The Risk Management Committee has the roles and responsibilities as follow:

- Risk analysis including risk narration and identification
- Risk estimation
- Risk valuation
- Risks mitigation
- Risks monitoring
- Other tasks assigned as per Board of Director's Resolutions.

- Result of Risk Management Committee's Performance

In 2024, the Risk Committee have conducted 4 meetings as below:

No.	Date	Type of Meeting	Members of the Risk Committee	Representative of PAS
1	08 th February 2024	11 th Risk Management Committee Meeting, 8 th Mandate	H.E. Phan Phalla H.E. Suy San Mr. KUME Hidetoshi H.E. Sok Sopheak Mr. Hun Monyvann Mr. Nom Sinith Mr. Thay Rithy Mr. Pith Prakath	- Mr. Thong Viro - Mr. Rath Sela - Mr. So Searng - Mr. Sam Sopheap - Mrs. Chey Sokunthea - Mr. Sorm Karoney - Mr. Souk Kolchenda

2	16 th May 2024	12 th Risk Management Committee Meeting, 8 th Mandate	H.E. Phan Phalla H.E. Suy San Mr. KUME Hidetoshi H.E. Sok Sopheak Mr. Hun Monyvann Mr. Nom Sinith Mr. Thay Rithy Mr. Pith Prakath	- Mr. Rath Sela - Mr. So Seang - Mr. Souk Kolchenda
3	09 th August 2024	1 st Risk Management Committee Meeting, 9 th Mandate	H.E. Phan Phalla H.E. Chhuon Vin Mr. KUME Hidetoshi H.E. Kem Sithan Mr. Hun Monyvann Mr. Nom Sinith Mr. Thay Rithy Mr. Pith Prakath	- Mr. Rath Sela - Mr. So Seang - Mr. Souk Kolchenda
4	05 th November 2024	2 nd Risk Management Committee Meeting, 9 th Mandate	H.E. Phan Phalla H.E. Chhuon Vin Mr. KUME Hidetoshi H.E. Kem Sithan Mr. Hun Monyvann Mr. Nom Sinith Mr. Thay Rithy Mr. Pith Prakath	- Mr. Rath Sela - Mr. So Seang - Mr. Sorm Karoney - Mr. Souk Kolchenda

In 2024, the Risk Committee have achieved the outcomes as below:

1. The first meeting on 08th February 2024

- Report on the Business Operations Status and Challenges in 2023
- Progressive report of the ongoing Container Terminal Development Project and the Case as per Letter No. 1278 សជណ.អស, dated 22nd November 2023, from Office of the Council of Ministers regarding the Government's approval and support for the development of the new Container Terminal Phase 1, Phase 2, and Phase 3 of Sihanoukville Autonomous Port to be accelerated according to the planned Schedule.
- Report on the case of Royal Railway Co., Ltd. request to extend the Land Lease Agreement with PAS in Trapeang Krasang Commune, Dangkao District, Phnom Penh
- Report on the case of G.T.V.C Speedboat Cambodia develop a Tourist Port Terminal in front of Warehouse No. 1 and Warehouse No. 2.
- Report on the work progress of PAS's Information Technology Systems
- Review and discuss on the draft marketing strategy

2. The second meeting on 16th May 2024

- Report on the Business Operations Status and Challenges in the first quarter 2023
- Progressive report of the ongoing Container Terminal Development Project (1. The project to renovate general cargo port into a 253-meter container terminal and 2. The project of new Container Terminal - Phase 1, Phase 2, and Phase 3) and developing a Master Plan for the PAS's future
- Review of the scheduled date and setting date for the 7th Shareholders' General Meeting in 2024
- Review dividend distribution, determine the dividend distribution date, and dividend payment start date to shareholders for the 2023 Fiscal Year.

3. The third meeting 09th August 2024

- Report on the Business Operations Status and Challenges in the second quarter 2023
- Progressive report of the ongoing Container Terminal Development Project (1. The project to renovate general cargo port into a 253-meter container terminal and 2. The project of new Container Terminal - Phase 1, Phase 2, and Phase 3)
- Report on PAS's equity investment, in partnership with Phnom Penh Autonomous Port and Funan Techo Canal Investment Co., Ltd., to establish a special purpose company known as 'Funan Techo Inland Waterways and Logistics Co., Ltd

4. The fourth meeting on 05th November 2024

- Report on the Business Operations Status and Challenges in the third quarter 2023
- Progressive report of the ongoing Container Terminal Development Project (1. The project to renovate general cargo port into a 253-meter container terminal and 2. The project of new Container Terminal - Phase 1, Phase 2, and Phase 3) and developing a Master Plan for the PAS's future
- Review and discussion on the 2025 business (services) and financial plan for PAS
- Review and discussion the proposal to purchase a plot of land approximately 80 hectares, adjacent to PAS's land of 75 hectares, located along Hun Sen Keo Phos Road, Rithy 2 Village, Keo Phos Commune, Stueng Hav District, Sihanoukville Province, for expansion and development as a Container Storage Depot, Logistics Center, or Special Economic Zone.
- The proposal to sell a windbreak plot of land with 63,948 square meters located in Village 3, District 1, Sihanoukville Province
- Report on the work progress of PAS's Information Technology Systems
- The case of Box Ville (Cambodia) Co., Ltd. request to revise the rental fees in land lease agreement with Sihanoukville Autonomous Port
- The matter related to the reserved water area of Sihanoukville Autonomous Port
- The case of the development of sand and stone filling in the northern part of the new container terminal - Phase 1, Phase 2, and Phase 3, approximately 65 hectares, for land-yard expansion in preparation for PAS development and the relocation of residents from Vietnam area
- Regarding the debt owed by Royal Railway Co., Ltd. to PAS.

1-4 Other Committees

- Roles and Responsibilities of other Committees

As of 2024, PAS does not yet have any other committees.

- Performance Results of other Committees

As of 2024, there are still no performance results from other committees.

2- The Amendment on Committee Members

In 2023, the committee members have amended as follows:

- PAS has amended the composition of the Audit Committee, appointing H.E Kem Sithan to replace H.E Sok Sopheak, whose mandate ended, and further appointed Mr. So Seang, Deputy Head of Planning, Procurement, and Statistics, as a member of Audit Committee.
- PAS has amended the composition of the Nomination and Remuneration Committee, appointing H.E. Chhuon Vin and H.E Kem Sithan to replace H.E. Suy San and H.E Sok Sopheak, whose mandate ended. Additionally, Mr. KUME Hidetoshi has been appointed as a Non-Executive Director representing private shareholders, and Mr. Thong Viro, Deputy Head of Administration Management, as a member of the Nomination and Remuneration Committee.
- PAS has amended the composition of the Risk Committee, with H.E Chhuon Vin and H.E Kem Sithan being appointed to replace H.E. Suy San and H.E Sok Sopheak, whose mandates have ended.

C. Remuneration or Compensation

1- Brief Policy on Remuneration or Compensation for Directors and Senior Officers

- Remuneration or Compensation for PAS Directors is provided as follows:
 - Transportation
 - Phone credit
 - Meeting attendance
 - Others allowances.
- Remuneration or Compensation for PAS Senior Officers is provided as follows:
 - Net Salary
 - Position Allowance
 - Family benefit, Meal Allowance, Holiday Allowance
 - Productive Salary
 - Bonus

2- Recipient of Remuneration or Compensation

No.	Recipient of Remuneration or Compensation	Remuneration or Compensation Amount	Other
1	Directors	1,036,000,000.00 Riels	
2	Executive Directors	360,000,000.00 Riels	
3	Senior Officers	2,886,843,000.00 Riels	
4	Top 5 Employees receiving the highest Remuneration or Compensation	521,954,000.00 Riels	

D. Annual Performance Evaluation of the Board of Directors, Individual Directors, Committees and CEO

In 2024, PAS evaluated the performance of Board of Directors based on the following criteria:

- Work efficiency in managing and coordinating the implementation of the Board of Directors' duties with PAS
- High dedication to carry out responsibilities for the interest of PAS and its shareholders
- Efficiency in developing, monitoring, and evaluating PAS's strategic plans, expenditure-revenue management, and business-service plans
- Efficiency in managing and operating various committees established by the Sub-Decree on the establishment of PAS or by the PAS's Memorandum and Articles of Incorporation
- Legal compliance, talent and capability in the committee's functioning in accordance with its mission, consistent with the articles of association and prevailing rules
- The ability to work effectively as a team
- Efficiency in establishing, monitoring, and evaluating the internal control system of PAS
- Efficiency in establishing, monitoring, and evaluating the audit system
- Efficiency in establishing, monitoring, and evaluating the risk management system
- Effectiveness in developing policies on the management and provision of remuneration or compensation to directors and senior officers
- Effectiveness in establishing criteria and procedures for the selection of directors
- Effectiveness in monitoring, supervising, and evaluating the work performance of the Board of Directors and other committees of the BOD
- Effectiveness in developing mechanisms and procedures to protect shareholder rights
- Effectiveness in developing mechanisms and procedures for voting in Shareholders' General Meeting.

E. Training for Directors and Senior Officers

During 2024, Sihanoukville Autonomous Port sent its management, directors and senior officers to participate in overseas training courses as follows:

- JICA Port Alumni to Japan Program, 22nd to 24th February 2024, in the capital city of Jakarta, Indonesia
- Technical Workshop on the aids to navigation in the straits of Malacca and Singapore in Malaysia, from 26th February to 8th March 2024.
- APA Leadership Program “Advancing Sustainability in Maritime Ecosystem and Port Operators”, from 3rd to 8th March 2024, in Indonesia
- Study tour program aimed to learn about Port Operation and IT Management System, from 9th to 24th March 202, in the United States of America
- Inspection and Test in shop Assembling of 2QCs and 06RTGs Crane, from 25th to 29th March 2024, in Japan
- 46th Maritime Transport Working Group Meeting, from 6th to 8th May 2024, in the capital city of Bandar Seri Begawan, Brunei.
- Business and Transportation Study Program, from 7th to 9th May 2024, in Ho Chi Minh City, Vietnam.
- In-Japan Training course on “The Project for Strengthening Capacity for Ports Administration”, from 15th to 21st May 2024, in Japan.
- Workshop on Promoting Investment and Tourism in the Coastal Provinces of the Cambodia-Vietnam-Thailand Economic Corridor (CVTEC), from 5th to 8th June 2024, in Thailand.
- Seminar and Forum on the Quality Development of World Pilotage Service, hold on 28th June 2024, in China
- The 2024 Global Ports Safety Conference, hold from 10th to 12th September 2024, in Korea
- The 47th Maritime Transport Working Group Meeting program, from 15th to 19th September 2024, in Bandar Seri Begawan, Brunei
- Workshop on Promoting Connectivity of Regional Marine Economy, from 27th to 30th December 2024, in Haikou City, Hainan Province, China

Part 3

Code of Business Conducts Practice

A. Ethical Policies for Business Conduct applicable to Directors, Senior Officers and Employees

Ethical principles

Article 1: Introduction

Based on the prevailing laws and regulations, including the announcement on corporate governance for the public enterprise issuing publicly traded securities, and the commitment to promote professional and ethical work practices, the PAS's Board of Directors has approved a code of ethic for directors and senior officers with the following objectives:

- To encourage loyalty and ethical behavior in business operation in order to ensure the equity and to avoid the conflict of interest.
- To encourage the full, clear, accurate, and timely disclosure of all necessary information as required by laws and regulations
- To encourage the implementation of the laws and regulations in force.
- To ensure the protection of company's legal business benefits, including business opportunities, current assets, intangible assets and confidential information of the company
- Avoid improper behavior or misconduct of any kind.

PAS business must be subject to the general management and leadership of the Board of Directors. The directors and senior officials are mainly responsible for business decision making with which they are convinced that the latter will yield good benefits to PAS and all PAS's shareholders.

All directors and senior officials must be fully aware of the code of conduct and shall adhere to the principles and rules which were stipulated in this code of conduct.

Article 2: Definition

In the context of the code of conduct, the following words are defined as below mentioned:

- Laws and regulations in force : means all laws and regulations of the Kingdom of Cambodia, including laws, sub-degrees, prakas, rules and principles of the competent authorities such as SERC and Cambodia Security Exchange (CSX) for which such laws and regulations are implemented on PAS, directors and PAS's senior officials.
- Directors: means the members of PAS's Board of Directors, including executive director, non-executive director and independent director.
- Senior officials: means the individuals whose functions are from directors to director generals, including the head of secretary and those who have other main functions in PAS defined by the Board of Directors of PAS.

Article 3: Implementation of Laws and Regulations

During the period of carrying out their roles and responsibilities, all directors and senior officials must implement and try to enable PAS to implement them in compliance with the laws and regulations in force. If any directors or senior officials are aware of the information which they believe that any directors or senior officials or employees breach the laws and regulations in force, the directors or senior officials who realize the fact shall relay information to the Chairman of the Board of Directors, Director General, Head of Audit Committee or the Internal Audit.

Article 4: Conflict of Interests

In addition to the regulations in articles 134, 145, 136, and article 138 of the law on business enterprise, the directors and senior officials must avoid all conflict of interest related activities which might occur to PAS.

In general, the conflict of interest occurs when the direct benefits of directors or senior officials may adversely affect:

- a. General benefits or PAS's business
- b. The possibility of directors or other senior officials in carrying out their roles and responsibilities.

The directors and senior officials must provide information to the Board of Directors of PAS and shall make a public announcement on the operation or any relationship which they think that the conflict of interest will occur to PAS according to the definition of SERC or CSX.

PAS's directors or senior officials shall disclose their benefits in writing to PAS requesting for the announcement which was uploaded in the minute of meeting of the Board of Directors in case that:

- a. Directors or senior officials are the party of the contract or the individuals who had requested to make the contract with PAS.
- b. Directors or senior officials have an important benefit with the individual or legal entity which is the party of the contract or the party who had requested to make a contract with PAS in accordance with the laws and regulations in force, including the announcement on corporate governance for the public enterprise issuing Initial Public Offering, the independent director shall not have any benefits in the PAS which might cause an affect to his/her independence and shall not own more than 01 % (one per cent) of PAS's shares.

Article 5: Business Opportunities

In the implementation of their respective roles and responsibilities, directors and senior officials must pay priority attention to PAS's legal benefits as appropriate.

Directors and Senior Officials Must Avoid:

- a. Taking an opportunity to perform any works for their own benefits that they are already realized during the period of implementation of their roles and responsibility in PAS.
- b. Using PAS's property or information or their ranks and positions for their own benefits.
- c. Competing with PAS.

The Board of Directors will determine the move which is contrary to the essence of this article by taking into account of the motive and situation related to such move.

Article 6: Equitable Relationship

In achieving their respective roles and responsibilities, directors and senior officials must equitably perform the communication between one another as well as with the customers, suppliers, competitors, contractors, and PAS's employees.

The directors and senior officials shall not unfairly take advantages of any individual by tricking, concealing the truth, misleading the important information, disclosing unreal causes or any other dishonest acts in the business.

The use of rights on confidential information related to PAS's business or persuasion of directors, senior officials and PAS's employees from both past and present to disclose such information is definitely forbidden.

The directors and senior officials must implement their respective roles and responsibilities with virtue and for the benefits of PAS and all PAS's shareholders. Directors and senior officials must not take advantage from their positions as directors or senior officials and shall not accept any gifts from the third one by their positions as directors or senior officials.

Article 7: Protection and Use of PAS's Properties

In the implementation of their respective roles and responsibilities, directors and senior officials must stimulate for the inspection and proper use of PAS's properties including tangible and intangible assets with responsible manner.

PAS's properties consist of information, materials, equipment, intellectual property, tools, resources, information technology system and other properties that are belong to PAS or properties which were rented or occupied by PAS shall be used for PAS's legal business target only.

Article 8: Complaint Pertaining to the Accounting

The Audit Committee (if any) or PAS's Internal Auditor shall be held responsible for the preparation of an appropriate procedure to receive the complaints, store and inspect the complaints pertaining to the accounting, inspection of internal accounting or other problems related to the audit process.

The directors or senior officials can file a complaint related to the above problems to the audit committee or PAS's internal auditor. The request for confidential inspection of the complaint can be made in accordance with the laws and regulations in force.

Article 9: Encouragement for Reporting on Illegal or Immoral Move

The directors and senior officials must try to stimulate PAS to adhere to the code of conduct towards the directors or competencies in the PAS whenever the illegal or immoral move may cause an adversely indirect impact to the business and PAS's reputation or may lead to serious responsibility in the provisions of law.

Article 10: Internal Trade

The directors and senior officials must implement and adhere to the laws and regulations in force, and the internal regulations and PAS's policy pertaining to PAS's share trading.

Article 11: Confidentiality

The directors and senior officials must keep PAS's secret information that they realized confidential, except in the event that PAS authorizes to provide information or the provision of such information is required by the laws and regulations in force or by the competent authorities or the court of the Kingdom of Cambodia.

The term "secret information" includes nonpublic information that can be used by PAS's competitors, or nonpublic information that affect PAS or PAS's customers if such information is disclosed.

The directors or senior officials must discuss with the Director General or Chairman of the Board of Directors in advance if such directors or senior officials realize that they are legally obliged to disclose such secret information.

Article 12: Provision of Information

The directors and senior officials are required to be well aware of the procedures and inspection process for the provision of PAS's information in order to issue a public announcement, report and document to be registered with the state authorities, including SERC can be set up in accordance with the laws and regulations in force as well as the principles of SERC and CSX.

On the other hand, in the scope of roles and responsibilities of directors and senior officials who are authorized to lead and manage the documentation listing process with SERC and/or CSX or other public notification by PAS related to general business, results, conditions and financial capacity shall be discussed with directors, other senior officials and relevant employees and take an appropriate measure for the procedures and inspection of the provision of information

in order to enable the provision of such information to be done with full effect, precision, correctness, on timely manner and understanding.

Within the scope related to the procedures and inspection of the provision of PAS's information, each of the directors and senior officials must:

- Understand the required conditions in providing PAS's information as well as the business and financial operation of PAS.
- Not make a false statement or cause the other individual to deliver a false statement related to PAS's information to the outsiders although they are in or not in the PAS's framework, including independent auditors, regulators of the Royal Government and other institutions.

Article 13: Amendment and Waiver

This Code of Conduct can be amended or waived by the Board of Directors of PAS in compliance with the required conditions in providing the information, laws and regulations in force. In general rule, the Board of Directors will not waive any articles of this code of conduct if there is no appropriate and necessary reason therein.

The directors and senior officials must inherently implement in accordance with the spirit and essence of this code of conduct. The directors and senior officials are obliged to be aware of the code of conduct and seek for further explanation and consultation related to the interpretation of the essence and required conditions of the code, especially when there is a reason which may conflict with this code of conduct.

B. Publishing of Code of Business Conduct Practice

The Board of Directors of Sihanoukville Autonomous Port has approved the Code of Business Conduct, which is published and presented in this Annual Corporate Governance Report of 2023 to the directors, senior officers, employees, investors and the public.

C. Mechanisms and Procedures to Assess Code of Business Conducts Practices

For the mechanism and procedure to assess the Code of Business Conduct practice, Sihanoukville Autonomous Port has assigned the task to Internal Audit Department to conduct regular inspections as well as motivate and encourage all employees of PAS should report any evidence of illegal or unethical acts to the department or competent person while any of those illegal or unethical acts may have a serious negative impact on the business and the reputation of PAS or it may lead to serious legal liability.

E. Related Parties Transactions

1- Related Parties Transaction Policies of PAS

No.	Related Parties	Policies
1	Holding Company	N/A
2	Joint Venture	N/A
3	Subsidiary	N/A
4	Majority Shareholders and Controlling Shareholders	N/A
5	Director and Their Family	N/A
6	Employees and Their Family	N/A

2- Important Transaction with Related Parties

In this 2024, PAS doesn't have any important transaction with related parties.

Part 4

Risk Management, Internal Control and Auditing

A. Brief Risk Management System or Risk Management Policies

The Risk Management Committee monitors PAS's risk situation and sets out guidelines for actions to moderate the risks that may adversely affect PAS in achieving its goals at acceptable level. The Risk Management Committee will continue to improve its risk management capacity, and will continue to support the Audit Committee's efforts to monitor and evaluate as determined by the Securities and Exchange Regulator of Cambodia on "Principles and policies in managing the process of risk assessment and management that is implemented".

The Risk Management Committee has implemented and assigned the following obligations to identify and prioritize business risks:

- Inspect the Risk Assessment of PAS to understand the current situation and when it is happening.
- Ensure that efficiency gaps have a high degree of risk identification and indicate directions for allocating resources and responsibilities, as well as activities that highlight business risks.
- The Risk Management Committee establishes the risk management infrastructure and provides guidance on the management of risk operations, including the operating system of PAS.

The Risk Management Committee is not responsible for any day-to-day activities related to risk management or to reduce those risks. However, the members of the committee may be part of the risk management work in PAS.

B. Brief Internal Control System

The Auditor evaluated the internal control system based on the ability of the management process to achieve management objectives in accordance with the regulations on the structure and duties of the Audit office.

C. Auditing

1- Internal Audit

1-1 Roles and Responsibilities of Internal Auditors

- Control of report relevant to finance
- Control of internal control
- Control of internal audit
- Control of external audit
- Audit of working and PAS business
- Report to Board of Directors of its working
- Completion of other duties according to the accomplishment of Board of Directors

1-2 Appointment and Removal/Resignation of head and/or Deputy of Internal Auditors

No.	Name	Position	Appointment Date	Removal / Resignation Date	Reason
1	Mr. Men Chan	President	25 th December 2015		
2	Mr. Chiv Chansopheap	Vice President	10 th April 2020		
3	Mr. Hor Sothy	Vice President	10 th April 2020		

In this 2024, PAS has no removal or resignation of head and/or Deputy of Internal Auditors.

1-3 New Appointment of head and/or Deputy of Internal Auditors

In this 2024, PAS has no newly appointed head and/or Deputy of Internal Auditors.

2- External Auditors

No.	Name of Audit Firms	Agreement Date	Auditing Fees	Non-audit Fees
1	Ernst & Young	1 st January 2022	108,500.00 USD	

- Reason for the Change, Suspension and Terminations of Audit Firms in Securities Sector

In this 2024, there has no change for the external auditor.

Part 5

Stakeholders

A. Identify Policies and Activities Related to the Following:

No.	Contents	Policies	Actions
1	Customer Welfare	Pay attention and fulfill customers' need	Provide service to customers on time
2	Suppliers and Subcontractors Selection	Implement procurement procedures	Bidding and consultation
3	Management and Protection of Employees	Employee Representative	Election for employee representatives
4	Environment Protection	environment management in port	Health, Safety and Environment Management Plan
5	Community Interaction	Community development	contribution to the community practically
6	Creditors' Right Protection	Reservation for paying debt according to their due date	Settle debt on time
7	Anti-Corruption Program	Establish a strong internal control system	Monitor by internal auditors
8	Other		

B. Description on the Corporate Social Responsibilities of PAS

No.	Beneficiaries	Amount	Purpose of CSR
1	Building infrastructure	1,217,481,650.00 Riels	Construction of a school building for the Ta Khmao Special Education High School in Prek Samrong Village, Ta Khmao Commune, Kandal Province Construction and renovation of the infrastructure at Hun Sen Prey Nob Kindergarten Building shelters and equipping them with necessary materials for naval officers and sailors at the Multharn Ream Building of shelters, office facilities, weapons depots, along with platforms and roads, at the Island-Coastal Defense Command
2	Providing aid or engaging with the Royal Government	486,920,000.00 Riels	Contributing to the 'Border Infrastructure Development Fund' Contributing to the Khmer Family Grand Solidarity Kathin Ceremony ' processed to Po Kirivongsa Ram Pagoda, also called Svay Siem Thmey Pagoda, located in Svay Miem Village, Ngai Sveang Commune, Tkov District, Tra Vinh Province (Preah Trapeang), Socialist Republic of Vietnam

3	Other donations	192,500,000.00 Riels	Organized a meeting to greet and inquire about the well-being for naval officers and sailors of the Island-Coastal Defense Command on the occasion of Pchum Ben festivals in 2024. Organized a meeting to greet and inquire about the well-being for naval officers and sailors of the Multharn Ream on the occasion of Pchum Ben festivals in 2024.
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Part 6

Disclosure and Transparency

A. Identify the Following Information in the Annual Report:

No.	Information	Yes/No	Reason
1	Visions/Missions/Objectives	Yes	
2	Financial Indicator	Yes	
3	Non-financial Indicator	Yes	
4	Main Risk Factors	Yes	
5	Dividend Policy	Yes	
6	Biography of Directors	Yes	
7	Training for Directors	Yes	
8	Number of Board Meeting	Yes	
9	Attendance of Directors in Board Meetings	Yes	
10	Remuneration or Compensation for Directors and Senior Officers	Yes	

In this 2024 Annual Report, PAS did not present non-financial indicators, but provided detailed statistics and graphs of its operations.

B. Describe the Mechanism of Disclosure Including Means, Procedures and Responsible person in Charge of Disclosure

PAS's mechanism for providing information and disclosure on quarterly or annual reports is a personnel responsible for providing information must prepare the information in accordance with the Securities and Exchange Regulator of Cambodia's Prakas No. 007/18 SECC/PRK dated October 30, 2018, on Corporate Disclosure in writing, with clear indication of the name and code, date and time of submission, and provide it to the Cambodia Securities Exchange and/or the Securities and Exchange Regulator of Cambodia, either directly or via fax, email, or other electronic systems. For information provided in English, it must be stated as 'Unofficial Translation' and may include the signature of the personnel responsible for providing the information.

In addition to corporate information that must be publicly disclosed, PAS may provide documents for internal use to the Cambodia Securities Exchange and/or the Securities and Exchange Regulator of Cambodia, stating “Not for Public Disclosure”. In necessary and urgent cases, corporate information may be provided orally, via telephone, or electronically, and must be followed up with written documentation immediately

The personnel responsible for providing information is Mr. Pit Prakath, Head of Accounting-Finance and Head of the PAS Board of Directors Secretary, along with the support team.

C. Investor Relations

1- Demonstrate Mechanisms and Procedures for Investor Relations:

- Website: www.pas.gov.kh
- Facebook page: Sihanoukville Autonomous Port – PAS
: www.fb.com/pas.gov.kh
- PAS Mobile app (available in Apple store or Play store)
- Telephone number: 078 496 789
- Invitation to participate in the Annual General Shareholders’ Meeting

2- Briefly Describe Investor Relations for the Latest Year

- On 21st June 2024, at 8:00 AM, PAS hold the 7th Annual General Shareholders’ Meeting, presided over by His Excellency **Lou Kim Chhun**, Chairman of the Board of Directors and Chairman of the General Meeting, at Sokha Beach Hotel, Sihanoukville Province, with a quorum of 94.24% and 80 shareholders representing 80,832,684 shares
- From 25th to 27th October 2024, PAS participated in the “My First Stock 2024” exhibition at AEON Mall Phnom Penh, organized by the Cambodia Securities Exchange. PAS also had its own booth to engage with investors, promotion of business information, business activities, and plans. PAS welcomed any investors interested in inquiring about information or participating in answering questions to win prizes from PAS booth and on the event stage as well.

Appendix 2

Annual Financial Report

SIHANOUKVILLE AUTONOMOUS PORT

Report of the Board of Directors
and
Audited financial statements

for the year ended 31 December 2024

SIHANOUKVILLE AUTONOMOUS PORT

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KINGDOM OF CAMBODIA **NATION RELIGION KING**

Sihanoukville Autonomous Port

REPORT OF THE BOARD OF DIRECTORS

The Board of Directors ("BoD") is pleased to submit their report together with the audited financial statements of Sihanoukville Autonomous Port ("PAS") for the year ended 31 December 2024.

THE COMPANY

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 as a state-owned public enterprise 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.

The principal activities of PAS are involved in providing seaport facilities and other port-related services, and operating leases of its Special Economic Zones.

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.

FINANCIAL PERFORMANCE AND DIVIDENDS

The financial performance is set out in statement of comprehensive income of the financial statements.

Dividends declared and paid out during the year is set out in Note 31.2 of the financial statements.

BOARD OF DIRECTORS

The Directors who have held office since the date of last report are:

H.E. Lou Kim Chhun	General Director of PAS	Chairman	
H.E. Phan Phalla	Representative of Ministry of Economy and Finance	Member	
H.E. Chhoun Vin	Representative of Ministry of Public Works and Transport	Member	Appointed on 21 May 2024
H.E. Kem Sithan	Representative of Ministry of Commerce	Member	Appointed on 21 May 2024
Mr. Lou Likheng	Representative of Employee of PAS	Member	
Mr. Hun Monyvann	Representative of Independent director	Member	
Mr. Hidetoshi Kume	Representative of Non-executive director	Member	
H.E. Suy San	Representative of Ministry of Public Works and Transport	Member	End of mandate on 21 May 2024
H.E. Sok Sopheak	Representative of Ministry of Commerce	Member	End of mandate on 21 May 2024

SIHANOUKVILLE AUTONOMOUS PORT

REPORT OF THE BOARD OF DIRECTORS (continued)

ASSETS

At the date of this report, the BoD is not aware of any circumstances which would render the values attributed to the assets in the financial statements of PAS misleading in any material respect.

VALUATION METHODS

At the date of this report, the BoD are not aware of any circumstances that have arisen which would render adherence to the existing method of valuation of assets and liabilities in the financial statements of PAS misleading or inappropriate in any material respect.

CONTINGENT AND OTHER LIABILITIES

At the date of this report, there is:

- (a) no charge on the assets of PAS which has arisen since the end of the financial year which secures the liabilities of any other person, and
- (b) no contingent liability in respect of PAS that has arisen since the end of financial year other than in the ordinary course of business.

No contingent or other liability of PAS has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the BOD, will or may have a material effect on the ability of PAS to meet its obligations as and when they become due.

CHANGE OF CIRCUMSTANCE

At the date of this report, the BoD is not aware of any circumstances not otherwise dealt with in this report or the financial statements of PAS that would render any amounts stated in the financial statements misleading in any material respect.

ITEMS OF AN UNUSUAL NATURE

The result of the operations of PAS for the financial year were not, in the opinion of the management, materially affected by any items, transactions or events of a material and unusual nature. There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of management, to affect substantially the results of the operations of PAS for year in which this report is made.

AUDITOR

Ernst & Young (Cambodia) Ltd. is the auditor of PAS.

SIHANOUKVILLE AUTONOMOUS PORT

REPORT OF THE BOARD OF DIRECTORS (continued)

STATEMENT OF THE BOARD OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The BoD is responsible for ensuring that the financial statements give a true and fair view of the financial position of PAS as at 31 December 2024 and its financial performance and cash flows for the year ended 31 December 2024 in accordance with the Cambodian International Financial Reporting Standards ("CIFRSs"). The BoD oversees preparation of these financial statements by management who is required to:

- adopt appropriate accounting policies which are supported by reasonable and prudent judgements and estimates and then apply them consistently;
- comply with CIFRSs or, if there has been any departure in the interests of fair presentation, ensure this has been appropriately disclosed, explained and quantified in the financial statements;
- maintain adequate accounting records and an effective system of internal controls;
- prepare the financial statements on a going concern basis unless it is inappropriate to assume that PAS will continue operations in the foreseeable future; and
- set overall policies for PAS, ratify all decisions and actions that have a material effect on the operations and performance of PAS, and ensure they have been properly reflected in the financial statements.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of PAS and to ensure that the accounting records comply with the registered accounting system. It is also responsible for safeguarding the assets of PAS and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The BoD confirms that PAS has complied with the above requirements in preparing the financial statements.

APPROVAL OF THE FINANCIAL STATEMENTS

We hereby approve the accompanying financial statements which give a true and fair view of the respective financial position of PAS as at 31 December 2024 and of its financial performance and its cash flows for the year then ended in accordance with CIFRSs.



On behalf of the Board of Directors,

Lou Kim Chhun
Delegate of the Royal Government
In Charge as Chairman and CEO



Pith Prakath
Director of Accounting and Finance

Sihanoukville, Kingdom of Cambodia

12 March 2025

Reference: 61803762/68174446

INDEPENDENT AUDITOR'S REPORT

To: The Shareholders of Sihanoukville Autonomous Port

Opinion

We have audited the financial statements of Sihanoukville Autonomous Port ("PAS"), which comprise the statement of financial position as at 31 December 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of PAS as at 31 December 2024 and of its financial performance and its cash flows for the year then ended in accordance with Cambodian International Financial Reporting Standards ("CIFRSs").

Basis for Opinion

We conducted our audit in accordance with Cambodian International Standards on Auditing ("CISAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of PAS in accordance with the Code of Ethics for Professional Accountants and Auditors issued by the Ministry of Economy and Finance of Cambodia, together with the ethical requirements that are relevant to our audit of the financial statements in Cambodia, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

A key audit matter is a matter that, in our professional judgement, is of most significance in our audit of financial statements of the current year. This matter was addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on this matter. For matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying financial statements.

Valuation of retirement benefit obligations

As disclosed in Note 17, PAS provides retirement benefits to its staffs in accordance with its retirement policy with retirement benefits liability amounting to KHR'000 96,338,528, representing 13.86% of PAS's total liabilities as at 31 December 2024 which is significant in the context of the overall financial position of PAS. Management assessed the obligations based on the historical and demographic data and its accounting policy. Management also engaged an external actuary to carry out more complex calculations.

The valuation of retirement benefit obligations requires significant levels of judgement and technical expertise in choosing appropriate assumptions. A number of the key assumptions (including salary increases, inflation, discount rates and mortality) can have a material impact on the calculation of the liability.

Key Audit Matter (continued)

Valuation of retirement benefit obligations (continued)

Our procedures performed in relation to management's estimation of the liability include:

- Obtained understanding the management's valuation process, including the involvement of the external actuary in performing the actuarial valuation of the present value of the retirement benefit obligations.
- Assessed the independence, objectivity and competence of PAS's external actuary.
- Tested, on a sample basis, the completeness and accuracy of the personnel data used in computation of the defined benefit obligations.
- With the support of our actuarial specialist, evaluated management use of actuarial assumptions and valuation methodologies in respect of retirement benefit obligations.
- Reviewed the actuarial report for the consistencies of the inputs used.

Information Other than the Financial Statements and Auditor's Report Thereon

The other information obtained at the date of auditor report comprises Report of the Board of Directors. Management is responsible for other information.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with CIFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing PAS's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate PAS or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing PAS's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with CISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

As part of an audit in accordance with CISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of PAS's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on PAS's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause PAS to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matter. We describe this matter in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Ernst & Young (Cambodia) Ltd.
Certified Public Accountants
Registered Auditors

Phnom Penh, Kingdom of Cambodia

12 March 2025

SIHANOUKVILLE AUTONOMOUS PORT

STATEMENT OF FINANCIAL POSITION as at 31 December 2024

	Notes	2024 KHR'000	2023 KHR'000
ASSETS			
Non-current assets			
Property and equipment	6	1,214,423,705	1,093,446,322
Investment properties	7	247,098,190	245,274,497
Intangible assets	8	1,806,694	2,837,987
Placements with banks	11	6,502,933	-
		1,469,831,522	1,341,558,806
Current assets			
Inventories	9	41,346,524	34,464,331
Trade and other receivables	10	117,649,462	48,073,117
Placements with banks	11	117,311,242	159,386,872
Cash and cash equivalents	12	27,185,867	19,341,814
		303,493,095	261,266,134
Total assets		1,773,324,617	1,602,824,940
EQUITY AND LIABILITIES			
EQUITY			
Issued capital	14	450,302,828	450,302,828
Share premium	14	67,715,235	67,715,235
Other reserves	15	61,702,644	49,506,094
Retained earnings		490,181,069	404,520,719
Total equity		1,069,901,776	972,044,876
LIABILITIES			
Non-current liabilities			
Loans and borrowings	16	377,727,170	328,059,610
Refundable deposits from lessees		1,006,250	1,021,250
Retention payable		2,753,869	-
Retirement benefit obligations	17	91,176,085	72,822,161
Seniority payment obligations		1,236,300	1,107,693
Deferred income	18	15,905,519	14,346,929
Government grants	19	43,896,774	47,111,704
Deferred tax liabilities	27	42,412,902	31,925,170
		576,114,869	496,394,517
Current liabilities			
Trade and other payables	20	72,557,331	36,943,101
Loans and borrowings	16	26,527,706	59,035,225
Retirement benefit obligations	17	5,162,443	5,068,764
Seniority payment obligations		59,175	127,489
Deferred income	18	1,336,661	170,345
Government grants	19	3,214,930	3,214,930
Income tax liabilities	27	18,449,726	29,825,693
		127,307,972	134,385,547
Total liabilities		703,422,841	630,780,064
Total equity and liabilities		1,773,324,617	1,602,824,940

The attached notes 1 to 33 form an integral part of these financial statements.

SIHANOUKVILLE AUTONOMOUS PORT

STATEMENT OF COMPREHENSIVE INCOME for the year ended 31 December 2024

	Notes	2024 KHR'000	2023 KHR'000
Revenue			
Revenue from contracts with customers	21	451,560,940	361,867,677
Rental income	7	4,436,263	2,297,616
Government grants income	19	3,214,930	475,478
		459,212,133	364,640,771
Expenses			
Other gains - net		595,323	86,321,261
Salaries, wages and related expenses	23	(137,826,504)	(114,290,634)
Consumable supplies	22	(108,159,069)	(112,610,075)
Depreciation and amortization charges	24	(54,322,871)	(47,851,778)
Repairs and maintenances		(2,116,794)	(2,194,873)
Other expenses	25	(36,060,884)	(33,456,647)
		(337,890,799)	(224,082,746)
Operating profit		121,321,334	140,558,025
Finance income - net	26	33,266,718	13,834,519
Profit before income tax		154,588,052	154,392,544
Income tax expense	27	(27,854,423)	(32,427,054)
Profit for the year		126,733,629	121,965,490
Profit for the year attributable to shareholders		126,733,629	121,965,490
Other comprehensive income			
Remeasurement loss on defined benefit obligation - net of tax	17, 27	(13,069,461)	-
Total comprehensive income for the year, net of tax, attributable to shareholders		113,664,168	121,965,490
The earnings per share attributable to shareholders of PAS for the year ended are as follows:			
Basic earnings per share (KHR)	28	1,477.56	1,421.97

The attached notes 1 to 33 form an integral part of these financial statements.

SIHANOUKVILLE AUTONOMOUS PORT

STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2024

	<i>Notes</i>	<i>Issued capital</i> <i>KHR'000</i>	<i>Share premium</i> <i>KHR'000</i>	<i>Reserves</i> <i>KHR'000</i>	<i>Retained earnings</i> <i>KHR'000</i>	<i>Total</i> <i>KHR'000</i>
As at 1 January 2024		450,302,828	67,715,235	49,506,094	404,520,719	972,044,876
Profit for the year		-	-	-	126,733,629	126,733,629
Remeasurement loss on defined benefit obligation		-	-	-	(13,069,461)	(13,069,461)
Total comprehensive income for the year		-	-	-	113,664,168	113,664,168
Transfer to reserves	15	-	-	12,196,550	(12,196,550)	-
Dividends declared and paid	31.2	-	-	-	(15,807,268)	(15,807,268)
As at 31 December 2024		450,302,828	67,715,235	61,702,644	490,181,069	1,069,901,776
As at 1 January 2023		450,302,828	67,715,235	41,090,572	304,692,311	863,800,946
Profit for the year		-	-	-	121,965,490	121,965,490
Total comprehensive income for the year		-	-	-	121,965,490	121,965,490
Transfer to reserves	15	-	-	8,415,522	(8,415,522)	-
Dividends declared and paid	31.2	-	-	-	(13,721,560)	(13,721,560)
As at 31 December 2023		450,302,828	67,715,235	49,506,094	404,520,719	972,044,876

The attached notes 1 to 33 form an integral part of these financial statements.

SIHANOUKVILLE AUTONOMOUS PORT

STATEMENT OF CASH FLOWS for the year ended 31 December 2024

	Notes	2024 KHR'000	2023 KHR'000
Operating activities			
Profit before income tax		154,588,052	154,392,544
Adjustments for:			
Finance income - net	26	(33,266,718)	(13,834,519)
Depreciation and amortization charges	24	54,322,871	47,851,778
Gain from disposal of assets classified as held for sale	13	-	(84,815,997)
Seniority payment obligations		5,357,450	4,289,342
Retirement benefit obligations	17	6,684,186	6,607,131
Government grants income	19	(3,214,930)	(475,478)
Reversal of provision for slow-moving inventories		(9,767)	-
Provision for expected credit losses on placements with banks		158,018	7,559
Reversal of impairment of trade receivables	10	(41,741)	(87,052)
Loss on write-off of property and equipment	6	305,824	1,346
Changes in working capital:			
Inventories		(6,872,426)	(5,380,967)
Trade and other receivables		(71,560,302)	(12,883,157)
Trade and other payables		14,911,525	(4,872,545)
Deferred income		2,724,906	2,142,395
		124,086,948	92,942,380
Income tax paid	27	(25,475,293)	(11,957,191)
Net cash generated from operating activities		98,611,655	80,985,189
Investing activities			
Purchases of property and equipment	6	(155,777,683)	(118,645,369)
Purchases of investment properties	7	(5,776,867)	(3,628,861)
Purchases of intangible assets	8	(154,356)	-
Proceeds from placements with banks		48,748,093	106,898,489
Placements in placements with banks		(16,591,541)	(160,425,979)
Interest received		8,608,844	5,026,617
Proceeds from disposal of assets classified as held for sale		-	98,797,767
Net cash used in investing activities		(120,943,510)	(71,977,336)
Financing activities			
Dividends paid	31.2	(15,807,268)	(13,721,560)
Repayments of borrowings	29	(25,860,702)	(27,297,828)
Repayments of bank overdraft		(78,875,750)	-
Interest paid of borrowings	29	(8,916,430)	(9,433,349)
Interest paid of bank overdraft		(679,654)	-
Proceeds from borrowings	29	111,430,365	7,097,205
Proceeds from bank overdraft		48,885,347	30,103,125
Net cash generated from (used in) financing activities		30,175,908	(13,252,407)
Net increase (decrease) in cash and cash equivalents		7,844,053	(4,244,554)
Cash and cash equivalents at beginning of the year		19,341,814	23,586,368
Cash and cash equivalents at end of the year	12	27,185,867	19,341,814

The attached notes 1 to 33 form an integral part of these financial statements.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2024

1. 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 (“MOC”) 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 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 PAS’s existing infrastructures;
- taking responsibility on health care, security and order in its management areas; and
- committing to manage and organize the operational activities to be effective and progressive.

PAS also operates a Special Economic Zones, operating leases, as a lessor.

In the status as public autonomous institution, PAS has 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 financial statements for the year ended 31 December 2024 were approved for issue by the Board of Directors on 12 March 2025.

2. BASIS OF PREPARATION

The financial statements have been prepared in accordance with Cambodian International Financial Reporting Standards (“CIFRSs”) issued by the International Accounting Standards Board. The financial statements, expressed in Khmer Riel (“KHR”), are prepared on a historical cost basis. The amounts are rounded to the nearest KHR’000 unless otherwise indicated.

Fiscal year

PAS’s fiscal year starts on 1 January and ends on 31 December.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

2. BASIS OF PREPARATION (continued)

Foreign currency translation

Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which PAS operates (the functional currency). PAS maintains its accounting records and its financial statements in Khmer Riel, its functional and presentation currency.

Transactions and balances

Transactions in currencies other than Riel are translated into the functional currency using the exchange rates prevailing at the dates of transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in currencies other than Khmer Riel are recognized in profit or loss. Foreign exchange gains and losses that relate to loans and borrowings are presented in profit or loss in 'finance income and costs'.

3. MATERIAL ACCOUNTING POLICY INFORMATION

3.1 ***New and amended standards and interpretations***

Below standards and amendments have been applied for the first time in 2024, but had no impact on PAS's financial position and performance.

- Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to IAS 1
- Lease Liability in a Sale and Leaseback – Amendments to IFRS 16
- Supplier Finance Arrangements -Amendments to IAS 7 and IFRS 7

3.2 ***Standard and interpretations issued but not yet effective***

The standard and amendments that are issued, but not yet effective, up to the date of issuance of PAS's financial statements are disclosed below. These standards and interpretations to CIFRSs Accounting Standards issued but not yet effective are not expected to have any significant impact on the financial position or performance of PAS.

- Lack of exchangeability – Amendments to IAS 21
- Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7
- Annual Improvements to IFRS Accounting Standards - Volume 11
- Power Purchase Agreements – Amendments to IFRS 9 and IFRS 7
- Presentation and Disclosure in Financial Statements - IFRS 18
- Subsidiaries without Public Accountability: Disclosures - IFRS 19

3.3 ***Functional currency***

PAS maintains its accounting records and presents its financial statements in KHR to reflect the underlying transactions, events and conditions that are relevant to PAS.

PAS's revenue is billed and collected in the following major currencies in KHR. Cost of sales, general and administrative expenses and other income and expenses are likewise purchased and paid in KHR. Based on the economic substance of the underlying circumstances relevant to PAS, KHR is the currency in which PAS substantially both generates and expends cash in the country in which it operates.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.4 *Property and equipment*

Property and equipment are stated at historical cost less accumulated depreciation. The historical cost includes expenditure that is directly attributable to the acquisition of the items.

Construction in progress is stated at cost, net of accumulated impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to PAS and the cost of the item can be measured reliably. The carrying amount of replaced parts is derecognized. All other repairs and maintenance are charged to profit or loss during the financial year in which they are incurred.

Land is not depreciated. Construction in progress is not depreciated until the related property and equipment is ready for use. Depreciation of other assets is calculated using the straight-line method to allocate the cost of each asset to their residual values over their estimated useful lives as follows:

	Years
Land improvement	7 - 50
Buildings	7 - 50
Technical equipment	5 - 30
Furniture and fittings	3 - 10
Computer and office equipment	3 - 5
Motor vehicles	5 - 15
Seaport equipment	20 - 30
Palettes	10

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in profit or loss.

3.5 *Investment properties*

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by PAS, is classified as investment property. Investment property also includes property that is being constructed for developed for future use as investment property. Investment properties are initially measured at cost less accumulated depreciation and impairment, if any. PAS uses the cost model and accounts for investment property in accordance with CIAS 16, *Property, plant and equipment*.

Investment properties are transferred into inventory when, and only when, there is a change in use, evidenced by the commencement of development with a view to sale. When PAS decides to dispose of an investment property without development, it continues to treat the property as an investment property until it is derecognized and eliminated from the statement of financial position and does not treat it as inventory. If an investment property is redeveloped for continued use as investment property, the property remains as investment property and is not reclassified as owner-occupied property during the redevelopment.

On disposal of an investment property, or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal, it is derecognized (eliminated from the balance sheet). The difference between the net disposal proceeds and the carrying amount is recognized in profit or loss in the period of retirement or disposal.

Land is not depreciated. Buildings and land improvement are depreciated using the straight-line method over its estimated useful life from ten to 50 years.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.6 *Intangible assets*

Intangible assets consist of accounting software and port operation system and are stated at historical cost less accumulated amortization and impairment, if any. They are capitalized based on the costs incurred to acquire and bring into use the specific software. PAS amortizes intangible assets with a useful life using the straight-line method over the following periods:

	Years
Accounting software	10
Port operation system	10

3.7 *Impairment of non-financial assets*

The carrying amounts of PAS's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Impairment losses are recognized in the statement of comprehensive income.

Reversal of an impairment loss is recognized in the statement of comprehensive income up to the extent that the asset's carrying amount that would have been determined, net of depreciation and amortization, had no impairment loss been recognized for the asset in prior years. After such reversal, the depreciation and amortization charges are adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

3.8 *Inventories*

Inventories are stated at the lower of cost (costs of purchase and other costs incurred in bringing the inventories to their present location and condition) and the net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

Inventories include consumables, spare parts and other supply-related inventories and are valued at the actual cost of bringing the inventory to its intended purpose less allowances for damaged, obsolete and slow-moving items using the first-in first-out basis.

3.9 *Financial instruments*

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.10 *Financial assets*

3.10.1 *Classification*

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (FVOCI), and fair value through profit or loss ("FVPL").

PAS reclassifies the financial assets when and only when its business model for managing those assets changes.

Trade and other receivables, placements with banks and cash and cash equivalents meet the 'solely payments of principal and interest' (SPPI) criterion as their contractual terms give rise to cash flows that are SPPI and consistent with a basic lending arrangement. These are also held within a held-to-collect business model, and therefore would be classified and measured at amortized cost.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.10 *Financial assets* (continued)

3.10.2 *Recognition and measurement*

At initial recognition, PAS measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss. Changes in the fair value of financial assets at FVPL are recognized in other gain or losses in the statement of profit or loss as applicable.

Financial assets are not reclassified subsequent to their initial recognition, unless PAS changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

FVOCI - debt securities

A debt security is measured at FVOCI if it meets both of the following conditions and is not designated as at FVPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

FVOCI - equity securities

On initial recognition of an equity investment that is not held for trading, PAS may irrevocably elect to present subsequent changes in fair value in OCI on an investment-by-investment basis.

FVPL

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVPL. On initial recognition PAS may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

All financial assets, except for those measured at FVPL and equity investments measured at FVOCI, are subject to impairment assessment.

Business model assessment

PAS makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way that the business is managed, and information is provided to management. The information considered includes:

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.10 Financial assets (continued)

3.10.2 Recognition and measurement (continued)

Business model assessment (continued)

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of assets;
- how the performance of the portfolio is evaluated and reported to PAS's management.
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and expectations about future sales activity.

Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition.

'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, PAS considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, PAS considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit PAS's claim to cash flows from specified assets - (e.g. non-recourse features).

A prepayment feature is consistent with the 'solely payments of principal and interest' criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.10 Financial assets (continued)

3.10.3 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from PAS's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or,
- PAS has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) PAS has transferred substantially all the risks and rewards of the asset, or PAS has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When PAS has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, PAS continues to recognize the transferred asset to the extent of its continuing involvement. In that case, PAS also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that PAS has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that PAS could be required to repay.

3.10.4 Impairment of financial assets

PAS recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that PAS expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade and other receivables, PAS applies a simplified approach in calculating ECLs. Therefore, PAS does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. PAS has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

PAS considers a financial asset in default when contractual payments are 120 days past due. However, in certain cases, PAS may also consider a financial asset not to be in default when internal or external information indicates that PAS is likely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by PAS. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

PAS assesses on a forward-looking basis the expected credit losses associated with its financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, PAS applies the simplified approach permitted by CIFRS 9, which requires expected lifetime losses to be recognized from the initial recognition of the receivables (*Note 31.1*).

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.11 Trade and other receivables

Trade and other receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment and expected credit losses (*Note 31.1*).

3.12 Placements with banks

Placements with banks represent time deposits placed at banks which have maturity of twelve to twenty-four months. Interest income and interest receivable is recognized over the term of deposits.

3.13 Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances held with banks, and other short-term, highly liquid investments with original maturities of three months or less.

3.14 Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, and payables, net of directly attributable transaction costs.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortized cost

Financial liabilities at amortized cost

This category is the most relevant to PAS. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate ("EIR") method. Gains and losses are recognized in the statement of comprehensive income when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of comprehensive income. This category generally applies to interest-bearing loans and borrowings.

PAS's financial liabilities measured at amortized cost include trade and other payables, refundable deposits from lessees, lease liabilities and loans and borrowings.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of comprehensive income.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.15 *Offsetting financial instruments*

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position if, and only if, when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statement of financial position.

3.16 *Assets classified as held for sale*

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are measured at the lower of the carrying amount and fair value less costs to sell unless the assets are investment properties measured at fair value or financial assets in the scope of CIFRS 9 in which case they are measured in accordance with those standards.

3.17 *Share capital and share premium*

Paid-up capital is measured at par value for all shares issued and outstanding. When the shares are sold at premium, the difference between the proceeds and the par value is credited to Share premium.

Ordinary shares with discretionary dividends are classified as equity. Distributions of dividends to owners are charged directly to equity.

3.18 *Dividend*

Dividends on ordinary shares are recognized as liabilities when declared before reporting date. Dividends declared after the reporting date, but before the financial statements are authorized for issue, are not recognized as a liability at the reporting date.

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of PAS, on or before the end of the reporting period but not distributed at the end of the reporting period.

3.19 *Loans and borrowings*

Loans and borrowings are initially recognized at fair value, net of transaction costs incurred. Loans and borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the loans and borrowings using EIR method.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loans and borrowing to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.19 *Loans and borrowings* (continued)

Borrowing costs (continued)

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of comprehensive income.

3.20 *Employee benefits*

3.20.1 *Short-term employee benefits*

Short-term employee benefits comprise salaries, wages, bonuses, seniority indemnity and contributions to the social security fund are recognized as expenses in the period in which the associated services are rendered by the employees.

3.20.2 *Retirement benefits*

PAS has provided two schemes of employee benefits to staff upon their retirement age:

- Retirement benefit obligations
- Gratuity payments.

PAS also operates defined benefit plan whereby:

- The employees' contribution is 10% of their monthly basic salary
- The employer's contribution is 10% of the employees' monthly basic salary
- On an annual basis, the Board of Directors decides on an additional amount to be contributed to the scheme based on PAS' performance during the year.

Staff must meet all of the following criteria to be eligible to receive retirement benefits:

- Be a permanent staff member
- Have worked for PAS for 25 years or more
- Contribute to the scheme as required
- Hold a staff card, and

If retiring before reaching the retirement age, the retirement must be approved by the Chairman and Chief Executive Officer.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.20 Employee benefits (continued)

3.20.2 Retirement benefit (continued)

(i) Retirement benefit obligations

- (a) Staff who have served for 25 or more years can choose to receive a one-off payment at the retirement age or a monthly payment until the end of their life. Payments to eligible employees are based on the following terms and conditions:

One-off payment:

Staff who decide to receive a one-off payment at retirement will receive a payment equal to 12.5 times their last monthly basic salary.

Monthly payment until end of life:

The monthly payment made to staff who decide to receive monthly benefits until the end of their life depends on their years of service as set out below:

<i>Years of service</i>	<i>Benefit</i>
25 years	Receive a monthly payment of 75% of their last month's basic salary.
26 to 40 years	Receive a monthly payment of 75% of the last month's basic salary plus an additional 1% for each additional year of service over 25 years.
Over 40 years	Receive a monthly payment of 90% of the last month's basic salary.

From June 2024, the minimum monthly pension is KHR 825,000.

- (b) Staff who have served less than 25 years are not entitled to post-employment benefits, but they are entitled to a one-off lump-sum payment as follows:

<i>Years of service</i>	<i>Benefit</i>
Less than 10 years	No benefit and no refund of total contribution. The total contribution will become the scheme's income.
10 to 24 years	Receive a 200% of total contributions from PAS and employee.

If the plan is demolished for any reasons, the employee can claim back his/her contribution from the plan according to the actual condition of the plan and the procedures as stated in the policy.

- (c) Early retirement benefits

Staff who were retired or dismissed prior to reaching retirement age will receive the following benefit:

<i>Years of service</i>	<i>Benefit</i>
Less than 10 years	No refund of employee's total contribution.
From 10 to 20 years	120% of the employee's total contributions and an additional 1% for each year of service over 10 years.
From 21 to 30 years	135% of the employee's total contributions and an additional 1% for each year of service over 21 years.
From 31 to 40 years	155% of the employee's total contributions and an additional 1% for each year of service over 31 years.
More than 40 years	164% of the employee's total contributions

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.20 Employee benefits (continued)

3.20.2 Retirement benefit (continued)

(i) Retirement benefit obligations (continued)

(d) Death benefits

A one-off benefit will be paid upon death of the staff. The benefit is based on total contributions from PAS and employee and depends on the staff member's years of service as follows:

<i>Years of service</i>	<i>Work-related death</i>	<i>Non-work-related death</i>
Less than 11 years	125%	115%
From 11 to 20 years	145%	135%
From 21 to 30 years	155%	145%
More than 30 years	165%	155%

(e) Disability benefits:

Staff who have served less than 25 years and become disabled will receive a one-off payment based on their total contributions from PAS and employee as follows:

<i>Years of services</i>	<i>Work-related disability</i>	<i>Non-work-related disability</i>
Less than 11 years	125%	115%
From 11 to 25 years	125% plus 3% for each year of service over 10 years	115% plus 3% for each year of service over 10 years
More than 25 years:		
Option 1	170%	160%
Option 2	Monthly annuity retirement benefits	Monthly annuity retirement benefits

(ii) Gratuity payments

PAS also provided another employee benefit scheme, gratuity payments, to staff who have served PAS until retirement age.

Upon retirement, staff will receive a gratuity payment (sum of amount) and it is calculated as follows:

Benefit rate x Last drawn net basic salary x Years of service

The benefit rate depends on their years of services as set out below:

<i>Years of service</i>	<i>Benefit rate</i>
Up to 25 years	75% of their latest month's basic salary at retirement age.
26 to 40 years	75% plus an additional 1% for each additional year of service over 25 years of their latest month's basic salary at retirement age.
Over 40 years	90% only of their latest month's basic salary at retirement age.

The liability recognized in the statement of financial position in respect of defined benefit retirement plans (retirement benefit obligations and gratuity payments) are the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets (if any). The defined benefit obligations are calculated using the projected unit credit method. The present value of the defined benefit obligations is determined by discounting the estimated future cash flows using the average deposit rate of funds reserved for retirement benefit payments deposited at banks, as there is no deep high-quality corporate bond market or government bonds in Cambodia.

Remeasurement gains and (losses) arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income.

However, in December 2019, the Board of Directors amended the policy to cap the maximum number of years of services at 40 years.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.20 *Employee benefits* (continued)

3.20.3 *Seniority payment obligations*

Retrospective seniority indemnity

On 21 September 2018, the Ministry of Labor and Vocational Training ("MoLVT") issued Prakas No. 443 to all enterprises, establishments and those who are covered by the provision of Article 89 (New) of the Labor Law with implementation guidelines issued on 22 March 2019. The said Prakas requires retroactive seniority payment equal to fifteen days per year of employee service for a maximum not exceeding 6 months based on the average net wages for each year. Employees are not entitled to the payment if they resign before receiving it. Payment shall be spread over a period starting in December 2021 as follows:

- Equal to three days payable every December, and
- Equal to three days payable every June

The retroactive seniority payment shall not exceed six months of employee's average wage of each retrospective year. Staffs are not entitled to the payment if they resign before the payment is due.

On 23 December 2020, the Ministry released an instruction on the payment of seniority indemnity before 2019 confirming that the payment of seniority indemnity before 2019 can be delayed to June 2022. However, PAS commenced its settlement of retrospective seniority indemnity from December 2021.

PAS estimates the provision of the seniority indemnity using present value of expected payment in the future using certain assumptions on employee turn-over based on PAS's recent experience, mortality rate and market interest rate.

3.21 *Government grants*

Government grants are recognized where there is reasonable assurance that the grants will be received, and all attached conditions will be complied with. When the grants relate to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grants relate to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When PAS receives grants of non-monetary assets, the asset and the grants are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

3.22 *Income tax*

Tax expense comprises current and deferred tax. Tax is recognized in statement of comprehensive income.

3.22.1 *Current income tax*

The current income tax charge is calculated on the basis of the tax rate and laws enacted or substantively enacted at the end of reporting date in Cambodia, where PAS generates taxable income.

3.22.2 *Deferred tax*

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for the financial statements reporting purpose at the end of reporting period.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.22 *Income tax* (continued)

3.22.2 *Deferred tax* (continued)

Deferred tax liabilities are recognized for all taxable temporary differences, except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that affects neither the accounting profit nor taxable profit or loss.

The net carrying amount of deferred tax assets is reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at the end of each reporting date and recognized to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted during the reporting period.

Deferred tax assets and liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

3.23 *Revenue from contract with customer*

PAS recognizes revenue when (or as) it satisfies a performance obligation by transferring a promised good or service to a customer (which is when the customer obtains control of that good or service). A performance obligation is a promise to transfer a distinct good or service to a customer. The amount of revenue recognized is the amount allocated to the satisfied performance obligation.

Port revenue

Port revenue mainly includes fees charged for stevedoring (cargo handling from/to vessels), Lift-On Lift-Off (cargo handling from/to vehicles), port due/charge services (piloting/berthing), container storage and other services. Revenue from the provision of these services is recognized when services are rendered.

Variable considerations

Contract with customers do not include variable considerations like right of return, trade discounts or rebates.

Rental income - PAS is the lessor

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rental income on operating lease is recognized over the lease term of the lease on a straight-line basis.

Properties leased out under operating leases are included in investment properties (*Note 7*) in the statement of financial position.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.23 *Revenue from contract with customer* (continued)

Other revenue

Other revenue includes truck entrance and other fees. Other revenue is recognized when the services are rendered.

3.24 *Interest income*

Interest income is recognized using EIR method and included in finance income in statement of comprehensive income.

3.25 *Earnings per share*

(i) *Basic earnings per share*

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of PAS, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares (if any).

(ii) *Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

3.26 *Provision and contingent liability*

Provisions are recognized when PAS has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliably estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are not recognized in the financial statements but are disclosed in the notes to financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but disclosed when an inflow of economic benefits is probable. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the statement of comprehensive income.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognized when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognized for the reimbursement shall not exceed the amount of the provision.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.27 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (Chief Executive Officer). The chief operating decision-maker, who is responsible for allocating resources to and assessing the performance of the operating segments, has been identified as the management team (including the director general and all deputy director generals), which makes strategic decisions.

4. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The preparation of the financial statements in compliance with CIFRSs requires management to make judgments, estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes.

In the opinion of management, these financial statements reflect all adjustments necessary to present fairly the results for the periods presented. Actual results could differ from these estimates, and the effect of any change in estimates will be reflected in the financial statements when they become reasonably determinable.

Judgment

In the process of applying PAS's accounting policies, management has made the following judgment, apart from those involving estimations, which have the most significant effect on the amounts recognized in the financial statements.

Revenue from contract with customer

PAS applied the following judgements that significantly affect the determination of the amount and timing of revenue from contract with customer:

- *Identifying performance obligations*

PAS identifies performance obligations by considering whether the promised services in the contract are distinct. A service is distinct when the customer can benefit from the service on its own or together with other resources that are readily available to the customer and PAS's promise to transfer the service to the customer is separately identifiable from the other promises in the contract.

PAS assesses performance obligations as a series of distinct goods and services that are substantially the same and have the same pattern of transfer if (i) each distinct good or services in the series are transferred over time and (ii) the same method of progress will be used (i.e., units of delivery) to measure the entity's progress towards complete satisfaction of the performance obligation.

- *Determining the timing of satisfaction of port services*

PAS recognizes revenue when it satisfies an identified performance obligation by transferring the promised service to the customer. A service is considered to be transferred when the customer obtains control. PAS determines, at contract inception, whether it will transfer control of a promised service over time. If PAS does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time.

- *Identifying methods for measuring progress of revenue recognized over time*

PAS determines the appropriate method of measuring progress which is either through the use of input or output methods. Input method recognizes revenue on the basis of the entity's efforts or inputs to the satisfaction of a performance obligation while output method recognizes revenue on the basis of direct measurements of the value to the customer of the services transferred to date.

PAS determined that the output method is the best method in measuring progress for port services which is also directly linked to the transaction price.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

4. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (continued)

Judgment (continued)

Revenue from contract with customer (continued)

- *Determining method to estimate variable consideration and assessing the constraint*

PAS includes some or all the amounts of variable consideration estimated but only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved. PAS considers both the likelihood and magnitude of the revenue reversal in evaluating the extent of variable consideration PAS will subject to constraint. Factors such as i) highly susceptibility to factors outside PAS's influence, ii) timing of resolution of the uncertainty, and iii) having a large number and broad range of possible considerations amount are considered.

PAS determined that the expected value method is the appropriate method to use in estimating the variable consideration given the range of possible outcomes.

Before including any amount of variable consideration in the transaction price, PAS considers whether the amount of variable consideration is constrained. PAS determined that the estimates of variable consideration are to be fully constrained based on its historical experience, the range of possible outcomes, and the unpredictability of other factors outside PAS's influence.

Classification of lease - Company as lessor

PAS has determined, based on an evaluation of the terms and conditions of the arrangement, such as the lease term of the sublease constitutes the remaining term of the head lease, that it does not retain substantially all the risks and rewards incidental to ownership of the property and accounts for the contract as finance lease.

Classification of financial instruments

PAS exercises judgment in classifying a financial instrument, or its component parts, on initial recognition as either a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial asset, a financial liability or an equity instrument. The substance of a financial instrument, rather than its legal form, governs its classification in the statement of financial position.

Functional currency

CIAS 21 requires management to use its judgment to determine PAS's functional currency such that it most faithfully represents the economic effects of the underlying transactions, events and conditions that are relevant to the entity. In making this judgment, PAS considers the following:

- (i) The currency that mainly influences prices for services (this will often be the currency in which prices for its services are denominated and settled);
- (ii) The currency in which funds from financing activities are generated; and
- (iii) The currency in which receipts from operating activities are usually retained.

Based on the economic substance of underlying circumstances relevant to PAS, the functional currency of PAS has been determined to be the KHR. The KHR is the currency of the primary economic environment in which PAS operates, and it is the currency that mainly influences the rendering of services and the cost of providing the services.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

4. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (continued)

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. PAS based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of PAS. Such changes are reflected in the assumptions when they occur.

Fair value measurement of financial instruments

When measuring the fair value of an asset or a liability, PAS uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow ("DCF") model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and model inputs such as volatility for longer dated derivatives and discount rates, prepayment rates and default rate assumptions for asset backed securities.

For discounted cash flow analysis, estimated future cash flows and discount rates are based on current market information and rates applicable to financial instruments with similar yields, credit quality and maturity characteristics. Estimated future cash flows are influenced by factors such as economic conditions (including country specific risks), concentrations in specific industries, types of instruments or currencies, market liquidity and financial conditions of counterparties. Discount rates are influenced by risk free interest rates and credit risk. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

Allowances for ECL of trade receivables

The measurement of the allowance for ECL for financial assets measured at amortized cost and FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior (e.g. the likelihood of customers defaulting and the resulting losses).

PAS applies the CIFRS 9 simplified approach to measuring ECL which uses a lifetime expected loss allowance for all trade receivables.

To measure ECL, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

4. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (continued)

Estimates and assumptions (continued)

Taxes

Taxes are calculated on the basis of the tax laws regulations and its current interpretation. However, these regulations are subject to periodic variation and the ultimate determination of tax expense will be made following inspection by the General Department of Taxation ("GDT"). Where the final tax outcome of these matters are different from the amounts that were initially recorded by PAS, such differences will have an impact on the provision for income tax and deferred tax in the year in which such the final determination is made by the GDT.

Net realizable value of inventories

PAS writes down the cost of inventories due to damage, physical deterioration, obsolescence, changes in price levels or other causes. The lower of cost and net realizable value of inventories are reviewed annually to reflect the accurate valuation in the financial statements. Inventory items identified to be obsolete and unusable are also written off and charged as expense for the reporting period.

Estimation of the useful lives of property, plant and equipment and intangible assets

The useful lives of property, plant and equipment and intangible assets are estimated based on the period over which these assets are expected to be available for use. The estimated useful lives of these assets are reviewed periodically and updated if expectations differ from previous estimates due to physical wear and tear, technical and commercial obsolescence and other limits on the use of the assets. Any reduction in the residual value and estimated useful lives of property, plant and equipment and intangible assets would increase PAS's recorded operating expenses and decrease the related assets.

Fair value measurement of investment properties

The fair value of investment properties is determined by using valuation techniques. For further details of the valuation method, see Note 7.

Impairment of non-financial assets

PAS assesses at each reporting date whether there are any indicators of impairment for all non-financial assets (property, plant and equipment and intangible assets). These non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable.

This requires an estimation of an asset's recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value-in-use. The fair value less cost to sell is the amount obtainable from the sale of an asset in an arm's length transaction while value-in-use is the present value of the estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Recoverable amounts are estimated for individual assets, if it is not possible, for the cash-generating unit to which the asset belongs.

Recognition of deferred tax assets

PAS reviews the carrying amounts of deferred income tax assets at the end of each reporting period and reduces deferred income tax assets to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred income tax assets to be utilized.

Retirement benefit obligations

The present value of the retirement benefit obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used to determine the net cost of pensions include the discount rate, salary growth rates, staff turnover rate and life expectancy. Any changes in these assumptions will impact the carrying amount of the obligations.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

5. SEGMENT INFORMATION

Segmental reporting is not presented as PAS is principally involved in providing port service such as seaport facilities and other port-related services, and operating leases of its Special Economic Zones, which are substantially within a single business segment, and this is consistent with the current practice of its internal reporting. PAS operates only in Cambodia

The Chief Operating Decision-Maker ("CODM"), which is the management team, reviews the internal management report, which reports the performance of the port service segment as a whole, to assess performance and allocate resources. The CODM assesses the performance of the reportable segment by measuring gross revenue (Note 21). CODM also reviews profit before tax and net profit as a whole compared to prior period. In addition, PAS also has investment properties in the Special Economic Zone (SEZ) and other locations of which it is operating as a lessor and earns rental income (Note 7).

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

6. PROPERTY AND EQUIPMENT

	2024									
	Land	Land improvement	Buildings*	Technical equipment	Furniture and fittings	Computer and office equipment	Motor vehicles	Seaport equipment*	Palettes	Construction in progress
	KHR'000	KHR'000	KHR'000	KHR'000	KHR'000	KHR'000	KHR'000	KHR'000	KHR'000	KHR'000
Cost										
As at 1 January	296,735,409	63,350,540	357,343,890	42,598,730	2,777,526	8,125,308	82,281,409	331,383,864	1,116,855	119,584,831
Additions	6,652,727	1,057,233	2,836,402	16,828,364	1,319,533	2,892,124	19,358,072	27,959,611	310,786	91,341,134
Write-offs	-	-	-	(175,871)	(196,625)	(344,192)	(1,431,812)	-	-	-
Transfers	-	9,515,096	29,250,850	9,764,843	-	-	-	61,290,675	-	(109,821,464)
As at 31 December	303,388,136	73,922,869	389,431,142	69,016,066	3,900,434	10,673,240	100,207,669	420,634,150	1,427,641	101,104,501
Accumulated depreciation										
As at 1 January	-	(13,249,668)	(59,880,574)	(22,249,699)	(1,751,821)	(6,152,477)	(22,858,609)	(84,653,456)	(1,055,736)	-
Depreciation	-	(3,601,798)	(11,278,203)	(5,549,071)	(569,281)	(1,550,518)	(6,852,806)	(19,842,556)	(28,545)	-
Write-offs	-	-	-	174,513	196,625	344,192	1,127,345	-	-	-
As at 31 December	-	(16,851,466)	(71,158,777)	(27,624,257)	(2,124,477)	(7,358,803)	(28,584,070)	(104,496,012)	(1,084,281)	-
Net book value										
As at 31 December	303,388,136	57,071,403	318,272,365	41,391,809	1,775,957	3,314,437	71,623,599	316,138,138	343,360	101,104,501
	2023									
	Land	Land improvement	Buildings*	Technical equipment	Furniture and fittings	Computer and office equipment	Motor vehicles	Seaport equipment*	Palettes	Construction in progress
	KHR'000	KHR'000	KHR'000	KHR'000	KHR'000	KHR'000	KHR'000	KHR'000	KHR'000	KHR'000
Cost										
As at 1 January	296,735,409	60,368,228	349,258,058	39,742,317	2,857,109	13,187,278	60,308,594	277,554,377	1,116,855	41,445,938
Additions*	-	2,982,312	8,085,832	2,856,413	861,324	938,686	21,972,815	53,829,487	-	78,138,893
Write-offs	-	-	-	-	(940,907)	(6,000,656)	-	-	-	-
As at 31 December	296,735,409	63,350,540	357,343,890	42,598,730	2,777,526	8,125,308	82,281,409	331,383,864	1,116,855	119,584,831
Accumulated depreciation										
As at 1 January	-	(10,284,858)	(49,633,139)	(17,930,024)	(2,233,720)	(10,454,965)	(17,192,291)	(70,095,468)	(1,036,917)	-
Depreciation	-	(2,964,810)	(10,247,435)	(4,319,675)	(459,008)	(1,696,822)	(5,666,318)	(14,557,988)	(18,819)	-
Write-offs	-	-	-	-	940,907	5,999,310	-	-	-	-
As at 31 December	-	(13,249,668)	(59,880,574)	(22,249,699)	(1,751,821)	(6,152,477)	(22,858,609)	(84,653,456)	(1,055,736)	-
Net book value										
As at 31 December	296,735,409	50,100,872	297,463,316	20,349,031	1,025,705	1,972,831	59,422,800	246,730,408	61,119	119,584,831

*Additions to building and seaport equipment included container freight station and mobile harbor crane amounting to KHR'000 5,156,339 and KHR'000 45,645,773, respectively, received as a government grants (Refer to Note 19).

The cost of fully depreciated property and equipment still in use amounted to KHR'000 21,038,809 as at 31 December 2024 (2023: KHR'000 17,312,325). PAS has no idle asset as at 31 December 2024 and 2023.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

6. PROPERTY AND EQUIPMENT (continued)

Reconciliation of cash and non-cash additions (purchases of property and equipment) is as follows:

	2024 KHR'000	2023 KHR'000
Additions (cash and non-cash) during the year (excluding capitalized borrowing cost)	169,437,425	169,447,481
Receipt of government grants (<i>Note 19</i>)	-	(50,802,112)
Increase in payable to a supplier	(13,659,742)	-
Cash used in purchase of property and equipment	<u>155,777,683</u>	<u>118,645,369</u>

Interest cost on borrowings that was capitalized on qualifying assets for the year ended 31 December 2024 was KHR'000 1,118,561 (31 December 2023: KHR'000 218,281).

The table below summarizes the legal status of the land held and its carrying amount.

	2024 KHR'000	2023 KHR'000
Land with legal title deeds	46,540,500	46,540,500
Land with no title deeds	256,847,636	250,194,909
	<u>303,388,136</u>	<u>296,735,409</u>

Land with no title deeds pertain to those land with soft title deeds registered at district level.

7. INVESTMENT PROPERTIES

	Land KHR'000	Buildings and land improvement KHR'000	Construction in progress KHR'000	Total KHR'000
Cost				
As at 1 January 2024	123,780,723	169,425,167	1,359,091	294,564,981
Additions	738,182	1,350,559	3,599,396	5,688,137
Transfers	2,064,760	-	(2,064,760)	-
As at 31 December 2024	<u>126,583,665</u>	<u>170,775,726</u>	<u>2,893,727</u>	<u>300,253,118</u>
Accumulated depreciation				
As at 1 January 2024	-	(49,290,484)	-	(49,290,484)
Depreciation	-	(3,864,444)	-	(3,864,444)
As at 31 December 2024	<u>-</u>	<u>(53,154,928)</u>	<u>-</u>	<u>(53,154,928)</u>
Net book value				
As at 31 December 2024	<u>126,583,665</u>	<u>117,620,798</u>	<u>2,893,727</u>	<u>247,098,190</u>

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

7. INVESTMENT PROPERTIES (continued)

	<i>Land</i>	<i>Building and land improvement</i>	<i>Construction in progress</i>	<i>Total</i>
	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>
Cost				
As at 1 January 2023	122,715,963	168,774,898	-	291,490,861
Additions	1,064,760	1,293,740	1,359,091	3,717,591
Disposal	-	(643,471)	-	(643,471)
As at 31 December 2023	123,780,723	169,425,167	1,359,091	294,564,981
Accumulated depreciation				
As at 1 January 2023	-	(43,194,156)	-	(43,194,156)
Depreciation	-	(6,739,799)	-	(6,739,799)
Disposal	-	643,471	-	643,471
As at 31 December 2023	-	(49,290,484)	-	(49,290,484)
Net book value				
As at 31 December 2023	123,780,723	120,134,683	1,359,091	245,274,497

Cash purchases of investment properties:

	<i>2024</i>	<i>2023</i>
	<i>KHR'000</i>	<i>KHR'000</i>
Purchases (cash and non-cash) during the year	5,688,137	3,717,591
Decrease (increase) in payable to a supplier	88,730	(88,730)
Cash used in purchase of investment properties	5,776,867	3,628,861

Valuation process (technique/inputs) used to determine fair value

The investment properties were valued by the valuation company accredited by the Securities and Exchange Regulator of Cambodia. PAS obtained independent valuations for its investment properties as at 29 November 2022; and management believes that there was no significant change on valuation up to the reporting date.

The level 3 fair value of investment properties has been derived using sales comparison approach for land and cost approach for buildings. Land valued using the sales comparison approach taking into account comparable items. These values are adjusted for differences in key attributes such as size and location, condition and other relevant factors.

	<i>2024</i>	<i>2023</i>
	<i>KHR'000</i>	<i>KHR'000</i>
Land at fair value	2,963,414,703	3,007,589,829
Buildings at fair value	117,811,750	119,567,950
	3,081,226,453	3,127,157,779

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

7. INVESTMENT PROPERTIES (continued)

The table below summarizes the legal status of the land held and its carrying amounts:

	2024	2023
	<i>KHR'000</i>	<i>KHR'000</i>
Land with legal title deeds - Special Economic Zone	85,011,786	83,273,604
Land with legal title deeds - Other areas	4,508,855	4,508,855
Land with no legal title deeds	37,063,024	35,998,264
	126,583,665	123,780,723

The following amounts deriving from the business of investment properties have been recognized in profit or loss:

	2024	2023
	<i>KHR'000</i>	<i>KHR'000</i>
Rental income	4,436,263	2,297,616
Depreciation	(3,864,444)	(6,739,799)
Direct operating expenses arising from investment properties that generate rental income	(3,342,994)	(3,303,875)

Minimum future lease payments on leases of investment properties are as follows:

	2024	2023
	<i>KHR'000</i>	<i>KHR'000</i>
Within 1 year	15,450,365	1,544,130
Between 1 and 2 years	8,372,000	1,544,130
Between 2 and 3 years	7,124,250	1,552,300
Between 3 and 4 years	5,578,650	1,552,300
Between 4 and 5 years	1,601,950	1,576,810
More than 5 years	34,812,434	36,957,207
	72,939,649	44,726,877

8. INTANGIBLE ASSETS

	2024	2023
	<i>KHR'000</i>	<i>KHR'000</i>
Cost		
As at 1 January	11,539,381	11,539,381
Addition	154,356	-
As at 31 December	11,693,737	11,539,381
Accumulated amortization		
As at 1 January	(8,701,394)	(7,520,290)
Amortization	(1,185,649)	(1,181,104)
As at 31 December	(9,887,043)	(8,701,394)
Net book value		
As at 31 December	1,806,694	2,837,987

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

9. INVENTORIES

	2024	2023
	<i>KHR'000</i>	<i>KHR'000</i>
Consumable supplies	37,850,828	30,471,721
Combustible materials	1,122,920	1,712,524
Oil and lubricant	2,458,413	2,375,490
	41,432,161	34,559,735
Allowance for impairment of inventories	(85,637)	(95,404)
	41,346,524	34,464,331

Movement of allowance for impairment of inventories are as follows:

	2024	2023
	<i>KHR'000</i>	<i>KHR'000</i>
As at 1 January	95,404	95,404
Reversal during the year	(9,767)	-
As at 31 December	85,637	95,404

Inventories recognized as expenses for the year ended 31 December 2024 amounted to KHR'000 101,391,024 (2023: KHR'000 105,546,000).

10. TRADE AND OTHER RECEIVABLES

	2024	2023
	<i>KHR'000</i>	<i>KHR'000</i>
Trade receivables	47,953,330	43,305,278
Allowance for expected credit losses (<i>Note a</i>)	(104,157)	(145,898)
Trade receivables, net	47,849,173	43,159,380
Advances to MoPWT (<i>Note b</i>)	1,221,303	1,221,303
Advances to suppliers	68,493,473	3,606,531
Prepayments	85,513	85,903
Other receivables	69,800,289	4,913,737
	117,649,462	48,073,117

Trade receivables are short term receivables due from local and international shipping lines and agents.

(a) Movement of allowance for expected credit losses of trade receivables is as follows:

	2024	2023
	<i>KHR'000</i>	<i>KHR'000</i>
As at 1 January	145,898	232,950
Reversal during the year	(41,741)	(87,052)
As at 31 December (<i>Note 31.1</i>)	104,157	145,898

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

10. TRADE AND OTHER RECEIVABLES (continued)

(b) This represents outstanding cash advance to the MoPWT amounting to KHR'000 1,221,303 which was based on the letter dated 14 August 2018 and payable in 2019. The cash advance was used for the MoPWT's office building construction. The term of repayment was unspecified.

In 2022, additional cash advance amounting to KHR 6 billion was made to the MoPWT to be used for public road construction which was based on the letter request dated 18 January 2022. On 14 March and 15 June 2023, MoPWT repaid KHR 5 billion and KHR 1 billion to PAS, respectively.

The remaining advances to MoPWT remain outstanding as of the date of this report.

11. PLACEMENTS WITH BANKS

	<u>2024</u>	<u>2023</u>
	<i>KHR'000</i>	<i>KHR'000</i>
Current		
Short-term bank deposits	114,001,584	154,380,080
Accrued interest receivable	3,462,755	5,033,470
	117,464,339	159,413,550
Allowance for expected credit losses	(153,097)	(26,678)
	117,311,242	159,386,872
Non-current		
Long-term bank deposits	6,380,539	-
Accrued interest receivable	153,992	-
	6,534,531	-
Allowance for expected credit losses	(31,598)	-
	6,502,933	-

These placements with banks represent fixed deposits placed with financial institutions for a period from twelve to twenty-four months, earning interest at rates ranging from 4.00% to 6.75% (2023: 4.00% to 7.00%) per annum.

12. CASH AND CASH EQUIVALENTS

	<u>2024</u>	<u>2023</u>
	<i>KHR'000</i>	<i>KHR'000</i>
Cash on hand	176,198	696,351
Cash in banks	27,009,669	18,645,463
	27,185,867	19,341,814

Cash in banks are current accounts which carry no interest and held at local commercial banks.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

13. 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. The total contract value is US\$ 26 million or KHR 105,300 million at a price of US\$ 20 or KHR 81,000 per square meter. PAS received US\$ 2 million 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. The size of the land changed based on remeasurement as part of ownership transferring process by the Ministry of Land Management, Urban Planning and Construction. The buyer settled the remaining contract value based on the confirmed size at US\$ 20 or KHR'000 81 per square meter. Since then, it has been classified and presented as assets classified as held for sale.

In January 2023, the process of transferring hard title deed was completed. The size of the land was 1,309,275 square meters based on hard title deed issued by the Ministry of Land Management, Urban Planning and Construction. The remaining contract value was settled and received in February 2023. Gain on disposal amounting to KHR'000 84,815,997 was recognized under 'other gains - net' in profit or loss for the year.

14. ISSUED CAPITAL AND SHARE PREMIUM

	<i>Class A share (*)</i>		<i>Class B share (**)</i>		<i>Class C share (**)</i>		<i>Issued capital</i>		<i>Share premium</i>	<i>Total</i>
	<i>Number</i>	<i>KHR'000</i>	<i>Number</i>	<i>KHR'000</i>	<i>Number</i>	<i>KHR'000</i>	<i>Number</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>
At 31 December 2023 and 2024	364,530,861	364,530,861	64,328,975	64,328,975	21,442,992	21,442,992	450,302,828	450,302,828	67,715,235	518,018,063

(*) According to Article 11 of the Articles of Incorporation dated 12 April 2019 which was approved by MOC on 8 October 2019, the capital of KHR 450,302,828,000 were allocated into 364,530,861 class A shares, 64,328,975 class B shares and 21,442,992 class C 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 and class C shares are controlled by public investors. 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. Class B and class C shares have voting rights and are entitled to dividend as approved by the Board of Directors.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

14. ISSUED CAPITAL AND SHARE PREMIUM (continued)

(**) The details of voting-right shares and their holders are as follows:

	Percentage	Number of shares	KHR'000
Class B Share held by:			
The Royal Government of Cambodia	75%	64,328,975	64,328,975
Class C Share held by:			
Kamigumi Co., Ltd	13%	11,150,324	11,150,324
Public investors	12%	10,292,668	10,292,668
	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.

15. OTHER RESERVES

	2024 KHR'000	2023 KHR'000
As at 1 January	49,506,094	41,090,572
Add: General reserve	6,098,275	4,207,761
Legal reserve	6,098,275	4,207,761
As at 31 December	61,702,644	49,506,094

Article 65 of the Article of Incorporation dated 12 April 2019 stipulates that PAS's annual profit, after offsetting losses carried forward (if any), is allocated to general reserve and legal reserve at 5% each. On 16 May 2024, the Board of Directors approved to transfer KHR'000 6,098,275 from the profit for the year ended 31 December 2023 to each general reserve and legal reserve.

16. LOANS AND BORROWINGS

	2024 KHR'000	2023 KHR'000
Loans and borrowings from:		
MoEF - (JBIC) - Borrowing No. CP-P3 (i)	27,207,694	36,382,074
MoEF - (JBIC) - Borrowing No. CP-P4 (i)	74,516,307	83,189,932
MoEF - (JBIC) - Borrowing No. CP-P6 (i)	3,775,822	4,667,838
MoEF - (JBIC) - Borrowing No. CP-P8 (i)	69,114,690	81,948,057
MoEF - (JICA) - Borrowing No. CP-P10 (i)	134,946,929	137,275,308
MoEF - (JICA) - Borrowing No. CP-P21 (i)	94,693,434	13,528,501
Foreign Trade Bank of Cambodia (FTB) - Bank overdraft (ii)	-	30,103,125
	404,254,876	387,094,835

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

16. LOANS AND BORROWINGS (continued)

- (i) MoEF – Japan Bank for International Cooperation (“JBIC”) and Japan International Cooperation Agency (“JICA”)

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.

- (ii) Foreign Trade Bank of Cambodia (“FTB”)

On 15 December 2023, PAS entered into a loan agreement with FTB for an overdraft facility with credit limit of KHR’000 30,229,000 (denominated in US\$ with the face value of US\$ 7,400,000). The bank overdraft bore interest rate at 7.50% per annum. The bank overdraft was secured by PAS’s placements with banks with FTB of KHR’000 32,680,000 (equivalent to US\$ 8,000,000).

PAS paid off the bank overdraft during the year.

The maturity dates of these loans and borrowings are as follows:

	2024	2023
	<i>KHR’000</i>	<i>KHR’000</i>
Current		
Within 1 year	26,527,706	59,035,225
Non-current		
Between 1 and 2 years	24,375,272	26,815,738
Between 2 and 5 years	73,125,816	80,447,215
More than 5 years	280,226,082	220,796,657
	377,727,170	328,059,610
	404,254,876	387,094,835

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

The carrying amounts of loans and borrowings approximate to the estimated fair values due as these items are not materially sensitive to the shift in market interest rates.

Loans and borrowings denominated in currencies other than functional currency are as follows:

	2024	2023
	<i>KHR’000</i>	<i>KHR’000</i>
Japanese yen (JPY)	329,738,569	273,801,778
US\$	74,516,307	113,293,057
	404,254,876	387,094,835

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

16. LOANS AND BORROWINGS (continued)

The interest rates per annum are as follows:

	2024	2023
MoEF - (JBIC) - Borrowing No. CP-P3	3.00%	3.00%
MoEF - (JBIC) - Borrowing No. CP-P4	3.70%	3.70%
MoEF - (JBIC) - Borrowing No. CP-P6	3.00%	3.00%
MoEF - (JBIC) - Borrowing No. CP-P8	2.65%	2.65%
MoEF - (JICA) - Borrowing No. CP-P10	1.65%	1.65%
MoEF - (JICA) - Borrowing No. CP-P21	1.26%	1.26%

17. RETIREMENT BENEFIT OBLIGATIONS

The movements in the retirement benefit obligations during the year are as follows:

	2024 KHR'000	2023 KHR'000
As at 1 January	77,890,925	76,038,416
Current service costs	1,818,088	1,811,492
Finance cost	4,857,815	4,795,639
Past service cost	8,283	-
Benefits paid	(4,573,409)	(4,754,622)
Remeasurement losses from change in actuarial assumptions and experience adjustments	16,336,826	-
As at 31 December	96,338,528	77,890,925
	2024 KHR'000	2023 KHR'000
Current	5,162,443	5,068,764
Non-current	91,176,085	72,822,161
	96,338,528	77,890,925

The retirement benefit costs recognized within salaries, wages and related expenses and remeasurement of retirement benefit obligations in the statement of comprehensive income were as follows:

	2024 KHR'000	2023 KHR'000
Current service costs	1,818,088	1,811,492
Finance cost	4,857,815	4,795,639
Past service cost	8,283	-
Total amount recognized in profit or loss (Note 23)	6,684,186	6,607,131

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

17. RETIREMENT BENEFIT OBLIGATIONS (continued)

The principal actuarial assumptions were as follows:

	<u>2024</u>	<u>2023</u>
Average years of service	13.4	19.9
Discount rate per annum	5.5%	6.5%
Salary incremental rate per annum	5.0%	5.0%
Turnover rate per annum	0.5%	0.5%
Mortality rate	100% of 2017 Thailand Ordinary Mortality tables	100% of 2017 Thailand Ordinary Mortality tables
Disability rate	10% of pre-retirement mortality rates	10% of pre-retirement mortality rates

The following shows the sensitivity of the retirement benefit obligations to changes in the following actuarial assumption:

<u>Sensitivity</u>	<u>Assumption</u>	<u>KHR'000</u>
2024		
<i>Discount rate</i>		
Base assumption	5.50%	96,338,528
+ 1.00%	6.50%	86,243,423
- 1.00%	4.50%	108,730,931
<i>Salary incremental rate</i>		
Base assumption	5.00%	96,338,528
+ 1.00%	6.00%	100,729,756
- 1.00%	4.00%	92,511,107
2023		
<i>Discount rate</i>		
Base assumption	6.5%	77,890,925
+ 1.00%	7.5%	70,081,111
- 1.00%	5.5%	87,351,953
<i>Salary incremental rate</i>		
Base assumption	5.0%	77,890,925
+ 1.00%	6.0%	81,662,133
- 1.00%	4.0%	74,568,923

18. DEFERRED INCOME

PAS leased out its investment properties with lease terms between two and 50 years with grace period of 16 months. The prepayment is credited to the statement of profit or loss on a straight-line basis over the lease term.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

18. DEFERRED INCOME (continued)

Movement in the deferred income over the year follows:

	2024	2023
	<i>KHR'000</i>	<i>KHR'000</i>
As at 1 January	14,517,274	12,374,879
Received during the year	6,173,768	3,081,417
Recognized as rental income	(3,205,983)	(822,305)
Foreign currency differences	(242,879)	(116,717)
As at 31 December	17,242,180	14,517,274
Current	1,336,661	170,345
Non-current	15,905,519	14,346,929
	17,242,180	14,517,274

19. GOVERNMENT GRANTS

	2024	2023
	<i>KHR'000</i>	<i>KHR'000</i>
As at 1 January	50,326,634	-
Received during the year	-	50,802,112
Released to profit or loss	(3,214,930)	(475,478)
As at 31 December	47,111,704	50,326,634
Current	3,214,930	3,214,930
Non-current	43,896,774	47,111,704
As at 31 December	47,111,704	50,326,634

On 10 February 2023, PAS received building construction of container freight station with construction value of KHR'000 5,156,339 (equivalent to US\$ 1,271,914) from the Government of Japan through Royal Government of Cambodia as grant under the purpose of contributing to the implementation of the Economic and Social Development Programme. On 1 April 2023, PAS recognized the container freight station as building under property and equipment and related deferred government grant at the construction value. The depreciation of the container freight station and related grant income are released to profit or loss over estimated asset useful life of 30 years. There are no unfulfilled conditions or contingencies attached to the grant.

On 20 November 2023, PAS received seaport equipment of two mobile harbor cranes with value of KHR'000 45,645,773 (equivalent to US\$ 11,079,071) from the Government of Japan through Royal Government of Cambodia as grants under the purpose of contributing to the implementation of the Economic and Social Development Programme. On 20 November 2023, PAS recognized the mobile harbor cranes as seaport equipment under property and equipment and related deferred government grants at the equipment value. The depreciation of the mobile harbor cranes and related grants income are released profit or loss over estimated asset useful life of 15 years. There are no unfulfilled conditions or contingencies attached to the grants.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

19. GOVERNMENT GRANTS (continued)

According to 'exchange note' between the Royal Government of Cambodia ("the Recipient") and the Government of Japan dated 16 December 2021, the products and/or services given under the grants are maintained and used properly and effectively for the implementation of the Economic and Social Development Programme, and are not for military purposes. Furthermore, the products and/or the services under the grant are utilized, in principle, by end-users including the Recipient itself, for non-commercial purposes.

20. TRADE AND OTHER PAYABLES

	2024	2023
	<i>KHR'000</i>	<i>KHR'000</i>
Trade payables	5,841,272	2,467,660
Accrued bonuses	24,652,625	21,195,282
Accrued social fund contribution	14,778,582	7,427,475
Payable to contractors	19,770,581	-
Output value-added tax - net	2,685,165	1,493,351
Refundable deposits from customers	1,998,734	1,978,365
Tax on salary payable	685,330	513,444
Advances received from customers	364,084	374,094
Others	1,780,958	1,493,430
	72,557,331	36,943,101

Others consist of other tax payables, accrued national social security fund for employees, supplier's deposit, and other accruals.

21. REVENUE FROM CONTRACTS WITH CUSTOMERS

21.1 Disaggregated revenue information

Set out below is the disaggregation of PAS' revenue from contracts with customers:

	2024	2023
	<i>KHR'000</i>	<i>KHR'000</i>
Stevedoring charges	227,643,155	177,778,892
LO-LO and container storage	143,702,068	107,455,019
Port due/charge services	78,185,635	74,057,713
Others	2,030,082	2,576,053
	451,560,940	361,867,677
Timing of revenue recognition		
At a point in time	429,905,490	345,864,544
Over time	21,655,450	16,003,133
	451,560,940	361,867,677

21.2 Contract balances

PAS's contract balances are as follows:

	2024	2023
	<i>KHR'000</i>	<i>KHR'000</i>
Trade receivables (Note 10)	47,849,173	43,159,380

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

21. REVENUE FROM CONTRACTS WITH CUSTOMERS (continued)

21.3 Performance obligations

Stevedoring charges, LO-LO and container storage, port due/charge services

Revenue from port services is recognized at point in time and over time as the performance obligations are satisfied and being satisfied which coincides with the delivery of services and acceptance by customers.

There is no significant financing component in the revenue arising from port services as the services are provided on the normal credit terms not exceeding 12 months.

22. CONSUMABLE SUPPLIES

	2024	2023
	<i>KHR'000</i>	<i>KHR'000</i>
Combustible expenses	47,312,174	43,710,684
Spare parts	29,706,804	44,425,592
Warehouse supplies	19,495,634	14,053,855
Office supplies	5,123,361	4,360,695
Oil and lubricant	4,876,412	3,355,678
Others	1,644,684	2,703,571
	108,159,069	112,610,075

23. SALARIES, WAGES AND RELATED EXPENSES

	2024	2023
	<i>KHR'000</i>	<i>KHR'000</i>
Employee salaries	91,581,882	73,698,900
Bonuses	24,652,625	21,195,282
Retirement benefit expenses (Note 17)	6,684,186	6,607,131
Seniority benefit	5,357,450	4,289,342
Social security	1,608,034	1,506,349
Directors' remuneration	1,396,800	1,396,800
Wages for contractors	123,000	183,660
Others	6,422,527	5,413,170
	137,826,504	114,290,634

24. DEPRECIATION AND AMORTIZATION CHARGES

	2024	2023
	<i>KHR'000</i>	<i>KHR'000</i>
Depreciation and amortization charges on:		
Property and equipment (Note 6)	49,272,778	39,930,875
Investment properties (Note 7)	3,864,444	6,739,799
Intangible assets (Note 8)	1,185,649	1,181,104
	54,322,871	47,851,778

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

25. OTHER EXPENSES

	2024	2023
	<i>KHR'000</i>	<i>KHR'000</i>
Contributions and donations	15,324,910	14,418,831
Utilities	6,340,521	3,900,788
Special Economic Zone (SEZ) operating expense	3,342,994	3,303,875
Reception and hospitality	2,479,191	2,744,260
Mission	1,915,681	2,153,904
Professional and related costs	1,803,191	1,799,000
Publications	1,423,423	1,392,017
Training, workshops and seminars	1,161,929	951,830
Supplies	886,678	1,698,839
Communication	399,261	406,985
Health-care supplies	190,238	192,125
Provision (reversal of provision) for expected credit losses	116,276	(79,492)
Others	676,591	573,685
	36,060,884	33,456,647

Auditor's remuneration was recognized in the professional and related costs. Breakdown of auditor's annual remuneration is as follows:

	2024	2023
	<i>KHR'000</i>	<i>KHR'000</i>
Audit service	441,704	428,057
Non-audit service	None	None

26. FINANCE INCOME - NET

	2024	2023
	<i>KHR'000</i>	<i>KHR'000</i>
Finance income:		
Interest income on bank deposits	7,192,123	7,985,297
Net exchange gains on foreign currency loans and borrowings and others	34,593,752	14,809,329
	41,785,875	22,794,626
Financial cost:		
Interest expense on loans and borrowings	(8,519,157)	(8,960,107)
Finance income - net	33,266,718	13,834,519

PAS has loans and borrowings which are denominated in JPY and US\$ (Note 16). PAS also has placements with banks which are denominated in US\$ (Note 11). Given the fluctuations in KHR against JPY and US\$, this resulted in significant exchange gains/losses on its loans and borrowings and placements with banks. The exchange rates are 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 year.

	2024	2023
JPY/KHR	25.615	29.135
US\$/KHR	4,025	4,085

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

27. INCOME TAX EXPENSE

In accordance with the Cambodian tax regulations, current income tax is calculated at the higher of the taxable income for the year multiplied by the statutory income tax rate of 20% at the reporting date and 1% of turnover.

(a) Income tax expense

The major components of income tax expense for the years are:

	2024 KHR'000	2023 KHR'000
<i>Income tax expense recognized in profit for the year</i>		
Current income tax	20,946,192	33,505,238
Over provision of current income tax from prior year	(6,846,866)	-
Deferred income tax	13,755,097	(1,078,184)
Income tax expense	27,854,423	32,427,054
<i>Income tax expense recognized in OCI</i>		
Deferred income tax related to remeasurement loss on defined benefit obligation	(3,267,365)	-

The reconciliation of income tax computed at the statutory income tax rate of 20% as disclosed in the statement of comprehensive income as follows:

	2024 KHR'000	2023 KHR'000
Accounting profit before income tax	154,588,052	154,392,544
At statutory income tax rate of 20%	30,917,610	30,878,509
Effects of non-deductible expense	10,702,429	4,510,019
Effects of non-taxable income	(6,918,750)	(2,961,474)
Over provision of current income tax from prior year	(6,846,866)	-
Income tax expense	27,854,423	32,427,054

(b) Deferred tax liabilities - net

Deferred tax is calculated on the temporary differences under the liability method using the statutory income tax rate of 20%.

The following amounts, determined after appropriate offsetting, are shown in the statement of financial position:

	2024 KHR'000	2023 KHR'000
Deferred tax assets	24,344,457	27,880,098
Deferred tax liabilities	(66,757,359)	(59,805,268)
Deferred tax liabilities - net	(42,412,902)	(31,925,170)

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

27. INCOME TAX EXPENSE (continued)

(b) *Deferred tax liabilities – net* (continued)

Deferred tax assets (liability) are attributable to:

	2024	2023
	<i>KHR'000</i>	<i>KHR'000</i>
Deferred tax assets on:		
Retirement benefit obligation	19,267,706	15,578,185
Deferred income	4,452,593	2,903,453
Government grants	277,961	9,085,623
Seniority payment obligations	259,095	247,036
Provision for expected credit losses	69,975	46,720
Allowance for impairment of inventories	17,127	19,081
	24,344,457	27,880,098
Deferred tax liability on:		
Accelerated depreciation and amortization	(66,757,359)	(59,805,268)
Deferred tax liabilities - net	<u>(42,412,902)</u>	<u>(31,925,170)</u>

(c) *Income tax liabilities*

	2024	2023
	<i>KHR'000</i>	<i>KHR'000</i>
As at 1 January	29,825,693	8,277,646
Current income tax expense	20,946,192	33,505,238
Over provision of current income tax from prior year	(6,846,866)	-
Income tax paid	<u>(25,475,293)</u>	<u>(11,957,191)</u>
	<u>18,449,726</u>	<u>29,825,693</u>

28. 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 year.

	2024	2023
Profit attributable to shareholders (<i>KHR'000</i>)	126,733,629	121,965,490
Weighted average number of shares	85,771,967	85,771,967
Basic earnings per share (<i>KHR</i>)	<u>1,477.56</u>	<u>1,421.97</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 year end. As such, the diluted earnings per share was equivalent to the basic earnings per share.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

29. 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

	2024	2023
	<i>KHR'000</i>	<i>KHR'000</i>
Borrowings from:		
MoEF - (JICA) (Note 16)	229,640,363	150,803,809
MoEF - (JBIC) (Note 16)	174,614,513	206,187,901
	404,254,876	356,991,710

(ii) Amount due from MoPWT

	2024	2023
	<i>KHR'000</i>	<i>KHR'000</i>
Advances to MoPWT (Note 10)	1,221,303	1,221,303

(b) Related party transactions during the year

	2024	2023
	<i>KHR'000</i>	<i>KHR'000</i>
Costs of borrowings from MoEF:		
Interest expenses on borrowings from MoEF	7,839,238	8,960,107
Capitalized interest costs (Note 6)	1,118,561	218,281
Drawdowns on borrowings from MoEF	111,430,365	7,097,205
Principal repayments on borrowings to MoEF	(25,860,702)	(27,297,828)
Interest repayments on borrowings to MoEF	(8,916,430)	(9,433,349)
Government grants (Note 19)	-	50,802,112
Advance settlement from MoPWT (Note 10)	-	(6,000,000)

(c) Key management compensation

Key management compensation for the year ended is as follows:

	2024	2023
	<i>KHR'000</i>	<i>KHR'000</i>
Board of Directors		
Fees and related expenses	1,396,800	1,396,800
Key management personnel		
Salaries and other expenses	3,937,229	3,377,397
Retirement benefit expenses (*)	258,398	265,196
	4,195,627	3,642,593

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.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

30. COMMITMENTS

As at 31 December 2024, PAS had outstanding capital expenditure commitments to TOA Corporation KHR'000 652,463,053 for its purchases of construction services, property and equipment (31 December 2023: KHR'000 59,309,488).

31. FINANCIAL RISK MANAGEMENT

31.1 *Financial risk factors*

PAS's activities expose it to a variety of financial risks: market risk (including interest rate risk, price risk, and foreign exchange risk), credit risk and liquidity risk. PAS assumes and manages such risks by monitoring the market interest rates, the credit history of its counterparties, foreign exchange rates and cash flows. PAS does not currently use derivative instruments to hedge its interest rate and foreign exchange risk exposure.

Market risk

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of PAS's operations and its cash flows.

PAS obtained loans and borrowings (at fixed interest rates) from Foreign Trade Bank of Cambodia ("FTB"), Japan International Cooperation Agency ("JICA") and Japan Bank for International Cooperation ("JBIC") through the MoEF. No interest rate swaps, or other derivatives financial instruments have been entered into to hedge interest rate risk. PAS exposures to fair value risk, however, management is closely monitoring the fluctuation in the market and will enter into interest rate swap if necessary. PAS' borrowings are carried at amortized cost.

Price risk

PAS is not exposed to any commodity price risk. In addition, PAS is not exposed to security price risk because there are no financial instruments carried at fair value at statement of financial position date.

Foreign exchange risk

PAS is exposed to the risk of changes in foreign currency exchange rates, primarily between KHR and JPY and US\$, since its loans and borrowing from FTB, JICA and JBIC through the MoEF are in US\$ and JPY, but it maintains its accounting records in KHR, its functional currency. Currently PAS does not hedge or use forward exchange contracts to manage this risk.

PAS's sensitivity to foreign exchange rates on its JPY and US\$ financial instruments is analyzed below. PAS's financial instruments are mainly denominated in these two currencies.

Based on PAS's analysis on the movement of average foreign exchange rate over the last three years, PAS considered that 10.33% (2023: 9.43%) and 1.10% (2023: 0.85%) movements in the JPY and US\$ rates, respectively, are reasonable benchmarks.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

31. FINANCIAL RISK MANAGEMENT (continued)

31.1 Financial risk factors (continued)

Market risk (continued)

Foreign exchange risk (continued)

The following shows the impact to profit after tax as a result from changes in exchange rate:

2024		
<i>Sensitivity</i>	<i>Change in foreign exchange rates</i>	<i>Impact to profit after tax</i> <i>KHR'000</i>
JPY	- 10.33% Depreciation + 10.33% Appreciation	27,243,000 (27,243,000)
US\$	- 1.10% Depreciation + 1.10% Appreciation	(750,000) 750,000
2023		
<i>Sensitivity</i>	<i>Change in foreign exchange rates</i>	<i>Impact to profit after tax</i> <i>KHR'000</i>
JPY	- 9.43% Depreciation + 9.43% Appreciation	20,651,000 (20,651,000)
US\$	- 0.85% Depreciation + 0.85% Appreciation	(653,000) 653,000

The table below summarizes PAS's exposure to foreign currency exchange rate risk at 31 December 2024 and 31 December 2023. Below table is the financial instruments at carrying amount by currency in KHR'000 equivalent.

	<i>In equivalent KHR'000</i>			
	<i>JPY</i>	<i>US\$</i>	<i>KHR</i>	<i>Total</i>
2024				
Financial assets				
Trade and other receivables, gross	-	47,849,173	1,527,667	49,376,840
Placements with banks	-	114,001,584	9,812,591	123,814,175
Cash and cash equivalents	-	26,678,706	507,161	27,185,867
	-	188,529,463	11,847,419	200,376,882
Financial liabilities				
Loans and borrowings	(329,738,569)	(74,516,307)	-	(404,254,876)
Trade and other payables	-	(27,794,001)	-	(27,794,001)
Refundable deposit from lessees	-	(1,006,250)	-	(1,006,250)
	(329,738,569)	(103,316,558)	-	(433,055,127)
Net position	(329,738,569)	85,212,905	11,847,419	(232,678,245)

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

31. FINANCIAL RISK MANAGEMENT (continued)

31.1 Financial risk factors (continued)

Market risk (continued)

Foreign exchange risk (continued)

	In equivalent KHR'000			
	JPY	US\$	KHR	Total
2023				
Financial assets				
Trade and other receivables, gross	-	43,159,380	4,827,834	47,987,214
Placements with banks	-	153,240,442	6,146,430	159,386,872
Cash and cash equivalents	-	18,570,054	771,760	19,341,814
	-	214,969,876	11,746,024	226,715,900
Financial liabilities				
Loans and borrowings	(273,801,778)	(113,293,057)	-	(387,094,835)
Trade and other payables	-	(4,638,394)	-	(4,638,394)
Refundable deposit from lessees	-	(1,021,250)	-	(1,021,250)
	(273,801,778)	(118,952,701)	-	(392,754,479)
Net position	(273,801,778)	96,017,175	11,746,024	(166,038,579)

Credit risk

PAS is exposed to credit risk primarily with respect to trade and other receivables, placements with banks, and cash in banks carried at amortized cost.

Risk management

To manage risk from trade and other receivables, PAS requires a deposit from each shipping line before handling any transactions for the shipping line. No deposit is required for governmental departments as PAS believes that it can collect trade and other receivables from such departments through the MoEF (which finances such departments). Deposits are not obtained from shipping lines that use PAS's services infrequently as such these shipping lines are required to make payment on delivery of the services. PAS has a deposit deduction policy for customers that have not settled their debts in accordance with the credit terms and conditions. PAS's exposure to credit risk on trade and other receivables is limited to the carrying amount of the receivables less allowance for expected credit losses of the receivables based on a review of all outstanding amounts at year-end. There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

For placements with banks and cash at banks, placements are made only to reputable banks and financial institutions.

Security

For some trade receivables, PAS obtains security in form of cash deposits which can be called upon if the counterparty is in default under the terms of the agreement.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

31. FINANCIAL RISK MANAGEMENT (continued)

31.1 *Financial risk factors* (continued)

Credit risk (continued)

Impairment of financial assets

PAS has financial assets which are cash and cash equivalents excluding cash on hand, placements with banks and trade receivables that are subject to the expected credit loss model.

There is no significant concentration of credit risk with respect to cash and cash equivalents, placements with banks. Based on the impairment requirements of CIFRS 9, the identified impairment losses were immaterial because PAS has deposited with well-known banks with no history of default.

Trade receivables

PAS applies the CIFRS 9 simplified approach to measuring ECL which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

PAS's trade receivables generally consist of receivables ranging from 31 to 39 debtors from year 2015 to 2024. Based on PAS's historical credit loss experience for trade receivables, there were no cases of default in the past ten (10) years. All invoices were paid within one year.

The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. PAS has identified the GDP growth rate of Cambodia in which it sells its services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan, and a failure to make contractual payments for a period of greater than specified past due days to be approved by the Board of Directors.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

On that basis, ECL allowance as at 31 December 2024 and 31 December 2023 was determined as follows for trade receivables:

	2024		
	<i>Expected loss rate</i>	<i>Gross carrying amount</i>	<i>ECL allowance</i>
	%	KHR'000	KHR'000
Current	0%	20,029,474	-
1 - 30 days past due	0%	21,367,724	-
31 - 60 days past due	0%	2,383,940	-
61 - 90 days past due	0%	949,182	-
91 - 120 days past due	0%	369,341	-
More than 120 days past due	(*) 3.65%	2,853,669	104,157
		47,953,330	104,157

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

31. FINANCIAL RISK MANAGEMENT (continued)

31.1 Financial risk factors (continued)

Credit risk (continued)

Impairment of financial assets (continued)

	2023		
	Expected	Gross carrying	ECL allowance
	loss rate	amount	
	%	KHR'000	KHR'000
Current	0%	20,631,091	-
1 - 30 days past due	0%	18,191,701	-
31 - 60 days past due	0%	2,054,508	-
61 - 90 days past due	0%	708,197	-
91 - 120 days past due	0%	162,061	-
More than 120 days past due	(*) 9.37%	1,557,720	145,898
		43,305,278	145,898

(*) The impact of the measurement of ECL is due to changes in probability of default ("PD") arising from the forward-looking adjustment on the macroeconomic forecasts.

Liquidity risk

PAS's exposure to liquidity risk arises from the general funding of its business activities. It includes the risk of being unable to fund business activities in a timely manner.

PAS has a policy to maintain sufficient cash for its operations and uses credit facilities together with its own funds to pay for capital investments.

PAS had access to the following undrawn loan and borrowing facilities at the end of year:

	2024	2023
	KHR'000	KHR'000
Fixed rate		
Unused overdrafts (expiring within one year)	-	125,875
Undrawn borrowings (expiring beyond one year)	1,568,103,845	1,903,799,674
	1,568,103,845	1,903,925,549

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

31. FINANCIAL RISK MANAGEMENT (continued)

31.1 Financial risk factors (continued)

Liquidity risk (continued)

The maturity profile of PAS's financial assets that are used to manage liquidity and financial liabilities is summarized as follows:

	2024			2023		
	Within one year	More than one year	Total	Within one year	More than one year	Total
	KHR'000	KHR'000	KHR'000	KHR'000	KHR'000	KHR'000
Financial assets						
Trade and other receivables	49,376,840	-	49,376,840	47,987,214	-	47,987,214
Placements with banks	117,311,242	6,502,933	123,814,175	159,386,872	-	159,386,872
Cash and cash equivalents	27,185,867	-	27,185,867	19,341,814	-	19,341,814
	193,873,949	6,502,933	200,376,882	226,715,900	-	226,715,900
Financial liabilities						
Loans and borrowings	26,527,706	377,727,170	404,254,876	59,035,225	328,059,610	387,094,835
Trade and other payables	27,794,001	-	27,794,001	4,638,394	-	4,638,394
Refundable deposits from lessees	-	1,006,250	1,006,250	-	1,021,250	1,021,250
	54,321,707	378,733,420	433,055,127	63,673,619	329,080,860	392,754,479

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

31. FINANCIAL RISK MANAGEMENT (continued)

31.1 Financial risk factors (continued)

Liquidity risk (continued)

The table below analyses PAS's financial liabilities by the remaining period until the maturity date as at the balance sheet date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	<i>Within 1 year</i>	<i>Between</i>	<i>Between</i>	<i>Over 5 years</i>	<i>Total contractual</i>	<i>Carrying amount</i>
	<i>KHR'000</i>	<i>1 and 2 years</i>	<i>2 and 5 years</i>	<i>KHR'000</i>	<i>cash flows</i>	<i>liabilities</i>
	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>	<i>KHR'000</i>
2024						
Loans and borrowings	33,100,349	32,448,408	96,825,403	336,307,190	498,681,350	404,254,876
Trade and other payables	27,794,001	-	-	-	27,794,001	27,794,001
Refundable deposits from lessees	-	-	-	1,006,250	1,006,250	1,006,250
	60,894,350	32,448,408	96,825,403	337,313,440	527,481,601	433,055,127
2023						
Loans and borrowings	67,886,440	34,794,467	100,151,523	255,627,499	458,459,929	387,094,835
Trade and other payables	4,638,394	-	-	-	4,638,394	4,638,394
Refundable deposits from lessees	-	-	-	1,021,250	1,021,250	1,021,250
	72,524,834	34,794,467	100,151,523	256,648,749	464,119,573	392,754,479

31.2 Capital risk management

PAS's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

PAS does not have a specific policy on gearing ratios.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

31. FINANCIAL RISK MANAGEMENT (continued)

31.2 *Capital risk management* (continued)

Dividends

On 21 June 2024 and 9 June 2023, the Board of Directors approved to distribute the dividends in respect of profit of the financial year ended 31 December 2023 and 31 December 2022, respectively, as follows:

	2024 <i>KHR'000</i>	2023 <i>KHR'000</i>
Dividends paid to Class B shares	5,000,000	3,986,442
Dividends paid to Class C shares	10,807,268	9,735,118
Total dividends paid	15,807,268	13,721,560

31.3 *Fair value of financial assets and financial liabilities measured at amortized cost*

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

- (a) *Cash and cash equivalents and placements with banks* - 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) *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.
- (d) *Loans and borrowings* - The fair value is estimated based on discounted future cash flows based on market interest rate which reasonably approximate their carrying values.

Fair value hierarchy

PAS uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique:

- Quoted prices in active markets for identical assets or liabilities (Level 1);
- Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

There were no transfers between Level 1 and Level 2 fair value measurements and no transfers into and out of Level 3 fair value measurements.

Offsetting of financial assets and financial liabilities

There were no offsetting of financial assets and financial liabilities during the year.

SIHANOUKVILLE AUTONOMOUS PORT

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2024

32. TAXATION CONTINGENCY

The taxation system in Cambodia is characterized by numerous taxes and frequently changing legislation, which is often unclear, contradictory and subject to interpretation. Often, differing interpretations exist among numerous taxation authorities and jurisdictions. Taxes are subject to review and investigation by a number of authorities, who are enabled by law to impose severe fines, penalties and interest charges. Management believes that it has adequately provided for tax liabilities based on its interpretation of tax legislation. However, the relevant authorities may have differing interpretations and the effects could be significant.

33. EVENTS AFTER THE REPORTING PERIOD

Other than those which are disclosed in financial statements, there have been no significant events occurring after the reporting date which would require adjustments or disclosures to be made in the financial statements.



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