

KINGDOM OF CAMBODIA

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DISCLOSURE DOCUMENT FOR INITIAL PUBLIC OFFERING OF EQUITY SECURITIES

Phnom Penh Autonomous Port (PPAP):

PPAP is an international container port operator in Cambodia. PPAP is both the largest river port operator and port authority within the Phnom Penh Port Commercial Zone as stipulated in Anukret No. 01 ANK.BK dated on 5th January, 2009. The Phnom Penh Port Commercial Zone is 160 km long, stretching from Thbong Khmum Province to the border of Cambodia – Vietnam at Kaom Samnor. PPAP has the exclusive right as the port operator within the Phnom Penh Port Commercial Zone in accordance with the Notification Letter No.600 សន្យាសេចក្តី from Office of Council of Ministers dated 23rd April, 2015. Currently, PPAP operates 4 main terminals within the Phnom Penh Port Commercial Zone: 1-Container Terminal (LM17), 2-Multi-purpose Terminal (TS3), 3-Passenger Terminal (TS1), 4-Tonle Bet Terminal (UM2). PPAP also operates Inland Container Depot (ICD) to facilitate the storing of containers. PPAP's main businesses are handling of containers and general cargoes, storage service, stuffing/un-stuffing. The number of container throughput doubled at a CAGR of 21.05% from 62,256 TEUs in 2010 to 133,666 TEUs in 2014.

As of 31st December, 2014, PPAP has total asset of USD 151.81 million, total equity of USD 119.47 million, total revenue of USD 13.29 million, total cost of service of USD 5.31 million, total general administration and selling expense of USD 4.19 million and net profit of USD 2.15 million. Total revenue of PPAP doubled over the last four years at a CAGR of 21.21% from USD 6.16 million in 2010 to USD 13.29 million in 2014.

Offering share:

In accordance with the Articles of Incorporation, PPAP has the initial capital of USD 110,316,612 which composes of 16,547,492 Class B Voting shares and 93,769,120 of Class C Non-voting shares. Each class of share has the par value of KHR 4,000 per share. The total value of Class B Voting shares is USD 16,547,492 and the total value of Class C Non-voting shares is USD 93,769,120.

PPAP will issue 4,136,873 of Class A Voting shares at KHR 5,120 (USD 1.256) per share.

ក្រុមហ៊ុនមូលបត្រម៉ាណាស៊ីកម្ពុជាឥណ្ឌូមូលបត្រ



យ៉ាន់តា ស៊ីឃ្យូរីពី (ខេមបូឌា) ភីអិលស៊ី
Yuanta Securities (Cambodia) Plc

The information in this preliminary Disclosure Document is not complete and may be changed. This Preliminary Disclosure Document is not an offer to sell the securities and we are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Disclosure Document for Public Issuance of Equity Securities (Public Offering)

* Please note that this Draft Red Herring Disclosure Document (hereinafter referred to as the “Disclosure Document” for convenience) has been prepared for the purpose of the Book Building and is intended solely for use and distribution during the Book Building Process as contemplated by the Underwriter hereof. This Disclosure Document does not contain the full particulars of the final terms of the offering such as, without limitation, the offering price and quantity of equity securities that will be issued and offered by Phnom Penh Autonomous Port (“PPAP”) to the employees, individuals and institutions; each of which will be classified as either Cambodian Investors or Non-Cambodian Investors as stipulated under Section 2: Details of Public Offering 12- Allotment Plan of Equity Securities, upon obtaining the Final Approval from the Securities and Exchange Commission of Cambodia (“SECC”).



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*If you are in doubt about any of the content of this Disclosure Document,
you should seek independent professional advice.*



PPAP (Phnom Penh Autonomous Port)

Class of Offer Shares	: Class A (Voting) Shares
Number of Offer Shares	: 4,136,873 shares
Offer Price	: KHR 5,120 (USD 1.256) per Offer Shares payable in full in Khmer Riels/ USD upon application
Par value	: KHR 4,000
Offering Amount	: KHR 21,180,789,760 (USD 5.19 million)
Stock Code	: KH1000040001

Sole Underwriter, Bookrunner and Lead Manager



This Disclosure Document is based on information and materials provided by Phnom Penh Autonomous Port (“PPAP”) and other sources that PPAP believes to be reliable. The Underwriter makes no representation or warranty, express or implied, as to the accuracy or completeness of such information and materials, and nothing contained in this Disclosure Document is, or shall be relied upon or construed as a promise, undertaking or representation by the Underwriter. The Underwriter assumes no responsibility or liability for the accuracy or completeness of information and the materials that are contained or referred to in this Disclosure Document.

Each person receiving or viewing this Disclosure Document acknowledges that such person has not relied on the Underwriter or any person affiliated with the Underwriter in connection with its investment decisions or the investigation of the accuracy or completeness of the information or materials contained in this Disclosure Document. Neither PPAP nor the Underwriter is making any representation to the aforementioned person regarding the legality of the bid, subscription and purchase of, or investment in, PPAP’s equity securities by such person. This Disclosure Document and all information and materials contained herein and their distribution or transmission must not, under any circumstances, be considered as legal, business or investment advice.

This Disclosure Document (the so-called “Draft Red Herring Disclosure Document” as defined in the inner cover of this Disclosure Document) has been prepared for the purpose of obtaining an Approval in Principle from the Securities and Exchange Commission of Cambodia (the “SECC”) and is intended solely for use and distribution during the Book Building and subscription Process as contemplated by the Underwriter hereof. This Disclosure Document, as it currently stands, includes the final terms of the Offering Price which was determined by agreement between PPAP and the Underwriter at the Price Determination Date or such later time as may be agreed by PPAP and the Underwriter. PPAP, with the prior consent of the Underwriter, may change certain parts of the Disclosure Document at any time prior to the registration with the SECC. In such a case, a notice of adjustment will be announced on the SECC’s website, <http://www.secc.gov.kh/>, no later than the morning of 1 day before the registration.

The investors should note that any approval or registration of this Disclosure Document from the SECC is not an indication that the SECC either recommends the subscription of (or “an investment in”) PPAP’s equity securities or assumes the responsibility for the accuracy of information, opinion or statement contained in this Disclosure Document.

Investors should rely on their own valuations or assessments as to the soundness of and the risks associated with the investment in PPAP’s equity securities by considering the objective of the investment, risk profile, their own financial position and so on. If investors have any doubt about this Disclosure Document or any of the matters contained herein, they should consult with qualified securities firms, investment advisors, or other professional advisers.

The distribution of this Disclosure Document and the offer and sale of the Offer Shares may be illegal in certain jurisdictions. PPAP and the Underwriter require persons into whose possession this Disclosure Document may come, to inform themselves of and observe any restrictions which may apply to this Disclosure Document and the offer and sale of the Offer Shares in relevant jurisdictions. This Disclosure Document does not constitute an offer of any securities, or any offer to sell, or a solicitation of any offer to buy any equity securities of PPAP in any jurisdiction, to or from any person to whom it is unlawful to make such an offer in such jurisdictions.

Any person in any jurisdiction outside Cambodia, in which the distribution of the Disclosure Document and the offer and sale of the Offer Shares is not restricted, must seek professional advice in relation to the contents of this Disclosure Document, and the relevant laws and system of taxation in Cambodia.

កំពង់ផែស្វយ័តភ្នំពេញ **PPAP (Phnom Penh Autonomous Port)**

Name of the Company: PPAP (Phnom Penh Autonomous Port)

Address: #649, Prah Sisowat, Sangkat Sras Chork, Khan Doun Penh, Phnom Penh

Website: www.ppap.com.kh

E-mail: ppapmpwt@online.com.kh

Phone number: +855 (0)23 427 802

Fax number: +855 (0)23 427 802

Company registration number: Co.7175 Et/2004

Date: 23 November 2004

License number: 0127 MOC/D/REG

Date: 05 January 2015

EQUITY SECURITIES ISSUANCE

Registration number:.....074/15/SECC/Resolution.....

Issued by SECC, Date:.....10 November 2015.....

Underwriter

Yuanta Securities (Cambodia) Plc.

This Disclosure Document and any supplementary materials can be obtained at:

- PPAP (Phnom Penh Autonomous Port): Prah Sisowat, Sangkat Sras Chork, Khan Doun Penh, Phnom Penh, Cambodia
- Yuanta Securities (Cambodia) Plc.: #138, 2F Paragon, Norodom Blvd., Phnom Penh, Cambodia
- ACLEDA Bank Plc. and ACLEDA Securities Plc. (Refer to Section 2, b-9- Book Building place)
- SECC: #99, Street 598, Sangkat Phnom Penh Thmei, Khan Sen Sok, Phnom Penh, Cambodia
- CSX: CSX Building, St. Preah Mohaksat Treiyani Kossamak (St.106), Sangkat Wat Phnom, Khan Doun Penh, Phnom Penh, Cambodia

Date: 04 November 2015

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Note to Investors

The Company's directors have approved the Khmer version of Disclosure Document for public issuance of equity securities. The members of Board of Directors jointly and severally take full responsibility for the accuracy of the information contained in the Khmer version of Disclosure Document. Having made all reasonable enquiries and to the best of his/ her knowledge and belief, the Board assures that there is no false or misleading statement or other facts if omitted would make any statement in the Khmer version of Disclosure Document false or misleading.

The Securities and Exchange Commission of Cambodia (SECC) has approved our Public Offering in principle and a final copy of the Khmer version of this Disclosure Document will be registered and filed with the SECC. The approval and registration of the Khmer version of this Disclosure Document is not an indication that the SECC recommends the subscription of this (or "investment in this") securities offering or assumes responsibility for the accuracy of information, opinion or statement contained in this Disclosure Document.

The SECC is neither liable for any non-disclosed information and the content of this Disclosure Document, nor certify its accuracy or completeness. The SECC is not liable for any loss that investors may suffer from a whole or part of the content of this Disclosure Document.

Investors should rely on his/ her own valuations to assess the accuracy and risks related to the Public Offering to invest in the Company by considering the objective of the investment, risk profile, his/her own financial position and so on. If investors have any doubt about this Disclosure Document or in considering the investment, they should consult with securities firms, investment advisors, or other professional advisers.

4 November 2015

H.E. Hei Bavy
Chairman and CEO

The Tentative Timetable for the Offering

Events	Tentative Date
Opening date of the Book Building	19 October 2015 From 8:00am to 12:00pm From 1:00pm to 5:00pm
Closing date of the Book Building	22 October 2015 At 5:00pm
Notice date to Successful Investors from the Book Building	11 November 2015
Opening date of subscription	12 November 2015 From 8:00am to 12:00pm From 1:00pm to 5:00pm
Closing date of subscription	17 November 2015 At 5:00pm
Date for dispatch of notices of successful applicants	20 November 2015
Date of subscribed equity securities allotment	20 November 2015
Listing date	11 December 2015

Note: Business hours are 8:00am to 12:00am and 1:00pm to 5:00pm except for weekends and official national holidays in Cambodia.

The tentative timetable is subject to change if necessary to facilitate the implementation of procedures. The subscription remains open until 5:00pm on 17 November 2015.

In case the closing date of subscription is delayed and notification is made, the date of allotment and listing date shall be extended accordingly. PPAP shall notify the public via both Khmer and English newspapers accredited by the SECC.

Summary of the Guideline on the Book Building and Subscription of Equity Securities

In accordance with the Law on Issuance and Trading of Non-government Securities No. NS/RKM/1007/028 dated on 19 October 2007, Anukret on the Implementation of the Law on Issuance and Trading of Non-government Securities No. 54 ANK. BK. dated on 8 April 2009, Prakas No. 001 SECC on Public Issuance of Equity Securities dated on 15 January 2010 and other relevant regulations in effect, and in order to ensure the smooth implementation and functioning of the IPO process, the Guideline on the Book Building and Subscription of Equity Securities has been issued by the SECC. The summary of the Guideline is as follows:

I. Book Building Stage

- 1 After receiving the SECC's approval in principle on the public offering of equity securities, the Company (i.e., the issuer) shall, with the advice of the Underwriter, prepare for the Book Building by making a public announcement to invite prospective investors for their participation.
- 2 To encourage investors to actively participate in the Book Building and to ensure that the price of equity securities reflects the market demand, the equity securities which are placed for the Book Building shall be equal to 70% of the total equities securities remaining after deduction for Strategic Investors and Employee Stock Ownership Plan ("ESOP") in case the Company has implemented such a policy through the ESOP. The remaining 30% will be reserved for subscription by the Unsuccessful Investors and investors who did not participate in the Book Building.
- 3 An investor who participates in the Book Building shall complete the Book Building Form as determined by the SECC. In the Book Building Form, the investor shall select a single bid price within the price range of the equity securities prescribed in the Disclosure Document that has been approved in principle by the SECC. The investor shall also indicate the quantity of the equity securities which the investor intends to subscribe.
- 4 An investor who has participated in the Book Building shall make a deposit for the amount which equals to 10% of the total value of the equity securities that the investor has bid on the Book Building Form (the "10% Deposit").
- 5 After the completion of the Book Building, the Company shall, with the advice of the Underwriter, determine the Offering Price of the equity securities and request for an approval from the SECC with an attached list of Successful and Unsuccessful Investors from the Book Building.
- 6 A Successful Investor from the Book Building refers to an investor who has selected in his or her Book Building Form, a price that is equal to or higher than the Offering Price. The Company, with the advice of the Underwriter, shall calculate the Offering Price using the weighted-average method based on the price and the quantity of equity securities that investors have selected and indicated in the Book Building Form.
- 7 The Offering Price calculated pursuant to the foregoing paragraph may be adjusted in order to reflect the market situation by obtaining an approval from the SECC.

- 8 Immediately after the final approval for the registration of the Disclosure Document, the Company shall, with the advice of the Underwriter, inform the Successful Investors and the Unsuccessful Investors from the Book Building. At the same time, the Company shall refund the 10% Deposit to the Unsuccessful Investors from the Book Building or keep it in case where any one of such Unsuccessful Investors decides to continue to participate in the subscription process.

II. Subscription Stage of Equity Securities

- 9 A Successful Investor from the Book Building may subscribe for a quantity of equity securities in excess to the quantity that has been reserved from the Book Building by making additional required deposits in respect of the actual quantity of equity securities that the investor subscribes.
- 10 An Unsuccessful Investor from the Book Building wishing to continue to participate in the subscription may subscribe for the equity securities by making additional required deposits in respect of the actual quantity of equity securities that the investor subscribes.
- 11 An investor who did not participate in the Book Building may participate in the subscription by making a deposit in the amount that is no less than 100% of the total value of the amount of equity securities that the investor intends to subscribe.
- 12 Successful Investors from the Book Building shall submit their Subscription Forms. During the subscription period, provided that the total quantity of equity securities subscribed by the Successful Investors exceeds the quantity that has been reserved for the Successful Investors from the Book Building, any of the other Successful Investors who have not submitted their Subscription Forms shall be entitled to withdraw their 10% Deposit.
- 13 In case the Successful Investors subscribe for an amount of equity securities in excess to the amount of equity securities that has been reserved from the Book Building, the Company shall, with the assistance of the securities registrar, allot the equity securities to the Successful Investors from the Book Building on a pro-rata basis.
- 14 In case the Successful Investors subscribe for a quantity of equity securities in excess to the quantity of equity securities that has been reserved for the Successful Investors from the Book Building, then notwithstanding Paragraph 13 in the foregoing, the SECC may exercise its discretion to allot Successful Investors with any additional quantity of equity securities that has been oversubscribed by the Successful Investors provided that such additional quantity does not exceed 2/3 of the total quantity of equity securities that has initially been reserved for other investors including the Unsuccessful Investors and the investors who did not participate in the Book Building process.
- 15 After completion of the subscription process, if there are subscribers who did not get their respective portion of equity securities that they subscribed, the Company shall, with the advice of the Underwriter, refund the overpaid amount from the subscription to the corresponding subscribers.
- 16 With respect to the Successful Investors who have submitted their Subscription Forms, if the total quantity of equity securities that they have subscribed is less than the quantity of equity securities that has been reserved for the Successful Investors from the Book Building, then all such Successful Investors shall be deemed to have subscribed to the

quantity of equity securities that at least equals 10% of the total quantity of equity securities bid during the Book Building.

17. Without prejudice to Paragraph 16 in the foregoing, in case that the total quantity of equity securities subscribed by the Successful Investors is less than the quantity of equity securities that has been reserved for Successful Investors from the Book Building, the Company shall, with the assistance of the securities registrar, allot such Successful Investors with the quantity of equity securities that they have subscribed. Thereafter, any remaining quantity of equity securities shall be allotted to the other investors including the Unsuccessful Investors and the investors who did not participate in the Book Building process.
18. In case that the total amount of equity securities that has been subscribed by Unsuccessful Investors and investors who did not participate in the Book Building exceeds the amount of equity securities that has been reserved for these particular group of investors, the Company, with the assistance of the securities registrar, shall allot the relevant equity securities on a pro-rata basis.
19. In case that the total amount of equity securities that has been subscribed by Unsuccessful Investors and investors who did not participate in the Book Building is less than the amount of equity securities that has been reserved for these particular group of investors, the Company, with the assistance of the securities registrar, shall allot the equity securities to such investors in accordance with their respective subscription, and the remainder of equity securities shall be allotted to the Successful Investors from the Book Building provided that these Successful Investors have subscribed for equity securities in excess to the amount that has been reserved for them in the Book Building.
20. In case that there is any equity securities remaining after the subscription process as prescribed in this Guideline, the Company's designated underwriter(s) shall subscribe to all such securities including the fractional number of unsubscribed equity securities remaining after the allotment process that has been agreed to by the Company and its designated underwriter(s) in accordance with this Guideline.
21. After completion of the subscription of equity securities, the Company, with the advice of its underwriter(s) and the assistance of the securities registrar, shall prepare a report on the result of the subscription and immediately submit such report to the SECC for review and approval.

Abbreviations

AIS	Automatic Identification System
AOI	Article of Incorporation
APEC	Asia-Pacific Economic Cooperation
BOT	Build-Operate-Transfer
CIFRS	Cambodia International Financial Reporting Standards
COM	Office of Council of Ministers
CMI	Cambodia Maritime Institute
CSX	Cambodia Security Exchange
CY	Container Yard
DWT	Deadweight Tonnage
EDC	Electricité du Cambodge
EXIM Bank	The Export-Import Bank of China
FTB	Foreign Trade Bank of Cambodia
GIZ	The Deutsche Gesellschaft für Internationale Zusammenarbeit
IPO	Initial Public Offering
ICD	Inland Container Depot
IMDG Code	International Maritime Dangerous Goods Code
ISPS Code	International Ship and Port Facility Security Code
JICA	Japan International Cooperation Agency
KAMSAB	Kampuchea Shipping Agency and Brokers
KOICA	Korea International Cooperation Agency
LCL	Less Container Load
LM17 / NCT	New Container Terminal / Container Terminal
LOLO	Lift-on, Lift-off
MEF	Ministry of Economy and Finance
MME	Ministry of Mine and Energy
MPWT	Ministry of Public Works and Transport
MSL	Mekong Sentosa Logistics
PAS	Sihanoukville Autonomous Port
PCF	Pan Container Freight
PPAP	Phnom Penh Autonomous Port
RTG	Rubber Tyred Gantry Crane
SECC	Securities and Exchange Commission of Cambodia

SHE	Safety, Health, Environment
TCC	Travelling Cargo Crane
TEUs	Twenty-foot Equivalent Units
TOS	Terminal Operating System
TS1	Passenger and Tourist Terminal
TS3	Existing Container Terminal / Multipurpose Terminal
UM2	Tonlé Bet Terminal

Definitions

Unless otherwise marked hereunder, the following definitions are direct English translations of the definitions prescribed in the relevant securities-related laws and regulations of Cambodia including, but not limited to, the Law on Issuance and Trading of Non-government Securities No. 54 ANK. BK. dated 8 April 2009, the Securities and Exchange Commission of Cambodia (“SECC”) Regulations and the Cambodia Securities Exchange (“CSX”) Rules as promulgated and amended from time to time, and such definitions do not necessarily reflect the definitions as used in accounting standards, international markets or jurisdictions outside of Cambodia.

- **Absolute Valuation:** Absolute valuation models attempt to find the intrinsic or “true” value of an investment based only on fundamentals. Those fundamentals are dividends, cash flow, and growth rate for a single company, and not worry about any other companies. Valuation models that fall into this category include the dividend discount model, discounted cash flow model, etc.
- **AOI:** A set of documents filed with a government body for the purpose of legally documenting the creation of a corporation. Articles of incorporation typically contain pertinent information such as the firm's address, profile, distribution of corporate powers and the amount/type of stock to be issued.
- **Audit Committee:** A committee of the board responsible for review and oversight of the Listed Public Enterprise’s financial statement, internal and external controls and auditing.
- **Board of Directors:** A committee elected by the company's stockholders at their annual meeting. The board carries out tasks described in the company's articles of incorporation such as appointing corporate officers, issuing shares of stock, and declaring dividends. The board members usually include many of the company's top executives, called inside directors, as well as some members of the broader financial community who are not employed by the company, called outside directors.
- **Book Building:** A process contemplated under the SECC’s Guideline on the Book Building and Subscription of Equity Securities which involves the surveying and gathering of information relating to the investors’ demand for, or participation in the subscription of, the shares that are to be publicly offered by the issuing company in question for the purpose of determining the most appropriate offering price for such shares.
- **Business Day:** A day in which normal business is conducted in the country in question. This is generally considered to be Monday through Friday and excludes weekends and public holidays.
- **Cambodian Investor:** A natural person who has Cambodian nationality or a legal entity in which no less than 51% of its total share capital is owned by a person or persons having Cambodian nationality.
- **Capitalization:** The total dollar market value of all of a company's outstanding shares. Market capitalization is calculated by multiplying a company's shares outstanding by the current market price of one share. The investment community uses this figure to determining a company's size, as opposed to sales or total asset figures.

- **Comparative Valuation:** Relative Valuation Models operate by comparing the company in question to other similar companies. These methods generally involve calculating multiples or ratios, such as the price-to-earnings (P/E) multiples, and comparing them to the multiples of other comparable firms.
- **Depository Receipt:** A negotiable financial instrument issued by a bank to represent a foreign company's publicly traded securities. The depository receipt trades on a local stock exchange.
- **Derivative Instrument:** A security whose price is dependent upon or derived from one or more underlying assets. The derivative itself is merely a contract between two or more parties. Its value is determined by fluctuations in the underlying asset. The most common underlying assets include stocks, bonds, commodities, currencies, interest rates and market indexes. Most derivatives are characterized by high leverage.
- **Director:** A person who serves on a company's board of directors. Any person who leads or supervises a project or entity.
- **Disclosure Document:** A document that describes a financial security for potential buyers with a description of the company's business, financial statements, biographies of officers and directors, detailed information about their compensation, any litigation that is taking place, a list of material properties and any other material information.
- **Employee Stock Ownership Plan (ESOP):** A program enabling corporate employees to purchase their company's stock. ESOPs are often a method of rescuing a company or facility which would close if employees did not grant wage concessions in exchange for ownership rights.
- **Enterprise Value:** A measure of a company's value, often used as an alternative to straightforward market capitalization. Enterprise value is calculated as market cap plus debt, minority interest and preferred shares, minus total cash and cash equivalents.
- **Equity Securities:** Any stock that represents ownership in the issuing company, including common stock, preferred stock and warrants.
- **EV/EBITDA:** This valuation metric is calculated by dividing a company's "enterprise value" by its earnings before interest expense, taxes, depreciation and amortization (EBITDA). Such multiple serves as a proxy for how long it would take for an acquisition to earn enough to pay off its costs (assuming no change to EBITDA).
- **Executive Director:** A director who holds position as a senior officer in the company.
- **Free Float:** The number of shares available to the public. Float is calculated by subtracting the shares held by insiders, and those deemed stagnant shareholders, from the total shares outstanding that appear on the security's DES page. Stagnant shareholders include Employee Stock Ownership Plans (ESOP), Employee Stock Ownership Trusts (ESOT), Qualifying Employee Share Ownership Trusts (QUEST), employee benefits trusts, board members, directors, executives, corporations not actively managing money, government ownership, and venture capital companies.
- **Independent Director:** A member of a company's board of directors who was brought in from outside the company. Because an independent outside director has not worked with the

company for a period of time (typically for at least the previous year), he or she is not an existing manager and is generally not tied to the company's existing way of doing business

- **Initial Public Offering:** The first time an issuer sells stock to the public and is listed on an official exchange.
- **Investment Advisor:** A consultant who is not part of the underwriting syndicate and advises the issuer on matters pertinent to the issue, such as structure, timing, marketing, fairness of pricing, terms, and bond ratings.
- **Listed Entity:** A public limited company or permitted entity that is listed on the securities market approved in accordance with the Law and this Anukret.
- **Listing of Equity Securities:** Listing of shares on the CSX.
- **Lock-up:** Typically a legally binding contract between the underwriters and insiders of a company prohibiting these individuals from selling any shares of stock for a specified period of time. Lock-up periods typically last 180 days (six months) but can on occasion last for as little as 120 days or as long as 365 days (one year). In compliance with Cambodian regulations, Lock-up means an agreement preventing shareholders with controlling interest in voting share from selling or transferring their shares for a period of at least one year, and shareholders owning at least 15% of total shares from selling or transferring their shares for a period of at least six months after initial listing.
- **Net Worth:** The amount by which assets exceed liabilities. This term can be applied to companies and individuals.
- **New Securities:** A security that has not been previously issued or sold by the issuing company at the time a public offer in relation to the security is made in accordance with this Law.
- **Non-Executive Director:** A director, who doesn't execute daily operation in the Listed Public Enterprise, who is a non-executive director as the representative of private shareholders and public shareholders.
- **Nomination committee:** A committee that acts under the corporate governance area of an organization. A nomination committee is focused on evaluating the board of directors of its respective firm and on examining the skills and characteristics that are needed in board candidates. Nomination committees may also have other duties, which vary from company from company.
- **P/E:** A valuation ratio of a company's current share price compared to its per-share earnings, calculated as Market Value per Share/Earnings per Share. It determines how many times a stock (its price) is trading per each dollar of earnings per share.
- **Professional Independent Accountant:** A licensed accountant who has passed certain exams, has achieved a proficient amount of experience and has met all requirements designated by the state in which he practices. CPA's can prepare corporate and personal tax returns as well as usual accounting and auditing work.
- **Premium:** The amount for which a security is selling or is redeemed above its par value.

- **Private Shareholder:** A private individual or institution, as opposed to a government authority, public institution or public enterprise, who holds the Offered Shares of the Company.
- **Professional Advisor:** The advisors of a public limited company or permitted entity, includes a professional accountant, lawyer or securities dealer that provides advice to the company or entity.
- **Public Investor:** A member of the public in the Kingdom of Cambodia including a natural person or legal entity, who has the financial and legal capacity to invest in non-government securities issued and made public offer in the Kingdom of Cambodia by a limited company or permitted entity which is not an associate or subsidiary or related legal entity of that company.
- **Public Limited Company:** The standard legal designation of a company which has offered shares to the general public and has limited liability. A Public Limited Company's stock can be acquired by anyone and holders are only limited to potentially lose the amount paid for the shares.
- **Public Ownership:** The shares held by a public shareholder of a joint stock company's capital, held by the government, public institution or state-owned enterprise.
- **Public Shareholders:** The Royal Government represented by the MEF.
- **Record Date:** The date on which a holder of the security must be registered with the issuer in order to receive a coupon or dividend payment on the next payment date.
- **Risk Management Committee:** means a specialized committee of the board responsible for analyzing, evaluating, monitoring and reporting on Listed Public Enterprise's risks and risk management.
- **Securities and Exchange Commission of Cambodia:** The government agency that regulates and supervises the securities industry. The commission administers laws related securities, formulates and enforces rules to protect against malpractice, and seeks to ensure that companies provide the fullest possible disclosure to investors. All of the national exchanges and virtually all institutions in the securities industry fall under its jurisdiction.
- **Securities Certificate:** A document that verifies stock ownership and details such information as the security's par value, the number of shares involved, the issuing company's name, and the owner's name.
- **Securities Market:** The organized trading of stocks through exchanges as well as over-the-counter.
- **Senior Staff (Officer):** The staff working for a company in the position from Heads of Department to chief executive officer including the company secretary and head of internal audit and any other important positions.
- **Shareholders' Equity:** A company's total assets minus total liabilities.

- **Subscriber:** An investor who promises to buy a specific number of shares of a newly issued security.
- **Underwriting Agreement:** The contract between an underwriting syndicate and the security's issuer, with the agreement spelling out the terms, price, and account settlement details.
- **Voting Share:** Any issued shares in the company or entity that confer voting rights on the registered holder of such shares.
- **Stock Option:** The right to buy a specific number of shares within a particular time period at a specific price. Such an option is sometimes used as an employee incentive.

Disclaimer

GENERAL

This Disclosure Document is based on information and materials provided by PPAP and other sources that PPAP believes to be reliable. The Underwriter makes no representation or warranty, express or implied, as to the accuracy or completeness of such information and materials, and nothing contained in this Disclosure Document is, or shall be relied upon or construed as a promise, undertaking or representation by the Underwriter. The Underwriter assumes no responsibility or liability for the accuracy or completeness of information and the materials that are contained or referred to in this Disclosure Document.

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The investors and all other readers of this Disclosure Document hereby acknowledge and understand that only the Khmer version of this Disclosure Document has been approved in principle from and will be registered with the SECC and that this English version of the Disclosure Document and all the English translations contained herein are, for all intents and purposes, purely for reference only and for the convenience of the readers whose primary language is not Khmer. Such investors and readers further acknowledge and understand that, with any kind of translation between two different languages, the translation of a particular word or a phrase in one language may not completely accurately convey the full meaning of the corresponding word or a phrase in the other language. PPAP and the Underwriter and any of their respective directors, officers, employees, representatives or affiliates, shall not take or assume any kind of liability or responsibility whatsoever in connection with any matters that arise due to or as a result of any inaccuracy, incompleteness or omissions in the English translations of the Disclosure Document as between the Khmer version of the Disclosure Document.

FORWARD-LOOKING STATEMENTS

This Disclosure Document includes forward-looking statements that reflect PPAP's current views with respect to future events and financial and operational performance, including, but not limited to, statements relating to the risks specific to PPAP's business, the strengths of PPAP, and the implementation of strategic initiatives, as well as other statements relating to PPAP's future business development and financial performance. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "assumes", "projects", "forecasts", "estimates", "expects", "anticipates", "believes", "plans", "intends", "may",

“might”, “will”, “would”, “can”, “could”, “should” or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements are not historic facts. They appear in a number of places throughout this Disclosure Document and include statements regarding PPAP’s intentions, beliefs or current expectations concerning, among other things, financial position, operating results, liquidity, prospects, growth, strategies and the industry in which PPAP operates.

Prospective investors in the Shares are cautioned that forward-looking statements are not guarantees of future performance and that PPAP’s actual financial position, operating results and liquidity, and the development of the industry in which PPAP operates, may differ materially from those made in or suggested by the forward-looking statements contained in this Disclosure Document. PPAP cannot guarantee that the intentions, beliefs or current expectations upon which its forward-looking statements are based will occur.

By their nature, forward-looking statements involve and are subject to known and unknown risks, uncertainties and assumptions as they relate to events and depend on circumstances that may or may not occur in the future. Because of these known and unknown risks, uncertainties and assumptions, the outcome may differ materially from those set out in the forward-looking statements. Important factors that could cause those differences include, but are not limited to:

The effect of changes in demand and pricing for PPAP’s service; the potential number of customers and the capital cost of expansion; earnings, cash flow, dividends and other expected financial results and conditions; technological changes and new products and services introduced into PPAP’s market and industry; fluctuations of exchange rates; changes in general economic and industry conditions; political, governmental, social, legal and regulatory changes; access to funding; and taxation audits and reassessments.

Some of the risks that could affect PPAP’s future results and could cause results to differ materially from those expressed in the forward-looking statements are discussed in Section 3: Risk Factors.

The information contained in this Disclosure Document, including the information set out under Section 3: Risk Factors, identifies additional factors that could affect PPAP’s financial position, operating results, liquidity and performance. Prospective investors in the Shares are urged to read all sections of this Disclosure Document and, in particular, Section 3: Risk Factors for a more complete discussion of the factors that could affect PPAP’s future performance and the industry in which PPAP operates when considering an investment in PPAP.

Save as required by Cambodian Law, PPAP and the Underwriter undertake no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to PPAP or to persons acting on PPAP’s behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Disclosure Document.

DISCLAIMER IN RELATION TO REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS DISCLOSURE DOCUMENT

No person has been given the authorization to give any information or to make any representation, except as expressly contained in this Disclosure Document. If given or made, any such information or representation may not be relied upon as having been authorized by PPAP or the Underwriter.

PROSPECTIVE INVESTORS IN JURISDICTIONS OUTSIDE CAMBODIA

The distribution of this Disclosure Document and the offer and sale of the Offer Shares may be illegal in certain jurisdictions. PPAP and the Underwriter require persons into whose possession this Disclosure Document may come, to inform themselves of and observe any restrictions which may apply to this Disclosure Document and the offer and sale of the Offer Shares in relevant jurisdiction. This Disclosure Document does not constitute an offer of any securities, or any offer to sell, or a solicitation of any offer to buy any securities of PPAP in any jurisdiction, to or from any person to whom it is unlawful to make such an offer in such jurisdiction.

Any person in any jurisdiction outside Cambodia, in which the distribution of the Disclosure Document and the offer and sale of the offer shares is not restricted, must seek professional advice in relation to the contents of this Disclosure Document, and the relevant laws and system of taxation in Cambodia.

STATUS OF THE ENGLISH VERSION OF THIS DISCLOSURE DOCUMENT

The English version of this Disclosure Document is entirely for the convenience of the public investors who are unable to read Khmer. The prospective investor should use the Khmer version as material for making decision and the English version is served as a reference purpose only. The Khmer version of this Disclosure Document is the official version of the Disclosure Document that is approved and registered with the SECC.

TRANSLATION OF AMOUNTS INTO KHMER RIEL OR OTHER CURRENCIES

In this Disclosure Document, references to "\$," "U.S.\$," "USD" or "U.S. dollars" are to United States Dollars. In accordance with the Law on Corporate Accounts, Their Audit, and the Accounting Profession; PPAP prepares its accounts in the Khmer language and expresses amounts in Khmer Riels, which are referred to as "Riels" or "KHR."

In this Disclosure Document, references "\$," "U.S.\$," "USD" or "U.S. dollars" are to translations of certain amounts into United States Dollars at specified rates solely for the convenience of potential investors based on the fact that the USD is the de facto currency of commerce in the Kingdom of Cambodia. Unless otherwise indicated, the translation of KHR to USD is conducted at the rate of KHR 4,038 to USD 1. The exchange rate is the, KHR: USD exchange rate, published by the National Bank of Cambodia as of 31 December 2014.

No representation is made that the KHR, USD or any other currency amounts referred to in this Disclosure Document herein could have been or could be converted into KHR, USD or any other currency, as the case may be, at this rate, at any particular rate, or at all.

DISTRIBUTION

The electronic Disclosure Document in Khmer can be viewed or downloaded from the SECC website at www.secc.gov.kh or from the CSX website at www.csx.com.kh. A copy of Khmer version and English version of Disclosure Document are also available on PPAP's website (www.ppap.com.kh), Yuanta Securities' website (www.yuantacambodia.com) and appointed selling agents' websites. The electronic Disclosure Document may also be delivered to prospective investors or viewers by email upon their request. By receiving this Disclosure Document through electronic transmission such as, but not necessarily limited to, as an attachment of an e-mail that was dispatched or circulated by PPAP or the Underwriter or any of their affiliates, or by downloading this Disclosure Document from the internet websites described in the foregoing, the investors or any other viewers are deemed to have given their full acknowledgement and consent to all notices, disclaimers, conditions and statements contained or disclosed in this Disclosure Document. Such investors or viewers are reminded of the fact that this Disclosure Document and any of the content contained herein may subsequently be altered, changed or updated either (i) during the process of electronic transmission, (ii) pursuant to the applicable laws and regulations, (iii) for the purposes of final registration with the SECC or (iv) at the discretion of PPAP under proper authority, without informing or alerting such investors or viewers in advance.

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The aforementioned investors and viewers fully acknowledge that they will view the Disclosure Document only on the basis that they are lawfully allowed to do so under the laws of the jurisdiction in which they are located and are reminded that they are not authorized to deliver or forward this Disclosure Document, electronically or otherwise, to any other person.

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Conventions

Unless stated otherwise, certain financial data, where appropriate and applicable, in this Disclosure Document including, in particular, those contained under Section 7 are derived from the unqualified audited financial statements for the years ended 31 December 2012, 2013 and 2014 prepared in accordance with the Cambodian International Financial Reporting Standards ("CIFRS") and accordance with the Law on Corporate Accounts, Their Audit, and the Accounting Profession.

PPAP's fiscal year commences on 1 January and ends on 31 December of each year. Unless otherwise stated herein, references to a year is 31 December of that year. For example, a reference to 2014 in a table would be a reference to 31 December 2014.

All references to "Cambodia" contained in this Disclosure Document are to the Kingdom of Cambodia.

All references to KHR are to Khmer Riels, the official currency of the Kingdom of Cambodia.

SECTION 1: SUMMARY OF DISCLOSURE DOCUMENT

This section does not fully convey all of the information necessary to make an informed investment decision and evaluate the prospects of PPAP, and it does not necessarily contain or represent a summary of every aspect of this Disclosure Document. It is important that all readers including the prospective investors read the Disclosure Document in its entirety, and, in particular, the sections entitled Section 3: Risk Factors and Section 7: Financial Information for a further discussion of the factors that could affect the future performance of PPAP.

1- Overview of Phnom Penh Autonomous Port

Phnom Penh Autonomous Port is the largest river port operator and the second largest international container terminal port in Cambodia. Although the history of PPAP dates back to Year 1905, it was established on 17 July 1998 as a state-owned public enterprise under Anukret No. 51 ANK. BK. Wholly owned by the Ministry of Economy and Finance, the representative of the Royal Government of Cambodia, the Company is an autonomous entity with two main businesses within its Port Commercial Zone: Port authority and port operator.

In January 2009, the Royal Government of Cambodia awarded PPAP the exclusive river port operating license within a given port commercial zone. Its exclusive business coverage extends from Phnom Penh to:

- 1) Neak Leung at the Lower Mekong River (56km)
- 2) Tonle Bet at the Upper Mekong River (105km)
- 3) The Tonle Sap River (7km)

Within the zone, PPAP is given the authority to regulate and oversee private terminals including petroleum/ gas terminals and other general cargo terminals.

As the port authority, PPAP maintains navigation channels, installs aids to navigation, provides pilotage, tug assistance, mooring/ unmooring service, arranges berthing, and protects environment within its commercial zone. PPAP is authorized to collect port dues and charge fees on services such as pilotage, tug assistance, mooring/ unmooring, and shifting. PPAP operates its two dredgers mainly to maintain the navigation channel and ensure easy access to the Port. According to Prakas No 001 and 002 dated on 10 May 2015, PPAP may use the sand from dredging for commercial purposes.

As the port operator, PPAP has 4 main terminals: the New Container Terminal (LM17) along the Lower Mekong River in Kandal province, Tonle Bet Port (UM2) along the Upper Mekong River in Thbong Khmom province, Multipurpose Terminal (TS3) and the Passenger Terminal (TS1) along the Tonle Sap River in Phnom Penh. Its main business involves the basic functions of receiving, storing, stuffing/ un-stuffing, loading/ unloading, and trucking of both import and export containers. For the Passenger Terminal TS1, the main sources of income are port dues and passenger fees. Based on the Prakas on the Port Tariff of 1987, PPAP may also generate income from gate fees, tally fees, and stevedoring services on goods handled outside of PPAP's

terminals. PPAP charges 20% of its official stevedoring fees on the goods handled by other port operators within its commercial zone as if they were loaded/ unloaded at PPAP terminals. Besides from performing port's main functions, PPAP also generates additional income by leasing its assets such as land, building and other properties when deemed appropriate.

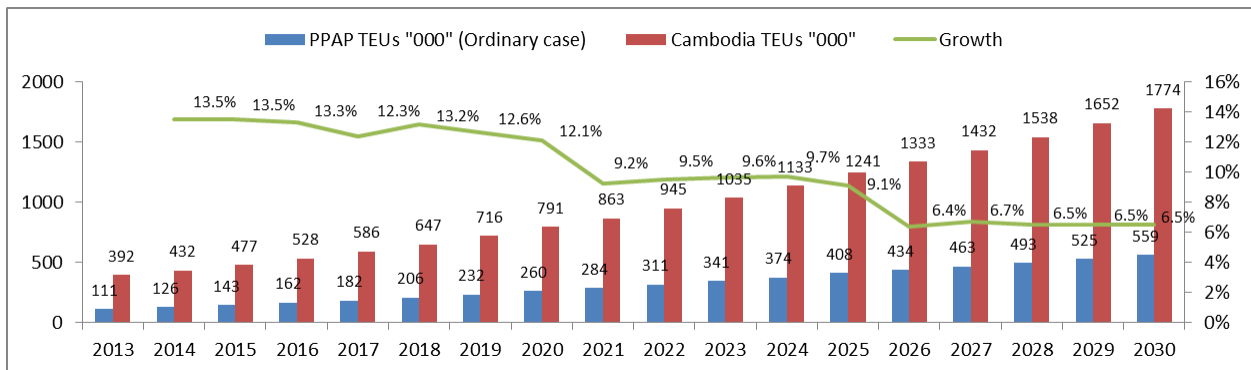
No.	Terminals	Code	Rivers	Type of cargo	Berth Specifications		
					Length (m)	Width (m)	Depth (m)
1	Passenger Terminal	TS 1	Tonle Sap	Passenger	45	15	5.3
2	Multipurpose Terminal	TS 3	Tonle Sap	General Cargo / Container	300	20	6.3
3	New Container Terminal	LM 17	Lower Mekong	Container Terminal	300	22	10
4	Tonle Bet Terminal	UM 2	Upper Mekong	General Cargo	N/A	N/A	5

Over the last 4 years, PPAP has not only shown solid growth but also exhibited high resilience. Between 2010 and 2014, the volume of container throughputs doubled from 62,256 TEUs to 133,666 TEUs, increasing at a CAGR of 21.05%. Due to the global economic crisis, PPAP recorded a decline of 8.83% in containerized cargo volume in 2009. However, the containerized cargo volume surged by 43.74% in 2010 and PPAP has managed to double its pre-recession container volume within the three years since the recession. PPAP's growth and resilience can be attributed to its proximity to production and consumption hub as well as the opening of Cai Mep International Terminal (CMIT) in Vietnam in 2009. PPAP is able to attract more cargo shipments as it provides a much shorter route to the deep seaport of CMIT, which allows a direct access to hub ports in Asia, the Americas, and Europe.

For the year ended 31 December 2014, PPAP had revenues of USD 13.29 million, profit before tax of USD 2.81 million, and net profit after tax of USD 2.15 million. PPAP's revenue doubled over the last 4 years between 2010 and 2014, growing at an average of 21.20% from USD 6.16 million to USD 13.29 million. This growth was mainly driven by stevedoring, LOLO, and related port services such as docking and pilotage. In 2014, they accounted for approximately 92.22% of the Company's revenue. As of 31 December 2014, PPAP had total assets of USD 151.81 million (KHR 612,990.29 million) and shareholders' equity of USD 119.47 million (KHR 482,408.26 million).

According to the JICA report on "The Preparatory Survey on Phnom Penh Autonomous Port New Container Terminal's Special Economic Zone and Associated Facilities Construction Project in Kingdom of Cambodia", the number of containers has a positive correlation with the growth rate of the Cambodian economy and the port industry's outlook depends on the growth of international trading volume. The report expresses a positive outlook for the port industry and suggests a remarkable increase in the container throughputs of PPAP. PPAP management also expects 15%-20% growth in revenue from 2014 and onwards.

The Forecast of Growth in Container Throughput of PPAP and the Cambodian Port Industry



2- Business strategies and future plan

a- PPAP's vision and mission are as follows:

- PPAP's vision is to maintain its leadership as the main player in the Mekong shipping business and to serve as an essential link to maritime shipping by effectively and efficiently connecting the Country's international trade with overseas partners.
- PPAP's mission is to manage, develop, and operate port facilities and provide core and related services for the sustainable economic growth and social prosperity of Cambodia.

b- Business Strategies

In order to realize its vision and mission, PPAP has set its business strategy upon three pillars: improving and strengthening, expanding, and diversifying.

1. **Improving and strengthening:** PPAP continues its efforts to effectively perform regulatory functions as the port authority. PPAP also endeavors to deliver more value through cargo-related services as the port operator.
2. **Expanding:** Expansion is directly related to PPAP's growth. PPAP is required to reasonably make appropriate forecasts, stay ahead of the industry trend, understand the importance of the contributing factors, and subsequently plan and invest ahead of time to take advantage of opportunities in the market. This involves investing in expanding related infrastructure, facilities and handling equipment not only at the New Container Terminal but also at key provinces like Kampong Chhnang, Kratie and Kampong Cham. The expansion will cover facilities for container traffic, general cargoes, bulk cargoes as well as tourists. Timely implementation of expansion plans will allow PPAP to cope with growing demand and prevent issues such as shortage of berth and handling equipment.
3. **Diversifying:** PPAP will pursue growth by venturing into businesses that may complement its current business activities. One of the potential businesses is to develop an Inland Container Depot (ICD) within the Port's supporting facilities to act as a main logistics center. The ICD is expected to provide value-added services to the port customers. On the other hand, PPAP has recently obtained a business license from the Ministry of Mines and Energy (MME) to carry out sand dredging for the maintenance of

navigation channels. The license also allows PPAP to sell the sand on the market. PPAP also values cooperation with the private sector in boosting shipping-related activities like the development of ship-repair yard and provision of different trainings through the Cambodia Maritime Institute (CMI). In the future, PPAP shall further cooperate with shipping companies and barge operators using the Mekong route, Mekong Vam Nao and Bassac or any other applicable multi-modal transport. In terms of maximizing benefits from the TS3, PPAP foresees the area becoming a place of significance for river cruises, passenger boats and leisure activities. Therefore, tourist-related facilities such as a modern passenger terminal, maritime museum, conference hall, and restaurants may be developed to give the area a friendly port-city interface.

At the heart of PPAP's business strategy is its commitment towards staff-training and capacity building to employ more highly-skilled and motivated staffs.

To ensure the success of its business strategy, PPAP will require government support especially in terms of infrastructure development: the hinterland connections such as additional access roads and rail network to port facilities. In addition, the government's legal support in the form of licenses and permission to conduct core business and related activities are necessary to ensure the success of the future business plan of PPAP.

c- Future Plan

- Improve the cargo handling capacity of LM17 to 300,000 TEUs (Phase II)
- Equip LM17, TS3, UM2, and Mekong Sentosa Logistics (MSL) with general cargo handling equipment
- Improve the cargo handling capacity of LM17 to 500,000 TEUs (Phase III)
- Develop a Specialized Bulk Terminal
- Modernize the Tourist and Passenger Terminal
- Develop a Multipurpose Terminal in Thbong Khmom province
- Develop a logistics center within the Port's supporting facilities
- Improve the Navigation Channel

d- Competitive Strengths

- Obtained Government license to manage the large Port Commercial Zone
- Convenient connection to Cai Mep Hub Port
- Strategic location for hinterland connection
- Strong cooperation with the largest bonded warehouse operator
- Utilizing the efficient port operating system

3- Directors, senior officers and substantial shareholders

a- Members of the Board of Directors (“BOD”)

No.	Name	Position at the Authority	Representing Institution-Ministry
1	H.E Hei Bavy	Chairman of the BOD	-
2	H.E Suon Rachana	BOD Member	MPWT
3	H.E. Ly Sivanna	BOD Member	COM
4	H.E. Ken Sambath	BOD Member	MEF
5	H.E Penn Sovicheat	BOD Member	MOC
6	Mr. Huot Hay	BOD Member	City Hall
7	Mr. Proum Sokhany	BOD Member	-

b- Senior Officers

No.	Name	Position at PPAP
1	H.E. Hei Bavy	➤ From 2009 to Present: CEO of PPAP
2	H.E. Kim Sen	<ul style="list-style-type: none"> ➤ From 2011 to Present: Deputy Director General of Administration ➤ From 2010 to 2011: Director of Administration-Finance Office ➤ From 2009 to 2010: Manager of Administration-Personnel Office
3	Mr. Proum Sokhany	<ul style="list-style-type: none"> ➤ From June 2015 to Present: Deputy Director General of Technical ➤ From July 2014 to May 2015: Director of Hydrographic ➤ From 2010 to July 2014: Director of Operation TS3 ➤ From 2009 to 2010: Manager of Planning/Accounting/ Stock Office
4	Mr. Hiek Phirun	<ul style="list-style-type: none"> ➤ From 2014 to Present: Deputy Director General of Maritime Service/ Traffic ➤ From 2009 to 2013: Head of Hydrographic Department
5	Mr. Nem Thim	<ul style="list-style-type: none"> ➤ From 2015 to Present: Deputy Director General of Operation ➤ From 2012 to 2015: Direction of Administration Department ➤ From 2009 to 2012: Director of Business Department
6	Mr. Keo Sophanara	<ul style="list-style-type: none"> ➤ From 2015 to Present: Head of Internal Audit Department ➤ From 2010 to 2015: Manager of Procurement Unit ➤ From 2010 to 2014: Manager of Planning Office

		<ul style="list-style-type: none"> ➤ From 2009 to 2009: Deputy Manager of Planning Office
7	Mrs. Chuon Sokhem	<ul style="list-style-type: none"> ➤ From 2015 to Present: Head of Administration Department ➤ From 2010 to 2015: Manager of Administration Office ➤ From 2009 to 2010: Deputy Manager of Accounting/ Finance Office
8	Mr. Kong Sothea	<ul style="list-style-type: none"> ➤ From 2015 to Present: Head of Personnel/ HR Department ➤ From 2014 to 2015: Manager of Personnel Office ➤ From 2010 to 2013: Manager of Accounting/ Finance Office ➤ From 2009 to 2013: Deputy Manager of Accounting/ Finance Office
9	Ms. Chheav Vanthea	<ul style="list-style-type: none"> ➤ From 2015 to Present: Head of Accounting/ Finance Department ➤ From 2014 to 2015: Manager of Accounting/ Finance Office ➤ From 2010 to 2014: Deputy Manager of Accounting/ Finance Office ➤ From 2009 to 2010: Employee of Accounting/ Finance Office
10	Mr. Koy Bunthorn	<ul style="list-style-type: none"> ➤ From 2009 to Present: Head of Engineer Department ➤ From 2009 to 2015: Director of Engineer
11	Mr. Chieap Viraya	<ul style="list-style-type: none"> ➤ From 2009 to Present: Head of Hydrographic Department ➤ From 2014 to 2015: Manager of Aids to Navigation Services ➤ From 2012 to 2014: Deputy Manager of Harbor Services ➤ From 2009 to 2012: Employee of Harbor and Pilotage Services
12	Mr. Yim Choeurn	<ul style="list-style-type: none"> ➤ From 2015 to Present: Head of Harbor Department ➤ From 2014 to 2015: Director of Harbor Master ➤ From 2013 to 2014: Director of Operation TS3 ➤ From 2011 to 2013: Director of Harbor Master ➤ From 2009 to 2011: Manager of Harbor Office
13	Mr. Soy Sereysovathanak	<ul style="list-style-type: none"> ➤ From 2015 to Present: Head of Commercial Zone/ Domestic Port Department ➤ From 2013 to 2015: Manager of Domestic Port Services ➤ From 2012 to 2013: Deputy Manager of Domestic Port Services ➤ From 2010 to 2012: Deputy Manager of Accounting/ Finance Office ➤ From 2009 to 2010: Employee of Accounting/ Finance Office

14	Mrs. Hei Phanin	<ul style="list-style-type: none"> ➤ From 2015 to Present: Head of Marketing/ Planning Department ➤ From 2009 to 2015: Director of Marketing/ Planning Department
15	Mr. Tol Sokhom	<ul style="list-style-type: none"> ➤ From 2015 to Present: Head of TS3 Department ➤ From 2014 to 2015: Director of Operation 1 (TS3) ➤ From 2009 to 2013: Manager of Aids and Navigation Services
16	Mr. Chui Vichet	<ul style="list-style-type: none"> ➤ From 2015 to Present: Head of LM17 Operation Department ➤ From 2013 to 2015: Director of Operation 2 (LM17) ➤ From 2010 to 2012: Manager of Port Safety/ Security/ ICT Office ➤ From 2009 to 2010: Manager of Planning Office
17	Mr. Kong Channy	<ul style="list-style-type: none"> ➤ From 2015 to Present: Manager of Secretariat ➤ From 2011 to 2015: Deputy Manager of Administration Office ➤ From 2009 to 2011: Employee of Administration Office
18	Mr. Mam Rithy	<ul style="list-style-type: none"> ➤ From 2013 to Present: Vice Head of Public Revenue Department, Ministry of Economy and Finance ➤ From 1991 to 2013: Officer at Ministry of Economy and Finance

c- Substantial Shareholder

(Unit: shares)

Type of Shareholder	Name of Shareholder	Type of shares	Number of shares	Locked-up Shares	Lock-up Period
The largest shareholder	MEF	Class B (Voting) share	16,547,492	16,547,492	1 year

4- Historical financial information

Condensed Balance Sheet

Description	Year ended 31 December						31 March	
	2012		2013		2014		2015	
	KHR'000	USD	KHR'000	USD	KHR'000	USD	KHR'000	USD
	(audited)						(reviewed)	
Assets								
Non-current assets								
Property, plant and equipment	550,690,676	136,546,163	572,530,985	142,173,078	568,417,610	140,767,115	567,025,425	140,248,683
Investment properties	31,844,148	7,895,896	31,621,688	7,852,418	31,666,658	7,842,164	31,659,811	7,830,772
Prepayment	11,259,362	2,791,808	-	-	-	-		
	593,794,186	147,233,867	604,152,673	150,025,496	600,084,268	148,609,279	598,685,236	148,079,455
Current assets								
Trade and other receivables	8,251,143	2,045,907	9,124,449	2,265,818	5,553,191	1,375,233	6,628,139	1,639,411
Cash and bank balances	327,810	81,282	510,100	126,670	7,352,835	1,820,910	9,408,008	2,326,987
	8,578,953	2,127,189	9,634,549	2,392,488	12,906,026	3,196,143	16,036,147	3,966,398
Total assets	602,373,139	149,361,056	613,787,222	152,417,984	612,990,294	151,805,422	614,721,383	152,045,853
Liabilities and equity								
Equity								
Share capital	100,643,120	24,954,902	104,237,534	25,884,662	108,129,047	26,777,872	108,262,936	26,777,872
Legal reserves	1,000,886	248,174	1,350,519	335,366	1,409,839	349,143	1,745,687	431,780
General reserves	1,000,886	248,174	1,350,519	335,366	1,409,839	349,143	1,745,687	431,780
Development fund	18,219,924	4,517,710	24,513,025	6,087,168	25,581,341	6,335,151	31,626,845	7,822,618

Description	Year ended 31 December						31 March	
	2012		2013		2014		2015	
	KHR'000	USD	KHR'000	USD	KHR'000	USD	KHR'000	USD
	(audited)						(reviewed)	
Retained earnings	345,193,968	85,592,355	339,604,550	84,331,897	345,878,189	85,655,817	340,719,955	84,274,043
Total Equity	466,058,784	115,561,315	471,056,147	116,974,459	482,408,255	119,467,126	484,101,110	119,738,093
Non-current liabilities								
Borrowings	111,047,739	27,534,773	116,700,998	28,979,637	117,019,774	28,979,637	117,164,672	28,979,637
Provision for retirement benefits	2,064,904	512,002	2,496,104	619,842	2,897,112	717,462	2,721,371	673,107
Deferred tax liabilities, net	146,031	36,209	1,917,045	476,048	2,798,713	693,094	3,301,967	816,712
	113,258,674	28,082,984	121,114,147	30,075,527	122,715,599	30,390,193	123,188,010	30,469,456
Current liabilities								
Overdrafts	5,653,165	1,401,727	12,790,489	3,176,183	-	-	-	-
Trade and other payables	15,221,917	3,774,341	7,917,134	1,966,013	6,574,381	1,628,128	5,955,590	1,473,062
Provision for income tax	2,180,599	540,689	909,305	225,802	1,292,059	319,975	1,476,673	365,242
	23,055,681	5,716,757	21,616,928	5,367,998	7,866,440	1,948,103	7,432,263	1,838,304
Total liabilities	136,314,355	33,799,741	142,731,075	35,443,525	130,582,039	32,338,296	130,620,273	32,307,760
Total liabilities and equity	602,373,139	149,361,056	613,787,222	152,417,984	612,990,294	151,805,422	614,721,383	152,045,853

Source: The audited financial statements for the years ended 31 December 2012, 2013 and 2014; and the reviewed (unaudited) interim financial information for the three month period ended 31 March 2015

Condensed Income Statement

Description	Year ended 31 December						31 March	
	2012		2013		2014		2015	
	KHR'000	USD	KHR'000	USD	KHR'000	USD	KHR'000	USD
	(audited)				(reviewed)			
Revenue	42,775,390	10,606,345	45,918,926	11,402,763	53,674,126	13,292,255	14,258,719	3,526,767
Cost of services	(15,747,635)	(3,904,695)	(18,420,702)	(4,574,299)	(21,446,052)	(5,311,058)	(5,620,870)	(1,390,272)
Gross profit	27,027,755	6,701,650	27,498,224	6,828,464	32,228,074	7,981,197	8,637,849	2,136,495
Other income	1,627,033	403,430	1,420,553	352,757	1,216,795	301,336	334,813	82,813
General administration and selling expenses	(16,012,369)	(3,970,337)	(17,382,058)	(4,316,379)	(16,912,016)	(4,188,216)	(3,610,998)	(893,148)
Profit from operation	12,642,419	3,134,743	11,536,719	2,864,842	16,532,853	4,094,317	5,361,664	1,326,160
Finance costs	(1,531,197)	(379,667)	(5,393,808)	(1,339,411)	(5,203,129)	(1,288,541)	(1,171,645)	(289,796)
Profit before taxation	11,111,222	2,755,076	6,142,911	1,525,431	11,329,724	2,805,776	4,190,019	1,036,364
Income tax expense	(3,085,451)	(765,051)	(3,033,322)	(753,246)	(2,667,773)	(660,667)	(1,293,509)	(319,938)
Net profit for the year	8,025,771	1,990,025	3,109,589	772,185	8,661,951	2,145,109	2,896,510	716,426
Other comprehensive income								
Re-measurements of defined benefit liability	167,942	41,642	(171,623)	(42,618)	(197,878)	(49,004)	189,653	46,909
	8,193,713	2,031,667	2,937,966	729,567	8,464,073	2,096,105	3,086,163	763,335

Source: The audited financial statements for the years ended 31 December 2012, 2013 and 2014; and the reviewed (unaudited) interim financial information for the three month period ended 31 March 2015

5- Significant factors related to public issuance of equity securities

a- General Information on Offered Shares

PPAP is offering 4,136,873 new class shares with a par value of USD 1.00 per share and such shares are being offered in Cambodia pursuant to the SECC Regulations.

b- Offering Term

Class of Offered Shares	Class A (Voting) Shares
Type of Offering	Newly issued shares
Number of Offered Shares	4,136,873 Class A (Voting) shares
Par Value	KHR 4,000 USD 1.00
Offering Price	KHR 5,120 USD 1.256
Offering Amount	KHR 21,180,789,760 USD 5,193,916
Term of Payment	Full payment of securities subscription deposit upon application which is equivalent to 100% of the subscription amount
Minimum Subscription	100 shares (provided, however, that if the pre-calculated number of shares allocated to a certain Successful Investor is less than 100 shares, this minimum requirement shall not prevent such Successful Investor from subscribing the aforementioned pre-calculated number of shares)
Timetable	The subscription period will commence from 8:00am on 12 November 2015 and end at 5:00pm on 17 November 2015, unless such period is shortened or extended by an agreement between PPAP and the Underwriter subject to the approval of the SECC. The date for the allotment will be 20 November 2015 and the payment date will be 27 November 2015 (the "Payment Date"). The excess amount (if any) will be returned to the corresponding subscribers on the Payment Date.

In accordance with Article 37 of the Prakas No. 001 promulgated by the SECC, at least 20% of the total offered shares remaining after reserving portions for ESOP and Strategic Investors shall be allotted to Cambodian Investors in subscription unless otherwise instructed and approved by the SECC. For the avoidance of doubt, a Cambodian Investor refers to a natural person who has Cambodian nationality or a legal entity in which no less than 51% of its total share capital is owned by a person or persons having Cambodian nationality.

6- Use of proceeds

Through the IPO of 4,136,873 Class A (Voting) shares with the market price of KHR 5,120 (USD 1.256), PPAP expects the gross proceeds from the IPO to be KHR 17.49 billion (USD 4,281,007) after deducting registration fee, listing fee, depository fee, and advisory fees (underwriting, accounting and legal, and other offering expenses).

PPAP intends to use the net IPO proceeds for the general corporate purposes including, without limitation, the following:

- For CAPEX plan for Phase II of LM17 and expansion of other handling facilities
- If there is a surplus after CAPEX, PPAP will reserve the fund for working capital and other general purposes.

PPAP has plans to make a short term deposit of the IPO proceeds at banks before using them for the purposes described above.

IPO Proceed

Items	KHR	USD
Offering amount	21,180,789,760	5,193,916
Registration of disclosure document fees	12,000,000	2,972
Listing eligibility review	4,000,000	991
Listing fee	34,533,898	8,552
Securities depository fee	4,680,000	1,159
Underwriter fee	3,028,500,000	750,000
Accounting advisory fee	159,501,000	39,500
Issuer's legal advisory fee	202,889,310	50,245
Securities registrar	4,194,607	1,039
Asset valuation fee	19,187,842	4,752
Printing fees for disclosure documents and marketing material	216,838,783	53,700
Net proceed	17,494,464,321	4,281,007

7- Risk factors

a- Interest rate risks

The Company's business requires significant periodic capital expenditures. In the future, PPAP may need to seek funds from sources other than assistance from its development partners and cash resulting from operations. Difficulties in financing as well as negotiations for the terms and conditions may adversely affect the profitability of the Company.

b- Exchange rate risks

Whereas the Company's revenues are in US Dollar, it settles most of its operational expenses in Khmer Riel. Such situation may expose PPAP to exchange rate risks.

c- Industry risks and risks related to the changes in national and international context

There are 2 main risks related to the industry and changes in national and international context:

- PPAP's business and results of operations are mainly dependent on the trade volumes of Cambodia. These are especially susceptible to changes in the economic, political, and social conditions in Cambodia and the wider region.
- PPAP operates as a part of logistics chain. If PPAP's hub ports or other ports part of the logistics chain increase tariff, the Company may be exposed to the risks of reduced competitiveness and loss of customers to other means of transport.

d- Operational risks

There are 13 main risks related to the operational risks:

- Heavy consumption of electricity makes PPAP's operations and their results highly susceptible to changes in the cost of electricity as well as power disruptions.
- The port operations at LM17 partly rely on the services provided by the 3rd party vendors. In the event that one or more of the 3rd party vendors cease operations, there may be no assurance that PPAP would be able to substitute such vendors and equipment promptly or under commercially reasonable terms.
- PPAP will continue to make investments in additional services in order to further diversify and grow operating income. Any delay or failure to complete projects or deliver additional services may adversely affect the competitiveness, results of operations, and financial condition of PPAP.
- Any failure in PPAP's critical pieces of complex equipment may reduce the efficiency of PPAP's operations and incur additional costs related to replacement, remodeling, or upgrade.
- PPAP does not purchase any insurance coverage. If serious accidents or events occur in the future due to the reason attributable to PPAP, it would need to assume financial liability and may incur costs that could adversely affect the results of operations.
- PPAP relies on security procedures of its own as well as the General Department of Customs and Excise, CAMCONTROL, and shipping line customers. There can be no

assurance that all of the goods that pass through PPAP will not be affected by breaches in security, either directly or indirectly in other parts of the logistics chain.

- PPAP relies heavily on the capacity of its key staffs. If PPAP fails to retain or replace them in a timely manner, its operations may be adversely affected.
- The Cambodian government's plan to gradually increase the minimum wage to USD 160 per month by 2018 could require changes in PPAP's minimum wage policy and lead to increase in its overall labor costs. Any labor unrest or strikes could also adversely affect the operations and financial status of PPAP.
- The change in accounting standards from the French standard to CIFRS may lead to disruptions in the daily operations of the Accounting/ Finance Department in the short term.
- The lack of operations manual for each department may lead to unforeseen accidents or disruptions in PPAP operations.
- PPAP relies on a small number of suppliers for its key purchases such as fuel and spare parts for terminal operations. Such circumstances may lead to lower bargaining power and less favorable terms and conditions for PPAP.
- Currently, PPAP exhibits low efficiency on utilizing its existing infrastructures to optimize its operations.
- Although PPAP does not directly handle hazardous materials, certain of its customers are involved with transportation of these such as oil and gas. As a port authority, PPAP may be partly or fully liable for cleaning as well as damages from the leaks and spills of hazardous materials.

e- Non-operational risks

There are 3 main risks related to the non-operational risks:

- Abnormal changes to the climate or weather may limit the use of navigational routes toward PPAP's terminals or force closure of the terminals for a certain period of time. Such events could have material adverse effects on PPAP's business and results of operations.
- Any delays in customs inspections may cause container congestion in PPAP's container yard. This may adversely affect PPAP's port operations and efficiency.
- The construction of hydroelectric dam on the upper parts of the Mekong River may lower the water level of the lower stream countries. In addition, it may accentuate the effects of seasonality of the Mekong River.

f- Financial risks including default and cash liquidity risks

There are 2 main risks related to the financial risks including default risks and cash liquidity risks:

- PPAP received an amortized loan of USD 28.9 million from the Export-Import Bank of China on 28 January 2011. Commencing in 2018, PPAP will be required to pay the principal as well as semi-annual interests. Depending on the cash available for the Company, such commitment may expose PPAP to liquidity and default risks.
- PPAP has a significant amount of trade receivables. Delay in payment, non-payment, and default on obligations by any customer could negatively affect the financial conditions of PPAP.

g- Litigation risks and contingent liabilities

There are 3 main risks related to the litigation risks and contingent liabilities:

- In regards to its terminals, PPAP has failed to prepare and submit environmental impact assessment reports to the Ministry of Environment for its review and approval. Under the Law on Environmental Protection and Natural Resource Management, a failure to comply with the above requirement may give rise to the payment of fines.
- PPAP has yet to comply with the Labor Law in regards to the registration and filing requirements: Register with the Department of Labor and Vocational Training (DLVT), apply for work permits, and notify DLVT of the results of elections for employee representatives and get its approval. Under the Labor Law, a failure to comply with the above requirements may give rise to the payment of fines, labor inspections, and imprisonment in certain cases.
- Under the Law on Taxation adopted in 1993 and subsequently amended in 2003, PPAP is subject to several major taxes including profit tax, minimum tax, value added tax, salary tax, and import duties. PPAP is subject to the “real regime” tax system and is required to register for tax, prepare and submit its monthly and annual tax returns to the General Department of Taxation (“GDT”). As a real regime taxpayer, PPAP is required to self-assess its tax in accordance with the tax rate determined by the Law on Taxation and its regulations, and pay such taxes to the GDT accurately and in a timely manner. In the event that PPAP avoids or evades tax, PPAP would be deemed to have violated the Law on Taxation and be exposed to penalties, which include payment of additional tax, interest rate on the unpaid tax, or criminal sanction on its directors, managers as well as the owners of PPAP. This will adversely impact

the financial position and the reputation of the Company.

h- Market related risks

There are 4 main risks related to the market related risks:

- PPAP's business is dependent on a small number of regional shipping lines.
- If PPAP is unable to raise tariffs in a timely manner to cover increased expenses or to respond to changes in market conditions, PPAP's business, financial condition, and results of operations may be materially affected.
- PPAP faces competition from the Sihanoukville Port and on-land logistics companies. The Company's failure to maintain its competitive advantage and satisfy customers' needs may lead to the loss of its existing customers and market share.
- PPAP has a limited control over changing port dues and tariffs as well as claiming fees from private ports within its Port Commercial Zone.

i- Risks related to rules and regulations

There are 4 main risks related to rules and regulations:

- PPAP's business and operations are principally governed by the laws and regulations of Cambodia, which are still in their development stage and are subject to on-going changes. As Cambodian laws and regulations are still evolving, there may be a lack of consistency and predictability in their interpretation and enforcement.
- Under the National Port Policy and Administration System, the Royal Government of the Kingdom of Cambodia aims to formulate and enhance rules and regulations concerning ports and waterway transport. The new regulations may introduce an increase in administrative procedures as well as environmental and safety compliance requirements, which may lead to substantial costs for PPAP.
- The ASEAN integration and following liberalization of many sectors including the ports and maritime sectors could have significant effects on PPAP's business and results of operations.
- The Cambodian government has recently taken measures to strengthen the enforcement of the environmental and labor laws. PPAP may become involved with legal claims, proceedings, and regulatory enforcement action with respect to its compliance with the environmental and labor laws.

j- Risks related to investments in securities

There are 7 main risks related to investments in securities:

- The CSX is a relatively new stock exchange and may be susceptible to system failures in case of unusual event such as a market crash.
- Regulations related to maximum daily price changes may limit investors' ability to trade at the desired price or time.
- The free-float of PPAP is small, which may make the market inactive and illiquid.
- The interests of the controlling shareholder, MEF, and minority shareholders may diverge.
- Laws and regulations related to PPAP and securities in Cambodia have not been fully developed, exposing investors to legal uncertainty in certain circumstances.
- The possible enactment of law on capital gains tax may impose undefined liability on the shareholders.
- Under the current regulations, no dividend tax applies to domestic investors as long as the Company pays 20% corporate tax on profit while the dividend to non-resident shareholders is subject to 14% withholding tax following the 50% deduction of such withholding tax for the initial three years of listing. This withholding tax for non-residents lowers after-tax current income of foreign investors.

k- Other risks

As of the date hereof, PPAP does not foresee material risks other than those described above.

8- Dividend policy

To encourage the investment in the IPO, PPAP's BOD has adopted a dividend policy on 24 July 2015 with the minimum guaranteed dividend yield of 5% based on the IPO price for the period of at least 5 years after being listed. This guaranteed dividend is only available for the shareholders of Class A (Voting) shares during the existence of Class B (Voting) shares. The Cambodian government, the holder of Class B (Voting) and Class C (Non-Voting) shares, is not entitled to receive the guaranteed dividend.

In case that the cash dividend for Class A (Voting) shareholders is less than the minimum guaranteed dividend amount, PPAP shall issue and distribute new Class A (Voting) shares, also known as stock dividend, to make up for the shortfall amount for which the stock dividend shall be determined based on the closing stock price at one (1) trading day before the ex-dividend date. PPAP shall declare dividends to the fullest permissible, but if part or full of minimum guaranteed dividend could not be made during any fiscal year during the guaranteed 5 year period, the unpaid amount will be accumulated to the following year. For more information, please refer to the article of incorporation of the Company.

In accordance with Article 32- Profit Allocation of PPAP AOI, the available net income for the dividend distribution shall be determined in line with the principle of profit allocation as follows:

1. Compensation for loss(es) incurred in previous years
2. After the compensation for loss, the remaining profit, if any, shall be distributed in the following manner:
 - a. Incentive to the management and employees:
 - i. If the remaining profit accounts for 5% to 10% of the operating expenses of PPAP, the reward shall equal to the amount of one month of total salary of the management and each employee.
 - ii. If the remaining profit accounts for 11% to 20% of the operating expenses of PPAP, the reward shall equal to the amount of two months of total salary of the management and each employee.
 - iii. If the remaining profit accounts for 21% or more of the operating expenses of PPAP, the reward shall equal to the amount of three months of total salary of the management and each employee.
 - b. 5% of the net profit after the deduction of incentive to the management and employees as the Legal Reserve
 - c. 5% of the net profit after the deduction of incentive to the management and employees as the Free Reserve
 - d. Reserve for Development Fund

Any remaining amount following the above distribution shall be available for dividend distribution.

Section 2: Details of Public Offering

1- General information of the Company

Name of the Company	Phnom Penh Autonomous Port (PPAP)		
Address	# 649 Street 01 (Preah Sisovath), Phnom Penh, Cambodia		
Phone number	+855 (0)23 428 762	Fax number	+855 (0)23 427 802
Website	www.ppap.com.kh	E-mail	ppapmpwt@online.com.kh
Company registration number	Co.7175 Et/2004	Date	23 November 2004
License number	0127 MOC/D/REG	Date	05 January 2015

2- The information of Underwriter(s)

a- General information of underwriter

Name of the Company	Yuanta Securities (Cambodia) Plc.		
Address	#138, 2F Paragon, Norodom Blvd., Phnom Penh, Cambodia		
Phone number	+855 (0)23 860 800	Fax number	+855 (0)23 224 126
Website	www.yuantacambodia.com	E-mail	yuanta@yuantacambodia.com
Company registration number	Co. 0410E/2010	Date	24 February 2010
License number	001SECC/KT issued by SECC	Date	19 October 2012

b- Co-Underwriter

Yuanta Securities (Cambodia) Plc. is the sole underwriter for the IPO.

c- Underwriting agreement

A summary of the Underwriting Agreement (Firm Commitment)

The firm commitment Underwriting Agreement was signed on the 3 September 2015 and was amended on the 3 November 2015.

The following is a brief summary of the Underwriting Agreement and does not fully convey all of the material contents contained in the agreement.

1. Underwriting Commitment

Subject to the SECC and CSX granting the listing of, and permission to deal in, the Shares in issue, and subject to the fulfillment of the conditions stipulated in the Underwriting Agreement and any subsequent supplements and amendments thereto, and in reliance on the covenants, representations and warranties provided to it by PPAP, the Underwriter has agreed to subscribe

to or procure subscribers for the Shares which are not taken up by the Investor Group (as set out below) by the date on which the Subscription Period ends.

Investor Group	Allotted Amount (Shares)	Allotment Ratio
ESOP	413,687	10.00%
Strategic Investors	1,859,573	44.95%
Successful Investors in Book Building	1,055,000	25.50%
Investors in Subscription	808,613	19.55%
Total	4,136,873	100.00%

II. Grounds for Termination

The obligations of the Underwriter to subscribe to or procure subscribers for the Shares shall terminate at the discretion of the Underwriter upon lapse of 15 days from the date of notice given to PPAP, if any of the following events occur in the opinion of the Underwriter, prior to the Closing Date and such event(s) cannot be fully remedied by the Company within fifteen (15) days from the date of aforementioned notice from the Underwriter:

- (1) if the Company breaches any of its obligations under this Agreement;
- (2) if the Company and the Underwriter fail to reach a Price Determination Agreement on the final offering price between the Company and the Underwriter within the price range and in accordance with the procedures as set forth in Article 3.2;
- (3) if any change is made in Cambodia, or international financial, political or economic conditions or currency exchange rates or exchange controls as to make it in the judgment of the Underwriter, impracticable to proceed with the completion of the Public Offering;
- (4) if any material suspension or limitation of trading in securities generally on the CSX is made;
- (5) if any banking moratorium is declared by a competent authority of Cambodia such as the National Bank of Cambodia ordering the commercial banks in Cambodia to suspend their banking transactions;
- (6) if any major disruption of settlements of securities or clearance services in or in relation to Cambodia occurs;
- (7) if any outbreak or act of terrorism, any declaration of war, any other national or international calamity including government lock-down, civil riot, natural disaster or emergency occurs and if, in the judgment of the Underwriter, the effect of any such incident makes it impractical to proceed with completion of the Public Offering occurs;
- (8) if a change in Cambodian taxation materially adversely affecting the Company, the Shares or its transfers is made; or

- (9) if a change occurs or is expected to occur that may now or in the foreseeable future adversely affect the Company's profits, business activities or business prospects from a financial, business or legal perspective.

d- Underwriter's benefits in the Company:

As of the date of this Disclosure Document, the Underwriter does not have any shareholding interest or any other form of beneficial interest in and with respect to the Company.

3- Percentage of public floats and lock-up

(Unit: shares, %)

	Shareholder Type	Pre-IPO		Post-IPO		Remarks
		Number of shares	Percentage Ownership	Number of shares	Percentage Ownership	
Lock-up	The Largest	16,547,492	100%	16,547,492	80.00%	1 year
	Subtotal	16,547,492	100%	16,961,179	80.00%	
Free Floats	ESOP			413,687	2.00%	
	Private investors			3,723,186	18.00%	
	Subtotal		100%	4,136,873	20.00%	
Total		16,547,492	100%	20,684,365	100.00%	

Details of the Lock-up shares are shown below:

(Unit: shares)

Name of Shareholder	Identity Number (Registration Number)	Number of shareholding	Number of Lock-up shares	Lock-up period	Relations
MEF	-	16,547,492	16,547,492	1 year from listing	The largest shareholder

4- The information of professional accounting firms and external auditors

a- Professional accounting firms

Name of the Company	KPMG Cambodia Ltd.		
Address	PO Box 2352, 4th Floor, Delano Center, No. 144, Street 169, Sangkat Veal Vong, Khan 7 Makara, Phnom Penh, Cambodia		
Phone number	+855 (0)23 216 899	Fax number	+855 (0)23 217 279
Website	www.kpmg.com.kh	E-mail	kpmg@kpmg.com.kh
Company registration number	Co. 352E/1997	Date	19 August 1997
License number	0003-CP	Date	17 January 2005
Registration number accredited by SECC	គ.ក/ក.ម.គ 002	Date	09 February 2011

b- External Auditors

Name of external auditors	Nge Huy		
Address	PO Box 2352, 4th Floor, Delano Center, No. 144, Street 169, Sangkat Veal Vong, Khan 7 Makara, Phnom Penh, Cambodia		
Phone number	+855 (0)23 216 899	Fax number	+855 (0)23 217 279
Website	www.kpmg.com.kh	E-mail	kpmg@kpmg.com.kh
KICPAA membership number	I-00005	Date	25 September 2003
Registration number accredited by SECC	០០៨គ.ម.ក/ស.ជ	Date	09 February 2011

5- The information of asset valuation company and independent valuers

a- Asset valuation company

Name of the Company	VTrust Appraisal		
Address	#113 Parkway Square, Mao Tse Toung Blvd, Phnom Penh, Cambodia		
Phone number	+855 (0)23 220 098	Fax number	+855 (0)23 220 098
Website	www.vtrustappraisal.com	E-mail	vap@vtrustappraisal.com
Company registration number	Co. 692KH/2011	Date	29 September 2011
License number	012 licensed by MEF	Date	08 January 2015
Registration number	001 accredited by SECC	Date	02 February 2015

b- Independent valuer

Name of the Company	Sim Hoy Chhoung		
Address	#113 Parkway Square, Mao Tse Toung Blvd, Phnom Penh, Cambodia		
Phone number	+855 (0)23 220 098	Fax number	+855 (0)23 220 098
Website	www.vtrustappraisal.com	E-mail	chhuong@vtrustappraisal.com
Company registration number	Co. 2827KH/2011	Date	29 September 2011
License number	001 licensed by MEF	Date	02 February 2015
Registration number	SECC No. 008	Date	02 February 2015

Name of the Company	Phin Sothea		
Address	#113 Parkway Square, Mao Tse Toung Blvd, Phnom Penh, Cambodia		
Phone number	+855 (0)23 220 098	Fax number	+855 (0)23 220 098
Website	www.vtrustappraisal.com	E-mail	sothea@vtrustappraisal.com

Company registration number	Co. 2827KH/2011	Date	29 September 2011
License number	001 licensed by MEF	Date	02 February 2015
Registration number	SECC No. 003	Date	02 February 2015

6-The information of lawyers

Name	Sithisak Law Office		
Name of Lawyer	1. Mr. MOK Chansothea 2. Mr. TANN Meng Sroy		
Address	No.68, Street 57, Sangkat Boeung Keng Kang1, Khan Chamkarmorn, Phnom Penh, Cambodia		
Phone number	+855 (0)23 6373 168	Fax number	
Website	www.sithisak-lawoffice.com	E-mail	contact@sithisak-lawoffice.com
Professional certificate number	753/គីម./10 issued by Bar Association of Kingdom of Cambodia	Date	16 September 2010
Registration number	003/គីម./ក ម. accredited by SECC	Date	25 July 2012

7-The information of consultants

- N/A

8- All expenses related to public issuance of equity securities

a- Underwriter fees

- PPAP pays the fee of USD 750,000 (KHR 3,028,500,000) for the underwriting fee.

* Exchange Rate: KHR 4,038 per USD

b- Registration of the Disclosure Document fees with SECC

- USD 2,971.77 (KHR 12,000,000)

* Exchange Rate: KHR 4,038 per USD

c- Listing fees

- USD 990.59 (KHR 4,000,000) for listing eligibility review
- USD 8,552.23 (KHR 34,533,898) for the initial listing fee

* Exchange Rate: KHR 4,038 per USD

d- Printing and advertising Disclosure Document fees

- Printing: USD 8,874.00 (KHR 35,833,212)
- Advertisement: USD 44,825.55 (KHR 181,005,571)

* Exchange Rate: KHR 4,038 per USD

e- Others

The following expenses are subject to supplementary disclosure:

- Depository fee: USD 1,158.99 (KHR 4,680,000)
- Securities Registrar fee: USD 1,038.78 (KHR 4,194,607)
- Legal advisory fee: USD 50,245.00 (KHR 202,889,310)
- Audit and Accounting advisory fee: USD 39,500 (KHR 159,501,000)
- Asset valuation fee: USD 4,751.82 (KHR 19,187,842)

9- Description of equity securities being offered

a- Number of Shares

(Unit: shares)

	Class A (Voting) Shares	Class B (Voting) Shares	Class C (Non-voting) Shares
Authorized stock	12,000,000	50,000,000	100,000,000
Shares Outstanding	0	16,547,492	93,769,120

b- Offering term

Investor Group	Allotted Amount (Shares)	Allotment Ratio
ESOP	413,687	10.00%
Strategic Investors	1,859,573	44.95%
Successful Investors in Book Building	1,055,000	25.50%
Investors in Subscription	808,613	19.55%
Total	4,136,873	100.00%

b-1- Name of equity securities: Class A (Voting) Shares

b-2- Class of equity securities: Class A (Voting) Shares

b-3- Par value per equity securities: USD 1.00 or KHR 4.000

b-4- Selling price per equity securities: USD 1.256 or KHR 5,120

b-5- Total quantity of equity securities being offered: 4,136,873 shares

b-6- Total value of equity securities being offered: USD 5,193,916 or KHR 21,180,789,760

b-7- Opening date of subscription: 12 November 2015

b-8- Closing date of subscription: 17 November 2015

b-9- Subscription location: Designated branch offices of ACLEDA Bank, ACLEDA Securities, SBI Royal Securities, Phnom Penh Securities, Cambodia-Vietnam Securities, Golden Fortune (Cambodia) Securities, Cana Securities and RHB OSK Indochina Securities.

Sales Agents' Address

No.	Name	Address	Contact
1	ACLEDA Securities Plc.	No. 632, Street 70, Sangkat Toul Sangke, Khan Russey Keo, Phnom Penh, Cambodia. P.O. Box: 1149	Tel: +855 (0)23 723 388 Fax: +855 (0)23 723 377 E-mail: info@acledasecurities.com.kh Website: www.acledasecurities.com.kh
2	ACLEDA Bank Plc., Headquarters	#61, Preah Monivong Blvd., Sangkat Srah Chork, Khan Daun Penh, Phnom Penh, Cambodia. P.O. Box: 1149	Tel: +855 (0)23 998 777 / 430 999 Fax: +855 (0)23 430 555 E-mail: acledabank@acledabank.com.kh SWIFT Code: ACLBKHPP Website: www.acledabank.com.kh
3	ACLEDA Bank, Beung Trabek Branch	#28, Mao Tse Tung Blvd., Sangkat Beung Trabek, Khan Chamcarmon, Phnom Penh, Cambodia. P.O. Box: 1149	Tel: +855 (0)23 214 634 / 993 780 / 364 619, +855 (0)15 900 242 E-mail: btrckm@acledabank.com.kh SWIFT Code: ACLBKHPP
4	ACLEDA Bank, Chbar Ampov Branch	#38, National Road No. 1, Group 3, Phum Doeum Ampil, Sangkat Chbar Ampov I, Khan Chbar Ampov, Phnom Penh, Cambodia. P.O. Box: 1149	Tel: +855 (0)23 720 633 / 997 277, +855 (0)15 900 315 E-mail: cap@acledabank.com.kh SWIFT Code: ACLBKHPP
5	ACLEDA Bank, Chom Chao Branch	#142-143, National Road No. 4, Group 3, Preychisak Village, Sangkat Chom Chao, Khan Posenchey, Phnom Penh, Cambodia. P.O. Box: 1149	Tel: +855 (0)23 866 107 / 866 132 / 866 125, +855 (0)15 800 848 E-mail: chc@acledabank.com.kh SWIFT Code: ACLBKHPP
6	ACLEDA Bank, Chrouy Changvar Branch	Lot 12-14-16-18, National Road No. 6, Group 8, Phum 3, Sangkat Chrouy Changvar, Khan Chrouy Changvar, Phnom Penh, Cambodia. P.O. Box: 1149	Tel: +855 (0)23 430 527 / 430 779, +855 (0)15 900 372 E-mail: ccv@acledabank.com.kh SWIFT Code: ACLBKHPP
7	ACLEDA Bank, Daun Penh Branch	#248, Preah Monivong Blvd., Sangkat Boeung Raing, Khan Daun Penh, Phnom Penh, Cambodia. P.O. Box: 1149	Tel: +855 (0)23 222 626 / 222 424 / 224 545, +855 (0)15 900 254 E-mail: dpn@acledabank.com.kh SWIFT Code: ACLBKHPP
8	ACLEDA Bank, Mao Tse Tung Blvd., (Phsar Daeum Kor) Branch	#244, Mao Tse Tung Blvd. (245), Phum 3, Sangkat Tumnop Tuek, Khan Chamcarmon, Phnom Penh, Cambodia. P.O. Box: 1149	Tel: +855 (0)23 883 013 / 883 014 / 997 910 / 997 911 E-mail: mtg@acledabank.com.kh SWIFT Code: ACLBKHPP
9	ACLEDA Bank, Phnom Penh Branch	#29, Street 217, Sangkat Veal Vong, Khan 7 Makara, Phnom Penh, Cambodia. P.O. 1149	Tel: +855 (0)23 997 169 / 997 179 / 997 189 / 881 465 / 881 224, +855 (0)15 900 342 E-mail: pnpp@acledabank.com.kh SWIFT Code: ACLBKHPP
10	ACLEDA Bank,	#606, St. 271, Group 37, Phum	Tel: +855 (0)23 993 575 / 993 585, +855

No.	Name	Address	Contact
	Phsar Doem Thkav Branch	6, Sangkat Phsar Doem Thkav, Khan Chamcarmon, Phnom Penh, Cambodia. P.O. Box: 1149	(0)15 600 483 E-mail: pdt@acledabank.com.kh SWIFT Code: ACLBKHPP
11	ACLEDA Bank, Pochentong Branch	#46, Russian Federation Blvd., Group 1, Paprak Khangtong Village, Sangkat Kakab, Khan Posenchey, Phnom Penh, Cambodia. P.O. Box: 1149	Tel: +855 (0)23 890 490 / 890 468, +855 (0)15 900 252 E-mail: pct@acledabank.com.kh SWIFT Code: ACLBKHPP
12	ACLEDA Bank, Prek Pnov Branch	Address: #492, National Road No. 5, Pomongkol Village, Sangkat Prek Pnov, Khan Sensok, Phnom Penh, Cambodia. P.O. Box: 1149	Tel: +855 (0)15 700 648 E-mail: ppv@acledabank.com.kh SWIFT Code: ACLBKHPP
13	ACLEDA Bank, Pur SenChey (PPSEZ) Branch	#19-21-23-25, Main Road No.1, Trapeang Kol Village, Sangkat Kantaok, Khan Posenchey, Phnom Penh, Cambodia. P.O. Box: 1149	Tel: +855 (0)23 729 610 E-mail: psy@acledabank.com.kh SWIFT Code: ACLBKHPP
14	ACLEDA Bank, Russey Keo I Branch	#482, Group 6, Phum Spean Khpous, Sangkat Kilometre No. 6, Khan Russey Keo, Phnom Penh, Cambodia. P.O. Box: 1149	Tel: +855 (0)23 430 673 / 427 668, +855 (0)15 900 370 E-mail: rsk1@acledabank.com.kh SWIFT Code: ACLBKHPP
15	ACLEDA Bank, Sothearos (AEON Mall) Branch	#132, Samdach Sothearuos Blvd., Sangkat Tonle Basak, Khan Chamcarmon, Phnom Penh, Cambodia. P.O. Box: 1149	Tel: +855 (0)23 901 525 / 901 535 E-mail: str@acledabank.com.kh SWIFT Code: ACLBKHPP
16	ACLEDA Bank, Steung Mean Chey Branch	#A1-A4, Monireth Blvd., Trea Village, Sangkat Steung Mean Chey, Khan Meanchey, Phnom Penh, Cambodia. P.O. Box: 1149	Tel: +855 (0)23 995 322 / 995 562, +855 (0)15 700 757 E-mail: smc2@acledabank.com.kh SWIFT Code: ACLBKHPP
17	ACLEDA Bank, Tuol Kork Branch	#99C5-101A1-101A2-101A3-101A4, Street 289, Sangkat Boeung Kak I, Khan Tuol Kork, Phnom Penh, Cambodia. P.O. Box: 1149	Tel: +855 (0)23 990 550 / 990 551, +855 (0)15 800 218 E-mail: tkk@acledabank.com.kh SWIFT Code: ACLBKHPP
18	ACLEDA Bank, Vimean Chaktomuk Branch	#145, Corner of Preah Norodom Blvd. and Lovieem St., Phum 5, Sangkat Beung Keng Kang 1, Khan Chamcarmon, Phnom Penh, Cambodia. P.O. Box: 1149	Tel: +855 (0)23 998 677 / 998 377 E-mail: vcm@acledabank.com.kh SWIFT Code: ACLBKHPP
19	ACLEDA Bank, Kien Svay District Branch (Kokir Commune)	#504, National Road No. 1, Group 5, Tuol Thnaot Village, Kokir Commune, Kien Svay District, Kandal Province, Cambodia. P.O. Box: 1149	Tel: +855 (0)24 397 575, +855 (0)15 900 487 E-mail: ksv@acledabank.com.kh SWIFT Code: ACLBKHPP

No.	Name	Address	Contact
20	ACLEDA Bank, Siem Reap Branch	#1-2-3-4, Sivatha Street, Phum Mondul 2, Sangkat Svay Dangcum, Krong Siem Reap, Siem Reap Province, Cambodia. P.O. Box: 1149	Tel: +855 (0)63 963 660 / 963 251, +855 (0)15 900 396 E-mail: srp@acledabank.com.kh SWIFT Code: ACLBKHPP
21	ACLEDA Bank, Krong Phsar Leu Branch	#0381, National Road No. 6, Group 8, Chong Kavsou Village, Sangkat Slarkram, Krong Siem Reap, Siem Reap Province, Cambodia. P.O. Box: 1149	Tel: +855 (0)63 967 299 / 967 298, +855 (0)15 600 498 E-mail: ppl@acledabank.com.kh SWIFT Code: ACLBKHPP
22	ACLEDA Bank, Krong Siem Reap Branch	#06, National Road No. 6, Group 7, Sala Kanseng Village, Sangkat Svay Dankum, Krong Siem Reap, Siem Reap Province, Cambodia. P.O. Box: 1149	Tel: +855 (0)63 965 646 / 965 649, +855 (0)15 800 691 E-mail: srp.mb@acledabank.com.kh SWIFT Code: ACLBKHPP
23	ACLEDA Bank, Battambang Branch	Kamakar Village, Sangkat Svay Por, Krong Battambang, Battambang Province, Cambodia. P.O. Box: 1149	Tel: +855 (0)53 953 171 / 953 172 / 953 174 / 953 175, +855 (0)15 900 229 E-mail: btb@acledabank.com.kh SWIFT Code: ACLBKHPP
24	ACLEDA Bank, Krong Battambang Branch	#602, National Road No. 5, Group 13, Rumchek 4 Village, Sangkat Rottanak, Krong Battambang, Battambang Province, Cambodia. P.O. Box: 1149	Tel: +855 (0)53 952 054 / 952 055 E-mail: btb.mb@acledabank.com.kh SWIFT Code: ACLBKHPP
25	ACLEDA Bank, Kampong Cham Branch	#18, National Road No. 7, Phum 6, Sangkat Veal Vong, Krong Kampong Cham, Kampong Cham Province, Cambodia. P.O. Box: 1149	Tel: +855 (0)42 941 703 / 941 708, +855 (0)15 900 264 E-mail: kcm@acledabank.com.kh SWIFT Code: ACLBKHPP
26	ACLEDA Bank, Tboung Khmum Branch	#213, Group 14, Cheung Lomg Village, Sangkat Suong, Krong Suong, Tboung Khmum Province, Cambodia. P.O. Box: 1149	Tel: +855 (0)42 340 236, +855 (0)15 900 427 E-mail: tbk@acledabank.com.kh SWIFT Code: ACLBKHPP
27	ACLEDA Bank, Kandal Branch	#15, National Road No. 2, Group 2, Takhmao Village, Sangkat Takhmao, Krong Takhmao, Kandal Province, Cambodia. P.O. Box: 1149	Tel: +855 (0)23 425 623 / 425 995, +855 (0)15 900 265 E-mail: tkm@acledabank.com.kh SWIFT Code: ACLBKHPP
28	ACLEDA Bank, Sihanouk Branch	#135, Street Ekareach, Phum 1, Sangkat 2, Krong Preah Sihanouk, Preah Sihanouk Province, Cambodia. P.O. Box: 1149	Tel: +855 (0)34 933 723 / 934 135, +855 (0)15 900 382 E-mail: snv@acledabank.com.kh SWIFT Code: ACLBKHPP
29	SBI Royal Securities Plc.	13Ath Floor, Phnom Penh Tower, No. 445, Preah	Tel: +855 23 999 595 Fax: +855 23 996 973

No.	Name	Address	Contact
		Monivong Blvd., Sangkat Boeung Pralit, Khan 7makara, Phnom Penh, Cambodia.	Email: brokerage@sbiroyal.com Website: www.sbiroyal.com
30	Phnom Penh Securities Plc	#32, Monivong Blvd, Phnom Penh	Tel: 855-23 426 999 Fax: 855-23 426 495 Email: info@pps.com.kh Website: www.pps.com.kh
31	Cambodia-Vietnam Securities Plc.	#99, Norodom Blvd, Sangkat Boeung Raing, Khan Daun Penh, Phnom Penh	Tel: +855-23-723-899 Fax: +855-23-723-890 Email: info@cvs.com.kh Website: www.cvs.com.kh
32	Golden Fortune (Cambodia) Securities Plc	#174ABCD, Mao Tse Tong Blvd, Sangkat Tumnu P Teuk, Khan Chamkamorn, Phnom Penh, Cambodia	Tel: +855-23-218-288 Fax: +855-23-210-111 Email: dealing_dept@goldenfortune.com.kh Website: www.goldenfortune.com.kh
33	CANA SECURITIES LTD	Address: A 15th Floor, Canadia Tower, No.315, Ang Duong St, Phnom Penh, Cambodia	Tel: +855-23 868 333, 23 999 887 Fax: +855-23 990 686 Email: info@canasecurities.com.kh Website: www.canasecurities.com.kh
34	RHB OSK Indochina Securities Limited	Address: No. 1 - 3, Level 2 & 3, Street 271, Phnom Penh, Cambodia	Tel: +855-23 969 161 Fax: +855-23 969 171 Email: rhbosk.kh.dealings@rhbgroupp.com Website: www.rhbgroupp.com

b-10- Allotment/ settlement/ refund date: 27 November 2015

b-11- Allotment criteria:

The allotment criteria are prescribed under the Guideline on the Book Building and Subscription of Equity Securities of SECC. 70% of the total IPO shares remaining after the allotment to ESOP of PPAP and Strategic Investors will be reserved for the Book Building. The other 30% shall be allotted on a pro-rata basis to the Unsuccessful Investors and the investors who did not participate in the Book Building.

The percentage allocation for ESOP, Strategic Investors, Successful Investors and other Investors is as follows:

Investor Group	Allotted Amount (Shares)	Allotment Ratio
ESOP	413,687	10.00%
Strategic Investors	1,859,573	44.95%
Successful Investors in Book Building	1,055,000	25.50%
Investors in Subscription	808,613	19.55%
Total	4,136,873	100.00%

In compliance with the Guideline on the Book Building and Subscription of Equity Securities promulgated by the SECC, the basic principle for allotment is to distribute shares to all groups on a pro-rata basis subject to the actual result of the subscription and price determination as stipulated on the Underwriting Agreement between PPAP and the Underwriter.

For Successful Investors, several steps will be applied taking into account of pre-calculated number of shares to each Successful Investor, the Book Building deposit and diversification requirement of the CSX in Article 12 of the Listing Rules (Quantitative Requirements) as stated below:

- Successful Investors should be informed of pre-calculated number of shares following registration. They are entitled to receive pre-calculated number of shares if they subscribe for more than pre-calculated number of shares. The number of subscribed shares that is exceeding pre-calculated number of shares will compete with other Successful Investors' excess amounts for any unsubscribed shares.
- Even if a Successful Investor subscribes for less than pre-calculated number of shares that were determined during the Book Building process, 10 percent of total shares shall be allotted to that investor regardless of his/ her intention to subscribe for those shares. Pursuant to paragraph 12 of the Guideline on the Book Building and Subscription on Equity Securities, Successful Investors who have subscribed for less than pre-calculated number of shares can withdraw their Book Building deposit only if the sum of shares that have been subscribed by all Successful Investors excluding the amount by those investors exceeds the portion that is allocated to Successful Investors.
- The diversification requirement under the Listing Rules requires 2 conditions unless there is other determination made by the Director General of the SECC:
 - a) Number of Less-than-1% shareholders: The number of Less-than-1% shareholders holding at least 10 shares or more shall be at least 200 (two hundred) as of the date of completion of the official listing procedures; and
 - b) Shares held by Less-than-1% shareholders: The number of voting shares owned by Less-than-1% shareholders shall be 7% of the total outstanding voting shares.
- In case the Successful Investors subscribe for a quantity of equity securities in excess to the quantity of equity securities that has been reserved for the Successful Investors from the Book Building, the SECC may exercise its discretion to allot Successful Investors with any additional quantity of equity securities that has been oversubscribed by the Successful Investors provided that such additional quantity does not exceed 2/3 of the total quantity of equity securities that has initially been reserved for other investors including the Unsuccessful Investors and the investors who did not participate in the Book Building process.
- All investors are eligible to participate in the Book Building except for the following
 - a) Investors who have been considered as "Unfaithful Investors" by YSC for the 1 year sanction period (imposed by YSC) for the following reasons:
 - * Successful Investors who have quoted price that is equal to or higher than the offering price in the previous Book Building but failed to subscribe up to pre-calculated number of shares
 - * Investors who have engaged in the Book Building with fraudulent information
 - * Other investors deemed as Unfaithful Investors as a result of disturbing IPO transactions in the past

In accordance with Article 37 of the Prakas No. 001 promulgated by the SECC, at least 20% of the total offered shares need to be allotted to Cambodian Investors in subscription unless otherwise instructed and approved by the SECC. The other 80% of the total offered shares need to be allocated to the Cambodian and non-Cambodian Investors.

b-12- Description of equity securities:

b-12-1- General information on offered equity securities

In accordance with the BOD resolution on 5 August 2015, the total share capital of PPAP is USD 110,316,612, which consists of USD 26,777,872 (the original shareholders' equity) and USD 83,538,740 (transferred from retained earnings to share capital). The transfer from retained earnings to share capital was approved by the BOD on 24 July 2015. The BOD also approved the division of 110,316,612 shares into the following classes of shares:

- 16,547,492 Class B (Voting) shares with a par value of KHR 4,000 (USD1.00) per share and a total value of KHR 66,189,968,000 (USD 16,547,492)
- 93,769,120 Class C (Non-voting) shares with a par value of KHR 4,000 (USD1.00) per share and a total value of KHR 375,076,480,000 (USD93,679,120).

Note:

- Exchange rate KHR 4,000 per USD
- Class C (Non-voting) shares were issued for the purpose of capital reduction for PPAP to become eligible for public offering in accordance with the Law of Commercial Enterprise. They do not have claims to the Company's earnings but has first claim to assets in case of liquidation of PPAP.

Under Article 38 of the Prakas No. 001 of the SECC issued on 15 January 2010, PPAP has an option to issue or not issue share certificates to subscribers. Therefore, PPAP may decide not to issue any share certificate.

b-12-2- Right to Dividends

Before the IPO, PPAP was solely owned by the State represented by the Ministry of Economy and Finance as the financial advisor. PPAP is required to pay a certain portion of net profit as a contribution to the government budget which is recognized as the dividend payment in the financial statements in each fiscal year. The exact annual amount of contribution was determined by the guardian ministries based on an actual business and financial status of the Company. There is no exact provision of the regulation that deems this amount as a dividend. In addition, there is no clause in PPAP's pre-IPO AOI that stipulates the dividend payment.

After the IPO, PPAP will distribute the dividend to the shareholders in accordance with the dividend policy under Section 1: 8- Divided policy.

PPAP shall distribute dividends to the holders of Class A (Voting) shares and Class B (Voting) shares including Private Shareholders and Public Shareholders in proportion to the number of shares held by each holder; provided however, that holders of Class A (Voting) shares shall be entitled to a minimum guaranteed dividend as set forth in PPAP's AOI. On the other hand, the holder of Class C (Non-voting) shares has no right of dividends. The dividend, the dividend rate,

the amount of dividend rate per share will be declared at the meeting of the BOD, in accordance with the AOI and the applicable laws.

Note: The guaranteed dividend of 5% on the IPO price is only available to the holders of Class A (Voting) shares.

PPAP shall declare the dividend one time per year at the ordinary annual BOD meeting which occurs within 3 months after the end of each fiscal year. PPAP may distribute part of its dividends in shares in order to fulfill the minimum guaranteed dividend requirement with respect to Class A (Voting) shareholders.

Concurrently with the declaration of the dividend, a record date in relation to the dividends will be set at the BOD meeting. The record date will be on the close of a trading day PPAP elects to close its share register to determine which shareholders are entitled to receive the dividend that has been declared. The ex-dividend date will be one (1) trading day before the record date. To be entitled to the dividend, a shareholder must have purchased the shares before the ex-dividend date. If shares are purchased on or after the ex-dividend date, the previous owner of the shares is entitled to the dividend.

b-12-3- Redemption of Shares

Under the current Law on Commercial Enterprises, a public limited company may issue shares, part or all of which may be redeemable at its option or at the option of the holders, on such terms and in such manner as may be determined by its BOD, without further shareholders' approval. If shares are redeemed by the Company, the shareholder must surrender them to the company in return for payment of the redemption price. If a shareholder fails to do so, the company may deposit the value of the redeemed shares to a recognized, separate bank account and notify such shareholder in writing. The company shall then eliminate the redeemed shares on its securities register or register of shareholders as soon as such funds are set aside.

However, there are uncertainties as to whether or not such provisions can apply to PPAP as a Permitted Entity under the current legal framework for public enterprises.

b-12-4- Conversion of Shares

Under the Law on Commercial Enterprises and other related laws, PPAP may issue a certain class of shares with the right of conversion to other class of shares.

As of the date hereof, PPAP may issue 3 classes of shares: Class A (Voting) shares, Class B (Voting) shares and Class C (Non-Voting) shares. Class B (Voting) shares have the right to convert into Class A (Voting) shares in accordance with the AOI of the Company.

On the other hand, Class A (Voting) shares and Class C (Non-Voting) shares have no conversion rights. For the IPO, PPAP only offers the Class A (Voting) shares.

b-12-5- Distribution of Free Shares

Free shares are shares that are newly issued to existing holders of Class A (Voting) and Class B (Voting) shares without consideration.

In addition to the payment of dividends in shares in accordance with the dividend policy described under Section 1: 8- Divided policy, PPAP may also allocate to its shareholders a number of shares which correspond to an amount transferred from capital surplus or mandatory or voluntary reserves to the capital, in the form of free shares.

PPAP shall distribute such free shares to all holders of Class A (Voting) and Class B (Voting) shares of PPAP in proportion to their existing shareholdings.

b-12-6- Preemptive Rights

In case that PPAP issues additional shares, all existing shareholders shall have a pre-emptive right to acquire the offered shares in proportion to their respective holding of such class of shares at a price and on the terms that would have been offered to third parties. Thus, PPAP shall offer new shares of each class on uniform terms to all holders of such class of shares who have preemptive rights and are listed on PPAP's register of shareholders as of the record date. The record date will be on the close of trading day PPAP elects to close its share register to determine which shareholders are entitled to receive the pre-emptive rights. The ex-rights date will be one (1) trading day before the record date. To be entitled to the pre-emptive rights, a shareholder must purchase the shares before the ex-rights date. If shares are purchased on or after the ex-rights date, the previous owner of the shares is entitled to the rights.

After the IPO, PPAP may, through a BOD resolution and after obtaining an approval from the MEF, issue additional shares to third parties without considering the preemptive rights of the existing holders of each class of shares, in case of:

- Public offering
- Offering to the employees of PPAP
- Offering in order to achieve a special business purpose, including, without limitation, introduction of new technology or improvement of financial condition
- Offering to be subscribed for by the Underwriter for the purpose of listing on the CSX
- Offering in the form of depositary receipts in accordance with applicable laws and regulations.

b-12-7- General Meeting of Shareholders

The Company's current AOI does not contain any mechanism or procedure for dealing with the general meeting of shareholders. After this IPO, the Company will amend its current AOI by including the provisions on the general meeting of shareholders as follows:

- The Company shall have annual general meeting of shareholders and extraordinary general meeting of shareholders. The Company shall convene an ordinary general meeting of shareholders within three (3) months from 31 December of each fiscal year and an extraordinary general meeting of shareholders at any time by the Director General upon BOD resolution or at the request of shareholders holding at least 51% of the total shares with voting rights.
- In order to convene a general meeting of shareholders, the Company shall give its shareholders a written notice no less than twenty (20) days and not more than fifty (50)

days prior to the date of the scheduled meeting. Such notice shall stipulate the date, time, location and agenda of the meeting. In the event that the Company is unable give written notice to its shareholders, such notice shall be published in both Khmer and English newspapers. After the Company's shares are listed on the CSX, the notice to the public shall be made in both Khmer and English newspapers accredited by the SECC including the relevant documents and necessary information for the exercise of voting right.

- The agenda for the meeting of shareholders shall be determined at the meeting of the BOD. In the event that the shareholders' meeting is requested by the shareholders holding at least 51% of the Company's total shares with voting rights, the application for shareholders' meeting shall be made in writing, signed by the requesting shareholders, and submitted to the Director General with the details of the proposed agenda. If the Director General does not call and arrange to convene a general meeting of shareholders within twenty one (21) days after such request, the requesting shareholders may call the meeting.
- A general meeting of shareholders shall be duly constituted if, at the commencement of such meeting, shareholders representing at least 51% of the total issued shares of the Company are present in person or by proxy. In case where the aforementioned quorum is not satisfied in the first meeting, a second meeting will convene within forty five (45) days from the date that was set for the first meeting and the quorum for the second meeting shall be the number of shareholders actually present at such meeting.
- Shareholders who are not registered in the Company's register of shareholders (list of shareholders) as of the record date shall not be entitled to receive a notice of the general meeting of shareholders or attend or vote at the general meeting. Shareholders' meeting shall be held at the Company's registered Head Office or at any location within Cambodia stipulated on the notice for convocation.
- Also in respect of the rights of a general meeting of shareholders, the Company, as a public enterprise, may have different characteristics from those of public limited companies. The shareholders of a public enterprise do not have any rights to, (i) appoint or dismiss an internal auditor and directors other than a non-executive director or an independent director, (ii) determine salaries and other compensations of an internal auditor and directors appointed by Anukret.
- Following this IPO, the matters affecting the interests of the shareholders as Private Shareholders including, without limitation, a proposal for an appointment of a non-executive director representing the shareholders as Private Shareholders, shall be adopted by a resolution of the Private Shareholders' general meeting where the shareholders as Private Shareholders shall have the right to attend and vote in accordance with the recommendation of the BOD.

b-12-8- Voting Rights

The holders of Class A (Voting) shares shall have full voting right, one (1) vote for each Class A (Voting) share. The holders of Class B (Voting) shares shall also have full voting right, one (1) vote for each Class B (Voting) share, equal to that of Class A (Voting) share. The holders of Class C (Non-voting) shares shall not have any voting rights except in respect of the following:

- Amendment to the AOI that may have an adverse effect directly or indirectly on the rights, privileges, restrictions or conditions attached to Class C (Non-voting) shares

- Request for merger that may change directly or indirectly the rights, privileges, restrictions or conditions attached to Class C (Non-voting) shares
- Dissolution of PPAP

All resolutions at the general meeting of shareholders shall be approved by the majority of the voting shares. Shareholders may exercise their voting rights in person or by proxy. In accordance with the law and regulations, the special resolutions that have been mentioned above requires two thirds (2/3) of the voting shares or signature of the shareholders. The special resolution requires approval from the Ministry of Economy and Finance and the Ministry of Public Works and Transport.

In contrast to the Public Limited Company, Merger and Acquisition, Split, Dissolution, Liquidation will require special resolution (two-thirds majority) and approval from the Ministry of Economy and Finance and the Ministry of Public Works and Transport.

In order for a proxy to exercise voting rights, he or she shall present a proxy letter evidencing his or her power of attorney prior to the commencement of the shareholders' meeting concerned.

b-12-9- Rights to Demand Appraisal

In case of a merger, the Law on Commercial Enterprises stipulates that shareholders of a dissolving company may have the right to require a surviving company to demand appraisal of their shares and to purchase such shares. In order to exercise such right, shareholders of a dissolving company need to meet all of the following conditions:

- Such shareholders must have owned the shares of a dissolving company before the approval of the merger is effected through a general meeting of shareholders;
- Such shareholders must have not voted in favor of the merger;
- Such shareholders must have made a written demand to the surviving company after the request for the merger is filed with the MOC; and
- Such shareholders must have surrendered the share certificates to the surviving company at the time of making a demand for appraisal

The purchase price for the shares is determined through a negotiation of up to ninety (90) days between the shareholders of the dissolving company and the surviving company. If it is not possible to agree on a fair price, the court shall decide on the fair price and the shareholders of the dissolving company shall be entitled to such price.

b-12-10- Shareholders' Register and Record Dates

Pursuant to the SECC Regulations, the Company's securities transfer agent, ACLEDA Bank Plc., shall prepare and maintain the Company's shareholders' register at its office in Phnom Penh, containing a list of registered shareholders in an alphabetical order and showing the number of shares held by each shareholder and a permanent address of each shareholder, with respect to

each class of shares issued by the Company. Such shareholders shall be entitled to voting rights, rights to receive dividends and any other rights as a shareholder; provided, however, that the details of the Public Shareholder(s) who hold 80% of the total voting shares shall be recorded in the Shareholders' Register based on the list provided by the MEF.

In case where shares of the Company are deposited at the Operator of Securities Depository (OSD), the preparation and maintenance of the Shareholders' Register shall be done in accordance with the Prakas No. 002/11 dated 3 May 2011 on the Implementation of Operating Rules of Securities Depository ("Prakas No. 002/11") and the applicable laws.

The Company shall set a record date on which the shareholders may exercise their rights, provided that the record date shall not be more than fifty (50) days or less than twenty (20) days from the convocation date of the annual shareholder meeting.

The Company shall, at least one (1) week after such record date, give the shareholders a public notice announcing that the shareholders recorded in the Company's Shareholders' Register as of such record date shall be entitled to exercise their rights.

If a person named on the Shareholders' Register transfers title to any of his/ her shares after the record date, the transferee shall be entitled to cast vote at the general meeting of shareholders provided that any of two requirements is fulfilled:

- He/ she has properly endorsed share certificates or other evidence confirming his/ her ownership to the relevant shares including the Securities Account and the Customer Account Book.
- He/ she demands, not later than ten (10) days before the meeting, that his/ her name be included in the Shareholders' Register.

b-12-11- Right to Access to Information

The general public may either access the official websites of the Company, the SECC and the CSX, or submit a request to the Company to peruse the registered version of this Disclosure Document, financial information and other related documents. Additionally, the Company provides to its shareholders, upon request and payment of a reasonable fee, hard copies of the audited annual financial statements, operating results, quarterly financial reports, information about directors and senior officers and other relevant information about the Company.

b-12-12- Transfer of Shares

Under the relevant laws, there is no restriction on transfer or sale of shares by the Company's shareholders. The share transfer can be made by endorsement and delivery of a share certificate or in other forms recognized by the relevant laws.

After this IPO, the shares are to be deposited at the OSD and the transfer of title to the shares shall become effective when the book entry of share transfer is made in the Member's and Participant's Securities Account Book pursuant to Prakas No. 002/11 dated 3 May 2011.

The Company's securities transfer agent is ACLEDA Bank Plc., located at #61, Preah Monivong Blvd, Sangkat Sras Choak, Phnom Penh, Cambodia.

b-12-13- Acquisition of Shares by the Company

Under the Law on Commercial Enterprises, Public Enterprise Law and the SECC's regulations, the Company can acquire its own shares for the Company's business and other purposes in accordance with the special resolution of the BOD.

b-12-14- Liquidation

In the event of liquidation, the holders of Class C (Non-voting) shares shall have preference over holders of Class A (Voting) shares and Class B (Voting) shares in the distribution of residual assets up to the Net Asset Value per Share of such Class C (Non-voting) shares on the date of liquidation.

10- Determination of Offering Price of Equity Securities

The offering price is USD 1.256 (KHR 5,120). The offered price has been approved by SECC on 10 November 2015.

The equity value of PPAP is based on relative valuation models by comparing the Company to the peer group with port business operations in other markets and companies listed on the CSX.

The Underwriter reasonably believes that a relative valuation model using market multiples is a more appropriate method compared to an absolute model, or a discounted cash flow model, which requires estimation on both cash flows and discount rate. Material information for estimating the cost of equity (such as market volatility, beta, benchmark return and risk free rate) is not readily available in Cambodia as the capital market is in its infancy. Therefore, it will entail many assumptions which would make the overall valuation less reliable.

An investor who participates in the Book Building is allowed to bid the price within the given range. The Company and the Underwriter will determine the offering price based on the Book Building result as well as the market climate and seek an approval on the offering price from the SECC in due course. After receiving approval from the SECC, the Company shall disclose the SECC-approved offering price in the Disclosure Document after registration at the SECC.

11- Net Assets Per Share, Earnings Per Share, P/E Ratio or Price Earnings Multiple Per Share and Dividend Yield Per Share

a- Net assets per share (2014)

(Unit: USD)

No.	Description	Amount
	ASSETS	
	Non-current assets	
1	Property, plant and equipment	140,767,115
2	Investment properties	7,842,164
	Total non-current assets	148,609,279
	Current assets	
1	Trade and other receivables	1,375,233
2	Cash and bank balances	1,820,910
	Total Current Asset	3,196,143
	Total assets(A)	151,805,422
	LIABILITIES	
	Non-current liabilities	
1	Borrowings	28,979,637
2	Provision for retirement benefits	717,462
3	Deferred tax liabilities, net	693,094
	Total non-current liabilities	30,390,193
	Current liabilities:	
1	Trade and other payables	1,628,128
2	Provision for income tax	319,975
	Total Current Liabilities	1,948,103
	Total Liabilities (B)	32,338,296
	Total Shareholder's Equity and Liabilities	151,805,422
	Net assets(A-B)	119,467,126
	Number of voting shares(C)*	20,684,365
	Net assets per share(A-B)/(C)	5.77
	Total number of shares including voting and non-voting shares (D)*	114,453,485
	Net Asset per share (A-B)/(D)	1.04

Note: * Post-IPO basis

Source: The audited financial statements for the years ended 31 December 2014

b- Earnings per share

(Unit: USD)

Description	Amount
Net income after interests and tax (A)	2,145,109
Dividend paid to preference shares (B)	-
(1) = (A) - (B)	2,145,109
Number of voting share outstanding (2)*	20,684,365
Earnings per share (1) / (2)	0.10

Note: * Post-IPO basis

c- P/E ratio or price earnings multiple per share

(Unit: USD)

Description	Amount
Market price per share(1)	1.256
Earnings per share(2)	USD 0.104
Price earnings multiple per share (1) / (2) (Time)	12.11

d- Dividend yield per share

(Unit: USD)

Description	Amount
Annual dividend per share (1)	-
Market price per share (2)	1.526
Dividend yield per share (1) / (2) (%)	-

12- Allotment plan of equity securities

Investor Group	Allotted Amount (Shares)	Allotment Ratio
ESOP	413,687	10.00%
Strategic Investors	1,859,573	44.95%
Successful Investors in Book Building	1,055,000	25.50%
Investors in Subscription	808,613	19.55%
Total	4,136,873	100.00%

In accordance with Article 37 of the Prakas No. 001 promulgated by the SECC, at least 20% of the total offered shares need to be allotted to the Cambodian Investors in subscription unless otherwise instructed and approved by the SECC. The other 80% of the total offered shares need to be allocated to Cambodian and non-Cambodian Investors.

a- Details for Cambodian citizen investors

Investors' identification	Percentage (%)	Selling price Per share	Quantity	Amount
Employee	-	-	-	-
Individual	-	-	-	-
Institutional	-	-	-	-

b- Details for non-Cambodian citizen investors

Investors' identification	Percentage (%)	Selling price Per share	Quantity	Amount
Employee	-	-	-	-
Individual	-	-	-	-
Institutional	-	-	-	-

13- Use of proceeds

Through the IPO of 4,136,873 Class A (Voting) shares with the market price of KHR 5,120 (USD 1.256), PPAP expects the gross proceeds from the IPO to be KHR 17.49 billion (USD 4,281,007) after deducting registration fee, listing fee, depository fee, and advisory fees (underwriting, accounting and legal, and other offering expenses).

PPAP intends to use the net IPO proceeds for the general corporate purposes including, without limitation, the following:

- For CAPEX plan for Phase II of LM17 and expansion of other handling facilities
- If there is a surplus after CAPEX, PPAP will reserve the fund for working capital and other general purposes.

PPAP has plans to make a short term deposit of the IPO proceeds at banks before using them for the purposes described above.

IPO Proceed:

Items	KHR	USD
Offering amount	21,180,789,760	5,193,916
Registration of disclosure document fees	12,000,000	2,972
Listing eligibility review	4,000,000	991
Listing fee	34,533,898	8,552
Securities depository fee	4,680,000	1,159
Underwriter fee	3,028,500,000	750,000
Accounting advisory fee	159,501,000	39,500
Issuer's legal advisory fee	202,889,310	50,245
Securities registrar	4,194,607	1,039
Asset valuation fee	19,187,842	4,752

Printing fees for disclosure documents and marketing material	216,838,783	53,700
Net proceed	17,494,464,321	4,281,007

14- Investment projects

PPAP has a number of short and long-term investment plans including the development of Phase II of LM17 and handling facilities which are to increase the cargo handling capacity of PPAP as well as its storage capacities. The investment plans are to be made in accordance with the growth in the demand from clients. For more information, please refer to Section 4: b-5-Future Plan.

Section 3: Risk Factors

IMPORTANT NOTICE

An equity investment is a high-risk investment. All persons should carefully consider all of the information in this Disclosure Document, and in particular the risks described in this section, prior to making an investment in PPAP's shares. All persons should seek appropriate advice from an accredited investment advisor representative or advisory firms.

All persons should read this section entitled "Section 3: Risk Factors" in conjunction with the sections entitled, "Section 4: Company's Information" and "Section 7: Financial Information" together with all of the other financial and statistical information contained in this Disclosure Document.

If any of the following risks occur, PPAP's business or financial position may be adversely affected, resulting in the decline in the price of PPAP's shares, and persons who have invested in this IPO losing all or part of their investment.

The risks discussed in this section are not exhaustive and PPAP and persons who have invested in this IPO may come across additional risks. PPAP's business could be adversely affected by additional factors that they are not aware of at this time, or that PPAP does not presently consider to be material to their business. Unless otherwise stated in the risk factors set forth below, PPAP is not in a position to quantify or specify with any precision the impact of the risks mentioned herein.

The risk factors which have been included in this Disclosure Document have been decided having regard to their materiality, and in particular:

- The materiality of risks which are not individually material, but when considered together with other risks may be material;**
- The materiality of risks which may have a qualitative as opposed to quantitative impact on PPAP's operations or financial performance; and**
- The materiality of risks which may not be material at this point in time, but which may materially impact PPAP or persons who invest in this IPO in the future.**

Please be advised that the absence of Management's view and risk mitigation in respect of any risk factor is not an oversight. In respect of many of the risk factors contained herein, risk mitigation is not possible or no actions to mitigate the risk have been taken.

1. Interest rate risks

- 1) The business requires significant periodic capital expenditures and PPAP may not be able to secure funding as necessary or under desirable terms.**

a- Analysis

The construction of PPAP's main terminals was financed predominantly by the donations or soft loans from its development partners. Its newest container terminal, LM17, was completed with a loan of USD 28.9 million at an interest rate lower than the commercial rates available in Cambodia.

PPAP has several projects under its short and long-term investment plans. PPAP plans to implement the Phase II of LM17, upgrade the facilities at Tonle Bet Terminal and install general cargo handling equipment as specified in the Section 4: b-5-Future Plan."

In the future, PPAP may not be able to fund its capital expenditures with assistance from the development partners. This may require PPAP to seek additional financing from the external sources. However, there is no guarantee that PPAP would acquire funds under favorable terms. Difficulties in financing as well as negotiations for the terms and conditions may adversely affect the profitability of PPAP and the return on investment for the investors.

b- Management view and risk mitigation

PPAP believes that it will be able to generate sustainable fund to finance the development projects under favorable terms and conditions by diversifying financing options and its business, optimally managing expenditure budget and prioritizing its development projects. These measures may allow PPAP to choose the option that best suits its needs from a number of financing options.

PPAP has a close relationship with the Export-Import Bank of China and is optimistic about gaining access to the additional loan of USD 30 million via MEF for future development projects. PPAP also plans to use the IPO proceeds and conduct follow-on offerings if it deems necessary. Moreover, PPAP is considering the option of private participation in some of its development projects in the form of Build-Operate-

Transfer (BOT). In the long-run, private participation could further diversify its source of funding.

2. Exchange rate risks

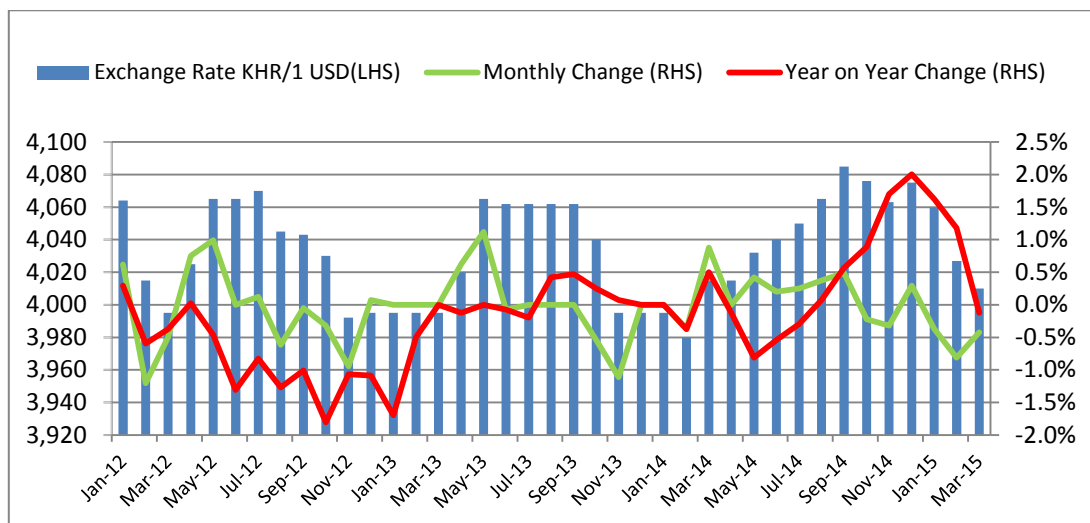
1) PPAP earns its revenues in US Dollar, but needs to settle its operational expenses in Khmer Riel.

a- Analysis

PPAP settles its salary, tax expense and other operational expenses in Khmer Riel. Amounting to KHR 18.3 billion (USD 4.5 million), these expenses accounted for approximately 48% of the total expense in 2014. Whereas PPAP's revenues are in US Dollar, the Company settles most of its operational expenses in Khmer Riel. Such situation may expose PPAP to exchange rate risks.

b- Management view and risk mitigation

PPAP believes that the unrealized exchange risk arising from these expense settlements in Khmer Riel may affect its profits when the exchange rate between KHR and USD fluctuates. However, the exchange rate between KHR/USD has been fluctuating approximately 1% monthly and 2% YoY at the most for the past 3 years as indicated by the chart below:



Source: Economic & Monetary Statistics, NBC.

PPAP cannot protect itself from the exchange rate risk because the fluctuation in exchange rate is beyond PPAP's control. Even if it wishes to hedge such risk by entering into futures, forwards or swaps transactions, they are not commonly practiced in Cambodia.

3. Industry risks and risks related to the changes in national and international contexts

1) PPAP's business and results of operations are susceptible to changes in the economic, political, and social conditions in Cambodia and abroad.

a- Analysis

PPAP's business and results of operations are heavily dependent on the import and export volumes of Cambodia. These are especially susceptible to the economic, political, and social conditions in Cambodia and abroad, which are beyond PPAP's control.

In terms of the regional changes, the ASEAN Integration is expected to affect PPAP the most. Once the regional economies become integrated under the new ASEAN Economic Community in the near future, PPAP may benefit from the increased trade between the neighboring countries. However, PPAP may also face greater competition and may need to adopt new standards and regulations set by the ASEAN Community. Increased competition as well as the standards in regulations may require PPAP to incur significant costs.

Another important factor is the socio-political stability in Vietnam and the relationship between the Cambodian and Vietnamese governments. The Cambodia-Vietnam border is only 102 kilometers away from PPAP and most of PPAP's trans-shipments reach Cai Mep Hub Port in Vietnam. Reduction in the import and export volumes of Cambodia resulting from any of the above mentioned factors including any closure of the water channel or border to Vietnam may materially affect PPAP's business, results of operations, and future growth. Furthermore, heavy concentration of the Cambodian imports and exports on a limited number of industries and products may accentuate the effects of the factors that are beyond PPAP's control.

In addition, any disruption in global credit and financial markets as well as uncertainty in global economic prospects may adversely affect the scale of the donations from external sources to Cambodia. This may negatively affect the Cambodian economy and PPAP.

b- Management view and risk mitigation

All port businesses rely heavily on the growth of overall trade between countries. PPAP's management strongly believes that the economy and political situation in Cambodia have become stable since the election in 2013.

The ASEAN Integration is expected to increase the volume of Import/ Export in Cambodia and benefit PPAP. This is mainly because PPAP is the port authority and also the international port operator along the Mekong River with competitive advantages over other ports within the zone. In addition, PPAP believes that it will not incur significant compliance costs to adopt new standards and regulations of the ASEAN as it already implements internal practices to ensure the safety and security within terminals.

The Mekong River is recognized as the international waterway under the treaty, "Regulating Convention Maritime and Inland Navigation on the Mekong on the Approach to the Port of Saigon," signed in Paris by Cambodia, Laos, and Vietnam on 29 December 1954. The treaty has been in effect since 1 January 1955. In addition to the treaty, the governments of Cambodia and Vietnam signed the "Waterway Agreement" on 17 December 2009 to allow all maritime traffic to use the Tonle Sap, Bassac River, Mekong River and Vam Nao Pass. This agreement will ensure vessels' access from Cambodia to Vietnam and vice versa.

2) Increase in tariff by one of the PPAP's hub ports and other ports in the logistics chain may affect its business.

a- Analysis

PPAP operates as a part of logistics chain. As a result, increase in tariff by one of the PPAP's hub ports or other ports part of the logistics chain may increase the overall costs borne by customers utilizing PPAP. Depending on PPAP's ability to absorb or

pass on the increased cost, PPAP may be exposed to the risk of reduced competitiveness and loss of its customers to other means of transport. Such event could substantially impair PPAP's growth prospects and have a material adverse effect on its business, financial condition, and the results of operations.

b- Management view and risk mitigation

PPAP has always maintained good communications with other hub ports, especially Cai Mep Hub Port, as an important business partner. At the same time, PPAP is also looking to connect to other ports along the Bassac River via Vam Nao pass (junction between the Mekong and Bassac River in Southern Vietnam) as an alternative route in case of an increase in tariff, which could affect the results of its business. In order to prevent the loss of customers, PPAP may temporarily absorb some portion of the increased costs if a port within its logistics chain does increase tariff.

4. Operational risks

1) High electricity consumption and power disruptions could adversely affect PPAP's business operations.

a- Analysis

The port operations, both at terminals and administrative offices, require significant consumption of electricity. Electricity consumed by the Company amounted to USD 236,455.19 in 2013 and USD 277,529.15 in 2014. The LM 17's electricity usage accounted for 68% and 71% of the total electricity used in 2013 and 2014 respectively.

Heavy consumption of electricity makes PPAP's operations and their results highly susceptible to changes in the cost of electricity and power disruptions. Increase in the price of electricity would augment PPAP's operating expenses and may undermine its financial performance. Moreover, power disruptions could materially affect the operations of PPAP depending on their frequency and length.

b- Management view and risk mitigation

Under the classification of small consumer, PPAP has been paying high tariff for electricity. The management of PPAP believes that the spending on electricity could be controlled or reduced by requesting Electricite Du Cambodge for the change in tariff (lower rates). Moreover, improved operational efficiency such as reducing idle time and setting a clearer operational policy for its customers could further decrease costs related to energy consumption.

As of December 2014, PPAP's generators have sufficient capacity to meet the daily operational requirements of each terminal. In case of increase in demand for electricity arising from the development of supporting facilities near LM17, PPAP may cooperate with an investor to build a power plant.

2) PPAP depends on Travelling Cargo Crane of business partners at LM 17.

a- Analysis

The port operation at LM17 relies on Traveling Cargo Cranes from the business partners. PPAP has been cooperating with Sovereign Base Logistics Holdings Co., Ltd, Sung Kwang Heavy Equipment Co., Ltd, and KAMSAB, to install necessary equipment including Traveling Cargo Cranes and floating cranes at LM17. PPAP guarantees 30% of the total amount of annual container throughput at LM17 to be lifted by Sung Kwang Heavy Equipment's cranes. For details, please refer to Section 4 c-7- Stevedoring and LOLO. PPAP also plans to further cooperate with other third party vendors to install additional equipment.

In the event that one or more of the business partners cease operations or become unable, or unwilling to continue to cooperate with PPAP; there may be no assurance that PPAP would be able to substitute such business partners and equipment promptly or under commercially reasonable terms. Any delay or failure in finding suitable partners as substitutes or for installation of new equipment may adversely affect the business operations of PPAP.

Annual Crane Charge by the Third Party Vendors

(Unit: USD)

Company	2012	2013	2014
KAMSAB	200,272.00	332,403.00	744,828.30
DC&D Global*	280,414.98	10,121.49	-
Sung Kwang	-	301,502.52	395,936.80
Sovereign	113,914.36	146,431.20	46,759.20
Others*	4,000.00	4,039.25	-
Total	598,601.34	794,497.46	1,187,524.30

Note: * DC&D Global was a business partner at TS3. DC&D Global and others ceased their crane operations after 2013.

b- Management view and risk mitigation

Between 2016 and 2017, PPAP plans to install additional 1 Travelling Cargo Crane (TCC) and 4 Rubber Tyred Gantry (RTG) at LM17. As of December 2014, PPAP has reserve handling equipment to handle containers. If any one of the third party vendors terminates the contract unexpectedly, the reserve equipment can serve as temporary replacement while PPAP seeks for a new third party vendor.

3) The investments in developing additional services, facilities, and sources of income for PPAP's port business may not be successful.

a- Analysis

On 10 April 2015, PPAP acquired a license for sand dredging business from the Government. The sand dredging business will not only help to improve the depth of the water channel for the container traffic, but also diversify the source of income for PPAP. PPAP believes that the continued expansion is essential for remaining competitive and capitalizing on the growth of the business and economy. PPAP will continue to make investments in additional services such as warehousing and logistics in order to further diversify and grow the operating income.

However, the success of the investments depend on a variety of factors, including adequate source of financing, timely completion of the project, and the available market once the services become operational. Any delay or failure to complete a

project or effectively deliver additional services may adversely affect the competitiveness, results of operations, and financial condition of PPAP.

b- Management view and risk mitigation

Before the approval of project, PPAP assigns a committee to conduct a feasibility study on the available market demand and arranges sources of funding. PPAP also has internal engineering team to monitor the progress of the development projects with qualified partners which is in compliance with the current procurement policy. The role of internal engineering team is to ensure that the development project is completed on schedule while the procurement policy requires adherence to the proposed specifications of each project.

- 4) Any reduction in the operational capacity or interruption to the operations due to equipment replacement, remodeling or upgrade and any significant costs associated with replacing failed, outmoded, or obsolete equipment could have a material adverse effect on PPAP's results of operations.**

a- Analysis

PPAP's operations rely on the proper functioning of critical pieces of complex equipment such as crane, RTG, port operating IT system and more. These equipment may require replacement, remodeling or upgrade as they age or experience unanticipated failures, any of which could result in reduction of PPAP's cargo handling capacity or efficiency.

Moreover, if PPAP's equipment ages, fails or become obsolete, PPAP may incur additional costs to maintain, repair or replace such equipment. Any of these factors could cause decline in PPAP's profit margins.

b- Management view and risk mitigation

PPAP remains pro-active in maintaining, repairing and replacing the equipment in case they age, fail or become obsolete. For example, PPAP prepares regular maintenance schedule and reserves budget for spare parts.

In addition, PPAP purchases new handling equipment and uses them in accordance with the international standard and manufacturer instructions. Therefore, it is highly unlikely that the equipment would fail unexpectedly.

5) PPAP does not have insurance coverage against potential operational risks.

a- Analysis

PPAP does not have any insurance coverage which is commonly used in the port industry in developed countries. However, the port operations involve many risks including accidents, business interruptions, and damages to the facility, property, and equipment caused by inclement weather, human error, pollution and labor disputes. While providing services to customers, PPAP may also damage customers' cargo, cause delay, misroute cargoes, and make documentation errors. These risks may cause PPAP to incur legal expenses and significantly impair PPAP's reputation. If serious accidents or hazardous events occur in the future, PPAP would remain liable for any financial obligations and may incur costs that could adversely affect the results of operations.

b- Management view and risk mitigation

Currently, PPAP is considering acquisition of insurance coverage for its main services such as stevedoring, LOLO and storage.

In order to reduce operational accidents, all employees are trained to strictly follow operational safety procedures. PPAP makes regular contributions to the National Social Security Fund to cover employees' medical expenses arising from work-related accidents. Moreover, PPAP remains proactive in maintaining, repairing and replacing the equipment according to the standards and regulations.

6) PPAP relies on security procedures carried out at other port facilities and by its shipping line customers, which are beyond its control.

a- Analysis

PPAP inspects the physical condition and the seals of containers that enter its terminals in accordance with its own practices. Moreover, the General Department of Customs and Excise of Cambodia carries out security inspection of the cargoes. On the other hand, CAMCONTROL conducts tests on import and export cargoes to ensure that they meet the required standards and quality.

PPAP also relies on security procedures carried out by shipping line customers and the port facilities that containers have previously passed through to supplement its own inspection to varying degrees. However, there can be no assurance that all cargoes that pass through PPAP will not breach security procedure, either directly or indirectly in others parts of the supply chain. A security breach that occurs at one or more of its facilities, or at a shipping line or other port facility that has handled cargo prior to the cargo arriving at PPAP's port facilities, could subject PPAP to significant third party liabilities including the risk of litigation and damages to its reputation.

In addition, any major security breach that occurs at one of its facilities or any other ports part of its logistics chain may result in insecurity and lead to the introduction of additional or more stringent security measures and other regulations affecting the entire container terminal industry. The costs associated with any such events could impair PPAP's prospects for growth and could have an adverse effect on its business, financial condition, and results of operations.

b- Management view and risk mitigation

PPAP relies on the General Department of Customs and Excise for security inspections. All import/ export containers must be scanned at the port terminal in compliance with the General Department of Customs and Excise guidelines.

PPAP has also established its own effective safety inspection procedures to prevent any loss or damage to cargoes. PPAP's Automatic Identification System (AIS) can track vessels traveling through the Mekong River and Terminal Operating System (TOS) ensures security and operational efficiency. CCTV cameras at the gate also monitor the movement of containers.

7) Risk of not having adequate qualified/ skilled staffs and loss of key management personnel

a- Analysis

The success of PPAP relies heavily on the capacity of its key staffs. PPAP has recruited, trained and retained these key personnel. PPAP's operations may suffer if it cannot retain or replace the senior management or other highly qualified staffs in a

timely manner. If such loss occurs, PPAP may need to hire more personnel in order to execute its growth plans. This may not only adversely affect the business plan and port operations, but also incur additional costs for PPAP.

Staff Turnover ratio

Staff Classification	2012		2013		2014	
	Number of staff	Resigned	Number of staff	Resigned	Number of staff	Resigned
Senior Officer	12		12		12	
Manager	52		47		45	1
Employee	257	4	242	5	226	7
Auditor	2		2		2	
Total Staff	323	4	303	5	285	8
Turnover Ratio	1.24%		1.65%		2.81%	

b- Management view and risk mitigation

PPAP has been able to attract and retain qualified management and employees due to its competitive salary and on-site healthcare center (SHE office). PPAP has also encouraged internal staff promotion as part of the succession plan in the key management positions.

In order to secure qualified staffs, PPAP provides internal technical training courses through the Cambodia Maritime Institute (CMI). In addition, PPAP has sent employees and the management to attend training courses related to port management, port operations, and port safety/ security in many countries such as Belgium, German, Singapore, Korea and Japan. Please refer to Section 4: A-2-3 Human Resource Development for details.

8) Increase in minimum wage and labor strike

a- Analysis

The Cambodian government has planned to gradually increase the current minimum wage of USD 128 to USD 160 per month by 2018. Therefore, PPAP may need to revise its minimum wage policy to reflect such changes in the future. If there is any

change in the minimum wage policy of PPAP, this will lead to increase in the labor costs and have a negative impact on its profitability.

PPAP's freelance laborers at terminal operations for stevedore service are paid monthly wages and TEUs incentives under fixed, short-term employment contracts. Under such circumstances, they may simply change job to get higher salaries.

Any disruption in the daily port operations as the result of strike/ labor unrest or increase in monthly salary will significantly affect the business performance, especially the cargo handling service. Any labor dispute or other labor unrest may also adversely affect the operations and financial status of PPAP.

b- Management view and risk mitigation

Due to improvements in technology and equipment at PPAP's terminals, it does not need to maintain a high number of freelance laborers. As of June 2015, PPAP only has the total of 19 freelance laborers and their monthly salary exceeds the current minimum wage of USD 128. PPAP believes that the labor strike is highly unlikely because PPAP's minimum salary for average contract staff is around USD 200.

9) Adoption of CIFRS may negatively affect PPAP operations.

a- Analysis

The adoption of CIFRS in Cambodia was implemented in 2012. However, PPAP's internal reporting system to guardian ministries has continued to follow the French accounting standard. In the early 2013, PPAP adopted CIFRS and restated its previous financial statements into CIFRS in preparation for the IPO.

As one of the requirements for the CIFRS, PPAP must follow the IAS 19 on the Retirement Benefit Obligation and has hired an external advisor to prepare the report. The accounting staffs at PPAP are more familiar with the French accounting standard than the newly adopted CIFRS. However, most of the accounting staffs have received on-the-job trainings from the accounting advisor. The full adoption of CIFRS may lead to improper recording by the less-trained staffs and this could be

overlooked by the manager. This may lead to disruption or delay in the business operations especially in the Accounting/ Finance Department.

b- Management view and risk mitigation

The adoption of CIFRS has been the priority of the Accounting/ Finance Department. PPAP employees receive extensive CIFRS training and on-the-job experiences which could help ease the process of switching from the French accounting standard to the CIFRS. PPAP employees also receive the support of the external CIFRS accounting advisors (Grant Thornton). PPAP plans to continue working with the CIFRS accounting advisors during the transition period until PPAP staffs can independently prepare and fully implement the CIFRS.

10) PPAP does not have written operations manual for each department.

a- Analysis

Currently, there are no written manuals and safety guidelines at PPAP. Each technical staff at PPAP receives training from either CMI (Cambodia Maritime Institute) or internally at PPAP. To operate heavy equipment such as cranes, RTGs, stackers, loaders and more, PPAP staffs must be adequately trained to ensure the health and safety in workplace. A proper instruction manual should be included as part of the training as well as at the workplace to ensure that each staff strictly follows safety guidelines and he/ she can refer to the manual when in doubt. Without proper manual and safety guidelines in writing, PPAP may face difficulty in dealing with unforeseen accidents or disruptions in its business and operations.

b- Management view and risk mitigation

PPAP's key management has received extensive training on terminal management on both the local and international level. With the wealth of experience, PPAP management has passed on their knowledge and experience to their successors via CMI training courses and hands-on training at PPAP terminals. PPAP management has improved the operational efficiency in practice and always implements strict safety guidelines for employees who operate heavy equipment. Currently, PPAP is drafting the manual to serve as the guideline for operating the equipment.

11) Reliance on a small number of suppliers for port facility may lead to low bargaining power and disruption in operations if PPAP fails to timely acquire spare parts and equipment at acceptable price and quality.

a- Analysis

PPAP regularly purchases fuel and spare parts for its terminal operations. These two items accounted for 18.29% and 17.25% of the total cost of services in 2013 and 2014 respectively.

PPAP follows internal bidding policies set by the Prakas of the Ministry of Economy and Finance. For the purchase amount which exceeds 500 million Riel, PPAP must conduct bidding involving the minimum of 3 suppliers. Usually, there are 3 main suppliers that participate in the bid for supply of oil (Chevron, Total and Tela). For supply of hardware and their spare parts, PPAP usually places orders on demand.

With a limited number of suppliers, PPAP may have a low bargaining power. In the event that one or more of the suppliers cease their business operations or unwilling to continue cooperation with PPAP, there is no assurance that PPAP will be able to promptly replace the supplier under reasonable commercial terms and conditions. Thus, any delay or failure in finding a suitable supplier could adversely impact PPAP's business, financial condition, and results of operations.

b- Management view and risk mitigation

PPAP's two main purchases include oil and spare parts. PPAP can choose the oil supplier from any of the following companies: Chevron, Total, Tela, Caltex, Sokimex and other oil suppliers. This enables PPAP to choose the supplier that offers a quality product at a competitive price. The current price of oil, supplied by Total, is based on the Mean of Platt's Singapore in USD and can be calculated by following the formula below:

Current price of diesel oil:

Price per liter = [(MOPS per liter + Premium per liter) + taxes per liter] x (1 + VAT Rate)

Location	Premium		
Phnom Penh/ Kandal Province	USD 78.50 / Ton	USD 10.488594 / Barrel	USD 0.065966 / Liter

On the other hand, PPAP sources spare parts locally and internationally. There are many local suppliers providing spare parts related to trucks and commonly used mobile cranes. For specific technical equipment such as RTG, container stackers and other heavy machinery spare parts, PPAP needs to contact suppliers abroad.

In order to prevent delays in its daily terminal operations, PPAP always maintains a certain level of spare parts for equipment used in operations. This practice allows PPAP to replace the damaged parts quickly while sourcing from abroad may take a long time.

12) PPAP exhibits low efficiency on fully utilizing existing infrastructures to optimize its operations (TS 3, TS 1, ICD).

a- Analysis

PPAP has full ownership of 4 terminals. Currently, only 2 terminals are fully operational. Before the New Container Terminal (LM17) became operational, TS3 was the main container terminal. As of now, all container traffic has been transferred to the New Container Terminal in Kean Svay. As a result, other supporting facilities such as the warehouse, ICD and the Multipurpose Terminal (TS3) rarely receive any container traffic. PPAP should come up with a strategy to revive container traffic to these facilities or propose alternative commercial use of these facilities. If the effective strategy cannot be proposed promptly, this may negatively affect the port operations and financial status of PPAP.

b- Management view and risk mitigation

After PPAP began its operations at LM17, the Customs and Excise Department of Cambodia has also transferred all customs related operations at TS3 to LM17. As a result, international vessels cannot load and unload cargoes at TS3. Currently, PPAP is requesting the Customs and Excise Department of Cambodia to station at TS3 so that PPAP can transfer part of its international cargo traffic to TS3. PPAP

expects the customs authority to restart its customs-related operations at TS3 shortly. When TS3 is fully operational, PPAP will be able to fully utilize other port supporting facilities such as the warehouse and ICD.

Due to its location at Phnom Penh, the demand for handling cargoes at TS3 still exists. Customers could reduce the overall cost of transportation by having their cargoes handled at TS3. Recently, PPAP has requested a joint committee, which consists of the private sector and the General Department of Customs and Excise of Cambodia, to facilitate PPAP's operations at TS3.

13) Hazardous material: oil and gas leak

a- Analysis

Although PPAP does not directly handle hazardous materials, certain of its customers are involved with transportation of these such as oil and gas. Handling of such materials is subject to the risk of leaks and spills, causing environmental damage. In the event of such leaks and spills, PPAP as a port authority may be partly or fully liable for cleaning and damages from the leaks and spills. This could have a material adverse effect on the business, financial condition, and results of operations of PPAP.

b- Management view and risk mitigation

According to the Article 18 2(b) of the Agreement between the Royal Government of Cambodia and the Government of the Socialist Republic of Vietnam on Waterway transportation, pilotage is compulsory for vessels engaged in the cross-border transportation of dangerous goods. PPAP also provides tugboat services to oil/ gas vessels in order to prevent accidents while berthing at oil/ gas terminals belonging to private companies.

According to the Article 22 of Law on Environmental Protection and Natural Resource Management, any person who commits environmental offence shall additionally be liable for repairing damage or compensation. Moreover, PPAP requires all oil/ gas terminals to equip themselves with safety equipment such as

boom and skimmer as a preventative measure. PPAP is also considering the acquisition of its own safety equipment from partner countries.

5. Non-operational risks

1) Natural disaster, weather, and climatic changes may adversely affect PPAP's business.

a- Analysis

If climatic change or weather conditions of any type was to force PPAP to close down for a period of time, its business would be materially and adversely affected. Furthermore, abnormal changes to the weather, hydrology, terrain, geology and other natural disasters may limit the use of some navigational routes towards the Port terminals. This may make certain channels leading to PPAP's terminals inaccessible, which could cause a decrease in the use of its port services. The occurrence of any of these events could disrupt the operations of PPAP and have material adverse effects on business, financial condition, results of operations and prospects of PPAP.

Monthly Average Water Level at TS3 Terminal (2009 - 2014)

Month/ Year	2009	2010	2011	2012	2013	2014
Unit	Meter	Meter	Meter	Meter	Meter	Meter
January	2.88	2.30	2.17	3.06	1.88	3.01
February	1.80	1.48	1.46	2.07	1.36	1.94
March	1.21	0.97	1.17	1.40	1.03	1.46
April	1.06	0.85	1.02	1.01	0.91	1.22
May	1.54	0.87	1.20	1.06	1.16	1.22
June	2.90	1.17	2.64	2.47	1.79	2.14
July	5.06	1.98	5.50	4.17	3.73	5.35
August	7.37	4.96	8.04	6.05	7.07	7.97
September	7.81	6.76	9.11	7.38	7.88	7.57
October	8.41	7.13	9.78	6.73	8.76	6.71
November	5.96	5.61	7.68	4.46	6.79	4.55
December	3.57	3.54	4.83	2.97	4.59	2.99

Source : PPAP's Topo Hydrographic Survey Unit

b- Management view and risk mitigation

PPAP has yet to experience any climate change that could actually disrupt the operations of PPAP.

Since 2009, PPAP's operation has not been affected by the changes in water level. Although the vessel traffic relies heavily on the water level of the Mekong River, data from PPAP's Topo Hydrographic Survey Unit show that the water level in the Port Commercial Zone has been higher than the sea level. PPAP had dredged the channel to maintain the draft limit. For instance, the lowest water level recorded was in April 2010 (0.85 meters). During the time, the draft limit between the borders of Cambodia and Vietnam was 4.2 meters which was within the allowed draft. On the other hand, the highest water level recorded was in October 2011 (9.78m), and the operation of PPAP was not affected by the increased water level.

(Unit: Meters)

River	2009		2010		2011		2012		2013		2014	
	Dry	Rainy	Dry	Rainy	Dry	Rainy	Dry	Rainy	Dry	Rainy	Dry	Rainy
<u>Allowed vessel draft for the Upper Mekong</u>												
PP- K. Cham	3.5	5.2	3.5	5.2	3.5	5.2	4.5	5.5	4.5	5.5	4.5	5.5
<u>Allowed vessel draft for the Lower Mekong</u>												
PP - V/N Border	4.2	5.2	4.2	5.2	4.2	5.2	4.5	5.5	4.5	5.5	4.5	5.5
<u>Allowed vessel draft of the Tonle Sap</u>												
PP- TS5	4.2	5.2	4.2	5.2	4.2	5.2	4.2	5.2	4.2	5.2	4.2	5.2

Therefore, PPAP believes that it is highly unlikely for any climate change to materially affect PPAP's business operations.

2) Delays from the customs inspection system may materially affect the flow of trade at PPAP's facility.

a- Analysis

All containers, goods and services need to go through official customs clearance before any customer can retrieve containers from PPAP. A delay in customs inspection may cause container congestion in the PPAP container yard. If a large number of congested containers cannot be processed in a timely manner, PPAP's port operations may be adversely affected.

b- Management view and risk mitigation

The customs authority follows the ASYCUDA system and policy to inspect containers. As the port authority, PPAP can raise the issue of such delay to the customs authority in a timely manner. Since the establishment of LM17, there has not been any error related to the ASYCUDA system that caused a delay or disruption in PPAP operations.

According to the Article 13(b) of Anukret 64 ANK. BK. on Determining and Operating of the Checkpoints and International Gates, International Border, Bilateral International Gates, Border Area and Seaport throughout the Kingdom of Cambodia; PPAP official is the head of the Border Checkpoint Committee which meets monthly to control all inbound and outbound activities of passengers, transports and all merchandises transportation into the Kingdom of Cambodia. At the meeting, PPAP may raise any outstanding issues such as facilitation of customs clearance to the official of the Depart of Customs and Excise and other relevant parties.

3) The construction of hydroelectric dam

a- Analysis

Don Sahong Hydropower Project is one of the 12 hydropower projects being planned for the lower stretch of the Mekong River. Although neighboring countries and NGOs are voicing strong oppositions against the construction of dam, the Laos Government has plans to complete its construction in 2018. If there is a construction of dam in Laos or other parts of the Upper Mekong River, the water level for the lower stream

countries may drop and may accentuate the effects of seasonality of the Mekong River. This will affect the waterway shipment in downstream countries (Cambodia and Vietnam). Any significant changes in the water level in the Lower Mekong River will affect the operations of PPAP.

b- Management view and risk mitigation

PPAP is aware of such issues but believes that the construction of hydroelectric dam may not significantly affect the water level of the Lower Mekong River.

6. Financial risks including default and cash liquidity risks

1) The need to make repayments for a loan of USD 28.9 million may cause an issue with PPAP's cash liquidity.

a- Analysis

In order to build the New Container Terminal, LM17, PPAP was financed by an amortized loan of USD 28.9 million at 4% per year from the Export-Import Bank of China via the MEF on 28 January 2011. The loan has a grace period on principal of 7 years 3 months and 16 days which starts on 4 November 2010. From February 2014 to August 2017, PPAP is required to make semi-annual interest payments of USD 549,048.32. Commencing in 2018, PPAP will be required to pay the principal as well as semi-annual interests on the 20th of February and August each fiscal year until 2031. This means that the Company will make the payment of approximately USD 3 million from 2018 (principal payment of USD 980,443.43 and decreasing interests every 6 months).

Such commitment may expose PPAP to the liquidity risk of not having sufficient cash flow to repay the principal and interest in a timely manner. Depending on the cash available for the Company, this may expose PPAP to the risk of default.

b- Management view and risk mitigation

Within the next five years, PPAP forecasts a substantial increase in the container throughput along with its revenue, profit and cash flow. In fact, PPAP has been

making interest payment of almost USD 1 million annually thus PPAP will need additional USD 2 million annually. As the container throughput increases, PPAP believes that it will be able to make payment of USD 3 million for the loan. After listing on the CSX, PPAP could reserve additional USD 0.5 million each year which has been used for budget contribution to the government.

2) PPAP is exposed to credit risk with respect to its customers. Its business could be adversely affected if its customers default on their obligations.

a- Analysis

PPAP has 3 main customers and they are all barge operators. Even if PPAP has a credit policy limit for its major clients, there exists a risk that its customers, both large and a group of smaller customers may default on their obligations due to bankruptcy, lack of liquidity, cessation of operations, or other associated risks that are beyond PPAP's control. Delays in payment, non-payment, and default on obligations by any customer could affect the financial condition of PPAP.

PPAP's main clients are in the same industry. In the case there is a crisis in the industry or at one of the main customers' company, this may also affect PPAP's port operation business and may adversely affect its profitability.

(Unit: USD)

Account Receivable	2012	2013	2014
Neither past due nor impaired	224,040	96,819	1,055,245
Past due but not impaired	1,253,706	2,036,644	80,663
Total	1,477,746	2,133,463	1,135,908

b- Management view and risk mitigation

The current outstanding account receivable is mainly from the 3 main shipping lines. The account receivable from these customers accounted for 82.75% and 73.08% of the total account receivables in 2013 and 2014 respectively. PPAP signed contracts with 2 main shipping lines, Gemadept and Sovereign, which include the payment terms and conditions. The contract is valid between 1 and 3 years after the signature date. According to the contract, the customer must

provide payment within 14 days after receiving the invoice from PPAP. PPAP will charge the weekly interest of 0.5% on the outstanding amount between 31 and 60 days from the issuance of invoice. For any remaining amount after 61 to 120 days, PPAP will charge the 1% on the total outstanding amount. In case that PPAP still receives no response from a client, PPAP will use all necessary legal measures to receive payments. In addition, all main customers are required to deposit USD 20,000 on the date of contract and PPAP may offset the outstanding interests with the deposit amount.

7. Litigation risks and contingent liabilities

a- Analysis

As of the date of this Disclosure Document, PPAP is not involved in any litigation in Cambodia. Nonetheless, PPAP is subject to the risk of litigation and regulatory enforcement actions in the ordinary course of its business in Cambodia, particularly in respect of any breach of contractual covenants, failure to comply with public procurement requirements, the environmental and construction requirements in relation to the construction of any new port, taxation law and the labor law requirements with respect to the certain employees.

Any litigation or regulatory enforcement actions could expose PPAP to financial liability, divert resources and management attention away from its business and adversely affect PPAP's reputation and financial condition. These risks may often be difficult to assess or quantify and their existence and magnitude often remain unknown for substantial periods of time.

a-1- Failure to comply with the environmental law

According to the Sub-Decree 72 on Environmental Impact Assessment, construction of ports is subject to, among other things, the environmental impact assessment clearance by the Ministry of Environment. While PPAP owns and operates the Passenger and Tourist terminal (TS1), Multipurpose terminal (TS3), New Container terminal (LM17), PPAP has failed to prepare and submit an environmental impact assessment report with respect to each of the above terminals to the Ministry of Environment for review and approval. Under the Law on

Environmental Protection and Natural Resource Management, failure to comply with the above requirements with respect to the environmental impact assessment may give rise to fines.

a-2- Failure to comply with the Labor Law

Pursuant to Article 1 of the Labor Law, the Labor Law shall apply to every personnel who are not governed by the Common Statutes for Civil Servants. Further, under the Internal Work Rules of PPAP, the employees of PPAP shall comply with both the Internal Work Rules and the Statute of Employees of PPAP. To the extent that it is not specifically provided under said Internal Work Rules and the Statute of the Personnel, PPAP shall also comply with the provisions of the Labor Law. The Labor Law requires any enterprise to register with the Department of Labor and Vocational Training (“DLVT”) or the Ministry of Labor and Vocational Training (depending on the number of employees) and, in doing so, declare the opening of its enterprise in Cambodia and its initial employees, following which an application for work permits for Cambodian employees shall be made. Declarations of personnel movements must also be made to the DLVT on an ongoing basis. Additionally, given that PPAP employees more than 8 employees, it is also required under the Labor Law to (among other things) hold elections for employee representatives and issue internal work rules for approval from the DLVT and employee representatives.

As of the date of this Disclosure document, PPAP has yet to comply with these registration/ filing requirements. Under the Labor Law, failure to comply with the above labor requirements may give rise to payment of fines and, in certain imprisonment. Additionally, lack of such documents may also lead to more onerous labor inspections by the Ministry of Labor or DLVT, and they occur in regularly.

No.	Requirements
1	Register at the DLVT
2	Apply for Work Permit
3	Notify DLVT of the result of election of the union leader and request for approval

a-3- Failure to comply with the Taxation Law

The Law on General Statutes of Public Enterprises stipulates that a public enterprise shall be subject to the tax regime under the tax laws and regulations applicable to commercial enterprises. Under the Law on Taxation adopted in 1993 and subsequently amended in 2003, PPAP is subject to several major taxes including profit tax, minimum tax, value added tax, salary tax, and import duties.

PPAP is subject to the “real regime” tax system and it is required to register for tax, prepare and submit its monthly and annual tax returns to the General Department of Taxation (“GDT”). As a real regime taxpayer, PPAP is required to self-assess its tax in accordance with the tax rate determined by the Law on Taxation and its regulations, and pay such taxes to the GDT accurately and in a timely manner. In the event that PPAP avoids or evades tax, PPAP would be deemed to have violated the Law on Taxation and be exposed to penalties, which include payment of additional tax, interest rate on the unpaid tax, or criminal sanction on its directors, managers as well as the owners of PPAP. This will have adverse impact on the financial position and the reputation PPAP.

The GDT can reassess PPAP’s tax payments within 3 years from the date of submission of tax returns by PPAP or within 10 years if there is evidence of an obstruction of the implementation of tax rules.

b- Management view and risk mitigation

For the matters related to labor issues, PPAP has revised the Statute of Employees. The new Statute of Employees was approved by the BOD on 24 July 2015. PPAP strongly believes that this new statute will reduce the risk of non-compliance with the labor law.

For environment issues, PPAP is focusing on implementing the requirements of the Law as well as its existing measures for environmental protection. With the support of GIZ, PPAP has established Safety Health Environment office in 2012 to manage and enforce environmental protection measures in accordance with the relevant environment laws and regulations.

For the tax related issues, PPAP's financial statements were prepared in French Accounting Standard prior to the adoption of the CIFRS. Following the conversion of financial statements into CIFRS, the outstanding tax amount was revised and PPAP was found liable for additional tax liability and outstanding penalties since 2009. However, GDT has completed the tax audit and exempted PPAP from the outstanding tax liability up to 2013. For the 2014 tax audit, GDT is conducting the comprehensive and limited tax audit. Currently, PPAP's accounting staff is receiving tax training as well as the monthly tax review by external accounting advisor. PPAP believes that it will be able to comply with and fulfill its tax obligations.

8. Market related risks

- 1) PPAP is dependent on a small number of customers for a significant portion of its business. Its largest 3 customers accounted for a significant amount of its revenues, and if its relationship with these customers were to deteriorate or terminate, PPAP's business could be harmed.**

a- Analysis

A significant portion of PPAP's revenue is from 3 major regional shipping lines such as Gemadept, Newport Cypress and Sovereign. They accounted for 43.93% and 45.49% of PPAP's revenue in 2013 and 2014 respectively. PPAP may witness a decline in its revenue if PPAP losses any of its main customers or if any of them reduce the container throughput via PPAP. The loss may impair the growth prospects and the performance of PPAP. These major customers have greater leverage in negotiations and this may pressure PPAP to reduce the tariff rate which could adversely affect the profitability of PPAP.

b- Management view and risk mitigation

PPAP is the only international river port operator and port authority in the Port Commercial Zone. Therefore, PPAP has a leverage when negotiating the terms and conditions with its business partners.

PPAP continues to maintain good relationship with the existing customers and will diversify its customer base by cooperating with other barge service companies and

operators. PPAP also continues to look for other business opportunities such as sand dredging, storage and other port related services in order to diversify its sources of revenue.

2) Increases in PPAP's costs could materially and adversely affect its operating results because it may not be able to pass on such increases to its customers through an increase in tariffs in a timely manner.

a- Analysis

Increases in the PPAP's costs can be due to a number of external factors including the inflation, rise in cost of fuel, stricter rules and regulations, and more. If PPAP is unable to raise tariffs in a timely manner to cover increased expenses or to respond to changes in market conditions, PPAP's business, financial condition, and results of operations may be materially affected.

b- Management view and risk mitigation

Currently, PPAP is conducting a research on the tariff for port related services in both domestic and international markets. PPAP has received an approval from the guardian ministries to allow its Board of Directors to determine its tariff. This will provide more flexibility in PPAP's tariff structure and enable PPAP to respond promptly to any changes in the market situation.

3) PPAP faces direct competition in the container terminal industry as well as on land transportation which could adversely affect its ability to maintain or increase its markets share and profitability.

a- Analysis

PPAP is one of the two international ports in Cambodia and it is the largest river port with close proximity to the capital city and the industrial hub. PPAP is indirectly competing with the sea port in Cambodia because most customers will consider the overall cost and duration of shipment when choosing the shipping service.

All PPAP's container traffic is directed from and to Cai Mep Hub Port and other ports in Vietnam. Therefore, PPAP is also facing a significant competition from the on-land

logistics companies. The completion of Tsubasa Bridge is expected to reduce the cost and duration of land transportation from Vietnam and may significantly increase the volume of on-land container shipments. There is no assurance that PPAP will be able to maintain its current customers or capture new markets in the future. The loss of existing customers and shrinking of its market share could have a material adverse effect on PPAP's financial conditions, results of operations and growth prospects.

b- Management view and risk mitigation

The establishment of Cai Mep Hub Port in 2009 has increased competitive advantages of PPAP in terms of shipping duration and cost to the US and Europe. Since the establishment, more containers and general cargoes have been shipped via PPAP terminals. PPAP is planning to install more facilities to increase the operational efficiency and provide a competitive tariff to the customers.

In regards to the impact of Tsubasa Bridge (completed on 6 April 2015), PPAP has been conducting studies on the fluctuations in the traffic of both containers and general cargoes for the last 3 months. After the completion of this bridge, the growth of container throughput has increased at a level that the management of the Company has previously estimated. As of now, it is unlikely that there will be any significant impact from the completion of Tsubasa Bridge.

Annual Import and Export of Containers via PPAP

Year	2009	2010	2011	2012	2013	2014	2015	Growth Rate (2014-15)
Monthly								
Jan	2,797	4,547	6,051	5,722	8,119	9,417	10,710	13.73%
Feb	2,104	3,271	4,165	5,901	7,234	8,592	13,153	53.08%
Mar	3,694	4,099	5,436	6,827	9,324	11,169	10,783	-3.46%
Apr	3,249	4,207	6,013	6,165	7,564	9,500	8,117	-14.56%
May	3,304	4,873	6,479	6,478	7,412	10,777	11,438	6.13%
Jun	3,352	5,793	7,005	7,789	11,110	11,460	11,946	4.24%
Jul	4,184	6,584	8,710	9,884	12,184	12,812	14,208	10.90%
Aug	5,173	7,352	9,448	8,899	11,268	14,935		
Sep	4,541	6,229	7,503	12,153	10,497	13,289		
Oct	3,682	5,476	7,617	8,819	7,628	11,421		

Year	2009	2010	2011	2012	2013	2014	2015	Growth Rate (2014-15)
Monthly								
Nov	3,687	5,078	5,340	7,707	8,486	10,544		
Dec	3,812	4,747	7,864	8,989	9,674	9,750		
Total	43,579	62,256	81,631	95,333	110,500	133,666	80,355	

According to JICA report on “The Project for the Study on Strengthening Competitiveness and Development of Sihanoukville Port in the Kingdom of Cambodia”, PPAP has the competitive advantage over export cargoes in route to the US market because of the shorter lead time and competitive cost.

Origin Port	Destination	Ocean Transit times to Destination (days)	
		Export	Import
PPAP	US West Coast (LA, Long Beach)	23.0	34.7
Sihanoukville		25.1	32.0

Origin Port	Destination	Container Classification	Cost of freight to Destination (USD)	
			Export	Import
PPAP	US West Coast (LA, Long Beach)	20'	1,920	1,800
		40'	2,400	2,000
Sihanoukville		20'	2,000	1,800
		40'	2,500	2,000

Based on the JICA report on “The Preparatory Survey on Phnom Penh Autonomous Port New Container Terminal's Special Economic Zone and Associated Facilities Construction Project in Kingdom of Cambodia”, PPAP has an advantage over the competitor port because most of the imports will be destined to Phnom Penh for the final consumption or value added service.

4) Limited control over changing port dues and tariffs and the difficulty of claiming other fees from private ports in its zone

a- Analysis

As a port operator, PPAP generates revenue from its cargo handling services at PPAP terminals. Currently, PPAP is still using the same standard tariff set by the Council of Ministers in 1987. PPAP has revised the tariff a few times since then.

As a port authority, PPAP manages other ports operating within its Port Commercial Zone and ensures safe navigation of vessels sailing through the Zone. As such, PPAP is entitled to receive 100% port dues from any vessel navigating within its commercial zone as well as 20% of the cargo handling service charge from other ports operating within the Zone. However, PPAP cannot claim the 20% cargo handling charge from oil and gas terminals within its commercial zone. Even if PPAP is entitled to receive 100% port dues and 20% on the cargo handling services provided by other ports, there is no guarantee that PPAP could actually collect or correctly calculate such revenue from vessels and ports within its Port Commercial Zone due to limited cooperation from the related parties.

b- Management view and risk mitigation

PPAP has been approved by the guardian ministries to set the tariff. In the future, any change in tariff will need to be decided at the BOD level. Through the BOD approval, PPAP may make changes to the current tariff by taking into account a number of factors such as the economic, market and business environment. The CEO of PPAP also has some discretion to make changes in tariff for a specific company upon submitted requests and only if when those requests are deemed appropriate.

With regard to 20% stevedoring charge on the private ports operating within the Port Commercial Zone of PPAP, it has been seeking intervention from the relevant Ministries. PPAP is also requesting cooperation from those private ports in order to ensure that 100% of the fees can be collected.

9. Risks related to the changes in rules and regulations

a- Analysis

a-1- Overview

PPAP's business and operations are principally governed by the laws and regulations of Cambodia, which are still in their developmental stage and are subject to ongoing changes. As Cambodian laws and regulations are still evolving, there is a lack of consistency and predictability in their interpretation and enforcement. As a result, conducting business in Cambodia entails a certain degree of risk and uncertainty. Legal protections available to PPAP under the Cambodian law may also be limited.

Currently, there is no specific security, insurance and/ or environmental laws for the port sector in Cambodia. Notwithstanding, new laws may be introduced. As a result, PPAP may be subject to increased costs in satisfying any new regulatory requirements.

a-2- Proposed Port law and policies in Cambodia

Under the National Port Policy and Administration System, the Royal Government of the Kingdom of Cambodia aims to formulate and enhance rules and regulations concerning ports and waterway transport for the purpose of governing the administration and development of ports in Cambodia. These new regulations may have an impact in relations to the management and operation of PPAP's facilities and are likely to result in an increase in administrative procedures and environmental and safety compliance requirements, which (if introduced) could result in substantial costs and diversion of resources and the management's attention.

a-3- Cambodia's membership of the Association of Southeast Asian Nations ("ASEAN")

PPAP is conducting its business in Cambodia, which is a member-State of ASEAN and, as such, Cambodia could likely be impacted by legal instruments governing maritime transportation, which may be implemented from time to time within ASEAN. The ASEAN member states agreed on the liberalization and integration on their respective markets by the end of 2015, which could affect many sectors in Cambodia,

including the ports and maritime sectors. Such developments could have significant effects on PPAP's business and results of operations.

a-4- Enforcement of relevant Laws

Recently, the Government has taken measures to strengthen the implementation and enforcement of the environmental and labor laws in Cambodia. PPAP may be subject to the risk of legal claims and proceedings and regulatory enforcement actions with respect to its compliance with the environmental laws concerning the establishment of new ports in Cambodia and the labor laws with respect to certain employees of PPAP.

10. Risks related to investments in the securities

a- Analysis

a-1- Risks in relation to the CSX being a newly established securities exchange

The CSX is a relatively new stock exchange. Accordingly, there is a risk of system failures resulting in disruption in operation or settlement, especially if there are unusual events such as a market crash, or a very high volume traded on a particular day.

a-2- Regulations relating to maximum daily price changes may limit investors' ability to trade at the desired price or time.

The Prakas on the Implementation of the Operating Rules of Securities Markets provides for a daily price change limit of 5%. The shares in PPAP may open "limit up" or "limit down" for a number of days in succession, which coupled with the fact that the CSX is a new market with low liquidity, may result in investors not being able to trade at or near their desired prices. For investors who are long on the market, wishing to sell, this may result in substantial losses if the market opens "limit down" for a number of days in succession.

a-3- The free float of the Company is small, which may result in the market being inactive, and illiquid, thereby exposing investors to high volatility and the limited ability to trade at their desired price.

The free-float of PPAP is around 20% of the market capitalization. Although the floating percentage may be high, the actual size of offering is relatively small. Accordingly, it is likely that the market for PPAP's shares will not always be active or liquid, resulting in high volatility. Therefore, shareholders may have to make large price concessions to either purchase shares or sell shares that they are holding. In particular, in the event that the liquidity of the market is low, investors may be unable to purchase or dispose of a large block of shares without causing substantial price movements.

a-4- The interests of the controlling shareholder, company and minority shareholders may diverge.

Subsequent to the IPO, the State represented by the MEF will hold 80% of PPAP's issued shares. Accordingly, PPAP will remain a public enterprise under the Law on the General Statute of Public Enterprises.

The BOD will determine the objectives and control the management of PPAP. Pursuant to the Kram, "the public enterprise has its mission to enable the country's economic and social development, namely to increase the value of natural resources and to create professions." This mission is in conflict with the generally accepted goal of private companies to maximize shareholders' wealth. Therefore, the interests of shareholders may not be protected in regards to the mission stated in the Kram. For example, a tariff increase which may be in the best economic interests of the shareholders may be politically unacceptable, and therefore possibly rejected or reduced by the MEF through its control of policies and the management of PPAP. Conflict may therefore arise between the Royal Government as the controlling shareholder, and the minority shareholders. Furthermore, PPAP is a Public Enterprise, not a Private Enterprise, and has responsibilities to the wider society. As a result, it has a number of corporate social responsibility programs to which it allocates funds.

a-5- Regulations related to securities are subject to change.

In Cambodia, company and securities-related laws are evolving at a quick pace. Accordingly, investors may face uncertainty and losses as a result of certain corporate actions for which there is no regulation, or trading activities which are

similarly unregulated. Furthermore, as a consequence of Cambodian legal institutions still developing:

- Conducting litigation in Cambodian court is difficult;
- There is a high degree of discretion vested in government authorities;
- There is an absence of precedents in relation to the interpretation of the relevant rules and regulations, and a lack of administrative rulings; and
- Conflicts may exist between and within various laws.

a-6- Possible enactment of law on capital gains tax

Currently, there is no legislation providing for taxes on capital gains. However, Prakas relevant to taxes on capital gains may be promulgated and implemented in the near future. These Prakas when promulgated may impose an undefined liability on shareholders in respect to any capital gains on the sale of shares.

a-7- Withholding tax on dividend income to non-resident shareholders

Under the current regulations, no dividend tax applies to domestic investors as long as the Company pays 20% corporate tax on profit. On the other hand, dividend to non-resident shareholders is subject to 14% withholding tax following 50% deduction of such withholding tax for the initial three years of listing. This withholding tax for non-residents lowers after-tax-current income of foreign investors.

b- Management view and risk mitigation

As of now, the CSX has been under operation for more than 3 years. After discussions with the management of CSX, PPAP understands that there has been no material disruption in the ICT system which can cause a big loss for the investment. Moreover, the ICT system has been upgraded and developed with the aim of allowing efficient trading. For instance, the trading system has been improved from the periodic trading system to automatic trading system.

With regard to the liquidity and market risk, it is natural for the stock market in its initial stages of development. However, PPAP observes that the market quality has been improved over the months.

The change in securities regulations may be the critical issue the investors may focus on carefully at the moment. PPAP strongly believes that the government and relevant securities regulators would consider all factors to minimize negative impacts from capital gain tax, dividend income to non-resident shareholders and other legal matters related to securities investments.

11. Other risks

There is no other material risk that PPAP can reasonably foresee as of the date.

Section 4: Company's information

1- Business description

a- Company background

a-1- History and Business

a-1-1- History

Phnom Penh Autonomous Port, a state-owned public enterprise, was established on 17 July 1998 under Anukret No. 51 ANK. BK. Wholly owned by the Ministry of Economy and Finance, the representative of the Royal Government of Cambodia, the Company is an autonomous entity with two main roles within its Port Commercial Zone: Port authority and port operator.

Phnom Penh Autonomous Port is located in the vicinity of Phnom Penh, Capital of Cambodia, which stretches along the bank of the Tonle Sap River. The Port is 2 kilometers from the intersection of the Tonle Sap, the Lower and Upper Mekong, and the Bassac River, also known as the Chaktomuk River. Phnom Penh Autonomous Port is 348.1 kilometers from the channel entrance to the South China Sea (Cua Tieu). The distance from the Cambodia-Vietnam border, Kaom Samnor, Kandal province - Koh Roka, Prey Veng Province, to Phnom Penh Autonomous Port is 102 kilometers. Sea-bound vessels, traveling from Phnom Penh, can navigate through the Mekong River which is recognized as the international waterway by the treaty signed in Paris by Cambodia, Laos, and Vietnam on 29 December 1954. The treaty, "Regulating Convention Maritime and Inland Navigation on the Mekong on the Approach to the Port of Saigon," became effective on 1 January 1955.

On 1 January 2013, the Company established the New Container Terminal (LM17) located in Kandal Leu Village, Bontey Dek Commune, Kien Svay District, Kandal Province. This terminal has been equipped with modern cargo handling equipment.

Phnom Penh Autonomous Port's history can be described in 2 stages:

1. From 1905 to 1998

- In 1905, Phnom Penh Autonomous Port was established and equipped first with two pontoons (40 meters x 10 meters).
- In 1929, an additional pontoon (40 meters x 10 meters) was constructed next to the existing two pontoons.
- In 1952, another concrete quay (80 meters x 12 meters) was constructed one kilometer away from the three pontoons. This quay could accommodate cargo vessels up to 2,500 tons and withstand pressure up to 6 tons per square meter. The water depth of this terminal was 10 meters above the sea level.
- In 1960, another quay (100 meters x 12 meters) was constructed next to the existing quay. The weight of pressure of the quay was 10 to 12 tons per square meter. These two quays had the total size of 180 meters in length and 12 meters in width, which allowed the maximum of three vessels to berth simultaneously.

- In the beginning of 1980, 2 pontoons which submerge 0.5 meter (45 meters x 15 meters x 3 meters) were installed and conveyors were rebuilt due to the damages incurred during the Khmer Rouge. These two pontoons had the capacity to provide 300 tons of stevedoring per day. PPAP re-operated in the form of port zone and domestic port of the Ministry of Public Works and Transport.
- In 1995, the two pontoons were rehabilitated and two connecting bridges were installed. Moreover, electricity and clean drainage systems as well as 16 conveyors were installed, which cost USD 1,085,526 (KHR 4,383,353,988). This budget for installation was loaned from the World Bank. The terminal became operational on 22 July 1996.
- In 1995, PPAP constructed another quay (300 meters x 20 meters) next to the existing quays because they became unusable. The new quay provided 4 berths for vessels simultaneously and the weight of pressure on the quay was 25 tons per square meter. PPAP completed the quay with the grant aid of USD 30,000,000 (KHR 121,140,000,000) from the Japanese Government. Besides granting aid for the rehabilitation of the quay, the Japanese Government also provided machineries for transporting and stevedoring.

2. From 1998 to Present

- On 17 July 1998, Phnom Penh Autonomous Port was established as a state company under the supervision of Government according to the Sub-Decree 51 ANK. BK.
- On 1 September 2001, the floating port with two pontoons was transformed from a conventional cargo terminal into a passenger terminal for tourists and international vessels travelling to Phnom Penh (from provinces such as Kampong Cham, Kratie, Siem Reap, Prey Veng, and from abroad such as Vietnam and other countries).
- On 3 August 2007, PPAP began the operation of handling containerized cargo at the Inland Container Depot (ICD) with 9.3 hectares. Located in Boeng Salarng Village, Sangkat Russey Keo, Khan Russey Keo, Phnom Penh, this ICD is for stuffing and un-stuffing containers as well as storing empty containers.
- On 22 October 2012, Phnom Penh Autonomous Port signed an agreement with MIENG LY HENG Company to re-operate Tonle Bet Port. While Meing Ly Heng agreed to provide lift on/ lift off and warehousing services, PPAP agreed to be the port operator providing stevedoring service.
- On 1 January 2013, Phnom Penh Autonomous Port transferred its main operations from the existing Multipurpose terminal (TS3) to the New Container Terminal (LM17) located approximately 30 kilometers from Phnom Penh along National Road No. 1. LM17 was inaugurated on 21 January 2013 presided by SAMDACH AKAK MOHAR SENA PADEY DECHO HUN SEN. This terminal was equipped with modern equipment and machinery as well as the Terminal Operation System (TOS) from Phaeros Group BVBA (Phaeros).

a-1-2- Business

PPAP is one of the Cambodia's two international ports handling import and export of containers and conventional cargoes. As a port operator and port authority, PPAP provides a variety of main port services as well as rental and other ancillary services.

Being the operator of 4 terminals, PPAP's main business involves the basic functions of cargo handling, storing, stuffing/ un-stuffing, loading/ unloading and trucking of both import and export containers. Based on the decision on the "Port Dues & Charges" in 1987 by the Council of Ministers which is still being used as a principle tariff for PPAP, PPAP may also generate income from stevedoring services for goods handled outside of PPAP's terminals. PPAP

charges 20% of its official stevedoring fees on the goods handled by other port operators within its commercial zone as if they were loaded/ unloaded at PPAP. In case of the Passenger Terminal (TS1), the main incomes are from port dues and passenger fees.

As the port authority, PPAP maintains navigation channels, installs aids to navigation, provides pilotage, tug assistances, mooring/ unmooring services, arranges berthing, and protects the environment within its commercial zone. PPAP is authorized to collect port dues and charge fees on services such as pilotage, tug assistance, mooring/ unmooring, and shifting. PPAP operates its two dredgers mainly to maintain the navigation channel and ensure easy access to the Port. According to Prakas No. 001 and 002 by the Ministry of Mine and Energy dated on 10 April 2015, PPAP is also authorized to dredge sand for commercial purposes.

Besides from performing port's main functions, PPAP also generates additional income by renting its assets such as land, building and other properties when deemed appropriate.

According to Sub-Decree No. 01 ANK. BK. on 5 January 2009, PPAP's Port Commercial Zone is 160 kilometers long, stretching from Kampong Cham (Tonle Bet Port, UM2) to Neak Leung. Within the zone, PPAP oversees private terminals including petroleum, gas terminals and other general cargo terminals. For the complete list of ports within PPAP's Port Commercial Zone, please refer to Section f-4-1- Ports in PPAP's Port Commercial Zone of the Disclosure Document.

Within the Port Commercial Zone, PPAP currently owns and operates 4 main terminals:

1) Container Terminal (LM17)

Of the total available land for expansion (30ha), PPAP completed the Phase I of LM17 on 10 ha of land and began operations on 1 Jan 2013. Since, PPAP has been using LM17 as the main terminal for container cargoes. Equipped with 300m x 22m quay, 3 traveling cargo cranes, 4 RTG cranes and 3 reachstackers; LM17 has the capacity to handle up to 150,000 TEUs per year.

Address	Kandal Leu Village, Banteay Deak Commune, Kean Svay District, Kandal Province
Terminal location	Located at the right bank of the Mekong River and 25km downstream from the intersection of the Chaktomuk River (11°28'23.6"N and 105°08'49.8"E)
Land Size	300,000 square meters
Berth	3 (5,000 DWT)
Anchorage	Between 8.0m and 17.0m in depth, anchorage is available at 11°28'28.14"N and 105°9'2.32"E (mud and sand bottom, strong current during the rainy season).
Tidal effect	Ranges from +0.2m to +0.45m between February and April (as of December 2014)
Permitted draft	Varies from the minimum level of 4.5m in March to the maximum level of 5.5m in September (draft for vessels

	proceeding to LM17 depends on them being able to cross the bar at Cua Tieu)
Hours of Operation	24 hours
Handling equipment	Traveling Cargo Crane, Rubber Tyred Gantry crane, Reachstacker

2) Multipurpose Terminal (TS3)

Prior to the establishment of LM17, TS3 was PPAP's main port for general and container cargoes. Due to TS3 Terminal's limited capacity to accommodate the continued growth in container traffic, PPAP invested in developing a new container terminal (LM17). Since the completion of LM17, TS3 has been converted into a multipurpose terminal. While it mainly handles general cargoes, it also serves as a passenger terminal.

Address:	#649, Preah Sisowath (Street 1), Sangkat Sras Chork, Khan Daun Penh, Phnom Penh
Terminal location	Located at the right bank of Tonle Sap, 3.2km from the intersection of the Chaktomuk River (11°34'59.68"N and 104°55'17.41"E)
Actual land size	48,438.76 square meters
Registered land size*	32,854 square meters
Berth	3 (5,000 DWT)
Anchorage	Between 5m and 15m in depth, anchorage is available at 11°33'46.98"N and 104°56'34.57"E, in front of the terminal in the Tonle Sap River and also in the Chaktomuk quarter area (mud and sand bottom, strong current during the rainy season).
Tidal effect	Ranges from +0.1m to +0.35m between February and April (as of December 2014)
Permitted drafts	Varies from the minimum level of 4.5m in March to the maximum level of 5.5m in September (draft for a vessel proceeding to TS3 depends on being able to cross the bar at Cua Tieu)
Hours of Operation	24 hours
Handling equipment	Mobile crane, crawler crane and floating crane

Note: * The difference between registered land size and actual land size is because the Ministry of Land Management Urban Planning and Construction reserves part of the land adjacent to the street and river bank.

3) Tonle Bet Terminal (UM2)

In order to cooperate and develop Tonle Bet Port, PPAP signed the Agreement No. 576 on 22 October 2012. According to the agreement which lasts for 20 years until 2032, PPAP is responsible for stevedoring service while the private partner will be responsible for providing the storage facility. The revenues are charged separately based on the services provided by each entity. PPAP has not acquired the ownership of the land, but has built a pontoon and installed mobile cranes and forklifts. The terminal was constructed with a vision of it becoming a consolidation center for agricultural products and to encourage their waterway transport. Currently, cassava is the main product being exported via Tonle Bet Port (UM2).

Address:	Doun Mau Leu Village, Tonle Bet commune, Thbong Khmom district, Thbong Khmom province
Terminal location	Located at the left bank of the Mekong River and 103km upstream from the intersection of the Chaktomuk River (11°57'47.73"N and 105°28'33.13"E)
Land Size	Small size, river shore berth of 100m (with the pontoon, mobile crane and conveyor installed)
Berth	1 (a floating pontoon with a size of 6m x 28m)
Anchorage	Between 6m to 20m in depth, anchorage is available at 11°58'43.41"N and 105°28'9.58"E (mud and sand bottom, strong current during the rainy season).
Tidal effect	None
Permitted drafts	Varies from the minimum level of 4.5m in March to the maximum level of 5.5m in September (draft for a vessel proceeding to UM2 depends on being able to cross the bar at Cua Tieu)
Channel depth	Draft of 4.5m during the dry season; subject to regular maintenance from the intersection of the Chaktomuk River to Kampong Cham via the Sdao Channel (3.5km long and 60m wide)
Hours of Operation	24 hours
Handling equipment	Mobile crane, barge crane and conveyor

4) Passenger & Tourist Terminal (TS1)

TS1 is the main passenger terminal for PPAP. From TS1, people can travel to many domestic ports in other provinces as well as Vietnam. In 2014, the total of 47,861 passengers transited at TS1. The figure includes all passenger travels from Phnom Penh to domestic ports, Phnom Penh to Vietnam, and tours of the Mekong River near Phnom Penh.

Address:	Preah Sisowath (Street 1), Sangkat Daun Penh, Khan Daun Penh, Phnom Penh
Terminal location	Located at the right bank of Tonle Sap and approximately 2km from conjunction of the Chaktomuk quarter (11°34'32.45"N and 104°55'36.88"E)
Actual land size Registered land size*	6,676 square meters 1,699 square meters
Berth	2
Anchorage	Between 5m and 15m in depth, anchorage is available at 11°33'46.98"N and 104°56'34.57"E, in front of the terminal in the Tonle Sap River and also in the Chaktomuk quarter area (mud and sand bottom, strong current during the rainy season).
Tidal effect	Ranges from +0.1m to 0.35m between February and April

	(as of December 2014)
Permitted drafts	Varies from the minimum level of 4.5m in March to the maximum level of 5.5m in September (draft for a vessel proceeding to TS3 depends on being able to cross the bar at Cua Tieu)
Channel depth	Draft of 4.5m during the dry season
Hours of Operation	24 hours
Facilities	Two pontoons and a bridge connecting them to the shore

Note: * The difference between registered land size and actual land size is because the Ministry of Land Management Urban Planning and Construction reserves part of the land adjacent to the street and river bank.

a-2- Organizational Structure and Human Resource Development

a-2-1- Enterprise Reform

Following the developments in the economy, law and politics, Phnom Penh Autonomous Port has continued to reform its company structure to capitalize on opportunities arising from changes in its business environment:

1. In 1979, Phnom Penh Port was the Department of Phnom Penh Port of the Ministry of Tele-communication, Transport and Post. It was located at No. 2, Baksey Chamkrong Blvd, Sangkat Wat Phnom, Khan Daun Penh, Phnom Penh.
2. In 1983, Phnom Penh Port became a financially autonomous entity by the Announcement No. 885, of the Ministry of Tele-communication, Transport and Post dated 23 June 1983.
3. In 1990, Phnom Penh Port became an autonomous entity in accordance with the Prakas No. 668 dated on 17 October 1990. The Prakas permitted 5 financially autonomous entities (including PPAP) to become Autonomous Entities.
4. In 1998, Phnom Penh Port was transformed into a public enterprise in accordance with Anukret No. 51. ANK. BK. dated 17 July 1998. As a state company under the name "Phnom Penh Autonomous Port" abbreviated "PPAP," it was to be under the technical supervision of the Ministry of Public Works and Transport and financial supervision of the Ministry of Economy of Finance.

According to Anukret No. 51 ANK. BK. dated 17 July 1998, PPAP has the duty to perform port related services:

- Provide pilotage and logistics services for vessels
- Handle, load/ discharge and transport cargoes
- Maintain storage and container yard for cargoes
- Develop, rehabilitate, and expand infrastructure

PPAP also has duty to:

- Be responsible for the safety, security and order of the area under PPAP's management
- Implement policies and procedures as a commercial company
- Lead and manage business activities to enhance operational efficiency
- As a public enterprise, PPAP has gained the power and authority from the Government to fulfill its duties.

In accordance with Anukret No. 158 ANK. TT. dated 19 February 2013, the current Board of Directors of PPAP consists of the following members:

1. H.E Hei Bavy, Delegate of Royal Government in charge as the Chairman and CEO of PPAP
2. H.E Slot Sambo,* Representative of the Ministry of Public Works and Transport
3. H.E Ly Sivanna, Representative of the Council of Ministers
4. H.E Ken Sambath, Representative of the Ministry of Economy and Finance
5. H.E Chom Borith,** Representative of the Ministry of Commerce
6. Mr. Hout Hai, Representative of the Municipality of Phnom Penh
7. Mr. Prom Sokhany, Representative of PPAP employees

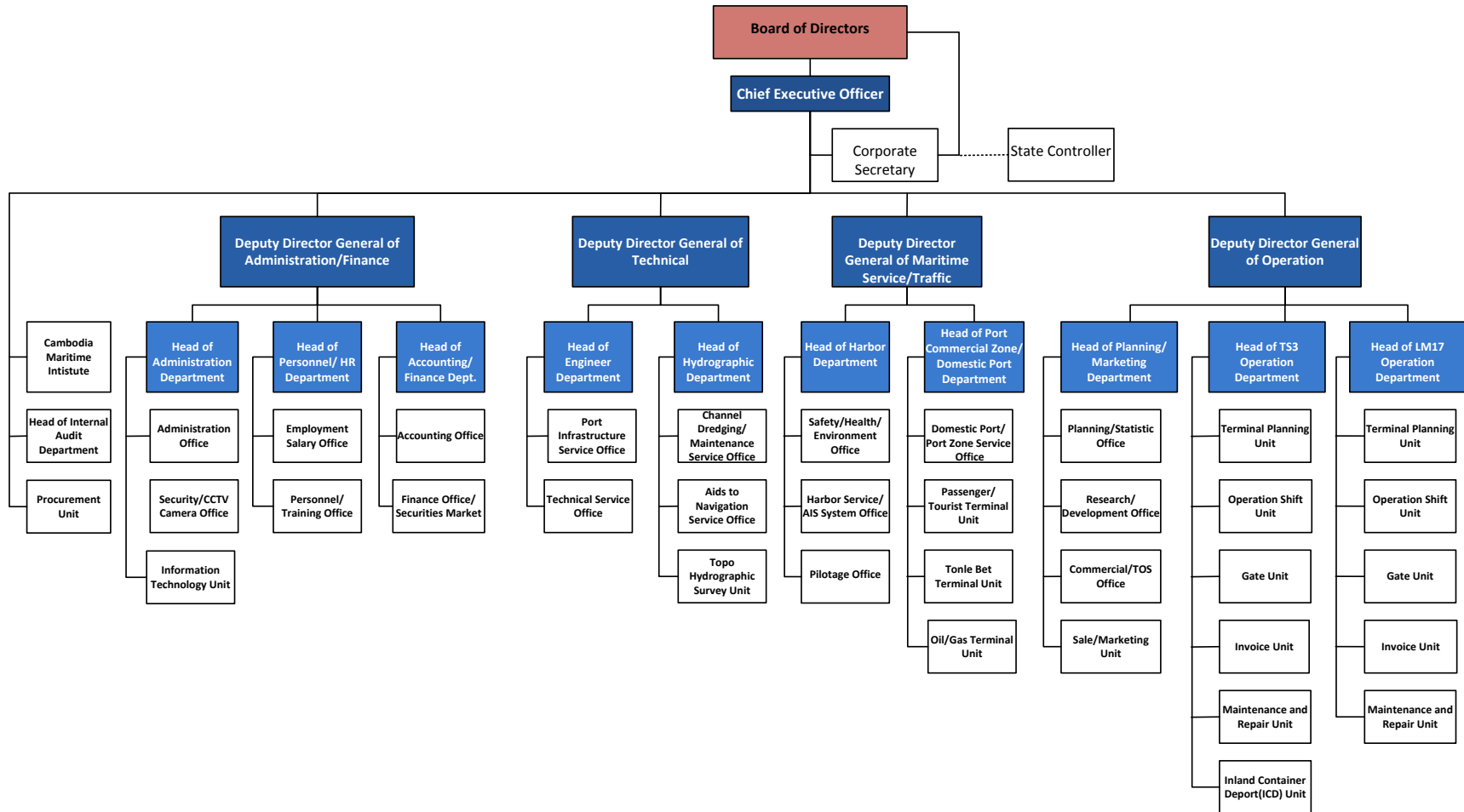
Note:

*H.E Slot Sambo deceased and was replaced by H.E Soun Rachna in accordance with Anukret No. 176 ANK. TT. dated 18 February 2015.

**H.E Chom Borith was replaced by H.E Penn Sovicheat in accordance with Anukret No. 491 ANK. TT. dated 29 April 2014.

When the Company becomes a listed entity, the members of BOD shall be amended in accordance with the Prakas on Corporate Governance for Listed Public Enterprises. Two members of the BOD shall be replaced with one independent director and one non-executive director as the representative of private shareholders.

a-2-2- Organization Structure



Number of PPAP employees for the last 3 years (2012, 2013 and 2014):

Year	Board of Directors	CEO	Internal auditors	Director	Administration		Engineering		Hydrography		Habor		Planning & Marketing		TS3 Operation		LM17 Operation		ICD Operation		Total	Contracting Staff
		Deputy Director General			Manager	Employees	Manager	Employees	Manager	Employees	Manager	Employees	Manager	Employees	Manager	Employees	Manager	Employees	Manager	Employee		
2012	7	5	2	7	14	39	3	15	5	20	7	34	6	6	9	133	7	4	1	6	323	77
2013	7	5	2	7	13	37	4	11	5	15	9	32	5	6	6	74	7	58	1	6	303	134
2014	7	5	2	7	13	35	4	12	6	12	9	31	6	6	8	67	6	52	1	3	285	161

Note:

- BOD includes 2 PPAP management officers: the CEO and staff representative.
- In 2012, 3 of PPAP employees were working at other logistics company in order to help ease the process of doing business with PPAP. Therefore, the three staffs are excluded in the table above. In 2013, there were 5 employees working at other logistics company.

Number of PPAP employees as of June, 2015:

Board of Directors		CEO	Internal Audit Dept.		Corporate Secretary	Directors	Deputy Director General of Administration/Finance				Deputy Director General of Technical				Deputy Director General of Maritime Service/Traffic				Deputy Director General of Operation						Procurement Unit		Cambodia Maritime Institute		Total		Contracting Staff		
Deputy Director	General	Admin. Dept.					Personnel /HR Dept.		Accounting/ Finance Dept.		Engineer Dept.		Hydro-graphic Dept.		Harbor Dept.		Port Commercial Zone/ Domestic Port Dept.		Planning/ Marketing Dept.		TS3 Operation Dept.		LM17 Operation Dept.										
7	5	3	0	5	7		39	1	3	2	15	4	6	4	16	5	28	3	7	5	17	10	59	7	67	4	6	3	2	2	1	2	3
					Manager		Staff	Manager	Staff	Manager	Staff	Manager	Staff	Manager	Staff	Manager	Staff	Manager	Staff	Manager	Staff	Manager	Staff	Manager	Staff								

Role and Responsibility of Board of Directors, CEO and Deputy Director General

The Board of Directors has the responsibility to direct and manage PPAP in accordance with Article 16 of PPAP's AOI:

- Make decisions on development plans within a framework that is led by Government
- Review and approve PPAP's investments as well as business, service, and financial plans
- Approve the annual reports of business activities, accounting and finance
- Manage general obligations of PPAP
- Manage the process of the planned committee and commission using the context of the establishment of PPAP or the articles of incorporation of PPAP
- Determine the number of the employees as approved for PPAP
- Regularly evaluate the level of achievement in regards to goals set by PPAP and introduce any necessary measures for improvement
- Approve the CEO's requests in regards to the changes in organizational structure, internal regulations of corporation, articles of incorporation, basic salary, bonus, allowance, and other benefits of the employees in accordance with to the effective law and regulations
- Plan recruitment, promotion, and remuneration of all members of the management
- Select the commissioner of accounting
- Request to amend the Articles of Incorporation
- Review and determine the services business related charges of PPAP
- Approve procurements according to the Announcement No.997 SHV.TR. on the Procurement of the Public Enterprise dated 25 December 1997
- Determine the opening and closing of any necessary office/ service, agent or representative branch to achieve the goals and duties of PPAP
- Approve any contracts that are not related to tariff and follow-up on the Announcement on the Procurement of Public Enterprise which the CEO needs to discuss with the Board of Directors

The CEO has the following role and responsibilities in accordance with Article 22 of PPAP's AOI:

- Organize meeting for the Board of Directors
- Implement the decisions of the Board of Directors and exercise the policies decided by the Board of Directors
- Develop annual financial plan of PPAP and submit it to the Board of Directors for review and approval
- Develop annual action report and annual accounting and financial report; submit them to the Board of Directors for review and approval
- Exercise authority to ensure the security in the Port Commercial Zone
- Recruit employees in accordance with the decision of BOD and Statute of Employees
- Employ and assign all staffs in accordance with the organizational structure of PPAP
- Make decisions on contracts and sign the conventions in accordance with the decision of the Board of Directors
- Complete all necessary general tasks to maintain the administrative and management functions of Phnom Penh Autonomous Port

Role and Responsibilities of the Deputy Director General:

- Handle all tasks that the CEO delegates and represent the CEO in the event the CEO is absent in accordance with the official letter from the CEO
- Manage all directly subordinate departments/ offices in accordance with the organizational structure of PPAP

Role and Responsibilities of each Director of PPAP:

I. Head of Internal Audit Department

1. Management Responsibilities
 - Assist the Director General in audits
 - Manage and set objectives for the subordinate offices
2. Major Responsibilities
 - Arrange schedule for annual audits
 - Audit financial reports in compliance with the international accounting standard
 - Carry out operational audits
 - Carry out audit on the management and internal monitoring system
 - Report the result of audits to the management
 - Investigate any suspicious activities or disputes identified by the Director General
 - Coordinate with external auditors for audits
3. Evaluation Responsibilities
 - Review and follow-up on the adopted business plan
 - Monitor the implementation of corrective measures on the inadequate areas of PPAP identified by the external auditors
 - Monitor the implementation of guidelines or policies adopted by PPAP
 - Review and evaluate the capability of laborers and employees in order to assist management in motivating, promoting and/ or penalizing them
 - Summarize weekly, monthly, quarterly, semi-annual, and annual activities reports for the management

II. Head of Administration

1. Management Responsibilities
 - Assist the Deputy Director General in charge of Administration/ Finance in terms of administration, security/ order, and Information Technology
 - Review and follow-up on implementation of PPAP's internal regulations
2. Major Responsibilities
 - Prepare and deliver administrative documents of PPAP
 - Respond to customer queries and provide relevant information
 - Prepare the list of PPAP's assets; cooperate and maintain good relations with the Government/ private institutions in terms of the management, monitoring, and maintenance of properties
 - Monitor the administrative purchase orders and cash withdrawals; organize them for monthly, quarterly, semi-annual and annual reporting
 - Organize all events by preparing venues and protocols
 - Manage the usage of utilities
 - Monitor and ensure the efficient usage of fuel
 - Ensure security and order for all PPAP employees
 - Prepare PPAP's policy on security/ order
 - Manage the IT system, allocation of internet and network usage; and ensure IT security
 - Resolve any labor conflicts
3. Evaluation Responsibilities

- Evaluate employees in accordance with the articles of incorporation and Statute of Employees; ensure adherence to the labor law and any other relevant regulations
- Evaluate employee's performance and provide a report to the management for any incentives, promotions and/ or penalties
- Evaluate PPAP's administrative process, security and IT system; and report to the management for prompt solutions to any outstanding issues
- Evaluate requests from other entities in regards to the administrative expense for the management's approval
- Evaluate the annual incentives for staffs
- Evaluate the usage of office supplies for other departments and prepare annual uniform expense for the management and employees
- Evaluate the administrative status annually and report to the management for prompt solutions to any outstanding issues

III. Head of Personnel/ HR Department

1. Management Responsibilities
 - Assist the Deputy Director General in charge of Administration/ Finance in managing the human resource and training courses
 - Review and follow-up on implementation of PPAP's internal regulations
 - Manage employees' background files and follow-up on employees' activities
2. Major Responsibilities
 - Ensure that the process of managing employees is in accordance with articles of incorporation and Statute of Employee; ensure the effective practice of the labor law and other relevant regulations
 - Allocate local and international mission expense, salary, overtime, and bonus to all employees
 - Prepare applications related to retirement, disability benefit, work accident, and death
 - Review and prepare the proposal for annual salary increases for all employee
 - Suggest any suspension request, work transfer and promotion to the management
 - Prepare the human resource development plan (local and international level)
 - Prepare the selection process for annual staff recruitment in accordance with the annual plan
3. Evaluation responsibilities
 - Monitor and evaluate employees' capability and performance; provide suggestions to the management for any incentives or promotions

IV. Head of Accounting/ Finance Department

1. Management Responsibilities
 - Assist the Deputy Director General in charge of Administration/ Finance
 - Manage and set objectives for the subordinate offices
2. Major Responsibilities
 - Record any of PPAP's transactions daily
 - Implement accounting policy and procedure of PPAP
 - Collect revenue and debt from customers
 - Ensure timely payment of taxes in compliance with the tax law
 - Manage and check PPAP's cash balance monthly

- Check and verify PPAP's bank account monthly
- Prepare quarterly, semi-annual, and annual financial reports
- Evaluate and explain the financial outcomes of PPAP and their fluctuations to the management

3. Evaluation Responsibilities

- Monitor the accounting guidelines and/ or policy
- Update the annual accounting policy and procedure of PPAP
- Review and evaluate the capability of laborers and employees in order to assist management in motivating, promoting and/ or penalizing them
- Summarize weekly, monthly, quarterly, semi-annual, and annual activities report for the management

V. Head of Engineer Department

1. Management Responsibilities

- Assist the Deputy Director General of Technical (port infrastructure and handling equipment)
- Manage and set targets for the subordinate offices

2. Major Responsibilities

- Set technical standards for PPAP's infrastructure and handling equipment
- Study and identify technical issues involved with development plans
- Check and maintain port's infrastructures and equipment
- Devise equipment and accessories plan for the maintenance of port infrastructure and heavy equipment
- Review and evaluate the statistics and propose plans for the maintenance of buoys, signals maintaining and navigation channel dredging plan

3. Evaluation Responsibilities

- Review and evaluate the capability of laborers and employees in order to assist the management in motivating, promoting and/ or penalizing them
- Chair the monthly internal meeting to learn from the experiences of technical engineers

VI. Head of Hydrographic Department

1. Management Responsibilities

- Assist the Deputy Director General of Technical (dredging, measuring, and navigation aid tools)
- Manage and set targets for the subordinate offices

2. Major Responsibilities

- Create annual plan for surveying and dredging the navigation channel
- Create annual plan in equipping, maintaining and repairing buoys and landmarks within the Port Commercial Zone
- Survey water depth within the commercial zone and around the development locations of PPAP
- Manage dredging activities to maintain the navigation channel and for commercial purposes
- Monitor dredging and tugging service equipment
- Install buoys and landmarks on the navigation channel within the Port Commercial Zone

- Manage, maintain and repair all buoys and landmarks on the navigation channel within the Port Commercial Zone
3. Evaluation Responsibilities
 - Summarize monthly, quarterly, semi-annual, and annual reports for the CEO of PPAP
 - Review and evaluate the capability of laborers and employees in order to assist the management in motivating, promoting and/ or penalizing them
 - Study and carry out research on all technical and surveying equipment
 - Collect information and documents related to hydrography (the Mekong River and Tonle Sap)

VII. Head of Harbor Department

1. Management Responsibilities
 - a. Assist as an inspector on behalf of the Deputy Director General of Maritime Service/ Traffic (harbor service, pilotage, and safety/ health/ environment works)
 - b. Provide instructions to subordinate offices
2. Major Responsibilities
 - a. Ensure safety in PPAP's commercial zone, manage traffic and monitor water pollution; implement relevant laws and regulations; and approve other activities within the Port Commercial Zone
 - b. Ensure operational safety for all vessels using the terminals
 - c. Lead the clearance committee (immigration) on berth and departure of vessels
 - d. Provide instructions on handling dangerous goods
 - e. Deny vessel's departure in case of any outstanding payment on port services
 - f. Provide port clearance certificate
 - g. Issue manifest certificate to related offices and send estimated invoice to Commercial/ TOS Office for the issuance of official invoice to customers
 - h. Manage and allocate tugboat services and passenger vessels
 - i. Provide information to Kamsab and related parties on incoming/ outgoing vessels
 - j. Manage vessels in other private terminals and the passenger terminal within the Port Commercial Zone
 - k. Instruct and monitor the implementation of safety, welfare and environment policies in accordance with the Safety, Health, and Environment (SHE), ISPS Code, IMDG Code
 - l. Apply the national/ international laws and regulations on local and foreign vessels
3. Evaluation Responsibilities
 - a. Review and evaluate the capability and performance of employees and subordinate offices in order to assist the management in motivating, promoting and/ or penalizing them
 - b. Prepare weekly, monthly, quarterly, semi-annual and annual performance report to the management
 - c. Evaluate any damages to vessel and berth at PPAP Terminals in order to report to management for prompt solution
 - d. Monitor the river bank and sand dredging activities; and assess the impact on existing terminals and any new terminal constructions
 - e. Monitor daily water level and provide monthly water level report to relevant parties via Kamsab for draft determination for incoming/ outgoing vessels

VIII. Head of Port Commercial Zone/ Domestic Port Department

1. Management Responsibilities
 - a. Assist as an inspector to Deputy Director General of Maritime Service/ Traffic (domestic port, passenger terminal, Tonle bet Terminal, and gas/ oil terminal)
 - b. Manage and set objectives for the subordinate offices
2. Major Responsibilities
 - a. Prepare the management procedure and ensure public order at private terminals within the Port Commercial Zone
 - b. Manage berths at terminals and domestic ports within the commercial zone
 - c. Manage berth at local and international passenger terminals; and collect parking fee, passenger terminal gate fee and passenger fee
 - d. Manage Tonle Bet operation, cargo handling, berthing; monitor incoming/ outgoing vessels; manage oil/ gas terminal to ensure order, safety, and environment
 - e. Manage statistics on transit cargoes
 - f. Maintain port facilities and port navigation channel for vessels berthing, mooring, anchoring, loading/ unloading
3. Evaluation Responsibilities
 - a. Review and evaluate the capability and performance of employees and subordinate offices in order to assist the management in motivating, promoting and/ or penalizing them
 - b. Prepare weekly, monthly, quarterly, semi-annual, and annual performance report to the management
 - c. Investigate any damages to vessel and berth within the Port Commercial Zone in order to report to management for prompt solution

IX. Head of Planning/ Marketing Department

1. Management Responsibilities
 - a. Assist the Deputy Director General of Operation (Planning/ Statistics, Sales/ Marketing, and Research/ Development)
 - b. Manage and set targets for the subordinate offices
2. Major Responsibilities
 - a. Prepare business, service, and financial plans for the short-term, medium-term and long-term
 - b. Summarize monthly, quarterly, and semi-annual and annual reports of PPAP
 - c. Organize statistics of PPAP to report to the management
 - d. Create strategic marketing plan of PPAP (based on price, service quality, management, and port facilities)
 - e. Manage contracts, agreement and/ or MOU with all PPAP's business partners
 - f. Make brochures and calendars
 - g. Advertise PPAP's tariff to customers
 - h. Provide customer service in a professional, responsible and friendly manner
 - i. Issue invoices for port due, stevedore, handling outside of the Port Commercial Zone, rental of warehouse/ equipment and gate fee
 - j. Manage the issuance of invoice via TOS system
3. Evaluation Responsibilities
 - a. Review and comment on the construction plans and related expenses of PPAP to the management
 - b. Evaluate the effectiveness and results of all development plans

- c. Conduct studies on the competition and investments in transportation, logistics, and port facilities
- d. Study and evaluate the cost of transportation via waterway, land, railway, and sea
- e. Conduct SWOT analysis while taking the internal and external environment into consideration
- f. Monitor the development and trend of both local and international economy
- g. Follow-up on the developments and ongoing operations of domestic ports, ports in neighboring countries, and global ports.
- h. Conduct studies on the competitiveness of PPAP's service fees
- i. Conduct studies on the research and development of PPAP
- j. Conduct surveys on PPAP's customers service

X. Head of Operation Department (TS3)

- 1. Management Responsibilities
 - a. Assist the Deputy Director General of Operation (operations at TS3)
 - b. Give instructions to managers within the operations workflow
- 2. Major Responsibilities
 - a. Give instructions on berth scheduling
 - b. Ensure compliance with necessary policies in terms of operations and management of the terminal
 - c. Review and approve maintenance schedule
 - d. Brief all terminal workers on safety and security policies
 - e. Calculate the rate of berth and yard occupancy
 - f. Ensure good working environment for all staffs
 - g. Maintain good communications among managers and staffs
 - h. Strengthen the quality of work by providing trainings and instructions to all relevant staffs
 - i. Give instructions for better service and higher productivity
 - j. Create operations check list
 - k. Patrol and inspect operational activities, making sure all operators are operating PPE and handling equipment properly
 - l. Chair over monthly meeting among operations team to discuss and learn from their experiences.
 - m. Conduct joint investigation on any work related accidents
- 3. Evaluation Responsibilities
 - a. Summarize the weekly/ monthly operations report for the management
 - b. Analyze occupancy rate of berth and handling equipment
 - c. Conduct studies on the availability and efficiency of all terminal facilities

XI. Head of Operation Department (LM17)

- 1. Management Responsibilities
 - a. Assist the Deputy Director General of Operation (operations at LM17)
 - b. Give instructions to managers within the operations workflow
- 2. Major Responsibilities
 - a. Give instructions on berth scheduling
 - b. Ensure compliance with necessary policies in terms of operations and management of the terminal
 - c. Review and approve maintenance schedule
 - d. Brief all terminal workers on safety and security policies
 - e. Calculate the rate of berth and yard occupancy

- f. Ensure good working environment for all staffs
- g. Maintain good communications among managers and staffs
- h. Strengthen the quality of work by providing trainings and instructions to all relevant staffs
- i. Give instructions for better service and higher productivity
- j. Create operations check list
- k. Patrol and inspect operational activities, making sure all operators are operating PPE and handling equipment properly
- l. Chair over monthly meeting among operations team to discuss and learn from their experiences
- m. Conduct joint investigation on any work related accidents

3. Evaluation Responsibilities

- a. Summarize the weekly/ monthly operations report for the management
- b. Analyze occupancy rate of berth and handling equipment
- c. Conduct studies on the availability and efficiency of all terminal facilities

a-2-3- Human Resource Development

PPAP has determined that the development of human resources is the key factor in improving its effectiveness and competitiveness. Therefore, PPAP has been organizing and offering opportunities for employees to acquire knowledge that could complement their existing skills. The Personnel/ HR Department cooperates with other technical departments to organize both local and international training courses and workshops for employees. Since 2012, PPAP has been providing internal training courses on operations, safety and other technical skills as shown on the table below:

No.	Training Course	Date	Duration	Number of Attendants	Place
2012					
1	Level III Skipper Course	20/02/2012-05/04/2012	46	31	PPAP
2	Level III Mechanic Course	11/06/2012-21/06/2012	11	20	PPAP
2013					
3	Dangerous Goods Management	16/05/2013-17/05/2013	2	50	PPAP
4	Phase IV: Implementation, Monitoring, Measuring the PSHEMS	15/07/2013-19/07/2013	5	18	PPAP
5	Training for Trainer	02/09/2013-06/09/2013	5	10	PPAP
2014					
6	Phase V: Auditing the PSHEMS	03/03/2014-07/03/2014	5	17	PPAP
7	Update the PSHEMS document training	01/12/2014-05/12/2014	5	10	PPAP
2015					
8	Logistic Training	19/01/2015-23/01/2015	5	47	PPAP
9	First Aid Training	21/05/2015	1	31	PPAP

Note: The Cambodia Maritime Institute (CMI) was established under the cooperation between the Ministry of Public Works and Transport, Sihanoukville Autonomous Port and Phnom Penh Autonomous Port. In 2010 and 2011, CMI offered the first generation pilot training course for 17 trainees. In 2015, the Institute is preparing to offer the second generation pilot training course (currently, it is in the recruitment process to determine the number of participants).

Moreover, PPAP has the opportunity to send employees abroad to participate in port related trainings. Under the aid of supervision ministries, donor countries, and partners such as JICA, KOICA and GIZ, employees have attended meetings in Japan, Korea, Belgium, Germany and more. Since 2012, PPAP employees have attended the following courses overseas:

No.	Training Course	Date	Duration (days)	Number of Attendants	Place
2012					
1	Project Management Office (PMO)	18/11/2012-01/12/2012	14	1	Singapore
2	Sixth Regional Meeting and Management Training	03/11/2012-17/11/2012	15	2	Germany
3	Seminar on Container Terminal Management	10/06/2012-23/06/2012	14	1	Belgium
4	Course on Staff Capacity Building	09/06/2012-22/06/2012	14	1	Vietnam
5	Seminar on Customs, Taxes and Trade Affairs	03/06/2012-16/06/2012	14	1	Belgium
6	Seminar on River Navigation	08/05/2012-18/05/2012	11	2	Laos
7	Seminar on IT and EDI in Port Business	12/05/2012-26/05/2012	14	1	Belgium
8	The 90 th International Maritime Navigation Meeting	15/05/2012-26/05/2012	12	1	England
2013					
9	Training course on Strategic Port Administration and Management	13/10/2013-24/11/2013	42	1	Japan
10	Seminar on Port Engineering	03/11/2013-16/11/2013	14	1	Belgium
11	Seminar on Tasks & Responsibilities of Forwarders, Agencies and Shipping Lines	01/12/2013-14/12/2013	14	1	Belgium
12	Seminar on Port Logistics	14/09/2013-28/09/2013	15	1	Belgium
13	Seminar on Container Management	09/06/2013-22/06/2013	14	1	Belgium
14	Seminar on Customs, Taxes and Trade Affairs	17/02/2013-02/03/2013	16	1	Belgium
15	Maritime Human Resource Management course	06/01/2013-19/01/2013	14	6	
2014					
16	Seminar on Port Management	19/01/2014-01/02/2014	13	1	Belgium

No.	Training Course	Date	Duration (days)	Number of Attendants	Place
17	Training course on National Working Group	16/02/2014-26/02/2014	11	1	Belgium
18	Training course on National Working Group and Training	16/02/2014-26/02/2014	11	1	Belgium
19	Seminar on IT & EDI in Port Business	16/02/2014-01/03/2014	15	1	Belgium
20	Seminar on Port Management for Asia Countries	25/03/2014-14/04/2014	20	1	China
21	The 39th Maritime safety Committee Seminar	14/05/2014-23/05/2014	10	1	England
22	Study tour on Ports and Logistics	22/09/2014-03/10/2014	12	1	Germany/Denmark
23	Seminar on Port Environmental Policy & Technology (APEC)	13/10/2014-24/10/2014	12	1	Belgium

As per Sub-Decree No. 218 ANK. BK. on the establishment of Cambodia Maritime Institute, PPAP directly manages and operates the Institute by closely cooperating with Sihanoukville Autonomous Port. While the purpose of the Institute is not to make profit, it will contribute to the increase in efficiency and productivity of PPAP by giving it access to highly skilled and well-trained staffs and port workers. In the long run, the Institute will expand and may become a National Maritime and Logistics Training University which can offer courses to a larger audience. The Sub-Decree No. 218 does not stipulate on the ownership of the Institute.

b- Business strategies including competitive strength in the market and future plan

b-1- Vision

PPAP's vision is to maintain its leadership as the main player in the Mekong shipping business and serve as an essential link in maritime shipping by effectively and efficiently connecting the country's international trade with overseas partners.

b-2- Mission

PPAP's mission is to manage, develop, and operate port facilities and provide core and related services for the sustainable economic growth and social prosperity of Cambodia.

b-3- Competitive Strengths

- **Obtained Government license to manage the large Port Commercial Zone**

The Royal Government of Cambodia (RGC) granted PPAP the exclusive right to regulate, operate and manage port operations within the Port Commercial Zone of 160 kilometers from Kampong Cham to Neak Leung (Please refer to f-1 Port Commercial Zone of PPAP). The RGC requires any private company wishing to develop a port within this zone to consult and cooperate with PPAP.

- **Convenient Connection to Hub Port**

PPAP's connection with Cai Mep Hub Port has significantly increased its competitive advantage. Shipments no longer need to transit at hub ports in Singapore, Thailand or Hong Kong before heading to their final destinations in the US or Europe. The establishment of Cai Mep Hub Port in Vietnam in 2009 has shortened the transit time and cost of shipments from PPAP terminals to their destinations in the US and Europe.

- **Strategic location for Hinterland connection**

PPAP is one of the two water gateways for shipping from Cambodia to international markets. Exporting and importing via PPAP allow customers to take advantage of the shorter factory to port lead time in comparison to the seaport at Sihanoukville.

PPAP's main terminals are located in and nearby the capital city which provides proximity to consumers, manufactures/ producers, and industrial zone. Being located on the river is strategic for inflow of raw materials and outflow of agricultural and manufactured products via Mekong river networks. Besides, PPAP's New Container Terminal (LM17) is located on National Road No. 1 (ASEAN Highway) which will become the main economic route. In addition, the construction of Ring Road No.2 connecting LM17 and Phnom Penh city has been completed while Ring Road No.3 also connecting LM17 and Phnom Penh city is planned for construction beginning in 2016. Moreover, other access infrastructures such as express way and railway running through or connecting to LM17 are being planned and studied. The strategic location and connectivity will enable PPAP to achieve higher operational efficiency and stronger container growth.

- **Strong Cooperation with the Largest Bonded Warehouse Operator**

The cooperation between PPAP and Mekong Sentosa Logistics (MSL), operator of the bonded warehouse, gives a competitive edge to PPAP. Located right next to the LM17, MSL provides a facility for additional storage and stuffing/ un-stuffing service for PPAP's customers at competitive prices. The bonded warehouse allows PPAP to transport containers to the MSL storage facility before the owner of container declares and pays tax. This frees up additional space for PPAP to operate more efficiently and facilitates the process of declaring and paying tax. MSL has a large plot of land around 20ha as storage area.

- **Utilizing the Efficient Port Operating System**

In January 2013, Phaeros Group BVBA (Phaeros) was installed to assist and facilitate the process of invoice creation, yard container planning, idle time reduction and payment for the customers. It also helps PPAP to raise efficiency and effectiveness in loading and unloading.

b-4 Business Strategy:

To ensure sustainable growth, PPAP has set its business strategy upon three pillars: improving and strengthening, expanding and diversifying.

Firstly, improving and strengthening refer to PPAP's continued efforts to effectively perform its regulatory functions as the port authority. They also refer to PPAP's endeavor to deliver more value through cargo-related services as the port operator.

As the Port Authority, PPAP places a strong emphasis on properly maintaining and improving the navigation channel, providing professional services to ships and ensuring the soundness of port infrastructures and terminal facilities. PPAP also focuses its efforts on introducing and enforcing rules and regulations, promoting and facilitating cross-border navigation and strictly regulating traffic. Moreover, PPAP tries to ensure proper work procedures, terms and conditions in a way to best protect human lives, properties and the surrounding environment.

As the Port Operator providing cargo-related services, PPAP strives to ensure the high level of productivity in delivering basic services such as loading, discharging, storing, stuffing and un-stuffing. PPAP also plans to further improve logistics services provided at the corporate facilities between PPAP and MSL as well as to effectively promote and start operating the Bonded Warehouse.

Expanding is the second pillar and is directly related to PPAP's growth. For expansion, PPAP is required to reasonably make appropriate forecasts, stay ahead of the industry trend, understand the importance of the contributing factors, and subsequently plan and invest ahead of time to take advantage of opportunities in the market. This involves investing in expanding related infrastructure, facilities and handling equipment not only at LM17 Terminal but also at key provinces like Kampong Chhnang, Kratie and Kampong Cham. The expansion will cover facilities for container traffic, general cargoes, bulk cargoes as well as tourists. Timely implementation of expansion plans will allow PPAP to cope with growing demand and prevent issues such as congestion at berth and shortage of handling equipment. In the future, the expansion will also involve eliminating issues that may prevent PPAP from being able to handle larger ships.

Lastly, diversifying refers to PPAP's strategy to pursue growth by venturing into businesses that may support its current business activities. One of the potential businesses is to develop a port supporting area which provides both direct and indirect benefits to the Port. The benefits vary from generating more container throughput, securing greater revenue, providing more employment opportunities and improving technical skills for staffs. Another potential business is to develop an Inland Container Depot within the planned port supporting area to act as a main logistics center. The ICD is expected to provide value-added services to the port customers. On the other hand, PPAP has recently obtained a business license from the Ministry of Mine and Energy to carry out sand dredging for the maintenance of navigation channels. The license also allows PPAP to sell the sand on the market. Taking the environmental aspects into consideration, PPAP will carry out the dredging activities in a professional manner. PPAP also values cooperation with the private sector in boosting shipping-related activities like the development of ship-repair yard and provision of different trainings through the Cambodia Maritime Institute. In the future, PPAP shall further cooperate with shipping companies and barge operators using the Mekong and Bassac route or any other applicable multi-modal transport. In terms of maximizing benefits from the TS3, PPAP foresees the area becoming a place of significance for river cruises, passenger boats and leisure activities. Therefore, tourist-related facilities such as a modern passenger terminal, maritime museum, conference hall, and restaurants may be developed to give the area a friendly port-city interface.

At the heart of PPAP's business strategy is its commitment towards staff-training and capacity building to employ more highly-skilled and highly-motivated staffs. To ensure the success of its business strategy, PPAP will require government support especially in terms of infrastructure development: the hinterland connections such as additional access roads and rail network. In

addition, the government's legal support in the form of granting licenses and permission to conduct its core business and related activities are necessary.

b-5- Future plan

SHORT-TERM DEVELOPMENT PLAN OF PPAP (2016-2018)

Below are future plans with the investment value of over USD 100,000 within the next 1 to 5 years.

1. Project for the Development of Port Infrastructure at LM17 (Phase II)

Title	Development of the LM17 (Phase II)
Background	Between 2010 and 2014, the container throughput increased annually on average of 21.05%. Since the actual container throughput at LM17 was 133,666 TEUs in 2014, PPAP forecasts that the demand for container handling will grow to 180,000 TEUs by 2016. Such volume requires more proper port facilities and equipment.
Stage 1 of Phase II (Year 2016-2017)	
Objective	Ensure the port's ability to handle containers that are increasing each year
Expected Output	Increase annual capacity to 230,000 TEUs at LM17
Project location	East of LM17
Size of Project	5 Ha
Implementing agency	Phnom Penh Autonomous Port (PPAP)
Estimated budget requirement	<ul style="list-style-type: none"> - Mixed Aggregate Yard expansion (17,850 m²): \$499,800 - 2 RTG Runway (544m): \$434,565 - 2 Container Runway (272m): \$344,390 - 2 RTG Installation: \$2,900,000 - 1 TCC Installation: \$1,425,000 - Construction of water and electricity supply network: \$754,000 - Embankment Construction (300m x 31 m): \$1,748,858 - Fence Construction (750m): \$79,828
Estimated Financial Source	<ul style="list-style-type: none"> - IPO Proceeds - PPAP Fund
Period of Project Implementation	2016-2017
Land ownership	Phnom Penh Autonomous Port (PPAP)
Social Issues	The port will create additional employment opportunities.
Environment issues	There is no indication of any environmental issues
Follow- up action	Appoint a working group to follow up project implementation
Stage 2 of Phase II (2018)	
Objective	Ensure the port's ability to handle containers that are increasing each year
Expected Outputs	Increase annual capacity to 300,000 TEUs at LM17
Project location	East of LM17

Title	Development of the LM17 (Phase II)
Size of Project	5 Ha
Implementing agency	Phnom Penh Autonomous Port (PPAP)
Estimated budget requirement	<ul style="list-style-type: none"> - Mixed Aggregate Yard expansion (17,850 m²): \$499,800 - 2 RTG Runway (544m): \$434,565 - 2 Container Runway (272m): \$344,390 - 2 RTG Installation: \$2,900,000
Estimated Financial Source	<ul style="list-style-type: none"> - IPO Proceed - PPAP Fund
Period of Project Implementation	2018
Land ownership	Phnom Penh Autonomous Port (PPAP)
Social Issues	Additional employment opportunities will be generated
Environment issues	There is no indication of any environmental issues
Follow- up action	Appoint a working group to follow up project implementation

Time and work schedule

Start Date	End Date	Task	Duration	Related Party	Remarks
Mixed Aggregate Yard Expansion in 2016 (17,850 m²)					\$ 499,800
15/03/2016	22/03/2016	Study and approval on the project	7 day	Engineer Dept./ Planning & Statistic office/ Administration Dept.	
23/03/2016	28/07/2016	Implementation of Procurement Policy	127 day	Procurement Unit	International Auction
29/07/2016	27/10/2016	Project construction	90 day	Construction Company	
2 RTG Runway (544m)					\$ 434,565
22/06/2016	29/06/2016	Study and approval on the project	7 day	Engineer Dept./ Planning & Statistic office/ Administration Dept.	
30/06/2016	03/10/2016	Implementation of Procurement Policy	95 day	Procurement Unit	Domestic Auction
04/10/2016	02/01/2017	Project construction	90 day	Construction Company	
2 Container Runway (272m)					\$ 344,390
13/09/2016	20/09/2016	Study and approval on the project	7 day	Engineer Dept./ Planning & Statistic office/ Administration Dept.	
21/09/2016	25/12/2016	Implementation of Procurement Policy	95 day	Procurement Unit	Domestic Auction
26/12/2016	24/02/2017	Project construction	60 day	Construction Company	
2 RTG Installation					\$ 2,900,000
02/10/2016	12/10/2016	Study and approval on the project	10 day	Engineer Dept./ Planning & Statistic office/ Administration Dept.	
13/10/2016	18/02/2017	Implementation of Procurement Policy	128 day	Procurement Unit	International Auction
19/02/2017	18/08/2017	Project construction	180 day	Construction Company	
1 TCC Installation					\$ 1,425,000
06/01/2017	16/01/2017	Study and approval	10 day	Engineer Dept./ Planning	

Start Date	End Date	Task	Duration	Related Party	Remarks
		on the project		& Statistic office/ Administration Dept.	
17/01/2017	25/05/2017	Implementation of Procurement Policy	128 day	Procurement Unit	International Auction
26/05/2017	22/11/2017	Project construction	180 day	Construction Company	
Construction of water and electricity supply network					\$ 754,000
20/02/2016	27/02/2016	Study and approval on the project	7 day	Engineer Dept./ Planning & Statistic office/ Administration Dept.	
28/02/2016	04/07/2016	Implementation of Procurement Policy	127 day	Procurement Unit	
05/07/2016	03/10/2016	Project construction	90 day	Construction Company	
Embankment Construction (300 x 31 m)					\$1,748,858
06/10/2017	13/10/2017	Study and approval on the project	7 day	Engineer Dept./ Planning & Statistic office/ Administration Dept.	
14/10/2017	18/02/2018	Implementation of Procurement Policy	127 day	Procurement Unit	International Auction
19/02/2018	20/05/2018	Project construction	90 day	Construction Company	
Fence Construction (750m)					\$ 79,828
06/08/2017	13/08/2017	Study and approval on the project	7 day	Engineer Dept./ Planning & Statistic office/ Administration Dept.	
14/08/2017	17/11/2017	Implementation of Procurement Policy	95 day	Procurement Unit	Domestic Auction
18/11/2017	17/01/2018	Project construction	60 day	Construction Company	
Mixed Aggregate Yard expansion (17,850 m²)					\$ 499,800
10/01/2018	17/01/2018	Study and approval on the project	7 day	Engineer Dept./ Planning & Statistic office/ Administration Dept.	
18/01/2018	25/05/2018	Implementation of Procurement Policy	127 day	Procurement Unit	International Auction
26/05/2018	24/08/2018	Project construction	90 day	Construction Company	
2 RTG Runway (544m)					\$ 434,565
15/08/2018	22/08/2018	Study and approval on the project	7 day	Engineer Dept./ Planning & Statistic office/ Administration Dept.	
23/08/2018	26/11/2018	Implementation of Procurement Policy	95 day	Procurement Unit	Domestic Auction
27/11/2018	25/02/2019	Project construction	90 day	Construction Company	
2 Container Runway (272m)					\$344,390
17/08/2018	24/08/2018	Study and approval on the project	7 day	Engineer Dept./ Planning & Statistic office/ Administration Dept.	
25/08/2018	28/11/2018	Implementation of Procurement Policy	95 day	Procurement Unit	
29/11/2018	28/01/2019	Project construction	60 day	Construction Company	
2 RTG Installation					\$ 2,900,000
02/10/2016	12/10/2016	Study and approval	10 day	Engineer Dept./ Planning	

Start Date	End Date	Task	Duration	Related Party	Remarks
		on the project		& Statistic office/ Administration Dept.	
13/10/2016	18/02/2017	Implementation of Procurement Policy	128 day	Procurement Unit	Domestic Auction
19/02/2017	18/08/2017	Project construction	180 day	Construction Company	
Project Duration			2Years	Total Capital Expenditure	\$12,365,196

2. Conveyors Installation Plan at LM17

Title	Conveyors Installation Plan at LM17
Background	Besides the equipment for loading/ unloading container cargoes, PPAP does not have proper equipment for loading/ unloading general cargoes at LM17. Therefore, PPAP has a plan to install conveyors in response to the increasing demand for handling of general cargoes at LM17.
Objective	Facilitate and guarantee reliable handling of general cargoes
Expected Outputs	Install proper equipment for loading/ unloading of general cargoes
Project location	East of LM17
Estimated budget requirement	- 4 conveyors: \$160,000
Implementing agency	Phnom Penh Autonomous Port (PPAP)
Period of Project Implementation	2016
Financial Source	- IPO Proceeds - PPAP Fund
Land ownership	Phnom Penh Autonomous Port (PPAP)
Social Issues	Additional employment opportunities will be generated
Environment issues	There is no indication of any environmental issues
Follow- up action	Appoint a working group to follow up project implementation

3. Conveyors Installation Plan at TS3

Title	Conveyors Installation Plan at TS3
Background	Before the establishment of LM17, TS3 was the main terminal for general and container cargoes. Due to the limited capacity for expansion at TS3 Terminal and to accommodate the annual growth of container traffic, PPAP invested in developing LM17. As of December 2014, TS3 terminal is converted into a multipurpose terminal, which mainly handles general cargoes and passengers. Thus, PPAP plans to install conveyors in order to encourage more operations at TS3 and improve the efficiency of handling general cargoes.
Objective	Facilitate and guarantee reliable handling of general cargoes
Expected Outputs	Install proper equipment for loading/ unloading of general cargoes
Project location	Existing quay at TS3
Estimated budget	- 4 conveyors: \$160,000

Title	Conveyors Installation Plan at TS3
requirement	
Implementing agency	Phnom Penh Autonomous Port (PPAP)
Financial Source	- IPO Proceed - PPAP Fund
Period of Project Implementation	2016
Land ownership	Phnom Penh Autonomous Port (PPAP)
Social Issues	Additional employment opportunities will be generated
Environment issues	There is no indication of any environmental issues
Follow- up action	Appoint a working group to follow up project implementation

4. Conveyors Installation Plan at UM2 (Tonle Bet Terminal)

Title	Conveyors Installation Plan at Tonle Bet Terminal
Background	UM2 is located in Thbong Khmom province, a major area for the production of cassava and rubber. There is only one conveyor operating at Tonle Bet Terminal. To increase the efficiency of Tonle Bet Terminal, PPAP plans to install additional 4 conveyor belts.
Objective	The purpose of this port development is to encourage waterway transportation of agricultural products. Currently, they are mainly being transported via road.
Expected Output	Allow big barges to moor and be handled; especially, promote the export of agricultural products
Project Location	Along the Upper Mekong River located in Don Mao Village, Tonle Bet commune, Thbong Khmom District and Thbong Khmom Province
Estimated budget requirement	- 4 Conveyor belts: \$160,000
Implementing agency	Phnom Penh Autonomous Port
Financial Sources	- IPO Proceed - PPAP's budget
Period of Project Implementation	2017
Land ownership	Public land on the river bank
Social Issues	Additional employment opportunities will be generated
Environmental Issues	There is no indication of any environmental issues
Follow-up action	Appoint a working group to follow up project implementation

5. Conveyors Installation Plan at MSL

Title	Conveyors Installation Plan at MSL
Background	Due to close proximity to LM17, PPAP is cooperating with Mekong Sentosa Logistics to improve the effectiveness of bonded warehouse and encourage more import/ export of general cargoes. PPAP plans to install conveyors for the handling general cargoes within MSL's yard.

Title	Conveyors Installation Plan at MSL
Objective	Facilitate and guarantee reliable handling of general cargoes
Expected Outputs	Install proper equipment for loading/ unloading of general cargoes
Project location	Within the facilities of Mekong Sentosa Logistics
Budget required	- 4 conveyors : \$160,000
Implementing agency	Phnom Penh Autonomous Port (PPAP)
Financial Source	- IPO Proceed - PPAP Fund
Period of Project Implementation	2017
Land ownership	Phnom Penh Autonomous Port (PPAP)
Social Issues	Additional employment opportunities will be generated
Environment issues	There is no indication of any environmental issues
Follow- up action required	Appoint a working group to follow up project implementation

LONG-TERM DEVELOPMENT PLAN (2019-2028) OF PPAP

1. Project for the Expansion of Port Infrastructure at LM17 (Phase III)

Project Title	Expansion of the LM17 (Phase III)
Background	<p>PPAP started handling container traffic in 2002 at the Multipurpose Terminal (TS3) equipped with 300m x 22m berth, which was constructed with a grant aid from the Japanese Government in 1995. Since then, the volume of containers has been growing rapidly. However, the annual handling capacity of TS3 was only 77,650 TEUs while the container throughput exceeded this capacity by 2011. Therefore, PPAP started the construction of New Container Terminal (LM17) in 2010, located in Kean Svay district, Kandal province. Financed by the Chinese soft loan from the Export-Import Bank of China, LM17 became operational in January 2013. LM17 at the completion of Phase 1 has the annual capacity of 120,000 TEUs. The container throughputs in 2013 and 2014 at LM17 have reached 110,500 TEUs and 133,666 TEUs respectively. With the throughputs almost reaching the maximum capacity in 2013, PPAP expanded the container yard with its own budget in 2014. The LM17's annual handling capacity increased from 120,000 TEUs to 150,000 TEUs. As the trend of the container growth continues, PPAP has set short and long-term plans for the expansion of container terminal. In particular, PPAP has prepared a short-term plan between 2015 and 2018 which is also known as LM17 expansion, Phase II. At the completion of Phase II, LM17 is expected to increase its capacity up to 300,000 TEUs. The Container Terminal Expansion, Phase III, will be part of the long-term plan from 2018 to 2028. With the completion of Phase III, the capacity of LM17 is expected to increase by another 200,000 TEUs bringing the total annual capacity up to 500,000 TEUs.</p>
Objective	To enhance PPAP's capability in meeting the growth in container traffic for the long-term
Expected Outputs	Increase the total capacity of PPAP's Container Terminal by

Project Title	Expansion of the LM17 (Phase III)
	additional 200,000 TEUs to 500,000 TEUs by 2028
Project location	West of LM 17
Project land size	10 ha
Implementing agency	Phnom Penh Autonomous Port (PPAP)
Project Scope	<ul style="list-style-type: none"> - Construction of Jetty of 300 m x 22 m - Construction of Container Yard - Installation of Refer points for refer-containers - Construction of Container Freight Station (CFS) for handling LCL and for stuffing/ un-stuffing containers) - Construction of closed warehouse - Installation of TCC 3 units - Installation of RTG 6 units - Purchasing Trucks with trailers - Purchasing Constainers - Purchasing Reach-stackers and Forklifts for warehouse and CFS operations - Construction of additional Gate complex - Lighting system - Security system (CCTV, Fencing) - Embankment Construction - Sewage System - Electricity supply system - Water supply system - Installation of fire extinguishers - Construction of maintenance workshop - Construction of additional scanning station
Source of Funding	<p>The funding necessary for the project is to be sought from one of the following or combination of them:</p> <ul style="list-style-type: none"> - Soft loan - PPAP available budget, if any - Fund raised from follow-on listing
Project Timeframe	Between 2019 and 2028
Land ownership	PPAP has already acquired the land

Remarks:

It is expected that the New Container Terminal will also handle Break Bulk Cargoes, Specialized Project cargoes. Therefore, the above quay cranes will include those used for handling over-sized and over-weight cargoes to ensure that the Port will be able to deal with any kind of cargo handling challenges.

2. Project for the Development of Specialized Bulk Terminal

Project Title	The Construction of the Specialized Bulk Terminal
Background	There has never been any specialized bulk terminal to handle large volume of bulk cargoes like cement, rice, wood chip, fertilizer, coal,

	animal feed products or other agriculture commodities. Whenever, such products are delivered to the port, they have to be handled along with containers at PPAP's Multipurpose Terminal (TS3) on the 300 x 22m berth which was constructed by Japan Grant Aid in 1995. These mixed operations have made it difficult to achieve the highest productivity since there is neither adequate cargo-handling equipment nor the right storage facilities. Besides, the planning of space used for bulk cargoes is not an easy task as higher priority is given to container traffic as container barges have to meet the schedule of mother ships in Cai Mep Hub Port. Therefore, PPAP needs to properly develop its special bulk terminal to be competitive and to enhance its capability for the growing demand of bulk cargoes.
Objective	To enhance PPAP's capability and become specialized in meeting the growing demand of bulk cargo traffic through the port for the long-term
Expected Outputs	Dedicated bulk terminal with the capacity of 2,000,000 tons per year within the LM17 area by 2028.
Project location	LM17
Project land size	10 ha
Implementing agency	Phnom Penh Autonomous Port (PPAP)
Project Scope	<ul style="list-style-type: none"> - Construction of Jetty - Construction of the open storage area (capable of separation the incompatible goods away from each other as per the requirements by IMDG code) - Construction of the specialized warehouse - Installation of crawler cranes - Installation of the conveyor belts with and without rain-proof cover - Installation of various Silo system - Purchasing Trucks with trailers - Purchasing Forklifts - Construction of a separate Gate complex from those of containers - Lighting system - Security system - Embankment Construction - Sewage System - Electricity supply system - Water supply system - Installation of fire extinguishers
Source of Funding	- BOT (Private Partnership)
Project Timeframe	Between 2019 and 2028
Land ownership	PPAP has already acquired the land

Remarks:

Due to budget limitation, the specialized bulk terminal can only be planned from 2018 onwards. However, PPAP reserves its right to develop the following to meet the demand of handling bulk cargoes in the near future: a temporary floating pontoon (near LM17) equipped with conveyor belts, truck cranes or floating cranes for handling commodities like cassava, wood chip, rice paddy, milled rice, cement and other agricultural commodities.

3. Project for the Modernizing of Tourist and Passenger Terminal

Project Title	Modernizing of Tourist and Passenger Terminal
Background	In 1995, World Bank donated over USD 1 million for the establishment of TS1 by installing two pontoons (45m x 45 m each). At the beginning of its operation, the terminal was used to handle general cargoes but later on was mainly used for passenger boats, pleasure crafts and river cruises. Over the years, tourist facilities have been established to attract tourists at the TS1. While, the number of passengers between Phnom Penh and key provinces like Siem Reap and Kampong Cham sharply dropped, the passengers between Phnom Penh and Chau Doc as well as international tourists on river cruises have increased remarkably. On the other hand, there has been a noticeable growth in leisure craft activities like boats operating city tours along the Tonle Sap and the Mekong river. To promote and induce further growth in water-related tourist sector as well as to reap more benefit from TS1, some part of TS3, PPAP should seek to modernize its Passenger and Tourist Terminal by developing tourist related facilities at TS1 and TS3.
Objective	To attract and promote more passengers and tourists at TS1, part of TS3 facilities, so that it may become an additional source of income for PPAP
Expected Outputs	Modernize and expand the passenger and tourist terminal
Project location	TS1 and TS3 where appropriate
Implementing agency	Phnom Penh Autonomous Port (PPAP)
Project Scope	<ul style="list-style-type: none"> - Installation of another floating pontoon at TS1 in addition to the existing two pontoons by the World Bank - Convert existing building into a Passenger Service Building which shall have the place for check-in, waiting room - Provision of facilities include cash and currency services, toilets, information board, free Wi-Fi access, Coffee shops - Installation of tools, equipment aimed for maintaining high-level of safety to passengers, tourists - Security system - Proper Lighting system - Arrange a proper parking lots - Arrange a proper pick-up and drop-off area - Sewage System - Electricity supply system - Water supply system - Installation of fire extinguishers
Source of Funding	- PPAP's own budget
Project Timeframe	Between 2019 and 2028
Land ownership	PPAP has ownership of the land

4. Project for the Development of a Multipurpose Terminal in Thbong Khmom Province

Project Title	The Construction of a Multipurpose Terminal in Thbong Khmom (UM2)
Background	Thbong Khmom province is known to be the hub for agricultural production and for commodities like cassava, rubber, rubber trees, wood, ply-wood, cashew nuts, corn and bean. These commodities are not only from Thbong Khmom itself, but also from the North-Eastern provinces of Cambodia which can be consolidated in Thbong Khmom. In 2012, PPAP signed an Agreement with Mieng Ly Heng to develop the terminal. UM2 Terminal can make use of the storage facilities and space within Mieng Ly Heng factory compound. Even with this cooperation, the facilities are still moderate as PPAP only has a floating pontoon for ship berthing, equipped with local-made conveyor belt. Currently, there is no heavy shore crane for handling heavy goods or containers. Therefore, PPAP must develop a proper multipurpose terminal in Thbong Khmom to enable effective consolidation and distribution of goods from Thbong Khmom and those from the nearby provinces to Phnom Penh for export.
Objective	To enhance PPAP's capability in consolidation and enable the effective distribution of goods between North-eastern Provinces and Phnom Penh via Mekong River Network.
Expected Outputs	A multipurpose terminal with the annual capacity of 500,000 tons at Thbong Khmom by 2028
Project location	Daun Mao Leu Village, Tonle Bet Commune, Thbong Khmom District, Thbong Khmom Province
Project land size	5 ha
Implementing agency	Phnom Penh Autonomous Port (PPAP)
Project Scope	<ul style="list-style-type: none"> - Construction of Jetty - Construction of the specialized warehouse - Installation of crawler cranes - Installation of the conveyor belts with and without rain-proof cover - Installation of Silo system - Purchasing Trucks with trailers - Purchasing Forklifts - Construction of Gate complex - Installation of Terminal Operating System (obtain the license to extend PPAP's current system) - Lighting system - Security system - Embankment Construction - Sewage System - Electricity supply system - Installation of fire extinguishers
Source of Funding	<p>The funding necessary for the project is to be sought from one of the following or combination of them:</p> <ul style="list-style-type: none"> - Soft loan - BOT (Private Partnership)
Project Timeframe	Between year 2019 and 2028

Project Title	The Construction of a Multipurpose Terminal in Thbong Khmom (UM2)
Land ownership	As part of the long-term future plan by 2028, PPAP will cooperate with business partner/ contracting party to construct the multipurpose terminal at a suitable site

Remarks:

Similar to the proposed project for the development of a multipurpose terminal in Thbong Khmom, PPAP also believes that similar sub-feeder port developments in key provinces like Kampong Chhnang, Siem Reap (Chong Khneas) and Kratie are necessary. However, due to limitation in budget and a number of pending development projects with higher priorities, it would be preferable to keep the development of sub-feeders ports in key provinces for the next cycle of the development plan.

5. Project for the Development of Logistic Center within port's supporting facilities

Project Title	The Establishment of a Logistic Center
Justification	PPAP has an Inland Container Depot (ICD) of about 9 ha located at Russey Keo, Phnom Penh. However, the ICD is neither a licensed bonded warehouse nor considered a dry port. Therefore, there was no possibility of using the ICD for Less Container Load (LCL) containers where goods belonging to various owners can be temporarily stored under the customs control (while waiting for customs clearance and to be picked up by individual owners). Despite the limitations, the ICD was very useful in easing congestion at TS3. However since January 2013, the container handling operations moved to the New Container Terminal (LM17), about 30km from Phnom Penh, making the use of the existing ICD difficult. To accommodate operations at the New Container Terminal (LM17), PPAP will need to establish a proper logistics center which shall have the functions that goes beyond its existing ICD.
Objective	To enhance PPAP's capability in providing value-added services to customers in terms of handling LCL containers, storage, consolidation, distribution, and stuffing/ un-stuffing, cleaning, repairing containers and so on
Expected Outputs	A proper logistics center developed on the land of 10 ha within the proposed port supporting area
Project location	Kandal Leu Village, Banteay Deak District, Kean Svay district, Kandal Province
Implementing agency	Phnom Penh Autonomous Port (PPAP)
Project Scope	<ul style="list-style-type: none"> - Construction of Container Yard - Construction of Container Freight Station - Construction of closed warehouse - Installation of the office building - Installation of the gate complex - Installation of computerized software system for warehouse management - Invoicing system, gate-in gate-out, bookings ...etc

Project Title	The Establishment of a Logistic Center
	<ul style="list-style-type: none"> - Purchase trucks with trailers - Purchase constackers - Purchase reach-stackers - Purchase forklifts - Install container cleaning and repairing facilities - Obtain necessary license to operate the logistics center as a custom temporary storage for the handling of LCL containers and carry out container stuffing and un-stuffing services with custom seal for export
Source of Funding	- BOT (Private Partnership)
Project Timeframe	Between year 2019 and 2028
Land ownership	PPAP does not own the land, but has acquired the right to commercialize the land through a long-term lease agreement with 10 land owners who agreed with PPAP as per the details in terms and conditions of individual contracts between PPAP and each land owner. PPAP will allocate a part of land in the port's supporting facilities for the development of Logistics Center

6. Project for the Improvement of Navigation Channel

Project Title	The Improvement of Navigation Channel between PPAP's TS3 and the Cambodia-Vietnam border
Background	<p>Important waterways connecting PPAP's TS3 to the South China Sea are the Mekong main route, the Vam Nao-Bassac river in Viet Nam and some regulated waterways as stipulated in the Agreement on Waterway Transportation between Cambodia and Vietnam. The navigation channel between TS3 and the Cambodia-Vietnam border is 110 km long. Along this stretch of river, there are few areas with sand deposition, shallow water and sharp curves. Currently, the navigation channel along the Mekong river is limited to vessels with the draft of 4.5m in the dry season and 5.5m in the rainy season.</p> <p>Due to draft limitations, the maximum container barges plying the Mekong river is only 128 TEUs. This makes it rather difficult to optimize the transportation cost. To increase the productivity, PPAP has short and long-term plans for channel improvement. The short-term channel improvement plan (2015-2018) will be to maintain the water-depth of 6.0m all year round, while the long-term plan (2019-2028) will be to improve the channel depth up to 7.5m all year round. The long-term plan is subject to be carried out along with the improvement of the Quan Chanbo channel in Vietnam.</p>
Objective	Improve navigation channel between TS3 and Cambodia-Vietnam border to enable larger container barges
Expected Outputs	To Improve the navigation channel between TS3 and Cambodia-Vietnam and maintain the water depth of 7.5 m all year round by 2028.
Project location	Navigation channel at Chroy Ampel, Koh Keo and Prek Dach
Volume to be dredged	Chroy Ampel – 270,000 m ³ , Koh Keo – 300,000 m ³ and Prek Dach – 266,000 m ³

Project Title	The Improvement of Navigation Channel between PPAP's TS3 and the Cambodia-Vietnam border
Implementing agency	Phnom Penh Autonomous Port (PPAP)
Project Scope	<ul style="list-style-type: none"> - Carry out bathymetric survey - Prepare hydrographic atlas - Make details navigation channel design - Calculate dredging volume - Conduct EIA - Carry out dredging works - Update hydrographic atlas, after completion of dredging works - Install aids to navigation as appropriate
Source of Funding	- PPAP budget
Project Timeframe	Between 2019 and 2028

c- Company's main products and services

c-1- Container Throughput, Cargo, Number of Passenger, and Imported Oil and Gas

c-1-1- Container Throughput

The table below shows the data of container throughput via PPAP from 2010 to 2014. Container export via PPAP has increased at a CAGR of 19.62% and import has increased at a CAGR of 22.80% between 2010 and 2014.

	Unit	2010	2011	2012	2013	2014
Export	TEU	34,947	46,163	52,829	59,508	71,561
Import	TEU	27,309	35,468	42,504	50,992	62,105
Total container throughput	TEU	62,256	81,631	95,333	110,500	133,666

Source: Data from PPAP's Planning/ Statistic Office

c-1-2- General Cargo

The table below shows the throughput of general cargoes via PPAP from 2010 to 2014.

General cargo exports via PPAP have increased at a CAGR of 50.86% while imports have decreased at a CAGR of -23.37% between 2010 and 2014. In 2014, the cargo throughput doubled from the previous year due to the government policy of promoting export of paddy rice.

	Unit	2010	2011	2012	2013	2014
Export	Ton	4,588	8,082	7,979	26,307	23,764
Import	Ton	58,913	46,725	11,785	8,362	20,315
Total General Cargo	Ton	63,501	54,807	19,763	34,669	44,079

Source: Data from PPAP's Planning/ Statistic Office

c-1-3- Passenger, and Imported Oil and Gas

The table below shows the data on the number of passengers passing through TS1:

	Unit	2010	2011	2012	2013	2014
Total passenger (In-bound/ Out-bound)	Person	39,376	33,021	37,930	36,488	47,861

Source: Data from PPAP's Planning/ Statistic Office

The table below shows the data on Imported Oil and Gas:

	Unit	2010	2011	2012	2013	2014
Import	Ton	867,942	852,716	824,616	631,085	605,184

Source: Data from PPAP's Planning/ Statistic Office

Note: As of the date of the Disclosure Document, Cambodia does neither have facility for production of oil and gas nor exports crude oil. PPAP does not have oil/ gas terminal.

c-2- Communication flow of Import and Export Work Flow of Import

c-2-1- Workflow for Imports

Below is the workflow for import cargoes at PPAP. The left column indicates the person/ unit in charge of the process and the right column indicates the documents to be processed. The entire process for imports (from the border, Kaomsamnor until the all container is lift-off to the container yard) may take 15 hours during the dry season and 17 hours during the rainy season.



c-2-2- Workflow for Exports

Below is the workflow for export cargoes at PPAP. The left column indicates person/ unit in charge of the process and the right column indicates the document to be processed. The entire process (container is life-on to the vessel and arrive at border, Kaomsamnor) may take 11 hours during the dry season and 13 hours during the rainy season.



c-4- Pilotage

All vessels are required to use the pilotage service of PPAP when entering or leaving the Port Commercial Zone. The Port Commercial Zone stretches from Neak Leung, the Lower Mekong River, to Tonle Bet, the Upper Mekong River. The pilotage service is provided for safety of navigation along the way to the port/ terminal destinations. PPAP has a team of capable pilots to provide the pilotage service.

When vessels arrive at the Cambodia-Vietnam boarder, Kaomsamnor, the vessels' captains offer ship information to a Kamsab agent. The Kamsab agent offers the information to the Harbour Master and the Harbour Master offers the information to the Pilot Unit. Pilot boards the vessel and navigates the vessel to the destination terminal. The same communication channel is followed when vessels leave the terminal.

- **Capacity of the team members**

Employee Type	Number of Staffs	License Type
PPAP's full time staff	24 pilots	Trained and Approved by MPWT or PPAP

c-5- Towage:

Towage service is compulsory for all vessels. When vessels arrive at the anchorage area under the pilot's guidance, the captains of vessels alert Kamsab for tug assistance. Kamsab relays the order to the manager of Harbour Service Office and the manager of Harbor Service Office sends a tugboat to assist berthing of the ship. In case there is no tugboat available, ships need to anchor and wait for tugboat assistance at the anchorage area.

As of December 2014, two tugboats are in service. The personnel that operate tugboats are required to have license from the Ministry of Public Works and Transport.

- **Capacity of tugboats**

Type of Tugboats (Name and Engine)	Capacity
RB2(CATEPILLA)	500Hp
R001(YANMA)	430Hp

c-6- Mooring:

Mooring is compulsory for all cargo vessels in order to ensure safe berthing. PPAP has a team of 4 people to assist with mooring service for all cargo vessels.

- **Capacity of the team members**

Employee Type	Number of Staffs	License Type
Full-time	4 persons	Not Required

Note: PPAP is required to train employees before they are allowed to provide mooring service.

c-7- Stevedoring and LOLO:

After berthing at the terminals, the lifting equipment on barge or shore discharges the cargoes from ship to quay or truck on quay. Then, the truck brings cargoes to the container yard (CY) where container stacker lifts off the cargoes. Organized into day and night time shifts, 24 hours of stevedoring services are available at PPAP.

The New Container Terminal (LM17)

Capacity of Handling Equipment at NCT (LM17)

No	Machinery Equipment& Mark	Unit	Capacity	Year (Built)	Place of Origin	Plate number
I	Mobile Crane					
	Crawler Crane Link Belt	1	100T	N/A	Japan	N/A
	Crane TADANO	1	50T	1995	Japan	State 1184
	Crane TADANO	1	25T	1995	Japan	State 1185
II	RTG					
	RTG 1 KALMAR	1	45T	2012	Finland	RTG1
	RTG 2 KALMAR	1	45T	2012	Finland	RTG2
	RTG 3 KALMAR	1	45T	2012	Finland	RTG3
	RTG 4 KALMAR	1	45T	2012	Finland	RTG4
III	Constacker					
	Con't Stacker 3 KALMAR	1	45T	2011	Finland	Stacker 3
	Con't Stacker 4 KALMAR	1	45T	2011	Finland	Stacker 4
	Con't Stacker 5 KALMAR	1	45T	2011	Finland	Stacker 5
	Skystacker					
	SKY-Stacker 1 KALMAR	1	10T	2003	Finland	SKY 1
	SKY-Stacker 3 TOYOTA	1	10T	1991	Japan	SKY 3
	Forklift					
	Fork-Lift KOMATSU	1	25T	1995	Japan	State 1187
	Fork-Lift KOMATSU	1	6T	1995	Japan	State1064
	Fork-Lift KOMATSU	1	6T	1995	Japan	State 1065
	Fork-Lift KOMATSU	1	6T	1995	Japan	State 1067
	Fork-Lift KOMATSU	1	3.5T	1995	Japan	State 1061
	Fork-Lift KOMATSU	1	3.5T	1995	Japan	State 1190
	Trailer-Truck					
	Trailer-Truck MITSUBISHI	1	24T	1995	Japan	State 0026
	Trailer-Truck MITSUBISHI	1	24T	1995	Japan	State 0027
	Trailer-Truck MITSUBISHI	1	24T	1995	Japan	State 0031

No	Machinery Equipment& Mark	Unit	Capacity	Year (Built)	Place of Origin	Plate number
	Trailer-Truck MITSUBISHI	1	24T	1995	Japan	State 0032
	Trailer-Truck MITSUBISHI	1	24T	1995	Japan	State 0033
	Trailer-Truck MITSUBISHI	1	24T	1996	Japan	State 0034
	Trailer-Truck HINO	1	24T	1998	Japan	State 0041
	Trailer-Truck HINO	1	24T	1999	Japan	State 0042
	Trailer-Truck FAW	1	24T	2002	China	3A-1569
	Trailer-Truck FAW	1	24T	2002	China	3A-1570

Note: N/A as it is a second hand equipment bought from a long time ago.

To increase the cargo handling capacity and promote the efficiency of PPAP, the Company cooperates with private companies based on the revenue sharing scheme. The private companies have helped with installing more handling cranes at LM17:

- 1) Sovereign Base Logistic Holdings Co., Ltd installed 2 cranes on 30 December 2010. However, those cranes are only used for their vessels.
- 2) Sung Kwang Heavy Equipment Co., Ltd installed one crane on 7 December 2012. The contract between Sung Kwang and PPAP lasts for 12 years commencing from the start of operate date and is subject to the renewal of another 3 years in case Sung Kwang has implemented the agreement properly and the crane is in good working condition.
- 3) Kampuchea Shipping Agency & Broker (Kamsab) installed one mobile crane on 16 March 2007 and additional two Travelling Cargo Cranes (TCC) on 1 July 2013. All 3 cranes have the contract duration of 20 years from the signature date.

PPAP guarantees to allocate at least 30% of the total annual container throughput at LM17 to be lifted by Sung Kwang crane. PPAP makes no such guarantee to other crane owners.

For the allocation of the traffic between the cranes provided by Kamsab and Sung Kwang, PPAP is applying the “First Come First Serve” policy (The crane that finishes lifting the allocated container earlier will be the first to be allocated with more containers). If all three cranes are free at the time when a vessel arrives, the crane that finished the listing first will have the priority. PPAP has reviewed if the allocation based on this policy can meet the guarantee of 30% minimum container throughput to Sung Kwang. Normally, there is no issue with the guaranteed container throughput to Sung Kwang. However if it is not likely to meet this container threshold, PPAP will allocate more traffic to meet the condition. Floating cranes of Sovereign are to serve their vessels.

Crane Owner	Crane Name	Unit	Capacity (Ton)	% of Revenue To Crane Owner	% of Revenue To PPAP	Date
Sovereign	Floating Crane 1	1	80	80%	20%	Contracted ended/ crane still operational
	Floating Crane 2	1	60	80%	20%	
Kamsab	Mobile Crane 80T	1	80	90%	10%	16/03/07-15/03/08
				85%	15%	16/03/08-15/03/09
				80%	20%	16/03/09-End of

Crane Owner	Crane Name	Unit	Capacity (Ton)	% of Revenue To Crane Owner	% of Revenue To PPAP	Date
	Traveling Cargo Crane 2*	1	41			contract
				90%	10%	01/07/13-31/06/15
				85%	15%	01/07/15-31/06/16
	Traveling Cargo Crane 3*	1	41	80%	20%	01/07/16-End of Contract
				90%	10%	01/07/13-31/06/15
				85%	15%	01/07/15-31/06/16
Sung Kwang	Traveling Cargo Crane 1	1	41	80%	20%	01/07/16-End of Contract
				90%	10%	01/01/13-31/12/13
				85%	15%	01/01/14-31/12/14
				80%	20%	01/01/15-End of Contract

Note: * The total fee is calculated based on the official PPAP tariff. The percentage of the revenue sharing is applied to this total fee.

Multipurpose Terminal (TS3):

No.	Machinery Equipment / Mark	Unit	Capacity	Year(Built)	Place of Origin	Plate number
I	Mobile Crane:					
	1) KATO	1	25 T	1989	Japan	P.P. 4.0520
	2) TADANO	1	7.5 T	1995	Japan	P.P. 4.1181
	3) TADANO	1	7.5 T	1995	Japan	P.P. 4.1182
II	Constackers:					
	1) Constacker (Fantuzzi)	1	45 T	2004	Italy	I
	2) Constacker (Fantuzzi)	1	45 T	2007	Italy	II
III	Skystackers:					
	1) Skystacker (Toyota)	1	18 T	1989	Japan	II
IV	Forklift:					
	1) Forklift (Komatsu)	1	3.5 T	1996	Japan	P.P. 4.1069
	2) Forklift (Mitsubishi)	1	4.0 T	1992	Japan	P.P. 4.0607
VI	Trailer:					
	1) Trailer*	5	20'	1995	Japan	N/A

Note: * It is a modified trailer for the movement of containers within the Terminal.

Tonle Bet Terminal (UM2):

No.	Machinery Equipment / Mark	Unit	Capacity	Year(Built)	Place of Origin	Plate number
I	Mobile Crane:					
	1) TADANO	1	70 T	1995	Japan	P.P. 4.1183
	2) TADANO	1	25 T	1995	Japan	P.P. 4.1186

II	Forklift:					
	1) Forklift (Komatsu)	1	3.5 T	1996	Japan	P.P. 4.1188
	2) Forklift (Komatsu)	1	3.5 T	1996	Japan	P.P. 4.1189
	3) Forklift (Mitsubishi)	1	4.0 T	1992	Japan	P.P. 4.0606

Note: These are for seasonal work (may be transferred to TS3).

c-8- Storage

As of 31 December 2014, the storage facilities of PPAP are as follows:

TS3- Multipurpose Terminal

Type of Storage	Ownership	No. of Facilities	Total area (m ²)
<u>Warehouses:</u>		4	4,550m ²
A	PCF-BOT (24 years)	1	2100m ²
B	PCF-BOT (24 years)	1	1500m ²
Reefer Container Warehouse	PCF-BOT	1	500m ²
#8	PPAP	1	450m ²
Container Yards	PPAP	2 (CY1+CY2)	48,438.76m ²

Within the TS3 Terminal, there are 4 storage facilities including:

- 1) Warehouse A has the total size of 30m x 70m and warehouse B has the total size of 30m x 50m. According to the leasing agreement between PPAP and PCF on 19 June 2009, PPAP leases these warehouses for USD 0.5/ m² per month to PCF. In addition, PPAP will get USD 1 /Ton as the operations fee from PCF. The construction of warehouse A and warehouse B is the responsibility of the lessee.
- 2) Reefer container warehouse has the total size of 20m x 25m. According to the leasing agreement between PPAP and PCF on 13 September 2013, PPAP leases the warehouses to PCF for USD 1,200/ Month for 20' containers and USD 2,000/ Month for 40' containers. The construction of reefer container warehouse is the responsibility of the lessee.
- 3) Warehouse #8 has the total size of 15m x 30m which is used for PPAP operations. The container yard at TS3 has the total size of 48,438m² which includes CY1 (south of the administration building) and CY2 (north of the administration building).

LM17- NCT

Type of Storage	Ownership	Number of Storages	Total area
Container Yard	PPAP	4	39,600m ²

PPAP is cooperating with MSL for warehouse facility. MSL started the operation of its bonded warehouse on 1 January 2015.

Based on the agreement signed by PPAP and MSL on 10 October 2014, PPAP cooperates with MSL to provide container storage and warehouse operation services. PPAP can utilize the large space at MSL as warehouse and storage for empty containers.

c-9- ICD

ICD was established on 3 July 2007 for container storage. However, it is currently being used only for empty containers, general cargoes and stuffing/ un-stuffing cargoes at TS3. It is located approximately 4km from TS3. The total area of ICD is approximately 93,000m². However, only 63,000m² was developed and is suitable for storing containers. The remaining area has not been developed for the commercial use yet.

Two warehouses in the ICD have been leased to private companies:

- 1) On 7 May 2015, another warehouse with the total size of 30m x 32m was leased to Kung Nuon.
- 2) On 7 May 2015, warehouse with the total size of 30m x 32m was leased to ACF Trading.

ICD	Ownership	Unit	Total Area
Surface	PPAP	m ²	93,000
- Warehouse A	PPAP	m ²	960
- Warehouse B	PPAP	m ²	960
Yard Utilization Ratio			67.74%

c-10- Other Services

- Sand Dredging- On 10 April 2015, the Ministry of Mine and Energy granted PPAP 2 licenses to dredge in Kampong Cham and Kandal province. As of 15 July 2015, 811,590m³ of concrete sand and 2,235,635m³ of filling sand were dredged.

PPAP leases the operating license to 3rd party business partners. PPAP charges the 3rd party lessee USD 0.20/ m³ inclusive of VAT for concrete sand and USD 0.1 inclusive of VAT for filling sand (net of government contribution). All government contribution is the liability of the license lessee.

- a. **Concrete Sand Dredging:** PPAP is required to contribute USD 0.68/ m³ to the government (USD 0.40/ m³ to the government, USD 0.25/ m³ for royalty to the government, USD 0.02/ m³ for community development fund, USD 0.01/ m³ for sand dredging management, capacity building and training of officials at the Ministry of Mines and Energy).
 - b. **Filling Sand:** PPAP is required to contribute 0.25/ m³ to the government (USD 0.12 per/ m³ to the government, USD 0.10 per/ m³ for royalty to the government, USD 0.02 per/ m³ for community development fund, USD 0.01 per/ m³ for sand dredging management, capacity building and training of officials at the Ministry of Mines and Energy).
- Warehousing Operation- It refers to a warehouse for storing general cargoes and Less Container Load (LCL) cargoes. PPAP cooperates with MSL to provide a storage area for customers. In order to encourage rice exports, PPAP plans to build a general cargo warehouse mainly to store rice.
 - Container Maintenance and Repair Service- Currently, PPAP does not have technical staffs to provide container maintenance and repair service. In order to comply with its vision, PPAP plans to build a facility for container maintenance and repair.

c-11- Tariffs and Fees

Through the BOD approval, PPAP has a right to revise its tariff which is principally based original tariff prescribed in the Sub-Decree from 1985. The current tariff has been revised many times by taking into account of the changes in economic and business environment. Upon request from companies, PPAP's management has some discretion to provide a special tariff to a specific company if there is an appropriate reason. Please refer to the entire tariffs of PPAP as the attached file of Disclosure Document.

c-12- Insurance

After listing, PPAP will acquire insurance to cover the main facility and services. As of the date of the Disclosure Document, PAPP does not provide insurance service to customers.

c-2- Details of the Company's market (domestic or international)

c-2-1- Cambodian economic overview

GDP

GDP	2011	2012	2013	2014
Real GDP growth (% , year-on-year)	7.1%	7.3%	7.4%	7.0%

Source: ADB

The country's economic growth is mainly driven by the four sectors: 1) garment, textile and footwear; 2) tourism; 3) agriculture; and 4) construction.

The year-long political deadlock following the national election in Jul 2013 was recently resolved and the country's political stability has returned.

According to the International Monetary Fund, Cambodia's GDP is projected to grow at an average of 7.4% over 2015 and 2018. The GDP growth of 7.0% in 2014 is slightly lower than the past 3 years' average of 7.3%.

Trade: Import and Export

Trade flow	2011	2012	2013	2014	Jan-May 2015
Exports of goods (%, year-on-year)	35.73%	12.54%	25.91%	11.53%	1.91%
Imports of goods (%, year-on-year)	38.19%	20.04%	13.36%	17.26%	7.52%
Total trade	37.13%	16.85%	18.49%	14.77%	5.15%
Trade balance (deficit)	45.64%	41.23%	-14.90%	36.32%	22.64%

Source: CamControl, MOC

Cambodia's total trade value reached \$18.24bn in 2014, increasing 14.77% YoY in 2014 (vs 18.49% in 2013 and 16.85% in 2012) and \$7.71bn for the first five months of 2015, up 5.15% YoY, according to CamControl of the Ministry of Commerce.

The total value of the country's exports came to \$7.71bn in 2014, up 11.53% YoY (vs 25.91% in 2013 and 12.54% in 2012). Slower export growth in 2014 was due to sluggish garment exports.

Garment exports accounted for 75% of the country's total export in 2014. According to the Garment Manufacturers Association in Cambodia (GMAC), exports of garment and textile rose 7.6% YoY to \$5.34bn in 2014 (vs 2013's 11.7% and 2012's 9.8%) because of a weak growth in apparel exports to the US, Cambodia's second largest buyer following the EU. Garment exports to the US contracted 8.1% YoY to \$1.9bn, while that of the EU, Cambodia's top apparel buyer, jumped 26.7% YoY to \$2.2bn.

The total value of the country's imports was \$10.53bn in 2014, up 17.26% (vs 2013's 13.36% and 2012's 20.04%). Major products that Cambodia imports are raw garment materials, petroleum, vehicles and construction materials, which accounted for 38.3%, 13.9%, 7.5% and 4.1% respectively of the country's total import in 2014. Imports of raw garment materials grew 15.1%, petroleum (-0.8%), vehicles (+23.4%) and construction materials (+5.5%). In the first five months of 2015, imports grew slowly at 7.52% YoY to \$4.56bn, vs 15.8% in the same period in 2014. The slower import growth was due to a weak growth in imports of petroleum and raw garment materials. Raw garment material imports inched up 4.3% between January and May 2015, compared to 22.9% in the same period in 2014, while petroleum imports contracted 39.1%, vs +6.5% in the same period last year.

In 2014, the country's trade deficit widened to \$2.83bn in 2014, increasing 36.32% YoY, and \$1.41bn in the first five months of 2015, up 22.64%. Trade deficit-to-GDP ratio was 16.4% in 2014, vs 13.2% in 2013 and 17.1% in 2012.

Inflation

Inflation	2011	2012	2013	2014	2015 E
Inflation (%)	5.5%	2.9%	2.9%	3.9%	1.6%

Source: ADB

Inflation increased to 3.9% in 2014 (vs 2.9% in 2013). In the first five months of 2014, inflation climbed to 4.7% (vs 1.7% in the same period in 2013) due to higher prices of food and non-alcoholic beverages. Inflation fell from 5% in April to 4.5% in May. Stricter enforcement of customs duty also has put upward pressure on imported products.

The Asian Development Bank projects inflation in Cambodia to decrease to 1.6% in 2015 and increase to 2.7% in 2016.

c-2-2- Cambodian container market overview

(Unit: TEU 20 Foot Container)

Country/Region	Number of Container			Growth Rate		
	2010	2011	2012	2010	2011	2012
Cambodia	224,206	236,986	246,465	8.0%	5.7%	4.0%
Vietnam	5,983,583	6,335,437	6,588,855	21.2%	5.9%	4.0%
Thailand	6,648,532	7,171,394	7,372,298	12.7%	7.9%	2.8%
Southeast Asia (ASEAN)	8,224,597	8,794,114	9,206,641	(15.1%)	6.9%	4.7%

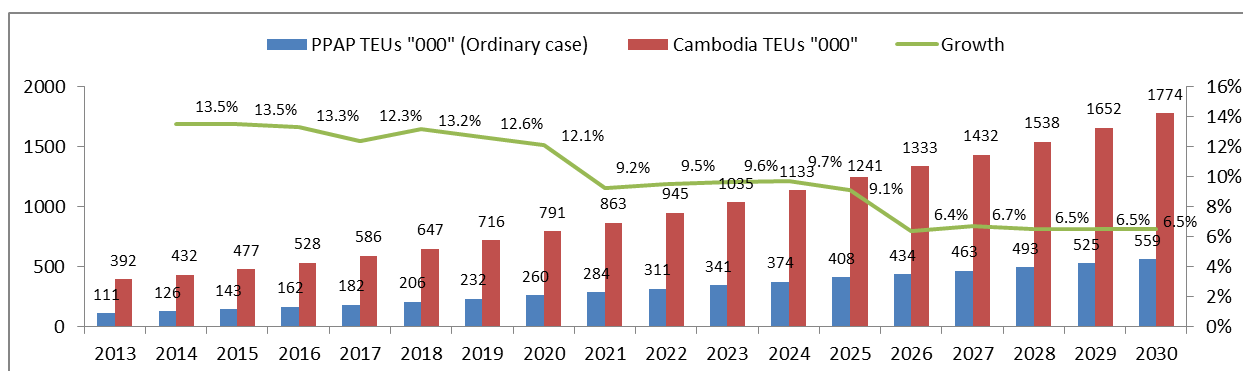
Source: The World Bank Data on Container port traffic (TEU: 20 foot equivalent units)

- According to the JICA report, the number of containers has a positive correlation with the growth rate of Cambodian economy. The port industry outlook depends on the

growth of international trading volume.

- The JICA report expressed a positive outlook for the port industry as indicated in the graph below. It suggests a remarkable increase in the number of containers (TEUs) of PPAP and the industry as a whole. However, PPAP management believes that the JICA estimation of PPAP's container throughputs is conservative. The management expects 15% of revenue growth in 2013 and 15-20% in 2014 and onwards.
- The government also encourages rice export as an important tool to boost the economy. It recently announced a rice export policy which intends to export 1 million tons of milled rice by 2015.

Estimated PPAP Containers (TEUs) and Containers (TEUs) of Industry



Source: JICA preparatory survey on Phnom Penh Autonomous Port New Container Terminal's Special Economic Zone and Associated Facilities Construction Project, PPAP Planning and Marketing Department (For Ordinary Case)

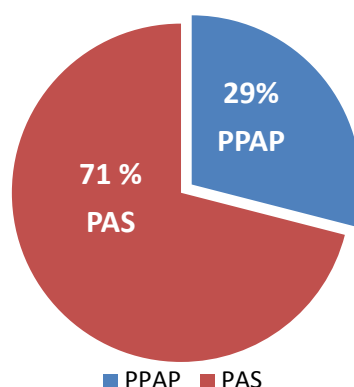
c-2-3- Competition

3 routes are available for the import and export of containers in and out of Cambodia: trucking, shipping via PPAP and PAS. The market share for container traffic between PAS, PPAP, and Road is approximately 65%, 25%, and 10% respectively.

The import and export via PAS is more competitive for connection to and from the EU due to more connection flexibility at the Hub Port (PSA and LCB Ports). For connection to and from the US, it is more competitive to import or export via PPAP due to more connection flexibility via the Hub Port in Vietnam (Cai Mep).

Generally, shipping is more competitive in terms of price compared to trucking, while trucking is more competitive in terms of time. Therefore, transport via waterway is preferred for large quantity and non-time sensitive cargoes. On the other hand, trucking would be preferred for smaller quantity and time sensitive cargoes; they are brought directly to and from Cambodia to the nearby Hub Port (example: LCB Hub Port in Thailand and Cai Mep Hub Port in Vietnam). Although trucking will continue to increase, especially with the completion of the Neak Leung Bridge, the market share of trucking is expected to remain limited at 10-15%.

Container Throughput of PPAP and PAS in TEU (2014)



	PPAP	PAS	On-land transportation
Nature of business	Port Service	Port Service	Port Service
Major Transported Goods	Container and break bulk cargo	Container and break bulk cargo	Break Bulk Cargo
Capacity (annual TEU)	150,000 at LM17 84,588 at TS3	NA	NA
Freight Volume (2014 actual, TEU)	133,666	333,904	NA
Route	The Lower Mekong River to Ho Chi Minh, Cai Mep Port.	Cambodia SEA to International ports in Singapore/ Thailand	Phnom Penh-Vietnam/ Thailand
Targeted clients	<ul style="list-style-type: none"> Mainly clients in garment/ agriculture/ construction/ manufacturing sectors High-traffic volume clients Mainly US Market 	<ul style="list-style-type: none"> Mainly clients in garment/ agriculture/ construction/ manufacturing sectors High-traffic volume clients Mainly European Market 	<ul style="list-style-type: none"> Small-traffic volume clients
Location	Phnom Penh	SHV	Mainly Phnom Penh

The table below shows the total container throughputs between PPAP and PAS:

	2009	2010	2011	2012	2013	2014
Exports						
Total container throughput	125,260	141,577	158,582	173,489	59,508	232,426
PPAP	22,808	34,947	46,163	52,829	59,508	71,561
PAS	102,452	106,630	112,419	120,660	138,374	160,865
On land transportation	N/A	N/A	N/A	N/A	N/A	N/A

	2009	2010	2011	2012	2013	2014
Imports						
Total container throughput	125,913	143,607	160,990	177,222	199,068	235,144
PPAP	20,504	27,309	35,468	42,504	50,992	62,105
PAS	105,409	116,298	125,522	134,718	148,076	173,039
On land transportation	N/A	N/A	N/A	N/A	N/A	N/A

Source: PPAP's Planning/ Statistic Office and PAS

Note: There is no official data on container throughputs via land transportation.

d- The sale volume of other product accounted for at least 10% of the Company's total revenue

Apart from port related services, PPAP has received sand dredging license in Kampong Cham and Kandal province as of 15 July 2015. 181,590m³ of concrete sand and 2,235,635m³ of filling sand were dredged with the 2 licenses. The revenue and profit of the sand dredging services will be included in the forecasted 2015 Statements of Comprehensive Income.

e-Subsidiary, associates and holding company including their core areas of business

As of the date of Disclosure Document, PPAP does not have any subsidiary, associates and holding company including its core areas of business.

f- Distribution Method(s)

f-1 Port Commercial Zone of PPAP

The rights and obligation of the management in providing services and facilities of Phnom Penh Autonomous Port (PPAP) is defined by Anukret No.01 ANK. BK. dated 5 January 2009. In regards to the **Port Commercial Zone of PPAP**, the Anukret states that the border of this Port Commercial Zone is defined as follows:

Zone 1: Phnom Penh Chaktomuk (Tonle Sap River-Mekong River)

1. Waterway border

a. The North

- i. Tonle Sap River: the West bank at the North latitude of 1,283,000 with the North border of Sokimex gas station; the East bank is located right in Phum Kean Klaing, Sangkat Chroy Changvar, Khan Reussey Keo, Phnom Penh
- ii. Mekong River: the West bank at the North latitude of 1,284,000 right in Phum Prek Leap, Sangkat Prek Leap, Khan Reussey Keo, Phnom Penh; the East bank right in Phum Prek Takov, Srok Khsach Kandal, Kandal Province

b. The South

- i. Basac River: from Basac riverside separated from the Chaktomuk River
- ii. Mekong River: at the East longitude of 497,000 located in Khum Arey Khsat and Khum Veal Sbov

2. The riverbank border

- a. **Phnom Penh:** at the edge of Preah Sisowath Blvd. opposite to the riverside from the North fence of Sokimex gas station at the North latitude of 1,283,000 heading South to Preah Komloun statue in front of Ounalom pagoda

- b. **Chroy Changvar:** from the shore to the water level in Phum Prek Takov, Khum Prek Takov, Srok Khsach Kandal, Kandal Province at the North latitude of 1,284,000 to Phum Kandal, Khum Arey Khsat, Srok Lvear Em, Kandal Province of the East longitude of 497,000

Zone 2: The Upper Mekong (Chaktomuk-Tonle Bet)

From Koh Oknha Tey at the North latitude of 1,284,000 (PK 353+800) to Tonle Bet at the North latitude of 1,324,600 (PK 447)

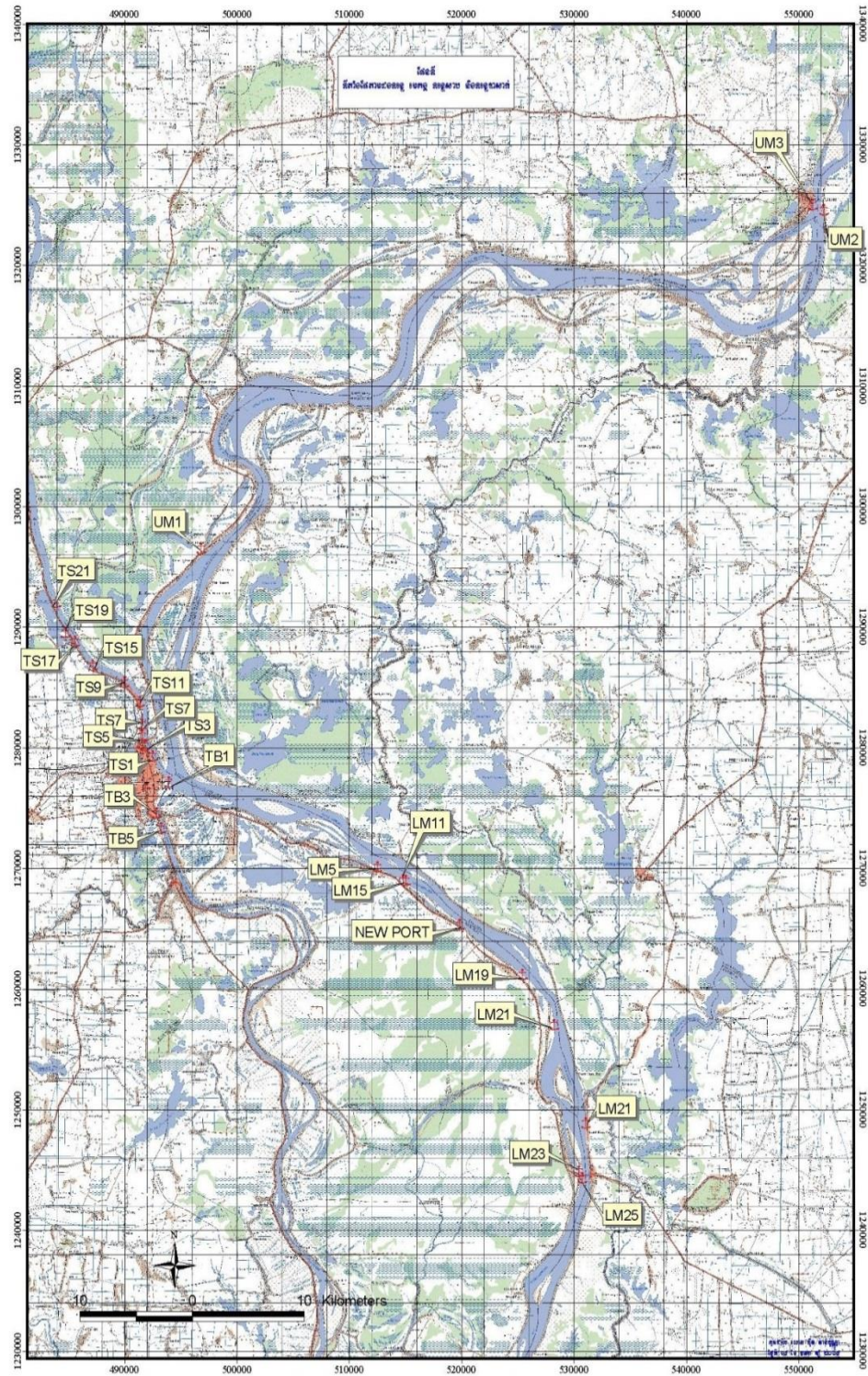
Zone 3: The Lower Mekong (Chaktomuk-Neak Leung)

From Phum Veal Sbov at the East Longitude of 497,000(PK 344+600) to Neak Leung at the North latitude of 1,243,300 (PK 292); the border-setting map of the PPAP's business zone management is the annex of this Anukret.

f-2 Port's Infrastructure

The port's infrastructures within the Port Commercial Zone are under the management of PPAP. However, other state assets and properties within the Port Commercial Zone are under the authority of the concerned Ministries and Provinces. The establishment of any infrastructure or facility within the Port Commercial Zone must be agreed upon by PPAP.

Map of port operating area



f-3 The depth of Mekong basin

River	2009		2010		2011		2012		2013		2014	
	Dry	Rainy	Dry	Rainy	Dry	Rainy	Dry	Rainy	Dry	Rainy	Dry	Rainy
	<u>Allowed vessel draft for Upper Mekong</u>											
PP- K. Cham	3.5	5.2	3.5	5.2	3.5	5.2	4.5	5.5	4.5	5.5	4.5	5.5
	<u>Allowed vessel draft for Lower Mekong</u>											
PP – V/N Border	4.2	5.2	4.2	5.2	4.2	5.2	4.5	5.5	4.5	5.5	4.5	5.5
	<u>Allowed vessel draft of Tonle Sap</u>											
PP- TS5	4.2	5.2	4.2	5.2	4.2	5.2	4.2	5.2	4.2	5.2	4.2	5.2

The level of allowed vessel draft is measured and checked regularly every 3 months. The updated information about the allowed vessel draft will be announced to all foreign vessels via KAMSAB.

Increase in permitted draft from dredging

A. Depth of the Upper Mekong

According to the actual water level in each month, the allowed draft varies slightly from the dry season to rainy season and vice versa:

1. Phnom Penh-Kampong Cham:
Dry season (Nov--May) ship's draft (d) is 4.5m
Rainy season (Jun--Oct) ship's draft (d) is 5.5m
2. Kampong Cham-Kratie:
Dry season (Nov--May) ship's draft (d) is 1.5m
Rainy season (Jun--Oct) ship's draft (d) is 4.5m

The draft above does not concern area within the Port Commercial zone. However, this is provided for the tourist vessels.

3. Kratie - Stung Treng:
Dry season (Nov--May) ship cannot go through
Rainy season (Jun--Oct) ship's draft (d) is 3.0m

B. Depth of the lower Mekong

According to the actual water level in each month, the allowed vessel draft varies slightly depending on the season (dry and rainy seasons).

1. Phnom Penh - Viet Nam border:
Dry season (Nov--May) ship's draft (d) is 4.5m
Rainy season (Jun--Oct) ship's draft (d) is 5.5m

Drafts below do not concern areas within the Port Commercial Zone. However, these are provided for the tourist vessels.

2. Phnom Penh – Kampong Chhnang :
Dry season (Nov--May) ship's draft (d) is 3.0m
Rainy season (Jun--Oct) ship's draft (d) is 4.0m
3. Kampong Chhnang - Siem Reap:
Dry season (Nov--May) ship cannot go through
Rainy season (Jun--Oct) ship's draft (d) is 3.0m
4. Phnom Penh - Chak Ang Re:
Dry season (Nov--May) ship's draft (d) is 4.2m
Rainy season (Jun--Oct) ship's draft (d) is 4.5m

During the rainy season, shipping to Chak Ang Re and Takmao faces difficulty due to the height of the Monivong Bridge. When the water level rises, the air draft of the bridge becomes smaller, restricting ships with large draft from passing through the Monivong Bridge.

Note: Draft of a vessel is the length from water surface to the lowest point of vessel. Determining the draft of vessel in the locations mentioned above depends on the actual water level.

In order to find the value of draft, PPAP uses value (a), which is the difference between the sea water level compared to the river base and value (b) which is the difference between the actual water level and the sea water level. The safety margin of 0.5m is subtracted from the figures to determine the allowed draft:

- A. The level of (a) is fixed but only varies when dredging deepens the channel.
- B. The level of (b) is measured daily by the Harbor Department. The Topo Hydrographic Survey Unit of PPAP conducts survey annually along all navigation channels to identify and control any abnormal changes.
- C. 0.5m is the fixed safely margin for the vessels.

The allowed vessel draft can be determined by using the formula:

$$D = a + b - 0.5$$

f-4 The services are mainly provided through own infrastructure, the branches and affiliated entity:

f-4-1 PPAP's Terminals

No	Name of the Terminals/ Code	Ownership	Rivers	Type of cargo	Specifications			Remark
					Length (m)	Width (m)	Depth (m)	
1	Passenger Terminal (TS1)	PPAP	Tonle Sap	Passenger	45	15	5.3	
2	Multi- purpose terminal (TS3)	PPAP	Tonle Sap	General Cargo, Container	300	20	6.3	
3	New Container terminal (LM17)	PPAP	Lower Mekong	Container Terminal	300	22	10	
4	Tonle Bet Terminal (UM2)	PPAP	Upper Mekong	General Cargo	N/A	N/A	5	Shore Berths

Source: PAPP

f-4-2 Ports in PPAP's Port Commercial Zone

No	Name of the Terminals/ Port groups	Ownership	Rivers	Type of cargo	Specifications			Remark
					Length (m)	Width (m)	Depth (m)	
1	Sokimex floating Pier (TS7)	Sokimex Co.Ltd	Tonle Sap	Fuel	30	7	4.6	Floating pier
2	Mekong Shore berth (Bright Victory Branch)	Bright Victory Mekong Petroleum Co.Ltd	Upper Mekong	Fuel	N/A	N/A	5.5	berth shore
3	Victory Funchan (Ksom)	Pheapimex	Lower Mekong	General Cargo	51	18	6.0	Concrete pier
4	Total Floating Pier (LM11)	Total Co.Ltd	Lower Mekong	Fuel, Gas	30	6	10	Floating pier
5	Petronas Floating Pier (LM19)	Petronas Co.Ltd	Lower Mekong	Fuel	30	6	14	Floating pier
6	Five star (Fertilizer factory)	Five Star International Fertilizer (Cambodia) CO.,LTD	Lower Mekong	Fertilizer	400	N/A	14	Berth shore & not yet established
7	GI		Lower Mekong	General Cargo	12	4	3.5	New port
8	Prek Ksay floating Pier	LHR ASEAN Investment Co.Ltd	Lower Mekong	Fuel	20	6	2	Floating pier
9	Sokimex Prek Ksay Pier (LM2)	Sokimex Co.Ltd	Lower Mekong	Fuel	12	4	3	Floating pier
10	Koh Chomreun terminal (Neak Leung)	Sayimex Group	Lower Mekong	General Cargo	N/A	N/A	3	Shore Berths
11	Prek Anchanh Shore Berths(UM1)	Bright Victory	Upper Mekong	Wood Products	N/A	N/A	5	Shore Berths.
12	Tonle Bet Shore Berth (UM2)	Thary Import/export	Upper Mekong	Fuel	N/A	N/A	5	Shore Berths
13	Kampong Cham Domestic terminal (UM3)	Kampong Cham	Upper Mekong	General Cargo, Passenger	N/A	N/A	4	Shore Berths
14	Dey Eth Terminal (LM5)	Mekong Logistics	Lower Mekong	General Cargo	35	20	14	Concrete pier
15	Neak LeungShore Berth2 (LM25)		Lower Mekong	General Cargo	80	30	4	Shore Berths

Note: As port authority, PPAP receives revenue from the above ports as followed:

- 100% port due charges for all terminals
- Additional 20% stevedore charge based on PPAP's official tariff for General Cargo Terminal (3, 10, 11, 13, 14, 15). These terminals have already existed before PPAP had obtained the exclusive rights within the Port Commercial Zone. If these terminals wish to increase their handling capacity or upgrade into larger ports, the companies need to get approval from PPAP. However, some of these terminals do not cooperate with PPAP in making the payment of the 20% stevedoring charges. PPAP is seeking for a legal solution which will force all terminals to fulfill their obligations.
- GI terminal (7) is a new port established in 2014 without the recognition from PPAP. PPAP is in discussion with the management of GI terminal to find a solution through an agreement in accordance with the Sub-Decree on the Port Commercial Zone.

f-4-3 Interconnected Ports outside the PPAP's Port Commercial Zone

No	Name of the Terminals/ Port groups	Ownership	Rivers	Type of cargo	Specifications			Remark
					Length (m)	Width (m)	Depth (m)	
1	Savimex Floating Pier. (TS9)	Savimex Co. Ltd	Tonle Sap	Fuel	15	5	4,0	
2	Terminal Km6 (TS11)	Green Trade Co.Ltd	Tonle Sap	General Cargo	40	6	4,0	
3	PrekPneou Pier (TS15)	Siam Gas Co.Ltd	Tonle Sap	Gas	Two Piles	N/A	5,0	
4	Tela terminal (TS17)	Tela Co.Ltd	Tonle Sap	Fuel	30	8	4,6	
5	Bright Victory Pier (TS19)	Bright Victory Co.Ltd	Tonle Sap	Fuel	25	6	4,6	
6	Men Sarun terminal (TS21)	Men Sarun Co.Ltd	Tonle Sap	General Cargo	200	15	5,0	
7	Kampong Chhnang Port	MPWT	Tonle Sap	Domestic general Cargo	20	6	4	
8	Siem Reap Port (Chong Khneas)	MPWT	Tonle Sap	Domestic general Cargo, Passenger	N/A	N/A	N/A	Under development
9	PrekTaten Pier	Agri-Master CO.,LTD	Tonle Sap	General Cargo	N/A	N/A	N/A	Shore Berths
10	CANADIA Terminal		Tonle Bassac		N/A	N/A	N/A	disappeared
11	Asia Flour Mill Corporation Shore Berth (TB3)	Asia Flour Mild Co.Ltd	Tonle Bassac	General Cargo	100	N/A	6	Shore Berths
12	ChakAngre Floating pier (TB5)	EDC. ChakAngre.	Tonle Bassac	Fuel	25	6	4	

Note: As the Port authority, PPAP is also able to generate revenue from other ports operating within PPAP's port commercial zone:

- 100% port due charges only for the international vessels navigating via the international water way-Mekong river (not applicable for the domestic vessels)
- 20% stevedore charge for general cargoes (2, 6, 7, 8, 9, and 11) of international vessels navigating via the international water way-Mekong river (not applicable for the domestic vessels)

g- Raw materials and other inputs

(Unit: KHR, USD)

No.	Raw material / input	Name	Purchase					
			2012		2013		2014	
			KHR	USD	KHR	USD	KHR	USD
1	Spare parts	Kong Noun/ Retails	1,102,726,009	273,426	896,171,439	222,541	1,046,983,745	259,283
2	Diesel Oil (DO)	Total/ Chevron	2,967,376,542	753,774	3,279,854,582	814,466	3,518,196,336	871,272
3	Lubricant oil	Retails	132,775,757	32,922	185,310,942	46,017	252,269,326	62,474
Total			4,202,878,308	1,042,122	4,361,336,963	1,083,024	4,817,449,406	1,193,029

h- Requirements for power, gas and water or other utilities

(Unit: USD)

No.	Input	Quantity required			Name and address of suppliers
		2012	2013	2014	
1	Electricity	101,936.26	236,455.19	277,529.00	EDC
2	Water	7,947.22	9,914.86	6,234.23	PPWSA

i- Customers who account for at least 10% of the Company's total sales

There are three customers that account for at least 10% of the Company's total sales.

(Unit: USD, %)

No.	Name	Type of goods / services	2012		2013		2014		Contract duration
			Amount	%	Amount	%	Amount	%	
1	Gemadep	Cargo Handling	2,906,347	27.44%	2,370,704	20.85%	2,743,462	20.64%	Renewed annually
2	Newport Cypress	Cargo Handling	638,052	6.02%	1,730,198	15.21%	2,492,536	18.75%	-
Sub Total			3,544,399	33.46%	4,100,901	36.06%	5,235,998	39.39%	
Total Revenue			10,606,345	100.00%	10,606,345	100.00%	13,292,255	100.00%	

j- Suppliers who account for at least 10% of the Company's total purchases

PPAP's financial statements do not specify the total purchase from each supplier for each service. Therefore, PPAP cannot identify the actual total purchase from the supplier who accounted for at least 10% of the Company's total purchase.

The table below only shows PPAP's two main purchases: oil and spare parts. PPAP can choose the oil supplier from any of the following companies: Chevron, Total, Tela, Caltex, Sokimex and other oil suppliers. This enables PPAP to choose the supplier that offers a quality product at a competitive price. In terms of spare parts, PPAP mainly purchases tyre from Kong Nuon.

(Unit: USD, %)

No.	Suppliers	Type of Goods	Amount					
			2012	%	2013	%	2014	%
1	Total	D.O Fuel	65,209	7.79%	219,906	24.36%	871,272	95.97%
2	Chevron	D.O Fuel	670,565	80.13%	594,560	65.86%	0	0.00%
3	Kong Nuon	Tyre	101,041	12.07%	88,265	9.78%	36,619	4.03%
Total purchase			836,815	100.00%	902,731	100.00%	907,891	100.00%

k- Patents, marks, trade names, licenses or other agreements on intellectual property rights

- PPAP neither has ownership of any trademarks nor any form of goodwill. This section is not applicable to the Company.

1. Patent 2014

Name of the Enterprise	Phnom Penh Autonomous Port
Vattin N°	100044999
Business Activity	Service (Cargo Handling)
Tax Paid Amount	1,140,000 Riel
Tax Invoice Number	497473
Date	26 th March, 2014

2. Certificate of Incorporation

- Name : Phnom Penh Autonomous Port "PPAP"
- Registration Number : Co. 7175 Et/2004, Dated 23rd November 2004
- Is Acknowledged As : State Enterprise
- Valid : Up to 19th December 2017

3. Certificate of Value Added Tax

- Enterprise : Phnom Penh Autonomous Port
- Business Form : Public Enterprise
- Main Business Activity : Service (Cargo Handling)
- Vattin : 100044999, Valid from 1st January, 1999 onwards

4. Document regarding the Ministry of Commerce

- Name : Phnom Penh Autonomous Port
- Registration Number : Co. 7175 Et/2004, Dated 23rd November 2004
- Chief Executive Officer : Hei Bavy
- Capital : 99,819,606,212.60 Riel

- Business Activity:
 - Provide pilotage and logistics service for vessels
 - Handle, load/discharge and transport cargoes
 - Maintain navigation channels and dredging for commercial purposes
 - Maintain the accessibility of waterway transportation
 - Maintain storage for cargoes including the container yard
 - Develop and rehabilitate the existing port infrastructure (including expansion)
 - Provide responsible waterway transportation service (Phnom Penh Lines)
 - Provide service for passengers and tourists
 - Ensure safety, security and order of the area under PPAP's management
- Validity : 99 years

I- Number of total employees and full-time employees

Age/Qualification/Profession	27-35	36-45	over 46	Total
PHD			3	3
MBA	6	6	14	26
Engineer/BA	67	14	21	102
High/Average Technician	4	28	21	53
Diploma and short Course Training	4	10	12	26
Technical Workers		9	5	14
Laboring Workers	11	28	59	98
Total	92	95	135	322

m- Potential of production/ Service capacity

Potential of Service Capacity- Gross Cargo Throughput of PPAP

(Unit: TEU)

Cargo Type	2010		2011		2012		2013		2014	
	Output	Capacity	Output	Capacity	Output	Capacity	Output	Capacity	Output	Capacity
Containers (TEUs)	62,256	77,243	81,631	84,588	95,333	84,588	110,500	229,133	133,666	226,650
Multipurpose Terminal (TS3) ⁽¹⁾	62,256	77,243	81,631	84,588	95,333	84,588	0	79,133 ⁽²⁾	0	76,650 ⁽²⁾
New Container Terminal (LM17)**	-	-	-	-	-	-	110,500	150,000 ⁽³⁾	133,666	150,000

Remark:

- 1) PPAP uses the following method to calculate the capacity of TS3 terminal which may differ from the calculation of other ports:
 - Capacity of container throughput per year = Ground slot x H X 365/ Tdw
 - Ground slot = Number of TEUs per container slot

- H = Average operational height of container stacks
- Tdw = Average dwell time of containers in the storage area (days)
- $365 / Tdw$ = Average number of turnover per year
- 2) The decrease in total capacity is the result of river bank collapse at TS3 terminal.
- 3) The throughput capacity of LM17 was taken from the study of China Construction which may differ from how PPAP calculates the capacity for container throughput at TS3.

n- Transactions with subsidiary, associates, holding company or related companies

As of the date of the Disclosure Document, PPAP does not have any subsidiary, associates, holding company or related companies.

2- Operational plan and financial position

a- Projected Income Statements

PPAP has only prepared 3 year projected Statement of Profit or Loss and other comprehensive income

Projected Income Statements	2015	2016	2017
	Forecast	Forecast	Forecast
Revenue	15,227,927	16,030,250	17,405,782
Cost of services	(5,860,805)	(6,299,791)	(7,059,822)
Gross profit	9,367,122	9,730,459	10,345,959
Other income	319,562	390,008	406,227
General administration and selling expenses	(4,301,059)	(4,517,003)	(4,674,587)
Net operating income	5,385,625	5,603,464	6,077,600
Finance costs	(1,159,186)	(1,159,186)	(1,159,186)
Profit before income tax	4,226,440	4,444,278	4,918,414
Income tax expense	(1,056,610)	(1,111,070)	(1,229,604)
Net profit for the year	3,169,830	3,333,209	3,688,811
Other comprehensive income			
Re-measurements of defined benefit liability	(50,000)	(50,000)	(50,000)
	3,119,830	3,283,209	3,638,811

Note: The 3 year projected Statement of Profit or Loss and other comprehensive income has been prepared by PPAP with the assistance of Grant Thornton (Cambodia) Ltd. The 3 year projected Statement of Profit or Loss and other comprehensive income has not been reviewed by an independent auditor.

b- Any expectation of significant changes in the number of employees

As of the date of the Disclosure Document, PPAP does not plan to have any significant changes in the number of employees.

c- Internal and external sources of capital

(Unit: USD)

Sources	2012	2013	2014
Internal sources of capital:			
Capital	24,954,902	25,884,662	26,777,872
Legal reserves	248,174	335,366	349,143

Sources	2012	2013	2014
General reserves	248,174	335,366	349,143
Development fund	4,517,710	6,087,168	6,335,151
Retained earnings*	85,592,355	84,331,897	85,655,817
Subtotal	115,561,315	116,974,459	119,467,126
External sources of capital:			
Borrowings	27,534,773	28,979,637	28,979,637
Overdrafts	1,401,727	3,176,183	-
Subtotal	28,936,500	32,155,820	28,979,637
Total	144,497,815	149,130,279	148,446,763

Note: *The figure includes the result of revaluation of asset in 2009 of USD 83,538,740.

d- Material capital expenditure and expected source of funds for such expenditure

Please refer to Section 4: b-5- Future Plan.

e- Material changes in income, cost of sales, other operating expenses and net income

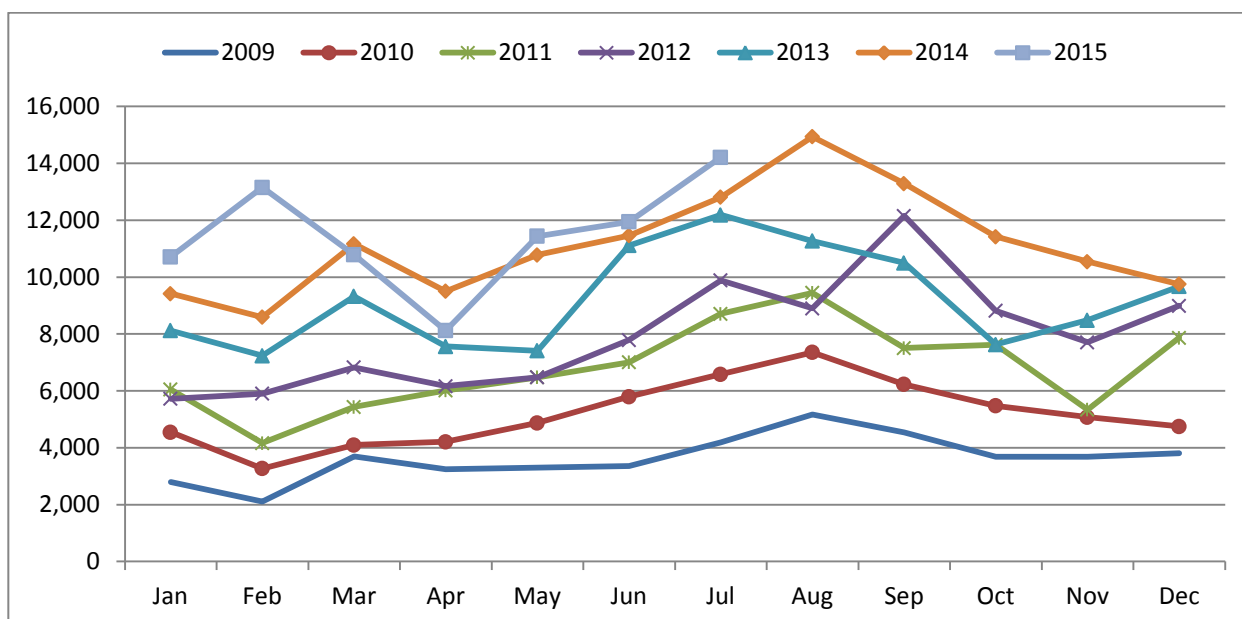
The cargo handling capacity of PPAP will increase to 300,000 TEUs after the completion of project for the development of port infrastructure, Phase II, at LM17 between 2016 and 2017. PPAP expects the increase in cargo handling capacity to enable it to accommodate the additional container growth.

f- Any seasonal aspects of the Company's business

PPAP's container throughputs are closely related to the growth in import and export. PPAP's container throughput grew steadily at the rate of 16.79%, 15.91% and 20.96% in 2012, 2013 and 2014 respectively. The container throughput is the main factor that drives the increase in PPAP's total revenue.

Throughputs usually increase from February and peak in August. Throughputs usually decrease from September to November.

Import and Export Containers Handled at PPAP (Monthly)



g- Any known trends, events or uncertainties

- PPAP understands that the following matters would give uncertainty in its business operations and profitability:
 - Construction of Neak Leung Bridge
 - Expected increase in the labor cost
 - Political instability and resulting demonstrations
 - Urbanization
 - ASEAN integration

h- Any change in the assets of the Company to settle any liability

PPAP does not have plans to settle any liability with its assets.

i- Any material loan between holding company and its subsidiary

The Company does not have any plan to borrow and/ or lend fund with its related parties. According to the Company's Articles of Incorporation, any monetary transaction with related parties requires an approval from the shareholders' meeting. Please refer to the Section 4: n- Transactions with subsidiary, associates, holding company or related companies for your information about transactions occurred during the latest 3 years.

j- Any future contractual and contingent liabilities

As of the date of the Disclosure Document, PPAP is not aware of any future contractual and contingent liabilities.

k- VAT, income tax, customs duty or other un-paid tax liability including any contingent liabilities

Please refer to Section 9: Notes to the Financial Information- 10 Taxation.

k-1- VAT

Since the establishment of the Company, PPAP has purchased handling equipment that is subject to custom duties and VAT. Instead of paying these taxes to the GDT, the Government has approved PPAP to transfer these taxes into PPAP's share capital pursuant to MEF letter No. 038 dated 9 January 2013 and No. 2885 dated 4 September 2014 as MEF's capital contribution to PPAP.

k-2- Income tax

Please refer to Section 9: Notes to the Financial Information- 10 Taxation.

k-3- Customs duty

Please refer to Section 9: Notes to the Financial Information- 10 Taxation.

k-4- Other un-paid tax liability including any contingent liabilities

As of 31 Dec 2014, PPAP's un-paid tax liability amounted to USD 114,858. The Company is not aware of any additional contingent liabilities.

l- Operating and finance leases**l-1- Operating lease**

The table below shows the operating lease of PPAP :

Lessor	Objective	Payment	Effective Date
Green Trade Company	Land rental for container operation & re-lease the land to third party	\$7,029 / quarter (Including VAT)	18/01/2013- 17/01/2016

l-2- Finance lease

As of the date of the Disclosure Document, PPAP does not have any finance lease.

m- Provisions related to personnel schemes including retirement benefits that would not involved the issuance of equity securities of the Company

Please refer to Section 9: Notes to the Financial Information- 9 Provision for Retirement Benefits.

3- Information related to the Company's assets**a- Property, plant and equipment, biological assets and intellectual properties rights****a-1- Description of PPE**

According to the Underwriter's instruction, all the revaluation process was made function of

location. There were 09 locations. The locations are as follows:

- 1- LM 17
- 2- TS 3
- 3- TS 1
- 4- ICD
- 5- CHAKTUMUK
- 6- TONLE BET
- 7- KAAM SOMNOR
- 8- FORMER UNIT OF CONSTRUCTION MANAGEMENT
- 9- KOH ROKAR

a-1-1- Description of property by identifying address, condition, original costs, actual value after revaluation and book value

PROPERTY							
Location	Address	Acquisition Cost 30/06/11		Book Value 30/06/11		Appraisal Value	
		KHR'000	USD	KHR'000	USD	KHR'000	USD
LM 17	National Road No. 1 Kandal Leu, Banteay Dek commune, Kienn Svay District, Kandal Province, Cambodia.	73,651,634	18,239,632	73,589,181	18,224,166	143,461,425	35,527,842
TS 3	No. 649, Street Preah Sisowath, Sangkat Sras Chork, Khan Daun Penh, Phnom Penh, Cambodia.	269,134,989	66,650,567	268,365,174	66,459,924	287,044,561	71,085,825
TS 1	Street Preah Sisowath, Sangkat Sras Chork, Khan Daun Penh, Phnom Penh, Cambodia.	28,018,559	6,938,722	27,238,078	6,745,438	28,476,167	7,052,047
ICD	Street 39, Phum Boeung Salang, Sangkat Russey Keo, Phnom Penh, Cambodia.	46,359,094	11,480,707	46,216,867	11,445,485	49,492,566	12,256,703
CHAKTO-MUK	Street Preah Sisowath, Sangkat Sras Chaktomuk, Khan Daun Penh, Phnom Penh, Cambodia.	-	-	-	-	-	-
TONLE BETE	Trail, TonleBete, Kampong Cham, Cambodia.	-	-	-	-	-	-
KAAM SOMNOR	Kaam Samnor Krom Village, Kaam Samnor Commune, Leuk Dek District, Kandal Province, Cambodia.	251,952	62,395	231,093	57,230	218,991	54,232

PROPERTY							
CONSTRUCTION MGMT'	Street Preah Vihea, Sangkat Sras Chork, Khan Daun Penh, Phnom Penh, Cambodia.	6,456,625	1,598,966	6,456,625	1,598,966	6,781,058	1,679,311
KOH ROKA	Kohrokar Village, Kohrokar Commune, Peam Chor District, Kandal Province, Cambodia.	1,815,299	449,554	1,815,299	449,554	1,511,519	374,324
GRAND TOTAL		425,688,152	105,420,543	423,912,3167	104,980,762	516,986,286	128,030,284

* Exchange Rate: USD 1 = KHR 4,038

a-1-2- Description of plant (main facilities for production and distribution)

PLANT							
No.	Location	Acquisition Cost 31/12/14		Book Value 31/12/14		Appraisal Value	
		KHR'000	USD	KHR'000	USD	KHR'000	USD
1	LM 17	125,752,626	31,142,305	120,932,112	29,948,517	38,419,658	9,514,527
2	TS 3	20,709,125	5,128,560	11,505,069	2,849,200	16,391,280	4,059,257
GRAND TOTAL		146,461,751	36,270,865	132,437,181	32,797,717	54,810,938	13,573,784

* Exchange Rate: USD 1 = KHR 4,038

a-1-3- Description of equipment by identifying brand or model, country of origin, year of purchasing, year of manufacturing, and number of equipment, original costs, actual value after revaluation and book value

EQUIPMENT						
Name of Equipment	Acquisition Cost 30/ 06/11		Book Value 31/12/14		Appraisal Value	
	KHR	USD	KHR	USD	KHR	USD
OTHER FIX ASSET	1,663,434,943	411,945	1,416,169,362	350,711	1,019,605,603	252,502
INDUSTRIAL PLANT MACHINERY & EQUIPMENT	44,541,796,425	11,030,658	38,168,594,616	9,452,351	29,288,117,966	7,253,125
RAND TOTAL	46,205,231,368	11,442,603	39,584,763,979	9,803,062	30,307,723,569	7,505,627

* Exchange Rate: USD 1 = KHR 4,038

a-1-4- Ownership of property, plant and equipment

No PPE assets of PPAP were obtained under lease agreements. All permanent assets listed belong to PPAP.

a-1-5- The valuation on property, plant and equipment

Valuation on Property, Plant and Equipment					
No.	Name of Location	Name of Asset Valuation company	Property	Plant	Equipment
1	LM 17	VTRUST APPRAISAL CO., LTD	LAND AND CONSTRUCTION	Concrete Wharf	TECHNICAL MACHINERY
2	TS 3	VTRUST APPRAISAL CO., LTD	LAND AND CONSTRUCTION	Concrete Wharf	TECHNICAL MACHINERY
3	TS 1	VTRUST APPRAISAL CO., LTD	LAND AND CONSTRUCTION	NA	NA
4	ICD	VTRUST APPRAISAL CO., LTD	LAND AND CONSTRUCTION	NA	NA
5	CHAKTOMUK	VTRUST APPRAISAL CO., LTD	NA	NA	OTHER FIX ASSET
6	TONLE BETE	VTRUST APPRAISAL CO., LTD	NA	NA	TECHNICAL MACHINERY
7	KAAM SOMNOR	VTRUST APPRAISAL CO., LTD	LAND AND CONSTRUCTION	NA	NA
8	CONSTRUCTION MANAGEMENT	VTRUST APPRAISAL CO., LTD	LAND	NA	NA
9	KOH ROKA	VTRUST APPRAISAL CO., LTD	LAND	NA	NA

Note: The date of valuation was 12 December 2014.

a-1-6- Property, plant and equipment obtained from mortgage

No PPE has been obtained under mortgage agreements.

a-2- Description of biological assets

PPAP does not have any biological assets.

a-3- Description of intellectual property rights

PPAP does not have any intellectual property rights.

b- Assets valuation and revaluation

b-1- Table of summary on valuation or revaluation

Table of summary on valuation or revaluation					
Name of assets valued/ re-valued	Book value 31/12/14	Value on the date of valuation or revaluation	Name of valuers	Valuation method	Date of valuation
LAND	KHR 412,271,337,926.82	KHR 445,900,657,365.00	Mr. Sim Hoy Chhoung Mr. Phin Sothea	Sales Comparison	December 31,2014
CONSTRUCTION	KHR 144,078,159,787.57	KHR 125,896,567,381.00	Mr. Sim Hoy Chhoung Mr. Phin Sothea	Depreciated Replacement Cost	December 31,2014
MACHINERY	KHR 39,584,763,978.82	KHR 30,307,723,569.00	Mr. Sim Hoy Chhoung, Mr. Phin Sothea	Depreciated Replacement Cost, Sale Comparison	December 31,2014
GRAND TOTAL	KHR 595,934,261,693.21	KHR 602,104,948,315.00			

b-2- Reason for valuation or revaluation

The revaluation of PPAP's assets is the requirement from the SECC. The revaluation is a tool for investors to have a better idea on PPAP's return on capital.

b-3- Identity and qualification of valuers

Identity and qualification of valuers		
No.	Valuer's Name	Identity
1	Mr. Phin Sothea	Independent Valuation Accredited by SECC No. 003
2	Sim Hoy Chhoung	Independent Valuation Accredited by SECC No. 008

Section 5: Information of Company's Directors, Senior Officers and Shareholders

1- Directors and senior officers

a- Short biography of directors and senior officers specifying their identity and qualifications

a-1- The Board of Directors

No.	Name	Position at the Authority	Representative of Institution- Ministry	Sex	Nationality	Date of birth DD/MM/YYYY	Place of birth	Education
1	H.E Hei Bavy	Chairman of BOD	Delegate of Royal Government in charge as Chairman and CEO	M	Khmer	07/09/1955	Takeo Province, Cambodia	<ul style="list-style-type: none"> ➤ From 2006 to 2009: Ph.D. in Economic Science, Chamroeun University of Poly-Technology, Phnom Penh, Cambodia ➤ From 2003 to 2008: Master of Business Administration, Charles Sturt University, Australia ➤ From 1973 to 1974: Certificate of High School, Dauh Penh High School , Phnom Penh, Cambodia
2	H.E SUON RACHANA	BOD Member	MPWT	M	Khmer	07/05/1954	Takeo Province, Cambodia	<ul style="list-style-type: none"> ➤ From 1973 to 1975: University of Medicine, Penh Penh, Cambodia ➤ From 1972 to 1973: Certificate of High School, 18 March High School (former of Preah Yukhunrtor High School), Phnom Penh, Cambodia
3	H.E. Ly Sivanna	BOD Member	COM	M	Khmer	20/10/1955	Phnom Penh, Cambodia	<ul style="list-style-type: none"> ➤ From 1973 to 1974: Certificate of High School (Bac II of Science), 18 March High School (former of Preah Yukhunrtor High School), Phnom Penh, Cambodia
4	H.E. Ken Sambath	BOD Member	MEF	M	Khmer	07/02/1968	Kompot Province, Cambodia	<ul style="list-style-type: none"> ➤ From 2004 to 2008: Ph.D. in Economics, International University, UK. ➤ From 1998 to 2000: Master in Public Policy, Saitama University, Japan ➤ From 1989 to 1995: Master in Economics, Lomonosov State University, Russia

No.	Name	Position at the Authority	Representative of Institution-Ministry	Sex	Nationality	Date of birth DD/MM/YYYY	Place of birth	Education
5	H.E Penn Sovicheat	BOD Member	MOC	M	Khmer	01/11/1963	Rattanakiri Province, Cambodia	<ul style="list-style-type: none"> ➤ From 1995 to 1997: Master of Business Administration, University of New England, Australia ➤ From 1985 to 1990: Bachelor of Economics, Institute of Economic, Cambodia
6	Mr. Huot Hay	BOD Member	City Hall	M	Khmer	12/04/1975	Kampong Cham, Cambodia	<ul style="list-style-type: none"> ➤ From 2007 to Present: Junior Ph.D. Candidate of Law, Build Bright University, Phnom Penh, Cambodia ➤ From 2003 to 2005: Master of Law, Nagoya University, Japan. ➤ From 1996 to 1998: Middle-Ranking Civil Servants, Royal School of Administration, Phnom Penh, Cambodia ➤ From 1993 to 1998: Bachelor of Law, Royal University of Law and Economics, Phnom Penh, Cambodia
7	Mr. Proum Sokhany	BOD Member	Employees representative of PPAP	M	Khmer	13/05/1956	Phnom Penh, Cambodia	<ul style="list-style-type: none"> ➤ From 2007 to 2008: PhD Candidate of Philosophy in Public Administration in Chamroeun University of Poly-Technology, Phnom Penh, Cambodia ➤ From 2002 to 2004: Master of Business Administration, National University of Management, Phnom Penh, Cambodia ➤ From 1984 to 1989: Bachelor of Economics, Economic Institute of Cambodia ➤ From 1983 to 1984: Certificate of High School, Bak Tuk High School, Phnom Penh, Cambodia

a-2- Senior Officers

No.	Name	Position at the Authority	Representative of Institution-Ministry	Sex	Nationality	Date of birth	Place of birth	Education
1	H.E Hei Bavy	CEO	Delegate of Cambodian Government in	M	Khmer	07/09/1955	Takeo Province, Cambodia	<ul style="list-style-type: none"> ➤ From 2006 to 2009: Ph.D. in Economic Science, Chamroeun University of Poly-Technology, Phnom Penh, Cambodia

No.	Name	Position at the Authority	Representative of Institution-Ministry	Sex	Nationality	Date of birth	Place of birth	Education
			charge of Director General of PPAP					<ul style="list-style-type: none"> ➤ From 2003 to 2008: Master of Business Administration, Charles Sturt University, Australia ➤ From 1973 to 1974: Certificate of High School, Dauh Penh High School, Phnom Penh, Cambodia
2	H.E. Kim Sen	Deputy Director General of Administration and Finance	No	F	Khmer	07/01/1957	Pursat Province, Cambodia	<ul style="list-style-type: none"> ➤ From 2006 to 2008: Master of Public Administration, Chamroeun University of Poly-Technology, Phnom Penh, Cambodia ➤ From 1974 to 1975: Certificate of Junior High, 18 March High School, Phnom Penh, Cambodia
3	Mr. Proum Sokhany	Deputy Director General of Technique	No	M	Khmer	13/05/1956	Phnom Penh, Cambodia	<ul style="list-style-type: none"> ➤ From 2007 to 2008: Ph.D. Candidate of Philosophy in Public Administration, Chamroeun University of Poly-Technology, Phnom Penh, Cambodia ➤ From 2002 to 2004: Master of Business Administration, National University of Management, Phnom Penh, Cambodia ➤ From 1984 to 1989: Bachelor of Economics, Economic Institute of Cambodia ➤ From 1983 to 1984: Certificate of High School, Bak Tuk High School, Phnom Penh, Cambodia
4	Mr. Hiek Phirun	Deputy Director General of Maritime Service/Traffic	No	M	Khmer	16/08/1972	Phnom Penh, Cambodia	<ul style="list-style-type: none"> ➤ From 2000 to 2001: Master of Business Administration (Maritime Management), Australian Maritime College, Australia ➤ From 1992 to 1997: Master of Maritime Engineering (Specialized in Navigation), Murmansk State Technical University, Russia ➤ From 1989 to 1990: Certificate of High School, Dauh Penh High School, Phnom Penh, Cambodia
5	Mr. Nem	Deputy Director	No	M	Khmer	12/09/1957	Kampong Cham	<ul style="list-style-type: none"> ➤ From 2006 to 2007: Master of Business

No.	Name	Position at the Authority	Representative of Institution-Ministry	Sex	Nationality	Date of birth	Place of birth	Education
	Thim	General of Operation					Province, Cambodia	<p>Management, Chamroeun University of Poly-Technology, Phnom Penh, Cambodia</p> <p>➤ From 2001 to 2003: Bachelor of Business Management, National Institute of Business, Phnom Penh, Cambodia</p>
6	Mr. Keo Sophanara	Head of Internal Audit Department	No	M	Khmer	22/02/1973	Phnom Penh, Cambodia	<p>➤ From 2011 to 2013: Master of Business Administration, National University of Management, Phnom Penh, Cambodia</p> <p>➤ From 2003 to 2005: Bachelor of Engineering, Institute of Technology Cambodia, Phnom Penh, Cambodia</p> <p>➤ From 1990 to 1991: Certificate of High School, Preah Sisowath High School, Phnom Penh, Cambodia</p>
7	Mrs. Chuon Sokhem	Head of Administration Department	No	F	Khmer	20/10/1968	Kampong Speu, Cambodia	<p>➤ From 2006 to 2008: Master in Public Administration, Chamroeun University of Poly-Technology, Phnom Penh, Cambodia</p> <p>➤ From 2004 to 2007: Bachelor of Accounting, Human Resource University, Phnom Penh, Cambodia</p> <p>➤ From 1991 to 1992: Certificate of High School, Bak Touk High School, Phnom Penh, Cambodia</p>
8	Mr. Kong Sothea	Head of Personnel/HR Department	No	M	Khmer	15/05/1968	Kandal Province, Cambodia	<p>➤ From 2004 to 2006: Master in Economic Sciences, Chamroeun University of Poly-Technology, Phnom Penh, Cambodia</p> <p>➤ From 2001 to 2002: Bachelor of Enterprise Management, Royal University of Law and Economics, Phnom Penh, Cambodia</p> <p>➤ From 1990 to 1993: Associate Degree of Accounting, Finance and Accounting School, Phnom Penh, Cambodia</p> <p>➤ From 1987 to 1988: Certificate of High School, Boeung Trabek High School,</p>

No.	Name	Position at the Authority	Representative of Institution-Ministry	Sex	Nationality	Date of birth	Place of birth	Education
								Phnom Penh, Cambodia
9	Ms. Chheav Vanthea	Head of Accounting/Finance Department	No	F	Khmer	18/06/1983	Kandal Province, Cambodia	<ul style="list-style-type: none"> ➤ From 2002 to 2006: Bachelor of Accounting, Norton University, Phnom Penh, Cambodia ➤ From 2000 to 2001: Certificate of High School, Hun Sen Ksach Kandal High School, Kandal, Cambodia
10	Mr. Koy Bunthorn	Head of Engineer Department	No	M	Khmer	24/04/1964	Takeo Province, Cambodia	<ul style="list-style-type: none"> ➤ From 1997 to 2000: Ph.D. of Technical Science, State Technical University, Saint-Petersburg, Russia ➤ From 1988 to 1994: Master of Mechanical Science, University of Architecture and Construction Equipment, Saint-Petersburg, Russia ➤ From 1987 to 1988: Certificate of High School, Bak Tuk High School, Phnom Penh, Cambodia
11	Mr. Chieap Viraya	Head of Hydrographic Department	No	M	Khmer	29/04/1987	Phnom Penh, Cambodia	<ul style="list-style-type: none"> ➤ From 2004 to 2008: Bachelor of Computer Sciences, Royal University of Phnom Penh, Phnom Penh, Cambodia ➤ From 2003 to 2004: Certificate of High School, Bak Touk High School, Phnom Penh, Cambodia
12	Mr. Yim Choeurn	Head of Harbor Department	No	M	Khmer	22/07/1962	Prey Veng Province, Cambodia	<ul style="list-style-type: none"> ➤ From 1986 to 1993: Master of Science in Engineering of Navigation in Navigation on Sea Routes, Odessa State Marine Academy, Odessa, Ukraine ➤ From 1985 to 1986: Certificate of High School, Phnom Penh, Cambodia
13	Mr. Soy Sereysovathanak	Head of Commercial Zone/Domestic Port Department	No	M	khmer	24/09/1984	Phnom Penh, Cambodia	<ul style="list-style-type: none"> ➤ From 2010 to 2012: Master in Finance, Charles Strurt University, Phnom Penh, Cambodia ➤ From 2003 to 2009: Bachelor of Sciences, University of Cologne, Cologne City, Germany ➤ From 1999 to 2000: Certificate of High School, Preah Sisowath High School,

No.	Name	Position at the Authority	Representative of Institution-Ministry	Sex	Nationality	Date of birth	Place of birth	Education
								Phnom Penh, Cambodia
14	Mrs. Hei Phanin	Head of Planning/Marketing Department	No	F	Khmer	08/10/1985	Phnom Penh, Cambodia	<ul style="list-style-type: none"> ➤ From 2008 to 2012: Master of Management, New South Wales, Australia ➤ From 2004 to 2008: Bachelor of Logistics and Supply Chain Management, RMIT, Victoria, Australia ➤ 2003: Certificate of High School, Killester College, Victoria, Australia
15	Mr. Tol Sokhom	Head of TS3 Operation Department	No	M	Khmer	07/05/1966	Phnom Penh, Cambodia	<ul style="list-style-type: none"> ➤ From 2005 to 2009: Master of English, Asia Europe University, Phnom Penh, Cambodia ➤ From 1989 to 1995: Master of Science in Engineering of Navigation in Navigation on Sea Routes, Odessa State Marine Academy, Odessa, Ukraine ➤ From 1985 to 1986: Certificate of High School, Preah Yukhunrtor High School, Phnom Penh, Cambodia
16	Mr. Chui Vichet	Head of LM17 Operation Department	No	M	Khmer	05/02/1977	Takeo province, Cambodia	<ul style="list-style-type: none"> ➤ From 2009 to 2010: Master of Science in Maritime and Transport Management, Antwerp University, Belgium ➤ From 1997 to 2001: Bachelor of Business Administration, Norton University, Phnom Penh, Cambodia ➤ From 1994 to 1995: Certificate of High School, Toul Tom Pong High School, Phnom Penh, Cambodia
17	Mr. Kong Channy	Manager of Secretariat	No	M	Khmer	29/09/1982	Kandal Province, Cambodia	<ul style="list-style-type: none"> ➤ From 2006 to 2008: Master in Law, Lumiere University Lyon 3, Hanoi City, Viet Nam ➤ From 2002 to 2006: Bachelor of Law, Royal University of Law and Economics, Phnom Penh, Cambodia
18	Mr. Mam Rithy	State Controller	MEF	M	Khmer	08/12/1972	Kompot Province, Cambodia	<ul style="list-style-type: none"> ➤ From 2005 to 2007: Master of Business Administration, Cambodian University for

No.	Name	Position at the Authority	Representative of Institution-Ministry	Sex	Nationality	Date of birth	Place of birth	Education
								Specialties, Phnom Penh, Cambodia ➤ From 1986 to 1996: Bachelor of Science in Agricultural Economics, University of Agriculture and Forestry, Ho Chi Minh City, Viet Nam ➤ From 1984 to 1985: Certificate of High School, Dauh Penh School, Phnom Penh

b- Experiences of directors and senior officers for the last 5 years

b-1- Directors

No.	Name	Work Experience	Responsibilities of the Authority
1	H.E Hei Bavy	➤ From 2009 to Present: Chairman and CEO of Phnom Penh Autonomous Port	<ul style="list-style-type: none"> • Provide oversight and lead PPAP's business • Make decisions on development plans within a framework that is led by the government • Review and approve PPAP's business, service, and financial plans • Approve the annual reports of business activities, accounting and finance • Manage the general obligations of PPAP • Manage the process of the planned committee and commission using the context of the establishment of PPAP or the articles of incorporation of PPAP; create other committees as deemed necessary • Determine the number of the employees as approved for PPAP's business • Regularly evaluate the level of achievement in regards to goals set by PPAP and introduce any necessary measures for improvement • Approve the CEO's requests in regards to the organizational structure, internal regulations of corporation, articles of incorporation, basic salary, bonus, allowance, and other benefit of the employees in accordance with the effective law and regulations
2	H.E Suon Rachana	➤ From 2009 to Present: Secretary of Ministry of Public Works and Transport	
3	H.E Ly Sivanna	➤ From 2014 to Present: - Advisor to the Office of the Council of Ministers - Member of the Focal Point for Forest Crime Monitoring and Reporting, Office of the Council of Ministers - Member of the Secretariat of the International Airport Management Committee ➤ From 2009 to 2014: Deputy General Secretary of Council of Jurists, Office of the Council of Ministers	
4	H.E Ken Sambath	➤ From 2013 to Present: - Adviser and Director of the Cabinet of the Permanent Deputy Prime Minister - Chairman of the Committee on Economic and Financial Policy (CEFP) - First Vice Chairman of the Council for Development of Cambodia (CDC) - Deputy General Director of General Department of Taxation ➤ From 2009 to 2013: Adviser and Deputy Director of Cabinet of Deputy Prime Minister, Ministry of	

No.	Name	Work Experience	Responsibilities of the Authority
		Economy and Finance	<ul style="list-style-type: none"> Plan recruitment, promotion, and remuneration for all members of the management Select the commissioner of accounting Request to amend the Articles of Incorporation Review and approve the service charge of PPAP Approve procurement according to the announcement No. 997SHV.TR. dated 25 December 1997 regarding the Procurement of the Public Enterprise Determine the opening and closing of any necessary office/ service, agent or representative branch to achieve the goal and duty of PPAP Approve any contracts not related to tariff and follow-up on the Announcement on the Procurement of Public Enterprise which the CEO needs to discuss with the Board of Directors
5	H.E Penn Sovicheat	<ul style="list-style-type: none"> From 2009 to Present: <ul style="list-style-type: none"> Director General, Domestic Trade Directorate, Ministry of Commerce. Trade negotiator, Member of Trade Negotiation Team for ASEAN and other Forums Member of National Committee of Intellectual Property Right of Cambodia From 2009 to 2012: Director, Notification and Legal Compliance Department, Ministry of Commerce. 	
6	Mr. Huot Hay	<ul style="list-style-type: none"> From 2009 to Present: Deputy Director of Administration, City Hall 	
7	Mr. Prom Sokhany	<ul style="list-style-type: none"> From June 2015 to Present: Deputy Director General of Technical, Phnom Penh Autonomous Port From July 2014 to May 2015: Director of Hydrographic, Phnom Penh Autonomous Port From 2010 to July 2014: Director of Operation TS3, Phnom Penh Autonomous Port From 2009 to 2010: Manager of Planning/ Accounting/ Stock Office, Phnom Penh Autonomous Port 	

b-2- Senior Officers

No	Name	Work Experience	Responsibilities
1	H.E. Hei Bavy	<ul style="list-style-type: none"> From 2009 to Present: CEO of PPAP 	<ul style="list-style-type: none"> Organize meeting for the Board of Directors Implementing the decisions of the Board of Directors and exercise the policies determined by the Board of Directors Develop annual financial plan of PPAP and submit it to the Board of Directors for review and approval Draft annual action report and annual accounting and financial report; submit them to the Board of Directors for review and approval Exercise authority to ensure the security in the Port Commercial Zone and pilotage zone. Recruit employees in accordance to the decision of the BOD and Statute of Employees Employ and assign all staffs in accordance with the organizational

No	Name	Work Experience	Responsibilities
			structure of PPAP <ul style="list-style-type: none"> • Make decisions on the contracts and the sign the conventions in accordance with the decision of the Board of Directors • Complete all general tasks to maintain the administrative and management functions of Phnom Penh Autonomous Port
2	H.E. Kim Sen	<ul style="list-style-type: none"> ➢ From 2011 to Present: Deputy Director General of Administration ➢ From 2010 to 2011: Director of Administration-Finance Office ➢ From 2009 to 2010: Manager of Administration-Personnel Office 	Departments under the responsibility of Deputy Director General of Administration/Finance: <ul style="list-style-type: none"> • Administration Department • Personnel/ HR Department • Accounting/ Finance Department
3	Mr. Proum Sokhany	<ul style="list-style-type: none"> ➢ From June 2015 to Present: Deputy Director General of Technical ➢ From July 2014 to May 2015: Director of Hydrographic ➢ From 2010 to July 2014: Director of Operation TS3 ➢ From 2009 to 2010: Manager of Planning/ Accounting/ Stock Office 	Department under the responsibility of Deputy Director General of Technical: <ul style="list-style-type: none"> • Engineer Department • Hydrographic Department
4	Mr. Hiek Phirun	<ul style="list-style-type: none"> ➢ From 2014 to Present: Deputy Director General of Maritime service/ Traffic, ➢ From 2009 to 2013: Head of Hydrographic Department 	Departments under the responsibility of Deputy Director General of Maritime Service/ Traffic: <ul style="list-style-type: none"> • Harbor Department • Port Commercial Zone/Domestic Port Department
5	Mr. Nem Thim	<ul style="list-style-type: none"> ➢ From 2015 to Present: Deputy Director General of Operation ➢ From 2012 to 2015: Direction of Administration Department ➢ From 2009 to 2012: Director of Business Department 	Department under the responsibility of Deputy Director General of Operations: <ul style="list-style-type: none"> • Planning/ Marketing Department • TS3 Operation Department • LM17 Operation Department
6	Mr. Keo Sophanara	<ul style="list-style-type: none"> ➢ From 2015 to Present: Head of Audit Department ➢ From 2010 to 2015: Manager of Procurement Unit ➢ From 2010 to 2014: Manager of Planning Office ➢ From 2009 to 2009: Deputy Manager of 	<ul style="list-style-type: none"> • Arrange annual audit schedule • Audit financial report in compliance with the international accounting standard • Audit the operation • Audit the management and internal monitoring system • Report the audit results to the management for acknowledgement and measurement of any areas for improvement

No	Name	Work Experience	Responsibilities
		Planning Office	<ul style="list-style-type: none"> Inspect any suspicious cases or disputes identified by the Director General Coordinate audits with the external auditor
7	Mrs. Chuon Sokhem	<ul style="list-style-type: none"> ➤ From 2015 to Present: Head of Administration Department ➤ From 2010 to 2015: Manager of Administration Office ➤ From 2009 to 2010: Deputy Manager of Accounting/Finance Office 	<p>Administration Office</p> <ul style="list-style-type: none"> Plan for purchasing office supply for use in Offices, Services, and Units (semi-annual and annual plans) Review all requests related to administrative expenses for the management's approval Make purchase requests and cash withdrawal requests for all administrative expenses of PPAP <p>Security/ CCTV Camera Office</p> <ul style="list-style-type: none"> Organize tasks to protect and maintain the property of the port Maintain security, safety, and order within port operations Collaborate with all vessels and relevant authorities <p>Information Technology office</p> <ul style="list-style-type: none"> Develop strategies to ensure the effectiveness of information and communication technology system Create policy on internet usage of each office Manage IT network and control safety systems network
8	Mr. Kong Sothea	<ul style="list-style-type: none"> ➤ From 2015 to Present: Head of Personnel/ HR Department ➤ From 2014 to 2015: Manager of Personnel Office ➤ From 2010 to 2013: Manager of Accounting/ Finance Office ➤ From 2009 to 2013: Deputy Manager of Accounting/ Finance Office 	<p>Employment Salary Office</p> <ul style="list-style-type: none"> Prepare monthly/ annual salary, and salary system for all employee Allocate domestic and international mission expense and pilotage mission expense Prepare the salary increase for all employee Prepare salary credit and incentive credit plans Prepare annual incentive for all employee Implement other obligations that have been delegated by the management <p>Personnel/ Training Office</p> <ul style="list-style-type: none"> Manage background file and evaluate performance of all employees; report to the management for review and approval Review and advise the management to promote, transfer, and remove any employee's position Prepare Resolution Letter, Letter of Commencement, Letter of

No	Name	Work Experience	Responsibilities
			<p>Authorization, Letter of Committee Creation etc.</p> <ul style="list-style-type: none"> • Prepare human resource development plan • Prepare staff recruitment selection process • Monitor all employee performance and record daily and annual presence list for all departments • Prepare applications related to retirement, disability benefit, work accident, death and holiday leave • Prepare office supplies and annual uniform for all employees • Prepare and follow-up on the risks of work (National Social Security Fund) • Practice all obligations that have been delegated by the management provides
9	Ms. Chheav Vanthea	<ul style="list-style-type: none"> ➢ From 2015 to Present: Head of Accounting/ Finance Department ➢ From 2014 to 2015: Manager of Accounting/Finance Office ➢ From 2010 to 2014: Deputy Manager of Accounting/ Finance Office ➢ From 2009 to 2010: Employee of Accounting/ Finance Office 	<p>Accounting Office</p> <ul style="list-style-type: none"> • Record daily accounting list, implement accounting policy and procedure of PPAP • Collect revenue and debt from customers • Manage and check PPAP's cash balance monthly <p>Finance Office/ Securities Market</p> <ul style="list-style-type: none"> • Prepare quarterly, semi-annual, and annual financial reports • Evaluate and advise the management on the financial outcomes and any fluctuations
10	Mr. Koy Bunthorn	<ul style="list-style-type: none"> ➢ From 2015 to Present: Head of Engineer Department ➢ From 2009 to 2015: Director of Engineer 	<p>Port Infrastructure Services</p> <ul style="list-style-type: none"> • Maintain and repair existing port infrastructure while regularly tracking their status • Assess and report on the technical condition of port infrastructure service • Maintain and repair utility and technical equipment <p>Technical Services</p> <ul style="list-style-type: none"> • Conduct study on implementation of repairing plan for all technical equipment • Schedule and prepare quotation on any rental equipment • Check and evaluate the technical condition upon the request of equipment repair to the management
11	Mr. Chieap Viraya	<ul style="list-style-type: none"> ➢ From 2015 to Present: Head of 	Channel Dredging/ Maintenance Services

No	Name	Work Experience	Responsibilities
		<p>Hydrographic Department</p> <ul style="list-style-type: none"> ➤ From 2014 to 2015: Manager of Aids to Navigation Services ➤ From 2012 to 2014: Deputy Manager of Harbor Services ➤ From 2009 to 2012: Employee of Harbor and Pilotage Services 	<ul style="list-style-type: none"> • Dredge the navigation channels and oversee commercial dredging • Managing means of dredging and the transportation of heavy-equipment • Maintain and repair facilities and heavy equipment <p>Aids to Navigation Services</p> <ul style="list-style-type: none"> • Conduct study and install buoys and navigation signal poles within PPAP's Port Commercial Zone to ensure safe navigation • Manage, maintain, and repair buoys and navigation signal poles within PPAP's Port Commercial Zone • Cooperate with relevant units in tracking buoys' movements <p>Topo Hydrographic Survey Unit</p> <ul style="list-style-type: none"> • Conduct study and research the technique and all types of measuring equipment • Conduct study, research, and measure water depths; define the location of buoys for navigation • Study and measure other locations for development planning of PPAP
12	Mr. Yim Choeurn	<ul style="list-style-type: none"> ➤ From 2014 to Present: Head of Harbor Department ➤ From 2013 to 2014: Director of Harbor Master ➤ From 2011 to 2013: Director of Operations TS3 ➤ From 2009 to 2011: Manager of Harbor Office 	<p>Safety/ Health/ Environment Office</p> <ul style="list-style-type: none"> • Regularly monitor and maintain safety signs and equipment used within the port premises • Monitor the performance of all units in order to assess risks and suggest reform • Enforce laws related to safety, health, and environment from the Ministry of Environment, Ministry of Labor and Vocational Training, and Ministry of Health <p>Harbor Service/ AIS System Office</p> <ul style="list-style-type: none"> • Lead the committee for entrance/ leaving formalities of vessels • Fill the entrance/ leaving formalities for domestic and international vessels through Kaam Samnor border • Collaborate with related institutions to monitor the activities of vessels <p>Pilotage Office</p> <ul style="list-style-type: none"> • Allocate pilotage service of PPAP for in-out vessels within the Port

No	Name	Work Experience	Responsibilities
			<p>Commercial Zone and other provinces</p> <ul style="list-style-type: none"> • Manage tugboat system and passenger-transfer boats for vessels • Evaluate any incident damaging barges and quay within the water territory of Port Commercial Zone for the management in order to set responsive measures • Manage communication network for the movements of vessels
13	Mr. Soy Sereysovathanak	<ul style="list-style-type: none"> ➤ From 2015 to Present: Head of Commercial Zone/ Domestic Port Department ➤ From 2013 to 2015: Manager of Domestic Port Services ➤ From 2012 to 2013: Deputy Manager of Domestic Port Services ➤ From 2010 to 2012: Deputy Manager of Accounting/ Finance Office ➤ From 2009 to 2010: Employee of Accounting/ Finance Office 	<p>Domestic Port/ Port Zone Services</p> <ul style="list-style-type: none"> • Prepare and ensure public order within the Port Commercial Zone in accordance with the Aruket 01 ANK.BK. dated on 5 January 2009 to ensure the effectiveness in collecting port fees • Issue invoice in order to collect fee (port fee and parking fee) in accordance with the Inter-Ministerial Prakas 561 MEF.TR dated on 6 September 2002 • Manage berth and service for incoming/ outgoing of vessels inside the Port Commercial Zone <p>Passenger/ Tourist terminal Unit</p> <ul style="list-style-type: none"> • Manage berth for incoming/ outgoing of domestic and international vessels within the passenger terminal • Manage parking lot, gate fee, and port fee within the passenger terminal • Manage the order of vessels and parking within the passenger terminal <p>Tonle Bet Terminal Unit</p> <ul style="list-style-type: none"> • Provide instruction, manage, and maintain facilities of port and navigation channel to ensure the order in berthing, mooring, anchoring, and loading/ unloading • Manage statistics on transit cargoes • Manage Tonle Bet operations, cargo handling, berthing, incoming/ outgoing of vessels <p>Oil/ Gas Terminal Unit</p> <ul style="list-style-type: none"> • Manage oil/ gas terminals to ensure the order and safety of the environment • Provide instructions and manage oil/ gas terminal for incoming/

No	Name	Work Experience	Responsibilities
			<p>outgoing vessels; manage statistics on transit cargoes</p> <ul style="list-style-type: none"> • Provide instructions and maintain facilities and navigation channel at oil/ gas terminals to ensure order in berthing, mooring, anchoring, and loading/ unloading
14	Mrs. Hei Phanin	<ul style="list-style-type: none"> ➤ From 2015 to Present: Head of Marketing/ Planning Department ➤ From 2009 to 2015: Director of Marketing/ Planning Department 	<p>Planning/ Statistic Office</p> <ul style="list-style-type: none"> • Prepare business, services, and financial plans for the short-term, medium-term, and long-term • Conclude monthly activities-report of all Offices, Services, and Units of PPAP • Review construction projects by analyzing the project cost and report to the management <p>Research/ Development Office</p> <ul style="list-style-type: none"> • Conduct study on research and development of new projects of PPAP • Analyze the collected data and statistics related to port management, development, and planning for the management <p>Commercial/ TOS Office</p> <ul style="list-style-type: none"> • Issue invoices for port due, stevedoring, handling outside of the Port Commercial Zone, rental of warehouse/ equipment, and gate fee <p>Price/ Marketing office</p> <ul style="list-style-type: none"> • Conduct study on current tariff of PPAP • Develop brochures and calendars in order to advertise the current services of PPAP (including the future marketing strategies) • Develop the book on operating model of PPAP
15	Mr. Tol Sokhom	<ul style="list-style-type: none"> ➤ From 2015 to Present: Head of TS3 Department ➤ From 2014 to 2015: Director of Operation 1 (TS3) ➤ From 2009 to 2013: Manager of Aids and Navigation Services, PPAP 	<p>Terminal Planning Unit</p> <ul style="list-style-type: none"> • Allocate vessels to berth according to the managed-position of cranes • Record and manage cargo/ container from trucking to shipping, from shipping to trucking, and from yard to customers • Issue delivery note and release cargoes to customers <p>Operation Shift Unit</p> <ul style="list-style-type: none"> • Manage workers and handling equipment • Manage and provide handling equipment, means of transport and expertise for business operations

No	Name	Work Experience	Responsibilities
			<ul style="list-style-type: none"> • Check and follow up regularly all means of handling and transport to ensure work safety <p>Gate Unit</p> <ul style="list-style-type: none"> • Manage the gateway and check all transportation trucks/ permit cards • Issue parking tickets • Review working activities and draft reports <p>Invoice Unit</p> <ul style="list-style-type: none"> • Calculate service fee and provide customers invoice for handling, loading/ unloading, transporting, cargo and container services; calculate crane fees from vessel to port terminal and vice versa <p>Maintenance and Repair Unit</p> <ul style="list-style-type: none"> • Manage mechanical and electrical technicians and other maintenance/ repair works • Manage and repair vehicles, heavy equipment, towing vessels, and electricity network used in administrative, operational, and business activities • Prepare report to the management in regards to the conditions of vehicles and heavy equipment; repair any if necessary <p>Inland Container Depot (ICD) Unit</p> <ul style="list-style-type: none"> • Manage daily activities and resolve any disruptions to the operation • Monitor and enforce work safety procedures
16	Mr. Chui Vichet	<ul style="list-style-type: none"> ➢ From 2015 to Present: Head of LM17 Operation Department ➢ From 2013 to 2015: Director of Operation 2 (LM17) ➢ From 2010 to 2012: Manager of Port Safety/ Security/ ICT Office ➢ From 2009 to 2010: Manager of Planning Office 	<p>Terminal Planning Unit</p> <ul style="list-style-type: none"> • Allocate vessels to berth according to the managed-position of cranes • Record and manage cargo/ container from trucking to shipping, from shipping to trucking, and from yard to customers • Check documentation of import cargoes and provide Storage Note to customers <p>Operation Shift Unit</p> <ul style="list-style-type: none"> • Manage workers and handling equipment • Manage and provide handling equipment, means of transport and expertise for business operations • Check and follow up regularly all means of handling and transport to

No	Name	Work Experience	Responsibilities
			<p>ensure work safety</p> <p>Gate Unit</p> <ul style="list-style-type: none"> • Manage the gateway and check all transportation trucks/ permit cards <p>Invoice Unit</p> <ul style="list-style-type: none"> • Calculate service fee and provide customers invoice for handling, loading/ unloading, transporting, cargo and container services; calculate crane fees from vessel to port terminal and vice versa <p>Maintenance and Repair Unit</p> <ul style="list-style-type: none"> • Manage mechanical and electrical technicians and other maintenance/ repair works • Manage and repair vehicles, heavy equipment, towing vessels, and electricity network used in administrative, operational, and business activities • Prepare report to the management in regards to the conditions of vehicles and heavy equipment; repair any if necessary
17	Mr. Kong Channy	<ul style="list-style-type: none"> ➤ From 2015 to Present: Manager of Secretariat ➤ From 2011 to 2015: Deputy Manager of Administration Office ➤ From 2009 to 2011: Employee of Administration Office 	<ul style="list-style-type: none"> • Shall build an effective working relationship with the Board and senior officers of the Listed Public Enterprise • Shall support the working process of the Board and committee • Shall keep up-to-date with the development of laws and regulations that might affect the Board and the Listed Public Enterprise's operations • Shall keep up-to-date with developments in Corporate Governance and Corporate Social Responsibility (CSR) • Shall facilitate the communication between the Board and Senior Officers in order to support the decision making process • Shall prepare, manage procedures and maintain minutes of the Board and shareholder meetings
18	Mr. Mam Rithy	<ul style="list-style-type: none"> ➤ From 2013 to Present: Vice Head of Public Revenue Department, Ministry of Economics and Finance ➤ From 1991 to 2013: Officer at Ministry of Economics and Finance 	<ul style="list-style-type: none"> • Fulfill the obligation of Public Enterprise which has been stated in the effective law and regulation • Implement the resolution of the Board of Directors • Track the development of the Enterprise • Monitor any activity which affect the financial situation of the Enterprise • Shall participate in the Board Meeting with the right for discussion and

No	Name	Work Experience	Responsibilities
			<p>consultation, shall be regularly invited to participate in General Meeting</p> <ul style="list-style-type: none">• Shall fulfill the obligation in accordance with the instruction of the Ministry of Economy and Finance; shall regularly report to the Ministry about its duties

c- Date becoming director and the termination date of current mandate-Member of BOD

No.	Director's name	Representative of Institution-Ministry	Date becoming director	The termination date of current mandate
1	H.E Hei Bavy	Delegate of the Royal Government of Cambodia	18 February 2013	18 February 2016
2	H.E Suon Rachana	Ministry Public Works and Transport	18 February 2015	18 February 2016
3	H.E Ly Sivanna	Council of Ministers	18 February 2013	18 February 2016
4	H.E Ken Sambath	Ministry of Economy and Finance	18 February 2013	18 February 2016
5	H.E Penn Sovicheat	Ministry of Commerce	28 April 2014	18 February 2016
6	Mr. Huot Hay	Phnom Penh Municipality	18 February 2013	18 February 2016
7	Mr. Prom Sokhany	Employee representative of PPAP	18 February 2013	18 February 2016

d- If any director is also a director, a shareholder, an owner or a partner of another company, provides the names of such companies:

No.	Name of director	Name of related company	Director or shareholder or owner or partner
1	H.E Hei Bavy	N/A	N/A
2	H.E Suon Rachana	Star Shipping	Shareholder
3	H.E Ly Sivanna	N/A	N/A
4	H.E Ken Sambath	N/A	N/A
5	H.E Penn Sovicheat	N/A	N/A
6	Mr. Huot Hay	N/A	N/A
7	Mr. Prom Sokhany	N/A	N/A

e- Family relationship among directors and senior officers (if any), states the nature and length of the relationship.

No.	Director / Senior Officer	Position of Director or Senior Officer	Name of Relative	Relationship	Position of Relative	Date of Commence of Relative
1	H.E Hei Bavy	Delegate of the Royal Government in charge of Chairman and CEO of PPAP	Mrs. Hei Phanin	Daughter	Head of Planning/ Marketing Department	1 Jun 2008
2	H.E. Kim Sen	Deputy Director General of Administration/Finance	Mr. Soy Serey Sovatanak	Son	Manager of Domestic Terminal Service	7 Sep 2009
			Mrs. Kim Pira	Sister	Officer of Terminal Planning Unit TS3	1 Nov 1993
3	Mr. Tol Sokhom	Head of Department of Operation of TS3	Mrs. Proum Bunnary	Wife	Supervisor of Administration	2 Nov 1981
4	Mr. Soy Sereysovathanak	Head of Commercial Zone/Domestic Port Department	Mrs. Sun Tara	Mother	Deputy Supervisor of Inventory	6 Jun 1979

2- Involvement of directors and senior officers in certain legal proceedings for the last 10 years

a- Bankruptcy petitioned against any company in which any senior officer or director of the issuer was a director, a senior officer or a partner

As of the date of filing this Disclosure Document to the SECC, none of the directors and senior officers of PPAP were involved in a bankruptcy petitioned against any company in which any director or senior officer of PPAP was a director, a senior officer or a partner, for the past 10 years.

b- Conviction of any crime or any criminal proceeding pending against director or senior officer

As of the date of filing this Disclosure Document to the SECC, none of the directors and senior officers of PPAP were convicted of any crime or any criminal proceeding for the past 10 years.

c- Permanent/ temporary jurisdiction of any competent court against any director or senior officer enjoining, barring, suspending or limiting the involvement in any securities or business activity

As of the date of filing this Disclosure Document to the SECC, none of the directors and senior officers of PPAP were involved in court proceeding under any jurisdiction enjoining, barring, suspending or limiting the involvement in any securities or business activity.

d- Decision of the SECC, Foreign Securities and Exchange Commission or other regulators enjoining, barring, suspending or limiting the involvement of directors or senior officers in any securities or business activity

As of the date of filing this Disclosure Document to the SECC, PPAP, to the best of its knowledge and belief, is not aware of any decision of the SEC, Foreign Securities and Exchange Commission or other regulators enjoining, barring, suspending, or limiting the involvement of directors or senior officers in any securities or business activity.

3- Remuneration or compensation of directors and senior officers

a- Name and position of five employees who received highest remuneration or compensation including the aggregate amount of their remuneration or compensation

(Unit: KHR)

No.	Name	Position	Remuneration / Compensation		
			2012	2013	2014
1	H.E Hei Bavy	Chairman and CEO	58,318,217	66,530,440	79,629,170
2	H.E Kim Sen	Deputy Director General	43,488,437	51,202,504	56,281,408
3	H.E Cheap Thol*	Deputy Director General	46,040,464	51,593,666	56,707,384
4	H.E Eang Veng Sun**	Deputy Director General	47,036,464	54,761,006	-
5	H.E An Samol***	Deputy Director General	46,640,464	52,193,666	57,906,470
6	Mr. Hiek Phirun	Deputy Director General	-	-	60,254,954
Total			241,524,046	276,281,282	310,779,386

Note: * H.E. Cheap Thol retired on 01 June, 2015.

** H.E. Eang Veng Sun was assigned to MPWT on 21 April, 2014.

*** H.E. An Samol retired on 01 January, 2015.

b- Aggregate amount of remuneration or compensation for non-executive directors

(Unit: KHR)

No	Position	Aggregate Amount of Remuneration / Compensation*		
		2012	2013	2014
1	All non-executive directors	150,000,000	150,000,000	150,000,000

Note: * (KHR 2,500,000 x 12 months) x 5 people = 150,000,000

c- Aggregate amount of remuneration or compensation for all directors and senior officers as a group

(Unit: KHR)

No.	Position	Basic Salary in Riel			Aggregate Amount (Salary and Compensation excluding retirement benefit)		
		2012	2013	2014	2012	2013	2014
1	All directors*	0	0	0	216,000,000	216,000,000	216,000,000
2	All Senior Officers	72,390,780	88,819,680	95,633,040	500,747,661	594,647,412	668,543,956

Note: * For the BOD, there is no basic salary

d- Aggregate amount of remuneration or compensation for all directors and senior officers for 1 future fiscal year

As of the date of filing this Disclosure Document to the SECC, PPAP has not determined the remuneration or compensation for all director and senior officers for 1 future fiscal year.

e- Material increase in remuneration or compensation for directors or senior officers during the current and future fiscal year

According to the resolution on 24 July 2015, the BOD approved the new Statute of Employees in accordance with the development of PPAP and to ensure the good governance and efficient management and operations at PPAP. The new Statute of Employees increased the compensation for all BOD members on average of 221.67% compared to the previous month. On the other hand, the salary of senior officers increased on average of 38.60% compared to the previous month due to increase in new departments and promotion of some senior officers.

4- Stock options granted to directors, senior officers and employees**a- Stock options granted to directors**

As of the date of filing this Disclosure Document, PPAP has not granted any stock options to its directors.

b- Stock options granted to senior officers

As of the date of filing this Disclosure Document, PPAP has not granted any stock options to its senior officers.

c- Stock options granted to employees

As of the date of filing this Disclosure Document, PPAP has not granted any stock options to its employees.

5- Shareholders

a- Company's shareholders

a-1- Identity of shareholder(s) who own at least 5% of the Company's total equity securities

No.	Full name	Address	Quantity	Percentage of Ownership
1	Royal Government of Cambodia, represented by MEF	# 92 Sangkat Vat Phnom, Khan Daun Penh, Phnom Penh, Cambodia	16,547,492	100%
Total			16,547,492	100%

a-2- Identity of five employees receiving highest remuneration or compensation who held company's equity securities

As of the date of filing this Disclosure Document to the SECC, there are no such employees. The MEF owns all of PPAP's equity securities.

a-3- Identity of each director who held Company's equity securities

As of the date of filing this Disclosure Document to the SECC, there are no such directors.

a-4- Identity of other employees who held Company's equity securities

As of the date of filing this Disclosure Document to the SECC, there are no such employees.

b- Insolvency of shareholders holding at least 5% of Company's total equity securities

As of the date of filing this Disclosure Document to the SECC, the MEF as a representative of the Royal Government of Cambodia, is the only shareholder of PPAP.

Section 6: Relationship and transaction(s) with related parties

1- Transactions with shareholders during the last 5 years prior to the filing of application

PPAP received an amortized loan of USD 28.9 million with an interest rate at 4% per annum from the Export-Import Bank of China on 28 January 2011 via the Ministry of Economy and Finance. The loan has a grace period on principal of 7 years 3 months and 16 days which starts on 4 November 2010. From February 2014 to August 2017, PPAP is required to make semi-annual interest of USD 549,048.32. Commencing in 2018, PPAP will be required to pay the principal and interest in semi-annual installments on the 20th of February and August of each fiscal year until 2031.

PPAP received donations in kind in the form of land from the State under certificates of title 12021105-0003, 1202118-0042, 12021109-0044, 12021015-0037, 12021013-0033, 12021012-0012 and 12021014-0088.

2- Material transactions with directors or senior officers or persons whereby directors or senior officers of the Company has interest during the last 5 years prior to the filing of application

PPAP has not entered into any material transaction with any Director or Senior Officer or any other person in which the Director or Senior Officer of PPAP hold an interest during the 5 year period prior to the date of filing the application.

3- Material transactions with shareholders holding at least 5% of the Company's outstanding shares during the last 3 years prior to the filing of application

PPAP has not entered into any material transactions with a Shareholder holding at least 5% of the outstanding shares in the capital of PPAP during the 3 year period prior to the date of filing the application.

4- Material transactions with family members of directors or senior officers or shareholders holding at least 5% of the outstanding shares during the last 3 years prior to the filing of application

PPAP has not entered into any transactions with any family member of a Director, Senior Officer or Shareholder holding at least 5% of the outstanding shares in the capital of the Company during the 3 year period prior to the date of filing the application.

5- Material transactions with persons who have relationship with directors of the Company, its subsidiary or holding company where relationship occurred in the transaction or any arrangement with the Company during the last 3 years prior to the filing of application

PPAP has not entered into any material transactions with persons who have a relationship with a Director of PPAP or its related entity where such relationship occurred in a transaction or arrangement with PPAP during the 3 year period prior to the date of filing of application,

other than the relationship disclosed in Section 4: n- Transactions with subsidiary, associates, holding company or related companies of this Disclosure Document.

6- Material transactions with persons who were directors or with any person who has relation with the former directors of the Company during the last 2 years prior to the filing of application

PPAP has not entered into any material transactions with persons who were previously a director of PPAP or with any person who has a relationship with a former director of PPAP during the 2 year period prior to the date of filing the application.

7- Material transactions with directors holding any position in an association or non-profit organization or other companies for the last 2 years prior to the filing of application

PPAP has not entered into any material transactions with a Director holding any position in an association or non-profit organization or other company in the 2 year period prior to the filing of the application.

8- Material transactions with directors receiving any interest or professional fee for services in which director provided via any firm to issuer during the last 3 prior to the filing of application

PPAP has not entered into any material transactions with any Director receiving any interest or professional fee for services in which the Director provided the services via any firm to PPAP during the last 3 year period prior to the date of filing the application.

SECTION 7 : FINANCIAL INFORMATION

1- Exchange rate

Items included in financial statements of Phnom Penh Autonomous Port (“PPAP” or “the Company”) are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). The national currency of Cambodia is Khmer Riel (“KHR”). However, as PPAP transacts its business and maintains its accounting records primarily in United States Dollars (“USD”), the management has determined USD to be the Company’s functional and presentation currency as it reflects the economic substance of the underlying events and circumstances of the Company.

Translations between KHR and USD are presented in PPAP’s financial statements for the financial year ended (“FYE”) 31 December 2012, 31 December 2013 and 31 December 2014 using the official exchange rate regulated by the General Department of Taxation.

Date	Average exchange rate on statement of financial position date
Exchange rate of 31 December 2014	4,038
Exchange rate of 31 December 2013	4,027
Exchange rate of 31 December 2012	4,033

Source: General Department of Taxation

2- Historical financial information

The following information shows historical financial and operating information for the years ended 31 December 2012, 2013 and 2014 and three-month period ended 31 March 2015. The selected statement of comprehensive income and statement of financial position have been extracted from the financial statements included in Appendix 1 and accountants’ report as set out in Section 9 of this Disclosure Document respectively.

Financial information for the years ended 31 December 2012, 2013 and 2014 have been audited by an independent auditor. Financial information for the three-month period ended 31 March 2015 has been reviewed but not audited by an independent auditor.

2-1- Statement of comprehensive income for the years ended 31 December 2012, 2013 and 2014 and for the three-month period ended 31 March 2015

Description	Year ended 31 December						31 March	
	2012		2013		2014		2015	
	KHR'000	USD	KHR'000	USD	KHR'000	USD	KHR'000	USD
	(audited)						(reviewed)	
Revenue	42,775,390	10,606,345	45,918,926	11,402,763	53,674,126	13,292,255	14,258,719	3,526,767
Cost of services	(15,747,635)	(3,904,695)	(18,420,702)	(4,574,299)	(21,446,052)	(5,311,058)	(5,620,870)	(1,390,272)
Gross profit	27,027,755	6,701,650	27,498,224	6,828,464	32,228,074	7,981,197	8,637,849	2,136,495
Other income	1,627,033	403,430	1,420,553	352,757	1,216,795	301,336	334,813	82,813
General administration and selling expenses	(16,012,369)	(3,970,337)	(17,382,058)	(4,316,379)	(16,912,016)	(4,188,216)	(3,610,998)	(893,148)
Profit from operation	12,642,419	3,134,743	11,536,719	2,864,842	16,532,853	4,094,317	5,361,664	1,326,160
Finance costs	(1,531,197)	(379,667)	(5,393,808)	(1,339,411)	(5,203,129)	(1,288,541)	(1,171,645)	(289,796)
Profit before taxation	11,111,222	2,755,076	6,142,911	1,525,431	11,329,724	2,805,776	4,190,019	1,036,364
Income tax expense	(3,085,451)	(765,051)	(3,033,322)	(753,246)	(2,667,773)	(660,667)	(1,293,509)	(319,938)
Net profit for the year	8,025,771	1,990,025	3,109,589	772,185	8,661,951	2,145,109	2,896,510	716,426

Description	Year ended 31 December						31 March	
	2012		2013		2014		2015	
	KHR'000	USD	KHR'000	USD	KHR'000	USD	KHR'000	USD
	(audited)						(reviewed)	
Other comprehensive income								
Re-measurements of defined benefit liability	167,942	41,642	(171,623)	(42,618)	(197,878)	(49,004)	189,653	46,909
	8,193,713	2,031,667	2,937,966	729,567	8,464,073	2,096,105	3,086,163	763,335

2-2- Statement of financial position as of 31 December 2012, 2013 and 2014 and as of 31 March 2015

Description	Year ended 31 December						31 March	
	2012		2013		2014		2015	
	KHR'000	USD	KHR'000	USD	KHR'000	USD	KHR'000	USD
	(audited)						(reviewed)	
Assets								
Non-current assets								
Property, plant and equipment	550,690,676	136,546,163	572,530,985	142,173,078	568,417,610	140,767,115	567,025,425	140,248,683
Investment properties	31,844,148	7,895,896	31,621,688	7,852,418	31,666,658	7,842,164	31,659,811	7,830,772
Prepayment	11,259,362	2,791,808	-	-	-	-		
	593,794,186	147,233,867	604,152,673	150,025,496	600,084,268	148,609,279	598,685,236	148,079,455

Description	Year ended 31 December						31 March	
	2012		2013		2014		2015	
	KHR'000	USD	KHR'000	USD	KHR'000	USD	KHR'000	USD
	(audited)						(reviewed)	
Current assets								
Trade and other receivables	8,251,143	2,045,907	9,124,449	2,265,818	5,553,191	1,375,233	6,628,139	1,639,411
Cash and bank balances	327,810	81,282	510,100	126,670	7,352,835	1,820,910	9,408,008	2,326,987
	8,578,953	2,127,189	9,634,549	2,392,488	12,906,026	3,196,143	16,036,147	3,966,398
Total assets	602,373,139	149,361,056	613,787,222	152,417,984	612,990,294	151,805,422	614,721,383	152,045,853
Liabilities and equity								
Equity								
Share capital	100,643,120	24,954,902	104,237,534	25,884,662	108,129,047	26,777,872	108,262,936	26,777,872
Legal reserves	1,000,886	248,174	1,350,519	335,366	1,409,839	349,143	1,745,687	431,780
General reserves	1,000,886	248,174	1,350,519	335,366	1,409,839	349,143	1,745,687	431,780
Development fund	18,219,924	4,517,710	24,513,025	6,087,168	25,581,341	6,335,151	31,626,845	7,822,618
Retained earnings	345,193,968	85,592,355	339,604,550	84,331,897	345,878,189	85,655,817	340,719,955	84,274,043
Total Equity	466,058,784	115,561,315	471,056,147	116,974,459	482,408,255	119,467,126	484,101,110	119,738,093

Description	Year ended 31 December						31 March	
	2012		2013		2014		2015	
	KHR'000	USD	KHR'000	USD	KHR'000	USD	KHR'000	USD
	(audited)						(reviewed)	
Non-current liabilities								
Borrowings	111,047,739	27,534,773	116,700,998	28,979,637	117,019,774	28,979,637	117,164,672	28,979,637
Provision for retirement benefits	2,064,904	512,002	2,496,104	619,842	2,897,112	717,462	2,721,371	673,107
Deferred tax liabilities, net	146,031	36,209	1,917,045	476,048	2,798,713	693,094	3,301,967	816,712
	113,258,674	28,082,984	121,114,147	30,075,527	122,715,599	30,390,193	123,188,010	30,469,456
Current liabilities								
Overdrafts	5,653,165	1,401,727	12,790,489	3,176,183	-	-	-	-
Trade and other payables	15,221,917	3,774,341	7,917,134	1,966,013	6,574,381	1,628,128	5,955,590	1,473,062
Provision for income tax	2,180,599	540,689	909,305	225,802	1,292,059	319,975	1,476,673	365,242
	23,055,681	5,716,757	21,616,928	5,367,998	7,866,440	1,948,103	7,432,263	1,838,304
Total liabilities	136,314,355	33,799,741	142,731,075	35,443,525	130,582,039	32,338,296	130,620,273	32,307,760
Total liabilities and equity	602,373,139	149,361,056	613,787,222	152,417,984	612,990,294	151,805,422	614,721,383	152,045,853

3- Capitalization and Indebtedness

3-a Capitalization

The following sets forth the capitalization of PPAP as of 31 December 2014, which has been prepared in accordance with CIFRS. On the establishment of PPAP, the initial capital was determined by the initial balance sheet which was approved by the MEF on 8 November 2000. Over the past 3 years, PPAP's paid-up share capital has been increased twice as mentioned below:

- In January 2013, the shareholders of PPAP approved to increase the paid-up share capital from KHR 100,643,120,000 (USD 24,954,902) to KHR 104,237,534,000 (USD 25,884,662) in accordance with a resolution of the Board of Directors.
- In October 2014, the shareholders of PPAP approved to increase the paid-up share capital from KHR 104,237,534,000 (USD 25,884,662) to KHR 108,129,047,000 (USD 26,777,872), in accordance with a resolution of the Board of Directors.

Since the establishment of the Company, PPAP has purchased handling equipment that is subject to custom duties and VAT. Instead of paying these taxes to the GDT, the government has approved PPAP to transfer these taxes into PPAP's share capital pursuant to the MEF letter No. 038, dated 9 January 2013 and No. 2885 dated 4 September 2014 as the MEF's capital contribution to PPAP. Investors should read this information in conjunction with the reviewed (unaudited) interim financial information and related notes included in Appendix 1 of this Disclosure Document.

In accordance with the BOD resolution on 5 August 2015, the total share capital of PPAP is USD 110,316,612, which consists of USD 26,777,872 (the original shareholders' equity) and USD 83,538,740 (transferred from retained earnings to share capital). The transfer from retained earnings to share capital was approved by the BOD on 24 July 2015.

	31-Dec-12		31-Dec-13		31-Dec-14		31-Mar-15	
	KHR'000	USD	KHR'000	USD	KHR'000	USD	KHR'000	USD
Share capital	100,643,120	24,954,902	104,237,534	25,884,662	108,129,047	26,777,872	108,262,936	26,777,872
Legal reserves	1,000,886	248,174	1,350,519	335,366	1,409,839	349,143	1,745,687	431,780
General reserves	1,000,886	248,174	1,350,519	335,366	1,409,839	349,143	1,745,687	431,780
Development fund	18,219,924	4,517,710	24,513,025	6,087,168	25,581,341	6,335,151	31,626,845	7,822,618
Retained earnings	345,193,968	85,592,355	339,604,550	84,331,897	345,878,189	85,655,817	340,719,955	84,274,043
Total Equity	466,058,784	115,561,315	471,056,147	116,974,459	482,408,255	119,467,126	484,101,110	119,738,093

3-b Indebtedness

The following table sets forth PPAP's indebtedness as of 31 December 2012, 2013 and 2014 which is extracted from financial statements for the years ended 2012, 2013 and 2014 and for the three-month period ended 31 March 2015.

	31-Dec-12		31-Dec-13		31-Dec-14		31-Mar-15	
Non-Current	KHR'000	USD	KHR'000	USD	KHR'000	USD	KHR'000	USD
Borrowing	111,047,739	27,534,773	116,700,998	28,979,637	117,019,774	28,979,637	117,164,672	28,979,637

The borrowings represent a long-term loan from the Ministry of Economy and Finance ("MEF") for Phnom Penh New Container Terminal Project pursuant to the Subsidiary Loan Agreement signed on 28 January 2011. The loan bears an interest of 4% per annum and shall be settled by semi-annual installments on February 20 and August 20 of each year on the principal disbursed and outstanding interest.

The principal amount of the loan shall be paid in equal semi-annual installments on February 20 and August 20 of each year commencing in 2018 and ending on the last payment date in 2031.

4- Management's discussion and analysis

The following discussion and analysis of PPAP's financial position and results of operations should be read in conjunction with the audited financial statements for the years ended 31 December 2012, 2013 and 2014 as set out in Section 9 of the Disclosure Document. These financial statements have been prepared in accordance with Cambodian International Financial Reporting Standards ("CIFRS").

The following discussion and analysis contains forward-looking statements that involve risks and uncertainties. PPAP's actual results may differ significantly from those projected in the forward-looking statements including, but are not limited to, those discussed below and elsewhere in this Disclosure Document, particularly the section entitled "Risk Factors."

4-a Overview of operations

PPAP is one of the leading international ports in Cambodia which is under the supervision of the Ministry of Public Works and Transport and the Ministry of Economy and Finance. The port commercial zone stretches from Phnom Penh to the Lower Mekong River (Neak Leung) and the Upper Mekong River (Tonle Bet) in accordance with the Sub-Decree No. 01 dated 5 January 2009. PPAP's services consist of performing basic functions as the port authority as well as port operator as explained in detail under Section 4: Part 2 of the Disclosure Document.

The Company's container business has grown rapidly in the last decade, from handling 62,256 twenty-foot equivalent unit ("TEUs") in 2010 to 133,666 TEUs in 2014, representing a compound annual growth rate ("CAGR") of approximately 21.04%.

4-a-1 Revenue analysis

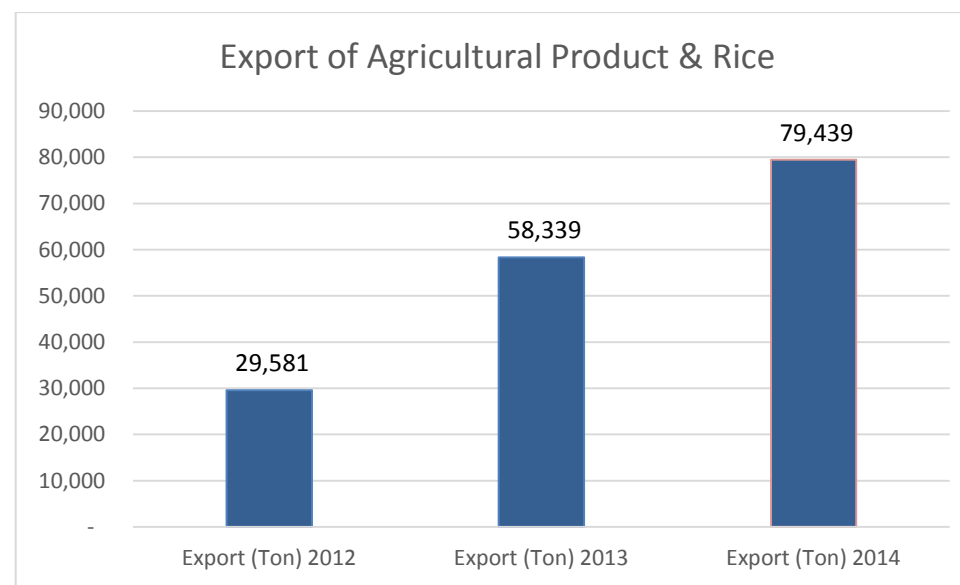
PPAP generates revenue from five main sources:

- 1) Lift-on/ Lift-off ("LOLO") refers to activities of loading or discharging goods/containers into/from truck. This involves moving cargo from truck to container yard and vice versa.
- 2) Stevedore refers to activities of loading or discharging goods/ containers into/ from vessel on which PPAP impose crane charges. This involves moving cargo from quay to container yard and vice versa by using container trucks.
- 3) Port services are services related to port dues and charges including channeling fee, tonnage due, pilotage fee, and other related berthing fees.
- 4) Storage fee refers to fee charged on customers for goods/ containers that are stored at the container yard (open spaces) or warehouse.. For cargoes that are stored at the container yard, PPAP has a policy to exempt the storage fee for 5 days and 7 days for export and import cargoes respectively.
- 5) Trucking fee refers to the fee charged to customers for the transportation of goods/containers between port and customers' premise. However, PPAP has transferred major trucking services to private logistics companies. Occasionally, PPAP provides trucking service to customers when the private logistics companies' trucks are unavailable.

Year ended 31 December 2013 compared to year ended 31 December 2012

	2012		2013		Changes		Changes	
	KHR'000	USD	KHR'000	USD	KHR'000	%	USD	%
Total revenues	42,775,390	10,606,345	45,918,926	11,402,763	3,143,536	7.35%	796,418	7.51%

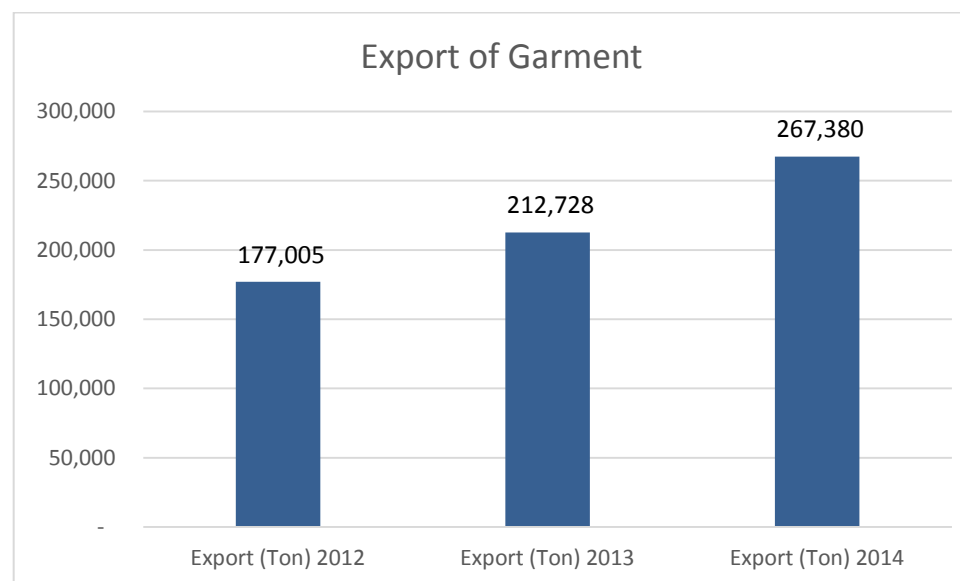
Revenues increased by KHR 3,143,536,000 (USD 796,418) or 7.35% from KHR 42,775,390,000 (USD 10,606,345) in 2012 to KHR 45,918,926,000 (USD 11,402,763) in 2013. This increase is mainly due to the increase in revenue from LOLO, stevedore and port services resulting from the growth in overall cargo throughputs by 15.91% from 95,333 TEUs in 2012 to 110,500 TEUs in 2013. This growth can be attributed to the booming construction as well as robust growth of the garment and manufacturing sectors. Coupled with the government's policy to incentivize export of rice, there has been increasing demand for shipping services. PPAP's records show that the export of agricultural products and rice via PPAP increased by 28,758 tons or 97.22% in 2013 from 29,581 tons in 2012 to 58,339 tons in 2013.



Year ended 31 December 2014 compared to year ended 31 December 2013

	2013		2014		Changes		Changes	
	KHR'000	USD	KHR'000	USD	KHR'000	%	USD	%
Total revenues	45,918,926	11,402,763	53,674,126	13,292,255	7,755,200	16.89%	1,889,492	16.57%

Revenues increased by KHR 7,755,200,000 (USD 1,889,492) or 16.89% from KHR 45,918,926,000 (USD 11,402,763) in 2013 to KHR 53,674,126,000 (USD 13,292,255) in 2014. PPAP's container throughput increased approximately 20.96% from 110,500 TEUs in 2013 to 133,666 TEUs in 2014. The reasons of this growth were not different from those of 2013. The Cambodian GDP growth remained around 7% due to the booming construction and garment sectors and increase in agricultural exports. Agricultural products and rice exported via PPAP increased by 21,100 tons or 36.17% from 58,339 tons in 2013 to 79,439 tons in 2014. The export of garment products also increased by 54,652 tons or 25.69% from 212,728 tons in 2013 to 267,380 tons in 2014.



The three-month period ended 31 March 2015 compared to the three-month period ended 31 March 2014

	31-Mar-14		31-Mar-15		Changes		Changes	
	KHR'000	USD	KHR'000	USD	KHR'000	%	USD	%
Total revenues	12,691,482	3,177,637	14,258,719	3,526,767	1,567,237	12.35%	349,130	10.99%

Revenues increased by KHR 1,567,237,000 (USD 349,130) or 12.35%, from KHR 14,258,719,000 (USD 3,526,767) in the three-month period ended 31 March 2014 to KHR 14,258,719,000 (USD 3,526,767) in the three-month period ended 31 March 2015. The increase was due to the increase in PPAP's container throughput s by 18.74% from 29,178 TEUs in the three-month period ended 31 March 2014 to 34,646 TEUs in the three-month period ended 31 March 2015.

4-a-2 Revenue analysis by segment

Description	Year ended 31 December									31 March 2015		
	2012			2013			2014			2015		
	KHR'000	USD	Common Size Ratio	KHR'000	USD	Common Size Ratio	KHR'000	USD	Common Size Ratio	KHR'000	USD	Common Size Ratio
	(audited)									(reviewed)		
Stevedore	16,141,187	4,002,278	37.73%	18,672,329	4,636,784	40.66%	22,724,103	5,627,564	42.34%	6,230,776	1,541,127	43.70%
Lift-on/ Lift-off (LOLO)	13,131,255	3,255,952	30.70%	15,087,949	3,746,697	32.86%	18,186,821	4,503,918	33.88%	4,651,823	1,150,587	32.62%
Port services	7,715,520	1,913,097	18.04%	8,043,526	1,997,399	17.52%	8,587,191	2,126,595	16.00%	2,623,660	648,939	18.40%
Storage	962,048	238,544	2.25%	1,039,832	258,215	2.26%	2,216,927	549,016	4.13%	303,743	75,128	2.13%
Trucking	37,535	9,307	0.09%	16,498	4,097	0.04%	5,734	1,420	0.01%	4,941	1,222	0.03%
Others	4,787,845	1,187,167	11.19%	3,058,792	759,571	6.66%	1,953,350	483,742	3.64%	443,776	109,764	3.11%
Total	42,775,390	10,606,345	100.00%	45,918,926	11,402,763	100.00%	53,674,126	13,292,255	100.00%	14,258,719	3,526,767	100.00%

Only significant revenue segments- Lift-on/ Lift-off (“LOLO”), stevedore and port service which represent more than 86% of the total revenue for each year are selected for the following analysis.

Year ended 31 December 2013 compared to year ended 31 December 2012

	2012		2013		Changes		Changes	
	KHR'000	USD	KHR'000	USD	KHR'000	%	USD	%
Stevedore	16,141,187	4,002,278	18,672,329	4,636,784	2,531,142	15.68%	634,506	15.85%
Lift-on/ Lift-off (LOLO)	13,131,255	3,255,952	15,087,949	3,746,697	1,956,694	14.90%	490,745	15.07%
Port services	7,715,520	1,913,097	8,043,526	1,997,399	328,006	4.25%	84,302	4.41%

Revenues from stevedore and LOLO services are directly driven by the growth in volume of cargo handled by PPAP. The increase of KHR 2,531,142,000 (USD 634,506) or 15.68% and KHR 1,956,694,000 (USD 490,745) or 14.90% in revenues from stevedore and LOLO respectively from 2012 to 2013 was mainly due to the increasing demand in shipping in Cambodia. The increase is in line with the increase in container cargo handled by 15,167 TEUs or 15.91% from 95,333 TEUs in 2012 to 110,500 TEUs in 2013.

Revenues from port services depend on the number and size of the vessels of barge companies. The revenue increased by KHR 328,006,000 (USD 84,302) or 4.25% from KHR 7,715,520,000 (USD 1,913,097) in 2012 to KHR 8,043,526,000 (USD 1,997,399) in 2013. Despite the decrease in the number of vessels from 2,068 vessels in 2012 to 1,947 vessels in 2013, barge companies used larger barges (tonnage) which enabled PPAP to generate slightly higher revenue from port services in 2013.

Year ended 31 December 2014 compared to year ended 31 December 2013

	2013		2014		Changes		Changes	
	KHR'000	USD	KHR'000	USD	KHR'000	%	USD	%
Stevedore	18,672,329	4,636,784	22,724,103	5,627,564	4,051,774	21.70%	990,780	21.37%
Lift-on/ Lift-off (LOLO)	15,087,949	3,746,697	18,186,821	4,503,918	3,098,872	20.54%	757,221	20.21%
Port services	8,043,526	1,997,399	8,587,191	2,126,595	543,665	6.76%	129,196	6.47%

Revenues from stevedore and LOLO services are directly driven by the number of cargo throughputs handled by PPAP. The increase of KHR 4,051,774,000 (USD 990,780) or 21.70% and KHR 3,098,872,000 (USD 757,221) or 20.54% in revenues from stevedore and LOLO respectively from 2013 to 2014 was mainly due to the increasing demand in shipping in Cambodia. The increase is in tandem with the increase in container cargoes handled by 23,166 TEUs or 20.96% from 110,550 TEUs in 2013 to 133,666 TEUs in 2014.

Revenues from port services depend on the number and size of the vessels of barge companies. In 2014, the revenue from port services increased by KHR 543,665,000 (USD 129,196) or 6.76% from KHR 8,043,526,000 (USD 1,997,399) in 2013 to KHR 8,586,191,000 (USD 2,126,595). The number of vessels also increased from 1,947 vessels in 2013 to 1,985 vessels in 2014, which contributed to the growth of port service revenue.

The three-month period ended 31 March 2015 compared to the three-month period ended 31 March 2014

	31-Mar-14		31-Mar-15		Changes		Changes	
	KHR'000	USD	KHR'000	USD	KHR'000	%	USD	%
Stevedore	5,573,136	1,395,377	6,230,776	1,541,127	657,640	11.80%	145,750	10.45%
Lift-on/ Lift-off (LOLO)	3,979,805	996,446	4,651,823	1,150,587	672,018	16.89%	154,141	15.47%
Port services	2,220,964	556,075	2,623,660	648,939	402,696	18.13%	92,864	16.70%

The increase of KHR 657,640,000 (USD 145,750) or 11.80% and KHR 672,018,000 (USD 154,141) or 16.89% in revenues from stevedore and LOLO respectively from the three-month period ended 31 March 2014 to the three-month period ended 31 March 2015 was mainly due to the increase in container throughputs handled from 29,178 TEUs in the first three months ended 31 March 2014 to 34,646 TEUs in the first three months ended 31 March 2015, representing an increase of 18.74%.

In March 2014, the revenue from port services increased by KHR 402,696,000 (USD 92,864) or 18.13% from KHR 2,220,964,000 (USD 556,075) in three-month period ended 31 March 2014 to KHR 2,623,660,000 (USD 648,939) in the three month period ended 31 March 2015. The increase was due to the increase in number of vessels from 550 vessels in the three-month period ended 31 March 2014 to 606 vessels in the three-month period ended 31 March 2015.

4-a-3 Gross profit margin analysis

The following table sets forth the gross profit and gross profit margin for the years and periods indicated:

Year ended 31 December 2013 compared to year ended 31 December 2012

	2012		2013		Changes		Changes	
	KHR'000	USD	KHR'000	USD	KHR'000	%	USD	%
Revenue	42,775,390	10,606,345	45,918,926	11,402,763	3,143,536	7.35%	796,418	7.51%
Cost of service								
Depreciation	(3,136,210)	(777,637)	(6,404,976)	(1,590,508)	(3,268,766)	104.23%	(812,871)	104.53%
Crane charge	(2,414,158)	(598,601)	(3,199,439)	(794,497)	(785,281)	32.53%	(195,896)	32.73%
Salaries and other benefits	(2,271,974)	(563,346)	(3,085,781)	(766,273)	(813,807)	35.82%	(202,927)	36.02%
Fuel and gasoline	(2,711,399)	(672,303)	(2,472,127)	(613,888)	239,272	-8.82%	58,415	-8.69%
Dredging costs	(3,898,862)	(966,740)	(1,943,253)	(482,556)	1,955,609	-50.16%	484,184	-50.08%
Maintenance costs	(1,102,727)	(273,426)	(896,173)	(222,541)	206,554	-18.73%	50,885	-18.61%
Others	(212,305)	(52,642)	(418,953)	(104,036)	(206,648)	97.34%	(51,394)	97.63%
Total	(15,747,635)	(3,904,695)	(18,420,702)	(4,574,299)	(2,673,067)	16.97%	(669,604)	17.15%
Gross Profit	27,027,755	6,701,650	27,498,224	6,828,464				
Gross Profit Margin	63.19%	63.19%	59.88%	59.88%				

Cost of service

PPAP only analyzes the significant fluctuations in the main components of Cost of Service:

- Depreciation in 2013 increased by KHR 3,268,766,000 (USD 812,871) or 104.23%, due to the acquisition of more equipment and facilities for the newly established LM17 Terminal. For example, the total PP&E recognized for depreciation increased by KHR 156,031,990,000 (USD 38,746,459) in 2013.
- Crane charge increased by KHR 785,281,000 (USD 195,896) or 32.53% in 2013. This was due to the increase in container throughput and the additional charge from cooperating with partners for the three new cranes (one from KAMSAB and two from SUNGKWANG) at LM17 Terminal.

- Salaries and other benefits increased by KHR 813,807,000 (USD 202,927) or 35.82% in 2013. The increase was due to promotion of existing staffs and the increase in tonnage wage (calculated based on the number of containers handled) which is in line with the increase in containers handled in 2013.
- Dredging costs decreased drastically by KHR 1,955,609,000 (USD 484,184) or 50.16% in 2013. This is due to the sand supply contract for Neak Leung Bridge which ended in 2013 upon the sufficient supply of sand for the construction of the bridge.
- Maintenance costs decreased by KHR 206,554,000 (USD 50,885) or 18.73% in 2013 because PPAP used the newly acquired facilities at LM17 Terminal for daily operations. They required less maintenance costs while reducing the usage of existing facilities.
- Other costs of service increased by KHR 206,648,000 (USD 51,394) or 97.34% in 2013. The drastic increase was due to PPAP hiring 33 temporary laborers with periodic contracts to handle general cargoes such as cement at LM17 Terminal.

Gross profit margin

The decrease in gross profit margin by 3.31% from 63.19% in 2012 to 59.88% in 2013 is mainly due to the increase in depreciation expenses in 2013. Newly acquired property, plant and equipment for business operations resulted in greater depreciation expenses for 2013.

Year ended 31 December 2014 compared to year ended 31 December 2013

	2013		2014		Changes		Changes	
	KHR'000	USD	KHR'000	USD	KHR'000	%	USD	%
Revenue	45,918,926	11,402,763	53,674,126	13,292,255	7,755,200	16.89%	1,889,492	16.57%
Cost of service								
Depreciation	(6,404,976)	(1,590,508)	(7,901,364)	(1,956,752)	(1,496,388)	23.36%	(366,244)	23.03%
Crane charge	(3,199,439)	(794,497)	(4,795,222)	(1,187,524)	(1,595,783)	49.88%	(393,027)	49.47%
Salaries and other benefits	(3,085,781)	(766,273)	(3,672,561)	(909,500)	(586,780)	19.02%	(143,227)	18.69%
Fuel and gasoline	(2,472,127)	(613,888)	(2,651,593)	(656,660)	(179,466)	7.26%	(42,772)	6.97%
Dredging costs	(1,943,253)	(482,556)	(1,301,746)	(322,374)	641,507	-33.01%	160,182	-33.19%
Maintenance costs	(896,173)	(222,541)	(1,046,985)	(259,283)	(150,812)	16.83%	(36,742)	16.51%
Others	(418,953)	(104,036)	(76,581)	(18,965)	342,372	-81.72%	85,071	-81.77%
Total	(18,420,702)	(4,574,299)	(21,446,052)	(5,311,058)	(3,025,350)	16.42%	(736,759)	16.11%
Gross Profit	27,498,224	6,828,464	32,228,074	7,981,197				
Gross Profit Margin	59.88%	59.88%	60.04%	60.04%				

Cost of service

- Depreciation in 2014 increased by KHR 1,496,388,000 (USD 366,244) or 23.36% due to the acquisition of additional equipment and facilities for operations at LM17 Terminal and full depreciation charged on equipment purchased in the mid of 2013.
- Crane charge increased by KHR 1,595,783,000 (USD 393,027) or 49.88% in 2014. This high growth rate can be attributed to the growth in the container throughputs by 23,166 TEUs or 20.96% from 110,500 TEUs in 2013 to 133,666 TEUs in 2014.
- Salaries and other benefits increased by KHR 586,780,000 (USD 143,227) or 19.02% in 2014. The increase was due to promotion of existing staffs and the increase in tonnage wage.
- Dredging costs decreased significantly by KHR 641,507,000 (USD 160,182) or 33.01% in 2014 as major sand supply contract for Tsubasa Bridge (Neak Leung Bridge) ended in 2013. Moreover, other sand dredging projects were completed during the year.
- Other costs decreased by KHR 342,372,000 (USD 85,071) or 81.72% in 2014. The decrease was mainly due to PPAP reducing the number of its temporary laborers and utilizing more of its handling facilities.

Gross profit margin

The slight increase in gross profit margin by 0.16% in 2014, from 59.88% to 60.04% is mainly due to the decrease in dredging activity which generates a slightly lower gross profit margin, coupled with the decrease in other costs.

The three-month period ended 31 March 2015 compared to the three-month period ended 31 March 2014

	31-Mar-14		31-Mar-15		Changes		Changes	
	KHR'000	USD	KHR'000	USD	KHR'000	%	USD	%
Revenue	12,691,482	3,177,637	14,258,719	3,526,767	1,567,237	12.35%	349,130	10.99%
Cost of service								
Depreciation	(1,953,817)	(489,188)	(1,978,786)	(489,435)	(24,969)	1.28%	(247)	0.05%
Crane charge	(975,499)	(244,241)	(1,278,397)	(316,200)	(302,898)	31.05%	(71,959)	29.46%
Salaries and other benefits	(797,410)	(199,652)	933,994	(231,015)	(136,584)	17.13%	(31,363)	15.71%
Fuel and gasoline	(678,796)	(169,954)	(502,003)	(124,166)	176,793	-26.05%	45,788	-26.94%
Dredging costs	(879,027)	(220,087)	(557,376)	(137,862)	321,651	-36.59%	82,225	-37.36%
Maintenance costs	(267,502)	(66,976)	(358,614)	(88,700)	(91,112)	34.06%	(21,724)	32.44%
Others			(11,700)	(2,894)	(11,700)		(2,894)	

	31-Mar-14		31-Mar-15		Changes		Changes	
	KHR'000	USD	KHR'000	USD	KHR'000	%	USD	%
Total	(5,552,051)	(1,390,098)	(5,620,870)	(1,390,272)	(68,819)	1.24%	(174)	0.01%
Gross Profit	7,139,431	1,787,539	8,637,849	2,136,495				
Gross Profit Margin	43.75%	43.75%	39.42%	39.42%				

Cost of service

- Depreciation in the three-month period ended 31 March 2015 increased by KHR 24,969,000 (USD 247) or 1.28%. PPAP did not purchase additional equipment and facilities between early 2014 and the three-month period ended 31 March 2015.
- Crane charge increased by KHR 302,898,000 (USD 71,959) or 31.05% in March 2015. This high growth rate can be attributed to the growth in number of container throughput from 29,178 TEUs in the three-month period ended 31 March 2014 to 34,646 TEUs in the three-month period ended 31 March 2015.
- Salaries and other benefits increased by KHR 136,584,000 (USD 31,363) or 17.13% in March 2015. The increase was due to the increase in the tonnage wage.
- Fuel and gasoline in March 2015 decreased by KHR 176,793,000 (USD 45,788) or 26.05% compared to March 2014. The decrease was due to lower consumption of fuel and gasoline for general cargo operation at TS3. Moreover, the cost of fuel purchased by PPAP in the first three-month period of 2015 was lower than the first three-month period of 2014.
- Dredging costs decreased significantly by KHR 321,651,000 (USD 82,225) or 36.59% in March 2015. PPAP had fewer dredging missions due to adequate water level within the Port Commercial Zone and PPAP did not have additional dredging contracts.
- Maintenance cost in three-month period ended 31 March 2015 increased by KHR 91,112,000 (USD 21,724) or 34.06%. The increase was due to the maintenance of the quay's support columns at TS3 to prevent corrosion and increase in purchase of spare parts.

Gross profit margin

The gross profit margin decreased by 4.33% from 43.75% in the three-month period ended 31 March 2014 to 39.42% in the three-month period ended 31 March 2015. The decrease was mainly due to the increase in crane charge, salaries and other benefits expense as well as maintenance costs.

4-a-4 Profit before tax analysis

Profit before tax is derived from the subtraction of General Administrative and Selling Expense, and Finance costs from the sum of Gross Profit and Other income. The following analysis on expenses only discusses the changes in Salary and Wage, Depreciation expenses, Finance costs, Donation, and Utilities and fuel costs.

Year ended 31 December 2013 compared to year ended 31 December 2012

	2012		2013		Change		Chang	
	KHR'000	USD	KHR'000	USD	KHR'000	%	USD	%
Gross profit	27,027,755	6,701,650	27,498,224	6,828,464	470,469	1.74%	126,814	1.89%
Other income	1,627,033	403,430	1,420,553	352,757	(206,480)	-12.69%	(50,673)	-12.56%
Administrative expenses								
Salaries and wages	(5,332,892)	(1,322,314)	(6,320,139)	(1,569,441)	(987,247)	18.51%	(247,127)	18.69%
Donation expenses	(3,099,199)	(768,460)	(1,754,528)	(435,691)	1,344,671	-43.39%	332,769	-43.30%
Utilities and fuel	(859,646)	(213,153)	(1,422,107)	(353,143)	(562,461)	65.43%	(139,990)	65.68%
Depreciation	(838,872)	(208,002)	(1,165,696)	(289,470)	(326,824)	38.96%	(81,468)	39.17%
Finance costs	(1,531,197)	(379,667)	(5,393,808)	(1,339,411)	(3,862,611)	252.26%	(959,744)	252.79%
Others	(5,881,760)	(1,458,408)	(6,719,588)	(1,668,634)	(837,828)	14.24%	(210,226)	14.41%
Profit before tax	11,111,222	2,755,076	6,142,911	1,525,431	(4,968,311)	-44.71%	(1,229,645)	-44.63%

PPAP earned profit before tax of KHR 11,111,222,000 (USD 2,755,076) in 2012 and KHR 6,142,911,000 (USD 1,525,431) in 2013, representing a decrease of KHR 4,968,311,000 (USD 1,229,645) or 44.71%. The decrease was mainly due to:

- Salaries and wages increased by KHR 987,247 (USD 247,127) or 18.51% in 2013. The increase was due to promotion of existing staffs and the increase in tonnage wage (calculated based on number of containers handled) which is in line with the increase of containers handled in 2013.
- Donation expenses decreased by KHR 1,344,671,000 (USD 332,769) or 43.39% from KHR 3,099,199,000 (USD 768,460) in 2012 to KHR 1,754,528,000 (USD 435,691) in 2013 as PPAP changed its policy to make fewer donations in 2013.
- Utilities and fuel costs increased significantly by KHR 562,461,000 (USD 139,990) or 65.43% in 2013. The increase was due to the increase in consumption of electricity when operations at LM17 Terminal began in 2013. Furthermore, PPAP incurred more costs from the consumption of fuel because it arranged daily transportation of some management staffs from TS3 to LM17.

- Depreciation increased by KHR 326,824,000 (USD 81,468) or 38.96% in 2013 due to the purchase of additional PP&E in 2013 in order to support new operations at LM17 Terminal.
- Finance costs increased by KHR 3,862,611,000 (USD 959,744) or 252.26% in 2013 as the result of interest on the drawdown of additional loan of KHR 41,360,147,778 (USD10,242,731) in 2012. This was coupled with the interest on overdraft facilities utilized by PPAP during 2013. Moreover, PPAP stopped capitalizing interest costs incurred into fixed asset in 2014. The interest cost has been expensed off upon the completion of construction of LM17 Terminal in 2013. The increase in finance cost is the main cause for the slump in profit before tax for 2013.
- Other expenses increased by KHR 837,828,000 (USD 210,226) or 14.24% in 2013 as major repair and maintenance work was carried out in 2013 during the transfer of operations from TS3 to LM17 Terminal.

Year ended 31 December 2014 compared to year ended 31 December 2013

	2013		2014		Changes		Changes	
	KHR'000	USD	KHR'000	USD	KHR'000	%	USD	%
Gross profit	27,498,224	6,828,464	32,228,074	7,981,197	4,729,850	17.20%	1,152,733	16.88%
Other income	1,420,553	352,757	1,216,795	301,336	(203,758)	-14.34%	(51,421)	-14.58%
Administrative expenses								
Salaries and wages	(6,320,139)	(1,569,441)	(7,558,268)	(1,871,785)	(1,238,129)	19.59%	(302,344)	19.26%
Donation expenses	(1,754,528)	(435,691)	(1,744,832)	(432,103)	9,696	-0.55%	3,588	-0.82%
Utilities and fuel	(1,422,107)	(353,143)	(1,585,589)	(392,667)	(163,482)	11.50%	(39,524)	11.19%
Depreciation	(1,165,696)	(289,470)	(1,302,647)	(322,597)	(136,951)	11.75%	(33,127)	11.44%
Finance costs	(5,393,808)	(1,339,411)	(5,203,129)	(1,288,541)	190,679	-3.54%	50,870	-3.80%
Others	(6,719,588)	(1,668,634)	(4,720,680)	(1,169,064)	1,998,908	-29.75%	499,570	-29.94%
Profit before tax	6,142,911	1,525,431	11,329,724	2,805,776	5,186,813	84.44%	1,280,345	83.93%

PPAP earned profit before tax of KHR 6,142,911,000 (USD 1,525,431) in 2013 and KHR 11,329,724,000 (USD 2,805,776) in 2014, representing an increase of KHR 5,186,813,000 (USD 1,280,345) or 84.44% in 2014. The increase was mainly due to:

- Gross profit increased by KHR 4,729,850,000 (USD 1,152,733) or 17.20% from KHR 27,498,224,000 (USD 6,828,464) in 2013 to KHR 32,228,074,000 (USD 7,981,197) in 2014. This is mainly due to the spike in TEUs handled by 20.96% in 2014.
- Finance costs decreased by KHR 190,679,000 (USD 50,870) or 3.54% in 2014 as PPAP stopped utilizing the overdraft facility in 2014.

- Other expenses decreased by KHR 1,998,908,000 (USD 499,570) or 29.75% in 2014 due to fewer repair and maintenance work in 2014 as PPAP used the newly acquired equipment for daily operations while reducing the usage of existing facilities.

However, the positive effects of the above factors were partially offset by the increase in expenses as stated below:

- Salaries and wages increased by KHR 1,238,129,000 (USD 302,344) or 19.59% in 2014 as the government increased the basic salary for all government officers during 2014. PPAP applies the same basic salary used for government officers. In addition, there was also an increase in staffs' tonnage wage which is in line with the increase in containers handled in 2013.
- Utilities and fuel costs increased by KHR 163,482,000 (USD 39,524) or 11.50% in 2014 because of the cost of electricity from administration buildings at LM17 Terminal and TS3 Terminal has been charged for the full year in 2014. Moreover, the requirement for travelling between TS3 Terminal and LM17 Terminal increased due to operational expansion during the year which led to the increase in fuel consumption.

The three-month period ended 31 March 2015 compared to the three-month period ended 31 March 2014

	31-Mar-14		31-Mar-15		Changes		Changes	
	KHR'000	USD	KHR'000	USD	KHR'000	%	USD	%
Gross profit	7,139,431	1,787,539	8,637,849	2,136,495	1,498,418	20.99%	348,956	19.52%
Other income	262,853	65,812	334,813	82,813	71,960	27.38%	17,001	25.83%
Administrative expenses								
Salaries and wages	(1,562,249)	(391,149)	(1,697,640)	(419,896)	135,391	8.67%	28,747	7.35%
Donation expenses	(177,350)	(44,404)	(98,326)	(24,320)	(79,024)	-44.56%	(20,084)	-45.23%
Utilities and fuel	(345,345)	(86,466)	(354,975)	(87,800)	9,630	2.79%	1,334	1.54%
Depreciation	(322,112)	(80,649)	(329,290)	(81,447)	7,178	2.23%	798	0.99%
Finance costs	(1,157,445)	(289,796)	(1,171,645)	(289,796)	14,200	1.23%	0	0.00%
Others	(1,236,346)	(309,551)	(1,130,767)	(279,685)	(105,579)	-8.54%	(29,866)	-9.65%
Profit before tax	2,601,437	651,336	4,190,019	1,036,364	1,588,582	61.07%	385,028	59.11%

PPAP earned profit before tax of KHR 2,601,437,000 (USD 651,336) in the three-month period ended 31 March 2014 and KHR 4,190,019,000 (USD 1,036,364) in the three-month period ended 31 March 2015, representing an increase of KHR 1,588,582,000 (USD 385,028) or 61.07%. The increase was mainly due to:

- Gross profit increased by KHR 1,498,418,000 (USD 348,956) or 20.99% from KHR 7,139,431,000 (USD 1,787,539) in the three-month period ended 31 March 2014 to KHR 8,637,849,000 (USD 2,136,495) in the three-month period ended 31 March 2015. The increase was due to the increase in number of container throughput from 29,178 TEUs in three-month period ended 31 March 2014 to 34,646 TEUs in three-month period ended 31 March 2015.
- Donation expenses decreased by KHR 79,024,000 (USD 20,084) or 44.56% in the three-month period ended 31 March 2015 because PPAP changed its policy to make fewer donations.

4-a-5 Profit after tax analysis

PPAP is under the regime of the Laws on Commercial Enterprises in regards to taxation. Therefore, it has an obligation to pay annual profit tax at the rate of 20%. The 20% tax is calculated by applying the 20% tax rate on the taxable profit.

Year ended 31 December 2013 compared to year ended 31 December 2012

	2012		2013		Changes		Changes	
	KHR'000	USD	KHR'000	USD	KHR'000	%	USD	%
Profit before tax (a)	11,111,222	2,755,076	6,142,911	1,525,431	(4,968,311)	-44.71%	(1,229,645)	-44.63%
Income tax expense (b)	(3,085,451)	(765,051)	(3,033,322)	(753,246)	52,129	-1.69%	11,805	-1.54%
Profit after tax	8,025,771	1,990,025	3,109,589	772,185	(4,916,182)	-61.25%	(1,217,840)	-61.20%
Effective tax rate (b)/(a)	27.77%	27.77%	49.38%	49.38%				

PPAP earned profit after tax of KHR 8,025,771,000 (USD 1,990,025) in 2012 and KHR 3,109,589,000 (USD 772,185) in 2013, representing a decrease of KHR 4,916,182,000 (USD 1,217,840) or 61.25%. The increase in effective tax rate of 21.61% was mainly due to the increase in deferred tax liabilities recognized in 2013 as a result of temporary differences between depreciation rate and tax rate arising from the newly acquired property, plant and equipment in 2013.

Year ended 31 December 2014 compared to year ended 31 December 2013

	2013		2014		Changes		Changes	
	KHR'000	USD	KHR'000	USD	KHR'000	%	USD	%
Profit before tax (a)	6,142,911	1,525,431	11,329,724	2,805,776	5,186,813	84.44%	1,280,345	83.93%
Income tax expense (b)	(3,033,322)	(753,246)	(2,667,773)	(660,667)	365,549	-12.05%	92,579	-12.29%
Profit after tax	3,109,589	772,185	8,661,951	2,145,109	5,552,362	178.56%	1,372,924	177.80%
Effective tax rate (b)/(a)	49.38%	49.38%	23.55%	23.55%				

PPAP earned profit after tax of KHR 3,109,589,000 (USD 772,185) in 2013 and KHR 8,661,951,000 (USD 2,145,109) in 2014, representing an increase of KHR 5,552,362,000 (USD 1,372,924) or 178.56%. The decrease in effective tax rate of 25.83% was mainly due to a huge deferred tax liabilities recognized in 2013 as a result of temporary differences between depreciation rate and tax rate arising from the newly acquired property, plant and equipment in 2013.

The three-month period ended 31 March 2015 compared to the three-month period ended 31 March 2014

	31-Mar-14		31-Mar-15		Changes		Changes	
	KHR'000	USD	KHR'000	USD	KHR'000	%	USD	%
Profit before tax (a)	2,601,437	651,336	4,190,019	1,036,364	1,588,582	61.07%	385,028	59.11%
Income tax expense (b)	(587,801)-	(147,171)	(1,293,509)	(319,938)	(705,708)	120.06%	(172,767)	117.39%
Profit after tax	2,013,636	504,165	2,896,510	716,426	882,874	43.84%	212,261	42.10%
Effective tax rate (b)/(a)	-22.60%	-22.60%	-30.87%	-30.87%				

PPAP earned profit after tax of KHR 2,013,636,000 (USD 504,165) in the three-month period ended 31 March 2014 and KHR 2,896,510,000 (USD 716,426) in the three-month period ended 31 March 2015, representing an increase of KHR 882,874,000 (USD 212,261) or 43.84%. The decrease in effective tax rate of 8.28% was mainly due to recognition of a large deferred tax which was considered to be non-deductible expenses in the three-month period ended 31 March 2015.

4-a-6 Factors and trends analysis affecting financial conditions and results

Levels of regional and global trade and globalization

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

Competition from other regional and global container terminal operators

PPAP faces competition from container terminal operators in Cambodia such as Sihanoukville Autonomous Port and domestic as well as regional feeder ports.

Capacity

PPAP has the container cargo handling capacity of approximately 226,650 TEUs per annum as of 31 March 2015. Please refer to the table below for the changes in PPAP's container cargo handling capacity. The significant increase in capacity is due to the establishment of the New Container Terminal (LM17).

	As at 31 December		
	2012	2013	2014
Capacity (TEUs)	84,588	229,133	226,650

As customers' cargo shipments grow, ports with excess capacity to handle such additional cargo will be best placed to meet customers' needs and to increase revenues. As such, the Company expects to continue to undertake expansion projects to satisfy customer demands. PPAP's handling capacity is expected to increase to 376,650 TEUs per annum in 2018 once the Phase II of LM17 is complete and become fully operational.

Operational efficiency

In addition to the investments made to increase capacity and deploy new assets, PPAP seeks to reduce its costs and achieve optimal operating efficiency by fully utilizing its existing assets at container terminals: Decrease cargo handling and vessel turnaround times, reduce cargo losses through mechanized handling and reduce the distance for inland freight transits. Increasing operational efficiency may help the Company to pass on savings from reduced costs to its customers. This is expected to not only help PPAP to maintain good relationship with customers, but also its competitive position.

Increase in operational efficiency can be achieved by, among other things:

- i) Introducing new technologies to speed up berthing processes thereby shortening port stays and turnaround times
- ii) Improving landside support to ensure that containers are quickly and efficiently transported to and from PPAP's terminals
- iii) Using external depot functions to increase the capacity for container storage such as ICD at KM6 for TS3 and MSL for LM17
- iv) Actively managing storage period of containers by incentivizing customers to take delivery of containers that have arrived at the port as quickly as possible
- v) Optimizing berth utilization, which involves arranging berthing location for different-sized ships to ensure that the maximum of berth length is used

Moreover, berthing and disembarking, the flow of traffic at Phnom Penh Autonomous Port, the capacity of equipment and storage facilities also affect the utilization of berths and total throughput.

Pricing

Besides having sufficient capacity and achieving high operational efficiency, the Company's ability to attract and retain customers is also dependent on tariffs, incentives and overall cost savings provided to customers, including the end-to-end logistics cost. At times, PPAP is flexible with the pricing offered to its customers: It offers a discounted lump sum fee for tourist cruise in/out, discount on stevedore charge for general cargo and offer incentive packages to barge companies depending on their volume of shipments attracted to the Port.

Connectivity

Connectivity plays a large role in shipping lines choosing a port for the movement of transshipment cargoes. Adequate and efficient connectivity enables shippers to reduce shipping time and maintain more frequent connections. Efficient transshipment connectivity depends to a great extent on feeder services which govern the movement of transshipment cargoes. As such, positive relationships and arrangements with third party feeder service providers are important to ensure that feeder services at PPAP are attractive to shipping lines.

In addition, import/export connectivity, namely proximity and intermodal connections via road also has an effect on the Company's results of operations. PPAP's location in Phnom Penh, the capital of Cambodia, provides it with connectivity throughout Cambodia and the region.

Operating expense

- Staff costs

A large portion of the Company's expenses is related to staff costs, ranging from 22.83% to 25.78% of the total expense, which PPAP incurs as cost of sales as well as other operating expenses. PPAP expects its staff costs to increase in 2015 due to the anticipated growth in container throughput and terminal expansion. The Company does not expect the revision of minimum wages in Cambodia to have any material impact on its staff costs as wages being paid by PPAP is well above the minimum rate.

- Depreciation

Depreciation arises from relevant port infrastructure and facilities, including terminals, buildings and warehouse, plant and machineries.

4-b Significant factors affecting profits

4-b-1 Demand and supply conditions analysis

The construction sector in Cambodia is undergoing rapid growth. According to the forecast from BMI's infrastructure team, the real growth value of the construction sector is expected to strengthen in 2015 to 9.8%. PPAP believes that such development would result in the corresponding increase in its throughputs.

Close to reaching its maximum capacity, PPAP intends to increase its existing capacity by expanding the container yard at LM17 Terminal. Expected to be completed within 2 years, the

project will begin in early 2016. The project will provide the additional 150,000 TEUs per annum and allow PPAP to satisfy the growing market demand.

4-b-2 Fluctuations in prices of raw materials analysis

Fluctuation in prices of raw materials such as fuel and electricity will not affect PPAP's financial performance significantly as the expenses represent not more than 20% of the total expenses. In addition, the fluctuations in prices of these expenses have been minimal for the past few years and have not had any material effect on the Company's performance. PPAP does not expect any significant changes in the prices of raw materials in the future.

4-b-3 Tax analysis

PPAP is subject to the Law on Commercial Enterprises for matters of taxation. Therefore, it has an obligation to pay tax as stipulated in the laws and regulation in force. It is required to pay tax under the real regime tax system and is a large taxpayer as determined by the General Department of Taxation.

Tax on profit ("TOP")

PPAP has an obligation to pay tax at 20% of taxable profit, by preparing tax on a monthly basis based on 1% of monthly turnover. This prepayment tax of 1% turnover will be settled with the payment of 20% profit tax at the end of each fiscal year. The total tax on profit for the year will be the higher of either the 20% tax on taxable profit or the 1% prepaid tax.

In accordance with the Anukret 01 ANK.BK. on Tax Incentive in the Securities Sector, PPAP will be able to receive 50% reduction on the tax on profit for 3 years beginning in 2016 if the official listing date is within 2015 as expected. The 1% of monthly turnover will be deferred for the 3 years period of tax incentives. The tax incentive period will start from the date the SECC approves the Company share to be listed on the CSX.

Value added tax ("VAT")

As a VAT registered company, PPAP has to charge VAT of 10% on invoiced amounts when issuing invoices to its customers. This tax is collected for the government as an output VAT. This VAT is settled with the 10% input VAT that PPAP has to pay to its suppliers when making purchases.

Tax withheld on interest income

PPAP has an obligation to pay withholding tax on interest income at the rate of 4% for general deposits. This withholding tax is deducted by banks, who later pass on the tax to the government. The withholding tax is recognized as part of finance income in the statement of comprehensive income of PPAP.

Tax withheld on BOD's compensation and other expenses

PPAP has an obligation to withhold tax on the BOD's compensation at the rate of 15% and 14% to 15% on expenses related to consultant/ advisory service expenses as determined by the General Department of Taxation.

Tax withheld on rental income

PPAP has an obligation to withhold tax on rental income at the rate of 10% as determined by the General Department of Taxation.

Import tax

PPAP has an obligation to pay import tax on materials and raw materials at rates ranging from 7% to 35%, depending on the type of goods, as determined by the General Department of Customs and Excise.

4-b-4 Analysis on any exceptional and extraordinary items

At the date of filing of the Disclosure Documents, the management believes that PPAP does not have any exceptional and extraordinary items.

4-c Material changes in sales and revenue

The main revenues of PPAP are from handling container cargo services such as LOLO, stevedore, and port services. In 2014, they accounted for 92.22% of its total revenue. Revenue streams may increase with the growth in construction and other commercial industries such as textile, apparel and footwear manufacturing.

4-d Impact of exchange rate, interest rate and commodity prices

4-d-1 Impact of exchange rate

PPAP maintains its accounting records in USD which is its functional currency. The Company does not enter into any currency hedging transactions, as it believes that the cost of such hedging is not justified by its limited exposure to any adverse impact from the fluctuations in foreign exchange rates. Hence, the impact of exchange rate to the Company is minimal.

4-d-2 Impact of interest rate

PPAP does not account for any fixed rate financial assets and liabilities at fair value through profit or loss statement and does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not materially affect the profit or loss of the Company.

4-d-3 Impact of exchange commodity prices

The gasoline expense accounts for relatively a small portion of the cost of sales each year and the fluctuations are minimal. The management believes that the fluctuation of these expenses do not significantly affect the financial position and results of operations of the Company.

4-e Impact of inflation

An increase in the rate of inflation could adversely affect the cost of fuel and hence increase PPAP's cost of sales and administrative expenses. In addition, inflation could diminish the purchasing power of PPAP employees' salaries and lead to labor unrest at the Company as well as increase the risk of demand for higher wages, or strikes or other types of work stoppages. However, the management believes that the impact from inflation will not have material effects on the financial position and operation of the Company.

4-f Governmental/ economic/ fiscal/ monetary policy

Governmental policy

The Cambodian government regulations, such as tax holidays and favorable terms for exports to other countries have been encouraging and increasing the export of goods. They have been generally beneficial to PPAP's container cargo business.

Economic policy

Cambodia has been one of the fastest growing countries in the world over the past ten years, experiencing the average annual growth of over 8% since 2000. The Cambodian economy has continued its path towards growth as real gross domestic product ("GDP") from 2010 to 2014 was well above 7%. According to a report by the Asian Development Bank, the GDP will continue to increase to 7.3% in 2015 and 7.5% in 2016. The risk of economic slowdown is remote in light of anticipated stronger performance from the trade partners (the United States and Thailand and, to a lesser extent, the European Union) coupled with a calmer domestic political environment and lower fuel costs. The Company is expected to continue its growth in this economic situation.

Fiscal policy

Cambodia's fiscal policy in recent years showed positive signs, one of which was the reduction in budget deficits. The government is undertaking to strengthen the implementation and enforcement of taxation.

Monetary policy

The National Bank of Cambodia continued the adoption of tight monetary policy and managed floating exchange rate system. It has boosted public confidence in the macroeconomic environment of Cambodia and facilitated the private sector in carrying out business.

Cambodia is a dollarized economy making the country's currency, the Cambodian Riel, very susceptible to changes in the value of USD. For the Cambodian securities market, there is a requirement to denote the price of listed securities in Cambodian Riel, reflecting a long-term goal of the government to strengthen the use of Cambodian Riel.

There has been no material adverse impact of the government, economic, fiscal or monetary policies on PPAP's historical profit for the past three years.

5- Liquidity and capital resources

5-a Working capital

The table below shows working capital as of 31 December 2014:

Description	31-Dec-14	
	KHR'000	USD
Current assets	12,906,026	3,196,143
Current liabilities	7,866,440	1,948,103
Total working capital	5,039,586	1,248,040

Note: total working capital = current assets – current liabilities

The above table shows that PPAP had the working capital of KHR5,039,586,000 (USD1,248,040), which was the net result from the current assets of KHR12,906,026,000 (USD3,196,143) and the current liabilities of KHR7,866,440,000 (USD1,948,103). The current assets mainly consist of cash and cash equivalents of KHR 7,352,835,000 (USD1,820,910), representing 57% of the total current assets.

5-b Forecasted cash flow

5-b-1 Net cash flow from operating activities

N/A

5-b-2 Net cash flow from investing activities

N/A

5-b-3 Net cash flow from financing activities

N/A

5-c Borrowings

PPAP obtained borrowings solely from the MEF. The main conditions are specified in Section: 7 5-g- Material commitments of this Disclosure Document.

5-c-1 Short-term

PPAP does not have any short-term borrowings as of 31 December 2014.

5-c-2 Long-term

Long-term borrowings in the financial statements are borrowings which will be repaid after 12 months after the reporting date.

Long-term borrowings as of 31 December 2014 are:

Source of finance	Agreement name	KHR'000	USD
Ministry of Economy and Finance	Subsidiary loan agreement	117,019,774	28,979,637
Total		117,019,774	28,979,637

5-d Breach of terms and conditions of covenants associated with credit arrangement, bank loan

On the filing date of this Disclosure Document, PPAP is not aware of any breach of terms and conditions of covenants associated with the borrowings.

5-e Types of financial instruments used

The table below sets forth the types of financial instruments used by PPAP as of 31 December 2014:

	31-Dec-14	
	KHR'000	USD
Financial assets		
Trade and other receivables	5,553,191	1,375,233
Cash and bank balances	7,352,835	1,820,910
Total	12,906,026	3,196,143
Financial liabilities		
Trade and other payables	6,574,381	1,628,128
Provision for income tax	1,292,059	319,975
Total	7,866,440	1,948,103

5-f Treasury policies and objectives

As the result of operational and financing activities, PPAP is exposed to credit risk, liquidity risk, foreign currency risk, interest rate risk and market risks. Recognizing such risks, PPAP has been implementing policies and procedures to measure, manage, monitor and report risk exposures, which are regularly reviewed by the appropriate management and supervisory bodies. The Company's management team is in charge of identifying risk exposures, monitoring and managing such risks on a daily basis. PPAP's overall risk management program on investment activities focuses on the unpredictability of financial markets and seeks to minimize its potential adverse effects on the Company's performance.

Credit risk

Credit risk is the risk of losses (realized or unrealized) arising from counterparty failing to meet its contractual obligations. Financial instruments which potentially subject PPAP to credit risk principally consist of bank balances, trade and other receivables. The carrying amount of financial assets represents the maximum credit exposure of PPAP.

Liquidity risk

PPAP monitors its liquidity risk and maintains a certain level of cash and cash equivalents as deemed adequate by the management to finance PPAP's operations and to mitigate the effects of fluctuations in its cash flows.

The following are the contractual maturities of non-derivative financial liabilities, including interest payments:

31-Dec-14	Carrying amount	Undiscounted contractual cash flow	6 months or less	6 to 12 months	After 1 year
	USD	USD	USD	USD	USD
Borrowings	28,979,637	56,449,449	-	-	56,449,449
Trade and other payables	1,334,513	1,334,513	1,270,614	63,899	-
Total (USD)	31,314,150	57,783,962	1,270,614	63,899	56,449,449
Total (KHR'000)	122,408,538	233,331,640	5,130,739	258,024	227,942,876

Foreign currency risk

The Company's revenue is principally earned in USD. The Company's expenditure is principally paid in USD. Other than the salaries and wages, the Company does not have any significant exposure to foreign currency risk.

Interest rate risk

PPAP's exposure to interest rate risk relates to interest-bearing financial assets and liabilities.

PPAP manages the exposure to interest rate risk by monitoring the exposure to such risks on an ongoing basis. The management does not enter into interest rate hedging transactions since it considers that the cost of such instruments outweigh the potential risk of fluctuations in interest rates.

PPAP does not account for any fixed rate financial assets and liabilities at fair value through profit or loss statement. Therefore, a change in interest rate at the end of the reporting period as of 2014 would not materially affect the profit or loss of the Company.

5-g Material commitments

On the filing date of this Disclosure Document, PPAP has no material commitments for capital expenditures other than the annual budget expense and the capital expenditure for the future plan.

5-h Material litigation and contingent liabilities

5-h-1 Material litigation

On the filing date of this Disclosure Document, the management is not aware of any material litigation involving PPAP that may adversely affect its business operation, financial position and financial performance.

5-h-2 Contingent liabilities

On the filing date of this Disclosure Document, the management is not aware of any material contingent liabilities that may arise for PPAP and may adversely affect its business operation, financial position and financial performance.

5-i Key financial ratios

(Unit: KHR'000, Times and %)

Description		2012	2013	2014
1	Solvency ratio (1)/(2)	77.41%	76.81%	79.65%
	(1): Total net worth	466,058,784	471,056,147	482,408,255
	(2): Aggregate of the assets (net amount after deduction of provision and depreciation) and off-balance sheet items, weighted to their degree of credit risk.	602,045,329	613,277,122	605,637,459
2	Liquidity ratios			
2.1	Current ratio (1)/(2)	37.21%	44.57%	164.06%
	(1): Current assets	8,578,953	9,634,549	12,906,026
	(2): Current liabilities	23,055,681	21,616,928	7,866,440
2.2	Quick ratio (1)/(2)	37.21%	44.57%	164.06%
	(1): Current assets - Inventories	8,578,953	9,634,549	12,906,026
	(2): Current liabilities	23,055,681	21,616,928	7,866,440
3	Profitability ratio			
3.1	Return on asset (1)/(2)	1.36%	0.48%	1.38%
	(1): Net income	8,193,713	2,937,966	8,464,073
	(2): Total assets	602,373,139	613,787,222	612,990,294

3.2	Return on equity (1)/(2)	1.76%	0.62%	1.75%
	(1): Net income-Dividend paid to preference shares	8,193,713	2,937,966	8,464,073
	(2): Shareholders' equity	466,058,784	471,056,147	482,408,255
3.3	Gross profit margin (1)/(2)	63.19%	59.88%	60.04%
	(1): Gross profit	27,027,755	27,498,224	32,228,074
	(2): Revenue	42,775,390	45,918,926	53,674,126
3.4	Profit margin (1)/(2)	19.16%	6.40%	15.77%
	(1): Net income	8,193,713	2,937,966	8,464,073
	(2): Revenue	42,775,390	45,918,926	53,674,126
3.5	Earnings per share (1)/(2)	0.50	0.18	0.51
	(1): Net income-Dividend paid to preference shares	8,193,713	2,937,966	8,464,073
	(2): Number of voting shares	16,547,492	16,547,492	16,547,492
4	Activity			
4.1	Asset turnover ratio (1)/(2)	0.07	0.07	0.09
	(1): Revenue	42,775,390	45,918,926	53,674,126
	(2): Total assets	602,373,139	613,787,222	612,990,294
4.2	Accounts receivable turnover ratio (1)/(2)	6.37	6.31	8.15
	(1): Credit sales	42,775,390	45,918,926	53,674,126

	(2): Average account receivables	6,717,421	7,275,603	6,589,126
4.3	Accounts payable turnover ratio (1)/(2)			
	(1): Purchases	No data	No data	No data
	(2): Average account payables	20,961,108	3,955,057	1,110,880
4.4	Inventory turnover ratio (1)/(2)			
	(1): Sales	42,775,390	45,918,926	53,674,126
	(2): Inventory	N/A	N/A	N/A
5	Capital structure analysis ratio			
5.1	Interest coverage ratio (1)/(2)	8.26	2.14	3.18
	(1): Profit before interest and tax	12,642,419	11,536,719	16,532,853
	(2): Interest expense	1,531,197	5,393,808	5,203,129
5.2	Debt to equity ratio (1)/(2)	0.29	0.30	0.27
	(1): Total liabilities	136,314,355	142,731,075	130,582,039
	(2): Shareholders' equity	466,058,784	471,056,147	482,408,255

5-j Trade receivables

Trade receivables are the amount that the customers owe PPAP for port services rendered, which are expected to be collected within the next 12 months from the reporting date. As of 31 December 2014, PPAP's trade receivables amounted to KHR 4,586,797,000 (USD 1,135,908).

5-k Inventories

PPAP does not hold any inventories as of 31 December 2014.

5-l Non-current assets

Non-current assets consist of property, plant and equipment.

Property, plant and equipment are measured at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditures that are directly attributable to the acquisition of the assets. Construction in progress which includes the cost of construction and equipment and other direct costs are stated at cost. The construction costs also include related borrowing costs.

When parts of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gains or losses on the disposal of property, plant and equipment is recognized in the statement of profit or loss.

Subsequent expenditure is capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Items of property, plant and equipment are depreciated from the date they are available for use or, in respect of constructed assets, from the date that the asset is completed and ready for use.

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line basis over their estimated useful lives. Depreciation is recognized in the statement of profit or loss. Land is not depreciated.

The estimated useful lives for the current and comparative years of significant items of property, plant and equipment are as follows:

Harbor and buildings	10 - 50 years
Plant and machineries	10 - 15 years
Furniture and fixtures	5 years
Computers	5 - 15 years
Office equipment and others	5 - 15 years
Moto vehicles	8 - 15 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if deemed appropriate.

The cost, accumulated depreciation and net book value of the property, plant and equipment of PPAP as of 31 December 2014 were KHR 592,054,996,000 (USD146,620,851), KHR 23,637,386 (USD5,853,736) and KHR 568,417,610,000 (USD140,767,115) respectively. The freehold land was valued at KHR 412,271,337,927 (USD 102,097,094) as of 31 December 2014.

5-m Trade payables

Trade payables represent the amount due to suppliers arising from purchases during the course of business. Trade payables are short-term liabilities, which will be repaid within a year. As of 31 December 2014, PPAP's trade payables amounted to KHR 953,065,000 (USD 236,024).

5-n Material contracts

On the filing date of this Disclosure Document, PPAP has the following contracts which could be deemed material and require disclosure:

Loan agreement

Loan	Details
Date of borrowing	28 January 2011
Available facility	USD 28,979,637.25
First installment date	20 February 2018
Maturity date	20 August 2031
Interest condition	4%, semi-annual payment
Repayment condition	Amortization

6- Trend information

PPAP container throughput grew steadily at the rate of 16.79%, 15.91% and 20.96% in year 2012, 2013 and 2014 respectively. The container throughput is the main factor that drives the increase in PPAP's total revenue. PPAP's total revenue grew at the rate of 25.44%, 7.51% and 16.57% in year 2012, 2013, and 2014 respectively. Although the container throughput increased at the rate of 15.91% in 2013, the growth rate of total revenue dropped to 7.51% because only two components of the revenue (Stevedore and LOLO) had increased in line with the container throughput. As PPAP expects the volume of container throughput at LM17 Terminal to increase, it believes that the revenue will also increase steadily each year.

7- Dividend policy

To encourage the investment in the IPO, PPAP's BOD has adopted a dividend policy on 24 July 2015 with the minimum guaranteed dividend yield of 5% based on the IPO price for the period of at least 5 years after being listed. This guaranteed dividend is only available for the shareholders of Class A (Voting) shares during the existence of Class B (Voting) shares. The Cambodian government, the holder of Class B (Voting) and Class C (Non-Voting) shares, is not entitled to receive the guaranteed dividend.

In case that the cash dividend for Class A (Voting) shareholders is less than the minimum guaranteed dividend amount, PPAP shall issue and distribute new Class A (Voting) shares, also known as stock dividend, to make up for the shortfall amount for which the stock dividend shall be determined based on the closing stock price at one (1) trading day before the ex-dividend date. PPAP shall declare dividends to the fullest permissible, but if part or full of minimum

guaranteed dividend could not be made during any fiscal year during the guaranteed 5 year period, the unpaid amount will be accumulated to the following year. For more information, please refer to the article of incorporation of the Company.

In accordance with Article 32- Profit Allocation of PPAP AOI, the available net income for the dividend distribution shall be determined in line with the principle of profit allocation as follows:

1. Compensation for loss(es) incurred in previous years
2. After the compensation for loss, the remaining profit, if any, shall be distributed in the following manner:
 - a. Incentive to the management and employees:
 - i. If the remaining profit accounts for 5% to 10% of the operating expenses of PPAP, the reward shall equal to the amount of one month of total salary of the management and each employee.
 - ii. If the remaining profit accounts for 11% to 20% of the operating expenses of PPAP, the reward shall equal to the amount of two months of total salary of the management and each employee.
 - iii. If the remaining profit accounts for 21% or more of the operating expenses of PPAP, the reward shall equal to the amount of three months of total salary of the management and each employee.
 - b. 5% of the net profit after the deduction of incentive to the management and employees as the Legal Reserve
 - c. 5% of the net profit after the deduction of incentive to the management and employees as the Free Reserve
 - d. Reserve for Development Fund

Any remaining amount following the above distribution shall be available for dividend distribution.

8- Pro-forma financial information

PPAP has only prepared 3 year projected Statement of Profit or Loss and other comprehensive income

Projected Income Statements	2015	2016	2017
	Forecast	Forecast	Forecast
Revenue	15,227,927	16,030,250	17,405,782
Cost of services	(5,860,805)	(6,299,791)	(7,059,822)
Gross profit	9,367,122	9,730,459	10,345,959
Other income	319,562	390,008	406,227
General administration and selling expenses	(4,301,059)	(4,517,003)	(4,674,587)
Net operating income	5,385,625	5,603,464	6,077,600
Finance costs	(1,159,186)	(1,159,186)	(1,159,186)
Profit before income tax	4,226,440	4,444,278	4,918,414
Income tax expense	(1,056,610)	(1,111,070)	(1,229,604)
Net profit for the year	3,169,830	3,333,209	3,688,811

Projected Income Statements	2015	2016	2017
	Forecast	Forecast	Forecast
Other comprehensive income			
Re-measurements of defined benefit liability	(50,000)	(50,000)	(50,000)
	3,119,830	3,283,209	3,638,811

Note: The 3 year projected Statement of Profit or Loss and other comprehensive income has been prepared by PPAP with the assistance of Grant Thornton (Cambodia) Ltd. The 3 year projected Statement of Profit or Loss and other comprehensive income has not been reviewed by an independent auditor.

9- Consolidated financial information

N/A

10- Off-balance sheet

The Company does not have any off-balance sheet items.

Section 8: The Director's Report on the Valuation of the Company's Performance

In 2010, PPAP's management took the appropriate decision to expand into a New Container Terminal known as LM17, located along the Mekong mainstream 30km away from Phnom Penh with the total land area of 30 ha. The location of LM17 is a strategic place for a container terminal: lands available for further expansion, suitable access to waterway and convenient hinterland connection such as National Road No.1, Ring Road N.2 and Ring Road N.3 (to be developed).

PPAP has been relying so far on the country's overall import and export volumes. Since 2010, PPAP has been experiencing an average annual growth rate on container throughputs of approximately 20% year on year. In particular, PPAP has a larger share of export containers which is about 55% compared to 45% of its import volume. Among the main export commodities are garments, followed by agricultural products such as rice, rubber, and sawn timber. Major import commodities, on the other hand, are construction materials, garment accessories, consumer goods and household products, fertilizers and cements.

If we look at the Cambodia Economic Update 2014 by World Bank, Cambodia had the average yearly growth rate of 7.7 percent for the past two decades, making it the sixth fastest growing country in the world over the period. The report also indicates that the outlook for growth appears to be promising in Cambodia with renewed domestic political stability, economic recovery in the United States (US), and returning stability in Thailand; all supporting the GDP growth to reach 7.5 percent in 2015, similar to the GDP growth in 2013. Importantly, the report highlights that the garment as well as booming construction and crops sectors are among the main drivers for economic growth. Therefore, the management believes that the trend in PPAP's annual growth rate is likely to continue.

However, our business strategies are no longer to be passive; we would rather be proactive in maintaining and gaining control over the chain of supply and demand. In terms of demand, PPAP will have some control over any unexpected down-turn in the economy by observing the fluctuation of traffic through the port and pursuing the investment in the development of port supporting facilities. This will enable us to artificially generate demand for traffic from both import and export via the Port. In terms of supply, we must ensure that PPAP makes plans and investments ahead of time in order to grasp any opportunity arising in the market. This involves investing to expand related infrastructure, facilities and handling equipment. Finally, to cope with unexpected external environment, PPAP must not rely only on its core businesses, but should also diversify and venture into supporting related businesses as alternative sources of income.

To maintain and strengthen our competitive edge, PPAP shall focus on greater consolidation network, cost-effectiveness, and economy of scale. At the same time, PPAP must ensure productivity, efficiency and value-added services. Most of these can be realized through investing in training, capacity building, and appropriate remuneration system. PPAP shall put in place adequate control, policies and procedures on expenditures. It is necessary to reduce administrative cost, labor cost, overhead and operation costs as much as possible. With our prudent financial management, we will further strengthen our operations and enhance our competitiveness in the market place with an aim of achieving higher returns.

Finally, on behalf of the board, I would like to take this opportunity to express my gratitude and sincere thanks to all customers, our community, our wider stakeholders and every employee for their contribution, support, trust and belief in what we are aiming to achieve.

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

Section 9 : Accountant's Report

The Board of Directors

Phnom Penh Autonomous Port

No. 649, Preah Sisowath Quay

Sangkat Sras Chork

Khan Daun Penh, Phnom Penh

Kingdom of Cambodia

4 August 2015

Dear Sirs,

Phnom Penh Autonomous Port

ACCOUNTANTS' REPORT (the "Report")

(Prepared for inclusion in the Disclosure Document for submission to the Securities Exchange Commission of Cambodia, "SECC")

Introduction

We set out below our report on the financial information relating to Phnom Penh Autonomous Port ("the Company" or PPAP) including the statements of financial position of the Company as at 31 December 2014, 2013 and 2012 ("**Relevant Financial Period**") and the statements of profit or loss and other comprehensive income, changes in equity and cash flows of the Company for each of the years ended 31 December 2014, 2013 and 2012, and notes, comprising a summary of significant accounting policies and other explanatory information (the "**Financial Information**") for inclusion in the Disclosure Document (the "**Disclosure Document**") in connection with the initial listing of the Company's shares on the Cambodia Securities Exchange (the "**CSX**") and should not be relied on for any other purposes.

General information

Phnom Penh Autonomous Port ("PPAP") was incorporated in the Kingdom of Cambodia under Sub-Decree number 51 អនក្រឹត្យចេញថ្ងៃទី១៧ ខែកក្កដា ឆ្នាំ១៩៩៨ dated 17 July 1998 as a state owned enterprise supervised by the Ministry of Economy and Finance ("MEF") and the Ministry of Public Works and Transport ("MPWT"). PPAP received the rights and obligations from the Government to implement its mission.

General information (continued)

PPAP has objectives and obligations as follows:

- Provide pilotage and logistic service for vessel in - out of Cambodia;
- Handle, load/discharge and transport cargos;
- Dredging service for business and maintenance of navigation channel;
- Maintenance of waterway transportation;
- Provide storage, warehouse and container yard for cargos;
- Develop, rehabilitate, and expand the infrastructure;
- Manage Phnom Penh lines for waterway transportation;
- Provide service for passenger and tourist vessel passing through;
- Responsible for the safety, security and order under PPAP's management area; and
- Conduct other legal business of any kind, in addition to the above mentioned, to further the objectives of PPAP as deemed necessary or appropriate by the Board of Directors of PPAP.

There were no significant changes to these principal activities during the financial years.

Capital

There were subsequent changes in the registered and paid up capital of the Company as follows:

- On 4 January 2013, the shareholders of PPAP approved to increase the paid-up capital from US\$24,954,902 to US\$25,884,662.
- In October 2014, the shareholders of PPAP approved to increase the paid-up capital from US\$25,884,662 to US\$26,777,872.

Relevant financial period

The financial statements of the Company for the financial years ended 31 December 2014, 2013 and 2012, which are prepared in accordance with Cambodian International Financial Reporting Standards, were audited by KPMG Cambodia Ltd who expressed an unqualified opinion on each of the financial year. The financial statements and report of the independent auditors of the relevant financial years are attached to this report as Annex I, II and III.

Basis of preparation of accountants' report

The Financial Information has been prepared by the Directors of the Company based on the audited financial statements to conform with Cambodian International Financial Reporting Standards and to comply with the disclosure requirements in accordance with the Prakas No. 001 on Public Issuance of Equity Securities dated 15 January 2010 issued by the Securities and Exchange Commission of Cambodia (the "SECC").

Respective responsibilities of directors and reporting accountants

The Directors are responsible for the preparation and fair presentation of the Financial Information in accordance with Cambodian International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial information that are free from material misstatement, whether due to fraud or error.

Our responsibility is to express an opinion on the Financial Information based on our audit.

Basis of opinion

As a basis for expressing an opinion on the Financial Information, for the purpose of this report, we conducted our audit in accordance with Cambodian International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial Information are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Information. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the Financial Information, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the Financial Information 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 the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Financial Information.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, for the purpose of this report, and on the basis of preparation set out in Section B, the Financial Information gives a true and fair view of the financial position of the Company as at 31 December 2014, 2013 and 2012, and the financial performance and cash flows of the Company for each of the years ended 31 December 2014, 2013 and 2012 in accordance with Cambodian International Financial Reporting Standards.

For **KPMG Cambodia Ltd**

Nge Huy

Audit Partner

Phnom Penh, Kingdom of Cambodia

4 August 2015

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

A. FINANCIAL INFORMATION

1. STATEMENTS OF FINANCIAL POSITION

	Section C Note	2014 US\$	2014 KHR'000 (Note C.2)	2013 US\$	2013 KHR'000 (Note C.2)	2012 US\$	2012 KHR'000 (Note C.2)
Assets							
Non-current assets							
Property, plant and equipment	3	140,767,115	568,417,610	142,173,078	572,530,985	136,546,163	550,690,676
Investment properties	4	7,842,164	31,666,658	7,852,418	31,621,688	7,895,896	31,844,148
Prepayment		-	-	-	-	2,791,808	11,259,362
		<u>148,609,279</u>	<u>600,084,268</u>	<u>150,025,496</u>	<u>604,152,673</u>	<u>147,233,867</u>	<u>593,794,186</u>
Current assets							
Trade and other receivables	5	1,375,233	5,553,191	2,265,818	9,124,449	2,045,907	8,251,143
Cash and bank balances	6	1,820,910	7,352,835	126,670	510,100	81,282	327,810
		<u>3,196,143</u>	<u>12,906,026</u>	<u>2,392,488</u>	<u>9,634,549</u>	<u>2,127,189</u>	<u>8,578,953</u>
Total assets		<u>151,805,422</u>	<u>612,990,294</u>	<u>152,417,984</u>	<u>613,787,222</u>	<u>149,361,056</u>	<u>602,373,139</u>
Liabilities and equity							
Equity							
Capital	7	26,777,872	108,129,047	25,884,662	104,237,534	24,954,902	100,643,120
Legal reserves		349,143	1,409,839	335,366	1,350,519	248,174	1,000,886
General reserves		349,143	1,409,839	335,366	1,350,519	248,174	1,000,886
Development fund		6,335,151	25,581,341	6,087,168	24,513,025	4,517,710	18,219,924
Retained earnings		85,655,817	345,878,189	84,331,897	339,604,550	85,592,355	345,193,968
		<u>119,467,126</u>	<u>482,408,255</u>	<u>116,974,459</u>	<u>471,056,147</u>	<u>115,561,315</u>	<u>466,058,784</u>

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

A. FINANCIAL INFORMATION (CONTINUED)

1. STATEMENTS OF FINANCIAL POSITION (CONTINUED)

		2014		2013		2012	
	Section C Note	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
Non-current liabilities							
Borrowings	8	28,979,637	117,019,774	28,979,637	116,700,998	27,534,773	111,047,739
Provision for retirement benefits	9	717,462	2,897,112	619,842	2,496,104	512,002	2,064,904
Deferred tax liabilities, net	10	693,094	2,798,713	476,048	1,917,045	36,209	146,031
		<u>30,390,193</u>	<u>122,715,599</u>	<u>30,075,527</u>	<u>121,114,147</u>	<u>28,082,984</u>	<u>113,258,674</u>
Current liabilities							
Overdrafts	6	-	-	3,176,183	12,790,489	1,401,727	5,653,165
Trade and other payables	11	1,628,128	6,574,381	1,966,013	7,917,134	3,774,341	15,221,917
Provision for income tax	10	319,975	1,292,059	225,802	909,305	540,689	2,180,599
		<u>1,948,103</u>	<u>7,866,440</u>	<u>5,367,998</u>	<u>21,616,928</u>	<u>5,716,757</u>	<u>23,055,681</u>
Total liabilities		<u>32,338,296</u>	<u>130,582,039</u>	<u>35,443,525</u>	<u>142,731,075</u>	<u>33,799,741</u>	<u>136,314,355</u>
Total liabilities and equity		<u>151,805,422</u>	<u>612,990,294</u>	<u>152,417,984</u>	<u>613,787,222</u>	<u>149,361,056</u>	<u>602,373,139</u>

The accompanying notes form an integral part of this financial information.

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

A. FINANCIAL INFORMATION (CONTINUED)

2. STATEMENTS OF COMPREHENSIVE INCOME

		2014		2013		2012	
	Section C Note	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
Revenue	12	13,292,255	53,674,126	11,402,763	45,918,926	10,606,345	42,775,390
Cost of services	13	(5,311,058)	(21,446,052)	(4,574,299)	(18,420,702)	(3,904,695)	(15,747,635)
Gross profit		<u>7,981,197</u>	<u>32,228,074</u>	<u>6,828,464</u>	<u>27,498,224</u>	<u>6,701,650</u>	<u>27,027,755</u>
Other income	14	301,336	1,216,795	352,757	1,420,553	403,430	1,627,033
General administration and selling expenses	15	(4,188,216)	(16,912,016)	(4,316,379)	(17,382,058)	(3,970,337)	(16,012,369)
Profit from operation		<u>4,094,317</u>	<u>16,532,853</u>	<u>2,864,842</u>	<u>11,536,719</u>	<u>3,134,743</u>	<u>12,642,419</u>
Finance costs		(1,288,541)	(5,203,129)	(1,339,411)	(5,393,808)	(379,667)	(1,531,197)
Profit before taxation		<u>2,805,776</u>	<u>11,329,724</u>	<u>1,525,431</u>	<u>6,142,911</u>	<u>2,755,076</u>	<u>11,111,222</u>
Income tax expense	10	(660,667)	(2,667,773)	(753,246)	(3,033,322)	(765,051)	(3,085,451)
Net profit for the year		<u>2,145,109</u>	<u>8,661,951</u>	<u>772,185</u>	<u>3,109,589</u>	<u>1,990,025</u>	<u>8,025,771</u>
Other comprehensive income							
Re-measurements of defined benefit liability		(49,004)	(197,878)	(42,618)	(171,623)	41,642	167,942
		<u>2,096,105</u>	<u>8,464,073</u>	<u>729,567</u>	<u>2,937,966</u>	<u>2,031,667</u>	<u>8,193,713</u>

The accompanying notes form an integral part of this financial information.

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

A. FINANCIAL INFORMATION (CONTINUED)

3. STATEMENTS OF CHANGES IN EQUITY

	Share capital US\$	Legal reserves US\$	General reserves US\$	Development fund US\$	Retained earnings US\$	Total US\$
Balance as at 1 January 2012	24,954,902	155,937	155,937	2,857,453	85,651,423	113,775,652
<i>Total comprehensive incomes</i>						
Net profit for the year	-	-	-	-	1,990,025	1,990,025
Other comprehensive income	-	-	-	-	41,642	41,642
Dividend paid	-	-	-	-	(246,004)	(246,004)
Transfers	-	92,237	92,237	1,660,257	(1,844,731)	-
	-	92,237	92,237	1,660,257	(59,068)	1,785,663
Balance as at 31 December 2012	24,954,902	248,174	248,174	4,517,710	85,592,355	115,561,315
(KHR'000 equivalents – Note C.2)	100,643,120	1,000,886	1,000,886	18,219,924	345,193,968	466,058,784

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

A. FINANCIAL INFORMATION (CONTINUED)

3. STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

	Share capital US\$	Legal reserves US\$	General reserves US\$	Development fund US\$	Retained earnings US\$	Total US\$
Balance as at 1 January 2013	24,954,902	248,174	248,174	4,517,710	85,592,355	115,561,315
<i>Transactions with owners of the Company</i>						
Additional share capital (Note C.7)	929,760	-	-	-	-	929,760
	25,884,662	248,174	248,174	4,517,710	85,592,355	116,491,075
<i>Total comprehensive incomes</i>						
Net profit for the year	-	-	-	-	772,185	772,185
Other comprehensive loss	-	-	-	-	(42,618)	(42,618)
Dividend paid	-	-	-	-	(246,183)	(246,183)
Transfers	-	87,192	87,192	1,569,458	(1,743,842)	-
	-	87,192	87,192	1,569,458	(1,260,458)	483,384
Balance as at 31 December 2013	25,884,662	335,366	335,366	6,087,168	84,331,897	116,974,459
(KHR'000 equivalents – Note C.2)	104,237,534	1,350,519	1,350,519	24,513,025	339,604,550	471,056,147

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

A. FINANCIAL INFORMATION (CONTINUED)

3. STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

	Share capital US\$	Legal reserves US\$	General reserves US\$	Development fund US\$	Retained earnings US\$	Total US\$
At 1 January 2014	25,884,662	335,366	335,366	6,087,168	84,331,897	116,974,459
<i>Transactions with owners of the Company</i>						
Additional share capital (Note C.7)	893,210	-	-	-	-	893,210
	<u>26,777,872</u>	<u>335,366</u>	<u>335,366</u>	<u>6,087,168</u>	<u>84,331,897</u>	<u>117,867,669</u>
<i>Total comprehensive incomes</i>						
Net profit for the year	-	-	-	-	2,145,109	2,145,109
Other comprehensive loss	-	-	-	-	(49,004)	(49,004)
Dividend paid	-	-	-	-	(496,648)	(496,648)
Transfers	-	13,777	13,777	247,983	(275,537)	-
	<u>-</u>	<u>13,777</u>	<u>13,777</u>	<u>247,983</u>	<u>1,323,920</u>	<u>1,599,457</u>
Balance as at 31 December 2014	<u>26,777,872</u>	<u>349,143</u>	<u>349,143</u>	<u>6,335,151</u>	<u>85,655,817</u>	<u>119,467,126</u>
(KHR'000 equivalents – Note C.2)	<u>108,129,047</u>	<u>1,409,839</u>	<u>1,409,839</u>	<u>25,581,341</u>	<u>345,878,189</u>	<u>482,408,255</u>

The accompanying notes form an integral part of this financial information.

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

A. FINANCIAL INFORMATION (CONTINUED)

4. STATEMENTS OF CASH FLOWS

	2014		2013		2012	
	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
Cash flows from operating activities						
Net profit for the year	2,145,109	8,661,951	772,185	3,109,589	1,990,025	8,025,771
Adjustments for:						
Income tax expense	660,667	2,667,773	753,246	3,033,322	765,051	3,085,451
Depreciation	2,279,349	9,204,011	1,879,978	7,570,672	985,639	3,975,082
Loss on disposal of property, plant and equipment	25,294	102,137	-	-	-	-
Loss on property, plant and equipment written off	-	-	1,023	4,120	-	-
Written off for trade receivables	-	-	69,120	278,346	-	-
Provision for retirement benefits	92,268	372,579	78,901	317,735	77,462	312,404
Finance costs	1,288,541	5,203,129	1,339,411	5,393,808	379,667	1,531,197
	<u>6,491,228</u>	<u>26,211,580</u>	<u>4,893,864</u>	<u>19,707,592</u>	<u>4,197,844</u>	<u>16,929,905</u>
Changes in:						
Prepayment	-	-	2,062,500	8,305,688	(2,791,808)	(11,259,362)
Trade and other receivables	890,585	3,596,181	(289,031)	(1,163,928)	252,323	1,017,619
Trade and other payables	(337,885)	(1,364,380)	(1,844,505)	(7,427,824)	(5,632,481)	(22,715,796)
	<u>7,043,928</u>	<u>28,443,381</u>	<u>4,822,828</u>	<u>19,421,528</u>	<u>(3,974,122)</u>	<u>(16,027,634)</u>
Cash generated from/(used in) operating						
Interest paid	(1,288,541)	(5,203,129)	(1,303,234)	(5,248,123)	(810,480)	(3,268,666)
Income tax paid	(349,448)	(1,411,071)	(628,294)	(2,530,140)	(495,831)	(1,999,686)
Employee benefit paid	(43,652)	(176,266)	(13,679)	(55,085)	(18,795)	(75,800)
	<u>5,362,287</u>	<u>21,652,915</u>	<u>2,877,621</u>	<u>11,588,180</u>	<u>(5,299,228)</u>	<u>(21,371,786)</u>
Net cash generated from/(used in) operating activities						

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

A. FINANCIAL INFORMATION (CONTINUED)

4. STATEMENTS OF CASH FLOWS (CONTINUED)

	2014		2013		2012	
	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
Cash flows from investing activities						
Purchase of property, plant and equipment	(855,455)	(3,454,327)	(6,735,130)	(27,122,369)	(7,374,133)	(29,739,879)
Purchase of investment property	(34,339)	(138,661)	-	-	-	-
Proceeds from disposals of property, plant and equipment	1,368	5,524	-	-	-	-
Net cash used in investing activities	<u>(888,426)</u>	<u>(3,587,464)</u>	<u>(6,735,130)</u>	<u>(27,122,369)</u>	<u>(7,374,133)</u>	<u>(29,739,879)</u>
Cash flows from financing activities						
Proceeds from issuance for share capital	893,210	3,606,782	929,760	3,744,144	-	-
Dividend paid	(496,648)	(2,005,465)	(246,183)	(991,379)	(246,004)	(992,134)
Proceeds from borrowings	-	-	1,444,864	5,818,467	10,242,731	41,308,934
Net cash generated from financing activities	<u>396,562</u>	<u>1,601,317</u>	<u>2,128,441</u>	<u>8,571,232</u>	<u>9,996,727</u>	<u>40,316,800</u>
Net increase/(decrease) in cash and cash equivalents	4,870,423	19,666,768	(1,729,068)	(6,962,957)	(2,676,634)	(10,794,865)
Cash and cash equivalents at the beginning of year	<u>(3,049,513)</u>	<u>(12,313,933)</u>	<u>(1,320,445)</u>	<u>(5,317,432)</u>	<u>1,356,189</u>	<u>5,469,510</u>
Cash and cash equivalents at the end of year (Note C.3)	<u><u>1,820,910</u></u>	<u><u>7,352,835</u></u>	<u><u>(3,049,513)</u></u>	<u><u>(12,280,389)</u></u>	<u><u>(1,320,445)</u></u>	<u><u>(5,325,355)</u></u>

The accompanying notes form an integral part of this financial information.

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

B. BASIS OF PREPARATION

1. STATEMENT OF COMPLIANCE

The financial statements under the Financial Information of the Company for the years ended 31 December 2014, 2013 and 2012 have been prepared in accordance with Cambodian International Financial Reporting Standards.

2. BASIS OF MEASUREMENT

The financial statements have been prepared on the historical cost basis.

3. FUNCTIONAL AND PRESENTATION CURRENCY

The national currency of Cambodia is the Khmer Riel ("KHR"). However as the Company transacts its business and maintains its accounting records primarily in United States Dollars ("US\$") management have determined the United States Dollar to be the Company's functional and presentation currency as it reflects the economic substance of the underlying events and circumstances of the Company.

These financial statements are presented in US\$, which is the Company's functional currency. All information in US\$ has been rounded to the nearest dollars.

4. USE OF ESTIMATE AND JUDGEMENTS

The preparation of the financial statements in conformity with CIFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Note C.9 – Measurement of defined benefit obligations
- Note C.18 – Tax contingency.

Key accounting estimates and judgements applied in the preparation of the financial statements include estimates of recoverability of the deferred tax assets.

Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of CIFRS, including the level in the fair value hierarchy in which such valuations should be classified.

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

B. BASIS OF PREPARATION (CONTINUED)

4. USE OF ESTIMATE AND JUDGEMENTS (CONTINUED)

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorised 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).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Information about the assumptions made in measuring fair values is included in Note C.17 – financial instruments.

C. NOTES TO THE FINANCIAL INFORMATION

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Foreign currency transactions

Transactions in currencies other than US\$ are translated into US\$ at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in currencies other than US\$ are translated into US\$ at the exchange rates at the reporting date. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Financial instruments

The Company classifies non-derivative financial assets into loans and receivables category.

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

The Company classifies non-derivative financial liabilities into other financial liabilities category.

(i) *Non-derivative financial assets and financial liabilities – recognition and derecognition*

The Company initially recognises loans and receivables on the date that they are originated. All other financial assets and financial liabilities are recognised initially on the trade date.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control over the transferred assets. Any interest in such transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

(ii) *Non-derivative financial assets and financial liabilities – measurement*

Loans and receivables

These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

Other financial liabilities

Other financial liabilities are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Financial instruments (continued)

(iii) *Share capital – ordinary shares*

Incremental costs directly attributable to the issue of ordinary shares, net of any tax effects, are recognised as a deduction from equity.

(c) Property, plant and equipment

(i) *Recognition and measurement*

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. Construction in progress which includes cost of construction and equipment and other direct costs are stated at cost. The construction costs also include related borrowing costs.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gains or losses on disposal of an item of property, plant and equipment is recognised in profit or loss.

(ii) *Subsequent costs*

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(iii) *Depreciation*

Items of property, plant and equipment are depreciated from the date they are available for use or, in respect of self-constructed assets, from the date that the asset is completed and ready for use.

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using on a straight-line basis over their estimated useful lives. Depreciation is recognised in profit or loss. Land is not depreciated.

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Property, plant and equipment (continued)

(iii) Depreciation (continued)

The estimated useful lives for the current and comparative years of significant items of property, plant and equipment are as follows:

Harbours and buildings	10 - 50 years
Plant and machineries	10 - 15 years
Furniture and fixtures	5 years
Computers	5 - 15 years
Office equipment and others	5 - 15 years
Moto vehicles	8 - 15 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(d) Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment property is measured at cost less accumulated depreciation and accumulated impairment losses.

Investment property is depreciated over 10 – 50 years.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(e) Impairment

(i) Non-derivative financial assets

Financial assets are assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes

- default or delinquency by a debtor;
- restructuring of an amount due to the Company on terms that the Company would not consider otherwise;
- indications that a debtor or issuer will enter bankruptcy;
- adverse changes in the payment status of borrowers or issuers;
- the disappearance of an active market for a security; or
- observable data indicating that there is measurable decrease in expected cash flows from a group of financial assets.

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Impairment (continued)

(i) *Non-derivative financial assets (continued)*

Financial assets measure at amortised cost

The Company considers evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets are individually assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Company uses historical information on the timing of recoveries and the amount of loss incurred, and makes a judgement if any current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the impairment loss subsequently decrease and the decrease can be related to objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

(ii) *Non-financial assets*

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If such indication exists, then the asset's recoverable amount is estimated.

For the impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

Impairment losses are recognised in profit or loss. Impairment losses are allocated to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Employee benefits

(i) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(ii) Defined benefit plans

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(g) Provisions

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

(h) Legal and general reserves and development fund

Based on the Memorandum and Articles of Association, PPAP shall transfer from the annual profit after tax of preceding year to reserves and development fund as follows:

Legal reserves	5%
General reserves	5%
Development Fund	90%

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Company's activities. Revenue is shown, net of tax, rebates and discounts.

Revenue is recognised as follows:

(i) *Port services*

Port services revenue is recognised when the related service is performed. If at reporting date, the service is in progress, then the portion performed is recognised in the current year.

(ii) *Transport operations – trucking*

Transport operations revenue is recognised when the service is performed. If at reporting date, the service is in progress, then the portion performed is recognised in the current year.

(iii) *Freight handling – lift on lift off, storage and stevedoring*

Freight handling revenue is recognised when the service is performed. If at reporting date, the service is in progress, then the portion performed is recognised in the current year.

(j) Rental income

Rental income from property leased under operating leases is recognised in the income statements on a straight line basis over the term of the lease. Lease incentives provided are recognised as an integral part of the total lease income, over the term of the lease.

(k) Finance costs

Finance costs comprise interest expense on borrowings and unwinding of the discount on provisions.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

(l) Operating leases

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except items recognised directly in equity or in other comprehensive income.

Current tax

Current tax is the expected tax payable on the taxable income for the year using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

A deferred tax assets are recognised for unused tax losses and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

(m) New standards and interpretations not yet adopted

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2014; however, the Company has not applied the following new or amended standards in preparing the financial statements.

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) New standards and interpretations not yet adopted (continued)

CIFRS 9 Financial Instruments

CIFRS 9 published in July 2014, replaces the existing guidance in CIAS 39 Financial Instruments: Recognition and Measurement. CIFRS 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition of financial instruments from CIAS 39.

CIFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.

CIFRS 15 Revenue from Contracts with Customers

CIFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaced existing revenue recognition guidance, including CIAS 18 Revenue, CIAS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programmes.

CIFRS 15 is effective for annual reporting periods beginning on or after 1 January 2017, with early adoption permitted.

2. TRANSLATION OF UNITED STATES DOLLARS INTO KHMER RIEL

The financial statements are expressed in United States Dollars. The translations of United States Dollars amounts into Khmer Riel are included solely for meeting the presentation requirements pursuant to Law on Corporate Accounts, their Audit and the Accounting Profession of Cambodia and have been made using the prescribed official exchange rate of US\$1 to KHR4,038, US\$1 to KHR4,027 and US\$1 to KHR4,033 published by the Cambodian General Department of Taxation on 31 December 2014, 2013 and 2012 respectively. These convenience translations are not audited and should not be construed as representations that the United States Dollars amounts have been, could have been, or could in the future be, converted into Khmer Riel at this or any other rate of exchange.

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

3. PROPERTY, PLANT AND EQUIPMENT

2012	Land US\$	Harbours and buildings US\$	Plants and machineries US\$	Furniture and fixtures US\$	Computers US\$	Office equipment and others US\$	Motor vehicles US\$	Construction in progress US\$	Total US\$	KHR'000 (Note 4)
Cost or deemed cost										
At 1 January 2012	94,146,049	6,876,164	2,054,430	17,707	76,276	126,302	541,625	27,127,263	130,965,816	528,185,136
Additions	789,637	55,405	1,903,069	23,564	400,130	68,695	8,700	4,124,933	7,374,133	29,739,879
At 31 December 2012	94,935,686	6,931,569	3,957,499	41,271	476,406	194,997	550,325	31,252,196	138,339,949	557,925,015
Less: Accumulated depreciation										
At 1 January 2012	-	630,776	157,104	3,808	11,721	9,187	39,029	-	851,625	3,434,604
Depreciation for the year	-	632,204	207,798	5,658	41,722	12,328	42,451	-	942,161	3,799,735
At 31 December 2012	-	1,262,980	364,902	9,466	53,443	21,515	81,480	-	1,793,786	7,234,339
Carrying amounts										
At 31 December 2012	94,935,686	5,668,589	3,592,597	31,805	422,963	173,482	468,845	31,252,196	136,546,163	550,690,676

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

2013	Land US\$	Harbours and buildings US\$	Plants and machineries US\$	Furniture and fixtures US\$	Computers US\$	Office equipment and others US\$	Motor vehicles US\$	Construction in progress US\$	Total US\$	KHR'000 (Note 4)
Cost										
At 1 January 2013	94,935,686	6,931,569	3,957,499	41,271	476,406	194,997	550,325	31,252,196	138,339,949	557,094,975
Additions	-	176,019	6,307,877	1,432	32,538	144,311	43,128	29,825	6,735,130	27,122,369
Written off	-	-	-	-	-	-	(1,064)	-	(1,064)	(4,286)
Transfers from prepayment	-	-	729,308	-	-	-	-	-	729,308	2,936,923
Transfers	-	31,142,305	-	-	-	139,716	-	(31,282,021)	-	-
At 31 December 2013	94,935,686	38,249,893	10,994,684	42,703	508,944	479,024	592,389	-	145,803,323	587,149,981
Less: Accumulated depreciation										
At 1 January 2013	-	1,262,980	364,902	9,466	53,443	21,515	81,480	-	1,793,786	7,223,576
Depreciation for the year	-	1,208,146	449,725	9,270	94,637	31,297	43,425	-	1,836,500	7,395,586
Written off	-	-	-	-	-	-	(41)	-	(41)	(166)
At 31 December 2013	-	2,471,126	814,627	18,736	148,080	52,812	124,864	-	3,630,245	14,618,996
Carrying amounts										
At 31 December 2013	94,935,686	35,778,767	10,180,057	23,967	360,864	426,212	467,525	-	142,173,078	572,530,985

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

2014	Land US\$	Harbours and buildings US\$	Plants and machineries US\$	Furniture and fixtures US\$	Computers US\$	Office equipment and others US\$	Motor vehicles US\$	Construction in progress US\$	Total US\$	KHR'000 (Note 4)
Cost										
At 1 January 2014	94,935,686	38,249,893	10,994,684	42,703	508,944	479,024	592,389	-	145,803,323	588,753,818
Additions	420,666	71,773	40,074	6,019	52,125	29,192	235,606	-	855,455	3,454,327
Disposals	-	-	-	-	-	-	(35,074)	-	(35,074)	(141,629)
Written off	-	-	-	-	-	(2,853)	-	-	(2,853)	(11,520)
At 31 December 2014	95,356,352	38,321,666	11,034,758	48,722	561,069	505,363	792,921	-	146,620,851	592,054,996
Less: Accumulated depreciation										
At 1 January 2014	-	2,471,126	814,627	18,736	148,080	52,812	124,864	-	3,630,245	14,658,929
Depreciation for the year	-	1,268,189	763,320	9,435	104,444	37,901	51,467	-	2,234,756	9,023,945
Disposals	-	-	-	-	-	-	(8,412)	-	(8,412)	(33,968)
Written off	-	-	-	-	-	(2,853)	-	-	(2,853)	(11,520)
At 31 December 2014	-	3,739,315	1,577,947	28,171	252,524	87,860	167,919	-	5,853,736	23,637,386
Carrying amounts										
At 31 December 2014	95,356,352	34,582,351	9,456,811	20,551	308,545	417,503	625,002	-	140,767,115	568,417,610

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

As parcel of land with title deed No. PP06290 located at Sangkat Boeung Salang, Khan Russey Keo was used to secure the overdraft obtained from Foreign Trade Bank of Cambodia. Note C.6.

Construction in progress includes capitalised borrowing costs amounting to US\$633,050.

The depreciation charge is allocated as follows:

	2014		2013		2012	
	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
Cost of sales and services	1,956,752	7,901,364	1,590,508	6,404,976	777,637	3,136,210
General administration and selling expenses	278,004	1,122,581	245,992	990,610	164,524	663,525
	<u>2,234,756</u>	<u>9,023,945</u>	<u>1,836,500</u>	<u>7,395,586</u>	<u>942,161</u>	<u>3,799,735</u>

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

4. INVESTMENT PROPERTY

	2014		2013		2012	
	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
Cost						
At 1 January	7,982,353	32,232,741	7,982,353	32,144,936	7,982,353	32,192,829
Additions	34,339	138,661	-	-	-	-
At 31 December	8,016,692	32,371,402	7,982,353	32,144,936	7,982,353	32,192,829
Less: Accumulated depreciation						
At 1 January	129,935	524,678	86,457	348,162	42,979	173,334
Additions	44,593	180,066	43,478	175,086	43,478	175,347
At 31 December	174,528	704,744	129,935	523,248	86,457	348,681
Carrying amounts						
At 31 December	7,842,164	31,666,658	7,852,418	31,621,688	7,895,896	31,844,148

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

5. TRADE AND OTHER RECEIVABLES

	2014		2013		2012	
	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
Trade receivable	1,135,908	4,586,797	2,133,463	8,591,455	1,477,746	5,959,750
Deposits, prepayment and others	239,325	966,394	132,355	532,994	568,161	2,291,393
	<u>1,375,233</u>	<u>5,553,191</u>	<u>2,265,818</u>	<u>9,124,449</u>	<u>2,045,907</u>	<u>8,251,143</u>

6. CASH AND BANK BALANCES

	2014		2013		2012	
	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
Cash on hand	1,817,333	7,338,391	115,574	465,416	50,615	204,130
Cash at banks	3,577	14,444	11,096	44,684	30,667	123,680
	<u>1,820,910</u>	<u>7,352,835</u>	<u>126,670</u>	<u>510,100</u>	<u>81,282</u>	<u>327,810</u>
<i>Less:</i>						
Overdrafts	-	-	3,176,183	12,790,489	1,401,727	5,653,165
	<u>1,820,910</u>	<u>7,352,835</u>	<u>(3,049,513)</u>	<u>(12,280,389)</u>	<u>(1,320,445)</u>	<u>(5,325,355)</u>

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

6. CASH AND BANK BALANCES (CONTINUED)

Overdraft is obtained from Foreign Trade Bank of Cambodia on 21 June 2012 with a credit limit of US\$3,600,000. It is secured by a parcel of land owned by the Company and bore interest at the rate of 8% per annum. This overdraft was fully repaid subsequently. Note C.3.

7. CAPITAL

	2014		2013		2012	
	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
Registered, issued and fully paid	<u>26,777,872</u>	<u>108,129,047</u>	<u>25,884,662</u>	<u>104,237,534</u>	<u>24,954,902</u>	<u>100,643,120</u>

In October 2014, the shareholders of PPAP approved to increase the paid-up share capital from US\$ 25,884,662 to US\$26,777,872.

On 4 January 2013, the shareholders of PPAP approved to increase the paid-up share capital from US\$24,954,902 to US\$25,884,662.

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

8. BORROWING

	2014		2013		2012	
	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
Non-current						
Phnom Penh Port - New Container Terminal Project ("PPPNCTP")	28,979,637	117,019,774	28,979,637	116,700,998	27,534,773	111,047,739

PPPNCTP represents an on-lending agreement between the MEF and PPAP for the lending of proceeds of The Import-Export Bank of China ("the Eximbank") under the Preferential Buyer Credit Loan Agreement: No. (2010)29(136) dated 04 November 2010 for Phnom Penh Port - New Container Terminal Project.

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

The borrowings are in US\$ with the movements as follows:

	2014		2013		2012	
	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
At 1 January	28,979,637	117,019,774	27,534,773	110,882,531	17,292,042	69,738,805
Additions	-	-	1,444,864	5,818,467	10,242,731	41,308,934
	<u>28,979,637</u>	<u>117,019,774</u>	<u>28,979,637</u>	<u>116,700,998</u>	<u>27,534,773</u>	<u>111,047,739</u>

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

9. PROVISION FOR RETIREMENT BENEFITS

		2014		2013		2012	
		US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
Defined benefit plan	(i)	702,442	2,836,461	597,964	2,408,001	501,915	2,024,223
Defined contribution plan	(ii)	15,020	60,651	21,878	88,103	10,087	40,681
		<u>717,462</u>	<u>2,897,112</u>	<u>619,842</u>	<u>2,496,104</u>	<u>512,002</u>	<u>2,064,904</u>

(i). Defined benefit plan

The Company offers final salary with lump sum payment at retirement or at an earlier exit through ill-health retirement or death-in-service.

The plan is neither a funded nor an approved retirement plan and therefore it is not subject to any regulatory framework pertaining to approved retirement fund.

The following tables analyse present value of defined benefit obligations, expense recognised in profit or loss, actuarial assumptions.

Movement in the present value of the defined benefit obligations:

		2014		2013		2012	
		US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
At 1 January		597,964	2,414,579	501,915	2,021,212	486,144	1,960,619
Benefits paid by the plan		(23,460)	(94,731)	(13,679)	(55,085)	(9,962)	(40,177)
Re-measurement		49,004	197,877	42,618	171,622	(41,642)	(167,942)
Current service costs		38,075	153,747	32,800	132,086	34,057	137,352
Interest costs		40,859	164,989	34,310	138,166	33,318	134,371
At 31 December		<u>702,442</u>	<u>2,836,461</u>	<u>597,964</u>	<u>2,408,001</u>	<u>501,915</u>	<u>2,024,223</u>

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

9. PROVISION FOR RETIREMENT BENEFITS (CONTINUED)

(i). Defined benefit plan (continued)

Expense recognised in profit or loss:

	2014		2013		2012	
	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
Current service costs	38,075	153,747	32,800	132,086	34,057	137,352
Interest costs	40,859	164,989	34,310	138,166	33,318	134,371
	<u>78,934</u>	<u>318,736</u>	<u>67,110</u>	<u>270,252</u>	<u>67,375</u>	<u>271,723</u>

Actuarial assumptions:

The following are the principal actuarial assumptions at the reporting date (expressed as weighted averages)

Discount rate *	6.50%%
Future salary increases	24.00%, and gradually decreasing by 5% each year
Mortality	Thailand Mortality Ordinary Table 2008
Disability	10.00% of mortality
Retirement ages	55, 58 and 60 depending on the categories of employees
Turnover rate	1.50%

* As information on Cambodian corporate or government bonds are not readily available, the Company have analysed the medium to long term deposit rates in denomination Cambodian Riel of two Cambodian banks.

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

9. PROVISION FOR RETIREMENT BENEFITS (CONTINUED)

(i). Defined benefit plan (continued)

Assumptions regarding future mortality are based on published statistics and mortality tables. As standard life tables are not available for Cambodia, PPAP used the standard Thailand Mortality Ordinary Life Table 2008 (TM2008) without modification (see below for comparison). The rates are published as a standard table TM2008. As those employed in the formal sector are likely to experience better mortality than the general population, an allowance for this has been made.

Life expectancy at birth in Cambodia

Males	61 years old
Females	64 years old

Life expectancy at birth for proposed TM2008

Males	66 years old
Females	74 years old

Sensitivity analysis:

0.25% decrease in discount rate results in a 2.37% increase in defined benefit plan obligations. 0.50% decrease in salary decrease rate results in a 4.26% decrease in defined benefit obligations.

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

9. PROVISION FOR RETIREMENT BENEFITS (CONTINUED)

(ii). Defined contribution plan

PPAP has paid an equal 3% of monthly salary to National Social Security Funds (“NSSF”) on annually. After retirement employees will get monthly retirements from NSSF.

Movement in defined contribution plan is as follow:

	2014		2013		2012	
	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
At 1 January	21,878	88,343	10,087	40,620	8,833	35,623
Benefits paid by the plan	(20,192)	(81,535)	-	-	(8,833)	(35,623)
Additional expense	13,334	53,843	11,791	47,483	10,087	40,681
	<u>15,020</u>	<u>60,651</u>	<u>21,878</u>	<u>88,103</u>	<u>10,087</u>	<u>40,681</u>

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

10. TAXATION

(a) Deferred tax, net

	2014		2013		2012	
	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
Deferred tax assets	224,120	904,997	123,968	499,219	102,400	412,979
Deferred tax liabilities	(917,214)	(3,703,710)	(600,016)	(2,416,264)	(138,609)	(559,010)
	<u>(693,094)</u>	<u>(2,798,713)</u>	<u>(476,048)</u>	<u>(1,917,045)</u>	<u>(36,209)</u>	<u>(146,031)</u>

Deferred tax assets/(liabilities) are attributable to:

	2014		2013		2012	
	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
Depreciation	(917,214)	(3,703,710)	(600,016)	(2,416,264)	(138,609)	(559,010)
Provision for retirement benefits	132,678	535,754	123,968	499,219	102,400	412,979
Provision for bonuses	67,535	272,706	-	-	-	-
Deferred income	15,646	63,179	-	-	-	-
Unrealised foreign exchange loss	8,261	33,358	-	-	-	-
	<u>(693,094)</u>	<u>(2,798,713)</u>	<u>(476,048)</u>	<u>(1,917,045)</u>	<u>(36,209)</u>	<u>(146,031)</u>

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

10. TAXATION (CONTINUED)

(a) Deferred tax, net (continued)

Movement of deferred tax is as follows:

	2014		2013		2012	
	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
At 1 January	(476,048)	(1,922,281)	(36,209)	(145,813)	108,125	436,068
Addition	(217,046)	(876,432)	(439,839)	(1,771,232)	(144,334)	(582,099)
At 31 December	<u>(693,094)</u>	<u>(2,798,713)</u>	<u>(476,048)</u>	<u>(1,917,045)</u>	<u>(36,209)</u>	<u>(146,031)</u>

(b) Provision for income tax

	2014		2013		2012	
	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
At 1 January	225,802	911,788	540,689	2,177,355	415,803	1,676,933
Charge during the year	443,621	1,791,342	313,407	1,262,090	620,717	2,503,352
Income tax paid	(349,448)	(1,411,071)	(628,294)	(2,530,140)	(495,831)	(1,999,686)
At 31 December	<u>319,975</u>	<u>1,292,059</u>	<u>225,802</u>	<u>909,305</u>	<u>540,689</u>	<u>2,180,599</u>

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

10. TAXATION (CONTINUED)

(c) Income tax expense

	2014		2013		2012	
	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
Current income tax	443,621	1,791,342	313,407	1,262,090	620,717	2,503,352
Deferred tax	217,046	876,431	439,839	1,771,232	144,334	582,099
	<u>660,667</u>	<u>2,667,773</u>	<u>753,246</u>	<u>3,033,322</u>	<u>765,051</u>	<u>3,085,451</u>

In accordance with Cambodian law, PPAP has an obligation to pay corporate income tax (CIT) at the higher of 20% of taxable profits or a minimum tax of 1% of revenue.

The reconciliation of income tax computed at the statutory tax rate to the income tax expense shown in the income statement is as follows:

	2014		2013		2012	
	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
Profit before income tax	<u>2,805,776</u>	<u>11,329,724</u>	<u>1,525,431</u>	<u>6,142,911</u>	<u>2,755,076</u>	<u>11,111,222</u>
Income tax using approved tax rate at 20%	561,155	2,265,945	305,086	1,228,582	551,015	2,222,244
Effect of non-deductible expenses	<u>99,512</u>	<u>401,828</u>	<u>448,160</u>	<u>1,804,740</u>	<u>214,036</u>	<u>863,207</u>
Income tax expense	<u>660,667</u>	<u>2,667,773</u>	<u>753,246</u>	<u>3,033,322</u>	<u>765,051</u>	<u>3,085,451</u>

The calculation of taxable income is subject to the review and approval of the tax authorities.

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

11. TRADE AND OTHER PAYABLES

	2014		2013		2012	
	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
Accrued operation expenses	657,067	2,653,237	718,675	2,894,105	1,253,729	5,056,289
Interest payable	441,422	1,782,462	441,422	1,777,606	405,245	1,634,353
Trade payables	236,024	953,065	315,047	1,268,694	1,646,769	6,641,419
Customer deposits	178,757	721,820	173,415	698,342	201,725	813,557
Other tax payables	114,858	463,797	317,454	1,278,387	266,873	1,076,299
	<u>1,628,128</u>	<u>6,574,381</u>	<u>1,966,013</u>	<u>7,917,134</u>	<u>3,774,341</u>	<u>15,221,917</u>

12. REVENUE

	2014		2013		2012	
	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
Stevedoring	5,627,564	22,724,103	4,636,784	18,672,329	4,002,278	16,141,187
Lift On Lift off (LOLO)	4,503,918	18,186,821	3,746,697	15,087,949	3,255,952	13,131,255
Port services	2,126,595	8,587,191	1,997,399	8,043,526	1,913,097	7,715,520
Storage	549,016	2,216,927	258,215	1,039,832	238,544	962,048
Trucking	1,420	5,734	4,097	16,498	9,307	37,535
Others	483,742	1,953,350	759,571	3,058,792	1,187,167	4,787,845
	<u>13,292,255</u>	<u>53,674,126</u>	<u>11,402,763</u>	<u>45,918,926</u>	<u>10,606,345</u>	<u>42,775,390</u>

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

13. COST OF SERVICES

	2014		2013		2012	
	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
Depreciation	1,956,752	7,901,364	1,590,508	6,404,976	777,637	3,136,210
Crane charge	1,187,524	4,795,222	794,497	3,199,439	598,601	2,414,158
Salaries and other benefits	909,500	3,672,561	766,273	3,085,781	563,346	2,271,974
Fuel and gasoline	656,660	2,651,593	613,888	2,472,127	672,303	2,711,399
Dredging costs	322,374	1,301,746	482,556	1,943,253	966,740	3,898,862
Maintenance costs	259,283	1,046,985	222,541	896,173	273,426	1,102,727
Others	18,965	76,581	104,036	418,953	52,642	212,305
	<u>5,311,058</u>	<u>21,446,052</u>	<u>4,574,299</u>	<u>18,420,702</u>	<u>3,904,695</u>	<u>15,747,635</u>

14. OTHER INCOME

	2014		2013		2012	
	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
Rental income	225,271	909,645	232,877	937,796	378,277	1,525,591
Other revenues	76,065	307,150	119,880	482,757	25,153	101,442
	<u>301,336</u>	<u>1,216,795</u>	<u>352,757</u>	<u>1,420,553</u>	<u>403,430</u>	<u>1,627,033</u>

* Others include dredging service, gate fees and other miscellaneous income.

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

15. GENERAL ADMINISTRATION AND SELLING EXPENSES

	2014		2013		2012	
	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
Salaries and wages	1,871,785	7,558,268	1,569,441	6,320,139	1,322,314	5,332,892
Donation expenses	432,103	1,744,832	435,691	1,754,528	768,460	3,099,199
Utilities and fuel	392,667	1,585,589	353,143	1,422,107	213,153	859,646
Depreciation	322,597	1,302,647	289,470	1,165,696	208,002	838,872
Repairs and maintenance	281,312	1,135,938	487,664	1,963,823	263,096	1,061,066
Business entertainment	196,632	794,000	197,308	794,559	171,421	691,341
Travelling expenses	119,065	480,785	137,365	553,169	107,551	433,753
Professional fee	88,557	357,593	58,161	234,214	56,748	228,865
Board of Director's fee	82,749	334,140	83,476	336,158	90,083	363,305
Office and material supplies	77,558	313,179	164,647	663,033	168,142	678,117
Communication expenses	58,513	236,276	71,962	289,791	78,516	316,655
Other tax expenses	25,902	104,592	9,494	38,232	187,134	754,711
Unrealised foreign exchange (loss)/gain	(2,094)	(8,456)	16,706	67,275	14,689	59,241
Others	240,870	972,633	441,851	1,779,334	321,028	1,294,706
	<u>4,188,216</u>	<u>16,912,016</u>	<u>4,316,379</u>	<u>17,382,058</u>	<u>3,970,337</u>	<u>16,012,369</u>

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

16. RELATED PARTY TRANSACTIONS AND BALANCE

(a) Significant transactions with related parties

PPAP had significant related party transactions during the year as follows:

	2014		2013		2012	
	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
MEF:						
Capital	-	-	-	-	633,050	2,553,091
Finance costs	1,159,185	5,203,129	1,146,430	5,393,808	344,232	1,531,197
	<u>1,159,185</u>	<u>5,203,129</u>	<u>1,146,430</u>	<u>5,393,808</u>	<u>977,282</u>	<u>4,084,288</u>
MEF and MPWT:						
Donation and charities	231,271	933,872	68,908	277,493	34,073	137,416
With Directors:						
Directors' remuneration	<u>93,200</u>	<u>376,340</u>	<u>90,702</u>	<u>365,256</u>	<u>100,483</u>	<u>405,250</u>

(b) Significant balances with related parties

	2014		2013		2012	
	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
Amounts due from related parties:						
MPWT	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>80,540</u>	<u>-</u>	<u>-</u>

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

16. RELATED PARTY TRANSACTIONS AND BALANCE (CONTINUED)

(b) Significant balances with related parties (continued)

	2014		2013		2012	
	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
Borrowings from Eximbank						
Through MEF	28,979,637	117,019,774	28,979,637	116,700,998	27,534,773	111,047,739
Interest payable on borrowings	418,595	1,690,287	418,595	1,685,682	382,418	1,542,291
	<u>29,398,232</u>	<u>118,710,061</u>	<u>29,398,232</u>	<u>118,386,680</u>	<u>27,917,191</u>	<u>112,590,030</u>

Amounts due from related parties are unsecured, interest free and have no fixed term of repayments. Terms of borrowings are disclosed in Note C.8.

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

17. FINANCIAL RISK MANAGEMENT

(a) Objectives and policies

Exposures to credit, currency, and liquidity risk arise in the normal course of PPAP's business. These risks are limited by PPAP's financial management policies and practices described below.

(b) Credit risk

Counterparty credit risk is the risk of losses (realised or unrealised) arising from a counterparty failing to meet its contractual obligations. Financial instruments which potentially subject PPAP to credit risk, principally consist of bank balances, trade and other receivables.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. PPAP's maximum exposure to credit risk at reporting date was:

	2014		2013		2012	
	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
Trade receivables	1,135,908	4,586,797	2,133,463	8,591,455	1,477,746	5,959,750
Other receivables	180,013	726,891	129,905	523,126	44,438	179,218
Bank balances	1,817,333	7,338,391	115,574	465,416	50,615	204,130
	<u>3,133,254</u>	<u>12,652,079</u>	<u>2,378,942</u>	<u>9,579,997</u>	<u>1,572,799</u>	<u>6,343,098</u>

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

17. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

The above table represents a worst case scenario for credit risk exposure to the Company as at 31 December 2014, 2013 and 2012, without taking into account any collateral held or other credit enhancement attached.

Trade receivables

	2014		2013		2012	
	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
Neither past due nor impaired	1,055,245	4,261,079	96,819	389,890	224,040	903,553
Past due but not impaired	80,663	325,718	2,036,644	8,201,565	1,253,706	5,056,197
	<u>1,135,908</u>	<u>4,586,797</u>	<u>2,133,463</u>	<u>8,591,455</u>	<u>1,477,746</u>	<u>5,959,750</u>

Neither past due nor impaired

Neither past due nor impaired receivables are those receivables for which no experience of default and management views that likelihood of default is relatively low.

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

17. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

Trade receivables (continued)

Past due but not impaired

Past due but not impaired receivables are those for which contractual payments are past but still have active activities with the Company and are expected to be repaid in full.

	2014		2013		2012	
	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
Past due 1 – 30 days	9,372	37,844	540,256	2,175,610	430,340	1,735,562
Past due 30-60 days	17,443	70,435	381,884	1,537,847	298,842	1,205,230
Past due 60-90 days	(163)	(658)	246,850	994,065	344,277	1,388,469
Past due more than 90days	54,011	218,097	867,654	3,494,043	180,247	726,936
	<u>80,663</u>	<u>325,718</u>	<u>2,036,644</u>	<u>8,201,565</u>	<u>1,253,706</u>	<u>5,056,197</u>

Bank balances

The Company deposits short-term excess liquidity with other banks leading to counter party risk exposure. The Company manages counter party risk exposure by performing due diligence on individual counter parties, having counterparty limits and diversifying the deposits to different banks.

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

17. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Foreign currency risk

The Company's revenue is principally earned in US\$. The Company's expenditure is principally paid in US\$. The Company does not therefore have significant exposure to foreign currency risk.

(d) Liquidity risk

PPAP monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance PPAP's operations and to mitigate the effects of fluctuations in cash flows.

The following are the contractual maturities of non-derivative financial liabilities, including interest payments:

	Carrying amount US\$	Undiscounted contractual cash flow US\$	6 months or less US\$	6 to 12 months US\$	After 1 year US\$
2014					
Borrowings	28,979,637	56,449,449	-	-	56,449,449
Trade and other payables	1,334,513	1,334,513	1,270,614	63,899	-
	<u>30,314,150</u>	<u>57,783,962</u>	<u>1,270,614</u>	<u>63,899</u>	<u>56,449,449</u>
Equivalent to KHR'000 – (Note C.2)	<u>122,408,538</u>	<u>233,331,640</u>	<u>5,130,739</u>	<u>258,024</u>	<u>227,942,876</u>
2013					
Borrowings	28,979,637	58,707,427	-	-	58,707,427
Overdraft	3,176,183	3,176,183	3,176,183	-	-
Trade and other payables	1,475,144	1,475,144	1,301,729	173,415	-
	<u>33,630,964</u>	<u>63,358,754</u>	<u>4,477,912</u>	<u>173,415</u>	<u>58,707,427</u>
Equivalent to KHR'000 – (Note C.2)	<u>135,431,892</u>	<u>255,145,703</u>	<u>18,032,552</u>	<u>698,342</u>	<u>236,414,810</u>

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

17. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Liquidity risk (continued)

2012	Carrying amount US\$	Undiscounted contractual cash flow US\$	6 months or less US\$	6 to 12 months US\$	After 1 year US\$
Borrowings	27,534,773	58,011,614	-	-	58,011,614
Overdraft	1,401,727	1,401,727	1,401,727	-	-
Trade and other payables	3,305,743	3,305,743	3,104,018	201,725	-
	<u>32,242,243</u>	<u>62,719,084</u>	<u>4,505,745</u>	<u>201,725</u>	<u>58,011,614</u>
Equivalent to KHR'000 – (Note C.2)	<u>130,032,966</u>	<u>252,946,065</u>	<u>18,171,670</u>	<u>813,557</u>	<u>233,960,838</u>

(e) Interest rate risk

PPAP's exposure to interest rate risk relates to interest-bearing financial assets and liabilities.

Interest-bearing financial assets

Interest-bearing financial assets include cash in banks – saving accounts.

Interest-bearing financial liabilities

Interest-bearing financial liabilities include borrowings.

PPAP manages the exposure to interest rate risk by monitoring the exposure to such risks on an ongoing basis. Management does not enter into interest rate hedging transactions since it considers that the cost of such instruments outweigh the potential risk of interest rate fluctuation.

At the reporting date the interest rate profile of PPAP's interest-bearing financial instruments was:

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

17. FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Interest rate risk (continued)

	2014		2013		2012	
	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
Fixed rate instruments						
Financial liabilities	(28,979,637)	(117,019,774)	(28,979,637)	(116,700,998)	(27,534,773)	(111,047,739)
Financial assets	9,546	38,548	7,564	30,458	2,000	8,066
	<u>(28,970,091)</u>	<u>(116,981,226)</u>	<u>(28,972,073)</u>	<u>(116,670,540)</u>	<u>(27,532,773)</u>	<u>(111,039,673)</u>

Fair value sensitivity analysis for fixed rate instruments

PPAP does not account for any fixed rate liabilities at fair value through profit or loss, and PPAP does not have derivatives as at the year end. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

17. FINANCIAL RISK MANAGEMENT (CONTINUED)

(f) Fair value of financial assets and liabilities

Fair value represents the amount at which an asset could be exchanged or a liability settled on an arms-length basis. The Company financial assets and liabilities are categorised as level 3 fair value and are not measured at fair value.

	2014		2013		2012	
	Carrying amounts	Fair value	Carrying amounts	Fair value	Carrying amounts	Fair value
	US\$	US\$	US\$	US\$	US\$	US\$
Financial assets						
Trade and other receivables	1,315,921	1,315,921	2,263,368	2,263,368	1,522,184	1,522,184
Cash and bank balances	1,820,910	1,820,910	126,670	126,670	81,282	81,282
Total financial assets	<u>3,136,831</u>	<u>3,136,831</u>	<u>2,390,038</u>	<u>2,390,038</u>	<u>1,603,466</u>	<u>1,603,466</u>

	2014		2013		2012	
	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
Fixed rate instruments						
Borrowings	28,979,637	28,979,637	28,979,637	28,979,637	27,534,773	27,534,773
Overdrafts	-	-	3,176,183	3,176,183	1,401,727	1,401,727
Trade and other payables	1,334,513	1,334,513	1,475,144	1,475,144	3,305,743	3,305,743
Total financial liabilities	<u>30,314,150</u>	<u>30,314,150</u>	<u>33,630,964</u>	<u>33,630,964</u>	<u>32,242,243</u>	<u>32,242,243</u>

SECTION 9: ACCOUNTANTS' REPORT (CONTINUED)

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

17. FINANCIAL RISK MANAGEMENT (CONTINUED)

(f) Fair value of financial assets and liabilities (continued)

Short-term financial assets and liabilities - trade and other receivables, cash and bank balances, and overdraft

Short-term financial assets and liabilities are measured at amortised cost. The estimated fair values is approximately equal to carrying value due to they are short-term maturity.

Borrowings

Fair value of borrowings is determined based on discounted cash flows. However, there is no verifiable market rate available, the fair values, therefore, have been based on management assumptions. In the opinion of the management, the carrying amounts of the borrowings included in the statement of financial position are a reasonable estimation of their fair values.

18. COMMITMENT

The Company has commitments in respect of the rental expenses and construction in progress on the following terms:

	2014		2013		2012	
	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)	US\$	KHR'000 (Note C.2)
Within 1 year						
Construction in progress	-	-	-	-	3,092,912	12,473,714
Rental expense	25,560	103,211	25,560	103,211	1,062	4,283
Within 2 to 3 years						
Rental expense	1,168	4,716	26,728	107,928	-	-
	<u>26,728</u>	<u>107,927</u>	<u>52,288</u>	<u>211,139</u>	<u>3,093,974</u>	<u>12,477,997</u>

C. NOTES TO THE FINANCIAL INFORMATION (CONTINUED)

19. TAX CONTINGENCIES

The taxation system in Cambodia is relatively new and is characterised 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.

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

20. SUBSEQUENT EVENTS

The Company is in the process of preparing its initial Public Offering (“IPO”) with the Securities and Exchange Commission of Cambodia (“SECC”) and expected to be listed in 3rd quarter of 2015.

On 24 July 2015, the Board of Directors of PPAP resolved to transfer the retained earnings amounting to US\$83,538,740 (equivalent to KHM 338,582,513 thousand) to the capital.

Section 10: Other information

1- Resolution of the Board of Directors for the last 3 years prior to filing of application

No	Date of Meeting	Description	Approved/ Denied
1	28-02-2012	<ol style="list-style-type: none"> 1. Seek approval on the business and service report in 2011 2. Other: <ol style="list-style-type: none"> a) The request to write off bad debt and old equipment b) Warehouse cooperation of 22 hectares with Mekong International Logistics Service c) Cooperation with Mekong Logistics Center Limited ML5 d) The permission to exempt import tax and negotiate the agreement to purchase Gantry Crane, RTG, Constacker, and Sky-Stacker e) Passenger terminal issue and the relation with Phnom Penh Municipality 	All have been approved
2	21-03-2012	<ol style="list-style-type: none"> 1. Seek approval on minute of accounting closing report in fiscal year 2011 and divide profit into various funds and bonus to employees 2. Other: <ol style="list-style-type: none"> a) Preparation to operate at the New Container Terminal b) Report on the establishment of Terminal Operating System (TOS) 	All have been approved
3	09-04-2012	<ol style="list-style-type: none"> 1. The agreement to supply handling equipment at the New Container Terminal. 2. Acquire loan from Foreign Trade Bank to purchase handling equipment and authorize Mrs. Kim Sen (Deputy Director General of Administration) and H.E Chieap Thol (Deputy Director General of Operation) to sign the loan related document. 3. Other: None 	All have been approved

No	Date of Meeting	Description	Approved/ Denied
4	05-07-2012	<ol style="list-style-type: none"> 1. Business and service report on the first quarter of 2012 2. Report on the delivered and received of 3 Constacker 3. Report on the development of port infrastructure at the New Container Terminal(LM17) and Existing Terminal(TS3) - approved by Ministry of Economy and Finance 4. Other: Status of officer and employee of PPAP 	All have been approved
5	04-10-2012	<ol style="list-style-type: none"> 1. Seek approval on business and service report in the first 9 months of 2012 2. Other: <ol style="list-style-type: none"> a) Report on the request of tax exemption from the yard filling operation at New Container Terminal b) Report on the request to be obligated on import tax for installing the handling equipment at New Container Terminal c) Preparation to operate the New Container Terminal and possible risk factors d) Sign the MOU to do feasibilities study on the Port Supporting Zone e) Add another trucking company to transport container at existing terminal(TS3) f) Review on the request of Mekong International Logistics Services., Ltd. (MILS) 	All have been approved
6	01-11-2012	<ol style="list-style-type: none"> 1. Seek approval on business and service plan for 2013 2. Other: <ol style="list-style-type: none"> a) Report on the agreement with Mieng Lee Hieng company on Tonle Bet development project b) Plan of establishing port in Km.48 along National Road No.1 c) Transfer the three floating pontoon from the passenger terminal to New Container Terminal and another one to Km.48 port (National road No. 1) d) Channel dredging in Sdarv area in November 2012 e) Summarized report of Cambodia Maritime Institution f) Report on the interest rate of loan from the People Republic of China g) Expenses for advertisement in newspapers (The Time, UK) 	All have been approved

No	Date of Meeting	Description	Approved/ Denied
7	31-12-2012	<ol style="list-style-type: none"> 1. The begin of operation at New Container Terminal 2. Other: <ol style="list-style-type: none"> a) Set the new price of handling container (LOLO) b) Adopt the tonnage-benefit policy for employees of PPAP c) Report on the contribution of 42,408 USD to the Ministry of Public Works and Transport d) Request to acquire land of 50 hectares for the establishment of Special Economic Zone in supporting to business and service activities at NCT located in Kean Svay district, Kandal province e) The case of Mr. Enn Sinang's debt f) Accounting report on taxes of handling equipment at NCT 	All have been approved
8	28-03-2013	<ol style="list-style-type: none"> 1. Seek approval on accounting closing report in 2012 fiscal year 2. Divide profit into various funds and bonus to employees and laborers 3. Others: <ol style="list-style-type: none"> a) Hire independent audit company to check the accounting records of PPAP for 2010, 2011, and 2012 fiscal year b) Report on the implementation of projects in 2013 plan 	All have been approved
9	17-06-2013	<ol style="list-style-type: none"> 1. Seek approval on the business and service report for the first 5 months of 2013 2. Others: <ol style="list-style-type: none"> a) Report on business activities within the first 10 months of 2012, the last 02 months of 2012, and the expansion of container yard at NCT b) Offer pilot training course for 2013 c) Report on the sponsorship for the construction of 5 buildings for the school in Preah Sdach district, Prey Veng province 	All have been approved
10	17-09-2013	<ol style="list-style-type: none"> 1. Seek approval on the business and service report for the first 8 months of 2013 2. Seek approval on the business and service report in 2014 3. Other: <ol style="list-style-type: none"> a) Pay dividend on profit of 2012 to the 2013 state budget 	All have been approved

No	Date of Meeting	Description	Approved/ Denied
		<ul style="list-style-type: none"> b) Prepare space to install new scanner with the dimension of 36m x 16m x 6.5m c) Report on construction of steel and cement lifting yard with the dimension of 40m x 60m d) Request for the approval in principle to liquidate the outdated spare parts e) Determine the assets useful life f) Report on the vessel berth outside the international port g) The progress on Cambodia Maritime Institution h) Report on the non-implementation of Visa Card for administrative expenses. 	
11	12-12-2013	<ul style="list-style-type: none"> 1. Business and service report of PPAP for the first 11 months of 2013 and the forecast 12 months in 2013 2. Request for launching new tariff 3. Others: <ul style="list-style-type: none"> a) Request to terminate lease agreement of former-No.9-warehouse at passenger terminal and terminate lease agreement of Pteas Toeuk Kongkear b) Report on the Mekong Logistic Limited Center's request to establish port. c) Report on the Gemadept's (Cambodia) request to establish port d) Report on the Sovannaphumi's request to establish port e) Report on the CAI Import-Export's request to establish port f) Report on the Vietnam Supermarket's request to establish port g) Report on the Five Star International Fertilizer's request to establish port h) Report to request the Ministry of Industry Mine and Power to lease the land located at former veneer/clay factory to PPAP. i) Report on the cooperation with Vinalines company (Vietnam). j) Request to use 40% of 22.000USD in order to pay for the 	All have been approved

No	Date of Meeting	Description	Approved/ Denied
		loss of 19 empty containers at ICD.	
12	20-02-2014	<ol style="list-style-type: none"> 1. Seek approval on annual report of PPAP for year 2013 2. Other: <ol style="list-style-type: none"> a) Request to add yearly bonus for employees as the liability in the closing year b) Report on the status of PPAP's IPO procedure c) Request to hire accounting, legal advice, assets valuation, and pension benefit service for IPO purpose d) Report on the transfer of land certificate of PPAP's former office near Wat Phnom to Electricite Du Cambodge (EDC) e) Request of Gemadept Cambodia to discount the tariff in year 2014 	All have been approved
13	02-04-2014	<ol style="list-style-type: none"> 1. Seek approval on accounting annual closing report in fiscal year 2013 2. Divide profit into various funds and bonus to employees and laborers for year 2013 3. Organize the kick-off meeting to begin the IPO process of PPAP 4. Others: <ol style="list-style-type: none"> a) The request of shipping lines to delay the implementation of new LOLO tariff of PPAP b) The request of the Five Star International Fertilizers (Cambodia) to the Royal Government of Cambodia to invest in port establishment in Samrong Thom commune, Kean Svay district. 	All have been approved
14	20-06-2014	<ol style="list-style-type: none"> 1. Seek the approval on business and service report for the first 5 months of 2014 2. Other: <ol style="list-style-type: none"> a) Report on the acquiring of land certificate for PPAP b) Report on the tax penalty from General Department of Taxation for the fiscal year 2012 c) Report on the financial inspection from the Ministry of Economic and Finance for the fiscal year 2011 d) Report on the contribution to the Ministry of Public Works and Transport 	All have been approved

No	Date of Meeting	Description	Approved/ Denied
		<ul style="list-style-type: none"> e) Request to create the master plan of Special Economic Zone(SEZ) for PPAP f) Report on the operation of Tonle Bet port 	
15	12-09-2014	<ul style="list-style-type: none"> 1. Seek approval on business and service report for the first 8 months of 2014 and the forecast for the first 9 months of 2014 2. Other: <ul style="list-style-type: none"> a) Revise the organization structure of PPAP b) The request to cooperate with Daiwa Lease (Japan) on the feasibility study to construct the Rice Processing Facilities in NCT c) The request to cooperate with Newport Cypress in providing service such as: maintain, clean, and repair container d) The request to cooperate with private companies in feasibilities study of port development along the upper Mekong (Kampong Cham to Steung Treng) e) The report on the creation of bonded warehouse and the SEZ development in NCT f) The report on the IPO process of PPAP 	All have been approved
16	01-12-2014	<ul style="list-style-type: none"> 1. Seek approval on business and service report for the 11 months of 2014 and the forecast for the year 2014 2. Seek approval on the business and service report in 2015 3. Other: <ul style="list-style-type: none"> a) The request of cooperation with Sung Kwang Heavy Equipment in buying 01 TCC b) The report on 02 houses resolution policy at Kong Krub Krung Som Nong c) The report on managing master plan of Special Economic Zone d) The report on removal of Asset List e) The report on the IPO process of PPAP 	All have been approved

2-Financial information audited by the internal auditor for the last 3 financial years

N/A

3- Resolution of shareholders during the last 3 years prior to filing of application

N/A

4- Dividend report during the last 3 years indicating the dividend per share, total dividend and dividend return prior to filing of application

N/A

5- Report on legal proceeding description during the last 3 years prior to filing of application

N/A

Section 11: Expert's Consent

N/A

Section 12: Subscription Form



យាន់តា ស៊ីឃ្យូរីធី (ខេមបូឌា) ភីអិលស៊ី
Yuanta Securities (Cambodia) Plc

ពាក្យស្នើសុំធ្វើបរិសកម្មមូលបត្រកម្មសិទ្ធិ Subscription Application Form

Form B
Book Building Investor

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លេខបរិសកម្ម : Subscription No. :	ក្រុមហ៊ុន : កំពង់ផែស្វយ័តក្រុងភ្នំពេញ Company : Phnom Penh Autonomous Port
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មូលបត្រកម្មសិទ្ធិសរុបដែលត្រូវធ្វើសំណើលក់ជាសាធារណៈលើកដំបូងមានចំនួន [៤,១៣៦,៨៧៣] ឯកតាមូលបត្រកម្មសិទ្ធិ ដែលតម្លៃចាំបាច់ក្នុងមួយឯកតាមូលបត្រកម្មសិទ្ធិស្មើនឹង [៤,០០០] រៀល ឬ [១.០០] ដុល្លារអាមេរិក ហើយថ្លៃលក់ក្នុងមួយឯកតាមូលបត្រកម្មសិទ្ធិស្មើនឹង [៤,១២០] រៀល ឬ [១.២៥៦] ដុល្លារអាមេរិក^(១)។

មូលបត្រកម្មសិទ្ធិសរុបដែលលែបម្រុងសម្រាប់បុគ្គលិកមានចំនួន [៤១៣,៦៨៧] ឯកតាមូលបត្រកម្មសិទ្ធិ។ មូលបត្រកម្មសិទ្ធិសរុបដែលលែបម្រុងសម្រាប់វិនិយោគិនសក្តានុពលមានចំនួន [១,៨៥៩,៥៧៣] ឯកតាមូលបត្រកម្មសិទ្ធិ។ មូលបត្រកម្មសិទ្ធិសរុបដែលលែបម្រុងសម្រាប់វិនិយោគិនដែលមិនទទួលបានជោគជ័យក្នុងប្រកប្រៀលខ្ទង់ និង វិនិយោគិនដែលមិនបានចូលរួមប្រកប្រៀលខ្ទង់មានចំនួន [១,០៥៥,០០០] ឯកតាមូលបត្រកម្មសិទ្ធិ។ មូលបត្រកម្មសិទ្ធិសរុបដែលលែបម្រុងសម្រាប់វិនិយោគិនដែលមិនទទួលបានជោគជ័យក្នុងប្រកប្រៀលខ្ទង់ និង វិនិយោគិនដែលមិនបានចូលរួមប្រកប្រៀលខ្ទង់មានចំនួន [៨០៨,៦១៣] ឯកតាមូលបត្រកម្មសិទ្ធិ។

សំរាប់វិនិយោគិនមិនទទួលបានជោគជ័យក្នុងប្រកប្រៀលខ្ទង់ និង វិនិយោគិនដែលមិនបានចូលរួមប្រកប្រៀលខ្ទង់ ការធ្វើបរិសកម្មមូលបត្រកម្មសិទ្ធិ ត្រូវមានចំនួនអប្បបរមាចាប់ពី ១០០ ឯកតា មូលបត្រកម្មសិទ្ធិឡើងទៅ។ ករណីវិនិយោគិនមិនទទួលបានជោគជ័យក្នុងប្រកប្រៀលខ្ទង់ និង វិនិយោគិនដែលមិនបានចូលរួមប្រកប្រៀលខ្ទង់ធ្វើបរិសកម្មមានចំនួនច្រើនជាងចំនួនអប្បបរមា ចំនួនមូលបត្រកម្មសិទ្ធិដែលត្រូវធ្វើបរិសកម្មគឺស្មើនឹងចំនួនដងនៃមូលបត្រកម្មសិទ្ធិដែលត្រូវធ្វើបរិសកម្មអប្បបរមា។

The total number of equity securities for initial public offering are [4,136,873] units of equity securities with par value per unit of equity securities [4,000] riels or [1.00] USD and the offering price per unit of equity securities [5,120] riels or [1.256] USD⁽¹⁾.

The total number of equity securities reserved for potential investors are [1,859,573] units of equity securities. The total number of equity securities reserved for successful investors in the Book Building are [1,055,000] units of equity securities. The total number of equity securities reserved for unsuccessful investors in the Book Building and non-participating Investors are [808,613] units of equity securities.

For Unsuccessful Investors in the Book Building and non-participating Investors who didn't participate in the Book Building, the minimum of equity securities to be subscribed is 100 unit of equity securities. If unsuccessful Investors in the Book Building and non-participating Investors who didn't participate in the Book Building subscribe more than the minimum of equity securities as mentioned above, the subscription shall be multiplied by the minimum.

ឈ្មោះក្រុមហ៊ុនបោះផ្សាយ Issuer	: កំពង់ផែស្វយ័តក្រុងភ្នំពេញ Phnom Penh Autonomous Port
ឈ្មោះក្រុមហ៊ុនធានាទិញមូលបត្រ Underwriter	: យាន់តា ស៊ីឃ្យូរីធី (ខេមបូឌា) ភីអិលស៊ី Yuanta Securities (Cambodia) Plc.

ព័ត៌មានស្តីពីអ្នកធ្វើបរិសកម្ម / Subscriber Information

ក. វិនិយោគិនជាបុគ្គល: ☐ សញ្ជាតិខ្មែរ (Cambodian Citizen) ☐ មិនមែនសញ្ជាតិខ្មែរ (Non-Cambodian Citizen)

A. For individual

ឈ្មោះ (អក្សរខ្មែរ) _____ នាម (អក្សរខ្មែរ) _____ ភេទ ☐ ប្រុស ☐ ស្រី
 First Name (Khmer) _____ Last Name (Khmer) _____ Gender ☐ Male ☐ Female
 ឈ្មោះ (អក្សរឡាតាំង) _____ នាម (អក្សរឡាតាំង) _____
 First Name (Latin) _____ Last Name (Latin) _____
 លេខអត្តសញ្ញាណវិនិយោគិន _____ លេខគណនីជួញដូរ _____
 Investor ID No. _____ Trading Account No. _____
 ឈ្មោះក្រុមហ៊ុនមូលបត្រ _____ លេខប្រកប្រៀលខ្ទង់ _____
 Securities Firm Name _____ Book Building No. _____
 លេខកូដប្រទេស និង ទូរស័ព្ទដៃ អ៊ីម៉ែល _____ ទូរសារលេខ _____
 Country Code & Mobile Phone _____ Email _____ Fax No. _____
 អាសយដ្ឋាន _____
 Address _____

ខ. វិនិយោគិនជាតិបុគ្គល:

☐សញ្ជាតិខ្មែរ (Cambodian Citizen)

☐មិនមែនសញ្ជាតិខ្មែរ (Non-Cambodian Citizen)

B. For Legal Entity

១. ឈ្មោះក្រុមហ៊ុន (អក្សរខ្មែរ)

ឈ្មោះក្រុមហ៊ុន (អក្សរឡាតាំង)

លេខអត្តសញ្ញាណសារពើពន្ធ (ប្រសិនបើមាន)

លេខអត្តសញ្ញាណវិនិយោគិន

លេខគណនីជួញដូរ

Tax Identification Number (if any)

Investor ID No.

Trading Account No.

ឈ្មោះក្រុមហ៊ុនមូលបត្រ

លេខប៊ុកបៀលខ្លី

Securities Firm Name

Book Building No.

លេខកូដប្រទេស និង ទូរស័ព្ទដៃ

អ៊ីម៉ែល

ទូរសារលេខ

Country Code & Mobile Phone

Email

Fax No.

អាសយដ្ឋាន

Address

២. គោត្តនាមអ្នកតំណាង (អក្សរខ្មែរ/ឡាតាំង)

នាមអ្នកតំណាង (អក្សរខ្មែរ/ឡាតាំង)

First Name of Representative (Khmer/Latin)

Last Name of Representative (Khmer/Latin)

ព័ត៌មានស្តីពីការស្នើសុំធ្វើបរិសកម្ម / Subscription Information

វិនិយោគិនដែលទទួលបានជោគជ័យ / Successful Investors		វិនិយោគិនដែលមិនទទួលបានជោគជ័យ / Unsuccessful Investors	
មូលបត្រកម្មសិទ្ធិដែលបានលៃបម្រុងទុកក្នុងប៊ុកបៀលខ្លី Pre-calculated Equity Securities in Book Building	ប្រាក់តម្កល់ជាក់ស្តែងសម្រាប់ប៊ុកបៀលខ្លី [គ] Total Actual Deposit in Book Building [C]	ចំនួនមូលបត្រកម្មសិទ្ធិដែលស្នើសុំធ្វើបរិសកម្ម [ក] Total Number of Subscribing Equity Securities [A]	ចំនួនទឹកប្រាក់សរុបសម្រាប់ការស្នើសុំធ្វើបរិសកម្ម [ខ] Total Amount of Subscription [B = A x Offering Price]
shares	<input type="checkbox"/> KHR <input type="checkbox"/> USD	shares	<input type="checkbox"/> KHR <input type="checkbox"/> USD
ចំនួនមូលបត្រកម្មសិទ្ធិដែលស្នើសុំធ្វើបរិសកម្ម [ក] Total Number of Subscribing Equity Securities [A]	ចំនួនទឹកប្រាក់សរុបសម្រាប់ការស្នើសុំធ្វើបរិសកម្ម [ខ] Total Amount of Subscription [B = A x Offering Price]	ចំនួនទឹកប្រាក់នៅសល់ក្រោយការផ្ទេរប្រាក់ប៊ុកបៀលខ្លី [ឃ] (សម្រាប់វិនិយោគិនដែលបានស្នើសុំរក្សាទុកទឹកប្រាក់តម្កល់ប៊ុកបៀលខ្លីប៉ុណ្ណោះ) Remaining Deposit Balance after Book Building Refund [D] (Only for Unsuccessful Investors who requested Book Building Deposit keeping)	
shares	<input type="checkbox"/> KHR <input type="checkbox"/> USD	<input type="checkbox"/> KHR <input type="checkbox"/> USD	
ចំនួនទឹកប្រាក់តម្កល់បន្ថែមសម្រាប់ការស្នើសុំធ្វើបរិសកម្ម [ខ] – [ក] Additional Deposit for Subscription [B – C]		ចំនួនទឹកប្រាក់តម្កល់បន្ថែមសម្រាប់ការស្នើសុំធ្វើបរិសកម្ម [ខ] – [ឃ] Additional Deposit for Subscription [B – D]	
<input type="checkbox"/> KHR <input type="checkbox"/> USD		<input type="checkbox"/> KHR <input type="checkbox"/> USD	
ចំនួនទឹកប្រាក់តម្កល់ជាក់ស្តែងសម្រាប់ការស្នើសុំធ្វើបរិសកម្ម Actual Deposit in Subscription		ចំនួនទឹកប្រាក់តម្កល់ជាក់ស្តែងសម្រាប់ការស្នើសុំធ្វើបរិសកម្ម Actual Deposit in Subscription	
<input type="checkbox"/> KHR <input type="checkbox"/> USD		<input type="checkbox"/> KHR <input type="checkbox"/> USD	
<div><div>មធ្យោបាយទូទាត់ Through</div><div><div><input type="checkbox"/>ប្រាក់សុទ្ធ Cash</div><div><input type="checkbox"/>បណ្ណាគណនា Credit Card</div></div><div><div><input type="checkbox"/>មូលប្បទានបត្រ Cheque:</div><div>មូលប្បទានបត្រលេខ</div></div><div><div><input type="checkbox"/>ផ្ទេរតាមធនាគារ Bank Transfer:</div><div>ឈ្មោះគណនី</div></div><div><div><input type="checkbox"/>គណនីជួញដូរ Trading Account:</div><div>ឈ្មោះគណនី</div></div></div> <div><div>កាលបរិច្ឆេទ Date</div><div>ធនាគារ Bank</div></div> <div><div>លេខគណនី Account No.</div><div>ធនាគារ Bank</div></div> <div><div>លេខគណនី Account No.</div><div>ក្រុមហ៊ុនមូលបត្រ Securities Firm</div></div>			

ព័ត៌មានសម្រាប់ផ្ញើប្រាក់កក់ / Refund Information

ករណីខ្ញុំមិនទទួលបានមូលបត្រទៅតាមការស្នើសុំធ្វើបរិស្ថានមូលបត្រកម្មសិទ្ធិ ខ្ញុំមានបំណងទទួលប្រាក់កក់បរិស្ថាន (ដកចេញនូវការចំណាយ កម្រៃទាំងឡាយ រួមទាំងកម្រៃនៃការផ្ទេរតាមរយៈធនាគារសម្រាប់ប្រាក់កក់) តាមរយៈមធ្យោបាយណាមួយខាងក្រោម៖
 In case I did not receive the number equity securities as I subscribed, I would like to receive the Subscription Deposit (less any and all the expenses, fees and costs including, without limitation, bank transfer fee for the refund) through the any of below methods:
 * សូមបញ្ជាក់ថាម្ចាស់គណនី និង វិនិយោគិនដែលមិនទទួលបានជោគជ័យ ត្រូវតែជាបុគ្គលតែមួយ។ គណនីរួម មិនត្រូវបានអនុញ្ញាត។
 * Please note that the account owner and Unsuccessful Investor must be the same person. Joint Accounts are not allowed.

☐ ផ្ញើប្រាក់កក់ត្រឡប់ទៅគណនីជួញដូរវិញ / Refund to Trading Account
 ☐ ផ្ញើប្រាក់កក់ទៅគណនីធនាគារ / Refund to Bank Account

ឈ្មោះធនាគារ _____ ឈ្មោះសាខាធនាគារ _____

Bank Name _____ Branch Name _____

ឈ្មោះគណនី _____ លេខគណនី _____

Account Name _____ Account No. _____

លេខកូដស្វីហ្វា _____

SWIFT Code _____

☐ ផ្ញើជាសាច់ប្រាក់ (នៅទីស្នាក់ការកណ្តាលនៃធនាគារអេស៊ីប៊ីដា) / Refund in Cash (at ACLEDA Bank Head Quarter)

ឯកសារភ្ជាប់ / Attached Documents

☐ វិក្កយបត្រកម្ចីល់ប្រាក់ Deposit Slip / Credit Advice / Transfer Slip etc.

សេចក្តីថ្លែងរបស់អ្នកធ្វើបរិស្ថានមូលបត្រ / Subscriber Statement

នៅក្នុងការធ្វើបរិស្ថានមូលបត្រកម្មសិទ្ធិនេះ ខ្ញុំបានទទួលឯកសារផ្តល់ព័ត៌មានក្នុងទម្រង់ជា៖
 In subscribing to the equity securities, I recieved the disclosure document in the form of:

☐ ច្បាប់ចម្លង Hard copy
 ☐ ឧបករណ៍ផ្ទុក Storage device
 ☐ អ៊ីមែលផ្ទុក Email storage
 ☐ តាមរយៈគេហទំព័រ _____ ឬ ☐ ផ្សេងពីនេះ _____
 Website or Other

ការធ្វើបរិស្ថានមូលបត្រ និងការទូទាត់ ត្រូវធ្វើឡើងដោយអ្នកធ្វើបរិស្ថានមូលបត្រត្រូវតែស្របទៅតាមលក្ខខណ្ឌដែលមានចែងក្នុងឯកសារផ្តល់ព័ត៌មាន។ ខ្ញុំយល់ព្រម និងទទួលស្គាល់ថាក្រុមហ៊ុនបោះផ្សាយមានសិទ្ធិបដិសេធ ក្នុងករណីការស្នើសុំធ្វើបរិស្ថានមូលបត្រណាមួយដែលមិនគោរពតាមលក្ខខណ្ឌ។ ខ្ញុំយល់ព្រមទិញមូលបត្រកម្មសិទ្ធិក្នុងចំនួនដូចបានកំណត់ខាងលើ ឬចំនួនមូលបត្រកម្មសិទ្ធិដែលក្រុមហ៊ុនបានបែងចែកមកឲ្យខ្ញុំ។ ខ្ញុំសូមសន្យាថាមិនលុបចោលការធ្វើបរិស្ថានមូលបត្ររបស់ខ្ញុំទេ និងយល់ព្រមទទួលប្រាក់សងត្រឡប់មកវិញ ក្នុងករណីការធ្វើបរិស្ថានមូលបត្របានបដិសេធ ឬការធ្វើបរិស្ថានមូលបត្ររបស់ខ្ញុំមិនសម្រេចបានតាមការស្នើសុំទាំងអស់របស់ខ្ញុំ។ ខ្ញុំយល់ស្របតាមលក្ខខណ្ឌនៃសំណើបោះផ្សាយលក់មូលបត្រជាសាធារណៈលើកដំបូងដូចមានចែងនៅក្នុងឯកសារផ្តល់ព័ត៌មាន។ ខ្ញុំទទួលស្គាល់ផងដែរថា ការវិនិយោគលើមូលបត្រកម្មសិទ្ធិមានហានិភ័យពាក់ព័ន្ធ។
 The subscription and payment made by subscriber shall be in accordance with the conditions specified in the disclosure document. I agree and acknowledge that issuer shall be entitled to refuse if any subscription does not comply with the said conditions. I undertake to purchase the number of equity securities as stated above or the number of equity securities allotted to me. I shall not cancel my subscription, and accept a return amount if the subscription is refused. I agree with the condition of initial public offering as specified in the Disclosure Document. I also acknowledge that the investment in equity securities is risky.

ខ្ញុំបានអានឯកសារផ្តល់ព័ត៌មានដោយម៉ត់ចត់មុនពេលធ្វើបរិស្ថានមូលបត្រ និងមិនមានការបញ្ចុះបញ្ចូលដោយភាគីណាមួយទេ។
 I read thoroughly the disclosure document before subscribing.

វិនិយោគិន និង ក្រុមហ៊ុនធានាទិញមូលបត្រ បានអាន យល់ច្បាស់ និងយល់ព្រមលើលក្ខខណ្ឌខាងក្រោមនៃសេវាកម្មបរិស្ថានមូលបត្រដែលមានភ្ជាប់។
 The Investor and the Underwriter named herein have understood and agreed on the terms and conditions of the Subscription Service set forth on the reverse pages or otherwise attached hereto.

ហត្ថលេខា-ត្រា និងឈ្មោះអ្នកធ្វើបរិស្ថានមូលបត្រ Signature-Seal and Name of Subscriber	ហត្ថលេខា ត្រា និងឈ្មោះរបស់តំណាងភ្នាក់ងារលក់ Signature-Seal and Name of Representative of Selling Agent	ហត្ថលេខា ត្រា និងឈ្មោះប្រធានភ្នាក់ងារក្រុមហ៊ុនមូលបត្រ ឬនាយកប្រតិបត្តិ Signature-Seal and Name of Head of Securities Representative or CEO
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ពាក្យស្នើសុំធ្វើបរិសកម្មមូលបត្រកម្មសិទ្ធិ Subscription Application Form

(សម្រាប់វិនិយោគិនដែលមិនបានចូលរួមប្រកប្បទាន/ For Investor Who Did Not Participate In The Book Building)

លេខបរិសកម្ម : Subscription No. :	ក្រុមហ៊ុន : Company :	កំពង់ផែស្វយ័តក្រុងភ្នំពេញ Phnom Penh Autonomous Port
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មូលបត្រកម្មសិទ្ធិសរុបដែលត្រូវធ្វើសំណើលក់ជាសាធារណៈលើកដំបូងមានចំនួន [៤,១៣៦,៨៧៣] ឯកតាមូលបត្រកម្មសិទ្ធិ ដែលតម្លៃទឹកក្នុងមួយឯកតាមូលបត្រកម្មសិទ្ធិស្មើនឹង [៤,០០០] រៀល ឬ [១.០០] ដុល្លារអាមេរិក ហើយតម្លៃលក់ក្នុងមួយឯកតាមូលបត្រកម្មសិទ្ធិស្មើនឹង [៥,១២០] រៀល ឬ [១.២៥៦] ដុល្លារអាមេរិក។

មូលបត្រកម្មសិទ្ធិសរុបដែលលេបម្រុងសម្រាប់បុគ្គលិកមានចំនួន [៤១៣,៦៨៧] ឯកតាមូលបត្រកម្មសិទ្ធិ។ មូលបត្រកម្មសិទ្ធិសរុបដែលលេបម្រុងសម្រាប់វិនិយោគិនសក្តានុពលមានចំនួន [១,៨៥៩,៥៧៣] ឯកតាមូលបត្រកម្មសិទ្ធិ។ មូលបត្រកម្មសិទ្ធិសរុបដែលលេបម្រុងសម្រាប់វិនិយោគិនដែលមិនទទួលបានជោគជ័យក្នុងប្រកប្បទាន និង វិនិយោគិនដែលមិនទទួលបានចូលរួមប្រកប្បទានមានចំនួន [១,០៥៥,០០០] ឯកតាមូលបត្រកម្មសិទ្ធិ។ មូលបត្រកម្មសិទ្ធិសរុបដែលលេបម្រុងសម្រាប់វិនិយោគិនដែលមិនទទួលបានជោគជ័យក្នុងប្រកប្បទាន និង វិនិយោគិនដែលមិនទទួលបានចូលរួមប្រកប្បទានមានចំនួន [៨០៨,៦១៣] ឯកតាមូលបត្រកម្មសិទ្ធិ។

សំរាប់វិនិយោគិនមិនទទួលបានជោគជ័យក្នុងប្រកប្បទាន និង វិនិយោគិនដែលមិនទទួលបានចូលរួមប្រកប្បទាន ការធ្វើបរិសកម្មមូលបត្រកម្មសិទ្ធិ ត្រូវមានចំនួនអប្បបរមាចាប់ពី ១០០ ឯកតា មូលបត្រកម្មសិទ្ធិឡើងទៅ។ កាលវិនិយោគិនមិនទទួលបានជោគជ័យក្នុងប្រកប្បទាន និង វិនិយោគិនដែលមិនទទួលបានចូលរួមប្រកប្បទានធ្វើបរិសកម្មមានចំនួនច្រើនជាងចំនួនអប្បបរមា ចំនួនមូលបត្រកម្មសិទ្ធិដែលត្រូវធ្វើបរិសកម្មគឺស្មើនឹងចំនួនដងនៃមូលបត្រកម្មសិទ្ធិដែលត្រូវធ្វើបរិសកម្មអប្បបរមា។

The total number of equity securities for initial public offering are [4,136,873] units of equity securities with par value per unit of equity securities [4,000] riels or [1.00] USD and the offering price per unit of equity securities [5,120] riels or [1.256] USD⁽¹⁾.

The total number of equity securities reserved for employees are [413,687] units of equity securities. The total number of equity securities reserved for potential investors are [1,859,573] units of equity securities. The total number of equity securities reserved for successful investors in the Book Building are [1,055,000] units of equity securities. The total number of equity securities reserved for unsuccessful investors in the Book Building and non-participating Investors are [808,613] units of equity securities.

For Unsuccessful Investors in the Book Building and non-participating Investors who didn't participate in the Book Building, the minimum of equity securities to be subscribed is 100 unit of equity securities. If unsuccessful Investors in the Book Building and non-participating Investors who didn't participate in the Book Building subscribe more than the minimum of equity securities as mentioned above, the subscription shall be multiplied by the minimum.

ឈ្មោះក្រុមហ៊ុនបោះផ្សាយ Issuer	:	កំពង់ផែស្វយ័តក្រុងភ្នំពេញ Phnom Penh Autonomous Port
ឈ្មោះក្រុមហ៊ុនធានាទិញមូលបត្រ Underwriter	:	យាន់តា ស៊ីឃ្យូរីធី (ខេមបូឌា) ភីអិលស៊ី Yuanta Securities (Cambodia) Plc.

ព័ត៌មានស្តីពីអ្នកធ្វើបរិសកម្ម / Subscriber Information

ក. វិនិយោគិនជាបុគ្គលៈ ☐ សញ្ជាតិខ្មែរ (Cambodian Citizen) ☐ មិនមែនសញ្ជាតិខ្មែរ (Non-Cambodian Citizen) _____

A. For individual

ឈ្មោះ (អក្សរខ្មែរ) _____	នាម (អក្សរខ្មែរ) _____	ភេទ <input type="checkbox"/> ប្រុស <input type="checkbox"/> ស្រី
First Name (Khmer)	Last Name (Khmer)	Gender <input type="checkbox"/> Male <input type="checkbox"/> Female
ឈ្មោះ (អក្សរឡាតាំង) _____	នាម (អក្សរឡាតាំង) _____	
First Name (Latin)	Last Name (Latin)	
លេខអត្តសញ្ញាណវិនិយោគិន _____	លេខគណនីជួញដូរ _____	
Investor ID No.	Trading Account No.	
ឈ្មោះក្រុមហ៊ុនមូលបត្រ _____	លេខប្រកប្បទាន _____	
Securities Firm Name	Book Building No.	
លេខកូដប្រទេស និង ទូរស័ព្ទដៃ <input type="text"/> <input type="text"/> _____	អ៊ីម៉ែល _____	
Country Code & Mobile Phone	Email	
អាសយដ្ឋាន _____	ទូរសារលេខ _____	
Address	Fax No.	

ខ. វិនិយោគិនជាស្ថាប័នៈ ☐ សញ្ជាតិខ្មែរ (Cambodian Citizen) ☐ មិនមែនសញ្ជាតិខ្មែរ (Non-Cambodian Citizen) _____

B. For Legal Entity

១. ឈ្មោះក្រុមហ៊ុន (អក្សរខ្មែរ) _____ ឈ្មោះក្រុមហ៊ុន (អក្សរឡាតាំង) _____
Company Name (Khmer) Company Name (Latin)

លេខអត្តសញ្ញាណសារពើពន្ធ (ប្រសិនបើមាន) _____ លេខអត្តសញ្ញាណវិនិយោគិន _____ លេខគណនីជួញដូរ _____
Tax Identification Number (if any) Investor ID No. Trading Account No.

ឈ្មោះក្រុមហ៊ុនមូលបត្រ _____ លេខប៊ុកប្បាលឌីង _____
Securities Firm Name Book Building No.

លេខកូដប្រទេស និង ទូរស័ព្ទដៃ អ៊ីម៉ែល _____ ទូរសារលេខ _____
Country Code & Mobile Phone Email Fax No.

អាសយដ្ឋាន _____
Address

២. គោត្តនាមអ្នកតំណាង (អក្សរខ្មែរ/ឡាតាំង) _____ នាមអ្នកតំណាង (អក្សរខ្មែរ/ឡាតាំង) _____
First Name of Representative (Khmer/Latin) Last Name of Representative (Khmer/Latin)

ព័ត៌មានស្តីពីការស្នើសុំធ្វើបរិសកម្ម / Subscription Information

ចំនួនមូលបត្រកម្មសិទ្ធិដែលស្នើសុំធ្វើបរិសកម្ម [ក] Total Number of Subscribing Equity Securities [A]	ថ្លៃលក់ក្នុងមួយឯកតាមូលបត្រកម្មសិទ្ធិ [ខ] Offering Price Per Equity Securities[B]	ចំនួនទឹកប្រាក់សរុបសម្រាប់ការស្នើសុំធ្វើបរិសកម្ម [គ = ក x ខ] Total Amount for Subscription [C = A x B]	ចំនួនទឹកប្រាក់តម្កល់ជាក់ស្តែងសម្រាប់ការស្នើសុំធ្វើបរិសកម្ម Actual Deposit for Subscription
shares	5,120 KHR	<input type="checkbox"/> KHR <input type="checkbox"/> USD	<input type="checkbox"/> KHR <input type="checkbox"/> USD

មធ្យោបាយទូទាត់
Through

☐ ប្រាក់សុទ្ធ
Cash

☐ បណ្ណាគំណាន
Credit Card

☐ មូលប្បទានបត្រ
Cheque:

មូលប្បទានបត្រលេខ _____ កាលបរិច្ឆេទ _____ ធនាគារ _____
Cheque No. Date Bank

☐ ផ្ទេរតាមធនាគារ
Bank Transfer:

ឈ្មោះគណនី _____ លេខគណនី _____ ធនាគារ _____
Account Name Account No. Bank

☐ គណនីជួញដូរ
Trading Account:

ឈ្មោះគណនី _____ លេខគណនី _____ ក្រុមហ៊ុនមូលបត្រ _____
Account Name Account No. Securities Firm

ព័ត៌មានសម្រាប់ផ្ទេរប្រាក់កក់ / Refund Information

ករណីខ្ញុំមិនទទួលបានមូលបត្រទៅតាមការស្នើសុំធ្វើបរិសកម្មមូលបត្រកម្មសិទ្ធិ ខ្ញុំមានបំណងទទួលប្រាក់កក់បរិសកម្ម (ដកចេញនូវរាល់ការចំណាយ កម្រៃទាំងឡាយ រួមទាំងកម្រៃនៃការផ្ទេរតាមរយៈធនាគារសម្រាប់ប្រាក់កក់) តាមរយៈមធ្យោបាយណាមួយខាងក្រោម៖
In case I did not receive the number equity securities as I subscribed, I would like to receive the Subscription Deposit (less any and all the expenses, fees and costs including, without limitation, bank transfer fee for the refund) through the any of below methods:

* សូមបញ្ជាក់ថាម្ចាស់គណនី និង វិនិយោគិនដែលមិនទទួលបានជោគជ័យ ត្រូវតែជាបុគ្គលតែមួយ។ គណនីរួម មិនត្រូវបានអនុញ្ញាត។
* Please note that the account owner and Unsuccessful Investor must be the same person. Joint Accounts are not allowed.

☐ ផ្ទេរប្រាក់កក់ត្រឡប់ទៅគណនីជួញដូរវិញ / Refund to Trading Account

☐ ផ្ទេរប្រាក់កក់ទៅគណនីធនាគារ / Refund to Bank Account
ឈ្មោះធនាគារ _____ ឈ្មោះសាខាធនាគារ _____
Bank Name Branch Name
ឈ្មោះគណនី _____ លេខគណនី _____
Account Name Account No.
លេខកូដស្វីហ្វ _____
SWIFT Code

☐ ផ្ទេរជាសាច់ប្រាក់ (នៅទីស្នាក់ការកណ្តាលនៃធនាគារអេស៊ីស៊ីដា) / Refund in Cash (at ACLEDA Bank Head Quarter)

ឯកសារភ្ជាប់ / Attached Documents

☐ វិក្កយបត្រតម្កល់ប្រាក់ Deposit Slip / Credit Advice / Transfer Slip etc.

សេចក្តីថ្លែងរបស់អ្នកធ្វើប័រីសកម្ម / Subscriber Statement

នៅក្នុងការធ្វើប័រីសកម្មមូលបត្រកម្មសិទ្ធិនេះ ខ្ញុំបានទទួលឯកសារផ្តល់ព័ត៌មានក្នុងទម្រង់ដូចខាងក្រោម៖

In subscribing to the equity securities, I recieved the disclosure document in the form of:

☐ ច្បាប់ចម្លង ☐ ឧបករណ៍ផ្ទុក ☐ អ៊ីមែលផ្ទុក ☐ តាមរយៈគេហទំព័រ _____ ឬ ☐ ផ្សេងពីនេះ: _____
 Hard copy Storage device Email storage Website or Other

ការធ្វើប័រីសកម្ម និងការទូទាត់ ត្រូវធ្វើឡើងដោយអ្នកធ្វើប័រីសកម្មត្រូវតែស្របទៅតាមលក្ខខណ្ឌដែលមានចែងក្នុងឯកសារផ្តល់ព័ត៌មាន។ ខ្ញុំយល់ព្រម និងទទួលស្គាល់ថាក្រុមហ៊ុនបោះផ្សាយមានសិទ្ធិបដិសេធ ក្នុងករណីការស្នើសុំធ្វើប័រីសកម្មណាមួយដែលមិនគោរពតាមលក្ខខណ្ឌ។ ខ្ញុំយល់ព្រមទិញមូលបត្រកម្មសិទ្ធិក្នុងចំនួនដូចបានកំណត់ខាងលើ ឬចំនួនមូលបត្រកម្មសិទ្ធិដែលក្រុមហ៊ុនបានបែងចែកកម្ចីខ្ញុំ។ ខ្ញុំសូមសន្យាថាមិនលុបចោលការធ្វើប័រីសកម្មរបស់ខ្ញុំទេ និងយល់ព្រមទទួលប្រាក់សងត្រឡប់មកវិញ ក្នុងករណីការធ្វើប័រីសកម្មត្រូវបានបដិសេធ ឬការធ្វើប័រីសកម្មរបស់ខ្ញុំមិនសម្រេចបានតាមការស្នើសុំទាំងអស់របស់ខ្ញុំ។ ខ្ញុំយល់ស្របតាមលក្ខខណ្ឌនៃសំណើបោះផ្សាយលក់មូលបត្រជាសាធារណៈលើកដំបូងដូចមានចែងនៅក្នុងឯកសារផ្តល់ព័ត៌មាន។ ខ្ញុំទទួលស្គាល់ផងដែរថា ការវិនិយោគលើមូលបត្រកម្មសិទ្ធិមានហានិភ័យពាក់ព័ន្ធ។

The subscription and payment made by subscriber shall be in accordance with the conditions specified in the disclosure document. I agree and acknowledge that issuer shall be entitled to refuse if any subscription does not comply with the said conditions. I undertake to purchase the number of equity securities as stated above or the number of equity securities allotted to me. I shall not cancel my subscription, and accept a return amount if the subscription is refused. I agree with the condition of initial public offering as specified in the Disclosure Document. I also acknowledge that the investment in equity securities is risky.

ខ្ញុំបានអានឯកសារផ្តល់ព័ត៌មានដោយមិនចាត់ទុកថាមានលក្ខណៈងាយស្រួល និងមិនមានការបញ្ចុះបញ្ចូលដោយភាគីណាមួយទេ។

I read thoroughly the disclosure document before subscribing.

វិនិយោគិន និង ក្រុមហ៊ុនធានាទិញមូលបត្រ បានអាន យល់ច្បាស់ និងយល់ព្រមលើលក្ខខណ្ឌខាងក្រោមនៃសេវាកម្មប័រីសកម្មដូចដែលមានភ្ជាប់។

The Investor and the Underwriter named herein have understood and agreed on the terms and conditions of the Subscription Service set forth on the reverse pages or otherwise attached hereto.

<p>ហត្ថលេខា-ត្រា និងឈ្មោះអ្នកធ្វើប័រីសកម្ម</p> <p>Signature-Seal and Name of Subscriber</p>	<p>ហត្ថលេខា ត្រា និងឈ្មោះរបស់តំណាងភ្នាក់ងារលក់</p> <p>Signature-Seal and Name of Representative of Selling Agent</p>	<p>ហត្ថលេខា ត្រា និងឈ្មោះប្រធានភ្នាក់ងារក្រុមហ៊ុនមូលបត្រ ឬនាយកប្រតិបត្តិ</p> <p>Signature-Seal and Name of Head of Securities Representative or CEO</p>
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Section 13: Signature of Chairman of Board of Directors, Directors, CEO and CFO of the Company

H.E Hei Bavy Chairman and CEO	Signature	4 November 2015
H.E Soun Rachana BOD Member	Signature	4 November 2015
H.E Ly Sivanna BOD Member	Signature	4 November 2015
H.E Ken Sambath BOD Member	Signature	4 November 2015
H.E Penn Sovicheat BOD Member	Signed by Mr. Proum Sokhany	4 November 2015
Mr. Hout Hay BOD Member	Signature	4 November 2015
Mr.Proum Sokhany BOD Member	Signature	4 November 2015

Appendix

1- The interim report for the period ended 31 March 2015

2- Tariff Table

PHNOM PENH AUTONOMOUS PORT

**Condensed Interim Financial Information
for the three-month period
ended 31 March 2015 and
Report of the Independent Auditors**

Corporate information

Company	Phnom Penh Autonomous Port
Registration No	Co.7175 Et/2004
Registered office	No. 649, Preah Sisowath Quay Sangkat Sras Chork Khan Daun Penh, Phnom Penh Kingdom of Cambodia
Shareholders	Ministry of Economy and Finance
Board of Directors	H.E. Hei Bavy, Chairman and Chief Executive Officer H.E. Suon Rachana, Member representing MPWT (Appointed on 18 February 2015) H.E. Ly Sivanna, Member representing Council of Ministers H.E. Ken Sambath, Member representing MEF H.E. Penn Sovicheat, Member representing MOC Mr. Hout Hay, Member representing Phnom Penh Municipality Mr. Proum Sokhany, Member representing PPAP Mr. Mam Rithy, State Controller Mr. Hiek Phirun, Chairman of Secretary Ms. Hei Phanin, Member of Secretary Mr. Koy Bunthorn, Member of Secretary Mr. Kong Channy, Member of Secretary
Management team	H.E. Hei Bavy, Chief Executive Officer H.E. Cheap Thol, Deputy Director General of Operation Mr. Hiek Phirun, Deputy Director General of Maritime Service/Traffic H.E. An Sam Ol, Deputy Director General of Technical H.E. Kim Sen, Deputy Director General of Administration Mr. Nem Thim, Head of Administration Department Ms. Hei Phanin, Head of Planning/Marketing Department Mr. Chui Vichet, Head of LM17 Operation Department Mr. Koy Bunthorn, Head of Engineer Department Mr. Proum Sokhany, Head of Hydrographic Department Mr. Yim Choeurn, Head of Harbour Department Mr. Tol Sokhom, Head of TS3 Operation Department
Principal bankers	Foreign Trade Bank of Cambodia ANZ Royal Bank (Cambodia) Ltd. Advanced Bank of Asia Limited
Auditor	KPMG Cambodia Ltd

Phnom Penh Autonomous Port

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5. Condensed interim statement of changes in equity	6
6. Condensed interim statement of cash flows	8
7. Notes to the condensed interim financial information	9

Statement by the management

We do hereby state that, in our opinion, the accompanying condensed interim financial information of Phnom Penh Autonomous Port as set out on pages 3 to 20 is presented fairly, in all material respects, in accordance with Cambodian International Accounting Standard 34, “Interim Financial Reporting”.

Signed on behalf of the management,

Hei Bavy
Chief Executive Officer

Phnom Penh, Kingdom of Cambodia

Date:

Report of the independent auditors

To the shareholder

Phnom Penh Autonomous Port

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Phnom Penh Autonomous Port (“PPAP”) as at 31 March 2015, and the related condensed interim statements of profit or loss and other comprehensive income, changes in equity and cash flows for the three-month period then ended, and notes to the condensed interim financial information as set out on pages 3 to 20 (“the condensed interim financial information”). Management is responsible for the preparation and fair presentation of this condensed interim financial information in accordance with Cambodian International Accounting Standard (“CIAS”) 34, “Interim Financial Reporting”. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at 31 March 2015 is not present fairly, in all material respects, in accordance with Cambodian International Accounting Standard 34, “Interim Financial Reporting”.

For **KPMG Cambodia Ltd**

Nge Huy

Audit Partner

Phnom Penh, Kingdom of Cambodia

27 August 2015

Phnom Penh Autonomous Port

Condensed interim statement of financial position As at 31 March 2015

	Note	As at 31 March 2015		As at 31 December 2014	
		US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
ASSETS					
Non-current assets					
Property, plant and equipment	5	140,248,683	567,025,425	140,767,115	568,417,610
Investment properties		7,830,772	31,659,811	7,842,164	31,666,658
		<u>148,079,455</u>	<u>598,685,236</u>	<u>148,609,279</u>	<u>600,084,268</u>
Current assets					
Trade and other receivables	6	1,639,411	6,628,139	1,375,233	5,553,191
Cash and bank balances	7	2,326,987	9,408,008	1,820,910	7,352,835
		<u>3,966,398</u>	<u>16,036,147</u>	<u>3,196,143</u>	<u>12,906,026</u>
Total assets		<u><u>152,045,853</u></u>	<u><u>614,721,383</u></u>	<u><u>151,805,422</u></u>	<u><u>612,990,294</u></u>
EQUITY AND LIABILITIES					
Equity					
Capital		26,777,872	108,262,936	26,777,872	108,129,047
Legal reserves		431,780	1,745,687	349,143	1,409,839
General reserves		431,780	1,745,687	349,143	1,409,839
Development fund		7,822,618	31,626,845	6,335,151	25,581,341
Retained earnings		84,274,043	340,719,955	85,655,817	345,878,189
Total equity		<u>119,738,093</u>	<u>484,101,110</u>	<u>119,467,126</u>	<u>482,408,255</u>
Liabilities					
Non-current liabilities					
Borrowings	8	28,979,637	117,164,672	28,979,637	117,019,774
Provision for retirement benefits	9	673,107	2,721,371	717,462	2,897,112
Deferred tax liabilities, net	10	816,712	3,301,967	693,094	2,798,713
		<u>30,469,456</u>	<u>123,188,010</u>	<u>30,390,193</u>	<u>122,715,599</u>

The accompanying notes form an integral part of this condensed interim financial information.

Phnom Penh Autonomous Port

Condensed interim statement of financial position (continued) As at 31 March 2015

	Note	As at 31 March 2015		As at 31 December 2014	
		US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Current liabilities					
Trade and other payables	11	1,473,062	5,955,590	1,628,128	6,574,381
Provision for income tax	10	365,242	1,476,673	319,975	1,292,059
		<u>1,838,304</u>	<u>7,432,263</u>	<u>1,948,103</u>	<u>7,866,440</u>
		<u>32,307,760</u>	<u>130,620,273</u>	<u>32,338,296</u>	<u>130,582,039</u>
Total equity and liabilities		<u><u>152,045,853</u></u>	<u><u>614,721,383</u></u>	<u><u>151,805,422</u></u>	<u><u>612,990,294</u></u>

The accompanying notes form an integral part of this condensed interim financial information.

Phnom Penh Autonomous Port

Condensed interim statement of profit or loss and other comprehensive income for the three-month period ended 31 March 2015

		Three-month Period ended 31 March 2015		Three-month period ended 31 March 2014	
	Note	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Revenue	12	3,526,767	14,258,719	3,177,637	12,691,482
Cost of services	13	(1,390,272)	(5,620,870)	(1,390,098)	(5,552,051)
Gross profit		<u>2,136,495</u>	<u>8,637,849</u>	<u>1,787,539</u>	<u>7,139,431</u>
Other income		82,813	334,813	65,812	262,853
General administration and selling expenses	14	(893,148)	(3,610,998)	(912,219)	(3,643,402)
Net operating income		<u>1,326,160</u>	<u>5,361,664</u>	<u>941,132</u>	<u>3,758,882</u>
Finance costs		(289,796)	(1,171,645)	(289,796)	(1,157,445)
Profit before income tax		<u>1,036,364</u>	<u>4,190,019</u>	<u>651,336</u>	<u>2,601,437</u>
Income tax expense	10	(319,938)	(1,293,509)	(147,171)	(587,801)
Net profit for the year		<u>716,426</u>	<u>2,896,510</u>	<u>504,165</u>	<u>2,013,636</u>
Other comprehensive income					
Re-measurements of defined benefit liability		46,909	189,653	(12,251)	(48,930)
		<u>763,335</u>	<u>3,086,163</u>	<u>491,914</u>	<u>1,964,706</u>

The accompanying notes form an integral part of this condensed interim financial information.

Phnom Penh Autonomous Port

Condensed interim statement of changes in equity for the three-month period ended 31 March 2015

	Share capital US\$	Legal reserves US\$	General reserves US\$	Development fund US\$	Retained earning US\$	Total US\$
At 1 January 2014	25,884,662	335,366	335,366	6,087,168	84,331,897	116,974,459
<i>Total comprehensive incomes</i>						
Net profit for the period	-	-	-	-	504,165	504,165
Other comprehensive loss	-	-	-	-	(12,251)	(12,251)
Transfers	-	38,609	38,609	694,967	(772,185)	-
	<u>-</u>	<u>38,609</u>	<u>38,609</u>	<u>694,967</u>	<u>(280,271)</u>	<u>491,914</u>
At 31 March 2014	<u>25,884,662</u>	<u>373,975</u>	<u>373,975</u>	<u>6,782,135</u>	<u>84,051,626</u>	<u>117,466,373</u>
At 31 March 2014 – KHR'000 (Note 4)	<u>103,383,340</u>	<u>1,493,656</u>	<u>1,493,656</u>	<u>27,087,847</u>	<u>335,702,196</u>	<u>469,160,695</u>

The accompanying notes form an integral part of this condensed interim financial information.

Phnom Penh Autonomous Port

Condensed interim statement of changes in equity (continued) for the three-month period ended 31 March 2015

	Share capital US\$	Legal reserves US\$	General reserves US\$	Development fund US\$	Retained earnings US\$	Total US\$
At 1 January 2015	26,777,872	349,143	349,143	6,335,151	85,655,817	119,467,126
<i>Total comprehensive incomes</i>						
Net profit for the year	-	-	-	-	716,426	716,426
Other comprehensive income	-	-	-	-	46,909	46,909
Dividend paid	-	-	-	-	(492,368)	(492,368)
Transfers	-	82,637	82,637	1,487,467	(1,652,741)	-
	-	82,637	82,637	1,487,467	(1,381,774)	270,967
At 31 March 2015	26,777,872	431,780	431,780	7,822,618	84,274,043	119,738,093
At 31 March 2015 (KHR'000 – Note 4)	108,262,936	1,745,687	1,745,687	31,626,845	340,719,955	484,101,110

The accompanying notes form an integral part of this condensed interim financial information.

Phnom Penh Autonomous Port

Condensed interim statement of cash flows for the three-month period ended 31 March 2015

	Three-month period ended 31 March 2015		Three-month period ended 31 March 2014	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Operating activities				
Net profit for the year	716,426	2,896,510	504,165	2,013,636
Adjustments for:				
Income tax expense	319,938	1,293,509	147,171	587,801
Depreciation of property, plant and equipment and investment property	570,882	2,308,076	569,837	2,275,929
Provision for retirement benefits	25,196	101,867	9,660	38,582
Finance costs	289,796	1,171,645	289,796	1,157,445
	<u>1,922,238</u>	<u>7,771,607</u>	<u>1,520,629</u>	<u>6,073,393</u>
Changes in:				
Trade and other receivables	(264,178)	(1,068,072)	(288,028)	(1,150,384)
Trade and other payables	<u>(357,636)</u>	<u>(1,445,921)</u>	<u>(3,681)</u>	<u>(14,702)</u>
	1,300,424	5,257,614	1,228,920	4,908,307
Interest paid	(579,594)	(2,343,299)	(579,593)	(2,314,894)
Income tax paid	(151,053)	(610,707)	(245,047)	(978,718)
Employee benefit paid	<u>(22,642)</u>	<u>(91,542)</u>	<u>(5,562)</u>	<u>(22,215)</u>
Net cash generated from operating activities	<u>547,135</u>	<u>2,212,066</u>	<u>398,718</u>	<u>1,592,480</u>
Investing activities				
Purchase of property, plant and equipment	<u>(41,058)</u>	<u>(165,997)</u>	<u>(155,320)</u>	<u>(620,349)</u>
Net cash used in investing activities	<u>(41,058)</u>	<u>(165,997)</u>	<u>(155,320)</u>	<u>(620,349)</u>
Net increase in cash and cash equivalents	506,077	2,046,069	243,398	972,131
Cash and cash equivalents at 1 January	<u>1,820,910</u>	<u>7,361,939</u>	<u>(3,049,513)</u>	<u>(12,179,755)</u>
Cash and cash equivalents at 31 March (Note 7)	<u><u>2,326,987</u></u>	<u><u>9,408,008</u></u>	<u><u>(2,806,115)</u></u>	<u><u>(11,207,624)</u></u>

The accompanying notes form an integral part of this condensed interim financial information.

Phnom Penh Autonomous Port

Notes to the condensed interim financial information for the three-month period ended 31 March 2015

1. Reporting entity

Phnom Penh Autonomous Port (“PPAP”) was incorporated in the Kingdom of Cambodia under Sub-Decree number 51 អនក្រឹត្យ dated 17 July 1998 as a state owned enterprise supervised by the Ministry of Economy and Finance (“MEF”) and the Ministry of Public Works and Transport (“MPWT”). PPAP received the rights and obligations from the Government to implement its mission.

PPAP has objectives and obligations as follows:

- Provide pilotage and logistic service for vessel in - out of Cambodia;
- Handle, load/discharge and transport cargos;
- Dredging service for business and maintenance of navigation channel;
- Maintenance of waterway transportation;
- Provide storage, warehouse and container yard for cargos;
- Develop, rehabilitate, and expand the infrastructure;
- Manage Phnom Penh lines for waterway transportation;
- Provide service for passenger and tourist vessel passing through;
- Responsible for the safety, security and order under PPAP’s management area; and
- Conduct other legal business of any kind, in addition to the above mentioned, to further the objectives of PPAP as deemed necessary or appropriate by the Board of Directors of PPAP.

There were no significant changes to these principal activities during the financial year.

As at 31 March 2015, PPAP had 433 employees (as at 31 December 2014: 446 employees).

2. Basis of preparation

(a) Statement of compliance

This condensed interim financial information has been prepared in accordance with CIAS 34 Interim Financial Reporting. They do not include all the information required for a complete set of CIFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company’s financial position and performance since the last annual financial statements as at and for the year ended 31 December 2014.

These interim financial statements were authorised for issue by the Company’s Board of Directors on 27 August 2015.

Phnom Penh Autonomous Port

**Notes to the condensed interim financial information
for the three-month period ended 31 March 2015**

Phnom Penh Autonomous Port

Notes to the condensed interim financial information (continued) for the three-month period ended 31 March 2015

2. Basis of preparation (continued)

(b) Functional and presentation currency

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

This financial information is presented in US\$, which is the Company’s functional currency. All information in US\$ has been rounded to the nearest dollars.

(c) Use of estimate and judgements

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

The significant judgements made by Management in applying the Company’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended 31 December 2014.

Measurement of fair values

A number of the Company’s accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of CIFRS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorised 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).

Phnom Penh Autonomous Port

Notes to the condensed interim financial information (continued) for the three-month period ended 31 March 2015

2. Basis of preparation (continued)

(c) Use of estimate and judgements (continued)

Measurement of fair values (continued)

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3. Significant accounting policies

The accounting policies applied in this interim financial information are the same as those applied in the Company's financial statements as at and for the year ended 31 December 2014.

4. Translation of United States Dollars into Khmer Riel

The financial statements are stated in United States Dollars. The translations of United States Dollars amounts into Khmer Riel are included solely for meeting the presentation requirements pursuant to Law on Corporate Accounts, their Audit and the Accounting Profession of Cambodia and have been made using the prescribed official exchange rate of US\$1 to KHR4,043 (As at 31 December 2014: KHR4,038; 31 March 2014: KHR3,994) published by the General Department of Taxation on 31 March 2015. These convenience translations should not be construed as representations that the United States Dollars amounts have been, could have been, or could in the future be, converted into Khmer Riel at this or any other rate of exchange.

5. Property, plant and equipment

During the three months ended 31 March 2015, the Company acquired property, plant and equipment amounting to US\$41,058 (three months ended 31 March 2014: US\$155,320), depreciation amounting to US\$559,490 (three months ended 31 March 2014: US\$269,153) was charged to profit or loss.

A parcel of land with title deed No. PP06290 located at Sangkat Boeung Salang, Khan Russey Keo was used to secure the overdraft obtained from Foreign Trade Bank of Cambodia.

Phnom Penh Autonomous Port

Notes to the condensed interim financial information (continued) for the three-month period ended 31 March 2015

6. Trade and other receivables

	As at 31 March 2015		As at 31 December 2014	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Trade receivables	1,252,085	5,062,180	1,135,908	4,586,797
Advances, prepayments and others	387,326	1,565,959	239,325	966,394
	<u>1,639,411</u>	<u>6,628,139</u>	<u>1,375,233</u>	<u>5,553,191</u>

7. Cash and cash equivalents

	As at 31 March 2015		As at 31 March 2014	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Cash in banks	2,315,753	9,362,589	189,801	758,065
Cash on hand	11,234	45,419	69,138	276,137
Total cash and bank balances	<u>2,326,987</u>	<u>9,408,008</u>	<u>258,939</u>	<u>1,034,202</u>
Less:				
Overdraft	-	-	3,065,054	12,241,826
Cash and cash equivalents	<u>2,326,987</u>	<u>9,408,008</u>	<u>(2,806,115)</u>	<u>(11,207,624)</u>

An overdraft facility was obtained from Foreign Trade Bank of Cambodia on 21 June 2012 with a credit limit of US\$3,600,000. This facility is secured by a parcel of land owned by the Company and bore interest at the rate of 8% per annum.

8. Borrowings

	As at 31 March 2015		As at 31 December 2014	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Non-current				
Phnom Penh Port - New Container Terminal Project ("PPPNECTP")	<u>28,979,637</u>	<u>117,164,672</u>	<u>28,979,637</u>	<u>117,019,774</u>

Phnom Penh Autonomous Port

Notes to the condensed interim financial information (continued) for the three-month period ended 31 March 2015

8. Borrowings (continued)

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

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

9. Provision for retirement benefits

		As at 31 March 2015		As at 31 December 2014	
		US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Defined benefit plan	(i)	668,220	2,701,613	702,442	2,836,461
Other benefits	(ii)	4,887	19,758	15,020	60,651
		<u>673,107</u>	<u>2,721,371</u>	<u>717,462</u>	<u>2,897,112</u>

(i). Defined benefit plan

The Company offers final basic salary with lump sum payment at retirement or at an earlier exit through ill-health retirement or death-in-service.

The plan is neither a funded nor an approved retirement plan and therefore it is not subject to any regulatory framework pertaining to approved retirement fund.

The following tables analyse present value of defined benefit obligations, expense recognised in profit or loss, actuarial assumptions.

Phnom Penh Autonomous Port

Notes to the condensed interim financial information (continued) for the three-month period ended 31 March 2015

9. Provision for retirement benefits (continued)

(i). Defined benefit plan (continued)

Expense recognised in profit or loss:

	Three-month period ended 31 March 2015		Three-month period ended 31 March 2014	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Current service costs	10,956	44,295	9,519	38,019
Interest costs	11,039	44,631	10,215	40,799
	<u>21,995</u>	<u>88,926</u>	<u>19,734</u>	<u>78,818</u>

Actuarial assumptions:

The following are the principal actuarial assumptions at the reporting date (expressed as weighted averages).

Discount rate *	6.70%
Future salary increases	23.00%, and gradually decreasing by 5% each year
Mortality	Thailand Mortality Ordinary Table 2008
Disability	10.00% of mortality
Retirement ages	55, 58 and 60 depending on the categories of employees
Turnover rate	1.50%

* As information on Cambodian corporate or government bonds are not readily available, the Company have analysed the medium to long term deposit rates in denomination Cambodian Riel of two Cambodian banks.

Assumptions regarding future mortality are based on published statistics and mortality tables. As standard life tables are not available for Cambodia, PPAP used the standard Thailand Mortality Ordinary Life Table 2008 (TM2008) without modification (see below for comparison). The rates are published as a standard table TM2008. As those employed in the formal sector are likely to experience better mortality than the general population, an allowance for this has been made.

Life expectancy at birth in Cambodia

Males	61 years old
Females	64 years old

Life expectancy at birth for proposed TM2008

Males	66 years old
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Phnom Penh Autonomous Port

Notes to the condensed interim financial information (continued) for the three-month period ended 31 March 2015

Females

74 years old

Phnom Penh Autonomous Port

Notes to the condensed interim financial information (continued) for the three-month period ended 31 March 2015

9. Provision for retirement benefits (continued)

(i). Defined benefit plan (continued)

Sensitivity analysis:

0.25% decrease in discount rate results in a 2.19% increase in defined benefit plan obligations.
0.50% decrease in salary decrease rate results in a 4.07% decrease in defined benefit obligations.

(ii). Other benefits

PPAP has paid an equal 3% of monthly basic salary to National Social Security Funds of Civil (“NSSFC”) on annually. After retirement employees will get monthly retirements from NSSFC.

10. Taxation

(a) Deferred tax, net

	As at 31 March 2015		As at 31 December 2014	
	US\$	KHR'000	US\$	KHR'000
		(Note 4)		(Note 4)
Deferred tax assets	157,771	637,868	224,120	904,997
Deferred tax liabilities	(974,483)	(3,939,835)	(917,214)	(3,703,710)
	<u>(816,712)</u>	<u>(3,301,967)</u>	<u>(693,094)</u>	<u>(2,798,713)</u>

Deferred tax assets/(liabilities) are attributable to:

	As at 31 March 2015		As at 31 December 2014	
	US\$	KHR'000	US\$	KHR'000
		(Note 4)		(Note 4)
Depreciation	(974,483)	(3,939,835)	(917,214)	(3,703,710)
Provision for retirement benefits	134,621	544,273	132,678	535,754
Provision for bonuses	-	-	67,535	272,706
Deferred income	14,266	57,677	15,646	63,179
Unrealised foreign exchange loss	8,884	35,918	8,261	33,358
	<u>(816,712)</u>	<u>(3,301,967)</u>	<u>(693,094)</u>	<u>(2,798,713)</u>

Phnom Penh Autonomous Port

Notes to the condensed interim financial information (continued) for the three-month period ended 31 March 2015

10. Taxation (continued)

(b) Provision for income tax

	As at 31 March 2015		As at 31 December 2014	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
At 1 January	319,975	1,293,659	225,802	901,853
Charge during the period/year	196,320	793,721	443,621	1,791,342
Income tax paid	(151,053)	(610,707)	(349,448)	(1,411,071)
	<u>365,242</u>	<u>1,476,673</u>	<u>319,975</u>	<u>1,292,059</u>

(c) Income tax expense

	Three-month period ended 31 March 2015		Three-month period ended 31 March 2014	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Current income tax	196,320	793,721	106,797	426,547
Deferred tax	123,618	499,788	40,374	161,254
	<u>319,938</u>	<u>1,293,509</u>	<u>147,171</u>	<u>587,801</u>

In accordance with Cambodian law, PPAP has an obligation to pay corporate income tax (CIT) at the higher of 20% of taxable profits or a minimum tax of 1% of revenue.

The reconciliation of income tax computed at the statutory tax rate to the income tax expense shown in the income statement is as follows:

	Three-month period ended 31 March 2015		Three-month period ended 31 March 2014	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Profit before income tax	1,036,364	4,190,019	651,336	2,601,437
Income tax using approved tax rate at 20%	207,273	838,004	130,267	520,286
Effect of non-deductible expenses	112,665	455,505	16,904	67,515
Income tax expense	<u>319,938</u>	<u>1,293,509</u>	<u>147,171</u>	<u>587,801</u>

Phnom Penh Autonomous Port

Notes to the condensed interim financial information (continued) for the three-month period ended 31 March 2015

The calculation of taxable income is subject to the review and approval of the tax authorities.

Phnom Penh Autonomous Port

Notes to the condensed interim financial information (continued) for the three-month period ended 31 March 2015

11. Trade and other payables

	As at 31 March 2015		As at 31 December 2014	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Dividend payable	492,368	1,990,644	-	-
Accrued operation expenses	304,725	1,232,003	657,067	2,653,237
Trade payables	261,837	1,058,607	236,024	953,065
Other tax payables	137,644	556,495	114,858	463,797
Customer deposits	124,864	504,825	178,757	721,820
Interest payable	151,624	613,016	441,422	1,782,462
	<u>1,473,062</u>	<u>5,955,590</u>	<u>1,628,128</u>	<u>6,574,381</u>

12. Revenue

	Three-month period ended 31 March 2015		Three-month period ended 31 March 2014	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Stevedoring	1,541,127	6,230,776	1,395,377	5,573,136
Lift On Lift Off (LOLO)	1,150,587	4,651,823	996,446	3,979,805
Port due/charges	648,939	2,623,660	556,075	2,220,964
Storage	75,128	303,743	124,976	499,154
Trucking	1,222	4,941	345	1,378
Others	109,764	443,776	104,418	417,045
	<u>3,526,767</u>	<u>14,258,719</u>	<u>3,177,637</u>	<u>12,691,482</u>

Phnom Penh Autonomous Port

Notes to the condensed interim financial information (continued) for the three-month period ended 31 March 2015

13. Cost of services

	Three-month period ended 31 March 2015		Three-month period ended 31 March 2014	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Depreciation	489,435	1,978,786	489,188	1,953,817
Crane charge	316,200	1,278,397	244,241	975,499
Salaries and other benefits	231,015	933,994	199,652	797,410
Gasoline	124,166	502,003	169,954	678,796
Channel costs	137,862	557,376	220,087	879,027
Maintenance costs	88,700	358,614	66,976	267,502
Others	2,894	11,700	-	-
	<u>1,390,272</u>	<u>5,620,870</u>	<u>1,390,098</u>	<u>5,552,051</u>

14. General administration and selling expenses

	Three-month period ended 31 March 2015		Three-month period ended 31 March 2014	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Salaries and wages	419,896	1,697,640	391,149	1,562,249
Donation expenses	24,320	98,326	44,404	177,350
Utilities and fuel	87,800	354,975	86,466	345,345
Depreciation	81,447	329,290	80,649	322,112
Repairs and maintenance	33,433	135,170	18,196	72,675
Business entertainments	59,162	239,192	77,921	311,216
Travelling expenses	42,389	171,379	10,889	43,491
Professional fee	10,702	43,268	30,775	122,915
Board of Director's fee	17,522	70,841	17,658	70,526
Office and material supplies	21,980	88,865	23,938	95,608
Communication expenses	11,748	47,497	10,293	41,110
Other tax expenses	1,309	5,292	285	1,138
Unrealised foreign exchange loss	3,112	12,582	1,936	7,732
Others	78,328	316,681	117,660	469,935
	<u>893,148</u>	<u>3,610,998</u>	<u>912,219</u>	<u>3,643,402</u>

Phnom Penh Autonomous Port

Notes to the condensed interim financial information (continued) for the three-month period ended 31 March 2015

15. Related party transactions and balances

(a) Significant transactions with related parties

PPAP had significant related party transactions during the year as follows:

	Three-month period ended 31 March 2015		Three-month period ended 31 March 2014	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
MEF:				
Finance costs	289,796	1,171,645	289,796	1,157,445
MEF and MPWT:				
Donation and charities	16,690	67,478	19,069	76,162
With Directors:				
Directors' remuneration	17,522	70,841	20,687	82,624

(b) Significant balances with related parties

	As at 31 March 2015		As at 31 December 2014	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Amounts due from related parties:				
MPWT	28,640	115,792	-	-
Dividend payable to MEF	492,368	1,990,644	-	-
Borrowings from Eximbank through MEF	28,979,637	117,164,672	28,979,637	117,019,774
Interest payable on borrowings	128,798	520,730	418,595	1,690,287
	29,600,803	119,676,046	29,398,232	118,710,061

Amounts due from related parties are unsecured, interest free and have no fixed term of repayments.
Terms of borrowings are disclosed.

Phnom Penh Autonomous Port

Notes to the condensed interim financial information (continued) for the three-month period ended 31 March 2015

16. Commitments

The Company has commitments in respect of the rental expenses on the following terms:

	As at 31 March 2015		As at 31 December 2014	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Within 1 year	20,338	82,227	25,560	103,211
Within 2 to 3 years	-	-	1,168	4,716
	<u>20,338</u>	<u>82,227</u>	<u>26,728</u>	<u>107,927</u>

17. Taxation contingencies

The taxation system in Cambodia is relatively new and is characterised 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.

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

18. Subsequent events

The Company is in the process of preparing its initial Public Offering ("IPO") with the Securities and Exchange Commission of Cambodia ("SECC") and expected to be listed in 4th quarter of 2015.

On 24 July 2015, the Board of Directors of PPAP resolved to transfer the retained earnings amounting to US\$83,538,740 (equivalent to KHR338,582,513 thousand) to capital.

The Regulation of Tariff
On Port Dues & Charges to be levied on foreign Vessels

“Attached herewith: - Decision No. 110 S.S.R dated 09th September, 1987
- Prakas No. 239BRK.KM.PK dated 08th June, 1993”

I. General Provisions :

1. The present Regulation of Tariff on Port Dues & Charges is aimed at implementing all dues and charges to be levied on all vessels coming into and going out of Cambodia international border (West bank: Kaam Samnor-Vinh Xuong or East bank: Koh Rokar-Thoeung Phuoc).
2. All kinds of dues and charges are quoted in “US Dollars”. The remuneration may be quoted in other foreign currencies according to the official rate of ex-change if such ones are approved by the Government of Cambodia.
3. With the exception of berthage dues, tonnage dues, channel dues, other charges such as: loading /discharging charges, tug assistance charges, technical derrick workers charges shall be increased by 25% for night-shift service and 50% for holidays and Sundays.
4. Night-shift is from 18.00 to 06.00 of the following day. Night-shift-pilotage is from 15.00 to 08.00 of the following day.
5. Annual holiday must be in accordance with the calendar which is approved by the Prakas of the Ministry of Labor and Vocational Training of Cambodia.
6. Unit of paying and the rounding-off method for port dues and charges :
 - 6.1 Tonnage dues are levied on vessel’s Gross Registered Tonnage (GRT).
 - A. Part of a GRT to be counted as one GRT.
 - B. For vessels of which GRT are unknown:
 - i. Tug-boats: one H.P to be treated as one GRT.
 - ii. Lighter: one Deadweight Ton to be treated as one GRT.
 - 6.2 Unit of engine power is the “Horse Power” (H.P). Part of a H.P to be counted as one H.P
 - 6.3 Time unit is Day and Hour
 - A. One day is defined as 24 hours, 12 hours or less to be counted as half day; over 12 hours to be counted as a full day.
 - B. One hour is defined as 60 minutes; 30 minutes or less to be counted as half hour; over 30 minutes to be counted as full hour.
 - 6.4 Unit of distance is Mile. Less than half-mile to be counted as half –mile; over half-mile to be counted as a full mile.

II. Various items of port Dues and Other Charges:

1. Tonnage Dues:

- 1.1 All vessels calling at port of Cambodia shall pay for Tonnage dues except:
 - A. Military vessels.
 - B. Vessels calling for the purpose of escaping from sea-peril or medical attendance.
- 1.2 Tonnage dues shall be levied 2 time; one time for entry, and one time for departure at the rate of : 0.13USD/GRT

- 1.3 Vessel calling without loading/discharging cargoes or embarking/disembarking passengers but only for the purpose of performing repairs, replenishing water or bunker, tonnage dues shall be granted a rebate of 30% on point 1.2.
- 1.4 Vessels whose scheduled discharging/loading cargoes or disembarking/embarking passengers in a single voyage necessitates their calling at different ports in Cambodia, shall pay:
 - A. 100% of tonnage dues at the first port
 - B. 50% of tonnage dues at every subsequent port.
- 1.5 For tugboat towing fleet of lighters, tonnage dues shall be charged on the total tonnage of all lighters adding together.
- 1.6 For << Lash>> vessels, tonnage dues shall be charged on the mother-carrier which carries lighters same as above-mentioned point.

<< Lash>> lighters which are discharged from the mother-carrier, to discharge cargoes at all ports out of port areas where the mother-carrier anchorage, tonnage dues shall be granted a rebate of 50% of rate in point 1.2.

2. Berthage dues:

- 2.1 Vessels berthing at quays, buoys or anchorage shall pay berthage dues.
- 2.2 Berthage dues to be calculated at 3 kinds of rate as following:
 - A. At quay: 0.23USD/GRT
 - B. At buoy: 0.10USD/GRT
 - C. At anchorage:0.05USD/GRT
- 2.3 In case of a vessel berthing 2 or 3 different places, berthing dues shall be levied once only, taking the highest rate.
- 2.4 In case of receiving the Harbor Master's sailing order but still occupying a berth, the vessels shall be fined as follows:
 - A. At quay: 0.70USD/meter/hour
 - B. At buoy: 50USD/hour

3. Channel Dues:

- 3.1 Channel dues to be chargeable 2 times, once for entry and once for departure at the rate of: 0.31USD/GRT
- 3.2 For <<Lash>> vessels, channel dues to be charged at the following rate:
 - A. Lighter-carrier: 0.16USD/GRT
 - B. Lighter: Channel dues shall be granted a rebate of 50% of rate in point3-1
- 3.3 Lighters shall be free from channel dues in case of their remaining on board the mother-ship while crossing channels.

4. Pilotage Dues:

- 4.1 All vessels coming into or going out of port or shifting within the limits there of shall employ pilots and pay pilotage dues.
- 4.2 Pilotage dues shall be chargeable according to the vessel's GRT and distance.

- A. For cargo vessel and cruise each coming into or going out of the port: 0.003USD/GRT/mile
- B. For motor tanker (oil/gas tanker) each coming into or going out of the port will be charged by (i + ii):
 - i. 0.003USD/GRT/mile*
 - ii. 0.03USD/GRT

Note: Pilotage charge is subject to a minimum of USD 100, and a higher charge in accordance with the actuality.

*All vessels passing through the international frontier (Kaam Somnar) must be subjected minimum distance of 55 miles (for each entry and departure). For the distance over 55 miles, charge is based on actual distance.

- C. For each shifting within the harbor limits: 0.017USD/GRT
- 4.3 To avoid waiting time, the vessels shall send to port authorities 24 hour-notice of pilotage request. Should there be any alteration or cancellation a 06hour written notice is to be sent to port; otherwise dues shall be incurred on Pilot's standby.
 - A. If pilot is still at the starting base, one hour waiting time is to be counted.
 - B. If pilot has already left the starting base, waiting time shall be counted from the time the pilot left the starting base until he has received the notice of alteration, is back again thereto.
 - C. If the pilot has already been at the pilot station, his waiting time shall not exceed 05hours. Beyond that duration the pilotage request shall be considered null and void and pilotage dues shall be charged according to the distance of which the vessel has requested pilotage service.
- 4.4 After having accomplished his mission if the ship's Master has requested to keep the pilot on board, there shall be payable pilotage dues according to the time requested.
- 4.5 Pilotage standby dues are chargeable 10USD/hour (including the motor-boat charges).

5. *Tug assistance charges:*

- 5.1 Vessels entering into or departing from port or shifting to another berth shall be provided with tug assistance which is chargeable by the time of tug service. This shall be counted from the time the tug left the starting point until its having returned thereto or being engaged in another service.
- 5.2 Tug assistance charges are to be calculated in accordance with the port decision according to either of the 2 following calculations:
 - A. According to the engine power of the tug boat same as point **18-2.a** of the present tariff.
 - B. According to the Gross Registered Tonnage (GRT) of the vessels which requested assistance same as the following Table 1.

Table 1: Tug Assistance Charges (Dollar/Hour)

Kind of vessels by GRT	Tug assistance Charges (USD/hour)
Below 1,000GRT	83
From 1,000 to 4,000GRT	149
Above 4,000 to 10,000GRT	165.5
Above 10,000 to 15,000GRT	215
Above 15,000GRT every subsequent 1,000GRT to be charged in addition to	18

6. Mooring and Unmooring Dues:

6.1 Vessels berthing at quays or at buoys shall pay mooring and unmooring dues as calculating in the following Table 2:

Table 2: Mooring and Unmooring (Dollar/Time)

Kind of vessels by GRT	Mooring and Unmooring Dues (USD/time)	
	At quay	At buoy
below 1,000GRT	16.5	50
From 1,000-4,000GRT	33	83
Above 4,000-10,000GRT	50	110
Above 10,000-15,000GRT	66	132
Above 15,000GRT	83	149

6.2 The above dues shall be applicable for one whole mooring and unmooring operation. Half dues shall be chargeable for a single mooring or single unmooring.

7. Charges for opening/closing hatches:

7.1 Vessels lighters shall pay the charges for opening/closing hatches which are performed by stevedores as per the following Table 3.

Table 3: Opening/Closing hatch (Dollar/hatch)

Kind of vessels by GRT	Tariff for each opening or closing of one hatch (USD/hatch)	
	Removing off or putting on hatch without beams	Removing off or putting on hatch with beams
Below 5,000GRT	13	26
From 5,000 to 10,000GRT	23	46
Above 10,000GRT upward	36	73

7.2 For vessels with a built-in machinery for opening and closing hatches:

- A. If opening-closing hatches are operated by crew members the vessels shall be free of charges.
- B. If opening-closing hatches are operated by stevedores. The charges shall be chargeable 30% at the rate as per Table 3.

8. *Charges for cleaning & Sweeping holds:*

- 8.1** For cleaning & sweeping holds of vessels and lighters by stevedores the charges shall be chargeable as per Table 4 hereunder.
- 8.2** Water and tools for cleaning/sweeping holds shall be supplied by the vessels.
- 8.3** On sweeping & cleaning a multi-decked hold, each deck shall be charged as 01 hold.
- 8.4** Vessel's hold which are to be cleaned and swept shall be entirely clear of cargoes, otherwise; additional discharging charges shall be payable.

Table 4: Cleaning & Sweeping Holds:

Kind of vessels by GRT	Tariff for cleaning & sweeping one hold (USD/hold)	
	Cleaning & sweeping hold after discharging innocuous-cargo	Cleaning & sweeping hold after discharging dangerous-poisonous cargo
Below 5,000GRT	33	53
From 5,000 to 10,000GRT	41	83
Above 10,000GRT	56	116

8.5 According to Master's request for cleaning & washing holds, the charges shall be chargeable as per the size of work done.

- A. with water supplied by vessel: 0.17USD/m²
- B. with water supplied by port: 0.20USD/m²
- C. Minimum charge for sweeping/washing: 20USD/time

8.6 Garbage removal dues: If the port Authorities have not issued any other regulation, the vessel staying in port shall have their garbage removed every 5 days by Port Garbage Dumping Service.

- A. vessel below 3,000GRT: 6USD/time
- B. vessel above 3,000GRT: 10USD/time

In the case of garbage removals are operated before 5 days as Master's request, the vessels shall pay additional dues as per above mentioned.

Note: All passenger cruises must pay USD 1.00 per passenger for each embarking and disembarking.

Other Charge: Clearance Fee: 100USD/vessel/voyage

9. *Stevedoring Charges:*

9.1 Stevedoring & LOLO charge for general cargo:

- A. Calculation Method:
 - i. Unit of cargo weight is the metric ton (t); metric ton: 1,000kg including contents and packings or containers.
 - ii. Apart of cargo with stowage factor of above 1.15m³; 1.133m³ to be computed as 01 ton.
- B. **Table of Stevedore Charge**

Table 5: Stevedore Charge (Dollar/Ton)

No.	Stevedore Charge	
	Kind of cargo	Base Cost
1	Cargo in bulk-metal in heap-gravel block, stones-food, stuff-fertilizer-lime-salt-sugar and similar cargo etc....	1.46
2	Cargo packed in cotton, paper, jute or nylon bags	1.58
3	Machinery, assembled equipment, empty containers, empty drums, empty cases of all kinds, timber logs	2.12
4	Cargo in drums, cases, or in bundles, rolls, sheets, bars	2.32
5	Cargo in bales such as raw cotton-jute hems, rush paper, textile, clothing materials, household utensils, miscellaneous	2.45
6	Swan timber, wooden flooring panels, wooden and bamboo wares	2.52
7	Cargo in baskets	2.65
8	Cargo in ceramic or porcelain, crystal bottles, ceramic pots, fragile materials such as glasses	2.81
9	Fresh fruits, vegetables, livestock, cooled and frozen cargo	2.92
10	Special cargo and valuable cargo):gold, silver, diamond, motor, car, trucks, heavy and long construction material	4.97

C. Charge for cargo operation other than above, and increase rate of Table 5 shall apply as following:

- i. Discharging cargo at anchorage or at buoy 50%
- ii. From ship onto trucks (under tackle), wagon or vice-versa 50%
- iii. Moving or shifting cargo in hold the same ship 30%
- iv. From warehouse or open space to trucks or vise-versa 35%
- v. Discharging from ship to warehouse or open space or vise-versa 100%
- vi. Warehouse or open space to wagon or vise-versa 50%
- vii. From ship to ship or barge 75%
- viii. Discharging cargo in hold which depth over 3m 100%
- ix. For cargo caked or hardened which require picking splitting crushing when handle and increase of 40%
- x. For cargo in small cases packed, drums below 10kg packed 30%
- xi. Discharging in cool holds from 10c to 0c an increase 50%
- xii. For frozen cargo or refrigerator an increase 100%
- xiii. Dangerous and poisonous cargo (as mentioned in XIX) 50%
- xiv. Night Shift from 18:00hour to 06:00hour in the following day 25%
- xv. Holiday and Sunday (if holiday falls on Sunday, charge is accounted only one time) 50%
- xvi. All vessels handled cargo both inside and outside of PPAP's port commercial zone and use their own equipment and labor must pay

20% of PPAP official stevedore charge. However, the vessel/cargo owner must first consult and get the approval from PPAP.

- xvii. Discharging or loading run through the scales is charged at 0.50USD/ton.

D. For over-weight and over-length cargo to be charged as following:

Table 6: Increasing of base cost for over weighted/lengthen cargo

No	Weight or length of package of cargo	Rate increase
1	weight from 5T to 10T	50%
2	weight from 10T to 20T	100%
3	weight over 20T	200%
4	Length from 12m to 16m	50%
5	length from 16m to 20m	100%
6	Length over 20m	200%

- E.** In case of discharging or loading cargo by using port mobile crane increase 1USD/Ton (except have not ship's crane)
- F.** The stevedoring charge of the cargo will be included of Tally Fee as following:
- For all general cargo except the cargo in bag package: 0.70USD/Ton
 - For cargo in bag package: 0.50USD/Ton
- G.** For stevedoring operation in salvaging ships in distress, a separate tariff shall apply in according to the special agreement between the port and ship's Master.
- H.** For idle time caused by ship's default in the stevedoring operation, the charge shall be calculated same as point 18 of this document.

9.2 Stevedoring Charge for Container:

- A.** Import: the charge for discharging the container from ship to truck on wharf and deliver the truck to container yard (CY) then lift off the cargo from truck on the CY.
- B.** Export: the charge for lifting on the container from CY to truck then truck will deliver the cargo to wharf and then the container will be loaded to ship.

Table 7: Stevedoring Charge for Containers from 2009 to 2014 (Dollar/Container)

Stevedoring Charge (USD/CNTR)	CNTR (1TEUS-3000TEUS)	2009	2010	2011	2012	2013	2014
A/ Quay-CY, CY-Quay	Laden CNTR 20'	49	49	49	49	49	49
	Laden CNTR 40' or 45'	74	74	74	74	74	74
	Empty CNTR 20'	26	26	26	26	26	26
	Empty CNTR 40' or 45'	37	37	37	37	37	37
B/ Crane Charge	Laden CNTR 20'	16	16	16	16	16	16
	Laden CNTR 40' or 45'	25	25	25	25	25	25
	Empty CNTR 20'	10	10	10	10	10	10
	Empty CNTR 40' or 45'	16	16	16	16	16	16
Stevedoring Charge (A+B)	Laden CNTR 20'	65	65	65	65	65	65
	Laden CNTR 40' or 45'	99	99	99	99	99	99
	Empty CNTR 20'	36	36	36	36	36	36
	Empty CNTR 40' or 45'	53	53	53	53	53	53

Note: The tariff for “Quay-CY, CY-Quay” is decreasing with the number of TEUs as described in table 8:

Table 8: Stevedore Charge based on TEUs throughput (Dollar/Container)

Quay-CY or CY-Quay Charge (USD/CNTR)	From 3001TEUS-7000TEUS	From 7001TEUS-12000TEUS	From 12001TEUS-17000TEUS	From 17001TEUS Up
Laden CNTR 20'	46	44	41	39
Laden CNTR 40' or 45'	24	23	22	20
Empty CNTR 20'	70	66	62	59
Empty CNTR 40' or 45'	35	33	31	29

9.3 Lift-on, Lift-off (LOLO) Charge for Container

- A.** Import: the charge for lifting on the cargo from CY to truck.
B. Export: the charge for lifting off the cargo from truck to CY.

i. From the beginning up to January 15th 2012

Table 9: Container (Lift on, Lift off: LOLO) from 2009-2012 (Dollar/Container)

LOLO Charge (2 ways) 2009-2012 (USD/CNTR)	CNTR	Import	Export		
			Full CNTR (Imported via PPAP)	Empty CNTR (Imported via PPAP)	CNTR (Imported via other gates)

	Laden CNTR 20'	70	24	0	47
	Empty CNTR 20'	46	24	0	47
	Laden CNTR 40' or 45'	107	19	0	63
	Empty CNTR 40'45'	88	19	0	63

ii. From January 16th 2013 to April 30th 2014

Table 10: Container (Lift on, Lift off: LOLO) from 2013-2014 (Dollar/Container)

LOLO Charge (2 ways) 2013 (USD/CNTR)	CNTR	Import	Export		
			Full CNTR (Imported via PPAP)	Empty CNTR (Imported via PPAP)	CNTR (Imported via other gates)
	Laden CNTR 20'	70	24	0	24
	Empty CNTR 20'	70	0	0	24
	Laden CNTR 40' or 45'	106	36	0	36
	Empty CNTR 40'45'	106	0	0	36

iii. From May 1st 2014 up to Present

Table 11: Container (Lift on, Lift off: LOLO) from 2014 to present (Dollar/Container)

LOLO Charge (1 way) 2014 to present (USD/CNTR)	CNTR	Import	Export		
			Full CNTR (Imported via PPAP)	Empty CNTR (Imported via PPAP)	CNTR (Imported via other gates)
	Laden CNTR 20'	47	47	24	47
	Empty CNTR 20'	24	47	24	24
	Laden CNTR 40' or 45'	71	71	36	71
	Empty CNTR 40'45'	36	71	36	36

Note: All the LOLO charge above is inclusive of 1USD tally fee for both import and export containers.

10. Charges for fresh water supplied

10.1 Fresh water supplied from hydrants at quays: 0.70 USD/m³

10.2 Fresh water supplied at quays by barges :1.60 USD/m³

10.3 Fresh water supplied out of quays by barges:3.30 USD/m³

11. Storage Charges: Storage charges for cargo stored in warehouses or in open storage shall be payable on the basis of ton/day or m² /day (general cargo), CNTR/day (container) – unit.

11.1 For Container:

- A. For import cargoes: 7days free of charge after completion of discharging from vessel
- B. For export cargoes: 5days free of charge from the moment the cargoes come to store yard.

11.1 For General Cargo:

- A. For import cargoes: 5days free of charge after completion of discharging from vessel
- B. For export cargoes: 5days free of charge from the moment the cargoes come to store yard.

**Table 12: Storage Charge for Container and General Cargo
(Dollar/Container/Day)(Dollar/Ton/Day)(Dollar/m²/Day)**

Storage Charge	
1/ For Container (USD/CNTR/day)	
Laden CNTR 20'	3
Laden CNTR 40' or 45'	6
Empty CNTR 20'	1.2
Empty CNTR 40' or 45'	2
2/ For General Cargo (USD/Ton/day) or (USD/m²/day)	
In Warehouse	0.20 or 0.25
In Open Space	0.10 or 0.125

12. *Stuffing/Unstuffing Charge for Container*

- 12.1** Import: the charge for unstuffing the cargo from container with handling equipment and labor.
- 12.2** Export: the charge for stuffing the cargo into container with handling equipment and labor.

Table 13: Stuffing/Unstuffing Charge for Container

Stuffing/Unstuffing Charge	
For Container (USD/CNTR)	
Laden CNTR 20'	50
Laden CNTR 40'45'	100

13. *Gate Fee:*

The charge for the truck carrying the container or general cargo enters or exits the port (using port infrastructure).

Table 14: Gate Fee (Dollar/Truck)

Gate Fee (USD/Truck), (include VAT 10%)	
1/ For Trucking with Container	
Full/Empty CNTR 20'	5
Full/Empty CNTR 40' or 45'	8
2/ For Trucking with General Cargo	
From 1T to 6T	2
>6T	3

14. LOLO charge for Container at ICD**Table 15: LOLO Charge for Container at ICD (Dollar/Container)**

CNTR	Price (include VAT10%)
Empty 20'	10
Empty 40'	15
Laden 20'	20
Laden 40'	35

15. Electricity charge for storage of reefer container and scale charge**15.1 Electricity charge for storage of reefer container :****Table 16: Electricity charge for storage of reefer container**

CNTR	Under 6 hours (USD)	From 6 hours charged as 12 hours (USD)	From 12 hours charged as 1 day (USD)
CNTR 20'	10	20	40
CNTR 40'/45'	20	38	75

15.2 Scale charge for all truck :**Table 17: Scale Charge for Container Truck**

Container Truck of 20'	Container Truck with Trailer of 40'/45'	General Cargo
3USD /Time	5USD/Time	0.50USD/Ton

16. Lighterage Charges:

- 16.1** For cargo lighterage performed within the harbor limits, there shall be payable, apart from stevedoring charges, lighterage charges according to the tonnage of cargo and the distance of lighterage transportation as per the tariff in Table 18

Table 18:Lighterage Charge (Dollar/Ton)

No	Kind of cargoes	3 miles distance	Each Subsequent mile
		USD/ton	USD/ton/mile
1	Bulk cargo, liquid, metal	1.5	0.05
2	Bagged cargo	2	0.06
3	Cargo in drum	2.2	0.07
4	Sawn timber & other cargo	2.4	0.08

- 16.2** For extra-weight and extra-lengths, lighterage charges shall apply same as kind of cargo in No. 4 of the Table 18.
- 16.3** Weight of lighterage cargoes are the weight of cargoes which were ready-packed, every tool which is used for packing, tying etc.... are excluding from the lighterage charges.
- 16.4** Lighterage charges are only chargeable for the operations of means for cargo lighterage from ship onto quay or from quay into the ship, not including stevedoring charges.
- 16.5** Special lighterage charges for a ship in distress shall be based on other agreement.

17. Charges for tug towing:

Charges for tug-boat which towed lighters of Lash system from the place of anchorage of mother-carrier to quay shall be chargeable only 70% on the lighterage charges as per the table 18.

18. Hire of labor, equipment, facilities:

18.1 Hire of labor:

- A.** Hire of technical and specialized labor (winch-man): 3 USD/ person/hour
- B.** Hire of non-specialized labour: 1 USD/ person /hour
- C.** Hire of diver : 35 USD/ person /hour
- D.** Duration of hire shall be based on the request of the ship's Master.
- E.** For labor in direct contact with dangerous, poisonous cargo, hire will be increased as specified in point 19.

18.2 Hire of means of transportations, equipment, facilities :

- A.** Motor-tug, tug-assistance : 0.40 USD/HP/hour

- B. Lighter : 1.40 USD/GRT/day
- C. Hire of cranes of various kinds :
 - i. Floating Crane (Tug hire excluded)
 - 50 ton lifting capacity : 77 USD/ hour
 - Over 50 ton lifting capacity :116 USD/hour
 - ii. Shore crane :
 - Around 5 ton lifting capacity :16.50 USD/hour
 - Above 5 ton and 10 ton lifting capacity :30 USD/hour
 - Above 10 ton and 25ton lifting capacity :40 USD/hour
 - Over 25-ton lifting capacity: Plus 1.50 USD/ton/hour for each surplus ton.
- D. Other means of transportations and facilities :
 - i. Motor boat : 33 USD/hour
 - ii. Truck : 5 USD/hour
 - iii. Trailer (without tractor) : 1.70 USD/hour
 - iv. Tractor : 20 USD/hour
 - v. Quayside crane:
 - 5 ton lifting capacity : 30 USD/hour
 - 10 ton lifting capacity : 70 USD/hour
 - 16 ton lifting capacity : 80 USD/hour
 - vi. Fork lift truck :
 - 5 ton lifting capacity : 10 USD/hour
 - Over 5 ton lifting capacity :15 USD/hour
 - vii. Air compressor for diver : 15 USD/hour
 - viii. VHF of port: 1 USD/minute.
- E. The above tariff does not include labor hired which will be calculated if employed.
- F. Duration of labor hired, means of transportation, facilities shall be based on the request of the ship's Master.

18.3 Repacking of packages :

- A. Repacking of packages shall be charged by weight of cargo: 1 USD/ton. Tools and materials required for packing shall be supplied by the entrusting party.
- B. Repacking of dangerous, poisonous cargo charges shall be increased as specified in point 19.
- C. Repacked cargo having to be moved to more than 25m far or over 2m high, the charges shall be increased by 30%.
- D. For cargo caked on hardened which requires picking or tallying prior to being repacked or for cargo to be repacked into bags of 10kg or less, shall be increased by 50%.

19. Classification of dangerous-poisonous cargoes, Determination of the increased tariffs.

19.1 Various group of dangerous-poisonous cargo:

- A. *GROUP A:* Radio-active, explosive, inflammable chemicals: Nitrates-Nitro compound-Alkaline-Methane-Magnesium powder-Nitro cellulose and all derivative products.
- B. *GROUP B:* Other poisonous and inflammable substances such as gasoline oils of all kinds-Ether-Ammoniac-Lime powder-Dried chilly Oily materials-Oily-Paper-Acid of all kinds-Compressed gas-Dye stuffs-Bleaching powder-Insecticides-Calcium Carbide-Anthracite.
- C. *Group C:* Dusty, dirty, smelly products such as camphor oil-Naphthalene-Cement-Coal Fertilizers-Ores-Shrimp paste-Animal bones-Salted fish of all kind and other dangerous, poisonous products not included in Group A & B.

19.2 Increase in tariff :

- A. Group A: increase by 100%.
- B. Group B: increase by 50%.
- C. Group C: increase by 30%.

20. Apart from dues and charges within the scope of the present tariff, other alien charges shall be mutually agreed upon between the ship and the port authorities.

Reference:

- Decision No.110 S.S.R dated 09th September 1987
- Prakas No.239BRK.KM.PK Dated 08th May 1993
- Charge on General Cargo Handling at Phnom Penh Autonomous Port dated 31th December, 2003 and 30th September, 2005
- Container Handling Charge at Phnom Penh Autonomous Port Dated 30th September 2005
- Decision No.081 PPAP on Electricity charge for storage of reefer container and scale charge dated on 11th January, 2009.

Remark: *this is the official tariff, yet PPAP is authorized to negotiate the price of this tariff depending on the case.*



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