

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

CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE QUARTER AND SIX-MONTH PERIOD ENDED 30 JUNE 2023

Company No. 00006448

PHNOM PENH SEZ PLC.
(Incorporated in Cambodia)

CONTENTS	Page
STATEMENT BY THE DIRECTORS	1
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION	2
CONDENSED INTERIM STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	3 – 4
CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY	5 – 6
CONDENSED INTERIM STATEMENTS OF CASH FLOWS	7 – 8
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION	9 – 29
REPORT ON THE REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION	30 – 31

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 (altogether, the "Group") as at 30 June 2023, 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,



UEMATSU HIROSHI
Director

Phnom Penh, Kingdom of Cambodia

Date: 10 August 2023

PHNOM PENH SEZ PLC.
(Incorporated in Cambodia)

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Note	Group			Company		
		(Unaudited)		(Audited)	(Unaudited)		(Audited)
		30 June 2023	31 December 2022	31 December 2022	30 June 2023	31 December 2022	31 December 2022
		US\$	KHR'000	US\$	US\$	KHR'000	US\$
ASSETS							
Non-current assets							
Property, plant and equipment	3	21,565,817	89,066,823	17,686,840	13,775,151	56,891,374	13,910,630
Investment properties	4	16,259,588	67,152,099	16,635,088	7,152,706	29,540,676	7,343,263
Investment in subsidiaries	5	-	-	-	39,783,104	164,304,220	39,783,104
Investment in associates	6	12,959,276	53,521,810	12,809,568	11,947,015	49,341,172	11,770,321
Investment in joint venture	14	96,612	399,008	70,900	96,612	399,008	70,900
Total non-current assets		50,881,293	210,139,740	47,202,396	72,754,588	300,476,450	72,878,218
Current assets							
Inventories	7	36,283,149	149,849,405	41,006,441	11,992,517	49,529,095	12,948,312
Trade and other receivables	8	36,659,214	151,402,554	21,216,159	11,912,018	49,196,634	7,685,942
Contract assets	12	923,595	3,814,447	959,170	-	-	-
Cash and cash equivalents	9	2,966,289	12,250,773	4,276,289	1,142,485	4,718,463	523,108
Total current assets		76,832,247	317,317,179	67,458,059	25,047,020	103,444,192	21,157,362
TOTAL ASSETS		127,713,540	527,456,919	114,660,455	97,801,608	403,920,642	94,035,580
EQUITY AND LIABILITIES							
Equity attributable to owners of the Company							
Share capital	10	35,937,500	148,421,875	35,937,500	35,937,500	148,421,875	35,937,500
Share premium	11	4,575,051	18,894,961	4,575,051	4,575,051	18,894,961	4,575,051
Retained earnings		27,682,148	114,327,271	21,377,107	22,053,955	91,082,834	20,633,456
		68,194,699	281,644,107	61,889,658	62,566,506	258,399,670	61,146,007
Non-controlling interests		(13,098)	(54,095)	(8,873)	-	-	-
TOTAL EQUITY		68,181,601	281,590,012	61,880,785	62,566,506	258,399,670	61,146,007
Non-current liabilities							
Loans and borrowings	13	13,890,275	57,366,836	13,528,836	4,928,197	20,353,454	5,595,463
Contract liabilities	12	7,398,000	30,553,740	7,672,000	7,398,000	30,553,740	7,672,000
Total non-current liabilities		21,288,275	87,920,576	21,200,836	12,326,197	50,907,194	13,267,463
Current liabilities							
Loans and borrowings	13	2,807,728	11,595,917	4,952,092	1,390,450	5,742,559	3,264,662
Current tax liabilities		1,565,791	6,466,717	159,704	322,526	1,332,032	30,869
Trade and other payables	16	33,290,831	137,491,130	25,919,038	20,647,929	85,275,947	15,778,579
Contract liabilities	12	579,314	2,392,567	548,000	548,000	2,263,240	548,000
Total current liabilities		38,243,664	157,946,331	31,578,834	22,908,905	94,613,778	19,622,110
TOTAL LIABILITIES		59,531,939	245,866,907	52,779,670	35,235,102	145,520,972	32,889,573
TOTAL EQUITY AND LIABILITIES		127,713,540	527,456,919	114,660,455	97,801,608	403,920,642	94,035,580

The Condensed Interim Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 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 2023**

	Note	(Unaudited)					
		Group			Company		
		30 June 2023		30 June 2022	30 June 2023		30 June 2022
	US\$	KHR'000	US\$	US\$	KHR'000	US\$	
Revenues	17	7,183,333	29,667,165	3,706,308	3,797,227	15,682,548	1,239,355
Cost of revenues	18	(4,564,257)	(18,850,381)	(2,183,573)	(1,219,685)	(5,037,299)	(314,280)
Gross profit		2,619,076	10,816,784	1,522,735	2,577,542	10,645,249	925,075
Other income	19	41,522	171,486	20,422	304,101	1,255,937	308,725
Administrative expenses	20	(1,820,568)	(7,518,946)	(1,277,299)	(1,081,973)	(4,468,548)	(769,038)
Operating profit		840,030	3,469,324	265,858	1,799,670	7,432,638	464,762
Finance costs	21	(290,282)	(1,198,865)	(313,683)	(143,558)	(592,895)	(190,973)
Share of results of associates and joint venture		160,718	663,765	15,554	176,439	728,693	69,682
Profit/(Loss) before tax		710,466	2,934,224	(32,271)	1,832,551	7,568,436	343,471
Income tax expense	22	(114,478)	(472,794)	(83,772)	(322,527)	(1,332,037)	(70,218)
Profit/(Loss) for the financial period from continuing operation		595,988	2,461,430	(116,043)	1,510,024	6,236,399	273,253
Loss from discontinuing operation		-	-	(10,660)	-	-	-
Profit/(Loss) for the financial period, representing total comprehensive income/(loss)		595,988	2,461,430	(126,703)	1,510,024	6,236,399	273,253
Profit/(Loss) attributable to:							
Owners of the Company		599,921	2,477,673	(129,143)			
Non-controlling interests		(3,933)	(16,243)	2,440			
		595,988	2,461,430	(126,703)			
Total comprehensive income/(loss) attributable to:							
Owners of the Company		599,921	2,477,673	(129,143)			
Non-controlling interests		(3,933)	(16,243)	2,440			
		595,988	2,461,430	(126,703)			
Total comprehensive income/(loss) attributable to the Company:							
Continuing operation		599,921	2,477,673	(118,483)			
Discontinued operation		-	-	(10,660)			
		599,921	2,477,673	(129,143)			
Basic/Diluted profit/(loss) per share	23	0.008	0.034	(0.002)			

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 2023 (CONTINUED)**

	Note	(Unaudited)					
		Group		Six-month period ended		Company	
		30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
		US\$	KHR'000	US\$	US\$	KHR'000	US\$
Revenues	17	37,511,213	154,921,310	7,930,284	5,066,482	20,924,571	2,450,284
Cost of revenues	18	(25,245,424)	(104,263,601)	(5,176,625)	(1,471,526)	(6,077,402)	(706,717)
Gross profit		12,265,789	50,657,709	2,753,659	3,594,956	14,847,169	1,743,567
Other income	19	58,013	239,594	139,826	604,192	2,495,313	731,428
Administrative expenses	20	(3,895,146)	(16,086,953)	(3,091,335)	(2,320,176)	(9,582,327)	(1,870,187)
Operating profit		8,428,656	34,810,350	(197,850)	1,878,972	7,760,155	604,808
Finance costs	21	(592,655)	(2,447,665)	(610,071)	(292,307)	(1,207,228)	(392,440)
Share of results of associates and joint venture		175,421	724,489	66,215	202,407	835,941	120,343
Profit/(Loss) before tax		8,011,422	33,087,174	(741,706)	1,789,072	7,388,868	332,711
Income tax expense	22	(1,710,606)	(7,064,803)	(86,352)	(368,573)	(1,522,206)	(70,218)
Profit/(Loss) for the financial period from continuing operation		6,300,816	26,022,371	(828,058)	1,420,499	5,866,662	262,493
Profit from discontinuing operation		-	-	12,891	-	-	-
Profit/(Loss) for the financial period, representing total comprehensive income/(loss)		6,300,816	26,022,371	(815,167)	1,420,499	5,866,662	262,493
Profit/(Loss) attributable to:							
Owners of the Company		6,305,041	26,039,820	(823,179)			
Non-controlling interests		(4,225)	(17,449)	8,012			
		6,300,816	26,022,371	(815,167)			
Total comprehensive income/(loss) attributable to:							
Owners of the Company		6,305,041	26,039,820	(823,179)			
Non-controlling interests		(4,225)	(17,449)	8,012			
		6,300,816	26,022,371	(815,167)			
Total comprehensive income/(loss) attributable to the Company:							
Continuing operation		6,305,041	26,039,820	(836,070)			
Discontinued operation		-	-	12,891			
		6,305,041	26,039,820	(823,179)			
Basic/Diluted profit/(loss) per share	23	0.088	0.362	(0.011)			

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 2022 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 2023**

	Note	Share capital US\$	Share premium US\$	Retained earnings US\$	Non- controlling interests US\$	Total equity US\$
Group						
At 1 January 2023 (Audited)		35,937,500	4,575,051	21,377,107	(8,873)	61,880,785
Profit/(Loss) for the financial period, representing total comprehensive income (Unaudited)		-	-	6,305,041	(4,225)	6,300,816
At 30 June 2023 (Unaudited)		35,937,500	4,575,051	27,682,148	(13,098)	68,181,601
(KHR'000 equivalent)		148,421,875	18,894,961	114,327,271	(54,095)	281,590,012
Group (Audited)						
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	-	-	(1,169,693)	(12,436)	(1,182,129)
Profit for the financial period, representing total comprehensive income		-	-	2,093,141	10,229	2,103,370
At 31 December 2022		35,937,500	4,575,051	21,377,107	(8,873)	61,880,785
(KHR'000 equivalent)		147,954,688	18,835,485	88,009,549	(36,530)	254,763,192

PHNOM PENH SEZ PLC.
(Incorporated in Cambodia)

**CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023 (CONTINUED)**

	Note	Share capital US\$	Share premium US\$	Retained earnings US\$	Total equity US\$
Company					
At 1 January 2023 (Audited)		35,937,500	4,575,051	20,633,456	61,146,007
Profit for the financial period, representing total comprehensive income (Unaudited)		-	-	1,420,499	1,420,499
At 30 June 2023 (Unaudited)		35,937,500	4,575,051	22,053,955	62,566,506
(KHR'000 equivalent)		148,421,875	18,894,961	91,082,834	258,399,670
Company (Audited)					
At 1 January 2022		35,937,500	4,575,051	21,386,718	61,899,269
Dividend paid	27	-	-	(1,169,693)	(1,169,693)
Profit for the financial period, representing total comprehensive income		-	-	416,431	416,431
At 31 December 2022		35,937,500	4,575,051	20,633,456	61,146,007
(KHR'000 equivalent)		147,954,688	18,835,485	84,947,938	251,738,111

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 2022 and the accompanying notes attached to this condensed interim financial information.

PHNOM PENH SEZ PLC.
(Incorporated in Cambodia)

CONDENSED INTERIM STATEMENTS OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023

	(Unaudited)					
	Six-month period ended					
	Group		Company			
	30 June	30 June	30 June	30 June	30 June	30 June
	2023	2022	2023	2023	2022	2022
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
Cash flows from operating activities						
Profit/(Loss) before tax:	8,011,422	33,087,174	(741,706)	1,789,072	7,388,868	332,711
<i>Adjustments for non-cash items:</i>						
Deferred revenue	(274,000)	(1,131,620)	(274,000)	(274,000)	(1,131,620)	(274,000)
Depreciation of:						
- Property, plant and equipment	772,476	3,190,326	784,526	614,471	2,537,765	605,739
- Investment properties	472,583	1,951,768	263,121	190,557	787,000	190,557
Property, plant and equipment written off	-	-	20,917	-	-	-
Finance costs	592,655	2,447,665	610,071	292,307	1,207,228	392,440
Interest income	(40,855)	(168,731)	(88)	(388)	(1,602)	(81)
Share of results of associates and joint venture	(175,420)	(724,487)	(66,215)	(202,406)	(835,939)	(120,343)
Operating profit before changes in working capital	9,358,861	38,652,095	596,626	2,409,613	9,951,700	1,127,023
<i>Changes in working capital:</i>						
Inventories	5,427,071	22,413,803	(2,397,865)	1,222,958	5,050,817	(117,233)
Trade and other receivables	(15,549,981)	(64,221,422)	(1,635,445)	(2,015,479)	(8,323,928)	625,664
Contract assets	35,575	146,925	(1,463,462)	-	-	-
Trade and other payables	7,368,977	30,433,875	397,678	(72,742)	(300,424)	(1,194,394)
Contract liabilities	31,314	129,327	418,160	-	-	-
Net cash inflow from discontinuing operation	-	-	12,891	-	-	-
Net cash generated from/(used in) operations	6,671,817	27,554,603	(4,071,417)	1,544,350	6,378,165	441,060
Tax paid	(304,519)	(1,257,663)	(25,002)	(76,916)	(317,663)	(335)
Net cash generated from/(used in) operating activities	6,367,298	26,296,940	(4,096,419)	1,467,434	6,060,502	440,725
Cash flows from investing activities						
Purchase of property, plant and equipment	(5,438,232)	(22,459,898)	(4,603,691)	(746,155)	(3,081,620)	(1,002,963)
Purchase of investment properties	(14,083)	(58,163)	-	-	-	-
Interest received	40,855	168,731	88	388	1,602	81
Net (advances to)/repayments from:						
- Subsidiaries	-	-	-	2,617,023	10,808,305	2,301,316
- Related parties	160,719	663,769	(503,469)	162,343	670,477	19,488
- Associates	109,023	450,265	(348,841)	112,129	463,093	161,636
- Directors	(160,000)	(660,800)	(26,642)	(160,000)	(660,800)	(11,912)
- Shareholders	-	-	329	-	-	329
Net cash (used in)/generated from investing activities	(5,301,718)	(21,896,096)	(5,482,226)	1,985,728	8,201,057	1,467,975

PHNOM PENH SEZ PLC.
(Incorporated in Cambodia)

**CONDENSED INTERIM STATEMENTS OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023 (CONTINUED)**

	(Unaudited)					
	Six-month period ended					
	Group		30 June		Company	
	30 June	30 June	2022	30 June	30 June	2022
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
Cash flows from financing activities						
Dividend paid	-	-	(413,080)	-	-	(400,645)
Drawdown of loans	1,596,770	6,594,660	8,079,882	-	-	-
Repayment of loans	(3,379,695)	(13,958,140)	(1,766,516)	(2,541,478)	(10,496,304)	(1,534,910)
Interest paid	(592,655)	(2,447,665)	(610,071)	(292,307)	(1,207,228)	(392,440)
Net cash (used in)/generated from financing activities	(2,375,580)	(9,811,145)	5,290,215	(2,833,785)	(11,703,532)	(2,327,995)
Net (decrease)/increase in cash and cash equivalents	(1,310,000)	(5,410,301)	(4,288,430)	619,377	2,558,027	(419,295)
Cash and cash equivalents at the beginning of the financial period	4,276,289	17,605,482	5,716,017	523,108	2,153,636	682,473
Currency translation differences	-	55,592	-	-	6,800	-
Cash and cash equivalents at the end of the financial period	2,966,289	12,250,773	1,427,587	1,142,485	4,718,463	263,178

The Condensed Interim Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 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 change in the Company name 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 2023.

The condensed interim financial information for the quarter and six-month period ended 30 June 2023 has been reviewed, but not audited.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The condensed interim financial information for the quarter and six-month period ended 30 June 2023 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 2022, 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.

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 2023. 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 2022.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Group's decision-makers. Those whom are responsible for allocating resources to and assessing the performance of the operating segments have 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 is no significant seasonality factor associated with the Group's 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 2022.

PHNOM PENH SEZ PLC.
(Incorporated in Cambodia)

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 2022	721,224	13,679,214	505,888	274,572	2,471,098	17,651,996
Additions	-	1,215,177	59,410	46,312	8,992,880	10,313,779
Written off	-	(20,618)	(299)	(528)	-	(21,445)
Transfer within property, plant and equipment	-	712,657	86,000	-	(798,657)	-
Transfer to investment properties	-	-	-	-	(6,908,601)	(6,908,601)
Transfer to inventories	-	-	-	-	(1,767,954)	(1,767,954)
Depreciation charge	-	(1,291,139)	(186,193)	(103,603)	-	(1,580,935)
At 31 December 2022	721,224	14,295,291	464,806	216,753	1,988,766	17,686,840
(Unaudited)						
Additions	-	37,441	4,339	18,675	5,377,777	5,438,232
Transfer within property, plant and equipment	-	337,158	-	-	(337,158)	-
Transfer within investment properties	-	-	-	-	(83,000)	(83,000)
Transfer to inventories	-	(436,616)	-	-	(267,163)	(703,779)
Depreciation charge	-	(646,711)	(74,243)	(51,522)	-	(772,476)
At 30 June 2023	721,224	13,586,563	394,902	183,906	6,679,222	21,565,817
(KHR'000 equivalent)	2,978,655	56,112,504	1,630,945	759,532	27,585,187	89,066,823

* 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 2023, the capital commitment of the Group arising from the construction in-progress amounted to US\$7,085,156 (2022: US\$4,899,434) as at the date of this condensed interim financial information.

PHNOM PENH SEZ PLC.
(Incorporated in Cambodia)

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 2022	721,224	13,777,113	128,652	51,115	44,029	14,722,133
Additions	-	13,761	39,510	9,075	1,727,008	1,789,354
Transfer within property, plant and equipment	-	44,029	86,000	-	(130,029)	-
Transfer to inventories	-	-	-	-	(1,389,295)	(1,389,295)
Depreciation charge	-	(1,138,518)	(52,076)	(20,968)	-	(1,211,562)
At 31 December 2022	721,224	12,696,385	202,086	39,222	251,713	13,910,630
(Unaudited)						
Additions	-	-	-	5,520	740,635	746,155
Transfer within property, plant and equipment	-	337,158	-	-	(337,158)	-
Transfer to inventories	-	-	-	-	(267,163)	(267,163)
Depreciation charge	-	(575,492)	(29,768)	(9,211)	-	(614,471)
At 30 June 2023	721,224	12,458,051	172,318	35,531	388,027	13,775,151
(KHR'000 equivalent)	2,978,655	51,451,751	711,673	146,743	1,602,552	56,891,374

* 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 2023, the capital commitment of the Company arising from the construction in-progress amounted to US\$169,621 (2022: US\$135,902) as at the date of this condensed interim financial information.

PHNOM PENH SEZ PLC.
(Incorporated in Cambodia)

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 2022	2,515,656	7,921,947	10,437,603
Additions	-	32,926	32,926
Transferred from property, plant and equipment	-	6,908,601	6,908,601
Transferred to joint venture	(6,851)	-	(6,851)
Depreciation charge	-	(737,191)	(737,191)
At 31 December 2022	2,508,805	14,126,283	16,635,088
(Unaudited)			
Addition	-	14,083	14,083
Transferred from property, plant and equipment	-	83,000	83,000
Depreciation charge	-	(472,583)	(472,583)
At 30 June 2023	2,508,805	13,750,783	16,259,588
(KHR'000 equivalent)	10,361,365	56,790,734	67,152,099
Company			
(Audited)			
Movement in net carrying amount			
At 1 January 2022	2,515,656	5,215,572	7,731,228
Transferred to joint venture	(6,851)	-	(6,851)
Depreciation charge	-	(381,114)	(381,114)
At 31 December 2022	2,508,805	4,834,458	7,343,263
(Unaudited)			
Depreciation charge	-	(190,557)	(190,557)
At 30 June 2023	2,508,805	4,643,901	7,152,706
(KHR'000 equivalent)	10,361,365	19,179,311	29,540,676

As at 30 June 2023, investment properties with a carrying amount of US\$16,259,588 and US\$7,152,706 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.

PHNOM PENH SEZ PLC.
(Incorporated in Cambodia)

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

5. INVESTMENT IN SUBSIDIARIES

Company	(Unaudited) 30 June 2023		(Audited) 31 December 2022
	US\$	KHR'000	US\$
Unquoted shares, at cost	39,783,104	164,304,220	39,783,104

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

Name of subsidiaries	Country of incorporation	Effective equity interest		Principal activities
		2023 %	2022 %	
Royal Group Poipet SEZ 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.	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

Group	(Unaudited) 30 June 2023		(Audited) 31 December 2022
	US\$	KHR'000	US\$
Unquoted shares, at cost	8,591,361	35,482,321	8,591,361
Shares of post-acquisition reserves	5,803,322	23,967,720	5,439,898
Dividend received	-	-	213,716
Less: Allowance for impairment loss	(1,435,407)	(5,928,231)	(1,435,407)
	12,959,276	53,521,810	12,809,568
Company			
Unquoted shares, at cost	7,466,811	30,837,929	7,466,811
Shares of post-acquisition reserves	5,915,611	24,431,474	5,525,201
Dividend received	-	-	213,716
Less: Allowance for impairment loss	(1,435,407)	(5,928,231)	(1,435,407)
	11,947,015	49,341,172	11,770,321

PHNOM PENH SEZ PLC.
(Incorporated in Cambodia)

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
		2023 %	2022 %	
<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.</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 June	31 December	30 June	30 June	31 December	31 December
	2023	2022	2023	2023	2022	2022
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
At cost						
Freehold lands and development cost	36,283,149	149,849,405	41,006,441	11,992,517	49,529,095	12,948,312

Included in the net carrying amount of inventories of the Group and of the Company were assets transferred from property, plant and equipment of US\$703,779 and US\$267,163, respectively, as disclosed in Note 3 to the condensed interim financial information.

As at 30 June 2023, inventories with a carrying amount of US\$11,769,366 of the Group and US\$5,033,757 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.

PHNOM PENH SEZ PLC.
(Incorporated in Cambodia)

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

8. TRADE AND OTHER RECEIVABLES

	Group			Company		
	(Unaudited)		(Audited)	(Unaudited)		(Audited)
	30 June		31 December	30 June		31 December
	2023		2022	2023		2022
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
Trade receivables from contracts with customers:						
Third parties	20,929,829	86,440,194	8,713,456	1,281,337	5,291,922	771,217
Non-trade receivables:						
Prepayments*	8,436,838	34,844,141	5,417,579	1,889,365	7,803,076	588,885
Withholding tax credit	3,711,706	15,329,346	3,515,206	3,666,706	15,143,496	3,470,206
Input value-added taxes	2,308,234	9,533,006	1,935,854	-	-	-
Associates	688,160	2,842,101	797,183	688,029	2,841,560	797,158
Other receivables	349,480	1,443,352	354,307	221,634	915,348	216,255
Third parties	203,381	839,964	201,284	3,381	13,964	161,284
Deposits	31,586	130,450	281,290	7,330	30,273	4,330
Subsidiaries	-	-	-	4,154,236	17,156,995	1,836,607
Directors	-	-	-	-	-	(160,000)
	15,729,385	64,962,360	12,502,703	10,630,681	43,904,712	6,914,725
Total trade and other receivables	36,659,214	151,402,554	21,216,159	11,912,018	49,196,634	7,685,942

*Included in the Group's prepayments is an amount of US\$6,217,703 (2022: US\$4,819,615) made in relation to land acquisitions. In addition, as at the date of this report, the Management at Royal Group Kandal SEZ Co., Ltd. is still in discussion with Ms. Hak Sipha (Agent), who is an agent facilitating the land acquisition for the Company, related to the advance amounting to USD693,747. The discussion between both parties is primarily on the monthly settlement plan, length of time, and/or an option to purchase the Agent's land. The Management expects to reach an agreement with the Agent before end of 2023.

As at 30 June 2023, the capital commitment of the Group and the Company arising from the land acquisition amounted to US\$923,990 and Nil, respectively (2022: US\$482,696 and Nil, respectively) as at the date of this condensed interim financial information.

9. CASH AND CASH EQUIVALENTS

	Group			Company		
	(Unaudited)		(Audited)	(Unaudited)		(Audited)
	30 June		31 December	30 June		31 December
	2023		2022	2023		2022
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
Cash on hand	12,278	50,708	12,806	4,286	17,701	2,924
Deposits held at call with licensed banks	2,954,011	12,200,065	4,263,483	1,138,199	4,700,762	520,184
	2,966,289	12,250,773	4,276,289	1,142,485	4,718,463	523,108

PHNOM PENH SEZ PLC.
(Incorporated in Cambodia)

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

10. SHARE CAPITAL

	Group and Company			
	(Unaudited) 30 June 2023		(Audited) 31 December 2022	
	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)		148,421,875		147,954,688

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 June 2023		(Audited) 31 December 2022	(Unaudited) 30 June 2023		(Audited) 31 December 2022
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
Current:						
Contract assets	923,595	3,814,447	959,170	-	-	-
Non-current:						
Contract liabilities	(7,398,000)	(30,553,740)	(7,672,000)	(7,398,000)	(30,553,740)	(7,672,000)
Current:						
Contract liabilities	(579,314)	(2,392,567)	(548,000)	(548,000)	(2,263,240)	(548,000)
Total contract liabilities	(7,977,314)	(32,946,307)	(8,220,000)	(7,946,000)	(32,816,980)	(8,220,000)

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.

PHNOM PENH SEZ PLC.
(Incorporated in Cambodia)

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

12. CONTRACT ASSETS/(LIABILITIES) (CONTINUED)

Contract liabilities represent as follows:

- (i) Contract liabilities represent deferred revenue. Deferred revenue was in respect of granting the right of use on the transmission lines of the Company to Colben Energy (Cambodia) PPSEZ Limited ("CEZ") pursuant to the transfer agreement with CEZ on 31 August 2012. The total consideration was amortised on a straight-line basis over the term of 25 years.
- (ii) Contract liabilities arising from construction revenue that generated from Sahas E&C Co., Ltd. are the obligation to transfer goods or services to customers for which the Group and the Company have received the consideration or have billed the customers.

13. LOANS AND BORROWINGS

	Group			Company		
	(Unaudited) 30 June 2023		(Audited) 31 December 2022	(Unaudited) 30 June 2023		(Audited) 31 December 2022
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
Non-current:						
Secured						
Term loan VII	4,816,224	19,891,005	4,923,454	3,429,797	14,165,062	3,434,079
Term loan IX	9,074,051	37,475,831	7,942,398	1,498,400	6,188,392	1,498,400
Term loan XI	-	-	662,984	-	-	662,984
	13,890,275	57,366,836	13,528,836	4,928,197	20,353,454	5,595,463
Current:						
Secured						
Term loan VII	1,429,438	5,903,579	2,612,721	1,140,250	4,709,233	2,240,718
Term loan IX	1,378,290	5,692,338	1,815,827	250,200	1,033,326	500,400
Term loan XI	-	-	523,544	-	-	523,544
	2,807,728	11,595,917	4,952,092	1,390,450	5,742,559	3,264,662
Total loans and borrowings	16,698,003	68,962,753	18,480,928	6,318,647	26,096,013	8,860,125

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) 30 June 2023		(Audited) 31 December 2022	(Unaudited) 30 June 2023		(Audited) 31 December 2022
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
Term loans						
At the beginning of the financial period	18,480,928	76,326,233	16,853,241	8,860,125	36,592,316	11,966,512
Drawdowns	1,596,770	6,594,660	8,784,001	-	-	-
Repayments	(3,379,695)	(13,958,140)	(7,156,314)	(2,541,478)	(10,496,303)	(3,106,387)
Finance costs	592,125	2,445,476	1,479,711	292,308	1,207,232	815,814
Interest paid	(592,125)	(2,445,476)	(1,479,711)	(292,308)	(1,207,232)	(815,814)
At the end of the financial period	16,698,003	68,962,753	18,480,928	6,318,647	26,096,013	8,860,125

PHNOM PENH SEZ PLC.
(Incorporated in Cambodia)

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	Monthly Instalment	Commence Date	Maturity Date	Remark
Term loan VII	First Commercial Bank	2,000,000	6.80%	29,169	7-Jul-18	7-Jul-24	*
		2,300,000	6.80%	34,489	2-Nov-18	2-Nov-25	*
		3,500,000	LIBOR rate plus 3.75% \geq 6.87%	69,090	12-Sep-19	12-Sep-24	*
		2,500,000	LIBOR rate plus 3.75% \geq 6.87%	43,013	10-Sep-19	10-Sep-24	*
		2,530,488	LPCO plus 1.00% \geq 6.90%	38,068	2-Nov-20	2-Nov-27	*
		1,200,000	Libor+3.3% \geq 6.8%	17,994	19-Jun-19	19-Jun-24	#
		1,521,261	LIBOR plus 1.90% \geq 7%	23,198	1-Feb-21	1-Feb-28	#
Term loan IX	Kasikornbank	3,500,000	7.00%	41,700	2-May-19	2-May-26	*
		500,000	6.50%	9,700	23-Apr-20	23-Apr-25	*
		250,000	6.50%	4,900	29-Jan-21	29-Jan-26	*
		2,096,512	6.65%	92,638	27-Sep-21	27-Jul-24	*
		5,784,000	6.19%	112,400	9-Mar-22	9-Mar-29	*
Term loan XI	Advanced Bank of Asia Limited	1,500,000	7.50%	30,130	13-Feb-20	13-Feb-25	^
		980,392	7.50%	19,597	13-Feb-20	13-Feb-25	^

* 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.

^ As of the condensed interim financial information for the quarter and six-month period ended 30 June 2023, loans from Advance Bank of Asia Limited have been fully settled.

PHNOM PENH SEZ PLC.
(Incorporated in Cambodia)

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

14. INVESTMENT IN JOINT VENTURE

Phnom Penh SEZ Plc. has signed a US\$150,500 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 US\$1,505.

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 US\$60,000 in which each share price increased from US\$1,505 to US\$2,105.

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
	%	US\$	US\$	US\$
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

The carrying amount of equity-accounted investment in joint venture has changed as follows as at 30 June 2023:

	(Unaudited) 30 June 2023	(Audited) 31 December 2022
	US\$	US\$
At the beginning of the financial period	70,900	-
Additions	-	70,900
Profit for the period	25,712	-
At the end of the financial period	96,612	70,900
(KHR'000 equivalent)	399,008	291,895

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 six-month ended 30 June 2023 as a discontinued operation. For further information about the discontinued operation, please refer to note 17 in the group's annual financial statements for the year ended 31 December 2022.

PHNOM PENH SEZ PLC.
(Incorporated in Cambodia)

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

16. TRADE AND OTHER PAYABLES

	Group			Company		
	(Unaudited)		(Audited)	(Unaudited)		(Audited)
	30 June		31 December	30 June		31 December
	2023		2022	2023		2022
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
Trade payables:						
Third parties	168,261	694,918	233,391	-	-	-
Non-trade payables:						
Other payables	19,781,527	81,697,703	10,397,300	671,864	2,774,799	478,347
Deposits	11,550,428	47,703,268	13,483,865	1,477,425	6,101,765	1,724,844
Associates	906,358	3,743,259	953,888	483,000	1,994,790	480,000
Third parties	852,697	3,521,639	849,881	852,697	3,521,639	848,257
Contract liability	31,560	130,343	713	-	-	-
Subsidiaries	-	-	-	17,150,380	70,831,069	12,215,728
Output Value-added taxes	-	-	-	12,563	51,885	31,403
	33,122,570	136,796,212	25,685,647	20,647,929	85,275,947	15,778,579
Total trade and other payables	33,290,831	137,491,130	25,919,038	20,647,929	85,275,947	15,778,579

17. REVENUES

	(Unaudited)					
	Three-month period ended					
	Group		Company		Company	
30 June		30 June		30 June		30 June
2023		2022		2023		2022
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
Revenue from contract customers:						
Sale of land	4,089,020	16,887,652	-	2,550,600	10,533,979	-
Construction revenue	1,204,751	4,975,622	2,290,788	-	-	-
Rendering of services	759,837	3,138,127	783,722	747,909	3,088,864	762,321
	6,053,608	25,001,401	3,074,510	3,298,509	13,622,843	762,321
Revenue from other source:						
Rental of investment property	1,129,725	4,665,764	631,798	498,718	2,059,705	477,034
	7,183,333	29,667,165	3,706,308	3,797,227	15,682,548	1,239,355
Timing of revenue recognition:						
At point in time	5,978,582	24,691,543	1,415,520	3,797,227	15,682,548	1,239,355
Over time	1,204,751	4,975,622	2,290,788	-	-	-
	7,183,333	29,667,165	3,706,308	3,797,227	15,682,548	1,239,355

PHNOM PENH SEZ PLC.
(Incorporated in Cambodia)

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)
17. REVENUES (CONTINUED)

	(Unaudited)					
	Six-month period ended					
	Group		Company			
	30 June 2023	30 June 2022	30 June 2023	30 June 2023	30 June 2022	30 June 2022
US\$	KHR'000	US\$	US\$	KHR'000	US\$	
Revenue from contract customers:						
Sale of land	32,113,598	132,629,160	-	2,550,600	10,533,979	-
Construction revenue	1,634,156	6,749,064	4,875,204	-	-	-
Rendering of services	1,551,790	6,408,893	1,798,976	1,519,334	6,274,849	1,506,715
	35,299,544	145,787,117	6,674,180	4,069,934	16,808,828	1,506,715
Revenue from other source:						
Rental of investment property	2,211,669	9,134,193	1,256,104	996,548	4,115,743	943,569
	37,511,213	154,921,310	7,930,284	5,066,482	20,924,571	2,450,284
Timing of revenue recognition:						
At point in time	35,877,057	148,172,246	3,055,080	5,066,482	20,924,571	2,450,284
Over time	1,634,156	6,749,064	4,875,204	-	-	-
	37,511,213	154,921,310	7,930,284	5,066,482	20,924,571	2,450,284

18. COST OF REVENUES

	(Unaudited)					
	Three-month period ended					
	Group		Company			
	30 June 2023	30 June 2022	30 June 2023	30 June 2023	30 June 2022	30 June 2022
US\$	KHR'000	US\$	US\$	KHR'000	US\$	
Cost of land sold	3,085,278	12,742,198	10,729	962,256	3,974,117	4,560
Cost of services rendered	190,598	787,170	197,448	162,151	669,684	214,443
Cost of construction	1,052,090	4,345,131	1,854,882	-	-	-
Depreciation charge	236,291	975,882	120,514	95,278	393,498	95,277
	4,564,257	18,850,381	2,183,573	1,219,685	5,037,299	314,280

	(Unaudited)					
	Six-month period ended					
	Group		Company			
	30 June 2023	30 June 2022	30 June 2023	30 June 2023	30 June 2022	30 June 2022
US\$	KHR'000	US\$	US\$	KHR'000	US\$	
Cost of land sold	22,984,333	94,925,295	339,167	962,256	3,974,117	100,300
Cost of services rendered	328,300	1,355,879	363,849	318,713	1,316,285	415,861
Cost of construction	1,460,208	6,030,659	4,221,534	-	-	-
Depreciation charge	472,583	1,951,768	252,075	190,557	787,000	190,556
	25,245,424	104,263,601	5,176,625	1,471,526	6,077,402	706,717

PHNOM PENH SEZ PLC.
(Incorporated in Cambodia)

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)
19. OTHER INCOME

	(Unaudited)					
	Three-month period ended					
	Group		Company			
	30 June 2023		30 June 2022		30 June 2023	
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
Interest income	29,533	121,971	(291)	314	1,297	38
Others	11,989	49,515	20,713	303,787	1,254,640	308,687
	41,522	171,486	20,422	304,101	1,255,937	308,725

	(Unaudited)					
	Six-month period ended					
	Group		Company			
	30 June 2023		30 June 2022		30 June 2023	
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
Interest income	40,855	168,731	142	388	1,602	81
Others	17,158	70,863	139,684	603,804	2,493,711	731,347
	58,013	239,594	139,826	604,192	2,495,313	731,428

20. ADMINISTRATIVE EXPENSES

	(Unaudited)					
	Three-month period ended					
	Group		Company			
	30 June 2023		30 June 2022		30 June 2023	
	US\$	KHR'000	US\$	US\$	KHR'000	US\$
Personnel costs	780,155	3,222,040	690,625	203,095	838,782	228,453
Maintenance fees	281,362	1,162,025	10,788	268,263	1,107,926	(13,214)
Depreciation charge	387,103	1,598,735	402,623	307,970	1,271,916	302,505
Professional fees	159,957	660,622	84,645	106,679	440,584	73,922
Security services	56,449	233,134	40,022	51,244	211,638	35,602
Withholding tax, fringe benefit and other tax expenses	17,400	71,862	(87,905)	12,183	50,316	21,841
Leases of low-value assets	16,346	67,509	16,054	4,420	18,255	4,420
Electricity	12,239	50,547	6,683	9,887	40,833	4,424
Selling and marketing expenses	14,943	61,715	12,662	13,096	54,086	12,154
Handling fees	6,115	25,255	20,748	2,956	12,208	8,745
Other expenses	88,499	365,502	80,354	102,180	422,004	90,186
	1,820,568	7,518,946	1,277,299	1,081,973	4,468,548	769,038

PHNOM PENH SEZ PLC.
(Incorporated in Cambodia)

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)
20. ADMINISTRATIVE EXPENSES (CONTINUED)

	(Unaudited)					
	Six-month period ended					
	Group		Company			
	30 June 2023	30 June 2022	30 June 2023	30 June 2023	30 June 2022	30 June 2022
US\$	KHR'000	US\$	US\$	KHR'000	US\$	
Personnel costs	1,708,155	7,054,680	1,359,550	545,543	2,253,093	460,573
Maintenance fees	428,254	1,768,689	173,068	406,323	1,678,114	130,224
Depreciation charge	772,476	3,190,326	795,044	614,471	2,537,765	605,740
Professional fees	287,524	1,187,474	243,489	226,428	935,148	206,720
Security services	104,804	432,841	82,752	95,171	393,056	73,834
Withholding tax, fringe benefit and other tax expenses	58,100	239,953	(8,898)	44,981	185,772	94,078
Leases of low-value assets	32,800	135,464	34,669	8,946	36,947	8,840
Electricity	19,684	81,295	11,852	15,317	63,259	7,895
Selling and marketing expenses	21,189	87,511	23,715	16,900	69,797	21,165
Handling fees	12,340	50,964	26,090	3,508	14,488	8,928
Other expenses	449,820	1,857,756	350,004	342,588	1,414,888	252,190
	3,895,146	16,086,953	3,091,335	2,320,176	9,582,327	1,870,187

21. FINANCE COSTS

	(Unaudited)					
	Three-month period ended					
	Group		Company			
	30 June 2023	30 June 2022	30 June 2023	30 June 2023	30 June 2022	30 June 2022
US\$	KHR'000	US\$	US\$	KHR'000	US\$	
Interest expense on term loans	290,282	1,198,865	313,683	143,558	592,895	190,973

	(Unaudited)					
	Six-month period ended					
	Group		Company			
	30 June 2023	30 June 2022	30 June 2023	30 June 2023	30 June 2022	30 June 2022
US\$	KHR'000	US\$	US\$	KHR'000	US\$	
Interest expense on term loans	592,655	2,447,665	610,071	292,307	1,207,228	392,440

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.

PHNOM PENH SEZ PLC.
(Incorporated in Cambodia)

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

22. INCOME TAX EXPENSE (CONTINUED)

The Group and the Company's effective tax rate for the quarter and six-month period ended 30 June 2023 was 21% and 21% (quarter and six-month period ended 30 June 2022: 13% and 21%).

23. PROFIT PER SHARE

	(Unaudited)		
	Three-month period ended		
	Group		
	30 June 2023		30 June 2022
	US\$	KHR'000	US\$
Profit/(Loss) attributable to owners of the Company	599,921	2,477,673	(129,143)
	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	0.008	0.034	(0.002)
Diluted profit/(loss) per share	0.008	0.034	(0.002)

	(Unaudited)		
	Six-month period ended		
	Group		
	30 June 2023		30 June 2022
	US\$	KHR'000	US\$
Profit/(Loss) attributable to owners of the Company	6,305,041	26,039,820	(823,179)
	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	0.088	0.362	(0.011)
Diluted profit/(loss) per share	0.088	0.362	(0.011)

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

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

PHNOM PENH SEZ PLC.
(Incorporated in Cambodia)

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

24. RELATED PARTY TRANSACTIONS (CONTINUED)

	(Unaudited)					
	Six-month period ended					
	Group		Company			
	30 June 2023		30 June 2022	30 June 2023		30 June 2022
US\$	KHR'000	US\$	US\$	KHR'000	US\$	
<u>Associate</u>						
Colben Energy (Cambodia) PPSEZ Ltd.						
- Rental income	274,000	1,131,620	274,000	274,000	1,131,620	274,000
- Purchase of electricity	(219,153)	(905,102)	(216,472)	(219,153)	(905,102)	(216,472)
<u>Subsidiaries</u>						
Sahas E&C Co., Ltd.						
- Construction cost	-	-	-	(3,300,464)	(13,630,916)	(611,142)
Royal Group Kandal SEZ Co., Ltd.						
- Management fee	-	-	-	600,000	2,478,000	600,000

Balances with related parties at the end of the reporting period are disclosed in Notes 8 and 16 to the condensed interim financial information.

(b) Compensation of key management personnel

Key management personnel of the Group refer to the Directors of the Company and certain senior management whereby the authority and responsibility of planning, directing and controlling the activities of the Company, directly and indirectly lies.

	(Unaudited)					
	Six-month period ended					
	Group		Company			
	30 June 2023		30 June 2022	30 June 2023		30 June 2022
US\$	KHR'000	US\$	US\$	KHR'000	US\$	
- Short term employees benefit	376,440	1,554,697	303,717	210,680	870,108	180,092

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.

PHNOM PENH SEZ PLC.
(Incorporated in Cambodia)

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

The Group and the Company's primary exposure to credit risk arise through the receivables. The credit period for trade receivables is one to three months (2022: one to three months) and the Group and the Company seek 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 and the Company's management of working capital. It is the risk that the Group and the Company will encounter difficulty in meeting its financial obligations when due.

The Group and the Company actively manage the 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 and the Company maintain a level of cash and cash equivalents deemed adequate to finance the Group and the Company's activities.

(c) Interest rate risk

Interest rate risk is the Company's 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 and the Company manage the interest rate exposure by closely monitoring the debt market and where necessary, maintaining a prudent mix of fixed and floating rate borrowings. The Group and the Company do 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)

27. DIVIDEND

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

	(Unaudited)		(Audited)
	30 June 2023		31 December 2022
	US\$	KHR'000	US\$
Group			
Recognised during the financial period:			
Dividends on ordinary shares:			
- Phnom Penh SEZ Plc.			
Dividend distribution for year 2020: US\$0.0056 per ordinary share, paid within 27 th January 2022 to 4 th February 2022	-	-	400,645
Dividend distribution for year 2021: US\$0.0106508 per ordinary share, paid within 6 th to 14 th December 2022	-	-	769,048
- Sahas Advisory & Consulting Co., Ltd.			
Dividend for the financial period ended 30 June 2022: US\$4.0312 per ordinary share, paid on 24 June 2022	-	-	12,436
	-	-	<u>1,182,129</u>
Company			
Recognised during the financial period:			
Dividends on ordinary shares:			
- Dividend distribution for year 2020: US\$0.0056 per ordinary share, paid within 27 th January 2022 to 4 th February 2022	-	-	400,645
- Dividend distribution for year 2021: US\$0.0106508 per ordinary share, paid within 6 th to 14 th December 2022	-	-	769,048
	-	-	<u>1,169,693</u>

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.

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. 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

PHNOM PENH SEZ PLC.
(Incorporated in Cambodia)

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

31. SIGNIFICANT EVENT SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Subsequent to the interim financial period ended 30 June 2023, Phnom Penh SEZ Plc. entered into a memorandum and articles of incorporation for 34% ownership in PPSEZ Clinic Co., Ltd., with Mrs. Nath Sereyroth (33%) and Mrs. Yim Sophary (33%). The Management is currently assessing whether to account the transaction as an investment in associate or joint venture, which they expect to conclude before the end of September 2023.

Baker Tilly (Cambodia) Co., Ltd.
Certified Public Accountants
No. 87, Street 294,
Sangkat Boeung Keng Kang 1,
120102, Khan Boeung Keng Kang,
Phnom Penh, Cambodia.

T: +855 23 987 100/
+855 23 987 388

info@bakertilly.com.kh
www.bakertilly.com.kh

Company No. 00006448

REPORT ON 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 (altogether, the "Group") as at 30 June 2023, 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"). Management is 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 audit 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 accompanying 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 August 2023