



THE FOURTH QUARTERLY REPORT

31 DECEMBER 2025

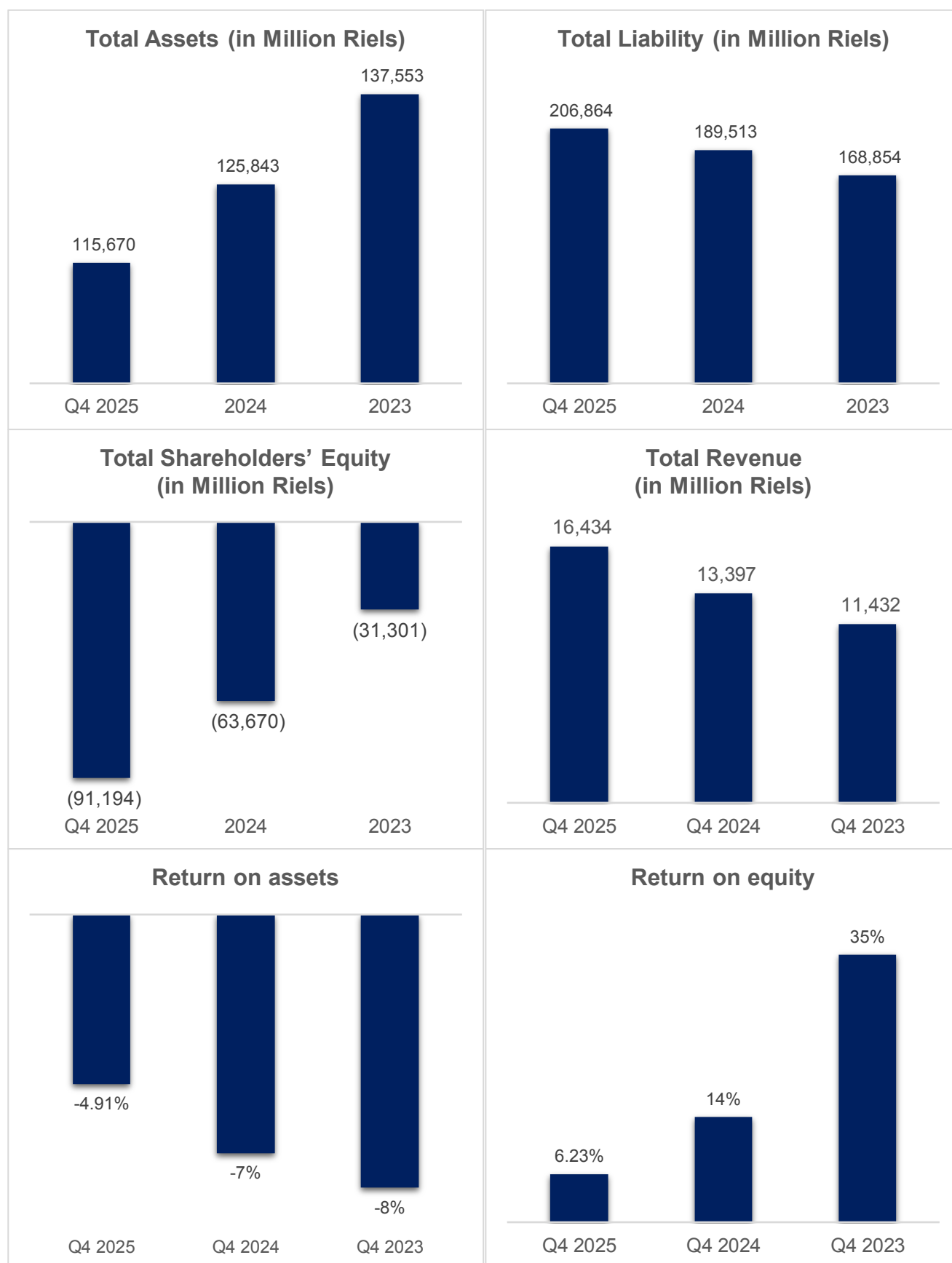
ROYAL RAILWAY PLC.

FINANCIAL HIGHLIGHT

Financial Position (in Million Riels)		Q4 2025	2024	2023
Total Assets		115,670	125,843	137,553
Total Liabilities		206,864	189,513	168,854
Total Shareholders' Equity		(91,194)	(63,670)	(31,301)
Profit/(Loss) (in Million Riels)		Q4 2025	Q4 2024	Q4 2023
Total Revenues		16,434	13,397	11,432
Loss Before Tax		(5,679)	(8,699)	(10,876)
Loss After Tax		(5,679)	(8,699)	(10,876)
Total Comprehensive Loss		(5,676)	(8,660)	(10,786)
Financial Ratios		Q4 2025	2024	2023
Solvency Ratio		-24.25%	-76.99%	-90.81%
Liquidity Coverages Ratio	Quick Ratio	0.07	0.20	0.68
	Current Ratio	0.06	0.20	0.67
Profitability Ratios		Q4 2025	Q4 2024	Q4 2023
Return on assets ¹		-4.91%	-7%	-8%
Return on equity ¹		6.23%	14%	35%
Interest Coverage Ratio		-0.93	-0.72	-0.67
Gross profit margin		-15.84%	-16.17%	-22.48%
Profit margin		-34.56%	-64.93%	-95.14%

¹ The ratios were calculated by using net loss for the three-month period from 1 October 2025 to 31 December 2025

FINANCIAL SUMMARY CHARTS



BOARD OF DIRECTORS



Neak Oknha KITH MENG
Chairman



Mr. Raymond Thornton Yager
Director



Mr. William Mark Hanna
Director



Mr. Paul Clement
Director



Mr. Lun Yeng
Director

MESSAGE FROM CHAIRMAN

It is our pleasure to present the financial performance of Royal Railway PLC. (RR) in the Q4 of 2025, following the requirements of the Securities and Exchange Regulator of Cambodia (SERC).

Cambodia's economy is forecast to grow by 6.1% in 2025 and 6.2% in 2026. This growth is primarily driven by increasing external demand for manufactured goods and continued recovery in tourism. Construction and real estate should revive gradually while agriculture should continue to gain.

Amid the challenging business environment, RR has played its essential part in contributing to sustainable economic development through continuing engaging the new clients for the freight service with very reasonable price to fit with the changed of the economic environment.

On the financial performance side, as of quarter 4 of 2025, total assets were KHR 115,670 million, decrease -8.08% compared to the same quarter of 2024. Total revenue was KHR 16,434 million, an increase of 18.47% compared to the same quarter of 2024.

These results are fueled by the company's successful implementation of its sound business strategy by consistency and discipline on keep repeating until reaching the goal of the company.

The Board and shareholders have confidence that RR's leadership, strategy and people will enable RR to continue its high level of performance for all investors.

On behalf of the Board of Directors, I wish to thank RR's management and staff for their hard work, dynamism and strong dedication to growing the business along with the customers' growth in harmony. I also wish to thank the Board of Directors, shareholders, customers, the Royal Government of Cambodia and especially the Securities and Exchange Regulator of Cambodia (SERC) and Cambodia Securities Exchange (CSX) for their continuous support and advice.

Chairman



Neak Oknha Kith Meng

20 February 2026

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PART 1 - GENERAL INFORMATION OF THE LISTED ENTITY

A. IDENTITY OF THE LISTED ENTITY

Entity name in Khmer	រ៉ូយ៉ាល់ រេលវេ ម.ក.	
In Lantin	Royal Railway Plc.	
Standard code	KH2000191CA4 KH2000192CC8 KH2000193CC6	
Address	Central Railway Station, Russian Federation Boulevard Sangkat Sras Chork, Khan Daun Penh, Phnom Penh Kingdom of Cambodia	
Phone number	+855 23 992 379	
Fax	+855 23 992 353	
Website	royal-railway.com.kh	
Email	admin@trrcambodia.com	
Company registration number	00018504	Date: 06 October 2015
Disclosure document registration number issued by SERC	202/22SERC/SSR	Date: 19 September 2022
	273/22SERC/SSR	Date: 19 December 2022
Representative of the listed entity	Mr. John Guiry	

B. NATURE OF BUSINESS

The Cambodia Railway consists of two lines, the Northern Line and the Southern Line, totaling of 650 kilometers. Northern Line totals length of 386 kilometers from Phnom Penh to Poi Pet (Cambodia-Thailand border). The Southern Line totals length of 264 kilometers.

RR's core service offerings include freight services (fuel, bagged cement, ballast, bulk rice, etc.), bulk fuel transport, containerized freight (garments, automotive, rice, rubber, sugar, etc.), warehousing, customs and excise clearance.

Please refer to below information for the detail revenue of service:

	For the three-month period ended			
	31 December 2025		31 December 2024	
	US\$	KHR'000	US\$	KHR'000
Southern line:				
Rail freight	2,506,654	10,064,216	1,642,382	6,640,149
Train related value-added services	203,630	817,574	211,208	853,914
Passengers' fare	114,667	460,388	146,884	593,852
Transportation	25,624	102,880	22,528	91,081
Other revenue	-	-	-	-
	<u>2,850,575</u>	<u>11,445,058</u>	<u>2,023,002</u>	<u>8,178,996</u>
Northern line:				
Rail freight	848,422	3,406,414	912,082	3,687,548
Passengers' fare	88,165	353,982	32,152	129,991
Train related value-added services	14	58	5,763	23,300
Other revenue	-	-	752	3,040
	<u>936,601</u>	<u>3,760,454</u>	<u>950,749</u>	<u>3,843,879</u>
	<u>3,787,176</u>	<u>15,205,512</u>	<u>2,973,751</u>	<u>12,022,875</u>

C. QUARTER'S KEY EVENTS

There was no key event for Q4 2025.

PART 2 - Information on Business Operation Performance

A. BUSINESS OPERATION PERFORMANCE INCLUDING BUSINESS SEGMENTS INFORMATION

Key Achievement	December 2025	December 2024	December 2023
<i>Freight service in tons</i>			
Ballast	1,806	531	2,814
Cement	-	667	3,872
Container	265,515	193,351	200,085
Diesel	85,492	70,529	59,072
Fertilizer	-	660	3,510
Gasoline	47,472	26,615	20,731
Lime	-	1,500	1,380
Vehicle	-	-	-
Sand	59,650	25,250	-
LPG	26,976	2,804	-
Total gross revenue (In Million Riels)	14,391	11,299	9,456
<i>Passenger service</i>			
Number of passengers	21,055	94,918	45,735
Total gross revenue (In Million Riels)	814	2,553	940

B. REVENUE STRUCTURE

	Quarter 4 2025		Quarter 4 2024		Quarter 4 2023	
	Amount (in Million Riel)	%	Amount (in Million Riel)	%	Amount (in Million Riel)	%
Source of Revenue						
<i>Southern line:</i>						
Rail freight	10,064	61.24%	6,640	49.56%	5,486	47.99%
Train related value-added services	818	4.98%	854	6.37%	693	6.06%
Passengers' fare	460	2.80%	594	4.43%	702	6.14%
Transportation	103	0.63%	91	0.68%	106	0.93%
Other revenue	-	0.00%	-	0.00%	69	0.60%
	<u>11,445</u>	<u>69.64%</u>	<u>8,179</u>	<u>61.05%</u>	<u>7,055</u>	<u>61.72%</u>
<i>Northern line:</i>						
Rail freight	3,406	20.73%	3,688	27.52%	3,078	26.93%
Passengers' fare	354	2.15%	130	0.97%	238	2.08%
Train related value-added services	0	0.00%	23	0.17%	19	0.16%
Other revenue	-	0.00%	3	0.02%	5	0.05%
	<u>3,760</u>	<u>22.88%</u>	<u>3,844</u>	<u>28.69%</u>	<u>3,340</u>	<u>29.22%</u>
<i>Other operating income:</i>						
Warehouse rental income	1,109	6.75%	1,086	8.11%	615	5.38%
Finance income	101	0.62%	250	1.87%	403	3.52%
Others income	18	0.11%	38	0.29%	18	0.16%
	<u>1,228</u>	<u>7.47%</u>	<u>1,375</u>	<u>10.26%</u>	<u>1,036</u>	<u>9.07%</u>
Total revenue	<u>16,434</u>	<u>100.00%</u>	<u>13,397</u>	<u>100.00%</u>	<u>11,432</u>	<u>100.00%</u>

PART 3 - FINANCIAL STATEMENTS REVIEWED BY THE EXTERNAL AUDITOR

Please refer to the annex for interim financial statement reviewed by the independent auditor.

PART 4 - MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

The following discussion and analysis of RR's management team on the operational results and financial situation based on Financial Statement as of 31 December 2025, which is reviewed by FII&ASSOCIATES CO., LTD (Independent Auditors). Financial Statement have been prepared in accordance with Cambodian International Financial Reporting Standard (CIFRS). The management team discussed and analysed only the key component of the Financial Statement and key factors that affect RR's profitability.

A. OVERVIEW OF OPERATIONS

1. REVENUE ANALYSIS

RR generates revenue from the three major sources as follows:

- Rail freight income: freight service provided to customers on both the Northern Line and Southern Line.
- Train related value-added services income: Fee income from lift on lift off containers, customs scanned containers, service on customs clearance document for customers and storage fee.
- Passengers' fare: passenger service on the Southern Line i.e., Phnom Penh to Takeo Province, Kep Station, Kampot station, Sihanoukville station and on the Northern Line from the capital to Pursat station, Battambang station and Poi Pet station.
- Warehousing service/lease income.

2. REVENUE BY SEGMENT ANALYSIS

Source of Revenue	Quarter 4 2025		Quarter 4 2024	
	Amount (in Million Riel)	%	Amount (in Million Riel)	%
<i>Southern line:</i>				
Rail freight	10,064	61.24%	6,640	49.56%
Train related value-added services	818	4.98%	854	6.37%
Passengers' fare	460	2.80%	594	4.43%
Transportation	103	0.63%	91	0.68%
Other revenue	-	0.00%	-	0.00%
	11,445	69.64%	8,179	61.05%
<i>Northern line:</i>				
Rail freight	3,406	20.73%	3,688	27.52%
Passengers' fare	354	2.15%	130	0.97%
Train related value-added services	0	0.00%	23	0.17%
Other revenue	-	0.00%	3	0.02%
	3,760	22.88%	3,844	28.69%
Total revenue	15,206	92.53%	12,023	89.74%

Rail freight income is the main source of income for RR. In the fourth quarter of 2025, rail freight income represents 81.97% of the total revenue. Compared with the prior year in the same period, there is slightly decreased of RR's revenue by segment.

3. GROSS LOSS MARGIN ANALYSIS

Gross Loss margin is not present in the format of the statement of comprehensive income prepared by RR. However, it presents net loss resulting from revenue less cost of sale which is indicated in section 4. Profit / (loss) before tax analysis.

4. PROFIT / (LOSS) BEFORE INCOME TAX ANALYSIS

Statement of Profit or Loss Before Income Tax	Quarter 4 2025 Amount (in Million Riel)	Quarter 4 2024 Amount (in Million Riel)	Variance Amount (in Million Riel)	Variance %
Revenue	15,206	12,023	3,183	26.47%
Cost of services	(17,808)	(14,189)	(3,619)	25.51%
Gross loss	(2,603)	(2,166)	(437)	20.16%
Other operating income	1,127	1,124	2	0.21%
Operating and administrative expense	(1,327)	(2,872)	1,545	-53.81%
Provision for onerous contract expense	-	28	(28)	-100.00%
Provision for impairment losses	128	116	11	9.90%
Minimum tax expense	(163)	(132)	(32)	23.97%
Operating loss	(2,839)	(3,902)	1,063	-27.24%
Finance income	101	250	(149)	-59.53%
Finance costs	(2,942)	(5,048)	2,106	-41.72%
Loss before income tax	(5,679)	(8,699)	3,020	-34.72%

In the fourth quarter of 2025, loss before income tax decreased by KHR 3,020 million equivalents to -34.72% compared to the same period in 2024. This decrease in loss is due to the decrease on operating and administrative expense and provision for impairment losses.

5. PROFIT / (LOSS) AFTER INCOME TAX ANALYSIS

Statement of Profit or Loss After Income Tax	Quarter 4 2025 Amount (in Million Riel)	Quarter 4 2024 Amount (in Million Riel)	Variance Amount (in Million Riel)	Variance %
Loss before income tax	(5,679)	(8,699)	3,020	-34.72%
Income tax expense	-	-	-	0.00%
Net loss for the period	(5,679)	(8,699)	3,020	-34.72%

Tax on income is calculated on taxable loss on tax rate 20%. As RR generated loss before income tax from the past year which have the amount portion for the tax loss carry forwarded for the profit during Q4 2025, the tax on income expense will calculate again during the year ended, hence RR paid only the minimum tax on revenue.

6. TOTAL COMPREHENSIVE INCOME / (LOSS) ANALYSIS

Statement of Comprehensive Loss	Quarter 4 2025 Amount (in Million Riel)	Quarter 4 2024 Amount (in Million Riel)	Variance Amount (in Million Riel)	Variance %
Net loss for the period	(5,679)	(8,699)	3,020	-34.72%
Currency translation differences	3	39	(36)	-92.70%
Total comprehensive loss for the period	(5,676)	(8,660)	2,984	-34.46%

Other comprehensive loss item consisting of only translation difference resulting from assets and liabilities are translated at the closing rate as at the statement of financial position date whereas the items in the statements of comprehensive loss and cash flows are translated into KHR using the average rate for the period while share capital is translated at the historical rate of KHR 4,000 per USD 1.

7. FACTORS AND TRENDS ANALYSIS AFFECTING FINANCIAL CONDITIONS AND RESULTS

The financial performance of the Company slightly improves due to the decrease of Operating and administrative expense as well as the reversal on impairment loss.

B. SIGNIFICANT FACTORS AFFECTING PROFIT

1. DEMAND AND SUPPLY CONDITIONS ANALYSIS

RR is the only rail transport service provider in Cambodia, offering a wide range of commodities transportation across the country with safety and efficiency as railway is able to carry the products in large volume compared with road transport, fully secured by insurance and directly accessible into the Port of Sihanoukville.

RR is continuously updating and expanding its line of products and services to meet the satisfaction of its customers. RR is investing heavily in locomotive and railway improvement of freight and services to increase accessibility, convenience, ease of use, and to allow customers to trust in its services.

2. FLUCTUATIONS IN PRICES OF RAW MATERIALS ANALYSIS

RR is a railway operator providing freight service transportation, therefore the analysis of fluctuations in prices of raw material is not applicable to the Company.

3. TAX ANALYSIS

RR is obliged to pay taxes and excises to the state under the existing laws of Cambodia. RR is a large taxpayer and is required to pay tax under the real regime tax system as set forth by the General Department of Taxation. Tax expenses include current tax and deferred tax. Tax expenses are recorded in the statement of comprehensive income.

4. EXCEPTIONAL AND EXTRAORDINARY ITEMS ANALYSIS

At the date of this report, management is not aware of any exceptional and extraordinary items, transaction or event of a material and unusual nature accruing that may significantly impact the financial statement of the Company.

C. MATERIAL CHANGES IN SALES AND REVENUE

In quarter 4 of 2025, RR earned total revenue around KHR 16,434 million, a slight increase of 18.47% compared to the same period prior year. Net loss around KHR 5,679 million decrease -53.18% compare to the same quarter at prior year.

D. IMPACT OF FOREIGN EXCHANGE, INTEREST RATES AND COMMODITY PRICES

1. FOREIGN EXCHANGE RISK

The Company is exposed to foreign exchange risk arising from purchases and transactions that are denominated in a currency other than the Company's functional currency, which is Khmer Riel (KHR).

The currency that gives rise to the foreign exchange risk to the Company is primarily United States of Dollar (US\$) from borrowings and transactions with related parties and payment of operating expenses. The Company does not hedge its foreign currency exposure. To manage its foreign currency exposure, the Company's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary.

2. INTEREST RATE RISK

The Company does not account for any fixed-rate financial assets at fair value through profit or loss, and the Company does not have derivatives at the reporting date. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

E. IMPACT OF INFLATION

- Inflation is very important for RR because fuel is one of the main cost of services.
- Cambodia's economy is expected to grow around 6.2% in 2026.
- In 2025 Cambodia's unemployment rate is projected to trend around 0.53%
- GDP of Cambodia for 2025 will increase to 6.1% and 6.2% in 2026 (ADO April 2025)
- Cambodia's inflation rates forecasted at 3.7% in 2025 and 2.4% in 2026 (ADO April 2025)

F. ECONOMIC, FISCAL AND MONETARY POLICY OF ROYAL GOVERNMENT

- Cambodia prioritised strengthening budget efficiency.
- Reforms of tax administration, increasing additional revenue through the strengthening of tax policies.
- Strengthening basic diversification of income collection to ensure sustainability in public finance and boost economic recovery.

PART 5 - OTHER NECESSARY INFORMATION FOR INVESTOR PROTECTION

GuarantCo has a strong credit due to the following reasons:

- a) GuarantCo has a track record of periodic equity injections provided by its owners.
- b) GuarantCo is part of PIDG, with over USD 2.4 billion of total funding.
- c) GuarantCo has no debt on its balance sheet.
- d) The Board allows for leverage up to 3 times equity and callable capital.
- e) Moody's and Fitch are both comfortable with the GuarantCo Board's leverage definition and threshold.

GuarantCo has been assigned credit ratings of:

Rating	Credit rating agent	Date
AA-	FitchRatings	May 2022
A1	Moody's	June 2022
AAA	Parcra	June 2022
AAA	Bloomfield Investment	September 2021

Guaranteed by GuarantCo . Pursuant to and subject to the terms of the Deed of Guarantee (as defined below and a form of which is attached as Annex B hereto), the Guarantor unconditionally and irrevocably:

- guarantees to the Bondholders' Representative, acting on behalf of the Bondholders, the full and complete payment by the Issuer of the Guaranteed Amount;
- undertakes to indemnify Bondholders' Representative, acting on behalf of the Bondholders, on demand, against any loss in respect of the Guaranteed Amount suffered by the Bondholders' Representative, acting on behalf of the Bondholders, if any obligation guaranteed by the Guarantor is or becomes unenforceable, invalid or illegal for any reason (whether or not the Guarantor or the Bondholders' Representative, acting on behalf of the Bondholders, was aware of it); the amount of such loss being the amount which the Bondholders' Representative, acting on behalf of the Bondholders, would otherwise have been entitled to recover under paragraph 2 (a) of the Deed of Guarantee; and provided, for the avoidance of doubt, that any such the amount payable by the Guarantor shall not exceed the Maximum Guarantee Amount to the extent applicable; and (as each term is defined in the Deed of Guarantee) subject to the terms of the Deed of Guarantee, including that a Notice of Payment Demand (as defined in the Deed of Guarantee) in respect of such amounts is made to the Guarantor pursuant to the Deed of Guarantee.

Signature of Directors of the Listed Entity

20 February 2026

Seen and Agreed

A handwritten signature in blue ink is written over a circular blue stamp. The stamp contains the text "ព្រះរាជាណាចក្រកម្ពុជា" (Kingdom of Cambodia) at the top, "ក្រុមហ៊ុន" (Company) in the middle, "រ៉ែល-អេស៊ី ម.ក." (Royal Railway PLC.) below it, and "ROYAL RAILWAY PLC." and "KINGDOM OF CAMBODIA" at the bottom.

Neak Oknha Kith Meng

Chairman