

**PHNOM PENH SEZ PLC.**  
**(Company No. 00006448)**  
(Incorporated in Cambodia)

**CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE QUARTER AND SIX-MONTH PERIOD ENDED 30 JUNE 2022**

**Company No. 00006448**

**PHNOM PENH SEZ PLC.**  
(Incorporated in Cambodia)

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**Company No. 00006448**

**PHNOM PENH SEZ PLC.**  
(Incorporated in Cambodia)

**STATEMENT BY THE DIRECTORS**

In the opinion of the Directors, the accompanying condensed interim statements of financial position of PHNOM PENH SEZ PLC. ("the Company") and its subsidiaries ("the Group") as at 30 June 2022, and the related condensed interim statements of profit or loss and other comprehensive income, changes in equity and cash flows for the quarter and six-month period then ended, and the notes to the condensed interim financial information (collectively referred to as "Condensed Interim Financial Information") are presented fairly, in all material respects, in accordance with Cambodian International Accounting Standard 34 *Interim Financial Reporting*.

Signed on behalf of the Board of Directors,



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**UEMATSU HIROSHI**  
Director

Phnom Penh, Kingdom of Cambodia

Date: 10 AUG 2022

**PHNOM PENH SEZ PLC.**  
(Incorporated in Cambodia)

**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION  
AS AT 30 JUNE 2022**

	Note	Group			Company		
		(Unaudited) 30.06.2022	(Unaudited) KHR'000	(Audited) 31.12.2021	(Unaudited) 30.06.2022	(Audited) 31.12.2021	(Audited) US\$
		US\$	KHR'000	US\$	US\$	KHR'000	US\$
<b>ASSETS</b>							
<b>Non-current assets</b>							
Property, plant and equipment	3	21,043,875	85,648,571	17,651,996	14,958,437	60,880,839	14,722,133
Investment properties	4	10,174,482	41,410,141	10,437,603	7,540,671	30,690,531	7,731,228
Investment in subsidiaries	5	-	-	-	39,983,104	162,731,233	39,983,104
Investment in associates	6	12,763,477	51,947,352	12,697,262	11,693,055	47,590,734	11,572,712
<b>Total non-current assets</b>		<b>43,981,834</b>	<b>179,006,064</b>	<b>40,786,861</b>	<b>74,175,267</b>	<b>301,893,337</b>	<b>74,009,177</b>
<b>Current assets</b>							
Inventories	7	39,373,371	160,249,620	36,569,137	12,386,138	50,411,582	12,107,985
Trade and other receivables	8	23,018,312	93,684,529	21,550,960	8,046,946	32,751,070	8,538,465
Contract assets	12	1,463,462	5,956,290	-	-	-	-
Cash and cash equivalents	9	1,427,587	5,810,279	5,716,017	263,178	1,071,134	682,473
<b>Total current assets</b>		<b>65,282,732</b>	<b>265,700,718</b>	<b>63,836,114</b>	<b>20,696,262</b>	<b>84,233,786</b>	<b>21,328,923</b>
<b>TOTAL ASSETS</b>		<b>109,264,566</b>	<b>444,706,782</b>	<b>104,622,975</b>	<b>94,871,529</b>	<b>386,127,123</b>	<b>95,338,100</b>
<b>EQUITY AND LIABILITIES</b>							
<b>Equity attributable to owners of the Company</b>							
Share capital	10	35,937,500	146,265,625	35,937,500	35,937,500	146,265,625	35,937,500
Share premium	11	4,575,051	18,620,458	4,575,051	4,575,051	18,620,458	4,575,051
Retained earnings		19,144,855	77,919,560	20,368,679	21,248,566	86,481,664	21,386,718
		59,657,406	242,805,643	60,881,230	61,761,117	251,367,747	61,899,269
Non-controlling interests		(11,089)	(45,133)	(6,666)	-	-	-
<b>TOTAL EQUITY</b>		<b>59,646,317</b>	<b>242,760,510</b>	<b>60,874,564</b>	<b>61,761,117</b>	<b>251,367,747</b>	<b>61,899,269</b>
<b>Non-current liabilities</b>							
Loans and borrowings	13	15,339,137	62,430,288	13,481,714	7,252,184	29,516,389	9,427,605
Contract liabilities	12	7,946,000	32,340,220	8,220,000	7,946,000	32,340,220	8,220,000
<b>Total non-current liabilities</b>		<b>23,285,137</b>	<b>94,770,508</b>	<b>21,701,714</b>	<b>15,198,184</b>	<b>61,856,609</b>	<b>17,647,605</b>
<b>Current liabilities</b>							
Loans and borrowings	13	7,827,470	31,857,804	3,371,527	3,179,418	12,940,231	2,538,907
Current tax liabilities		77,629	315,950	16,279	69,883	284,424	-
Trade and other payables	14	17,637,065	71,782,852	18,286,103	14,114,927	57,447,752	12,704,319
Contract liabilities	12	790,948	3,219,158	372,788	548,000	2,230,360	548,000
<b>Total current liabilities</b>		<b>26,333,112</b>	<b>107,175,764</b>	<b>22,046,697</b>	<b>17,912,228</b>	<b>72,902,767</b>	<b>15,791,226</b>
<b>TOTAL LIABILITIES</b>		<b>49,618,249</b>	<b>201,946,272</b>	<b>43,748,411</b>	<b>33,110,412</b>	<b>134,759,376</b>	<b>33,438,831</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>109,264,566</b>	<b>444,706,782</b>	<b>104,622,975</b>	<b>94,871,529</b>	<b>386,127,123</b>	<b>95,338,100</b>

The Condensed Interim Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying notes attached to this condensed interim financial information.

**PHNOM PENH SEZ PLC.**  
(Incorporated in Cambodia)

**CONDENSED INTERIM STATEMENTS OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME  
FOR THE QUARTER AND SIX-MONTH PERIOD ENDED 30 JUNE 2022**

	Note	(Unaudited)					
		Group			Company		
		30.06.2022		30.06.2021	30.06.2022		30.06.2021
	US\$	KHR'000	US\$	US\$	KHR'000	US\$	
Revenue	15	3,741,269	15,226,965	1,765,193	1,239,355	5,044,175	1,017,483
Cost of sales	16	(2,236,573)	(9,102,852)	(871,233)	(314,280)	(1,279,120)	(268,532)
<b>Gross profit</b>		<b>1,504,696</b>	<b>6,124,113</b>	<b>893,960</b>	<b>925,075</b>	<b>3,765,055</b>	<b>748,951</b>
Other income	17	21,842	88,897	10,836	308,725	1,256,511	309,050
Administrative expenses	18	(1,275,022)	(5,189,340)	(1,452,138)	(769,038)	(3,129,985)	(894,670)
<b>Operating profit/(loss)</b>		<b>251,516</b>	<b>1,023,670</b>	<b>(547,342)</b>	<b>464,762</b>	<b>1,891,581</b>	<b>163,331</b>
Finance costs	19	(313,683)	(1,276,690)	(365,958)	(190,973)	(777,260)	(310,142)
Share of results of associates		15,554	63,305	(6,186)	69,682	283,606	(6,186)
<b>(Loss)/Profit before tax</b>		<b>(46,613)</b>	<b>(189,715)</b>	<b>(919,486)</b>	<b>343,471</b>	<b>1,397,927</b>	<b>(152,997)</b>
Income tax expense	20	(80,090)	(325,966)	554	(70,218)	(285,787)	1,891
<b>(Loss)/Profit for the financial period, representing total comprehensive (loss)/income</b>		<b>(126,703)</b>	<b>(515,681)</b>	<b>(918,932)</b>	<b>273,253</b>	<b>1,112,140</b>	<b>(151,106)</b>
<b>Profit/(Loss) attributable to:</b>							
Owners of the Company		(129,143)	(525,611)	(903,396)			
Non-controlling interests		2,440	9,930	(15,536)			
		<b>(126,703)</b>	<b>(515,681)</b>	<b>(918,932)</b>			
<b>Total comprehensive income/(loss) attributable to:</b>							
Owners of the Company		(129,143)	(525,611)	(903,396)			
Non-controlling interests		2,440	9,930	(15,536)			
		<b>(126,703)</b>	<b>(515,681)</b>	<b>(918,932)</b>			
<b>Basic/Diluted loss per share</b>	21	<b>(0.002)</b>	<b>(0.007)</b>	<b>(0.013)</b>			

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**CONDENSED INTERIM STATEMENTS OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME  
FOR THE QUARTER AND SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

	Note	(Unaudited)					
		Group		Six-month period ended		Company	
		30.06.2022	30.06.2021	30.06.2022	30.06.2021	30.06.2022	30.06.2021
	US\$	KHR'000	US\$	US\$	KHR'000	US\$	
Revenue	15	8,199,729	33,372,897	3,530,482	2,450,284	9,972,656	2,143,885
Cost of sales	16	(5,409,528)	(22,016,779)	(1,648,006)	(706,717)	(2,876,338)	(583,251)
<b>Gross profit</b>		<b>2,790,201</b>	<b>11,356,118</b>	<b>1,882,476</b>	<b>1,743,567</b>	<b>7,096,318</b>	<b>1,560,634</b>
Other income	17	141,282	575,018	34,408	731,428	2,976,912	630,230
Administrative expenses	18	(3,111,009)	(12,661,807)	(2,841,039)	(1,870,187)	(7,611,661)	(1,711,364)
<b>Operating (loss)/profit</b>		<b>(179,526)</b>	<b>(730,671)</b>	<b>(924,155)</b>	<b>604,808</b>	<b>2,461,569</b>	<b>479,500</b>
Finance costs	19	(610,071)	(2,482,989)	(733,420)	(392,440)	(1,597,231)	(632,538)
Share of results of associates		66,215	269,495	14,133	120,343	489,796	14,133
<b>(Loss)/Profit before tax</b>		<b>(723,382)</b>	<b>(2,944,165)</b>	<b>(1,643,442)</b>	<b>332,711</b>	<b>1,354,134</b>	<b>(138,905)</b>
Income tax expense	20	(91,785)	(373,565)	(196,886)	(70,218)	(285,787)	-
<b>(Loss)/Profit for the financial period, representing total comprehensive (loss)/income</b>		<b>(815,167)</b>	<b>(3,317,730)</b>	<b>(1,840,328)</b>	<b>262,493</b>	<b>1,068,347</b>	<b>(138,905)</b>
<b>Profit/(Loss) attributable to:</b>							
Owners of the Company		(823,179)	(3,350,339)	(1,785,398)			
Non-controlling interests		8,012	32,609	(54,930)			
		<b>(815,167)</b>	<b>(3,317,730)</b>	<b>(1,840,328)</b>			
<b>Total comprehensive income/(loss) attributable to:</b>							
Owners of the Company		(823,179)	(3,350,339)	(1,785,398)			
Non-controlling interests		8,012	32,609	(54,930)			
		<b>(815,167)</b>	<b>(3,317,730)</b>	<b>(1,840,328)</b>			
<b>Basic/Diluted loss per share</b>	21	<b>(0.011)</b>	<b>(0.047)</b>	<b>(0.025)</b>			

The Condensed Interim Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying notes attached to this condensed interim financial information.

**PHNOM PENH SEZ PLC.**  
(Incorporated in Cambodia)

**CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY  
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2022**

	Note	Share capital US\$	Share premium US\$	Retained earnings US\$	Non- controlling interests US\$	Total equity US\$
<b>Group (Unaudited)</b>						
At 1 January 2022		35,937,500	4,575,051	20,368,679	(6,666)	60,874,564
(Loss)/Profit for the financial period, representing total comprehensive (loss)/income		-	-	(823,179)	8,012	(815,167)
Transaction with owners:						
- Dividend paid	25	-	-	(400,645)	(12,435)	(420,800)
<b>At 30 June 2022</b>		<b>35,937,500</b>	<b>4,575,051</b>	<b>19,144,855</b>	<b>(11,089)</b>	<b>59,646,317</b>
<b>(KHR'000 equivalent)</b>		<b>146,265,625</b>	<b>18,620,458</b>	<b>77,919,560</b>	<b>(45,133)</b>	<b>242,760,510</b>
At 1 January 2021		35,937,500	4,575,051	18,475,706	1,082,465	60,070,722
Loss for the financial period, representing total comprehensive loss		-	-	(1,785,398)	(54,930)	(1,840,328)
Transaction with owners:						
- Acquisition of non-controlling interest		-	-	(144,980)	(1,027,535)	(1,172,515)
<b>At 30 June 2021</b>		<b>35,937,500</b>	<b>4,575,051</b>	<b>16,545,328</b>	<b>-</b>	<b>57,057,879</b>
<b>(KHR'000 equivalent)</b>		<b>146,445,313</b>	<b>18,643,333</b>	<b>67,422,211</b>	<b>-</b>	<b>232,510,857</b>

**PHNOM PENH SEZ PLC.**  
(Incorporated in Cambodia)

**CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY  
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

Company (Unaudited)	Note	Share capital US\$	Share premium US\$	Retained earnings US\$	Total equity US\$
At 1 January 2022		35,937,500	4,575,051	21,386,718	61,899,269
Profit for the financial period, representing total comprehensive income		-	-	262,493	262,493
Transaction with owners: - Dividend paid	25	-	-	(400,645)	(400,645)
<b>At 30 June 2022</b>		<b>35,937,500</b>	<b>4,575,051</b>	<b>21,248,566</b>	<b>61,761,117</b>
<b>(KHR'000 equivalent)</b>		<b>146,265,625</b>	<b>18,620,458</b>	<b>86,481,664</b>	<b>251,367,747</b>
At 1 January 2021		35,937,500	4,575,051	21,021,456	61,534,007
Loss for the financial period, representing total comprehensive loss		-	-	(138,905)	(138,905)
<b>At 30 June 2021</b>		<b>35,937,500</b>	<b>4,575,051</b>	<b>20,882,551</b>	<b>61,395,102</b>
<b>(KHR'000 equivalent)</b>		<b>146,445,313</b>	<b>18,643,333</b>	<b>85,096,395</b>	<b>250,185,041</b>

The Condensed Interim Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying notes attached to this condensed interim financial information.



**PHNOM PENH SEZ PLC.**  
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**CONDENSED INTERIM STATEMENTS OF CASH FLOWS  
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2022**

	(Unaudited)					
	Group		Six-month period ended			
	30.06.2022	30.06.2021	30.06.2022		30.06.2021	30.06.2021
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
<b>Cash flows from operating activities</b>						
(Loss)/Profit before tax:	(723,382)	(2,944,165)	(1,643,442)	332,711	1,354,134	(138,905)
Adjustments for non-cash items:						
Deferred revenue	(274,000)	(1,115,180)	(274,000)	(274,000)	(1,115,180)	(274,000)
Depreciation of:						
- Property, plant and equipment	784,526	3,193,021	697,996	605,739	2,465,358	544,159
- Investment properties	263,121	1,070,902	243,353	190,557	775,567	190,557
Property, plant and equipment written off	20,917	85,132	-	-	-	-
Finance costs	610,071	2,482,989	733,420	392,440	1,597,231	632,538
Interest income	(153)	(623)	(603)	(81)	(330)	(107)
Share of results of associates	(66,215)	(269,495)	(14,133)	(120,343)	(489,796)	(14,133)
<b>Operating profit/(loss) before changes in working capital</b>	614,885	2,502,581	(257,409)	1,127,023	4,586,984	940,109
<b>Changes in working capital:</b>						
Inventories	(2,397,865)	(9,759,311)	(2,547,557)	(117,233)	(477,138)	(7,568)
Trade and other receivables	(1,635,445)	(6,656,261)	4,327,819	625,664	2,546,451	7,851,950
Contract assets	(1,463,462)	(5,956,290)	-	-	-	-
Trade and other payables	397,678	1,618,549	6,127,707	(1,194,394)	(4,861,184)	169,251
Contract liabilities	418,160	1,701,911	-	-	-	-
<b>Net cash (used in)/generated from operations</b>	(4,066,049)	(16,548,821)	7,650,560	441,060	1,795,113	8,953,742
Tax paid	(30,435)	(123,870)	(198,970)	(335)	(1,363)	-
<b>Net cash (used in)/generated from operating activities</b>	(4,096,484)	(16,672,691)	7,451,590	440,725	1,793,750	8,953,742
<b>Cash flows from investing activities</b>						
Purchase of property, plant and equipment	(4,603,691)	(18,737,022)	(1,792,323)	(1,002,963)	(4,082,059)	(662,965)
Investment in subsidiaries	-	-	-	-	-	(17,250,000)
Investment in associates	-	-	(1,604,550)	-	-	(480,000)
Acquisition of non-controlling interest	-	-	(1,172,515)	-	-	-
Interest received	153	623	603	81	330	107
Net advances to/(repayments from):						
- Subsidiaries	-	-	-	2,301,316	9,366,356	10,845,110
- Related parties	(503,469)	(2,049,119)	564,478	19,488	79,316	10,266
- Associates	(348,841)	(1,419,783)	734,395	161,636	657,859	678,229
- Directors	(26,642)	(108,433)	14,712	(11,912)	(48,482)	14,712
- Shareholders	329	1,339	(127)	329	1,339	(127)
<b>Net cash (used in)/generated from investing activities</b>	(5,482,161)	(22,312,395)	(3,255,327)	1,467,975	5,974,659	(6,844,668)

**PHNOM PENH SEZ PLC.**  
(Incorporated in Cambodia)

**CONDENSED INTERIM STATEMENTS OF CASH FLOWS  
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

	(Unaudited)					
	Group		Six-month period ended		Company	
	30.06.2022	30.06.2021	30.06.2021	30.06.2022	30.06.2021	30.06.2021
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
<b>Cash flows from financing activities</b>						
Dividend paid	(413,080)	(1,681,236)	-	(400,645)	(1,630,625)	-
Drawdown of loans	8,079,882	32,885,120	1,873,561	-	-	102,300
Repayment of loans	(1,766,516)	(7,189,719)	(1,838,721)	(1,534,910)	(6,247,084)	(1,643,159)
Interest paid	(610,071)	(2,482,989)	(733,420)	(392,440)	(1,597,231)	(632,538)
<b>Net cash generated from/(used in) financing activities</b>	<b>5,290,215</b>	<b>21,531,176</b>	<b>(698,580)</b>	<b>(2,327,995)</b>	<b>(9,474,940)</b>	<b>(2,173,397)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(4,288,430)</b>	<b>(17,453,910)</b>	<b>3,497,683</b>	<b>(419,295)</b>	<b>(1,706,531)</b>	<b>(64,323)</b>
<b>Cash and cash equivalents at the beginning of the financial period</b>	<b>5,716,017</b>	<b>23,264,189</b>	<b>1,622,634</b>	<b>682,473</b>	<b>2,777,665</b>	<b>278,243</b>
<b>Cash and cash equivalents at the end of the financial period</b>	<b>1,427,587</b>	<b>5,810,279</b>	<b>5,120,317</b>	<b>263,178</b>	<b>1,071,134</b>	<b>213,920</b>

The Condensed Interim Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying notes attached to this condensed interim financial information.

**PHNOM PENH SEZ PLC.**  
(Incorporated in Cambodia)

## **NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION**

### **1. CORPORATE INFORMATION**

Phnom Penh SEZ Plc. (“the Company”) is a public limited company, incorporated and domiciled in the Kingdom of Cambodia and is listed on the Cambodia Securities Exchange.

During the Sixth Annual General Meeting on 28 April 2022, shareholders approved the name changed from Phnom Penh SEZ Plc. to Royal Group Phnom Penh SEZ Plc. The Company has filed the necessary documentation to Ministry of Commerce and General Department of Taxation and is waiting for approval to complete the name changing process.

The principal activities of the Company are to establish, develop and operate the Special Economic Zone in Phnom Penh and to engage in other related commercial activities. The principal activities of the subsidiaries are disclosed in Note 5 to the condensed interim financial information. There have been no significant changes in the nature of these activities during the financial period.

The condensed interim financial information was approved and authorised for issue by the Board of Directors on 10 August 2022.

The condensed interim financial information for the quarter and six-month period ended 30 June 2022, has been reviewed but not audited.

### **2. BASIS OF PREPARATION**

#### **2.1 Statement of compliance**

The condensed interim financial information for the six-month period ended 30 June 2022 has been prepared in accordance with Cambodian International Accounting Standards (“CIAS”) 34 Interim Financial Reporting.

This condensed interim financial information does not include all the notes normally included in an annual financial statements. Accordingly, this report is to be read in conjunction with the annual audited financial statements for the financial year ended 31 December 2021, which have been prepared in accordance with Cambodian International Financial Reporting Standards (“CIFRS”) and any public announcements made by the Company during the interim reporting period.

The significant accounting policies used in preparing the condensed interim financial information are consistent with the significant accounting policies used in the preparation of the annual audited financial statements for the financial year ended 31 December 2021.

#### **2.2 Standards, amendments to published standards and interpretations that are effective**

Multiple standards, amendments to published standards and interpretations are effective for reporting period commencing 1 January 2022. However, the Board of Directors are in the opinion that the adoption of these standards, amendments to published standards and interpretations did not have any significant impact on the current period or any prior period and is not likely to affect the future periods.

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## **NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)**

### **2. BASIS OF PREPARATION (CONTINUED)**

#### **2.3 Significant accounting policies**

The significant accounting policies used in preparing the condensed interim financial information are consistent with the significant accounting policies used in the preparation of the annual audited financial statements for the financial year ended 31 December 2021.

##### **Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the Group's decision makers. Those whom is responsible for allocating resources to and assessing the performance of the operating segments has been identified as the key management team. The Group mainly operates in one operating segment, being the real estate related business. As such, no further segmentation is required.

##### **Seasonality or cyclicity of operations**

The Group and the Company are mainly involved in the real estate related business. There are no significant seasonality factor associated with these businesses.

#### **2.4 Significant accounting judgements, estimates and assumptions**

When preparing the condensed interim financial information, the Board of Directors undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by the Board of Directors, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the condensed interim financial information, including the key sources of estimation uncertainty, were the same as those applied in the Group's last annual audited financial statements for the financial year ended 31 December 2021.

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**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)**

**3. PROPERTY, PLANT AND EQUIPMENT**

<b>Group (Audited)</b>	<b>Freehold land US\$</b>	<b>Building and infrastructure US\$</b>	<b>Machinery US\$</b>	<b>Motor vehicle, equipment and computers US\$</b>	<b>*Construction in progress US\$</b>	<b>Total US\$</b>
<b>Movement in net carrying amount</b>						
At 1 January 2021	721,224	11,828,838	324,052	176,487	534,389	13,584,990
Additions	-	397,693	316,000	184,939	6,361,008	7,259,640
Acquisition through business combination of Sahas Advisory & Consulting Co., Ltd.	-	-	-	25,987	-	25,987
Transfer within property, plant and equipment	-	2,637,356	-	-	(2,637,356)	-
Transfer to investment properties	-	-	-	-	(945,000)	(945,000)
Transfer to inventories	-	-	-	-	(841,943)	(841,943)
Depreciation charge	-	(1,184,673)	(134,164)	(112,841)	-	(1,431,678)
At 31 December 2021	721,224	13,679,214	505,888	274,572	2,471,098	17,651,996
<b>(Unaudited)</b>						
Additions	-	13,762	450	35,927	4,553,552	4,603,691
Written off	-	(20,618)	(299)	-	-	(20,917)
Transfer within property, plant and equipment	-	264,997	-	-	(264,997)	-
Transfer to inventories	-	-	-	-	(406,369)	(406,369)
Depreciation charge	-	(639,738)	(91,110)	(53,678)	-	(784,526)
<b>At 30 June 2022</b>	<b>721,224</b>	<b>13,297,617</b>	<b>414,929</b>	<b>256,821</b>	<b>6,353,284</b>	<b>21,043,875</b>
<b>(KHR'000 equivalent)</b>	<b>2,935,382</b>	<b>54,121,301</b>	<b>1,688,761</b>	<b>1,045,261</b>	<b>25,857,866</b>	<b>85,648,571</b>

\* Construction in progress represents infrastructure under construction stated at cost. Construction in progress is not depreciated until such time when the asset is available for use.

As at 30 June 2022, the capital commitment of the Group arising from the construction in progress amounted to USD1,954,613 (2021: USD4,035,448) as at the date of this condensed interim financial information.

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**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)**

**3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

<b>Company (Audited)</b>	<b>Freehold land US\$</b>	<b>Building and infrastructure US\$</b>	<b>Machinery US\$</b>	<b>Motor vehicle, equipment and computers US\$</b>	<b>*Construction in progress US\$</b>	<b>Total US\$</b>
<b>Movement in net carrying amount</b>						
At 1 January 2021	721,224	12,035,447	146,928	59,855	772,162	13,735,616
Additions	-	389,274	27,834	17,164	2,065,572	2,499,844
Transfer within property, plant and equipment	-	2,382,371	-	-	(2,382,371)	-
Transfer to investment Properties	-	-	-	-	(411,334)	(411,334)
Transfer to inventories	-	-	-	-	-	-
Depreciation charge	-	(1,029,979)	(46,110)	(25,904)	-	(1,101,993)
At 31 December 2021	721,224	13,777,113	128,652	51,115	44,029	14,722,133
<b>(Unaudited)</b>						
Additions	-	13,761	450	6,615	982,137	1,002,963
Transfer within property, plant and equipment	-	44,029	-	-	(44,029)	-
Transfer to inventories	-	-	-	-	(160,920)	(160,920)
Depreciation charge	-	(569,379)	(24,210)	(12,150)	-	(605,739)
<b>At 30 June 2022</b>	<b>721,224</b>	<b>13,265,524</b>	<b>104,892</b>	<b>45,580</b>	<b>821,217</b>	<b>14,958,437</b>
<b>(KHR'000 equivalent)</b>	<b>2,935,382</b>	<b>53,990,683</b>	<b>426,910</b>	<b>185,511</b>	<b>3,342,353</b>	<b>60,880,839</b>

\* Construction in progress represents infrastructure under construction stated at cost. Construction in progress is not depreciated until such time when the asset is available for use.

As at 30 June 2022, the capital commitment of the Company arising from the construction in progress amounted to USD421,931 (2021: Nil) as at the date of this condensed interim financial information.

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**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)**

**4. INVESTMENT PROPERTIES**

	Freehold land US\$	Buildings US\$	Total US\$
<b>Group</b>			
<b>(Audited)</b>			
<b>Movement in net carrying amount</b>			
At 1 January 2021	2,515,656	7,482,915	9,998,571
Additions	-	945,000	945,000
Depreciation charge	-	(505,968)	(505,968)
At 31 December 2021	2,515,656	7,921,947	10,437,603
<b>(Unaudited)</b>			
Depreciation charge	-	(263,121)	(263,121)
<b>At 30 June 2022</b>	<b>2,515,656</b>	<b>7,658,826</b>	<b>10,174,482</b>
<b>(KHR'000 equivalent)</b>	<b>10,238,720</b>	<b>31,171,421</b>	<b>41,410,141</b>
<b>Company</b>			
<b>(Audited)</b>			
<b>Movement in net carrying amount</b>			
At 1 January 2021	2,515,656	5,596,685	8,112,341
Depreciation charge	-	(381,113)	(381,113)
At 31 December 2021	2,515,656	5,215,572	7,731,228
<b>(Unaudited)</b>			
Depreciation charge	-	(190,557)	(190,557)
<b>At 30 June 2022</b>	<b>2,515,656</b>	<b>5,025,015</b>	<b>7,540,671</b>
<b>(KHR'000 equivalent)</b>	<b>10,238,720</b>	<b>20,451,811</b>	<b>30,690,531</b>

As at 30 June 2022, investment properties with a carrying amount of USD10,174,482 and USD7,540,671 of the Group and of the Company respectively have been pledged as security to secure term loans granted to the Group and the Company as disclosed in Note 13 to the condensed interim financial information.

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**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)**

**5. INVESTMENT IN SUBSIDIARIES**

	<b>(Unaudited)</b>		<b>(Audited)</b>
	<b>30.06.2022</b>		<b>31.12.2021</b>
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>
<b>Company</b>			
Unquoted shares, at cost	39,983,104	162,731,233	39,983,104

The Company's effective equity interest in the subsidiaries are as follows:

<b>Name of subsidiaries</b>	<b>Country of incorporation</b>	<b>Effective equity interest</b>		<b>Principal activities</b>
		<b>2022</b>	<b>2021</b>	
		<b>%</b>	<b>%</b>	
Sahas Security Co., Ltd.	Cambodia	100	100	Security services
Royal Group Poipet SEZ Co., Ltd. (formerly known as Poi Pet PPSEZ Co., Ltd.)	Cambodia	100	100	Establish, develop and operate industrial zone
Sahas E&C Co., Ltd.	Cambodia	100	60	Construction services
Royal Group Kandal SEZ Co., Ltd. (formerly known as Phnom Penh SEZ II Co., Ltd.)	Cambodia	100	100	Establish, develop and operate industrial zone
Sahas Properties Co., Ltd.	Cambodia	100	100	Real estate activity
Sahas Advisory & Consulting Co., Ltd.	Cambodia	46	46	Advisory and consultant services

**6. INVESTMENT IN ASSOCIATES**

	<b>(Unaudited)</b>		<b>(Audited)</b>
	<b>30.06.2022</b>		<b>31.12.2021</b>
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>
<b>Group</b>			
Unquoted shares, at cost	8,591,361	34,966,839	8,591,361
Shares of post-acquisition reserves	5,607,523	22,822,620	5,541,308
Less: Allowance for impairment loss	(1,435,407)	(5,842,106)	(1,435,407)
	<u>12,763,477</u>	<u>51,947,352</u>	<u>12,697,262</u>
<b>Company</b>			
Unquoted shares, at cost	7,466,811	30,389,920	7,466,811
Shares of post-acquisition reserves	5,661,651	23,042,920	5,541,308
Less: Allowance for impairment loss	(1,435,407)	(5,842,106)	(1,435,407)
	<u>11,693,055</u>	<u>47,590,734</u>	<u>11,572,712</u>



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**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)**

**6. INVESTMENT IN ASSOCIATES (CONTINUED)**

The Group's effective equity interest in the associates are as follows:

Name of associates	Country of incorporation	Effective equity interest		Principal activities
		2022 %	2021 %	
<b><u>Associate of Phnom Penh SEZ Plc.</u></b>				
Colben Energy (Cambodia) PPSEZ Ltd.*	Cambodia	51	51	Supply of electricity
Bok Seng PPSEZ Dry Port Co., Ltd.	Cambodia	40	40	Dry port
Gomi Recycle (Phnom Penh) Co., Ltd.*	Cambodia	49	49	Waste recycle factory
<b><u>Associate of Royal Group Poipet SEZ Co., Ltd. (formerly known as Poi Pet PPSEZ Co., Ltd.)</u></b>				
B.Grimm Power (Poipet) Co., Ltd.	Cambodia	45	45	Supply of electricity

\* Not audited by Baker Tilly (Cambodia) Co., Ltd. or Baker Tilly International member firms.

**7. INVENTORIES**

	Group		Company		
	(Unaudited)	(Audited)	(Unaudited)	(Audited)	
	30.06.2022	31.12.2021	30.06.2022	31.12.2021	
	US\$	KHR'000	US\$	US\$	KHR'000
<b>At cost</b>					
Freehold lands and development cost	39,373,371	160,249,620	12,386,138	50,411,582	12,107,985

Included in the net carrying amount of inventories of the Group and of the Company were assets transferred from property, plant and equipment of USD406,369 and USD160,920 respectively, as disclosed in Note 3 to the condensed interim financial information.

As at 30 June 2022, inventories with a carrying amount of USD15,750,252 of the Group and USD6,554,532 of the Company have been pledged as security to secure term loans granted to the Group and the Company as disclosed in Note 13 to the condensed interim financial information.

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**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)**

**8. TRADE AND OTHER RECEIVABLES**

	Group			Company		
	(Unaudited)		(Audited)	(Unaudited)		(Audited)
	30.06.2022		31.12.2021	30.06.2022		31.12.2021
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
<b>Trade receivables</b>						
<b>from contract with customers:</b>						
Third parties	7,576,034	30,834,458	7,792,977	498,000	2,026,860	996,000
Shareholder	-	-	1,007	-	-	-
Related parties	774,149	3,150,786	789,333	771,217	3,138,853	771,217
	<u>8,350,183</u>	<u>33,985,244</u>	<u>8,583,317</u>	<u>1,269,217</u>	<u>5,165,713</u>	<u>1,767,217</u>
<b>Non-trade receivables:</b>						
Other receivables	649,252	2,642,456	199,361	230,958	939,999	180,226
Input value added taxes	1,901,743	7,740,094	1,458,388	-	-	27,896
Withholding tax credit	3,515,206	14,306,888	3,521,195	3,470,206	14,123,738	3,475,428
Subsidiaries	-	-	-	1,468,959	5,978,663	1,166,658
Associates	1,033,752	4,207,371	1,195,325	1,033,689	4,207,114	1,195,325
Related parties	582,911	2,372,448	589,102	382,911	1,558,448	389,102
Shareholders	16,292	66,308	16,621	16,292	66,308	16,621
Deposits	21,970	89,418	107,116	4,530	18,438	89,416
Prepayments*	6,947,003	28,274,302	5,880,535	170,184	692,649	230,576
	<u>14,668,129</u>	<u>59,699,285</u>	<u>12,967,643</u>	<u>6,777,729</u>	<u>27,585,357</u>	<u>6,771,248</u>
<b>Total trade and other receivables</b>	<b>23,018,312</b>	<b>93,684,529</b>	<b>21,550,960</b>	<b>8,046,946</b>	<b>32,751,070</b>	<b>8,538,465</b>

\*Included in the Group's and the Company's prepayments are an amount of USD6,725,491 (2021: USD5,632,801) and Nil (2021: Nil) respectively made in relation to land acquisitions.

As at 30 June 2022, the capital commitment of the Group and the Company arising from the land acquisition amounted to USD856,574 and Nil respectively (2021: USD517,996 and Nil) as at the date of this condensed interim financial information.

**9. CASH AND CASH EQUIVALENTS**

	Group			Company		
	(Unaudited)		(Audited)	(Unaudited)		(Audited)
	30.06.2022		31.12.2021	30.06.2022		31.12.2021
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
Cash in hand	10,580	43,061	8,820	2,830	11,518	1,743
Deposits held at call with licensed banks	1,417,007	5,767,218	5,707,197	260,348	1,059,616	680,730
	<u>1,427,587</u>	<u>5,810,279</u>	<u>5,716,017</u>	<u>263,178</u>	<u>1,071,134</u>	<u>682,473</u>

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**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)**

**10. SHARE CAPITAL**

	Group and Company			
	(Unaudited) 30.06.2022		(Audited) 31.12.2021	
	Number of share of US\$ 0.50 each	US\$	Number of share of US\$ 0.50 each	US\$
<b>Ordinary shares</b>				
Registered:				
At beginning/end of financial period	71,875,000	35,937,500	71,875,000	35,937,500
Fully paid:				
At beginning/end of financial period	71,875,000	35,937,500	71,875,000	35,937,500
<b>(KHR'000 equivalent)</b>		<u>146,265,625</u>		

There were no issuances, cancellations, repurchases, re-sales and repayments of equity securities during the financial period.

**11. SHARE PREMIUM**

The share premium mainly represents the excess amount received by the Company over the par value of its shares pursuant to the issuance of shares, net of transaction costs directly distributable to the issuance.

**12. CONTRACT ASSETS/(LIABILITIES)**

	Group		Company			
	(Unaudited) 30.06.2022	(Audited) 31.12.2021	(Unaudited) 30.06.2022	(Audited) 31.12.2021		
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
<b>Current:</b>						
Contract assets	1,463,462	5,956,290	-	-	-	-
<b>Non-current:</b>						
Contract liabilities	(7,946,000)	(32,340,220)	(8,220,000)	(7,946,000)	(32,340,220)	(8,220,000)
<b>Current:</b>						
Contract liabilities	(790,948)	(3,219,158)	(372,788)	(548,000)	(2,230,360)	(548,000)
<b>Total contract liabilities</b>	<b>(8,736,948)</b>	<b>(35,559,378)</b>	<b>(8,592,788)</b>	<b>(8,494,000)</b>	<b>(34,570,580)</b>	<b>(8,768,000)</b>

The contract assets relate to the Group's rights to consideration for construction work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional.

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**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)**

**13. LOANS AND BORROWINGS**

	Group			Company		
	(Unaudited)		(Audited)	(Unaudited)		(Audited)
	30.06.2022	31.12.2021	31.12.2021	30.06.2022	31.12.2021	31.12.2021
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
<b>Non-current:</b>						
<b>Secured</b>						
Term loan VII	6,256,048	25,462,116	8,328,430	4,573,782	18,615,293	6,237,401
Term loan IX	8,153,287	33,183,878	3,961,880	1,748,600	7,116,802	1,998,800
Term loan XI	929,802	3,784,294	1,191,404	929,802	3,784,294	1,191,404
	<u>15,339,137</u>	<u>62,430,288</u>	<u>13,481,714</u>	<u>7,252,184</u>	<u>29,516,389</u>	<u>9,427,605</u>
<b>Current:</b>						
<b>Secured</b>						
Term loan VII	2,533,159	10,309,958	1,681,487	2,172,709	8,842,926	1,551,120
Term loan IX	1,788,002	7,277,169	1,202,653	500,400	2,036,628	500,400
Term loan XI	506,309	2,060,677	487,387	506,309	2,060,677	487,387
Term loan XII	3,000,000	12,210,000	-	-	-	-
	<u>7,827,470</u>	<u>31,857,804</u>	<u>3,371,527</u>	<u>3,179,418</u>	<u>12,940,231</u>	<u>2,538,907</u>
<b>Total loans and borrowings</b>	<b><u>23,166,607</u></b>	<b><u>94,288,092</u></b>	<b><u>16,853,241</u></b>	<b><u>10,431,602</u></b>	<b><u>42,456,620</u></b>	<b><u>11,966,512</u></b>

CIAS 7 require the Group and the Company to provide disclosures that enable users of financial statements to evaluate the changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The change in liabilities is disclosed as follows:

	Group			Company		
	(Unaudited)		(Audited)	(Unaudited)		(Audited)
	30.06.2022	31.12.2021	31.12.2021	30.06.2022	31.12.2021	31.12.2021
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
<b>Term loans</b>						
At the beginning of the financial period	16,853,241	68,592,691	18,672,815	11,966,512	48,703,704	17,231,387
Drawdowns	8,079,882	32,885,120	3,970,073	-	-	102,300
Repayments	(1,766,516)	(7,189,719)	(5,789,647)	(1,534,910)	(6,247,084)	(5,367,175)
Finance costs	610,071	2,482,989	1,479,196	392,440	1,597,231	1,170,642
Interest paid	(610,071)	(2,482,989)	(1,479,196)	(392,440)	(1,597,231)	(1,170,642)
<b>At the end of the financial period</b>	<b><u>23,166,607</u></b>	<b><u>94,288,092</u></b>	<b><u>16,853,241</u></b>	<b><u>10,431,602</u></b>	<b><u>42,456,620</u></b>	<b><u>11,966,512</u></b>

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**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)**

**13. LOANS AND BORROWINGS (COTINUED)**

Other information on loans and borrowings are disclosed as follows:

Term Loan	Principal Amount (USD)	Interest Rate	Repayable in Number of Years	Monthly Instalment (USD)	Commence Date	Remark
Term loan VII	2,000,000	6.80%	6	29,169	07/07/2018	*
	2,300,000	6.80%	7	34,489	02/11/2018	*
	3,500,000	LIBOR rate plus 3.75% ≥ 6.87%	5	69,090	12/09/2019	*
	2,500,000	LIBOR rate plus 3.75% ≥ 6.87%	5	43,013	10/09/2019	*
	2,530,488	LPCO plus 1.00% ≥ 6.90%	7	38,068	02/11/2020	*
	1,521,261	LIBOR rate plus 1.90% ≥ 7%	7	23,198	01/02/2021	#
Term loan IX	3,500,000	7.00%	7	41,700	02/05/2019	*
	500,000	6.50%	5	9,700	23/04/2020	*
	250,000	6.50%	5	4,900	29/01/2021	#
	2,296,397	6.65%	34 months	102,525	27/09/2021	#
	5,784,000	6.19%	7	112,400	09/03/2022	#
Term loan XI	1,500,000	7.50%	5	30,130	13/02/2020	#
	980,392	7.50%	5	19,597	13/02/2020	#
Term loan XII (Unsecured)	3,000,000	9.00%	4 months	Interest to be paid amounted to USD22,931 each month and principle amount will be settled in the fourth month.	30/05/2022	

\* The loans are secured by a mortgage over the investment properties and inventories as disclosed in Note 4 and Note 7 to the condensed interim financial information.

# The loans are secured by a mortgage over the inventories as disclosed in Note 7 to the condensed interim financial information.

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**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)**

**14. TRADE AND OTHER PAYABLES**

	Group			Company		
	(Unaudited)		(Audited)	(Unaudited)		(Audited)
	30.06.2022		31.12.2021	30.06.2022		31.12.2021
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
<b>Trade payables:</b>						
Third parties	914,023	3,720,074	1,487,960	-	-	1,316,451
<b>Non-trade payables:</b>						
Other payables	7,079,325	28,812,851	6,983,079	188,136	765,712	216,323
Output value added taxes	-	-	-	21,165	86,142	-
Deposits	7,539,850	30,687,189	7,685,309	1,573,215	6,402,985	1,444,136
Subsidiaries	-	-	-	10,740,573	43,714,132	8,136,956
Associates	990,414	4,030,984	480,000	480,000	1,953,600	480,000
Related parties	898,838	3,658,271	1,408,498	897,223	3,651,698	883,926
Directors	14,105	57,407	40,747	14,105	57,407	26,017
Shareholders	200,510	816,076	200,510	200,510	816,076	200,510
	16,723,042	68,062,778	16,798,143	14,114,927	57,447,752	11,387,868
<b>Total trade and other payables</b>	<b>17,637,065</b>	<b>71,782,852</b>	<b>18,286,103</b>	<b>14,114,927</b>	<b>57,447,752</b>	<b>12,704,319</b>

**15. REVENUE**

	(Unaudited)					
	Three-month period ended					
	Group		Company		Company	
30.06.2022		30.06.2021		30.06.2021		
US\$	KHR'000	US\$	US\$	KHR'000	US\$	
<b>Revenue from contract customers:</b>						
Construction revenue	2,290,788	9,323,507	313,159	-	-	-
Rendering of services	818,683	3,332,040	995,598	762,321	3,102,646	624,985
	3,109,471	12,655,547	1,308,757	762,321	3,102,646	624,985
<b>Revenue from other source:</b>						
Rental of investment property	631,798	2,571,418	456,436	477,034	1,941,529	392,498
	<b>3,741,269</b>	<b>15,226,965</b>	<b>1,765,193</b>	<b>1,239,355</b>	<b>5,044,175</b>	<b>1,017,483</b>
<b>Timing of revenue recognition:</b>						
At point in time	818,683	3,332,040	995,598	762,321	3,102,646	624,985
Over time	2,290,788	9,323,507	313,159	-	-	-
Revenue from contract customers	3,109,471	12,655,547	1,308,757	762,321	3,102,646	624,985
Revenue from other source	631,798	2,571,418	456,436	477,034	1,941,529	392,498
	<b>3,741,269</b>	<b>15,226,965</b>	<b>1,765,193</b>	<b>1,239,355</b>	<b>5,044,175</b>	<b>1,017,483</b>

**PHNOM PENH SEZ PLC.**  
(Incorporated in Cambodia)

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)**

**15. REVENUE (CONTINUED)**

	(Unaudited)					
	Six-month period ended					
	Group		Company			
	30.06.2022	30.06.2021	30.06.2022	30.06.2021	30.06.2022	30.06.2021
US\$	KHR'000	US\$	US\$	KHR'000	US\$	
<b>Revenue from contract customers:</b>						
Construction revenue	4,875,204	19,842,081	704,326	-	-	-
Rendering of services	2,068,421	8,418,473	1,843,982	1,506,715	6,132,330	1,295,318
	<b>6,943,625</b>	<b>28,260,554</b>	<b>2,548,308</b>	<b>1,506,715</b>	<b>6,132,330</b>	<b>1,295,318</b>
<b>Revenue from other source:</b>						
Rental of investment property	1,256,104	5,112,343	982,174	943,569	3,840,326	848,567
	<b>8,199,729</b>	<b>33,372,897</b>	<b>3,530,482</b>	<b>2,450,284</b>	<b>9,972,656</b>	<b>2,143,885</b>
<b>Timing of revenue recognition:</b>						
At point in time	2,068,421	8,418,473	1,843,982	1,506,715	6,132,330	1,295,318
Over time	4,875,204	19,842,081	704,326	-	-	-
Revenue from contract customers	6,943,625	28,260,554	2,548,308	1,506,715	6,132,330	1,295,318
Revenue from other source	1,256,104	5,112,343	982,174	943,569	3,840,326	848,567
	<b>8,199,729</b>	<b>33,372,897</b>	<b>3,530,482</b>	<b>2,450,284</b>	<b>9,972,656</b>	<b>2,143,885</b>

**16. COST OF SALES**

	(Unaudited)					
	Three-month period ended					
	Group		Company			
	30.06.2022	30.06.2021	30.06.2022	30.06.2021	30.06.2022	30.06.2021
US\$	KHR'000	US\$	US\$	KHR'000	US\$	
Cost of services rendered	239,402	974,366	309,124	214,443	872,784	170,455
Cost of construction	1,854,883	7,549,374	232,071	-	-	-
Depreciation charge	131,559	535,445	130,241	95,277	387,777	95,277
Others	10,729	43,667	199,797	4,560	18,559	2,800
	<b>2,236,573</b>	<b>9,102,852</b>	<b>871,233</b>	<b>314,280</b>	<b>1,279,120</b>	<b>268,532</b>
	(Unaudited)					
	Six-month period ended					
	Group		Company			
	30.06.2022	30.06.2021	30.06.2022	30.06.2021	30.06.2022	30.06.2021
US\$	KHR'000	US\$	US\$	KHR'000	US\$	
Cost of services rendered	585,706	2,383,823	614,766	415,860	1,692,550	340,899
Cost of construction	4,221,534	17,181,643	541,095	-	-	-
Depreciation charge	263,121	1,070,903	243,353	190,557	775,567	190,557
Others	339,167	1,380,410	248,792	100,300	408,221	51,795
	<b>5,409,528</b>	<b>22,016,779</b>	<b>1,648,006</b>	<b>706,717</b>	<b>2,876,338</b>	<b>583,251</b>

**PHNOM PENH SEZ PLC.**  
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**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)**

**17. OTHER INCOME**

	(Unaudited)					
	Three-month period ended					
	Group		Company			
	30.06.2022		30.06.2021		30.06.2022	
US\$	KHR'000	US\$	US\$	KHR'000	US\$	
Interest income	72	293	371	38	155	50
Others	21,770	88,604	10,465	308,687	1,256,356	309,000
	<b>21,842</b>	<b>88,897</b>	<b>10,836</b>	<b>308,725</b>	<b>1,256,511</b>	<b>309,050</b>

	(Unaudited)					
	Six-month period ended					
	Group		Company			
	30.06.2022		30.06.2021		30.06.2022	
US\$	KHR'000	US\$	US\$	KHR'000	US\$	
Interest income	153	623	603	81	330	107
Others	141,129	574,395	33,805	731,347	2,976,582	630,123
	<b>141,282</b>	<b>575,018</b>	<b>34,408</b>	<b>731,428</b>	<b>2,976,912</b>	<b>630,230</b>

**18. ADMINISTRATIVE EXPENSES**

	(Unaudited)					
	Three-month period ended					
	Group		Company			
	30.06.2022		30.06.2021		30.06.2022	
US\$	KHR'000	US\$	US\$	KHR'000	US\$	
Depreciation charge	391,576	1,593,714	337,860	302,505	1,231,195	270,349
Electricity	7,018	28,563	12,446	4,424	18,006	10,085
Handling fees	20,748	84,444	3,167	8,745	35,592	2,205
Maintenance fees	10,829	44,074	70,209	(13,214)	(53,781)	63,891
Professional fees	86,405	351,668	137,009	73,922	300,863	118,758
Personnel costs	696,509	2,834,792	667,978	228,453	929,804	255,970
Leases of low value assets	16,279	66,256	19,484	4,420	17,989	5,187
Selling and marketing expenses	12,662	51,534	(3,949)	12,154	49,467	702
Security services	40,022	162,890	42,774	35,602	144,900	38,232
Withholding tax, fringe benefit and other tax expenses	(87,594)	(356,508)	14,376	21,841	88,893	12,298
Other expenses	80,568	327,913	150,784	90,186	367,057	116,993
	<b>1,275,022</b>	<b>5,189,340</b>	<b>1,452,138</b>	<b>769,038</b>	<b>3,129,985</b>	<b>894,670</b>



**PHNOM PENH SEZ PLC.**  
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**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)**

**18. ADMINISTRATIVE EXPENSES (CONTINUED)**

	(Unaudited)					
	Six-month period ended					
	Group		Company			
	30.06.2022	30.06.2021	30.06.2022		30.06.2021	
US\$	KHR'000	US\$	US\$	KHR'000	US\$	
Depreciation charge	784,526	3,193,021	697,996	605,739	2,465,358	544,159
Electricity	12,672	51,575	21,087	7,895	32,133	17,149
Handling fees	26,456	107,676	14,444	8,928	36,337	7,360
Maintenance fees	173,232	705,054	108,352	130,224	530,012	95,176
Professional fees	246,010	1,001,261	189,843	206,720	841,350	154,595
Personnel costs	1,381,599	5,623,108	1,291,163	460,574	1,874,536	484,965
Leases of low value assets	35,569	144,766	38,542	8,840	35,979	9,454
Selling and marketing expenses	23,715	96,520	8,598	21,165	86,142	5,454
Security services	82,752	336,801	85,397	73,834	300,504	76,356
Withholding tax, fringe benefit and other tax expenses	(7,815)	(31,807)	81,411	94,078	382,897	73,909
Other expenses	352,293	1,433,832	304,206	252,190	1,026,413	242,787
	<b>3,111,009</b>	<b>12,661,807</b>	<b>2,841,039</b>	<b>1,870,187</b>	<b>7,611,661</b>	<b>1,711,364</b>

**19. FINANCE COSTS**

	(Unaudited)					
	Three-month period ended					
	Group		Company			
	30.06.2022	30.06.2021	30.06.2022		30.06.2021	
US\$	KHR'000	US\$	US\$	KHR'000	US\$	
Interest expense on term loans	313,683	1,276,690	365,958	190,973	777,260	310,142

	(Unaudited)					
	Six-month period ended					
	Group		Company			
	30.06.2022	30.06.2021	30.06.2022		30.06.2021	
US\$	KHR'000	US\$	US\$	KHR'000	US\$	
Interest expense on term loans	610,071	2,482,989	733,420	392,440	1,597,231	632,538

**PHNOM PENH SEZ PLC.**  
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**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)**

**20. INCOME TAX EXPENSE**

In Income tax expense is recognised at an amount determined by multiplying the profit before tax for the interim reporting period by management's best estimate of the weighted-average annual income tax rate expected for the full financial year, adjusted for the tax effect of certain items recognised in full in the interim period. As such, the effective tax rate for the annual financial statements may differ from management's estimate of the effective tax rate for the annual financial statements.

The Group and the Company's effective tax rate for the quarter and six-month period ended 30 June 2022 was 13% and 21% (quarter and six-month period ended 30 June 2021: 12% and 0%). The change in effective tax rate of the Company was mainly due to unrecognised of income tax expense for financial period ended 30 June 2021.

**21. LOSS PER SHARE**

	(Unaudited)		
	Three-month period ended		
	Group		
	30.06.2022		30.06.2021
	US\$	KHR'000	US\$
Loss attributable to owners of the Company	(129,143)	(525,611)	(903,396)
	<b>Units</b>	<b>Units</b>	<b>Units</b>
Weighted average number of ordinary shares	71,875,000	71,875,000	71,875,000
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>
Basic loss per share	(0.002)	(0.007)	(0.013)
Diluted loss per share	(0.002)	(0.007)	(0.013)
	(Unaudited)		
	Six-month period ended		
	Group		
	30.06.2022		30.06.2021
	US\$	KHR'000	US\$
Loss attributable to owners of the Company	(823,179)	(3,350,339)	(1,785,398)
	<b>Units</b>	<b>Units</b>	<b>Units</b>
Weighted average number of ordinary shares	71,875,000	71,875,000	71,875,000
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>
Basic loss per share	(0.011)	(0.047)	(0.025)
Diluted loss per share	(0.011)	(0.047)	(0.025)

**PHNOM PENH SEZ PLC.**  
(Incorporated in Cambodia)

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)**

**21. LOSS PER SHARE (CONTINUED)**

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

The Company had no dilutive potential ordinary shares as at the period end. As such, the diluted loss per share is equivalent to the basic loss per share.

**22. RELATED PARTY TRANSACTIONS**

In addition to related party disclosures mentioned elsewhere in the condensed interim financial information, set out below are other significant related party transactions

	(Unaudited)					
	Six-month period ended					
	Group		Company			
	30.06.2022		30.06.2021	30.06.2022	30.06.2021	
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
<b><u>Associate</u></b>						
Colben Energy (Cambodia)						
PPSEZ Ltd.						
- Rental income	-	-	-	274,000	1,115,180	274,000
- Purchase of electricity	-	-	-	(216,472)	(881,043)	(178,564)
<b><u>Subsidiary</u></b>						
Sahas E&C Co., Ltd.						
- Construction cost	-	-	-	(611,142)	(2,487,348)	(1,239,372)
<b><u>Related party</u></b>						
Wing Bank (Cambodia) Plc						
- Interest expense	22,932	93,333	-	-	-	-

Balances with related parties at the end of the reporting period are disclosed in Note 8 and Note 14 to the condensed interim financial information.

**23. FAIR VALUE OF FINANCIAL INSTRUMENTS**

Other than the investment properties, loans and borrowings, the carrying amount of all financial assets and liabilities are approximate to their fair value due to relatively short-term nature of these financial instruments. The Group and the Company measure the investment properties, loans and borrowings as Level 3 in the fair value hierarchy of CIFRS 13.

**PHNOM PENH SEZ PLC.**  
(Incorporated in Cambodia)

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)**

**24. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The financial risk management objective of the Group is to optimise value creation for its shareholders whilst minimising the potential adverse impact arising from volatility of the financial markets.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management of the Group. The Senior Management then establishes the detailed policies such as authority levels, oversight responsibilities, risk identification and measurement and exposure limits in accordance with the objectives and underlying principles approved by the Board of Directors.

(a) Credit risk

Credit risk is the risk of financial loss to the Group if a counter party to a financial instrument fails to perform as contracted. It is the Group's policy to monitor the financial standing of these counter parties on an ongoing basis to ensure that the Group is exposed to minimal credit risk.

The Group's primary exposure to credit risk arises through its receivables. The credit period for trade receivables is one to three months (2020: one to three months) and the Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by the Senior Management.

(b) Liquidity and cash flow risk

Liquidity and cash flow risk arises from the Group's management of working capital. It is the risk that the Group will encounter difficulty in meeting its financial obligations when due.

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all operating, investing and financing needs are met. In liquidity risk management strategy, the Group maintains a level of cash and cash equivalents deemed adequate to finance the Group's activities.

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments of the Group would fluctuate because of the changes in market interest rates.

The exposure of the Group and of the Company to interest rate risk arises primarily from loans and borrowings. The Group manages its interest rate exposure by closely monitoring the debt market and where necessary, maintaining a prudent mix of fixed and floating rate borrowings. The Group does not use derivative financial instruments to hedge any debt obligations.

**PHNOM PENH SEZ PLC.**  
(Incorporated in Cambodia)

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)**

**25. DIVIDEND**

Dividend declared and paid by the Company since the end of the previous financial period was as follows:

	(Unaudited)		
	Six-month period ended		
	Company		
	30.06.2022		30.06.2021
	US\$	KHR'000	US\$
<b>Recognised during the financial period:</b>			
Dividends on ordinary shares:			
- Dividend for the financial period ended			
31 March 2022: USD0.0056 per ordinary share, paid			
within 27 January 2022 to 4 February 2022	400,645	1,630,625	-

**26. EFFECT OF CHANGES IN THE COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group during the interim period including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructuring and discontinuing operations.

**27. ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS**

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence.

**28. MATERIAL LITIGATION**

In November 2020, a Notice of Arbitration was lodged at the Singapore International Arbitration Centre by Colben System Pte Ltd, a 51% associate of the Company and Colben Energy Holdings (PPSEZ) Limited (together, the Claimants) against the Company claiming that the Company had breached certain terms of the Joint Venture Agreement entered into by the Company and one of the Claimants.

As replied by the Company's lawyer concerning litigation, claim and assessment dated 18 March 2022 mentioned that The Company brought a counterclaim against Colben System Pte Ltd and Colben Energy Holdings (PPSEZ) Limited (together, the Claimants) for the alleged breaches of the arbitral confidentiality by reason of the Claimants communicating the existence of the Arbitration and the underlying dispute to third parties, including their ultimate parent company, which then publicised the same by way of inter alia SGX announcements on 19 November 2020.

The Claimants have since withdrawn their claims entirely and on terms that prevent them from pursuing the same claims in future and have also agreed to make payment to the Company of its costs of defending the claims.

**PHNOM PENH SEZ PLC.**  
(Incorporated in Cambodia)

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)**

**28. MATERIAL LITIGATION (CONTINUED)**

The Singapore International Arbitration Centre has on 25 April 2022 made a Final Award as follows:

- (a) The Claimants are to pay the Company the sums of SGD472,500 (equivalent to USD346,343) and USD112,577 in relation to the costs incurred by the Company in consequence of the Claimants' withdrawal of its claims in the Arbitration.
- (b) The Company's counterclaim is dismissed.
- (c) The Company is to pay the Claimants in relation to the costs incurred in defending the counterclaim in the sums of SGD104,510 (equivalent to USD76,606).
- (d) The fees and expenses of the arbitral institution and the tribunal incurred in the Arbitration are to be shared between the parties to the arbitration in the proportion 75% by the Claimants of SGD87,854 (equivalent to USD64,397) and 25% shared by the Company of SGD29,285 (equivalent to USD21,466).
- (e) The Final Award is in full settlement of all claims in connection with the counterclaim by the Company and also the Arbitration.
- (f) According the Final Award, if the payment awarded in (a), (c) and (d) above are not made before 30 days after the date of the Final Award, post-award simple interest at a rate of 5.33% per annum will be accrued beginning 30 days after the date of the Final Award until such time as payment is made.

On 20 June 2022, the Company has received the full payment from Claimants and also settled the full payment to Claimants as per final award.

**29. COMPARATIVE FIGURES**

Certain figures have been reclassified to conform to the current quarter and six-month period ended's presentation of the financial statements.

Company No. 00006448

**REPORT ON THE REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION  
TO THE MEMBERS OF PHNOM PENH SEZ PLC.**

(Incorporated in Cambodia)

**Introduction**

We have reviewed the accompanying condensed interim statements of financial position of Phnom Penh SEZ Plc. ("the Company") and its subsidiaries ("the Group") as at 30 June 2022, and the related condensed interim statements of profit or loss and other comprehensive income, condensed interim statements of changes in equity and condensed interim statements of cash flows for the quarter and six-month period then ended, and notes to the condensed interim financial information (collectively referred to as "Condensed Interim Financial Information of the Group and of the Company"). The Board of Directors of the Company are responsible for the preparation and presentation of these condensed interim financial information of the Group and of the Company in accordance with the Cambodian International Accounting Standard ("CIAS") 34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on these condensed interim financial information of the Group and of the Company based on our review.

**Scope of review**

We conducted our review in accordance with International Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* ("ISRE 2410"). A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical procedures and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the 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 opinion.

Company No. 00006448

**REPORT ON THE REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION  
TO THE MEMBERS OF PHNOM PENH SEZ PLC. (CONTINUED)**

(Incorporated in Cambodia)

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim financial information of the Group and of the Company are not presented fairly, in all material respects, in accordance with Cambodian International Accounting Standard 34 *Interim Financial Reporting*.



.....  
**Baker Tilly (Cambodia) Co., Ltd.**  
Certified Public Accountants



.....  
**Oknha Tan Khee Meng**  
Certified Public Accountant

Phnom Penh, Kingdom of Cambodia

Date: 10 AUG 2022