

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

CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE QUARTER AND NINE-MONTH PERIOD ENDED 30 SEPTEMBER 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 September 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 nine-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: 11 November 2022

PHNOM PENH SEZ PLC.
(Incorporated in Cambodia)

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2022

	Note	Group			Company		
		(Unaudited)		(Audited)	(Unaudited)		(Audited)
		30.09.2022	31.12.2021	30.09.2022	31.12.2021	30.09.2022	31.12.2021
	US\$	KHR'000	US\$	US\$	KHR'000	US\$	
ASSETS							
Non-current assets							
Property, plant and equipment	3	15,239,768	62,772,604	17,651,996	15,037,189	61,938,181	14,722,133
Investment properties	4	16,682,609	68,715,667	10,437,603	7,438,544	30,639,363	7,731,228
Investment in subsidiaries	5	-	-	-	39,783,104	163,866,605	39,983,104
Investment in associates	6	12,580,128	51,817,548	12,697,262	11,531,011	47,496,234	11,572,712
Investment in joint venture	14	70,900	292,037	-	70,900	292,037	-
Total non-current assets		44,573,405	183,597,856	40,786,861	73,860,748	304,232,420	74,009,177
Current assets							
Inventories	7	37,285,523	153,579,069	36,569,137	11,845,251	48,790,589	12,107,985
Trade and other receivables	8	28,071,599	115,626,917	21,550,960	7,988,478	32,904,541	8,538,465
Contract assets	12	807,135	3,324,589	-	-	-	-
Cash and cash equivalents	9	2,219,143	9,140,650	5,716,017	501,283	2,064,785	682,473
Total current assets		68,383,400	281,671,225	63,836,114	20,335,012	83,759,915	21,328,923
TOTAL ASSETS		112,956,805	465,269,081	104,622,975	94,195,760	387,992,335	95,338,100
EQUITY AND LIABILITIES							
Equity attributable to owners of the Company							
Share capital	10	35,937,500	148,026,563	35,937,500	35,937,500	148,026,563	35,937,500
Share premium	11	4,575,051	18,844,635	4,575,051	4,575,051	18,844,635	4,575,051
Retained earnings		21,966,129	90,478,485	20,368,679	21,547,453	88,753,959	21,386,718
		62,478,680	257,349,683	60,881,230	62,060,004	255,625,157	61,899,269
Non-controlling interests		(9,841)	(40,536)	(6,666)	-	-	-
TOTAL EQUITY		62,468,839	257,309,147	60,874,564	62,060,004	255,625,157	61,899,269
Non-current liabilities							
Loans and borrowings	13	18,279,385	75,292,788	13,481,714	8,600,268	35,424,504	9,427,605
Contract liabilities	12	7,809,000	32,165,271	8,220,000	7,809,000	32,165,271	8,220,000
Total non-current liabilities		26,088,385	107,458,059	21,701,714	16,409,268	67,589,775	17,647,605
Current liabilities							
Loans and borrowings	13	1,379,142	5,680,685	3,371,527	1,039,394	4,281,263	2,538,907
Current tax liabilities		403,374	1,661,498	564,150	121,400	500,047	-
Trade and other payables	16	21,906,346	90,232,240	17,738,232	14,017,694	57,738,881	12,704,319
Contract liabilities	12	710,719	2,927,452	372,788	548,000	2,257,212	548,000
Total current liabilities		24,399,581	100,501,875	22,046,697	15,726,488	64,777,403	15,791,226
TOTAL LIABILITIES		50,487,966	207,959,934	43,748,411	32,135,756	132,367,178	33,438,831
TOTAL EQUITY AND LIABILITIES		112,956,805	465,269,081	104,622,975	94,195,760	387,992,335	95,338,100

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 NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2022**

	Note	(Unaudited)					
		Group			Company		
		30.09.2022	30.09.2021	30.09.2021	30.09.2022	30.09.2021	30.09.2021
	US\$	KHR'000	US\$	US\$	KHR'000	US\$	
Revenue	17	14,825,689	61,067,013	5,654,702	2,196,828	9,048,735	4,546,137
Cost of sales	18	(9,539,488)	(39,293,151)	(3,556,786)	(868,191)	(3,576,079)	(2,782,655)
Gross profit		5,286,201	21,773,862	2,097,916	1,328,637	5,472,656	1,763,482
Other income	19	48,920	201,501	13,501	344,010	1,416,977	312,431
Administrative expenses	20	(1,814,033)	(7,472,002)	(1,610,918)	(1,195,392)	(4,923,820)	(1,011,908)
Operating profit		3,521,088	14,503,361	500,499	477,255	1,965,813	1,064,005
Finance costs	21	(414,704)	(1,708,166)	(437,300)	(178,524)	(735,340)	(297,878)
Share of results of associates		30,367	125,082	16,730	51,672	212,837	16,730
Profit before tax		3,136,751	12,920,277	79,929	350,403	1,443,310	782,857
Income tax expense	22	(385,754)	(1,588,921)	(120,116)	(51,516)	(212,194)	(117,127)
Profit/(Loss) for the financial period from continuing operation		2,750,997	11,331,356	(40,187)	298,887	1,231,116	665,730
(Loss)/Profit from discontinuing operation		(564)	(2,323)	20,934	-	-	-
Profit/(Loss) for the financial period, representing total comprehensive income/(loss)		2,750,433	11,329,033	(19,253)	298,887	1,231,116	665,730
Profit/(Loss) attributable to:							
Owners of the Company		2,749,185	11,323,891	(19,253)			
Non-controlling interests		1,248	5,142	-			
		2,750,433	11,329,033	(19,253)			
Total comprehensive income/(loss) attributable to:							
Owners of the Company		2,749,185	11,323,891	(19,253)			
Non-controlling interests		1,248	5,142	-			
		2,750,433	11,329,033	(19,253)			
Total comprehensive income/(loss) attributable to the Company:							
Continuing operation		2,749,749	11,326,214	(40,187)			
Discontinued operation		(564)	(2,323)	20,934			
		2,749,185	11,323,891	(19,253)			
Basic/Diluted profit/(loss) per share	23	0.0382	0.158	(0.0003)			

PHNOM PENH SEZ PLC.
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**CONDENSED INTERIM STATEMENTS OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE QUARTER AND NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2022 (CONTINUED)**

	Note	(Unaudited)					
		Group		Nine-month period ended		Company	
		30.09.2022	30.09.2021	30.09.2022	30.09.2021	30.09.2022	30.09.2021
	US\$	KHR'000	US\$	US\$	KHR'000	US\$	
Revenue	17	22,755,973	93,731,853	8,802,565	4,647,112	19,141,454	6,690,022
Cost of sales	18	(14,727,159)	(60,661,168)	(4,875,844)	(1,574,908)	(6,487,046)	(3,365,906)
Gross profit		8,028,814	33,070,685	3,926,721	3,072,204	12,654,408	3,324,116
Other income	19	188,746	777,445	47,888	1,075,438	4,429,729	942,661
Administrative expenses	20	(4,907,213)	(20,212,810)	(4,406,932)	(3,065,579)	(12,627,120)	(2,723,272)
Operating profit /(loss)		3,310,347	13,635,320	(432,323)	1,082,063	4,457,017	1,543,505
Finance costs	21	(1,024,775)	(4,221,048)	(1,170,720)	(570,964)	(2,351,801)	(930,416)
Share of results of associates		96,582	397,821	30,863	172,015	708,530	30,863
Profit/(Loss) before tax		2,382,154	9,812,093	(1,572,180)	683,114	2,813,746	643,952
Income tax expense	22	(472,106)	(1,944,605)	(315,268)	(121,734)	(501,422)	(117,127)
Profit /(Loss) for the financial period from continuing operation		1,910,048	7,867,488	(1,887,448)	561,380	2,312,324	526,825
Profit from discontinuing operation		12,327	50,775	27,867	-	-	-
Profit /(Loss) for the financial period, representing total comprehensive income/(loss)		1,922,375	7,918,263	(1,859,581)	561,380	2,312,324	526,825
Profit/(Loss) attributable to:							
Owners of the Company		1,913,115	7,880,121	(1,804,651)			
Non-controlling interests		9,260	38,142	(54,930)			
		1,922,375	7,918,263	(1,859,581)			
Total comprehensive income/(loss) attributable to:							
Owners of the Company		1,913,115	7,880,121	(1,804,651)			
Non-controlling interests		9,260	38,142	(54,930)			
		1,922,375	7,918,263	(1,859,581)			
Total comprehensive income/(loss) attributable to the Company:							
Continuing operation		1,900,788	7,829,346	(1,832,518)			
Discontinued operation		12,327	50,775	27,867			
		1,913,115	7,880,121	(1,804,651)			
Basic/Diluted profit/ (loss) per share	23	0.027	0.110	(0.025)			

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.
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**CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2022**

Group	Note	Share capital US\$	Share premium US\$	Retained earnings US\$	Non- controlling interests US\$	Total equity US\$
(Unaudited)						
At 1 January 2022		35,937,500	4,575,051	20,368,679	(6,666)	60,874,564
Adjustment of Sahas						
Securities		-	-	84,980	-	84,980
- Dividend paid	27	-	-	(400,645)	(12,435)	(413,080)
Profit for the financial period		-	-	1,913,115	9,260	1,922,375
At 30 September 2022		35,937,500	4,575,051	21,966,129	(9,841)	62,468,839
(KHR'000 equivalent)		148,026,563	18,844,635	90,478,485	(40,536)	257,309,147
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		-	-	(1,832,518)	(54,930)	(1,887,448)
Transaction with owners:						
- Acquisition of non-controlling interest		-	-	(144,980)	(1,027,535)	(1,172,515)
At 30 September 2021		35,937,500	4,575,051	16,498,208	-	57,010,759
(KHR'000 equivalent)		146,589,063	18,661,633	67,296,190	-	232,546,886

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

	Note	Share capital US\$	Share premium US\$	Retained earnings US\$	Total equity US\$
Company (Unaudited)					
At 1 January 2022		35,937,500	4,575,051	21,386,718	61,899,269
- Dividend paid	27	-	-	(400,645)	(400,645)
Total comprehensive income for the financial year		-	-	561,380	561,380
At 30 September 2022		35,937,500	4,575,051	21,547,453	62,060,004
(KHR'000 equivalent)		148,026,563	18,844,635	88,753,959	255,625,157
At 1 January 2021		35,937,500	4,575,051	21,021,456	61,534,007
Profit for the financial period, representing total comprehensive profit		-	-	526,825	526,825
At 30 September 2021		35,937,500	4,575,051	21,548,281	62,060,832
(KHR'000 equivalent)		146,589,063	18,661,633	87,895,438	253,146,134

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 NINE MONTH PERIOD ENDED 30 SEPTEMBER 2022

	(Unaudited)					
	Nine-month period ended					
	Group		Company			
	30.09.2022	30.09.2021	30.09.2022	30.09.2021	30.09.2021	30.09.2021
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
Cash flows from operating activities						
Profit/(Loss) before tax:	2,382,154	9,812,093	(1,537,346)	683,114	2,813,746	643,952
Adjustments for non-cash items:						
Deferred revenue	(411,000)	(1,692,909)	(411,000)	(411,000)	(1,692,909)	(411,000)
Depreciation of:						
- Property, plant and equipment	1,175,605	4,842,317	1,049,180	907,590	3,738,363	817,332
- Investment properties	478,816	1,972,243	374,660	285,836	1,177,358	285,835
Property, plant and equipment written off	21,445	88,332	-	-	-	-
Transferred from IP to JV	(43,652)	(179,803)	-	(43,652)	(179,803)	-
Finance costs	1,024,775	4,221,048	1,170,720	570,964	2,351,801	930,416
Interest income	(142)	(585)	(1,229)	(129)	(531)	(148)
Share of results of associates	(96,582)	(397,821)	(30,863)	(172,015)	(708,530)	(30,863)
Loss on disposal of subsidiary	-	-	-	74,399	306,449	-
Operating profit before changes in working capital	4,531,419	18,664,915	614,122	1,895,107	7,805,944	2,235,524
Changes in working capital:						
Inventories	(120,844)	(497,756)	(3,944,236)	479,617	1,975,542	761,737
Trade and other receivables	(7,223,904)	(29,755,261)	5,553,286	228,040	939,296	6,629,792
Contract assets	(807,135)	(3,324,589)	-	-	-	-
Trade and other payables	5,469,510	22,528,912	7,175,027	(453,147)	(1,866,512)	1,298,353
Contract liabilities	337,931	1,391,938	-	-	-	-
Net cash generated from operations	2,186,977	9,008,159	9,398,199	2,149,617	8,854,270	10,925,406
Tax paid	(608,551)	(2,506,622)	(236,890)	(334)	(1,376)	(35,679)
Net cash generated from operating activities	1,578,426	6,501,537	9,161,309	2,149,283	8,852,894	10,889,727
Cash flows from investing activities						
Purchase of property, plant and equipment	(6,111,034)	(25,171,349)	(5,064,124)	(1,439,529)	(5,929,420)	(1,634,230)
Investment in subsidiaries	-	-	-	-	-	(17,250,000)
Investment in associates	-	-	(1,604,550)	-	-	(480,000)
Acquisition of non-controlling interest	-	-	(1,172,515)	-	-	-
Dividend received	213,716	880,296	24,415	213,716	880,296	24,415
Investment in joint ventures	(20,400)	(84,028)	-	(20,400)	(84,028)	-
Net cash from discontinued operations	-	-	-	123,456	508,515	-
Interest received	142	585	1,229	129	531	148
Net advances to/(repayments from):						
- Subsidiaries	-	-	-	1,567,634	6,457,084	14,246,522
- Related parties	(331,383)	(1,364,967)	(518,955)	191,565	789,056	(1,075,740)
- Associates	(211,810)	(872,445)	834,875	298,647	1,230,127	778,709
- Directors	201,927	831,737	20,234	216,657	892,410	20,234
- Shareholders	(183,889)	(757,438)	1,099,829	(183,889)	(757,433)	1,099,829
Net cash (used in)/generated from investing activities	(6,442,731)	(26,537,609)	(6,379,562)	967,986	3,987,138	(4,270,113)

PHNOM PENH SEZ PLC.
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**CONDENSED INTERIM STATEMENTS OF CASH FLOWS
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2022 (CONTINUED)**

	(Unaudited)					
	Group		Nine-month period ended		Company	
	30.09.2022	30.09.2021	30.09.2021	30.09.2022	30.09.2021	30.09.2021
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
Cash flows from financing activities						
Dividend paid	(413,080)	(1,701,477)	-	(400,645)	(1,650,257)	-
Drawdown of loans	8,784,001	36,181,300	3,970,073	-	-	102,300
Repayment of loans	(5,978,715)	(24,626,327)	(4,934,904)	(2,326,850)	(9,584,295)	(4,627,778)
Interest paid	(1,024,775)	(4,221,048)	(1,170,720)	(570,964)	(2,351,801)	(930,416)
Net cash generated from/(used in) financing activities	1,367,431	5,632,448	(2,135,551)	(3,298,459)	(13,586,353)	(5,455,894)
Net (decrease)/increase in cash and cash equivalents	(3,496,874)	(14,403,624)	646,196	(181,190)	(746,321)	1,163,720
Cash and cash equivalents at the beginning of the financial period	5,716,017	23,544,274	1,622,634	682,473	2,811,106	278,243
Cash and cash equivalents at the end of the financial period	2,219,143	9,140,650	2,268,830	501,283	2,064,785	1,441,963

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.

Company No. 00006448

PHNOM PENH SEZ PLC.
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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 11 November 2022.

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

2. BASIS OF PREPARATION

2.1 Statement of compliance

The condensed interim financial information for the nine-month period ended 30 September 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.

PHNOM PENH SEZ PLC.
(Incorporated in Cambodia)

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 cyclicalities of operations

The Group and the Company are mainly involved in the real estate related business. There is 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.

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

3. PROPERTY, PLANT AND EQUIPMENT

Group (Audited)	Freehold land US\$	Building and infrastructure US\$	Machinery US\$	Motor vehicle, equipment and computers US\$	*Construction in progress US\$	Total US\$
Movement in net carrying amount						
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
(Unaudited)						
Additions	-	13,762	5,510	39,566	6,052,196	6,111,034
Written off	-	(20,618)	(299)	(528)	-	(21,445)
Transfer within property, plant and equipment	-	264,997	86,000	-	(350,997)	-
Transfer within investment properties	-	-	-	-	(6,730,670)	(6,730,670)
Transfer to inventories	-	-	-	-	(595,542)	(595,542)
Depreciation charge	-	(959,917)	(137,465)	(78,223)	-	(1,175,605)
At 30 September 2022	721,224	12,977,438	459,634	235,387	846,085	15,239,768
(KHR'000 equivalent)	2,970,722	53,454,067	1,893,232	969,559	3,485,024	62,772,604

* 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 September 2022, the capital commitment of the Group arising from the construction in progress amounted to USD1,471,751 (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)

Company (Audited)	Freehold land US\$	Building and infrastructure US\$	Machinery US\$	Motor vehicle, equipment and computers US\$	*Construction in progress US\$	Total US\$
Movement in net carrying amount						
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 inventories	-	-	-	-	(411,334)	(411,334)
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
(Unaudited)						
Additions	-	13,761	5,510	6,615	1,413,643	1,439,529
Transfer within property, plant and equipment	-	44,029	86,000	-	(130,029)	-
Transfer to inventories	-	-	-	-	(216,883)	(216,883)
Depreciation charge	-	(853,949)	(37,122)	(16,519)	-	(907,590)
At 30 September 2022	721,224	12,980,954	183,040	41,211	1,110,760	15,037,189
(KHR'000 equivalent)	2,970,722	53,468,550	753,942	169,748	4,575,219	61,938,181

* 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 September 2022, the capital commitment of the Company arising from the construction in progress amounted to USD588,419 (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\$
Group			
(Audited)			
Movement in net carrying amount			
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
(Unaudited)			
Transferred from PPE	-	6,730,670	6,730,670
Transferred to joint ventures	(6,848)	-	(6,848)
Depreciation charge	-	(478,816)	(478,816)
At 30 September 2022	2,508,808	14,173,801	16,682,609
(KHR'000 equivalent)	10,333,780	58,381,887	68,715,667
Company			
(Audited)			
Movement in net carrying amount			
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
(Unaudited)			
Transferred to joint ventures	(6,848)	-	(6,848)
Depreciation charge	-	(285,836)	(285,836)
At 30 September 2022	2,508,808	4,929,736	7,438,544
(KHR'000 equivalent)	10,333,780	20,305,583	30,639,363

As at 30 September 2022, investment properties with a carrying amount of USD16,682,609 and USD7,438,544 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

	(Unaudited)		(Audited)
	30.09.2022		31.12.2021
	US\$	KHR'000	US\$
Company			
Unquoted shares, at cost	39,783,104	163,866,605	39,983,104

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

Name of subsidiaries	Country of incorporation	Effective equity interest		Principal activities
		2022	2021	
		%	%	
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	100	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

	(Unaudited)		(Audited)
	30.09.2022		31.12.2021
	US\$	KHR'000	US\$
Group			
Unquoted shares, at cost	8,591,361	35,387,816	8,591,361
Shares of post-acquisition reserves	5,210,458	21,461,878	5,541,308
Dividend received	213,716	880,296	-
Less: Allowance for impairment loss	(1,435,407)	(5,912,441)	(1,435,407)
	12,580,128	51,817,548	12,697,262
Company			
Unquoted shares, at cost	7,466,811	30,755,794	7,466,811
Shares of post-acquisition reserves	5,285,891	21,772,585	5,541,308
Dividend received	213,716	880,296	-
Less: Allowance for impairment loss	(1,435,407)	(5,912,441)	(1,435,407)
	11,531,011	47,496,234	11,572,712

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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 %	
<u>Associate of Phnom Penh SEZ Plc.</u>				
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
<u>Associate of Royal Group Poipet SEZ Co., Ltd. (formerly known as Poi Pet PPSEZ Co., Ltd.)</u>				
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)		
	30.09.2022	31.12.2021	30.09.2022	31.12.2021		
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
At cost						
Freehold lands and development cost	37,285,523	153,579,069	36,569,137	11,845,251	48,790,589	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 USD595,542 and USD216,883 respectively, as disclosed in Note 3 to the condensed interim financial information.

As at 30 September 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)
	30.09.2022		31.12.2021	30.09.2022		31.12.2021
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
Trade receivables						
from contract with customers:						
Third parties	12,866,791	52,998,312	7,792,977	1,269,217	5,227,905	996,000
Shareholder	-	-	1,007	-	-	-
Related parties	-	-	789,333	-	-	771,217
	<u>12,866,791</u>	<u>52,998,312</u>	<u>8,583,317</u>	<u>1,269,217</u>	<u>5,227,905</u>	<u>1,767,217</u>
Non-trade receivables:						
Other receivables	856,596	3,528,319	199,361	207,663	855,364	180,226
Input value added taxes	1,836,593	7,564,927	1,458,388	505	2,080	27,896
Withholding tax credit	3,515,206	14,479,134	3,521,195	3,470,206	14,293,779	3,475,428
Subsidiaries	-	-	-	1,545,874	6,367,455	1,166,658
Associates	896,721	3,693,594	1,195,325	896,678	3,693,417	1,195,325
Directors	(160,000)	(659,040)	-	(160,000)	(659,040)	-
Related parties	361,062	1,487,214	589,102	161,062	663,414	389,102
Shareholders	-	-	16,621	-	-	16,621
Deposits	80,241	330,513	107,116	4,330	17,835	89,416
Prepayments*	7,818,389	32,203,944	5,880,535	592,943	2,442,332	230,576
	<u>15,204,808</u>	<u>62,628,605</u>	<u>12,967,643</u>	<u>6,719,261</u>	<u>27,676,636</u>	<u>6,771,248</u>
Total trade and other receivables	28,071,599	115,626,917	21,550,960	7,988,478	32,904,541	8,538,465

*Included in the Group's and the Company's prepayments are an amount of USD7,047,860 (2021: USD5,632,801) and Nil (2021: Nil) respectively made in relation to land acquisitions.

As at 30 September 2022, the capital commitment of the Group and the Company arising from the land acquisition amounted to USD2,640,602 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)
	30.09.2022		31.12.2021	30.09.2022		31.12.2021
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
Cash in hand	14,856	61,192	8,820	3,945	16,250	1,743
Deposits held at call with licensed banks	<u>2,204,287</u>	<u>9,079,458</u>	<u>5,707,197</u>	<u>497,338</u>	<u>2,048,535</u>	<u>680,730</u>
	2,219,143	9,140,650	5,716,017	501,283	2,064,785	682,473

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NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

10. SHARE CAPITAL

	Group and Company			
	(Unaudited) 30.09.2022		(Audited) 31.12.2021	
	Number of share of US\$ 0.50 each	US\$	Number of share of US\$ 0.50 each	US\$
Ordinary shares				
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
(KHR'000 equivalent)		<u>148,026,563</u>		<u>146,409,375</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) 30.09.2022	(Audited) 31.12.2021	(Unaudited) 30.09.2022	(Audited) 31.12.2021	(Unaudited) 30.09.2022	(Audited) 31.12.2021
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
Current:						
Contract assets	807,135	3,324,589	-	-	-	-
Non-current:						
Contract liabilities	(7,809,000)	(32,165,271)	(8,220,000)	(7,809,000)	(32,165,271)	(8,220,000)
Current:						
Contract liabilities	(710,719)	(2,927,452)	(372,788)	(548,000)	(2,257,212)	(548,000)
Total contract liabilities	(8,519,719)	(35,092,723)	(8,592,788)	(8,357,000)	(34,422,483)	(8,768,000)

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)
	30.09.2022	31.12.2021	31.12.2021	30.09.2022	31.12.2021	31.12.2021
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
Non-current:						
Secured						
Term loan VII	7,381,754	30,405,446	8,328,430	5,499,309	22,651,654	6,237,401
Term loan IX	9,753,772	40,175,787	3,961,880	1,957,100	8,061,295	1,998,800
Term loan XI	1,143,859	4,711,555	1,191,404	1,143,859	4,711,555	1,191,404
	<u>18,279,385</u>	<u>75,292,788</u>	<u>13,481,714</u>	<u>8,600,268</u>	<u>35,424,504</u>	<u>9,427,605</u>
Current:						
Secured						
Term loan VII	772,221	3,180,778	1,681,487	707,463	2,914,040	1,551,120
Term loan IX	441,790	1,819,733	1,202,653	166,800	687,049	500,400
Term loan XI	165,131	680,174	487,387	165,131	680,174	487,387
	<u>1,379,142</u>	<u>5,680,685</u>	<u>3,371,527</u>	<u>1,039,394</u>	<u>4,281,263</u>	<u>2,538,907</u>
Total loans and borrowings	<u>19,658,527</u>	<u>80,973,473</u>	<u>16,853,241</u>	<u>9,639,662</u>	<u>39,705,767</u>	<u>11,966,512</u>

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)
	30.09.2022	31.12.2021	31.12.2021	30.09.2022	31.12.2021	31.12.2021
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
Term loans						
At the beginning of the financial period	16,853,241	69,418,500	18,672,815	11,966,512	49,290,062	17,231,387
Drawdowns	8,784,001	36,181,300	3,970,073	-	-	102,300
Repayments	(5,978,715)	(24,626,327)	(5,789,647)	(2,326,850)	(9,584,295)	(5,367,175)
Finance costs	1,024,775	4,221,048	1,479,196	570,964	2,351,801	1,170,642
Interest paid	<u>(1,024,775)</u>	<u>(4,221,048)</u>	<u>(1,479,196)</u>	<u>(570,964)</u>	<u>(2,351,801)</u>	<u>(1,170,642)</u>
At the end of the financial period	<u>19,658,527</u>	<u>80,973,473</u>	<u>16,853,241</u>	<u>9,639,662</u>	<u>39,705,767</u>	<u>11,966,512</u>

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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	Licensed Bank	Principal Amount (USD)	Interest Term	Repayable in Number of Years	Monthly Instalment	Commence Date	Remark
Term loan VII	First Commercial Bank	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	*
		1,200,000	Libor+3.3%≥6.8%	5	17,994	19/06/2019	
		1,521,261	LIBOR plus 1.90% ≥ 7%	7	23,198	01/02/2021	
Term loan VIII	Phnom Penh Commercial Bank	3,050,000	8.00%	1	41,667	28/12/2018	#
		2,000,000	8.00%	5	33,333	01/02/2017	#
		1,300,000	8.00%	43 months	34,884	31/08/2020	#
		102,300	8.00%	3 months	682	31/05/2021	
Term loan IX	Kasikornbank	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	
		2,096,512	6.65%	34 months	92,638	27/09/2021	
		5,784,000	6.19%	7	112,400	09/03/2022	
Term loan XI	Advanced Bank of Asia Limited	1,500,000	7.50%	5	30,130	13/02/2020	#
		980,392	7.50%	5	19,597	13/02/2020	#
Term loan XII	Wing Bank	3,000,000	9.00%	6		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. INVESTMENT IN JOINT VENTURE

Phnom Penh SEZ Plc. has signed a USD150,500 called “Initial Capital” joint venture agreement with Dr. Nath Sereyroth and Mrs. Yem Sophary on Clinic Investment. The Clinic is called “PPSEZ Clinic” located at Phnom Penh Special Economic Zone, National road 4, Sangkat Kantouk, Khan Kambol, Phnom Penh.

The initial capital was paid entirely by each shareholder according to his/her own shares and all shareholders as having been wholly paid recognized these contributions. The initial capital shall be divided into 100 shares with each share having a value of USD1,505.

On 29 August 2022, due to the need of more medical equipment and salary for staff, shareholders decided and agreed to inject additional capital amount USD60,000 in which each share price increased from USD1,505 to USD2,105.

The above shares shall be paid wholly and completely to the cooperating Clinic and are divided for each shareholder according to his own initial shares proportion, namely:

Shareholders	Number of shares	Initial capital	Additional capital	Total Capital for each shareholder
	%	USD	USD	USD
Phnom Penh SEZ Plc.	34	50,500	20,400	70,900
Dr. Nath Sereyroth	33	50,000	19,800	69,800
Mrs. Yem Sophary	33	50,000	19,800	69,800
Total	100	150,500	60,000	210,500

15. DISCONTINUED OPERATION

The group has announced its intention to exit the security business from Sahas Security Co.,Ltd. The subsidiary was closed for operation on 31 May 2022. The subsidiary was reported in the financial statement of Group for the nine-month ended 30 September 2022 as a discontinued operation.

16. TRADE AND OTHER PAYABLES

	Group			Company		
	(Unaudited)		(Audited)	(Unaudited)		(Audited)
	30.09.2022	31.12.2021	30.09.2022	31.12.2021	31.12.2021	
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
Trade payables:						
Third parties	757,892	3,121,757	1,487,960	-	-	1,316,451
Non-trade payables:						
Other payables	10,321,530	42,514,383	6,435,208	457,970	1,886,378	216,323
Deposits	8,940,536	36,826,068	7,685,309	2,065,793	8,509,001	1,444,136
Subsidiaries	-	-	-	10,083,806	41,535,197	8,136,956
Associates	954,639	3,932,158	480,000	480,000	1,977,120	480,000
Related parties	849,075	3,497,340	1,408,498	847,451	3,490,651	883,926
Directors	82,674	340,534	40,747	82,674	340,534	26,017
Shareholders	-	-	200,510	-	-	200,510
	21,148,454	87,110,483	16,250,272	14,017,694	57,738,881	11,387,868
Total trade and other payables	21,906,346	90,232,240	17,738,232	14,017,694	57,738,881	12,704,319

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NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

17. REVENUE

	(Unaudited)					
	Three-month period ended					
	Group		Company			
	30.09.2022		30.09.2021		30.09.2021	
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
Revenue from contract customers:						
Sale of land	11,313,940	46,602,119	3,419,728	955,800	3,936,940	3,419,728
Construction revenue	1,683,795	6,935,552	939,566	-	-	-
Rendering of services	774,226	3,189,037	723,343	760,052	3,130,655	688,797
	<u>13,771,961</u>	<u>56,726,708</u>	<u>5,082,637</u>	<u>1,715,852</u>	<u>7,067,595</u>	<u>4,108,525</u>
Revenue from other source:						
Rental of investment property	1,053,728	4,340,305	572,065	480,976	1,981,140	437,612
	<u>14,825,689</u>	<u>61,067,013</u>	<u>5,654,702</u>	<u>2,196,828</u>	<u>9,048,735</u>	<u>4,546,137</u>
Timing of revenue recognition:						
At point in time	13,141,894	54,131,461	4,715,136	2,196,828	9,048,735	4,546,137
Over time	1,683,795	6,935,552	939,566	-	-	-
	<u>14,825,689</u>	<u>61,067,013</u>	<u>5,654,702</u>	<u>2,196,828</u>	<u>9,048,735</u>	<u>4,546,137</u>

	(Unaudited)					
	Nine-month period ended					
	Group		Company			
	30.09.2022		30.09.2021		30.09.2021	
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
Revenue from contract customers:						
Sale of land	11,313,940	46,602,119	3,419,728	955,800	3,936,940	3,419,728
Construction revenue	6,558,999	27,016,517	1,643,892	-	-	-
Rendering of services	2,573,202	10,599,019	2,184,707	2,266,767	9,336,813	1,984,115
	<u>20,446,141</u>	<u>84,217,655</u>	<u>7,248,327</u>	<u>3,222,567</u>	<u>13,273,753</u>	<u>5,403,843</u>
Revenue from other source:						
Rental of investment property	2,309,832	9,514,198	1,554,238	1,424,545	5,867,701	1,286,179
	<u>22,755,973</u>	<u>93,731,853</u>	<u>8,802,565</u>	<u>4,647,112</u>	<u>19,141,454</u>	<u>6,690,022</u>
Timing of revenue recognition:						
At point in time	16,196,974	66,715,336	7,158,673	4,647,112	19,141,454	6,690,022
Over time	6,558,999	27,016,517	1,643,892	-	-	-
	<u>22,755,973</u>	<u>93,731,853</u>	<u>8,802,565</u>	<u>4,647,112</u>	<u>19,141,454</u>	<u>6,690,022</u>

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NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

18. COST OF SALES

	(Unaudited)					
	Three-month period ended					
	Group		Company			
	30.09.2022	30.09.2021	30.09.2022	30.09.2021	30.09.2022	30.09.2021
US\$	KHR'000	US\$	US\$	KHR'000	US\$	
Cost of land cost	7,695,971	31,699,705	2,494,163	540,887	2,227,914	2,494,163
Cost of services rendered	212,707	876,140	156,635	232,024	955,707	193,212
Cost of construction	1,415,114	5,828,855	713,087	-	-	-
Depreciation charge	215,696	888,451	129,726	95,280	392,458	95,280
Others	-	-	63,175	-	-	-
	9,539,488	39,293,151	3,556,786	868,191	3,576,079	2,782,655

	(Unaudited)					
	Nine-month period ended					
	Group		Company			
	30.09.2022	30.09.2021	30.09.2022	30.09.2021	30.09.2022	30.09.2021
US\$	KHR'000	US\$	US\$	KHR'000	US\$	
Cost of land cost	7,695,971	31,699,705	2,543,158	540,887	2,227,914	2,543,158
Cost of services rendered	576,556	2,374,834	442,453	647,884	2,668,634	534,111
Cost of construction	5,636,648	23,217,353	1,254,182	-	-	-
Depreciation charge	478,817	1,972,247	373,079	285,837	1,177,363	285,837
Others	339,167	1,397,029	262,972	100,300	413,135	2,800
	14,727,159	60,661,168	4,875,844	1,574,908	6,487,046	3,365,906

19. OTHER INCOME

	(Unaudited)					
	Three-month period ended					
	Group		Company			
	30.09.2022	30.09.2021	30.09.2022	30.09.2021	30.09.2022	30.09.2021
US\$	KHR'000	US\$	US\$	KHR'000	US\$	
Interest income	54	222	613	48	198	41
Dividend income	7,721	31,803	-	7,721	31,803	-
Others	41,145	169,476	12,888	336,241	1,384,976	312,390
	48,920	201,501	13,501	344,010	1,416,977	312,431

	(Unaudited)					
	Nine-month period ended					
	Group		Company			
	30.09.2022	30.09.2021	30.09.2022	30.09.2021	30.09.2022	30.09.2021
US\$	KHR'000	US\$	US\$	KHR'000	US\$	
Interest income	142	585	1,195	129	531	148
Dividend income	7,721	31,803	-	7,721	31,803	-
Others	180,883	745,057	46,693	1,067,588	4,397,395	942,513
	188,746	777,445	47,888	1,075,438	4,429,729	942,661

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NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

20. ADMINISTRATIVE EXPENSES

	(Unaudited)					
	Three-month period ended					
	Group		Company			
	30.09.2022		30.09.2021	30.09.2022		30.09.2021
US\$	KHR'000	US\$	US\$	KHR'000	US\$	
Depreciation charge	391,607	1,613,029	362,637	301,850	1,243,320	273,173
Electricity	10,168	41,882	11,123	7,967	32,816	9,203
Handling fees	20,759	85,506	6,038	805	3,316	556
Maintenance fees	159,928	658,743	58,948	146,189	602,152	50,182
Professional fees	196,911	811,076	147,868	185,623	764,581	139,220
Personnel costs	722,101	2,974,334	643,030	311,499	1,283,064	247,326
Leases of low value assets	16,348	67,337	19,482	4,420	18,206	5,932
expenses	5,836	24,038	2,544	3,421	14,091	1,592
Security services	41,762	172,018	42,777	37,334	153,779	38,232
Withholding tax, fringe benefit and other tax expenses	11,888	48,967	52,228	10,552	43,464	49,016
Other expenses	236,725	975,072	264,243	185,732	765,031	197,476
	1,814,033	7,472,002	1,610,918	1,195,392	4,923,820	1,011,908

	(Unaudited)					
	Nine-month period ended					
	Group		Company			
	30.09.2022		30.09.2021	30.09.2022		30.09.2021
US\$	KHR'000	US\$	US\$	KHR'000	US\$	
Depreciation charge	1,175,605	4,842,317	1,060,067	907,590	3,738,363	817,332
Electricity	22,020	90,700	31,250	15,862	65,336	26,352
Handling fees	46,849	192,971	19,385	9,733	40,090	7,916
Maintenance fees	332,996	1,371,611	166,630	276,413	1,138,545	145,358
Professional fees	440,400	1,814,008	337,710	392,343	1,616,061	293,815
Personnel costs	2,081,652	8,574,325	1,899,563	772,072	3,180,165	732,291
Leases of low value assets	51,017	210,139	56,674	13,260	54,618	15,386
expenses	29,551	121,721	11,142	24,586	101,270	7,046
Security services	124,514	512,873	128,173	111,168	457,901	114,588
Withholding tax, fringe benefit and other tax expenses	2,990	12,316	132,166	104,630	430,971	122,925
Other expenses	599,619	2,469,829	564,172	437,922	1,803,800	440,263
	4,907,213	20,212,810	4,406,932	3,065,579	12,627,120	2,723,272

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NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

21. FINANCE COSTS

	(Unaudited)					
	Three-month period ended					
	Group		Company			
	30.09.2022	30.09.2021	30.09.2022	30.09.2021	30.09.2021	30.09.2021
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
Interest expense on term loans	414,704	1,708,166	437,300	178,524	735,340	297,878

	(Unaudited)					
	Nine-month period ended					
	Group		Company			
	30.09.2022	30.09.2021	30.09.2022	30.09.2021	30.09.2021	30.09.2021
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
Interest expense on term loans	1,024,775	4,221,048	1,170,720	570,964	2,351,801	930,416

22. 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 nine-month period ended 30 September 2022 was 13% and 21% (quarter and nine-month period ended 30 September 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 September 2022.

23. PROFIT/(LOSS) PER SHARE

	(Unaudited)		
	Three-month period ended		
	Group		
	30.09.2022	30.09.2021	30.09.2021
	US\$	KHR'000	US\$
Profit/ (Loss) attributable to owners of the Company	2,749,185	11,323,891	(19,253)
	Units	Units	Units
Weighted average number of ordinary shares	71,875,000	71,875,000	71,875,000
	US\$	KHR'000	US\$
Basic profit/(loss) per share	0.0382	0.158	(0.0003)
Diluted profit/(loss) per share	0.0382	0.158	(0.0003)

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NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

23. PROFIT/(LOSS) PER SHARE (CONTINUED)

	(Unaudited)		
	Nine-month period ended		
	Group		
	30.09.2022		30.09.2021
	US\$	KHR'000	US\$
Profit/ (Loss) attributable to owners of the Company	1,913,115	7,880,121	(1,804,651)
	Units	Units	Units
Weighted average number of ordinary shares	71,875,000	71,875,000	71,875,000
	US\$	KHR'000	US\$
Basic profit/(loss) per share	0.027	0.110	(0.025)
Diluted profit/(loss) per share	0.027	0.110	(0.025)

Diluted profit/(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 profit/(loss) per share is equivalent to the basic profit/(loss) per share.

24. 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)					
	Group			Company		
	30.09.2022		30.09.2021	30.09.2022		30.09.2021
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
<u>Associate</u>						
Colben Energy (Cambodia) PPSEZ Ltd.						
- Rental income	411,000	1,692,909	411,000	411,000	1,692,909	411,000
- Purchase of electricity	(332,871)	(1,371,094)	(281,628)	(332,871)	(1,371,094)	(281,628)
<u>Subsidiary</u>						
Sahas E&C Co., Ltd.						
- Construction cost	-	-	-	(581,020)	(2,393,221)	(1,698,289)
Royal Group Kandal SEZ Co., Ltd.						
- Management fee	-	-	-	900,000	3,707,100	900,000
<u>Related party</u>						
Wing Bank (Cambodia) Plc						
- Interest expense	90,986	374,771	-	-	-	-

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24. RELATED PARTY TRANSACTIONS (CONTINUED)

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.

25. 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.

26. 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 (2021: 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.

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26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

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.

27. DIVIDEND

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

	(Unaudited)		
	Nine-month period ended		
	Group		
	30.09.2022		30.09.2021
	US\$	KHR'000	US\$
Recognised during the financial period:			
Dividends on ordinary shares:			
- Phnom Penh SEZ Plc.			
Dividend for the financial period ended			
31 March 2022: USD0.0056 per ordinary share,			
paid within 27 th January 2022 to 4 th February			
2022	400,645	1,650,257	-
- Sahas Advisory & Consulting Co., Ltd.			
Dividend for the financial period ended			
30 June 2022: USD4.0312 per ordinary share,			
paid on 24 th June 2022	12,435	51,220	-
	413,080	1,701,477	-

	(Unaudited)		
	Nine-month period ended		
	Company		
	30.09.2022		30.09.2021
	US\$	KHR'000	US\$
Recognised during the financial period:			
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	1,650,257	-

28. 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, long-term investments, and restructuring. Except reported in note 15 of the disposal of a subsidiary.

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29. 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.

30. 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.

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.

31. COMPARATIVE FIGURES

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



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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 September 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 nine-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: 11 November 2022