ROYAL RAILWAY PLC.

Condensed Interim Financial Statements
for the three-month and twelve-month
periods ended 31 December 2025
and
Independent Auditors' Report on Review of
Condensed Interim Financial Statements

Corporate information

Company	Royal Railway Plc.	
Registration No.	00018504	
Registered office	Central Railway Station, Russian Federation Boulevard Sangkat Sras Chork, Khan Daun Penh, Phnom Penh Kingdom of Cambodia	
Shareholders	Inter Logistics (Cambodia) Co., Ltd. Neak Oknha Kith Meng	
Board of Directors	Neak Oknha Kith Meng	Chairman
	Mr. Raymond Thornton Yager	Director
	Mr. William Mark Hanna	Director
	Mr. Paul Clements	Director
	Mr. Lun Yeng	Independent Director
Management team	Mr. John Guiry	Chief Executive Officer
	Ms. Tauch Sothyda	Commercial Director
	Mr. Dy Chetra	Chief Financial Officer
Audit and Risk Committee	Mr. Lun Yeng	Chairman
	Mr. Paul Clements	Director
	Mr. William Mark Hanna	Director
Nomination and Remuneration Committee	Mr. William Mark Hanna	Chairman
	Mr. Paul Clements	Director
	Mr. Raymond Thornton Yager	Director
Principal banker	Wing Bank (Cambodia) Plc	
Auditors	Fii&Associates Co., Ltd.	

Royal Railway Plc.

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ROYAL RAILWAY PLC.
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Report of the Board of Directors

The Board of Directors ("the Directors") of Royal Railway Plc. ("the Company") hereby presents its report and the Company's condensed interim financial statements for the three-month and twelve-month periods ended 31 December 2025.

Principal activities

The Company is principally engaged in operating railway services including, inter alia, railway freight and passenger services, the provision of substitute transportation by other modes in the event transport by rail is impractical, and the maintenance of railway infrastructure and equipment.

Financial results

The financial results of the Company for the three-month and twelve-month periods ended 31 December 2025 were disclosed in the condensed interim statements of profit or loss and other comprehensive income. Refer to pages 9 and 10.

Dividends

No dividend was declared nor paid during the periods and the Directors do not recommend any dividends to be paid as at the reporting date.

Share capital

There was no shareholding structure changes during the periods ended.

Reserves and provisions

There were no material movements to or from reserves and provisions during the periods other than those disclosed in the condensed interim financial statements.

Expected credit losses on trade and other receivables

Before the condensed interim financial statements of the Company were drawn up, the Directors took reasonable steps to ascertain that action had been taken and satisfied themselves that all known bad trade and other receivables had been written off and that adequate provision for expected credit losses on trade and other receivables had been made.

At the date of this report, the Directors are not aware of any circumstances which would render the amount written off for bad trade and other receivables or the amount of the provision for bad and doubtful trade and other receivables in the condensed interim financial statements of the Company inadequate to any material extent.

Royal Railway Plc.

Assets

Before the condensed interim financial statements of the Company were prepared, the Directors took reasonable steps to ensure that any assets, other than debts, which were unlikely to be realised in the ordinary course of business at their value as shown in the accounting records of the Company had been written down to an amount which they are expected to be realised.

At the date of this report, the Directors are not aware of any circumstances, which would render the values attributed to the assets in the condensed interim financial statements of the Company to be misleading.

Valuation methods

At the date of this report, the Directors are not aware of any circumstances which have arisen which render adherence to the existing method of valuation of assets and liabilities in the condensed interim financial statements of the Company as misleading or inappropriate.

Contingent and other liabilities

At the date of this report, there is:

- No change on the assets of the Company which has arisen since the end of the financial periods which secures the liabilities of any other person; and
- Except as disclosed in Note 29 to the condensed interim financial statements, no other contingent liability in respect of the Company that has arisen since the end of the financial periods other than those in the ordinary course of business.

No contingent or other liability of the Company has become enforceable, or is likely to become enforceable within the periods after the end of the reporting periods which, in the opinion of the Directors, will or may have a material effect on the ability of the Company to meet its obligations as and when they become due.

Change of circumstances

At the date of this report, the Directors are not aware of any circumstances, not otherwise dealt with in this report or the condensed interim financial statements of the Company, which would render any amount stated in the condensed interim financial statements to be misleading.

The results of the operations of the Company for the reporting periods was not, in the opinion of the Directors, substantially affected by any item, transaction or event of a material and unusual nature.

Nothing has arisen during in the interval between the end of the reporting periods and the date of this report, any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect substantially the results of the operations of the Company for the current reporting periods in which this report is made.

Royal Railway Plc.

Event during and since the reporting date

Since 30 June 2024 to the present, the Company has not been able to comply with four covenants including the Debt Service Coverage Ratio, Operating Ratio, Debt to EBITDA Ratio and Total Debt to Total Asset Ratio under the bond guarantee agreement. Refer to Note 15.

The Company communicated the non-compliance status to GuarantCo Ltd ("the Guarantor") on 3 October 2025 and updated its financial forecast model in accordance with the requirements of the Guarantor. On 13 January 2026, the Guarantor waived the non-compliance with the covenants as at 30 June 2025, pursuant to the Company's waiver request dated 4 July 2025. Furthermore, the Company is in the process of submitting another waiver request letter to the Guarantor for the breached financial covenants as at 31 December 2025 and have not yet finalised as of the date of these condensed interim financial statements.

Items of unusual nature

The results of the operations of the Company for the financial periods were not, in the opinion of the Board of Directors, substantially affected by any item, transaction or event of a material and unusual nature.

The Board of Directors

The members of Board of the Directors during the periods and at the date of this report are:

Neak Oknha Kith Meng	Chairman
Mr. Raymond Thornton Yager	Director
Mr. William Mark Hanna	Director
Mr. Paul Clements	Director
Mr. Lun Yeng	Independent Director

Directors' interests

Except for Neak Oknha Kith Meng, the Chairman, who directly and indirectly holds shares of the Company through Inter Logistics (Cambodia) Co., Ltd., none of the other Directors held or dealt directly in the shares of the Company during the financial periods.

Directors' benefit

During and at the end of the financial periods, no arrangements existed to which the Company is a party with the objective of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other corporate body.

During the financial periods, no Director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the Directors as disclosed in the condensed interim financial statements) by reason of a contract made by the Company or a related corporation with a firm of which the Director is a member, or with a Company in which the Directors have a substantial financial interest other than as disclosed in the condensed interim financial statements.

Royal Railway Plc.

Directors' responsibility in respect of the condensed interim financial statements

The Directors are responsible for ensuring that the condensed interim financial statements of the Company as at 31 December 2025, and for the three-month and twelve-month periods then ended, as set out on pages 7 to 49, are prepared, in all material respects, in accordance with Cambodian International Accounting Standard 34, *Interim Financial Reporting ("CIAS 34")*. The Directors oversee the preparation of these condensed interim financial statements by management who is required to:

- Adopt appropriate accounting policies which are supported by reasonable and prudent judgments and estimates and then apply them consistently;
- Comply with the disclosure requirements and guidelines issued by CIAS 34 or, if there has been any departure in the interest of fair presentation, ensure this has been appropriately disclosed, explained and quantified in the condensed interim financial statements;
- Oversee the Company's financial reporting process and maintain adequate accounting records and an effective system of internal controls;
- Assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operation, or has no realistic alternative but to do so; and
- Set overall policies for the Company, ratify all decisions and actions by management that have a material effect on the operations and performance of the Company, and ensure they have been properly reflected in the condensed interim financial statements.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the condensed interim statement of financial position of the Company and to ensure that the accounting records comply with the registered accounting system. It is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that the management has complied with the above requirements in preparing the condensed interim financial statements.

Approval of the condensed interim financial statements

I, on behalf of the Board of Directors of Royal Railway Plc., hereby approve the accompanying condensed interim financial statements, together with the notes thereto, which are prepared, in all material respects, in accordance with CIAS 34, *"Interim Financial Reporting"*.

Signed in accordance with a resolution of the Board of Directors,

ROYAL RAILWAY PLC.
KINGDOM OF CAMBODIA

Neak Oknha Kith Meng
Chairman

Phnom Penh, Kingdom of Cambodia

20 February 2026

The Independent Auditors' Report on Review of Condensed Interim Financial Statements To the Shareholders of Royal Railway Plc.

Introduction

We have reviewed the accompanying condensed interim financial statements of Royal Railway Plc. ("the Company"), as set out on pages 7 to 49 (hereafter referred to as "the condensed interim financial statements") which comprise:

- the condensed interim statement of financial position as at 31 December 2025;
- the condensed interim statements of profit or loss and other comprehensive income for the three-month and twelve-month periods ended 31 December 2025;
- the condensed interim statement of changes in equity for the twelve-month periods ended 31 December 2025;
- the condensed interim statement of cash flows for the twelve-month periods ended 31 December 2025; and
- other explanatory notes to the condensed interim financial statements.

Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with Cambodian International Accounting Standard 34, *"Interim Financial Reporting"*. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Other Matter

The financial statements of the Company as at 31 December 2024 were audited by another auditors who expressed an unmodified opinion on those financial statements on 23 March 2025. We also draw attention to the fact that the comparative information for the three-month periods ended 31 December 2024 were not audited but were reviewed by the same auditors who issued unmodified review conclusion on the condensed interim financial statements on 14 February 2025.

Scope of Review

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

The Independent Auditors' Report on Review of Condensed Interim Financial Statements (continued) To the Shareholders of Royal Railway Plc.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements, are not prepared, in all material respects, in accordance with Cambodian International Accounting Standard 34, *"Interim Financial Reporting"*.

Emphasis of Matter

We draw attention to Note 29.1 to the condensed interim financial statements which describes that there are provisions in the existing Concession Agreement specifying concession fees to be paid by the Company to the Government of the Kingdom of Cambodia ("GKC") for the use of the conceded assets from the effective date of the Concession Agreement. The Company's management has performed an assessment of its obligations under the existing Concession Agreement and believes that the obligation to pay the concession fee under the agreement has not yet become effective. The Company's management is continuing its negotiation with the GKC on the new amended Concession Agreement. The Company's management believes the amounts and timing of any economic benefit outflows could not be estimated reliably due to the effective date of the agreement has not been determined as of the reporting date. The ultimate outcome of this matter is uncertain and, accordingly, no provision for any liability has been made in the condensed interim financial statements. Our review conclusion is not modified in respect of this matter.

For **Fii&Associates Co., Ltd.**

Fii&Associates Co.,Ltd

Seng Chanthan
Audit Partner

Phnom Penh, Kingdom of Cambodia
20 February 2026

Royal Railway Plc.

Condensed interim statement of financial position as at 31 December 2025

	Note	31 December 2025 US$	31 December 2025 KHR'000 (Note 4)	31 December 2024 US$	31 December 2024 KHR'000 (Note 4)
ASSETS					
Current assets					
Cash and bank balances	5	1,458,250	5,851,956	4,726,176	19,022,858
Trade and other receivables	6	1,097,746	4,405,255	2,427,248	9,769,673
Inventories	7	139,101	558,212	94,926	382,077
		2,695,097	10,815,423	7,248,350	29,174,608
Non-current assets					
Bank balances	5	3,785,587	15,191,561	4,153,643	16,718,413
Other receivables	8	1,957,595	7,855,829	1,583,398	6,373,177
Property and equipment	9	19,429,249	77,969,576	17,234,796	69,370,054
Intangible assets	10	223,746	897,893	239,741	964,958
Investment properties	11	89,103	357,570	81,629	328,557
Right-of-use assets	12	643,421	2,582,048	723,848	2,913,488
		26,128,701	104,854,477	24,017,055	96,668,647
TOTAL ASSETS		28,823,798	115,669,900	31,265,405	125,843,255
LIABILITIES AND EQUITY					
LIABILITIES					
Current liabilities					
Trade and other payables	13	4,659,089	18,696,924	3,447,482	13,876,115
Borrowings	14	13,983,392	56,115,352	6,800,576	27,372,318
Debt securities	15	21,333,701	85,612,142	24,987,523	100,574,780
Employee benefit liabilities	16	143,846	577,254	115,213	463,732
Minimum tax liability	24(b)	13,616	54,641	12,021	48,385
Lease liabilities	17	46,628	187,118	37,589	151,296
		40,180,272	161,243,431	35,400,404	142,486,626
Non-current liabilities					
Debt securities	15	9,809,327	39,364,829	9,809,327	39,482,541
Borrowings	14	607,454	2,437,713	858,218	3,454,327
Provision on onerous contract		9,687	38,874	8,427	33,919
Employee benefit liabilities	16	30,614	122,854	42,191	169,819
Lease liabilities	17	690,493	2,770,948	737,122	2,966,916
Other payables	18	220,713	885,721	228,373	919,201
		11,368,288	45,620,939	11,683,658	47,026,723
TOTAL LIABILITIES		51,548,560	206,864,370	47,084,062	189,513,349

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Condensed interim statement of financial position (continued) as at 31 December 2025

	Note	31 December 2025 US$	31 December 2025 KHR'000 (Note 4)	31 December 2024 US$	31 December 2024 KHR'000 (Note 4)
EQUITY					
Share capital	19	13,020,930	52,083,720	13,020,930	52,083,720
Accumulated losses		(35,745,692)	(145,286,133)	(28,839,587)	(117,585,747)
Currency translation reserves		-	2,007,943	-	1,831,933
		(22,724,762)	(91,194,470)	(15,818,657)	(63,670,094)
TOTAL LIABILITIES AND EQUITY		28,823,798	115,669,900	31,265,405	125,843,255

The accompanying notes form an integral part of these condensed interim financial statements.

Royal Railway Plc.

Condensed interim statement of profit or loss and other comprehensive income for the twelve-month period ended 31 December 2025

	Note	For the twelve-month period ended 31 December 2025 US$	31 December 2025 KHR'000 (Note 4)	31 December 2024 US$	31 December 2024 KHR'000 (Note 4)
Revenue	20	13,814,708	55,410,794	11,286,614	45,947,806
Cost of services	21	(17,355,115)	(69,611,366)	(13,605,458)	(55,387,820)
Gross loss		(3,540,407)	(14,200,572)	(2,318,844)	(9,440,014)
Other operating income	22	1,081,639	4,338,454	1,165,691	4,745,528
Operating and administrative expenses	23	(1,116,676)	(4,478,987)	(2,653,745)	(10,803,396)
(Allowance for) / reversal of onerous contract expense		(1,260)	(5,054)	43,881	178,640
Reversal of impairment losses	5,6	14,173	56,848	67,609	275,236
Minimum tax expense	25(c)	(149,123)	(598,132)	(124,802)	(508,069)
Operating loss		(3,711,654)	(14,887,443)	(3,820,210)	(15,552,075)
Finance costs – net	26	(3,194,451)	(12,812,943)	(4,336,061)	(17,652,105)
Loss before income tax		(6,906,105)	(27,700,386)	(8,156,271)	(33,204,180)
Income tax expense	25(c)	-	-	-	-
Net loss for the period		(6,906,105)	(27,700,386)	(8,156,271)	(33,204,180)
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Currency translation differences		-	176,010	-	834,933
Total comprehensive loss for the period		(6,906,105)	(27,524,376)	(8,156,271)	(32,369,247)

Royal Railway Plc.

Condensed interim statement of profit or loss and other comprehensive income for the three-month period ended 31 December 2025

		For the three-month period ended			
		31 December 2025		31 December 2024	
	Note	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)
Revenue	20	3,787,176	15,205,512	2,973,751	12,022,875
Cost of services	21	(4,435,489)	(17,808,488)	(3,509,535)	(14,189,050)
Gross loss		(648,313)	(2,602,976)	(535,784)	(2,166,175)
Other operating income	22	280,641	1,126,774	278,101	1,124,362
Operating and administrative expenses	23	(330,419)	(1,326,632)	(710,336)	(2,871,888)
Reversal for onerous contract expenses		-	-	6,868	27,767
(Allowance for) / reversal of impairment losses	5,6	31,770	127,557	28,708	116,066
Minimum tax expense	25(c)	(40,691)	(163,374)	(32,595)	(131,782)
Operating loss		(707,012)	(2,838,651)	(965,038)	(3,901,650)
Finance costs – net	26	(707,443)	(2,840,384)	(1,186,591)	(4,797,388)
Loss before income tax		(1,414,455)	(5,679,035)	(2,151,629)	(8,699,038)
Income tax expense	25(c)	-	-	-	-
Net loss for the period		(1,414,455)	(5,679,035)	(2,151,629)	(8,699,038)
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Currency translation differences		-	2,827	-	38,731
Total comprehensive loss for the period		(1,414,455)	(5,676,208)	(2,151,629)	(8,660,307)

The accompanying notes form an integral part of these condensed interim financial statements.

Royal Railway Plc.

Condensed interim statement of changes in equity
for the twelve-month period ended 31 December 2025

	Share capital		Accumulated losses		Currency translation reserves		Total	
	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)
Balance at 1 January 2025	13,020,930	52,083,720	(28,839,587)	(117,585,747)	-	1,831,933	(15,818,657)	(63,670,094)
Total comprehensive (loss)/income								
Net loss for the period	-	-	(6,906,105)	(27,700,386)	-	-	(6,906,105)	(27,700,386)
Currency translation differences	-	-	-	-	-	176,010	-	176,010
	-	-	(6,906,105)	(27,700,386)	-	176,010	(6,906,105)	(27,524,376)
Balance at 31 December 2025	13,020,930	52,083,720	(35,745,692)	(145,286,133)	-	2,007,943	(22,724,762)	(91,194,470)
Balance at 1 January 2024	13,020,930	52,083,720	(20,683,316)	(84,381,567)	-	997,000	(7,662,386)	(31,300,847)
Total comprehensive (loss)/income								
Net loss for the period	-	-	(8,156,271)	(33,204,180)	-	-	(8,156,271)	(33,204,180)
Currency translation differences	-	-	-	-	-	834,933	-	834,933
	-	-	(8,156,271)	(33,204,180)	-	834,933	(8,156,271)	(32,369,247)
Balance at 31 December 2024	13,020,930	52,083,720	(28,839,587)	(117,585,747)	-	1,831,933	(15,818,657)	(63,670,094)

The accompanying notes form an integral part of these condensed interim financial statements.

Royal Railway Plc.

Condensed interim statement of cash flows
for the twelve-month period ended 31 December 2025

	For the twelve-month period ended			
	31 December 2025		31 December 2024	
	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)
Cash flows from operating activities				
Net loss for the period	(6,906,105)	(27,700,386)	(8,156,271)	(33,204,180)
Adjustments for:				
Depreciation and amortisation	3,366,021	13,501,110	2,326,339	9,470,526
Interest expense	3,300,639	13,238,863	4,663,827	18,986,440
Employee benefit	253,929	1,018,509	210,332	856,262
Property and equipment written off	4,967	19,923	418	1,702
Minimum tax expense	149,123	598,132	124,802	508,069
Interest income	(106,188)	(425,920)	(327,766)	(1,334,335)
Allowance for /(reversal) of onerous contract expense	1,260	5,054	(43,881)	(178,640)
Reversal of impairment loss	(14,173)	(56,848)	(67,609)	(275,236)
	49,473	198,437	(1,269,809)	(5,169,392)
Changes in:				
Trade and other receivables	1,315,472	5,276,358	458,070	1,864,803
Inventories	(44,175)	(177,186)	59,676	242,941
Trade and other payables	1,211,607	4,859,756	744,975	3,032,793
Other receivables	(374,197)	(1,500,904)	(1,583,398)	(6,446,013)
Other payables	(7,660)	(30,724)	228,373	929,706
Cash generated from/(used in) operations	2,150,520	8,625,737	(1,362,113)	(5,545,162)
Interest paid	(2,815,587)	(11,293,319)	(3,586,054)	(14,598,826)
Payments of employee benefits	(236,873)	(950,098)	(199,817)	(813,455)
Minimum tax paid	(147,528)	(591,735)	(121,944)	(496,434)
Net cash used in operating activities	(1,049,468)	(4,209,415)	(5,269,928)	(21,453,877)
Cash flows from investing activities				
Interest received	474,244	1,902,193	132,973	541,333
Acquisition of property and equipment	(5,455,452)	(21,881,818)	(10,628,551)	(43,268,831)
Acquisition of intangible asset	-	-	(5,648)	(22,993)
Acquisition of investment properties	(21,041)	(84,395)	(8,604)	(35,027)
Net cash used in investing activities	(5,002,249)	(20,064,020)	(10,509,830)	(42,785,518)

Royal Railway Plc.

Condensed interim statement of cash flows (continued)
for the twelve-month period ended 31 December 2025

	For the twelve-month period ended			
	31 December 2025		31 December 2024	
	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)
Cash flows from financing activities				
Proceeds from borrowings	7,109,896	28,517,793	3,233,054	13,161,763
Repayments of borrowings	(229,098)	(918,912)	(208,989)	(850,794)
Repayments of debt securities	(4,020,209)	(16,125,058)	-	-
Payment of lease liabilities	(105,001)	(421,159)	(100,000)	(407,100)
Net cash generated from financing activities	2,755,588	11,052,664	2,924,065	11,903,869
Net decrease in cash and cash equivalents	(3,296,129)	(13,220,771)	(12,855,693)	(52,335,526)
Cash and cash equivalents at beginning of the period	4,794,130	19,296,373	17,649,823	72,099,527
Currency translation differences	-	(64,125)	-	(467,628)
Cash and cash equivalents at end of the period (Note 5)	1,498,001	6,011,477	4,794,130	19,296,373

The accompanying notes form an integral part of these condensed interim financial statements.

These notes form an integral part of and should be read in conjunction with the accompanying condensed interim financial statements.

1. Reporting Entity

Royal Railway Plc. ("the Company") is a public limited liability company incorporated in the Kingdom of Cambodia. The Company was originally established under the Registration No. Co. 2874/06E dated 6 April 2006 issued by the Ministry of Commerce ("MOC"). Subsequently, the Company has received the approval from the Council for the Development of Cambodia ("CDC") to be a Qualified Investment Project ("QIP") with a new Registration No. Inv. 0643KH/2014 dated 6 October 2015. On 25 August 2016, the Company obtained a new registration No. 00018504 from the MOC.

The Company operates in railway services under a Railway Concession Agreement ("the Concession Agreement") signed with the Government of the Kingdom of Cambodia ("GKC"), represented by the Ministry of Public Works and Transport ("MPWT") in the Kingdom of Cambodia for a period of 30 years over the specific concession assets as stipulated in the Concession Agreement. However, the effective date of the Concession Agreement has yet to be officially determined due to the condition precedent to the effective date has yet to be fully met. As of the date of these condensed interim financial statements, the Company is still working with the GKC for a new amended Railway Concession Agreement.

The Company's shares of 98.9999% are owned by Inter Logistics (Cambodia) Co., Ltd, and the remaining 1.0001% owned by Neak Oknha Kith Meng.

The address of its registered office is at Central Railway Station, Russian Federation Boulevard, Sangkat Sras Chork, Khan Daun Penh, Phnom Penh, Kingdom of Cambodia.

As at 31 December 2025, the Company had 1,054 employees (31 December 2024: 964 employees).

2. Basis of preparation

(a) Statement of compliance

These condensed interim financial statements have been prepared in accordance with Cambodian International Accounting Standard ("CIAS") 34, "Interim Financial Reporting". They do not include all the information required for a complete set of Cambodian International Financial Reporting Standard ("CIFRS") financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to the understanding of the changes in the Company's financial position and financial performances since the last annual financial statements as at and for the year ended 31 December 2024.

These condensed interim financial statements were authorised for issue by the Company's Board of Directors on 20 February 2026.

2. Basis of preparation (continued)

(b) Material accounting policies

The accounting policies applied in these condensed interim financial statements are the same as those applied in the Company's annual financial statements as at and for the year ended 31 December 2024.

(c) Going concern assumption

During the twelve-month period ended 31 December 2025, the Company generated a net loss of US$6,906,105 and for the three-month period ended of US$1,414,455 (twelve-month period ended 31 December 2024: US$8,156,271 /three-month period ended 31 December 2024: US$2,151,629) and as at 31 December 2025, the Company had net current liabilities of US$37,485,175 (31 December 2024: net current liabilities of US$28,152,054) and accumulated losses of US$35,745,692 (31 December 2024: US$28,839,587). Additionally, the Company breached the financial covenants as required under the 2nd corporate bond (Note 15).

The validity of the going concern assumption fundamentally depends on the ultimate shareholder's continuing to provide financial assistance that is necessary to meet its liabilities as and when they fall due and to maintain the Company in existence as a going concern for the foreseeable future. In addition, the validity may also be dependent on the acceleration and successful conclusion of the concession agreement between the GKC represented by the MPWT and the Company.

At the date of these condensed interim financial statements, the ultimate shareholder has confirmed that he will continue to provide sufficient financial support to the Company. The Company will also continue to work closely with the GKC to reach a conclusion on the concession agreement in due course.

Based on these factors, management has a reasonable expectation that the Company will have adequate resources to continue operations for the foreseeable future.

(d) Use of estimates and judgements

In preparing these condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

3. Functional and presentation currency

The national currency of Cambodia is the Khmer Riel ("KHR"). However, as the Company transacts and maintains its accounting records primarily in United States Dollars ("US$"), management have determined the US$ to be the Company's functional and presentation currency as it reflects the economic substance of the underlying events and circumstances of the Company.

The condensed interim financial statements are presented in US$, which is the Company's functional currency. All amounts have been rounded to the nearest dollars, unless otherwise indicated.

4. Translation of United States Dollars into Khmer Riel

The condensed interim financial statements have been presented in the US$. The translations of the condensed interim financial statements are expressed in US$ which is the Company's functional currency. The translations of US$ amount into KHR meets the presentation requirements pursuant to Law on Accounting and Auditing and has been done in compliance with CIAS 21 – *The Effects of Changes in Foreign Exchange Rates*.

Assets and liabilities are translated at the closing rate as at the reporting date and share capital and other equity accounts are translated at the historical rate. The statements of profit or loss and other comprehensive income and cash flows are translated into KHR using the average rate for the reporting periods, which have been deemed to approximate the exchange rates at the date of transaction as exchange rates have not fluctuated significantly during the periods. Exchange differences arising from the translation are recognised as "Currency Translation differences" in the other comprehensive income.

The Company uses the following exchange rates:

Period end		**Closing rate**	**Average rate three-month**	**Average-rate twelve-month**
31 December 2025	US$1=	KHR4,013	KHR4,015	KHR 4,011
31 December 2024	US$1=	KHR4,025	KHR4,043	KHR4,071

These convenience translations should not be construed as representations that the US$ amounts have been, could have been, or could in the future be, converted into KHR at this or any other rate of exchange.

5. Cash and bank balances

	31 December 2025 US$	31 December 2025 KHR'000 (Note 4)	31 December 2024 US$	31 December 2024 KHR'000 (Note 4)
Current				
Cash on hand	3,490	14,004	3,310	13,322
Cash at banks (*)	1,494,511	5,997,473	4,790,820	19,283,051
Total cash and bank balances	1,498,001	6,011,477	4,794,130	19,296,373
Less: Allowance for impairment losses	(39,751)	(159,521)	(67,954)	(273,515)
	1,458,250	5,851,956	4,726,176	19,022,858
Non-current				
Cash at banks:				
Debt Service Reserve Account ("DSRA") (**)	3,434,392	13,782,215	3,768,312	15,167,456
Guarantee Fee Reserve Account ("GFRA") (**)	351,195	1,409,346	385,331	1,550,957
Total bank balances	3,785,587	15,191,561	4,153,643	16,718,413

(*) Included in the cash at banks balance is the Bond Proceeds Account for which the Company will be able to withdraw amounts from the Bond Proceeds Account, following submission of written requests for specific capital expenditure and to be validated by GuarantCo Ltd ("the Guarantor"). As at 31 December 2025, the remaining amounts in the account were US$715,193 (31 December 2024: US$3,789,241).

(**) Debt Service Reserve Account and Guarantee Fee Reserve Account are reserve accounts specifically set aside to make debt payments and guarantee fee payments in the event of a disruption of cash flows (i.e., default event) for the bonds payable and is held at ACLEDA Bank Plc. which earns annual interest rate of 2.00% (31 December 2024: 5.00%) and must be kept as minimum balance for the rest of the bonds' terms.

For purpose of preparing the condensed interim statement of cash flows, cash and cash equivalents comprise the following:

	31 December 2025 US$	31 December 2025 KHR'000 (Note 4)	31 December 2024 US$	31 December 2024 KHR'000 (Note 4)
Cash on hand	3,490	14,004	3,310	13,322
Cash at banks (current portion)	1,494,511	5,997,473	4,790,820	19,283,051
Cash and cash equivalents	1,498,001	6,011,477	4,794,130	19,296,373

5. Cash and bank balances (continued)

The movement of allowance for impairment losses for bank balances during the periods were as follows:

	For the twelve-month period ended				For the three-month period ended			
	31 December 2025		31 December 2024		31 December 2025		31 December 2024	
	US$	US$	US$	US$	US$	US$	US$	US$
Balance at beginning of the period	(67,954)	(273,515)	(163,995)	(669,919)	(47,915)	(192,139)	(115,172)	(467,713)
Recognised in profit or loss	28,203	113,122	96,041	390,983	8,164	32,778	47,218	190,902
Currency translation differences	-	872	-	5,421	-	(160)	-	3,296
Balance at end of the period	(39,751)	(159,521)	(67,954)	(273,515)	(39,751)	(159,521)	(67,954)	(273,515)

6. Trade and other receivables

	31 December 2025		31 December 2024	
	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)
Trade receivables	944,964	3,792,141	798,282	3,213,085
Less: Allowance for impairment losses	(208,522)	(836,799)	(194,492)	(782,830)
	736,442	2,955,342	603,790	2,430,255
Advance to suppliers	29,286	117,525	1,740,428	7,005,223
Amount due from related parties (Note 27)	68,824	276,191	29,094	117,103
Financial assets measured at amortised cost	834,552	3,349,058	2,373,312	9,552,581
Deposits	10,326	41,438	5,162	20,777
Prepayments	48,405	194,249	47,194	189,956
Others	204,463	820,510	1,580	6,359
	1,097,746	4,405,255	2,427,248	9,769,673

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Notes to the condensed interim financial statements (continued)
for the three-month and twelve-month periods ended 31 December 2025

6. Trade and other receivables (continued)

The movement of allowance for impairment losses for trade receivables during the periods were as follows:

	For the twelve-month period ended				For the three-month period ended			
	31 December 2025		31 December 2024		31 December 2025		31 December 2024	
	US$	US$	US$	US$	US$	US$	US$	US$
Balance at beginning of the period	(194,492)	(782,830)	(166,060)	(678,355)	(232,128)	(930,833)	(175,982)	(714,663)
Recognised in profit or loss	(14,030)	(56,274)	(28,432)	(115,747)	23,606	94,778	(18,510)	(74,836)
Currency translation differences	-	2,305	-	11,272	-	(744)	-	6,669
Balance at end of the period	(208,522)	(836,799)	(194,492)	(782,830)	(208,522)	(836,799)	(194,492)	(782,830)

7. Inventories

	31 December 2025		31 December 2024	
	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)
Locomotive parts	48,183	193,358	46,043	185,323
Tools	19,761	79,301	10,633	42,798
Fuel oil	8,235	33,047	13,194	53,106
Diesel	56,427	226,442	23,358	94,016
Wagon parts	6,495	26,064	1,698	6,834
	139,101	558,212	94,926	382,077

8. Other receivables

	31 December 2025		31 December 2024	
	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)
Advance to a supplier (*)	1,862,081	7,472,532	1,512,000	6,085,800
Other deposit	92,861	372,651	71,398	287,377
Prepayment	2,653	10,646	-	-
	1,957,595	7,855,829	1,583,398	6,373,177

(*) The amounts include the advance payments amounting US$1,512,000 pertaining to the initial payment made for the purchase of 130 Flat Top Wagons to a supplier in South Africa to enhance the Company's transportation and logistics capabilities. The Company is currently engaged in negotiations with the supplier to resolve the disruption affecting the procurement process.

9. Property and equipment

	For the twelve-month period ended 31 December 2025												
	Railroad and station improvements US$	Locomotive US$	Wagon US$	Train track US$	Trolley US$	Equipment and machinery US$	Office equipment US$	Furniture and fittings US$	IT hardware US$	Signage and boom gate US$	Construction in progress US$	Total US$	Total KHR'000 (Note 4)
Cost													
At 1 January	1,017,739	11,439,130	9,953,014	1,078,870	50,618	1,054,627	9,134	8,181	101,289	101,316	41,894	24,855,812	100,044,643
Addition	11,125	1,722,239	3,243,407	75,987	-	82,208	951	-	4,035	5,632	309,868	5,455,452	21,881,818
Transfers	65,097	1,149	46,064	105,999	-	10,914	-	-	-	-	(229,223)	-	-
Written off	(23,183)	(22,656)	(33,807)	(150,354)	-	(18,007)	-	-	(5,911)	-	-	(253,918)	(1,018,465)
Currency translation differences	-	-	-	-	-	-	-	-	-	-	-	-	(287,867)
At 31 December	1,070,778	13,139,862	13,208,678	1,110,502	50,618	1,129,742	10,085	8,181	99,413	106,948	122,539	30,057,346	120,620,129
Less: **Accumulated depreciation**													
At 1 January	618,717	3,773,478	1,743,420	566,957	37,176	746,982	8,983	8,181	94,468	22,654	-	7,621,016	30,674,589
Depreciation for the period	120,630	1,303,829	1,495,596	183,529	3,691	123,251	230	-	6,689	18,587	-	3,256,032	13,059,944
Written off	(21,441)	(22,467)	(33,103)	(148,206)	-	(17,823)	-	-	(5,911)	-	-	(248,951)	(998,542)
Currency translation differences	-	-	-	-	-	-	-	-	-	-	-	-	(85,438)
At 31 December	717,906	5,054,840	3,205,913	602,280	40,867	852,410	9,213	8,181	95,246	41,241	-	10,628,097	42,650,553
Carrying amounts													
At 1 January	399,022	7,665,652	8,209,594	511,913	13,442	307,645	151	-	6,821	78,662	41,894	17,234,796	69,370,054
At 31 December	352,872	8,085,022	10,002,765	508,222	9,751	277,332	872	-	4,167	65,707	122,539	19,429,249	77,969,576

As at 31 December 2025, fully depreciated property and equipment with historical costs of US$2,995,570 (31 December 2024: US$2,355,205) were still in use.

9. Property and equipment (continued)

	For the twelve-month period ended 31 December 2024												
	Railroad and station improvements US$	Locomotive US$	Wagon US$	Train track US$	Trolley US$	Equipment and machinery US$	Office equipment US$	Furniture and fittings US$	IT hardware US$	Signage and boom gate US$	Construction in progress US$	Total US$	Total KHR'000 (Note 4)
Cost													
At 1 January	816,335	8,489,132	3,080,282	860,557	48,393	791,833	9,134	8,794	102,548	41,739	133,813	14,382,560	58,752,758
Addition	97,339	967,492	3,775,057	69,269	2,225	273,026	-	-	1,450	9,839	5,432,854	10,628,551	43,268,831
Transfers	104,065	1,989,306	3,183,712	149,044	-	1,480	-	-	-	49,738	(5,477,345)	-	-
Transfers to Intangible asset	-	-	-	-	-	-	-	-	-	-	(6,500)	(6,500)	(26,462)
Transfers to investment property	-	-	-	-	-	-	-	-	-	-	(40,928)	(40,928)	(166,618)
Written off	-	(6,800)	(86,037)	-	-	(11,712)	-	(613)	(2,709)	-	-	(107,871)	(439,143)
Currency translation differences	-	-	-	-	-	-	-	-	-	-	-	-	(1,344,723)
At 31 December	1,017,739	11,439,130	9,953,014	1,078,870	50,618	1,054,627	9,134	8,181	101,289	101,316	41,894	24,855,812	100,044,643
Less: **Accumulated depreciation**													
At 1 January	519,570	2,810,878	952,702	397,232	33,559	679,691	8,802	8,794	85,312	13,202	-	5,509,742	22,507,296
Depreciation for the period	99,147	969,400	876,754	169,725	3,617	78,586	181	-	11,865	9,452	-	2,218,727	9,032,438
Written off	-	(6,800)	(86,036)	-	-	(11,295)	-	(613)	(2,709)	-	-	(107,453)	(437,441)
Currency translation differences	-	-	-	-	-	-	-	-	-	-	-	-	(427,704)
At 31 December	618,717	3,773,478	1,743,420	566,957	37,176	746,982	8,983	8,181	94,468	22,654	-	7,621,016	30,674,589
Carrying amounts													
At 1 January	296,765	5,678,254	2,127,580	463,325	14,834	112,142	332	-	17,236	28,537	133,813	8,872,818	36,245,462
At 31 December	399,022	7,665,652	8,209,594	511,913	13,442	307,645	151	-	6,821	78,662	41,894	17,234,796	69,370,054

Royal Railway Plc.

Notes to the condensed interim financial statements (continued)
for the three-month and twelve-month periods ended 31 December 2025

10. Intangible assets

	For the twelve-month period ended 31 December 2025				
	Computer software US$	Sign-on fee US$	Construction in progress US$	Total US$	Total KHR'000 (Note 4)
Cost					
At 1 January	20,290	450,000	12,148	482,438	1,941,813
Currency translation differences	-	-	-	-	(5,789)
At 31 December	20,290	450,000	12,148	482,438	1,936,024
Less: **Accumulated amortisation**					
At 1 January	19,632	223,065	-	242,697	976,855
Amortisation for the period	523	15,472	-	15,995	64,156
Currency translation differences	-	-	-	-	(2,880)
At 31 December	20,155	238,537	-	258,692	1,038,131
Carrying amounts					
At 1 January	658	226,935	12,148	239,741	964,958
At 31 December	135	211,463	12,148	223,746	897,893

Fully amortised computer software as at 31 December 2025 with historical costs of US$19,090 (31 December 2024: US$18,591) were still in use.

	For the twelve-month period ended 31 December 2024				
	Computer software US$	Sign-on fee US$	Construction in progress US$	Total US$	Total KHR'000 (Note 4)
Cost					
At 1 January	20,290	450,000	-	470,290	1,921,135
Additions	-	-	5,648	5,648	22,993
Transfers from PPE (Note 9)	-	-	6,500	6,500	26,462
Currency translation differences	-	-	-	-	(28,777)
At 31 December	20,290	450,000	12,148	482,438	1,941,813
Less: **Accumulated amortisation**					
At 1 January	18,935	207,592	-	226,527	925,363
Amortisation for the period	697	15,473	-	16,170	65,828
Currency translation differences	-	-	-	-	(14,336)
At 31 December	19,632	223,065	-	242,697	976,855
Carrying amounts					
At 1 January	1,355	242,408	-	243,763	995,772
At 31 December	658	226,935	12,148	239,741	964,958

11. Investment properties

	For the twelve-month period ended							
	31 December 2025				31 December 2024			
	Investment property US$	Construction in progress US$	Total US$	Total KHR'000 (Note 4)	Investment property US$	Construction in progress US$	Total US$	Total KHR'000 (Note 4)
Cost								
At 1 January	65,638	32,197	97,835	393,786	48,303	-	48,303	197,318
Additions	-	21,041	21,041	84,395	6,972	1,632	8,604	35,027
Transfers	26,355	(26,355)	-	-	10,363	(10,363)	-	-
Transfers from property and equipment	-	-	-	-	-	40,928	40,928	166,618
Currency translation differences	-	-	-	(1,132)	-	-	-	(5,177)
At 31 December	91,993	26,883	118,876	477,049	65,638	32,197	97,835	393,786
Less: **Accumulated depreciation**								
At 1 January	16,206	-	16,206	65,229	5,192	-	5,192	21,210
Depreciation for the period	13,567	-	13,567	54,417	11,014	-	11,014	44,838
Currency translation differences	-	-	-	(167)	-	-	-	(819)
At 31 December	29,773	-	29,773	119,479	16,206	-	16,206	65,229
Carrying amounts								
At 1 January	49,432	32,197	81,629	328,557	43,111	-	43,111	176,108
At 31 December	62,220	26,883	89,103	357,570	49,432	32,197	81,629	328,557

Investment property pertains to a warehouse located on conceded land in Battambang province that is leased to a third party. The estimated fair value of the warehouse as determined by the Management is approximate to its carrying amounts as at 31 December 2025.

12. Right-of-use assets

	For the twelve-month period ended			
	31 December 2025		31 December 2024	
	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)
Cost				
At 1 January	804,276	3,237,210	-	-
Addition	-	-	804,276	3,274,208
Currency translation differences	-	(9,650)	-	(36,998)
At 31 December	804,276	3,227,560	804,276	3,237,210
Less: **Accumulated depreciation**				
At 1 January	80,428	323,722	-	-
Depreciation for the period	80,427	322,593	80,428	327,422
Currency translation differences	-	(803)	-	(3,700)
At 31 December	160,855	645,512	80,428	323,722
Carrying amounts				
At 1 January	723,848	2,913,488	-	-
At 31 December	643,421	2,582,048	723,848	2,913,488

Right-of-use assets pertains to land located at Khan Dongkao, Phnom Penh that is leased from Sihanoukville Autonomous Port (PAS). See Note 17 for more details.

13. Trade and other payables

	31 December 2025		31 December 2024	
	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)
Trade payables:				
Trade payables	3,111,958	12,488,287	2,187,393	8,804,257
Amounts due to related parties (Note 27)	340,462	1,366,274	85,780	345,265
Tax payables:				
Value added tax	97,918	392,945	81,520	328,118
Salary and fringe benefit tax	23,695	95,088	18,857	75,899
Withholding tax	32,220	129,299	28,204	113,521
Payroll payables	734,264	2,946,601	788,501	3,173,717
Accruals	114,573	459,781	220,727	888,426
Security deposits	48,008	192,656	21,315	85,793
Others	155,991	625,993	15,185	61,119
	4,659,089	18,696,924	3,447,482	13,876,115

Royal Railway Plc.

Notes to the condensed interim financial statements (continued)
for the three-month and twelve-month periods ended 31 December 2025

14. Borrowings

	For the twelve-month period ended				For the three-month period ended			
	31 December 2025		31 December 2024		31 December 2025		31 December 2024	
	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)
Balance at beginning of the period	7,658,794	30,826,645	4,520,101	18,464,613	11,559,608	46,354,028	5,506,294	22,361,059
Additional borrowing	7,109,896	28,517,793	3,233,054	13,161,763	3,076,054	12,350,357	2,176,054	8,797,786
Accrued interest payable	51,254	205,580	114,628	466,651	14,466	58,081	30,621	123,801
Repayments during the period	(229,098)	(918,912)	(208,989)	(850,794)	(59,282)	(238,017)	(54,175)	(219,030)
Currency translation differences	-	(78,041)	-	(415,588)	-	28,616	-	(236,971)
Balance at end of the period	14,590,846	58,553,065	7,658,794	30,826,645	14,590,846	58,553,065	7,658,794	30,826,645

14. Borrowings (continued)

Borrowings were classified into current and non-current portions as follows:

		31 December 2025		31 December 2024	
		US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)
Current portion					
Neak Oknha Kith Meng	(i)	11,550,650	46,352,758	4,440,754	17,874,034
SKTM Investment Co., Ltd	(i)	2,000,000	8,026,000	2,000,000	8,050,000
Cambodian Public Bank Plc.	(ii)	149,280	599,061	136,309	548,644
Wing Bank (Cambodia) Plc	(iii)	101,494	407,295	92,790	373,480
		13,801,424	55,385,114	6,669,853	26,846,158
Accrued interest payable		181,968	730,238	130,723	526,160
		13,983,392	56,115,352	6,800,576	27,372,318
Non-current portion					
Cambodian Public Bank Plc.	(ii)	406,412	1,630,931	555,681	2,236,616
Wing Bank (Cambodia) Plc	(iii)	201,042	806,782	302,537	1,217,711
		607,454	2,437,713	858,218	3,454,327
		14,590,846	58,553,065	7,658,794	30,826,645

(i) Borrowing from a shareholder, Neak Oknha KITH MENG is unsecured, interest free and repayable on demand (Note 27).

On 8 December 2023, the Company entered into 12 months fixed loan amounting to US$2,000,000 with SKTM Investment Co., Ltd represented by Neak Oknha Kith Meng. The borrowing is unsecured, bears interest rate at 7% per annum with monthly interest payment of US$11,890 starting from 8 January 2024 to 8 December 2024. On 1 January 2025, the Company renewed the borrowing with the Company with revised the loan to interest free and repayable on demand (Note 27).

(ii) On 6 April 2022, the Company entered into a fixed borrowing amounting to US$1,000,000 with Cambodian Public Bank Plc.. The loan is secured with a land from the shareholder, bears interest rate at 9% per annum and is repayable in 84 monthly instalments of US$16,153 each from 13 April 2022 to 13 April 2029.

(iii) On 1 September 2022, the Company entered into a fixed borrowing amounting to US$500,000 with Wing Bank (Cambodia) Plc. The borrowing is unsecured bears interest rate at 7% per annum for tenor of 12 months with monthly interest payment of US$2,877 starting from 1 September 2022 to 1 September 2023 and principal repayment by the end of the loan term.

On 31 August 2023, the Company renewed the fixed borrowing with the Bank with revised interest rate of 9% per annum and is repayable in 60 monthly instalments of US$10,383 starting from 1 October 2023 to 1 September 2028 (Note 27).

15. Debt securities

In 2022, the Company has requested to the Securities and Exchange Regulator of Cambodia ("SERC") and Cambodia Securities Exchange ("CSX") to list its corporate bonds.

First Corporate Bond:

The Company's 1st Corporate bond is a plain bond issued to qualified investors with the principal amount of KHR 41 billion (US$9,958,708), a tenor of 10 years with a coupon rate of 7% p.a. (per annum). The bond was approved by SERC and CSX on 19 September 2022 and 24 October 2022, respectively and was issued officially on 31 October 2022.

Second Corporate Bond:

The Company's 2nd Corporate bond is guaranteed by GuarantCo Ltd as a private placement bond to the qualified investors with two series of bonds;

- Bond 1 with the principal amount of KHR49.2 billion (US$11,964,981), a tenor of 5 years with a coupon rate of Term Secured Overnight Financing Rate ("SOFR") plus 3.5% or 5% per annum whichever is higher; and
- Bond 2 with the principal amount of KHR49.2 billion (US$11,964,981), a tenor of 10 years with a coupon rate of Term SOFR plus 3.5% or 5% per annum, whichever is higher for Year 1 to Year 5 and Term SOFR plus 3.75% or 5% per annum, whichever is higher for Year 6 to Year 10.

The bonds were approved by SERC and CSX on 19 December 2022 and 26 December 2022 respectively and were issued officially on 29 December 2022.

Debt securities were classified into current and non-current portions as follows:

	31 December 2025		31 December 2024	
	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)
Current				
Guaranteed bond	21,147,929	84,866,639	24,809,546	99,858,423
Plain bond	185,772	745,503	177,977	716,357
	21,333,701	85,612,142	24,987,523	100,574,780
Non-current				
Plain bond	9,809,327	39,364,829	9,809,327	39,482,541
Guaranteed bond	-	-	-	-
	9,809,327	39,364,829	9,809,327	39,482,541
	31,143,028	124,976,971	34,796,850	140,057,321

15. Debt securities (continued)

During the twelve-month period ended, the Company incurred interest expense on the issued bonds amounting to US$3,123,538 equivalent to KHR12.5 billion and for the three-month period ended amounting to US$712,234 equivalent to KHR 2.8 billion (twelve-month period ended 31 December 2024: US$4,328,758 equivalent to KHR17.6 billion /three-month period ended 31 December 2024: US$1,169,774 equivalent to KHR4.8 billion) (Note 26).

The Company is subject to financial covenant testing every 6 months and as at 31 December 2025, the Company was unable to comply with 4 covenants required for the 2nd Corporate bond as follows:

Ratio Name	Formula	Financial requirement ratio	The Company's ratio	
			30 Dec 2025	
Debt Service Coverage Ratio	= Cash Flow Available for Debt Service/Total debt service	≥1.2	0.30x	Not met
Operating ratio	= Net operating income/Total operating revenue	≤100%	124%	Not met
Debt to EBITDA	= Total debt/EBITDA	≤4.5	-215.78x	Not met
Total debt to total assets	= Total debt/Total assets	≤100%	1.58x	Not met

* *EBITDA=Earnings before interest, taxes, depreciation and amortisation*

The Company communicated the non-compliance status to GuarantCo Ltd ("the Guarantor") on 3 October 2025 and updated its financial forecast model in accordance with the requirements of the Guarantor. On 13 January 2026, the Guarantor waived the non-compliance with the covenants as at 30 June 2025, pursuant to the Company's waiver request dated 4 July 2025. Furthermore, the Company is in the process of submitting another waiver request letter to the Guarantor for the breached financial covenants as at 31 December 2025 and have not yet finalised as of the date of these condensed interim financial statements.

Accordingly, the carrying amount of US$19,221,707 of the guaranteed bond was reclassified to current liabilities (31 December 2024: US$23,929,961).

16. Employee benefit liabilities

	31 December 2025		31 December 2024	
	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)
Seniority indemnity				
Current	143,846	577,254	115,213	463,732
Non-current	30,614	122,854	42,191	169,819
	174,460	700,108	157,404	633,551

16. Employee benefit liabilities (continued)

The movements of employee benefit obligations during the periods were as follows:

	For the twelve-month period ended				For the three-month period ended			
	31 December 2025		31 December 2024		31 December 2025		31 December 2024	
	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)
Balance at beginning of the period	157,404	633,551	146,889	600,042	256,762	1,029,615	197,195	800,809
Recognised in profit or loss	253,929	1,018,509	210,332	856,262	77,929	312,885	56,989	230,407
Paid during the period	(236,873)	(950,098)	(199,817)	(813,455)	(160,231)	(643,327)	(96,780)	(391,282)
Currency translation differences	-	(1,854)	-	(9,298)	-	935	-	(6,383)
Balance at end of the period	174,460	700,108	157,404	633,551	174,460	700,108	157,404	633,551

This represents provision for seniority indemnity payments required by Prakas No. 443 issued by the Ministry of Labour and Vocational Training ("MoLVT") on 21 September 2018 and subsequently amended by the Instruction No. 042/19 dated 22 March 2019.

Payments will be made twice a year, in June and December respectively. Employee is not entitled to the remaining seniority indemnity back-pay, which is not yet due, if Employee resigns from the Company.

17. Lease liabilities

During January 2024, the Company entered into a 10 year land lease with Sihanoukville Autonomous Port.

	31 December 2025		31 December 2024	
	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)
Maturity analysis – contractual undiscounted cash flow				
Less than one year	110,250	442,433	105,000	422,625
One to five years	639,662	2,566,964	609,202	2,452,038
More than five years	302,879	1,215,453	443,589	1,785,446
Total undiscounted lease liabilities	1,052,791	4,224,850	1,157,791	4,660,109
Present value of lease liabilities				
Current	46,628	187,118	37,589	151,296
Non-current	690,493	2,770,948	737,122	2,966,916
Total present value of lease liabilities	737,121	2,958,066	774,711	3,118,212

18. Other payables

	31 December 2025		31 December 2024	
	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)
Rental deposit	141,630	568,361	149,290	600,892
Accrual for G&A expenses	79,083	317,360	79,083	318,309
	220,713	885,721	228,373	919,201

19. Share capital

	31 December 2025		31 December 2024	
	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)
Registered, issued and fully paid:				
2,003,220 ordinary shares of US$6.50 each	13,020,930	52,083,720	13,020,930	52,083,720

The details of the shareholding structure were as follows:

	31 December 2025/31 December 2024			
	Number of shares	Par value per share US$	Amount US$	% ownership
Inter Logistics (Cambodia) Co., Ltd	1,983,187	6.50	12,890,715	98.9999%
Neak Oknha Kith Meng	20,033	6.50	130,215	1.0001%
	2,003,220		13,020,930	100%

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for the three-month and twelve-month periods ended 31 December 2025

20. Revenue

	For the twelve-month period ended				For the three-month period ended			
	31 December 2025		31 December 2024		31 December 2025		31 December 2024	
	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)
Southern line:								
Rail freight	8,279,169	33,207,747	6,303,535	25,661,691	2,506,654	10,064,216	1,642,382	6,640,149
Train related value-added services	920,114	3,690,577	850,336	3,461,718	203,630	817,574	211,208	853,914
Passengers' fare	394,012	1,580,382	478,045	1,946,121	114,667	460,388	146,884	593,852
Transportation	96,143	385,630	98,600	401,401	25,624	102,880	22,528	91,081
Other revenue	-	-	16,705	68,006	-	-	-	-
	9,689,438	38,864,336	7,747,221	31,538,937	2,850,575	11,445,058	2,023,002	8,178,996
Northern line:								
Rail freight	3,769,396	15,119,047	3,294,640	13,412,479	848,422	3,406,414	912,082	3,687,548
Passengers' fare	325,048	1,303,768	149,122	607,076	88,165	353,982	32,152	129,991
Train related value-added services	15,148	60,759	20,137	81,978	14	58	5,763	23,300
Other revenue	15,678	62,884	75,494	307,336	-	-	752	3,040
	4,125,270	16,546,458	3,539,393	14,408,869	936,601	3,760,454	950,749	3,843,879
	13,814,708	55,410,794	11,286,614	45,947,806	3,787,176	15,205,512	2,973,751	12,022,875

The majority of the Company's freight business is affected by seasonality as a result of natural disasters or adverse weather conditions with rainy season being the low months for fuel transport services via train.

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Notes to the condensed interim financial statements (continued)
for the three-month and twelve-month periods ended 31 December 2025

21. Cost of services

	For the twelve-month period ended				For the three-month period ended			
	31 December 2025		31 December 2024		31 December 2025		31 December 2024	
	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)
Staff costs and wages	4,279,839	17,166,434	3,704,194	15,079,773	961,605	3,860,844	869,004	3,513,383
Cost of diesel	6,063,726	24,321,605	5,279,179	21,491,538	1,650,357	6,626,183	1,289,101	5,211,835
Depreciation and amortisation (Note 24)	3,224,053	12,931,676	2,201,710	8,963,161	832,035	3,340,621	682,325	2,758,640
Repairs and maintenance	837,925	3,360,917	593,315	2,415,385	211,922	850,867	172,305	696,629
Transportation	790,683	3,171,430	507,107	2,064,433	215,739	866,192	137,214	554,756
Equipment rental	504,024	2,021,640	311,170	1,266,773	145,926	585,893	80,411	325,102
Container access charge	377,375	1,513,651	337,245	1,372,924	112,401	451,290	97,214	393,036
Insurance	308,690	1,238,156	-	-	78,691	315,944	-	-
Provision for employee benefits	227,064	910,754	176,390	718,084	57,619	231,340	47,825	193,356
Others	741,736	2,975,103	495,148	2,015,749	169,194	679,314	134,136	542,313
	17,355,115	69,611,366	13,605,458	55,387,820	4,435,489	17,808,488	3,509,535	14,189,050

22. Other operating income

	For the twelve-month period ended				For the three-month period ended			
	31 December 2025		31 December 2024		31 December 2025		31 December 2024	
	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)
Warehouse rental	1,064,587	4,270,058	918,368	3,738,676	276,162	1,108,790	268,592	1,085,917
Others	17,052	68,396	247,323	1,006,852	4,479	17,984	9,509	38,445
	1,081,639	4,338,454	1,165,691	4,745,528	280,641	1,126,774	278,101	1,124,362

23. Operating and administrative expenses

	For the twelve-month period ended				For the three-month period ended			
	31 December 2025		31 December 2024		31 December 2025		31 December 2024	
	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)
Salaries and wages	533,772	2,140,959	666,572	2,713,615	134,125	538,512	158,871	642,315
Directors' fee (*)	(284,875)	(1,142,634)	360,000	1,465,560	6,000	24,090	90,000	363,870
Other tax expenses	253,343	1,016,159	297,618	1,211,603	66,481	266,921	72,015	291,157
Bonus	29,550	118,525	10,618	43,226	(30,017)	(120,518)	(18,497)	(74,783)
Depreciation and amortisation (Note 24)	141,968	569,434	124,629	507,365	34,725	139,421	33,635	135,986
Professional fees	48,274	193,627	98,017	399,027	13,560	54,443	50,073	202,445
Fuel and utilities	39,561	158,679	123,858	504,226	9,478	38,054	29,591	119,636
Provision for employee benefits	26,865	107,756	33,942	138,178	6,559	26,334	9,164	37,050
Equipment rental	26,370	105,770	110,350	449,235	6,885	27,643	29,280	118,379
Travelling and accommodation	22,545	90,428	57,231	232,987	5,004	20,091	11,065	44,736
Small value of assets	6,396	25,654	45,996	187,250	2,252	9,042	15,053	60,859
Repairs and maintenance	12,588	50,490	70,520	287,087	3,786	15,201	18,738	75,758
Training and development	5,675	22,762	2,713	11,044	2,707	10,869	975	3,942
Licensing, registration and permit fee	7,304	29,296	14,487	58,977	1,300	5,220	3,497	14,138
Communication	3,100	12,434	73,775	300,338	773	3,104	18,296	73,971
Staff uniform	-	-	18,202	74,100	-	-	7,071	28,588
Insurance	-	-	287,947	1,172,232	-	-	77,444	313,106
Other expenses	244,240	979,648	257,270	1,047,346	66,801	268,205	104,065	420,735
	1,116,676	4,478,987	2,653,745	10,803,396	330,419	1,326,632	710,336	2,871,888

(*) On 1 May 2025, the Company obtained resolution from the shareholders for waiving the Directors' fee amounting to US$410,875.

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for the three-month and twelve-month periods ended 31 December 2025

24. Depreciation and amortisation

Depreciation and amortisation charges were allocated as follows:

	For the twelve-month period ended				For the three-month period ended			
	31 December 2025		31 December 2024		31 December 2025		31 December 2024	
	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)
Depreciation of property and equipment and investment property (Notes 9 and 11)	3,269,599	13,114,361	2,229,741	9,077,276	842,685	3,383,380	691,842	2,797,117
Amortisation of intangible assets and right-of-use asset (Notes 10 and 12)	96,422	386,749	96,598	393,250	24,075	96,662	24,118	97,509
	3,366,021	13,501,110	2,326,339	9,470,526	866,760	3,480,042	715,960	2,894,626
Allocated to:								
Cost of services (Note 21)	3,224,053	12,931,676	2,201,710	8,963,161	832,035	3,340,621	682,325	2,758,640
Operating and administrative expenses (Note 23)	141,968	569,434	124,629	507,365	34,725	139,421	33,635	135,986
	3,366,021	13,501,110	2,326,339	9,470,526	866,760	3,480,042	715,960	2,894,626

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Notes to the condensed interim financial statements (continued)
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25. Income tax

(a) Applicable tax rates

In accordance with Cambodian Law on Taxation, the Company has an obligation to pay corporate income tax of either the profit tax at the rate of 20% of taxable profits or the minimum tax at 1% of annual turnover, whichever is higher.

Pursuant to Sub-Decree No. 42 dated 24 February 2022 on Tax Incentives in the Securities Sector issued by the Royal Government of Cambodia, the Company is entitled to reduce half amount of its tax on income within the duration of tax incentive period. In order to get the incentives, the Company needs to submit the request to the General Department of Taxation ("GDT") through the Securities and Exchange Regulator of Cambodia ("SERC").

On 16 December 2022, the Company submitted a letter to the SERC for 50% reduction of Tax on Income for the year 2023 onwards. On 8 February 2023, the Company received a notification from SERC that the request was submitted to the GDT. There has been no official approval from the GDT as at the date of the condensed interim financial statements.

(b) Minimum tax liability

	For the twelve-month period ended				For the three-month period ended			
	31 December 2025		31 December 2024		31 December 2025		31 December 2024	
	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)
Balance at beginning of the period	12,021	48,385	9,163	37,431	25,775	103,358	9,753	39,607
Minimum tax expense	149,123	598,132	124,802	508,069	40,691	163,374	32,595	131,782
Minimum tax paid	(147,528)	(591,735)	(121,944)	(496,434)	(52,850)	(212,193)	(30,327)	(122,612)
Currency translation differences	-	(141)	-	(681)	-	102	-	(392)
Balance at the end of the period	13,616	54,641	12,021	48,385	13,616	54,641	12,021	48,385

25. Income tax (continued)

(c) Minimum tax expense/Income tax expense

The reconciliation of income tax computed at the statutory tax rate to the income tax expense as shown in the profit or loss is as follows:

	For the twelve-month period ended				For the three-month period ended			
	31 December 2025		31 December 2024		31 December 2025		31 December 2024	
	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)
Loss before income tax	(6,906,105)	(27,700,386)	(8,156,271)	(33,204,180)	(1,414,455)	(5,679,035)	(2,151,629)	(8,699,038)
Income tax using statutory income tax rate	(1,381,221)	(5,540,077)	(1,631,254)	(6,640,836)	(282,891)	(1,135,807)	(430,326)	(1,739,808)
Non-deductible expenses	1,340	5,375	59,524	242,322	546	2,192	14,403	58,231
Tax loss not recognised as deferred tax assets	460,259	1,846,099	535,550	2,180,224	3,924	15,755	148,695	601,174
Deductible temporary difference not recognised as deferred tax assets	919,622	3,688,603	1,036,180	4,218,290	278,421	1,117,860	267,228	1,080,403
Income tax expense	-	-	-	-	-	-	-	-
Minimum tax at 1% of turnover	149,123	598,132	124,802	508,069	40,691	163,374	32,595	131,782

The calculation of income tax is subject to the review and assessment of the tax authorities.

25. Income tax (continued)

(d) Unrecognised deferred tax

Tax losses incurred in any tax year can be carried forward to offset against profit realised in the following five tax years subject to the following conditions:

- The loss must be recorded in the Annual Tax on Income return and submitted to the General Department of Taxation on time;
- The business objective of the Company must not have changed; and
- The Company must not have received an unilateral tax re-assessment.

Deferred tax assets in respect of the tax losses and temporary differences are not recognised in the condensed interim financial statements because it is not probable that future taxable profits will be available against which the Company can use the benefits therefrom.

(e) Tax contingencies

Taxes are subject to review and investigation by a number of authorities, who are enabled by law to impose severe fines, penalties and interest charges. The application of tax laws and regulations to many types of transactions are susceptible to varying interpretations.

These facts may create tax risks in Cambodia substantially more significant than in other countries. Management believes that it has adequately provided for tax liabilities based on its interpretation of tax legislation. However, the relevant authorities may have different interpretations and the effects could be significant.

26. Finance costs – net

	For the twelve-month period ended				For the three-month period ended			
	31 December 2025		31 December 2024		31 December 2025		31 December 2024	
	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)
Interest income cash at bank	106,188	425,920	327,766	1,334,335	25,219	101,254	61,890	250,221
Interest expense on:								
Debt securities	(3,092,638)	(12,404,571)	(4,328,758)	(17,622,374)	(681,334)	(2,735,556)	(1,169,774)	(4,729,396)
Borrowing	(140,590)	(563,906)	(264,634)	(1,077,325)	(34,794)	(139,698)	(61,349)	(248,034)
Lease liabilities	(67,411)	(270,386)	(70,435)	(286,741)	(16,534)	(66,384)	(17,358)	(70,179)
	(3,300,639)	(13,238,863)	(4,663,827)	(18,986,440)	(732,662)	(2,941,638)	(1,248,481)	(5,047,609)
	(3,194,451)	(12,812,943)	(4,336,061)	(17,652,105)	(707,443)	(2,840,384)	(1,186,591)	(4,797,388)

27. Related party transactions and balances

(a) Identity of related party

For the purposes of these condensed interim financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The Company have related party relationships with its substantial shareholders and key management personnel.

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly.

The key management personnel include all the Directors of the Company, and certain senior management members of the Company.

Key management have relationships with the Company which are entered into in the normal course of business and on substantially the same terms, including warehouse rental, purchase of goods and services, insurance, telephone expense and other expense, as for comparable transactions with other persons of a similar standing or, where applicable, with other employees. These transactions did not involve more than the normal risk of repayment or present other unfavourable features.

27. Related party transactions and balances (continued)

(b) Transactions with related parties

	For the twelve-month period ended				For the three-month period ended			
	31 December 2025		31 December 2024		31 December 2025		31 December 2024	
	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)
Property rental								
GSS Global Security Solutions Co., Ltd.	39,296	157,616	36,310	147,818	9,985	40,090	9,663	39,068
CAMGSM PLC	507,100	2,033,978	345,400	1,406,123	130,900	525,564	224,400	907,249
J Trust Royal Bank Plc.	430,038	1,724,882	428,417	1,744,086	107,825	432,917	107,405	434,238
Wing Bank (Cambodia) Plc.	12,600	50,539	-	-	12,600	50,589	-	-
Wing Inter Logistics Technologies Co., Ltd.	11,000	44,121	-	-	11,000	44,165	-	-
Utilities								
GSS Global Security Solutions Co., Ltd.	-	-	3,989	16,239	-	-	3,989	16,128
CamGSM PLC	4,815	19,313	4,521	18,405	1,445	5,802	4,521	18,278
J Trust Royal Bank Plc.	1,503	6,029	1,598	6,505	346	1,389	1,598	6,461
Deposit								
CAMGSM PLC	11,000	44,121	72,000	293,112	11,000	44,165	72,000	291,096
Insurance								
Infinity General Insurance Plc.	274,610	1,101,461	176,084	716,838	16,667	66,918	98,933	399,986
Telephone expense								
CAMGSM PLC	29,381	117,847	27,567	112,225	6,445	25,877	8,475	34,264
Security fee								
GSS Global Security Solutions Co., Ltd.	37,950	152,217	47,966	195,270	3,465	13,912	16,041	64,854
Cleaning service								
GSS Global Security Solutions Co., Ltd.	3,843	15,414	2,123	8,643	3,843	15,430	-	-

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Notes to the condensed interim financial statements (continued)
for the three-month and twelve-month periods ended 31 December 2025

27. Related party transactions and balances (continued)

(b) Transactions with related parties (continued)

	For the twelve-month period ended				For the three-month period ended			
	31 December 2025		31 December 2024		31 December 2025		31 December 2024	
	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)
Face Recognition								
GSS Global Security Solutions Co., Ltd.	-	-	3,674	14,957	-	-	3,674	14,854
Internet service fee								
EZECOM Co., Ltd	48,633	195,067	58,512	238,202	7,223	29,000	14,628	59,141
CAMGSM PLC	461	1,849	-	-	243	976	-	-
Microsoft Office 365								
EZECOM Co., Ltd	64	257	4,646	18,914	64	257	4,646	18,784
Power BI Pro								
EZECOM Co., Ltd	198	794	132	537	-	-	132	534
Interest expense								
Wing Bank (Cambodia) Plc.	31,807	127,578	39,878	162,343	7,148	28,699	9,200	37,196
SKTM Investment Co., Ltd	-	-	140,000	569,940	7,148	28,699	35,288	142,669
Special Train food service								
CAMBODIANA INVESTMENT (PHNOM PENH) PTE.LTD	1,300	5,214	-	-	1,300	5,220	-	-
Passenger Trian Ticket								
CAMGSM PLC	-	-	630	2,526	-	-	-	-

Royal Railway Plc.

Notes to the condensed interim financial statements (continued) for the three-month and twelve-month periods ended 31 December 2025

27. Related party transactions and balances (continued)

(b) Transactions with related parties (continued)

	For the twelve-month period ended				For the three-month period ended			
	31 December 2025		31 December 2024		31 December 2025		31 December 2024	
	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)
Sign Tax								
GSS Global Security Solutions Co., Ltd.	63	253	-	-	63	253	-	-
Credit rating fee								
RATING AGENCY OF(CAMBODIA) PLC.	9,350	37,503	-	-	9,350	37,494	-	-
Borrowing								
Royal Coffee	-	-	2,000	8,142	-	-	2,000	8,086
Neak Oknha Kith Meng	7,109,896	28,517,793	3,233,054	13,161,763	3,076,055	12,350,361	3,233,054	13,071,237

The total remuneration of key management for the twelve-month period ended 31 December 2025 including salaries and benefits was US$722,366 (twelve-month period ended 31 December 2024: US$670,591) and for the three-month period ended 31 December 2025 was US$189,419 (three-month period ended 31 December 2024: US$176,501).

27. Related party transactions and balances (continued)

(c) Balances with related parties

	31 December 2025		31 December 2024	
	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)
Amount due from related parties (Note 6)				
Trade related:				
CAMGSM PLC	58,300	233,958	-	-
Wing Bank (Cambodia) Plc.	2,200	8,829		
Non-trade related:				
Royal Coffee	8,324	33,404	29,094	117,103
	68,824	276,191	29,094	117,103
Amounts due to related parties (Note 13)				
Trade related:				
Infinity General Insurance Plc.	329,682	1,323,014	80,498	324,004
CAMGSM PLC	814	3,267	2,814	11,327
EZECOM Co., Ltd	64	257	-	-
GSS Global Security Solutions Co., Ltd.	4,901	19,668	2,468	9,934
Cambodian Broadcasting Service Co., Ltd	5,001	20,068	-	-
	340,462	1,366,274	85,780	345,265
Borrowings (Note 14)				
Shareholder:				
Neak Oknha Kith Meng	11,550,650	46,352,758	4,440,754	17,874,034
Related party:				
SKTM Investment Co., Ltd	2,000,000	8,026,000	2,000,000	8,050,000
Wing Bank (Cambodia) Plc.	302,536	1,214,077	395,327	1,591,191

Amounts due from/to related parties and borrowings are unsecured, interest free and repayable on demand.

Notes to the condensed interim financial statements (continued)
for the three-month and twelve-month periods ended 31 December 2025

28. Lease commitments

Lease commitment

The future minimum lease payments related to low-value items leases are as follows:

	31 December 2025		31 December 2024	
	US$	KHR'000 (Note 4)	US$	KHR'000 (Note 4)
Within one year	129,190	518,439	80,250	323,006
Between two to five years	13,460	54,015	26,000	104,650
	142,650	572,454	106,250	427,656
Capital commitment				
In respect of property and equipment				
Contracted but not yet provided	1,033,699	4,148,234	1,127,563	4,538,441

29. Contingent liabilities

29.1 Concession agreement with the GKC

On 12 June 2009, Royal Railway Cambodia., Ltd. (formally known as Toll (Cambodia) Co., Ltd.) entered into the Concession Agreement (Known as Existing Concession Agreement) with the GKC. There are provisions in the Existing Concession Agreement specifying concession fees to be paid by the Company to the GKC for the use of the conceded assets from the effective date of the Concession Agreement. The Company's management has performed an assessment of its obligation under the existing Concession Agreement with the advice by its legal counsel and concluded that the conditions precedent specified in the concession agreement have not been fully satisfied and both the GKC and the Company have not concluded on the agreed date for the effective date, and therefore, the obligation to pay the concession fee has not yet become effective.

On 13 February 2025, the Company and GKC entered into a framework agreement on railway project to jointly advance the development of Cambodia's railway infrastructure. This partnership aims to enhance the railway system's efficiency, sustainability, resilience, and convenience and is considered a step forward to the negotiation of the concession agreement. According to Article 3 of the framework agreement, the Parties agreed to actively commit to achieving overall timeline and each specific deadlines within 24 months of the effective date from 13 February 2025.

The estimated concession fees payable is contingent on the ultimate outcome of the matters described above and accordingly no provision for any liability has been made in these condensed interim financial statements.

29. Contingent liabilities (continued)

29.2 Sub-lease agreement with J TRUST ROYAL BANK PLC and CAMGSM PLC

On 9 June 2022, the Company sub-leased the available space approximating 3,200 sqm to J TRUST ROYAL BANK PLC for the duration of 4 years.

On 29 February 2024, the Company sub-leased the available space approximating 2,705 sqm to CAMGSM PLC. for the duration of 20 years.

Based on this sub-lease agreement, in the event the Company terminates the sub-lease agreement, the Company shall refund to J TRUST ROYAL BANK PLC and CAMGSM PLC. the deposit and other compensation for any loss occurred due to this premature termination of the agreement.

The continuity of this sub-lease agreement is contingent to the favourable outcome of the negotiation on the new amended Railway Concession Agreement as described in Note 29.1 above.

30. Fair values of financial assets and liabilities

Financial instruments comprise financial assets, financial liabilities and off-balance sheet instruments. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The information presented herein represents the estimates of fair values as at the reporting date.

Quoted and observable market prices, where available, are used as the measure of fair values of the financial instruments. Where such quoted and observable market prices are not available, fair values are estimated based on a range of methodologies and assumptions regarding risk characteristics of various financial instruments, discount rates, estimates of future cash flows and other factors.

Cash on hand and with other banks

The carrying amounts approximate the fair values due to the short-term nature of these accounts and these items are not materially sensitive to the shift in the market rates.

Borrowings and debt securities

Borrowings and debt securities issued are not quoted in active market and at their fair value.

The estimated fair value of debt securities is generally based on quoted and observable market prices at the date of the condensed interim statement of financial position. They are not presently traded. The estimated fair values of debt securities are approximate their carrying values based on estimated future cash flows using prevailing market rates.

30. Fair values of financial assets and liabilities (continued)

Other assets and liabilities

Due to their short duration, the carrying amounts of other assets and liabilities in the condensed interim statement of financial position are considered to be reasonable approximation of their fair values.

Fair value hierarchy

CIFRS 7 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources and unobservable inputs reflect the Company's market assumptions. The fair value hierarchy is as follows:

- Level 1 – Quoted price (unadjusted) in active markets for the identical assets or liabilities. This level includes listed equity securities and debt instruments

- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

- Level 3 – Inputs for asset or liability that are not based on observable market data (unobservable inputs). This level includes equity instruments and debt instruments with significant unobservable components.

31. Operating segment information

Management has determined operating segments with reference to the reports reviewed by the Chief Executive Officer of the Company that are used to assess the performance and allocate resources. The CEO of the Company assesses the performance and allocates the resources of the Company as a whole, as all of the Company's activities are considered to be primarily dependent on the provision of rail freight services to external customers and its related services representing 86% and 87% of total revenue. Therefore, the Company's management considers that there is only one operating segment. In this regard, no segment information is presented for the periods.

No geographic information is shown as the Company's operating results are entirely derived from its business activities in Cambodia only.