THE SECOND QUARTERLY REPORT

30 JUNE 2026

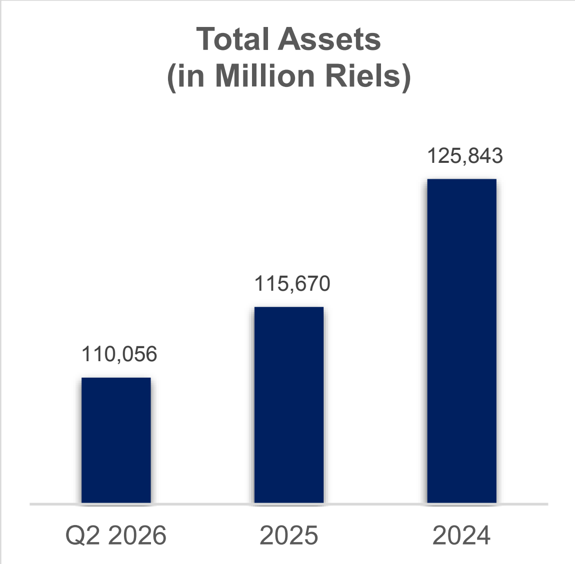
ROYAL RAILWAY PLC.

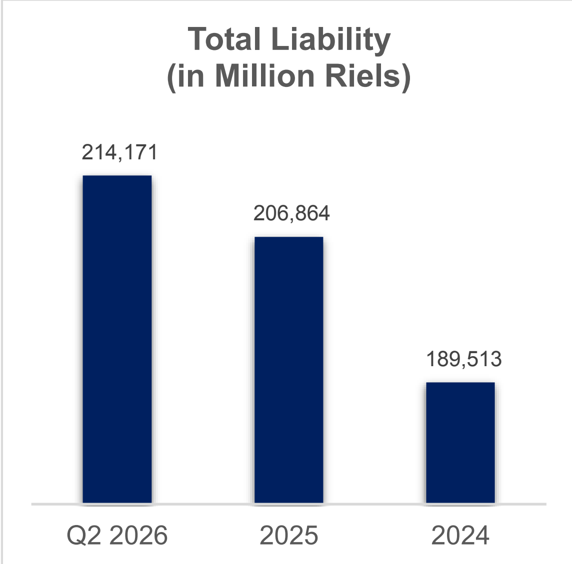
FINANCIAL HIGHLIGHT

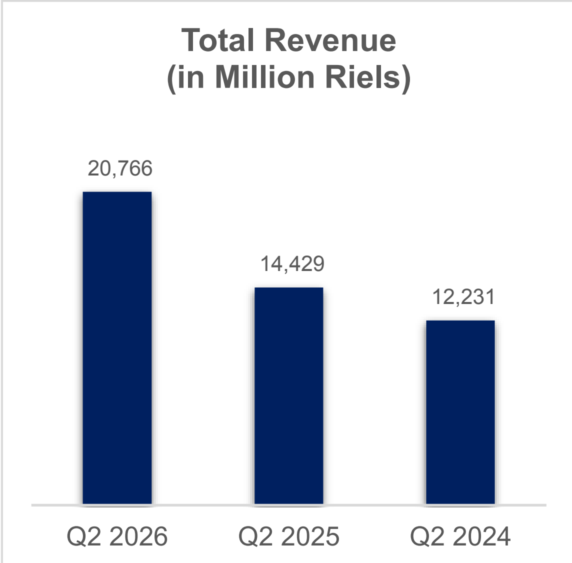
Financial Position (in Million Riels)		Q2 2026	2025	2024
Total Assets		110,056	115,670	125,843
Total Liabilities		214,171	206,864	189,513
Total Shareholders' Equity		(104,115)	(91,194)	(63,670)
Profit/(Loss) (in Million Riels)		**Q2 2026**	**Q2 2025**	**Q2 2024**
Total Revenues		20,766	14,429	12,231
Loss Before Tax		(6,615)	(6,268)	(7,883)
Loss After Tax		(6,615)	(6,268)	(7,883)
Total Comprehensive Loss		(6,637)	(6,276)	(7,941)
Financial Ratios		**Q2 2026**	**2025**	**2024**
Solvency Ratio		(4.04%)	(24.25%)	(76.99%)
Liquidity Coverages Ratio	Quick Ratio	0.06	0.07	0.20
	Current Ratio	0.06	0.06	0.20
Profitability Ratios		**Q2 2026**	**Q2 2025**	**Q2 2024**
Return on assets[1]		(6.01%)	(5.21%)	(6.00%)
Return on equity[1]		6.35%	8.06%	17.00%
Interest Coverage Ratio		(1.58)	(0.77)	(0.97)
Gross profit margin		(13.05%)	(27.37%)	(22.18%)
Profit margin		(31.86%)	(43.44%)	(64.45%)

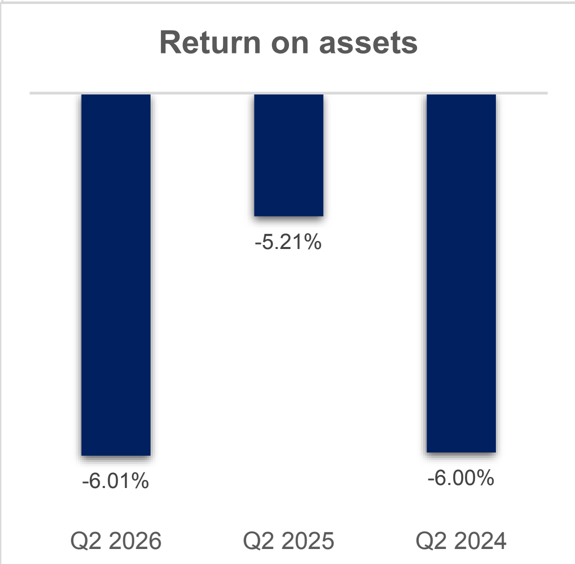
[1] The ratios were calculated by using net loss for the three-month period from 1 April 2026 to 30 June 2026

FINANCIAL SUMMARY CHARTS









BOARD OF DIRECTORS

Neak Oknha KITH MENG
Chairman

Mr. Raymond Thornton Yager
Non- Executive Director

Mr. William Mark Hanna
Non- Executive Director

Mr. Paul Clement
Non-Executive Director

Mr. Lun Yeng
Independent Director

MESSAGE FROM CHAIRMAN

It is our pleasure to present the financial performance of Royal Railway PLC. (RR) in the Q2 of 2026, following the requirements of the Securities and Exchange Regulator of Cambodia (SERC).

Cambodia's economy is forecast to grow by 4.2% in 2026 and 5.0% in 2027. 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 2 of 2026, total assets were KHR 110,056 million, decrease -8.49% compared to the same quarter of 2025. Total revenue was KHR 20,766 million, an increase of 43.91% compared to the same quarter of 2025.

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.

ROYAL RAILWAY PLC.
KINGDOM OF CAMBODIA

Neak Oknha Kith Meng
Chairman

28 August 2026

CONTENTS

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 as Chief Executive Officer	

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. 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			
	30 June 2026		30 June 2025	
	US$	KHR'000	US$	KHR'000
Southern line:				
Rail freight	3,086,595	12,386,505	2,007,958	8,041,872
Train related value-added services	274,615	1,102,030	231,148	925,748
Passengers' fare	133,082	534,058	50,382	201,780
Transportation	28,120	112,846	21,710	86,949
	3,522,412	14,135,439	2,311,198	9,256,349
Northern line:				
Rail freight	1,379,718	5,536,808	874,011	3,500,414
Passengers' fare	46,927	188,318	113,399	454,163
Train related value-added services	6,424	25,780	7,571	30,322
Other revenue	-	-	960	3,844
	1,433,069	5,750,906	995,941	3,988,743
	4,955,481	19,886,345	3,307,139	13,245,092

C. QUARTER'S KEY EVENTS

There was no key event for Q2 2026.

PART 2 - Information on Business Operation Performance

A. BUSINESS OPERATION PERFORMANCE INCLUDING BUSINESS SEGMENTS INFORMATION

Key Achievement	**June 2026**	**June 2025**	**June 2024**
Freight service in tons			
Ballast	2,052	576	1,413
Cement	-	-	1,064
Container	296,100	162,151	141,615
Diesel	85,228	83,115	96,319
Fertilizer	-	-	600
Gasoline	62,259	33,454	24,315
Lime	-	2,448	900
Vehicle	65	-	-
Sand	25,800	92,601	406
LPG	19,320	23,072	-
Total gross revenue (In Million Riels)	**19,164**	**12,589**	**10,193**
Passenger service			
Number of passengers	17,258	23,167	18,707
Total gross revenue (In Million Riels)	**722**	**656**	**529**

B. REVENUE STRUCTURE

	Quarter 2 2026		**Quarter 2 2025**		**Quarter 2 2024**	
	Amount (in Million Riel)	%	**Amount (in Million Riel)**	%	**Amount (in Million Riel)**	%
Source of Revenue						
Southern line:						
Rail freight	12,387	59.65%	8,042	55.73%	6,329	51.74%
Train related value-added services	1,102	5.31%	926	6.42%	757	6.19%
Passengers' fare	534	2.57%	202	1.40%	364	2.98%
Transportation	113	0.54%	87	0.60%	155	1.27%
	14,135	68.07%	9,256	64.15%	7,605	62.18%
Northern line:						
Rail freight	5,537	26.66%	3,500	24.26%	2,924	23.91%
Passengers' fare	188	0.91%	454	3.15%	165	1.35%
Train related value-added services	26	0.12%	30	0.21%	23	0.19%
Other revenue	-	-	4	0.03%	4	0.03%
	5,751	27.69%	3,989	27.64%	3,117	25.48%
Other operating income:						
Warehouse rental income	786	3.79%	1,061	7.36%	926	7.57%
Finance income	82	0.39%	111	0.77%	386	3.15%
Others income	11	0.06%	12	0.08%	198	1.62%
	879	4.23%	1,184	8.21%	1,509	12.34%
Total revenue	20,766	100.00%	14,429	100.00%	12,231	100.00%

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 30 June 2026, 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, Battambong station and Poi Pet station.
- Warehousing service/lease income.

2. REVENUE BY SEGMENT ANALYSIS

	Quarter 2 2026		Quarter 2 2025	
Source of Revenue	**Amount (in Million Riel)**	%	**Amount (in Million Riel)**	%
Source of Revenue				
Southern line:				
Rail freight	12,387	59.65%	8,042	55.73%
Train related value-added services	1,102	5.31%	926	6.42%
Passengers' fare	534	2.57%	202	1.40%
Transportation	113	0.54%	87	0.60%
	14,135	68.07%	9,256	64.15%
Northern line:				
Rail freight	5,537	26.66%	3,500	24.26%
Passengers' fare	188	0.91%	454	3.15%
Train related value-added services	26	0.12%	30	0.21%
Other revenue	-	-	4	0.03%
	5,751	27.69%	3,989	27.64%
Total revenue	19,886	95.77%	13,245	91.79%

Rail freight income is the main source of income for RR. In the second quarter of 2026, rail freight income represents 86.31% of the total revenue. Compared with the prior year in the same period, there is significant increase in total revenue around 43.91%.

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 2 2026 Amount (in Million Riel)	Quarter 2 2025 Amount (in Million Riel)	Variance Amount (in Million Riel)	Variance %
Revenue	19,886	13,245	6,641	50.14%
Cost of services	(22,596)	(17,195)	(5,401)	31.41%
Gross loss	**(2,710)**	**(3,950)**	**1,240**	**(31.40%)**
Other operating income	798	1,073	(275)	(25.66%)
Operating and administrative expense	(1,787)	75	(1,862)	(2494.39%)
(Allowance for)/Reversal of impairment losses on trade receivables	(231)	115	(346)	(301.81%)
Minimum tax expense	(207)	(143)	(64)	44.47%
Operating loss	**(4,137)**	**(2,831)**	**(1,307)**	**46.16%**
Finance income	82	111	(29)	(26.45%)
Finance costs	(2,560)	(3,548)	988	(27.86%)
Loss before income tax	(6,615)	(6,268)	(348)	5.55%

In the second quarter of 2026, loss before income tax increased by -KHR 348 million equivalent to 5.55% compared to the same period in 2025. This increase happened due to a negative impact on cost of service, operating and administrative expense and impairment over account receivable and cash at banks.

5. PROFIT / (LOSS) AFTER INCOME TAX ANALYSIS

Statement of Profit or Loss After Income Tax	Quarter 2 2026 Amount (in Million Riel)	Quarter 2 2025 Amount (in Million Riel)	Variance Amount (in Million Riel)	Variance %
Loss before income tax	(6,615)	(6,268)	(348)	5.55%
Income tax expense	-	-	-	-
Net loss for the period	(6,615)	(6,268)	(348)	5.55%

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 this Q2 2026, 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 2 2026 Amount (in Million Riel)	Quarter 2 2025 Amount (in Million Riel)	Variance Amount (in Million Riel)	Variance %
Net loss for the period	(6,615)	(6,268)	(348)	5.55%
Currency translation differences	(21)	(8)	(14)	173.90%
Total comprehensive loss for the period	(6,637)	(6,276)	(361)	5.76%

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

There is significant impact to financial conditions and results of RR for the second quarter of 2026 due to the increasing of the revenue on freight services, but the cost of service also increase, the impact that made Q2 2025 performance well performed is due to the reversal in operating and administrative expense by this we can see that the loss before income tax of Q2 2026 slightly increased from Q2 2025 by 5.55%.

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 2 of 2026, RR earned total revenue around KHR 20,766 million, a significant increase of 43.91% compared to the same period prior year. Net loss around KHR 6,615 million increased 5.55% compared 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 5.0% in 2027.
- In 2026 Cambodia's unemployment rate is projected to trend around 0.53%
- Real GDP of Cambodia for 2026 will be 4.5% and 5.0% in 2027 ADB (ADO Apr 2026)
- Cambodia's inflation rates forecasted at 2.8% in 2026 and 2.5% in 2027 ADB (ADO Apr 2026)

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, as Royal Railway's bond guarantor, 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

28 August 2026

Seen and Agreed

Neak Oknha Kith Meng

Chairman