

CAMBODIA AGRICULTURE SITUATION

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- CEO of KENKO SHOKU Cambodia
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a versatile investment firm

Message from Executive Chairman

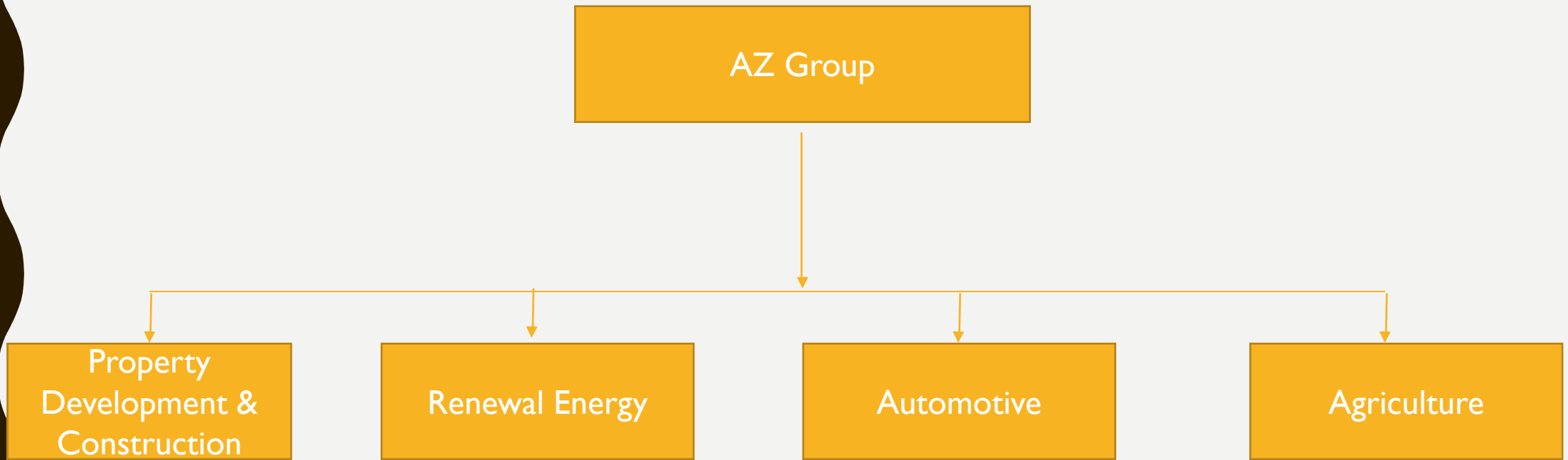


LOK OKNHA LIM BUNSOUR
Founder & Executive Chairman



AZ GROUP HAS BEEN ESTABLISHED FOR MORE THAN 40 YEARS IN CAMBODIA AND HAVE BUSINESS INTERESTS IN VARIOUS SECTORS – PROPERTY, RENEWABLE ENERGY, CONSTRUCTION, IMPORT AND EXPORT, AGRICULTURE.

AZ HAS PRESENCE IN SINGAPORE, INDONESIA, MALAYSIA, PHILIPPINES AND THAILAND



Currently, AZ has more than 60 companies in the group.
Has overseas companies in Singapore, Malaysia, Indonesia, Thailand and Philippines

KENKO SHOKU CAMBODIA(健康食社)

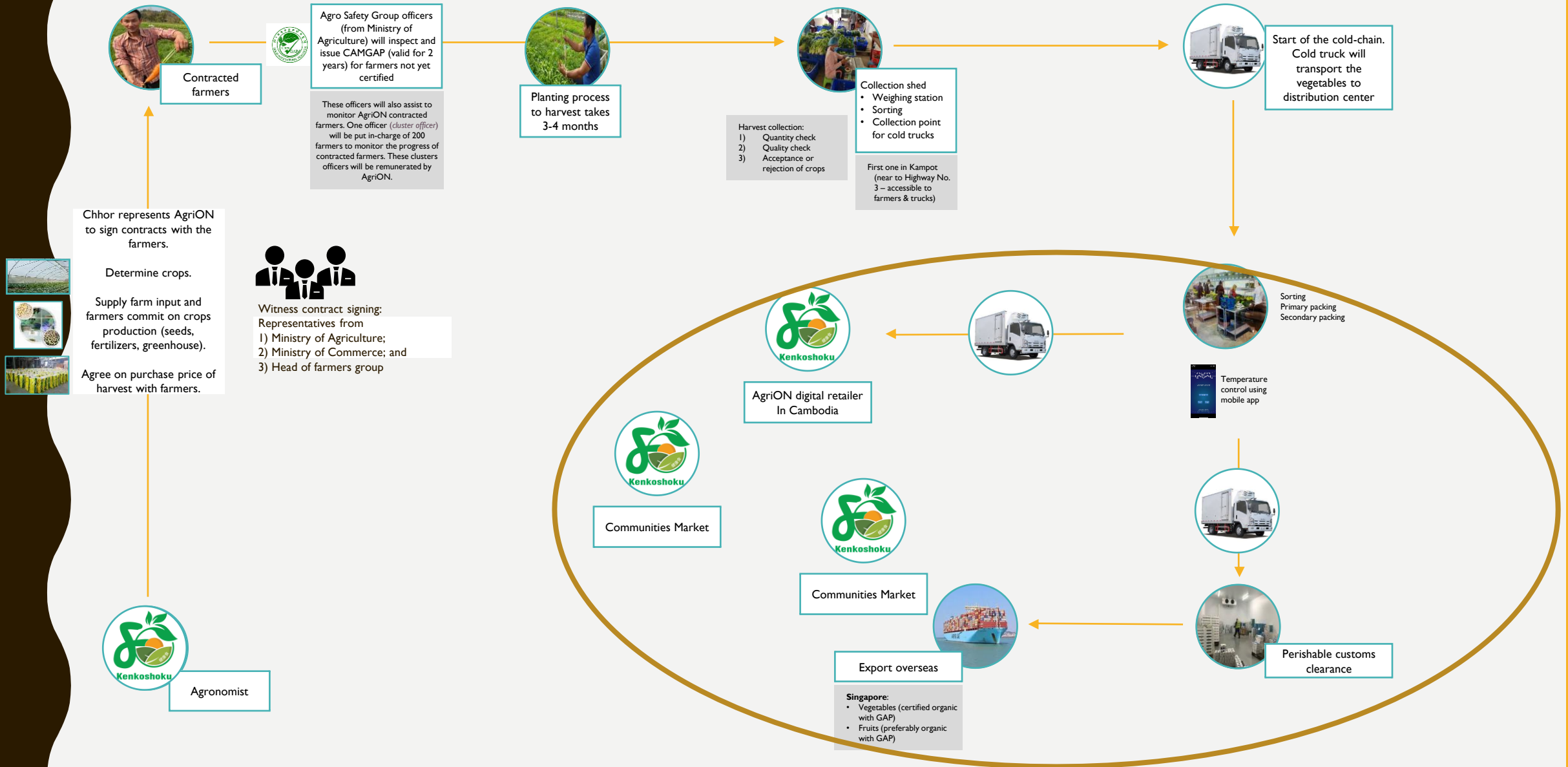
Kenko Shoku Cambodia, social enterprise established in October 2020. our business is AgriTech Company, We are market access by using IT technology and Agriculture technology, Food Security, Climate change resilliance

Our Vison: Bring Cambodia Agriculutre Sector to the world. Farmer get better Revenue

Our Mission: Develop Cambodia Sustanable Agriculture

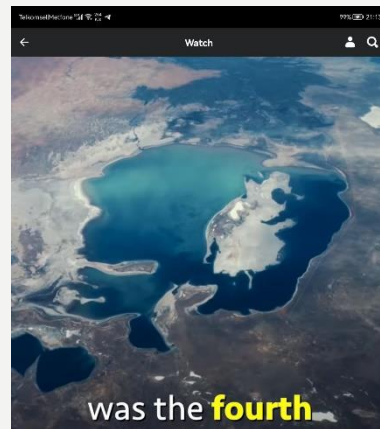
Kenko shoku Position is Market Access and Distribution channel Development, supply chain Farm to table, Share logistic Platform and Digital Banking solution for farmer better cost and bring better margin for farmers

KENKO SHOKU SCOPE OF WORK



FOOD SECURITY, CLIMATE CHANGE, TRADE CHANGE

- ❖ **Base on Pro. Tan Matthew, Co Chair for Sustainable Development in Agriculture & Fishery Sectors - APEC** , World Population will increase nearly double in 2050, but Agriculture Produce will reduce to $\frac{1}{4}$
- ❖ Climate change, this year, Coffee in Brazil reduce about 40% because of Underground water is gone
- ❖ Contract Farming is must (Price will be increased)



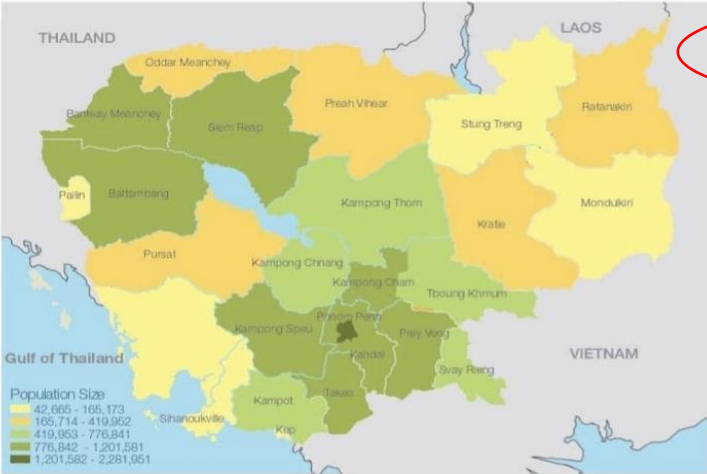
About Cambodia

Final Census Results 3-13 March 2019

Living in Cambodia • Demographic



Living in Cambodia



24 Provinces

Capital City
PHNOM PENH

2 Seasons

Rainy Season: May-October
Dry Season: November-April

Local Currency



Religion
97% - Buddhism
3% - Others

Language
Khmer

GDP per capita

2019: \$1,700
2020: **\$1,683** (est.)
2021: **\$1,771** (est.)

1993 2015 2030 2050

Low Income Country

Lower Middle Income Country

Upper Middle Income Country

World Bank 2018: Fastest growing country in East Asia with an average growth rate of 8% between 1998 and 2018.

Asian Development Bank 2016: Cambodia as Asia's New Tiger Economy

Demographic (2019)

Annual Population
15.55 Million

7.98 Million (51.3%)
7.57 Million (48.7%)

Growth Rate **1.4%**

Median Age **27**

Life Expectancy

76.8 | 74.3

Labour Force
8.7 Million

98.6% Employed | 1.4% Unemployed

*These figures exclude 1.23 million migrants working abroad:

- Thailand: 1.14m
- ROK: 49.0k
- Malaysia: 30.1k
- Japan: 9.1k
- Saudi Arabia: 16
- Singapore: 831
- Hong Kong: 45

*Source: Report of Annual General Meeting 2018, Ministry of Labour & Vocational Training.

INFLATION
3.4% ↑

Due to rising prices of food and non-alcoholic beverages (5.5%)

EXCHANGE RATE
4,064 Riel/USD
0.2% ↑

BUDGET IMPLEMENTATION



CURRENCY



General Currency
136.5 Trillion Riels
15.3% ↑

International Reserves
21.3 Billion USD
13.7% ↑

Lending by Commercial Bank
131.4 Trillion Riels
22.2% ↑

TRADE

Import **5.50** Billion USD
4.6% ↑

Due to growth in import of medicines, foodstuffs and electronics.



Export **3.97** Billion USD
9.7% ↑

Due to growth in export of bicycles, electronic components, wood product & gold.

INVESTMENT



Foreign Investment Projects Outside SEZ

Approved **33** Projects
17 ↓

Investment Fund **1.66** Billion USD
30.4% ↓

Due to decline in construction projects in hotels, shopping malls, supermarkets, garment factories and animal feed.

TOURISM



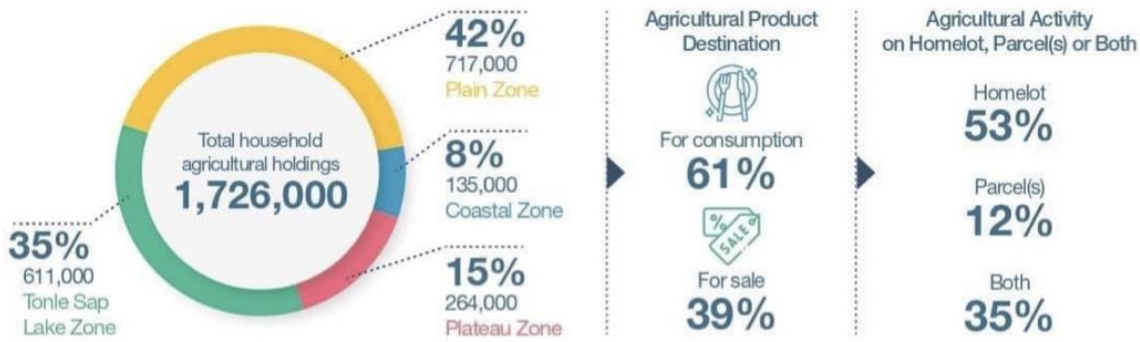
International Tourist Arrivals
58,463
96.7% ↓

Due to travel restrictions.

CONSTRUCTION

Approved **1,102** Projects

353 ↓
Due to the suspension of construction of commercial, industrial, tourism and housing projects.



Crop Production Activity

Approximately 1,517,000 of the 1,726,000 household agricultural holdings were growing crops. The four most prevalent crops in all major four zones of the country:

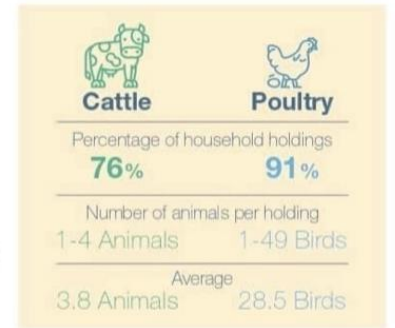
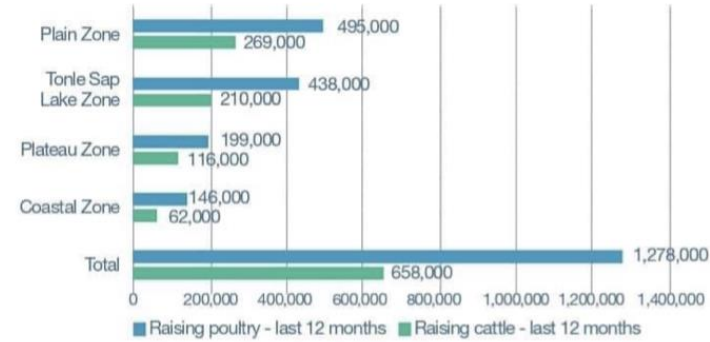


Crops Type	Total Areas Planted (Hectares)	Total Areas Harvested (Hectares)	Total Production (Tonnes)
Non-Aromatic Paddy	1.48m	1.41m	3.5m
Mango	96,765	55,944	359,758
Banana	10,870	8,375	154,000

Cambodia produces many varieties of fruits including mangoes, bananas, custard apples, dragon fruits, durains, guavas, jackfruits, jambolen plums, longans, milk fruits, papayas and pineapples.

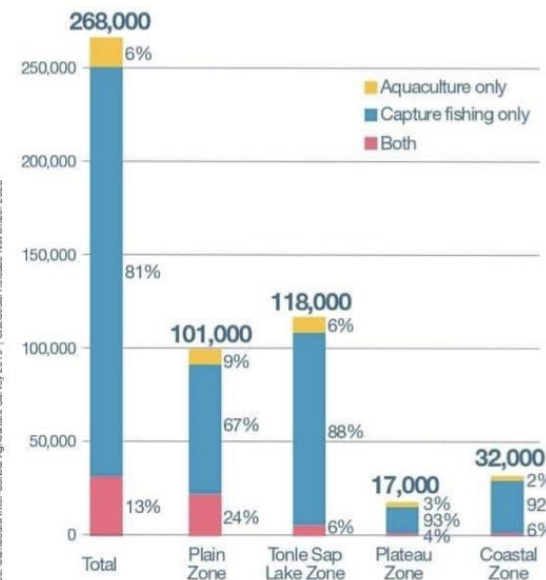
Livestock & Poultry Raising Activity

Raising livestock and/or poultry provides income to 75% of the 1,726,000 household agricultural holdings in the country (or approximately 1,301,000 holdings). An estimated 1,278,000 holdings reported raising poultry and 658,000 raising cattle.



Aquaculture & Capture Fishing Activity

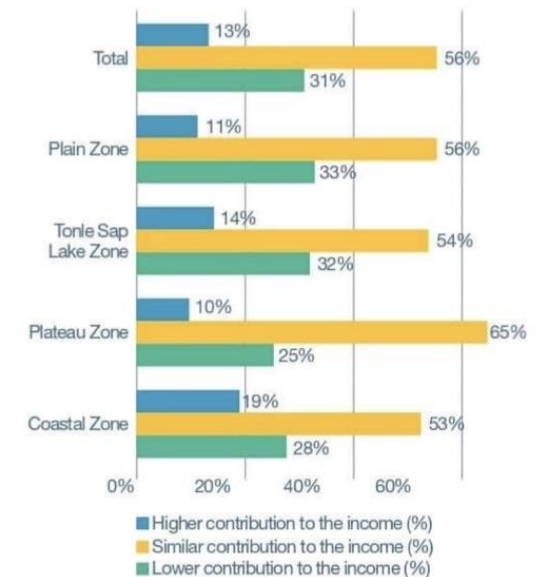
Aquaculture and capture fishing are additional economic activities for 16% of the household agricultural holdings in Cambodia (approximately 268,000 holdings).

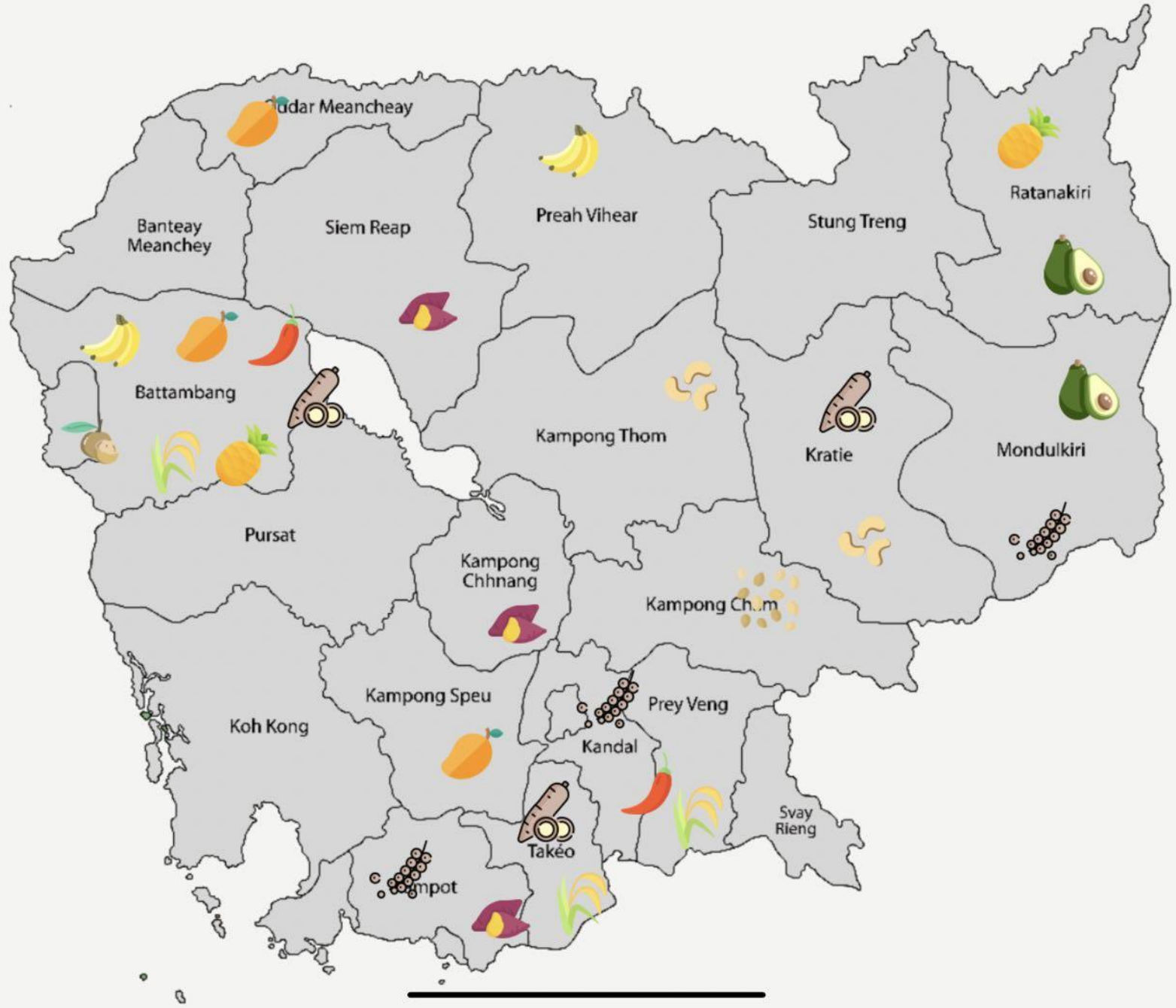


Economy

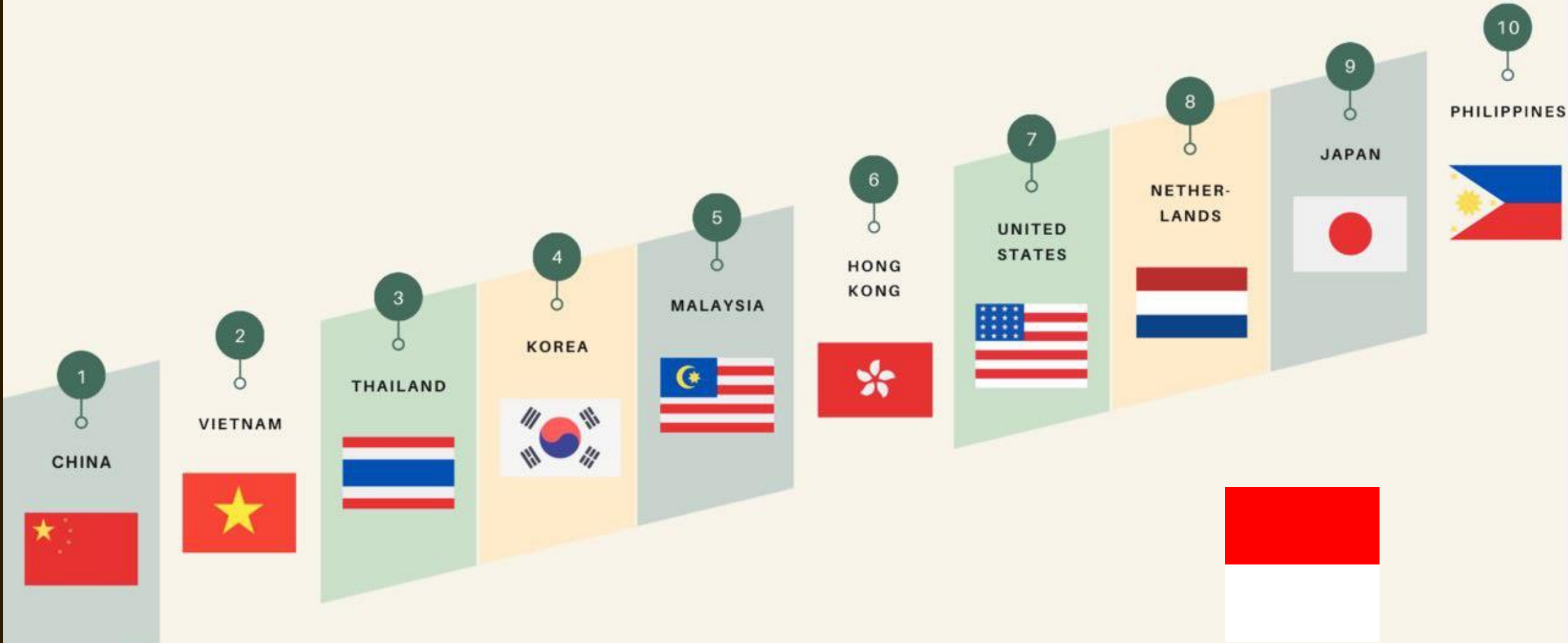
Agriculture remains essential to secure the livelihoods of the Cambodian population.

Percentage of agricultural income to household's total income:





Top 10 FDI Source Countries Investing in Cambodia's Agrifood Sector



INVEST IN CAMBODAI

- New Investment law :
- Corporate Tax Exempt from 3 to 9 Years
- Depreciation up to 200%
- Import tax is exception
- New Priority Sector(Agri-Industry.....etc)

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General Context of Agriculture Sector

Agriculture Sector has played the important role in sustaining economic growth,

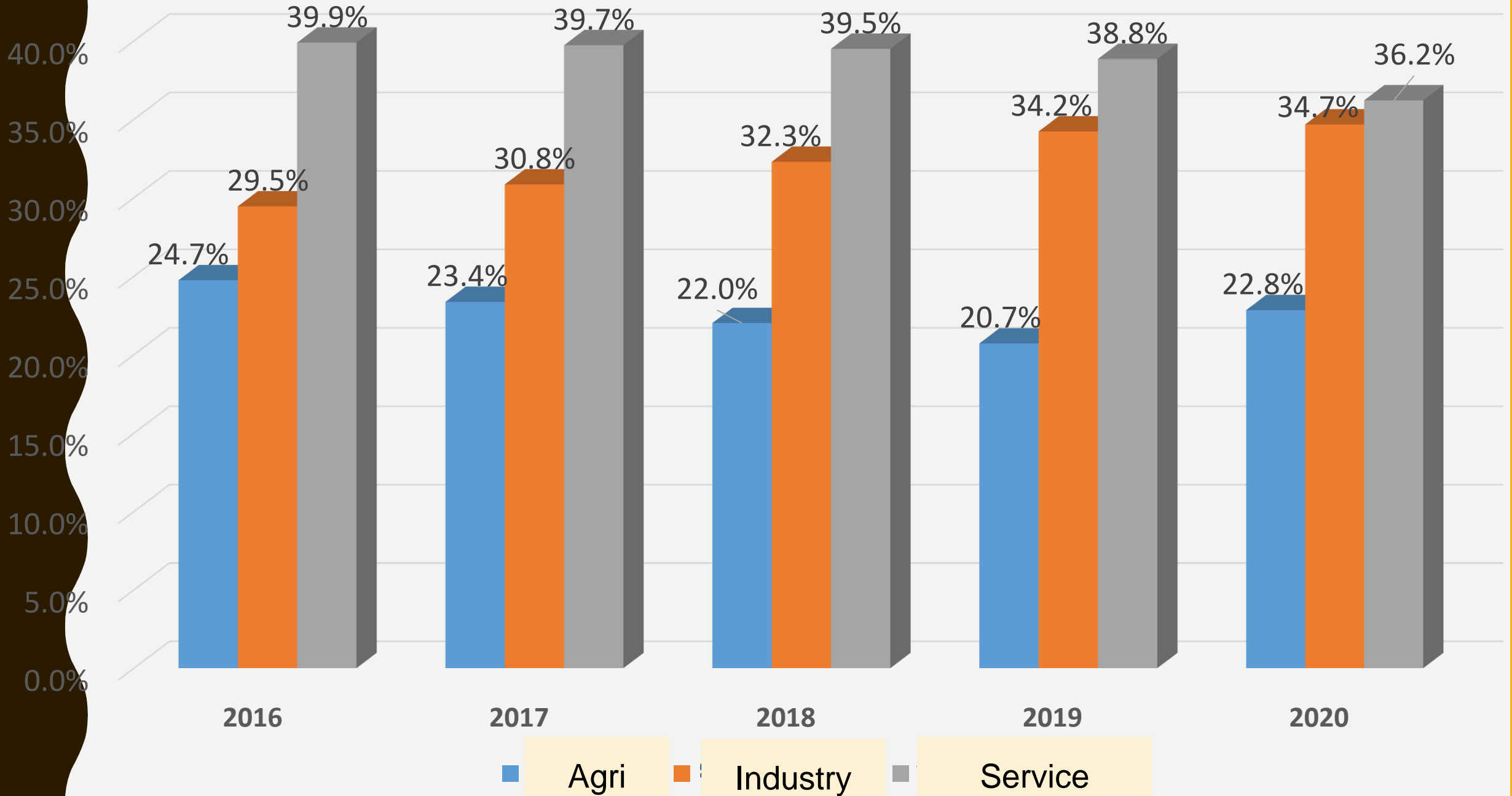
The RGC has set clear vision of transforming Cambodia Agriculture into modernization of the agriculture sector with competitiveness, inclusive, sustainable and resilient to climate change,

Increase productivity of high value crops, agricultural diversification and agri-business

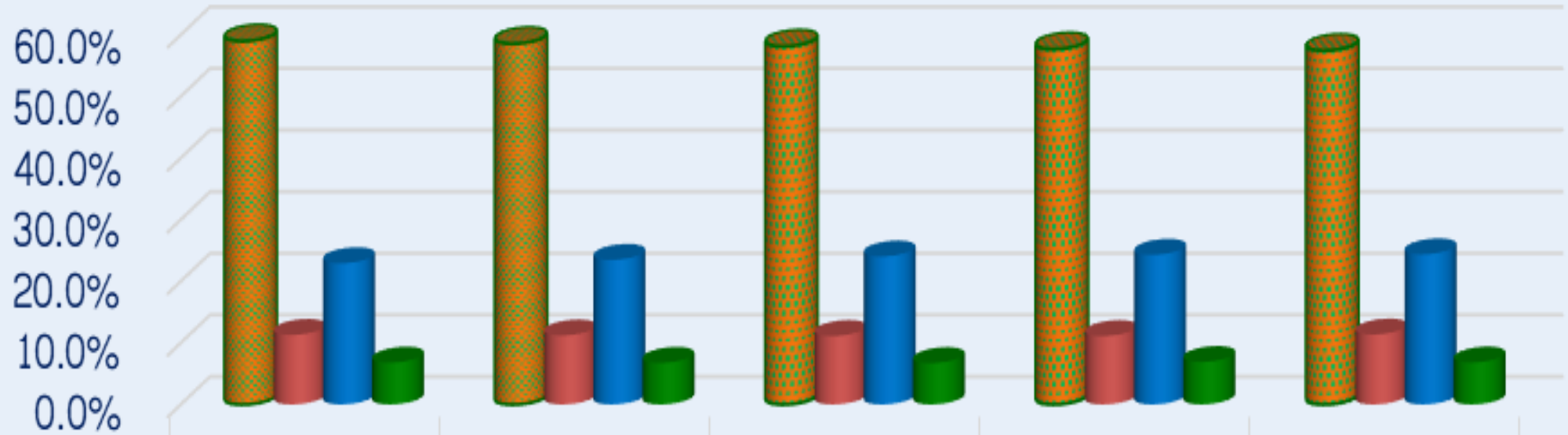
Accelerating the implementation including construction and rehabilitation of infrastructures to support agricultural production





Increasing the quality of agricultural technical extension services to the farmers,

Share (%) of Agriculture in GDP 2016-2020



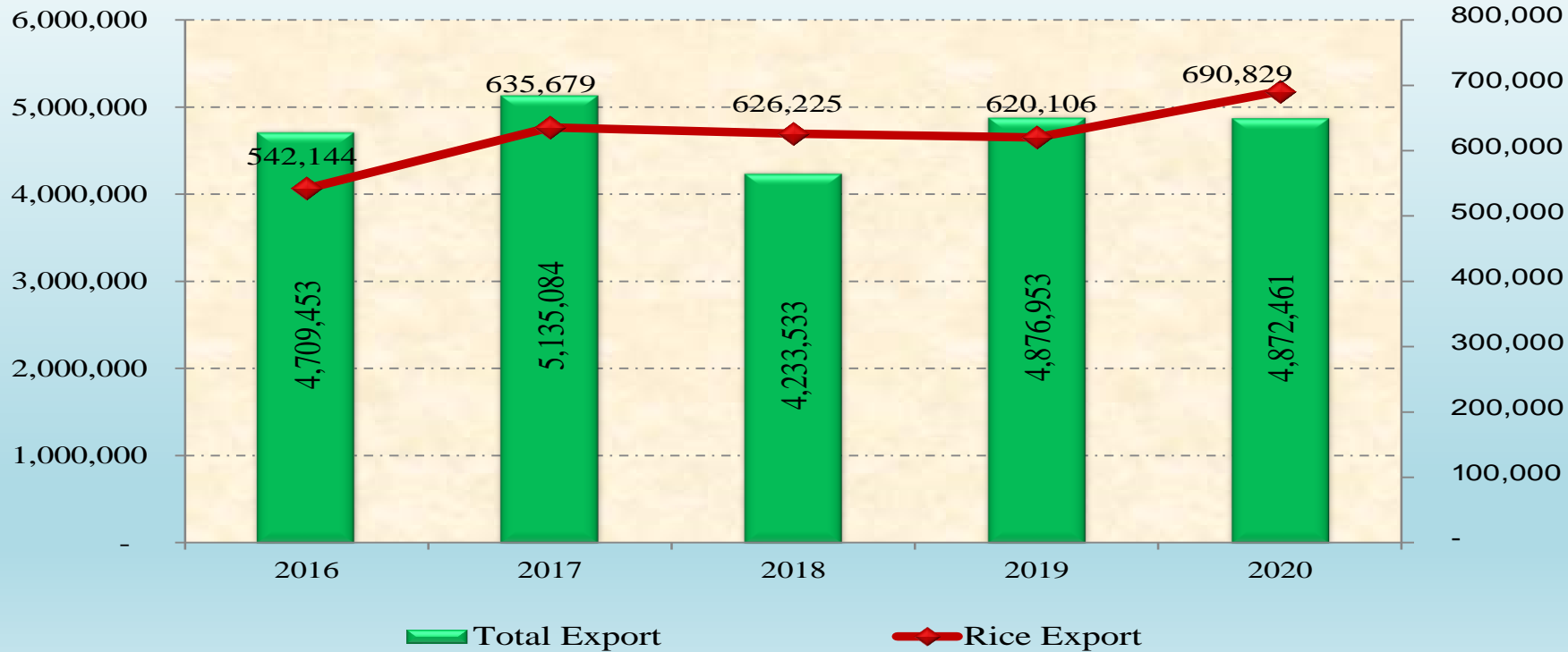
Share of Sub-Agriculture Sector (%), 2016-2020



	2016	2017	2018	2019	2020
 Crops	59.0%	58.5%	58.1%	57.7%	57.4%
 Livestock	11.3%	11.2%	11.1%	11.1%	11.4%
 Fisheries	22.9%	23.5%	24.0%	24.3%	24.4%
 Forestry	6.8%	6.8%	6.7%	6.9%	6.8%

Progress in Agri. During Covid-19 Pandemic

Total Agricultural Product Export 2016-2020 (ton)



1. ENHANCEMENT OF AGRI. PRODUCTIVITY, DIVERSIFICATION AND AGRI-BUSINESS

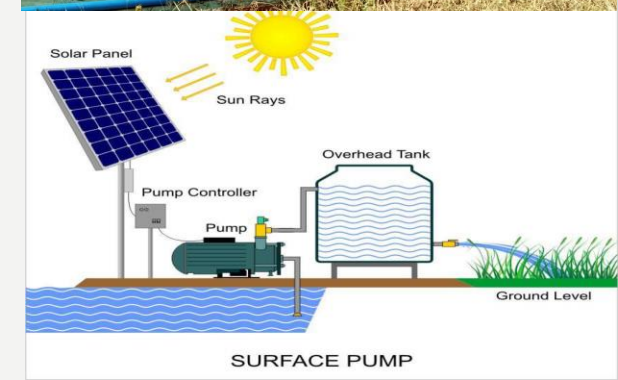
Promoted Target:

- Total Agri. Production will be increased **29 Mil.Ton** in 2019 to **36 Mil. Ton** in 2023
- Crop Diversification will be increased **63%** 2019 to **67%** in 2023
- Agri. Product export will be increased **5.8 Million Ton** in 2019 to **7.7 Million Ton** in 2023



To achieve these target:

- To promote the development of infrastructure to support Agri.; water saving farm, agri. mechanization
- To increase private investment (PPP)



MAJOR CROP EXPORT

- Rice
- Casawa
- Unfinished Refined Sugar
- Mango
- Cashewnut

THANK YOU