CAMGSM PLC.

SECOND QUARTERLY REPORT OF FY 2023

FINANCIAL HIGHLIGHT

FINANCIAL POSITION (MILLION RIELS)	QUARTER 2 FY 2023 REVIEWED	FY 2022 AUDITED
Total assets	2,613,434	2,480,139
Total liabilities	1,735,682	1,711,791
Total equity	877,752	768,348

PROFIT/(LOSS) (MILLION RIELS)	QUARTER 2 FY 2023 REVIEWED	QUARTER 2 FY 2022 AUDITED
Total revenue	185,978	192,155
Profit/ (Loss) before Tax	58,679	53,135
Profit/ (Loss) after Tax	45,834	41,697
Total Comprehensive Income	46,124	42,324

FINANCIAL RATIO LIQUIDITY RATIO	QUARTER 2-2023	2022
Solvency ratio (Times)	0.3	0.3
Current ratio (%)	11	4
Quick Ratio (%)	10	3

FINANCIAL RATIOS PROFITABILITY RATIO	QUARTER 2-2023	2022
Return on Assets (%)	2	2
Return on Equity (%)	5	6
Gross Profit Margin (%)	61	54
Profit Margin (%)	25	22
Earnings per share (Riels)	24	8,464,800
Interest Coverage ratio (Times)	4	9

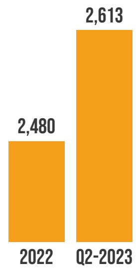
FINANCIAL SUMMARY CHARTS

FINANCIAL POSITION

TOTAL ASSETS
(BILLION RIELS)

+5%

133.3

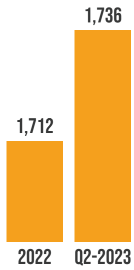


Has increased of 133.3 billion riels or +5% in Q2-2023 compared to 2022.

TOTAL LIABILITIES
(BILLION RIELS)

+1%

23.9

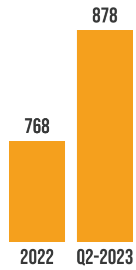


Has increased of 23.9 billion riels or +1% in Q2-2023 compared to 2022.

TOTAL EQUITY
(BILLION RIELS)

+14%

109.4



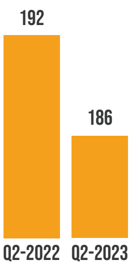
Has increased of 109.4 billion riels or +14% in Q2-2023 compared to 2022.

COMPREHENSIVE INCOME

REVENUES
(BILLION RIELS)

-3%

-6.2

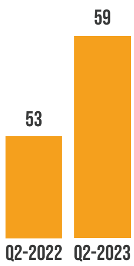


Has decreased of 6.2 billion riels or -3% in Q2-2023 compared to Q2-2022.

P/(L) BEFORE TAX
(BILLION RIELS)

+10%

5.5

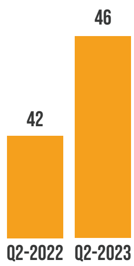


Has increased of 5.5 billion riels or +10% in Q2-2023 compared to Q2-2022.

P/(L) AFTER TAX
(BILLION RIELS)

+10%

4.1

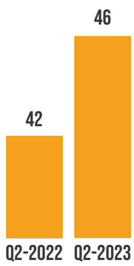


Has Increased of 4.1 billion riels or +10% in Q2-2023 compared to Q2-2022.

COMPREHENSIVE INCOME
(BILLION RIELS)

+9%

3.8



Has increased of 3.8 billion riels or +9% in in Q2-2023 compared to Q2-2022.

BOARD OF DIRECTORS

NEAK OKNHA KITH MENG
CHAIRMAN

MR. WILLIAM MARK HANNA
NON-EXECUTIVE DIRECTOR

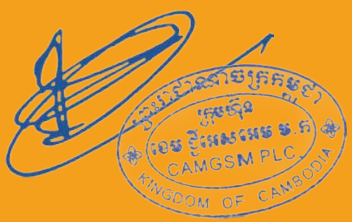
MR. PAUL CAREY CLEMENTS
NON-EXECUTIVE DIRECTOR

MR. CHRISTOPHER DONALD TIFFIN
NON-EXECUTIVE DIRECTOR

MS. HEP SEKA
INDEPENDENT DIRECTOR

CHAIRMAN MESSAGE

SEPTEMBER 15, 2023
SIGNATURE AND SEAL



NEAK OKNHA KITH MENG

Dear Fellow Shareholders

On behalf of CAMGSM PLC (Company) and the Board of Directors, I am pleased to present the second quarter of 2023 report of the Company and its subsidiaries for the period starting from 01 April 2023 to 30 June 2023.

2H 2023 was an intense period for the team with CAMGSM PLC being the Official Telecom Partner of the 32nd SEA Games and the 12th Para Games, while also preparing for the IPO at the Cambodia Stock Exchange and maintaining our unwavering commitment to remain relevant in the market and provide our subscribers with exceptional service and experience every day. We continued expanding and optimizing the network, which was subsequently recognized by the independent OpenSignal – Best Download Speed Experience Award (given in August 2023) and OOKLA - Fastest Mobile Network (Q1-Q2, 2023)

On June 20th, 2023, the Company obtained approval on the results of the IPO from the Securities and Exchange Regulator of Cambodia (SERC) and, subsequently, on June 27th, 2023, successfully listed its shares on the CSX. The Company received USD 5,284,587 in proceeds from the IPO for the newly issued 9,271,206 shares (KHR2,270/share)

In the second quarter of 2023, the Company reported total revenue of 185,978 million riels a decrease of 3.2% year-on-year compared to the amount of 192,155 million riels in the 2nd quarter of 2022. Despite the decrease in revenue, the Company reported net profits of 45,834 million riels, an increase of 9.9% year-on-year compared to the net profit of 41,697 million riels in the same quarter of 2022.

The financial position of the Company remains strong on 30 June 2023 with total assets amounting to 2,613,434 million riels, comprising non-current assets of 2,514,413 million riels and current assets of 99,021 million riels. The total equity amounted to 877,752 million riels on 30 June 2023, an increase of 14.2% compared with 768,348 million riels compare to 2022.

TABLE OF CONTENTS

PART 1. GENERAL INFORMATION OF THE LISTED ENTITY

A IDENTITY OF THE LISTED ENTITY

Entity Name in Khmer	ខេម ជីអេសអេម ម.ក
In Latin	CAMGSM PLC
Standard Code	KH1000220009
Address	No. 246, Monivong Blvd, Sangkat Boeung Raing, Khan Daun Penh, Phnom Penh, Kingdom of Cambodia
Phone number	(855) 12 812 812/812
Fax	N/A
Website	www.cellcard.com.kh
Email	investor_relations@cellcard.com.kh
Company registration number	00015274 dated 20 August 1996, issued by Ministry of Commerce
License number	N/A
Disclosure Document registration number	061/23 SERC/SSR dated 04 April 2023, issued by Securities and Exchange Regulator of Cambodia (SERC)
Representative of the listed entity	Mr. Simon John Perkins

B NATURE OF BUSINESS

CAMGSM PLC (the Company) obtained the license for the provision and operation of GSM Digital Cellular mobile telephone services within the Kingdom of Cambodia from the Ministry of Posts and Telecommunications on 20 April 1996. The Company obtained the investment approval letter number 1066/96 from the Council for the Development of Cambodia/Cambodian Investment Board dated 7 August 1996. The Company was registered with the Ministry of Commerce (MOC) and received a letter reference 2159 M.O.C. dated 26 August 1996.

The MOC Registration number is INV 231E/1996.

The principal activities of the company are:

a) Installation and operation of all equipment and machinery used in connection with the operation of the GSM mobile cellular telephone network in the entire Kingdom of Cambodia and all products which are ancillary complementary, or component parts of such equipment; and

b) Market and sell any telecommunications product and/or service.

Two new license agreements were received on 24 November 2009 with a validity of 30 years from the date of issuance and renewable for an additional 5 years. One for using the GSM technology and allocated frequencies and another for using 3G technologies and allocated frequencies. On 15 July 2013, Mobitel Company Limited (a subsidiary of CAMGSM) was granted a license for the use of 4G technologies in addition to using the 2G and 3G technologies and additional frequencies. On 31 May 2016, CAMGSM obtained a license for the provision and operation of voice-over-internet protocol services (VoIP) in the Kingdom of Cambodia. On 13 January 2022 CAMGSM obtained a license for the provision and operation of internet service (ISP) in the Kingdom of Cambodia. On 14 January 2022 Telemobile (Cambodia) Corporation (T.C.C) a subsidiary of CAMGSM obtained a license for the operation and service of antenna towers in the Kingdom of Cambodia.

The Company is 98.5% - owned by Royal Millicom Co., Ltd (RMC) with its principal office at 246 H-I Monivong Boulevard, Phnom Penh.

C QUARTER'S KEY EVENTS

5th April 2023
Announcement of the IPO

C QUARTER'S KEY EVENTS

10th April 2023
Launch of Serey+

27th April 2023
MOU signing with MyCLNQ & Visa

C QUARTER'S KEY EVENTS

April 2023
Fastest Mobile Network Awards

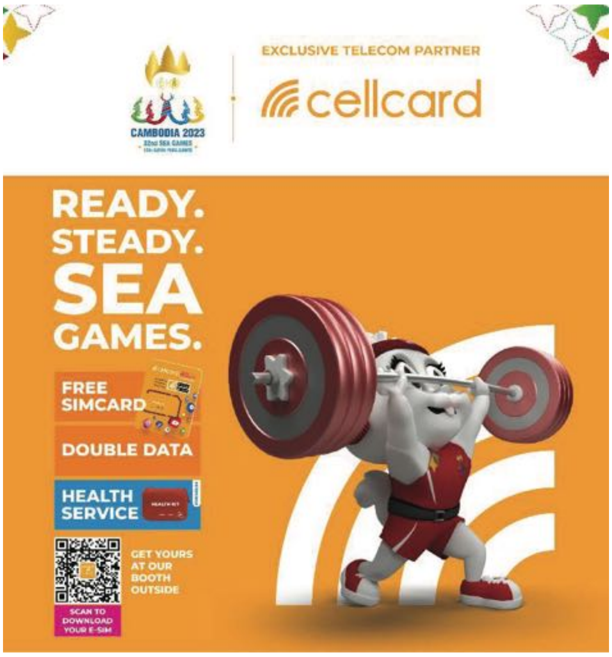
Best Digital Services Innovator
GLOBAL BRANDS MAGAZINE

Mobile Operator of the Year
Digital Initiative of the Year

29th April 2023
SEA Games Torch Run

C QUARTER'S KEY EVENTS

1st May 2023
Launch of Tourist+



5th May 2023
SEA Games Opening Ceremony

C QUARTER'S KEY EVENTS

27th May 2023
Launch of Gaming Arena with OnMo Ltd.

3rd June 2023
Asean Para Games Opening Ceremony

C QUARTER'S KEY EVENTS

10th June 2023
Roaming Pack Enhancement

15th June 2023
Launch of Inflight Roaming Services with Aero Mobile

C QUARTER'S KEY EVENTS

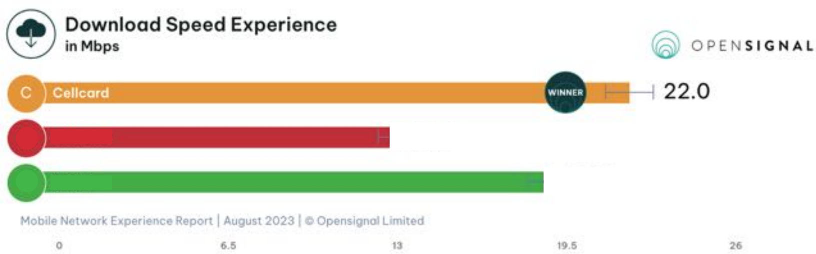
27th June 2023
The Official Listing Ceremony

PART 2. INFORMATION ON BUSINESS OPERATION PERFORMANCE

A BUSINESS OPERATION PERFORMANCE INCLUDING BUSINESS SEGMENT INFORMATION

User Experience improvements and results

CAMGSM has been named Cambodia's Fastest Mobile Network for the second quarter of 2023, according to the latest reports from Opensignal and Ookla. The company has continued to invest in its network infrastructure, adding more sites and upgrading its network equipment to improve coverage and speeds. CAMGSM now has extensive nationwide coverage of approximately 98% of the population.



Source: https://www.opensignal.com/reports/2023/08/cambodia/mobile-network-experience

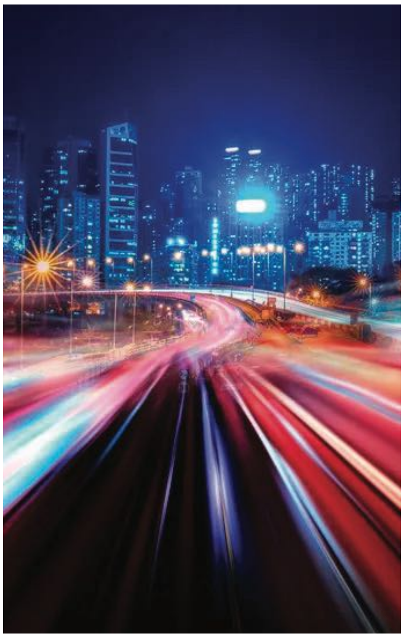
Network development results

Earlier this year, CAMGSM rolled out Carrier Expansion up to 4CA (4 Carrier Aggregation), which allowed CAMGSM to free up spectrum that can be used for 4G technology to improve the performance of its network offering customers a better user experience.

The improvement from Q1 2023 to Q2 2023 is the following:

- 3 Carrier Aggregation was increased by 60%, to nearly 26% of all sites.
- 4 Carrier Aggregation was increased by 27% to nearly 32% of all sites.

In line with the new radio rollout, some microwave links were also upgraded to bigger capacity or swapped to fiber solutions in main cities to satisfy the bigger capacity requirement. The total distance of fiber optic connection was increased by nearly 8%.



Furthermore, CAMGSM has also extended its network coverage and capacity to various locations nationwide including some critical locations such as boreys and other new development areas with significant populations. Nearly 50% more new sites were made on air in Q2 2023 than in Q1 2023.

CAMGSM also completed energy savings and green initiatives by activating special power savings features in the network and replacing diesel generators with grid connections. From Q1 to Q2 2023

- The number of sites connected to the electricity grid increased by 9% (~91% of total sites).
- The number of diesel generator-supplied sites decreased by 49% (~7% of total sites).
- The number of air-conditioned sites decreased by 48% (~4% of total sites).

Contribution to the 2023 Southeast Asian Games

CAMGSM also supported the 2023 Southeast Asian Games, a biennial multi-sport event that was held from 5 to 17 May in Phnom Penh, Cambodia by providing additional coverage and capacity at all the event areas. The company ensured proper signal coverage both indoors and outdoors with sufficient data throughput and speed. Various solutions were implemented via IBS DAS, iMacro, Easy Macro, and Cell-on-Wheels solutions.

B REVENUE STRUCTURE

Please find the revenue structure summarized in the table below. Refer to further details and clarification in Part 4 of the report.

NO	SOURCE OF REVENUE (MILLION RIELS)	QUARTER 2 FY 2023 REVIEWED		QUARTER 2 FY 2022 UNREVIEWED		QUARTER 2 FY2021 UNREVIEWED	
		AMOUNT	%	AMOUNT	%	AMOUNT	%
1	Provision of telecom services	180,216	96.9%	187,621	97.6%	164,158	98.4%
2	Connection and subscription revenues	3,937	2.1%	3,100	1.6%	1,597	1%
3	Others revenue	1,825	1%	1,434	0.7%	1,036	0.6%
	Total revenue	**185,978**	**100%**	**192,155**	**100%**	**166,791**	**100%**

PART 3. FINANCIAL STATEMENTS REVIEWED BY THE EXTERNAL AUDITOR

Please refer to the Annex for Financial Statements reviewed by Independent Auditor.

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

The discussion and analysis focused on the operational and financial results based on Interim Financial Statements as of 30 JUNE 2023 reviewed by Independent Auditors. The Interim Financial Statements had been prepared in accordance with Cambodian International Financial Reporting Standard ''CIFRS''. Only the key components of the Interim Financial Statements and key factors that affect CAMGSM's Profitability were discussed and analyzed.

A OVERVIEW OF OPERATIONS

1. REVENUE ANALYSIS

The three revenue streams of CAMGSM are the provision of telecom services, connection and subscription revenues, and other revenues.

I

Provisions of telecom services revenue consist of airtime usage fees, interconnection fees, roaming fees, and other telecommunications services such as data services, short message services, and other value-added services.

II

Connection and subscription revenues consist of subscription fees and sales of sim cards and preloaded credits.

III

Other revenues consist of site capacity lease revenue, sales of special numbers, and other services such as Cellcard One which includes other non-recurring revenue.

2. REVENUE BY SEGMENT ANALYSIS

NO	SOURCE OF REVENUE (MILLION RIELS)	QUARTER 2 FY 2023 REVIEWED		QUARTER 2 FY 2022 UNREVIEWED		QUARTER 2 FY2021 UNREVIEWED	
		AMOUNT	%	AMOUNT	%	AMOUNT	%
1	Provision of telecom services	180,216	96.9%	187,621	97.6%	164,158	98.4%
2	Connection and subscription revenues	3,937	2.1%	3,100	1.6%	1,597	1%
3	Others revenue	1,825	1%	1,434	0.7%	1,036	0.6%
	Total revenue	**185,978**	**100%**	**192,155**	**100%**	**166,791**	**100%**

In Q2-2023, total revenue has decreased by 6.2 billion riels or 3.2% compared to Q2-2022 impacted by the decrease in provision of telecom services revenue by 7.41 billion riels or 3.95%.

3. GROSS PROFIT MARGIN ANALYSIS

Gross profit margin continues to improve to 61% in Q2-2023 from 54% in Q2-2022 owing to continuous initiatives to optimize direct costs.

4. PROFIT/ (LOSS) BEFORE TAX ANALYSIS

STATEMENT OF PROFIT OR LOSS (MILLION RIELS)	QUARTER 2 FY 2023 (REVIEWED)	QUARTER 2 FY 2022 (UNREVIEWED)	VARIANCE	
			AMOUNT	PERCENTAGE
Revenue	185,978	192,155	(6,177)	-3.2%
Operating Cost				
Depreciation and amortization	(24,797)	(32,119)	(7,322)	-22.8%
Interconnect Costs	(9,960)	(11,130)	(1,170)	-10.5%
Personnel Costs	(14,273)	(12,687)	1,586	12.5%
Other Operating Costs	(77,642)	(90,425)	(12,783)	-14.1%
Other Gains/(loss)-net	262	286	(24)	-8.4%
Operating Profit	59,568	46,080	13,488	29.3%
Finance Income	22,427	21,066	1,361	6.5%
Finance Costs	(23,316)	(14,011)	9,305	66.4%
Profit before Income Tax	**58,679**	**53,135**	**5,544**	**10.4%**

In Q2-2023, the Operating Profit increased by 13,488 million riels or 29.3% compared to Q2-2022 mainly due to continuous initiatives to optimize other operating costs.
Profit before income tax increased by 5,544 million riels or 10.4% compared to Q2-22.

5. PROFIT/ (LOSS) AFTER TAX ANALYSIS

STATEMENT OF PROFIT OR LOSS (MILLION RIELS)	QUARTER 2 FY 2023 (REVIEWED)	QUARTER 2 FY 2022 (UNREVIEWED)	VARIANCE	
			AMOUNT	PERCENTAGE
Profit before Income Tax	58,679	53,135	5,544	10.4%
Income Tax Expense	(12,845)	(11,438)	1,407	12.3%
Profit For the Period	**45,834**	**41,697**	**4,137**	**9.9%**

CAMGSM is subject to income tax at the rate of 20% on taxable profits or the minimum tax at the rate of 1% of turnover in pursuance of the Law on Taxation. In Q2-2023, CAMGSM reported Profit for the period of 45,834 million riels increase by 4,137 million riels equivalent to 9.9% compared to Q2-2022. The increase of Profit for the Period was driven by the increase of Profit before Income Tax.

6. TOTAL COMPREHENSIVE INCOME/ (LOSS) ANALYSIS

STATEMENT OF PROFIT OR LOSS (MILLION RIELS)	QUARTER 2 FY 2023 (REVIEWED)	QUARTER 2 FY 2022 (UNREVIEWED)	VARIANCE	
			AMOUNT	PERCENTAGE
Profit for the period	45,834	41,697	4,137	9.9%
Other comprehensive income				
Item that will not be reclassified to profit or loss				
Currency translation differences	290	627	(337)	-53.7%
Total Comprehensive Income	**46,124**	**42,324**	**3,800**	**9%**

In Q2-2023, CAMGSM reported a total comprehensive income of 46,124 million riels, an increase of 3,800 million riels equivalent to 9% compared to Q2-2022. The increase in comprehensive income was driven by an increase in profit before the period.

7. FACTORS AND TRENDS ANALYSIS AFFECTING FINANCIAL CONDITIONS AND RESULTS

Financial condition is affected by a combination of new rules and regulations by regulators, competition, environmental, fiscal, and organizational factors. Although we are recovering from COVID-19 we have yet reached our original state, especially in the tourism industry and hence CAMGSM has not fully gained back our international business position. Revenue was also impacted by new rules and regulations on product offerings.
Nevertheless, with a complete suite of connectivity services for both personal and corporate needs, CAMGSM continues to drive financial growth through mobile and digital lifestyle services and continuously enhancing the network coverage and quality to better serve the customers.

B SIGNIFICANT FACTORS AFFECTING PROFIT

1. DEMAND AND SUPPLY CONDITIONS ANALYSIS

Q2-2023 has traditionally been a challenging quarter typically after the Khmer New Year when consumers limited their spending after the celebrations.
However, Q2-2023 has seen a significant downward impact on revenue mainly attributed to the following factors:

a. The migration of the existing price plans to the TRC-regulated new Serey price plan by the end of Q1. Consumers are still adapting to the new plans.

b. The effect of shutting down key revenue-generating services such as $10k Raffles and Balance Advance in Q4-2022.

c. The launch of Serey+ in April has also diluted the ARPU given that the offering is much bigger than previous Serey plans (i.e., $1.5 = 15GB Serey+ instead of $1.5 = 10GB Serey).

The slowdown has also been caused by macro-economic challenges especially right after the SEA Games when consumers became more conservative in their spending.

2. FLUCTUATIONS IN PRICES OF RAW MATERIALS

There are no raw materials used for CAMGSM's products and services.

3. TAX ANALYSIS

CAMGSM has an obligation to pay taxes and excises to the government under the laws of Cambodia. CAMGSM 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 taxes paid during the fiscal year and deferred taxes. Tax expenses are recorded in the statement of profit or loss except those related to capital.

4. EXCEPTIONAL AND EXTRAORDINARY ITEMS ANALYSIS

There are no exceptional items that impact this period's financial performance.

C MATERIAL CHANGES IN SALES AND REVENUE

The main source of CAMGSM's revenues is from telecom services which accounted for 96.9% and 97.6% of the Company's total revenue in Q2-2023 and Q2-2022, respectively.

Revenue decreased by 3.1% due to the impact of the migration of CAMGSM's subscribers to the new subscription plans, and the termination of the $10k Raffles both stipulated by the Telecomunication Regulator of Cambodia.

D IMPACT OF FOREIGN EXCHANGE, INTEREST RATES AND COMMODITY PRICES

The Company's sales revenue and purchases are mainly denominated and conducted in USD. As such, CAMGSM is not materially affected by the fluctuations of the foreign exchange rates in the second quarter of 2023.

The borrowings of the Company are generally on floating rate-based terms and hence, the Company would have to pay more interest with the increase in market rates.

E IMPACT OF INFLATION

Inflation is the rate of increase in prices over a given period. Inflation is typically a broad measure, such as the overall increase in prices or the increase in the cost of living in a country. The Covid-19 pandemic has had a lot of impact on the economy all over the world including inflation. For Cambodia in 2022, we can see that the inflation raised to 6% which also had an impact on the utility expenses of the Company as the fuel price increased significantly.

However, according to the estimated by World Bank, Cambodia's inflation will drop to 4.2% in 2023 and 3.8% in 2024 which will have positive impacts on the growth of Cambodia's economy as well as CAMGSM.

F ECONOMIC/FISCAL/MONETARY POLICY OF THE ROYAL GOVERNMENT

The Royal Government of Cambodia's economic direction has been led by a series of national economic plans and socioeconomic goals with an aim to be on track to become an upper-middle-income country by 2030 and a high-income country by 2050. Despite the impact of COVID-19, many policies have been introduced to ensure sustainable economic growth of circa 7% annually to widen the growth base and enhance competitiveness while maintaining macro-economic stability and promoting sound financial management policies (Cambodian Macroeconomic Performance Fiscal Outcome and Policy Direction, Ministry of Economy and Finance, 2022). Due to the impact of COVID-19, Cambodia's economy is estimated to grow by 3.0% in 2021 compared to 3.1% in 2020. The positive growth is expected to be driven by (1) herd immunity achievement, (2) the re-opening of socioeconomic activities in late 2021, and (3) stronger-than-expected external demand especially from US and Chinese markets. In 2022, Cambodia's economy is estimated to pick up with a growth of 5.6%, supported by a continued momentum of external demand and a gradual rebound of investment sentiment as well as domestic economic activities as the pandemic situation gradually ceases. The key contributing sectors to economic growth are garment, non-garment, tourism, and agriculture.

In the medium and long run, Cambodia's economy is projected to continue to expand with an annual average growth rate of 7% similar to the rate of growth in the pre-Covid-19 pandemic. This returning path of growth will be backed by a continued momentum of external demand and investment sentiment where the pandemic will be fully brought under control.

Fiscal policy refers to the use of government spending and taxation to steer the economy. Governments typically use fiscal policy to promote strong and sustainable growth and reduce poverty. In Cambodia, fiscal policy has been a key tool for promoting economic growth, reducing poverty, and providing short-term demand stimulus in the context of a highly dollarized economy.

Monetary policy in Cambodia is determined and implemented by the National Bank of Cambodia (NBC), the country's monetary authority. NBC's primary mission is to maintain price stability and develop and maintain a stable financial sector to support sustainable economic growth through efficient resource mobilization, private sector development, employment generation, and foreign direct investment (FDI). NBC has actively intervened in stabilizing the exchange rate and in maintaining sufficient international reserves for Cambodia. The exchange rate has been stabilized to 4,099 riels per USD on average while the international reserves have maintained at least to cover 8.3 months of imports (which was higher than the minimum benchmark at 3 months) (Financial Stability Review 2021, NBC).

PHNOM PENH, SEPTEMBER 15, 2023
READ AND APPROVED

SIGNATURE
NEAK OKNHA KITH MENG
CHAIRMAN

CAMGSM PLC. (FORMERLY KNOWN AS CAM GSM CO., LTD.)

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

TABLE OF CONTENTS

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Report on review of interim financial information

To the shareholders of CamGSM Plc.

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of CamGSM Plc. (the Company) and its subsidiaries (collectively referred to as 'the Group') as at 30 June 2023, and the related condensed consolidated statement of profit or loss and other comprehensive income for the three-month and six-month periods then ended, and condensed consolidated statement of changes in equity and cash flows for the six-month period then ended, and notes, comprising a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of this condensed consolidated interim financial information of the Group in accordance with Cambodian International Accounting Standard 34, 'Interim financial reporting'. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of review

We conducted our review in accordance with Cambodian International Standard 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with Cambodian International Accounting Standard 34, 'Interim financial reporting'.

Other matter

The comparative information for the condensed consolidated statement of financial position is based on the audited consolidated financial statements as at 31 December 2022. The comparative information for the condensed consolidated statement of profit or loss and other comprehensive income for the three-month and six-month periods then ended, condensed consolidated statement of changes in equity and cash flows for the six-month period then ended, and related explanatory notes for the three-month and six-month periods ended 30 June 2022 has not been audited or reviewed.

For PricewaterhouseCoopers (Cambodia) Ltd.

PricewaterhouseCoopers (Cambodia) Ltd.

By Hangsophath Molyzana
Partner

Phnom Penh, Kingdom of Cambodia
14 August 2023

PricewaterhouseCoopers (Cambodia) Ltd.
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CAMGSM PLC.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

		30 June 2023		31 December 2022	
	Notes	**US$**	**Riel million**	**US$**	**Riel million**
ASSETS					
Non-current assets					
Property, plant and equipment	6	100,454,525	414,877	91,296,587	375,868
Right-of-use assets		113,179,263	467,430	115,855,423	476,977
Intangible assets		2,045,246	8,447	2,232,138	9,190
Advances to suppliers for capital expenditures		8,286,328	34,223	10,262,975	42,255
Refundable deposits		516,200	2,132	500,000	2,061
Loans to a related party		384,335,215	1,587,304	373,584,018	1,538,045
		608,816,777	2,514,413	593,731,141	2,444,396
Current assets					
Prepayments and deposits		2,333,506	9,637	1,507,627	6,207
Inventories		891,884	3,683	902,887	3,717
Receivables from related parties		148,551	614	106,338	438
Trade and other receivables		2,798,951	11,560	3,301,537	13,593
Cash and cash equivalents		17,803,259	73,527	2,863,187	11,788
		23,976,151	99,021	8,681,576	35,743
Total assets		632,792,928	2,613,434	602,412,717	2,480,139
EQUITY					
Equity attributable to shareholders					
Share capital	7	146,945,340	606,884	5,000,000	20,585
Share premium	7	2,553,907	10,548	-	-
Retained earnings		63,031,604	252,993	181,628,116	738,528
Other reserves		-	7,327	-	9,235
Total equity		212,530,851	877,752	186,628,116	768,348
LIABILITIES					
Non-current liabilities					
Lease liabilities		32,219,770	133,068	35,170,945	144,799
Borrowings	8	144,417,519	596,444	142,871,389	588,202
Other financial liabilities	9	5,323,012	21,984	8,549,687	35,199
Deferred income tax liabilities		13,881,205	57,329	11,791,305	48,545
Employment seniority payment obligations		1,112,848	4,596	1,115,960	4,594
Trade and other payables		9,473,968	39,127	3,204,111	13,191
		206,428,322	852,548	202,703,397	834,530
Current liabilities					
Trade and other payables		90,565,170	374,034	76,550,552	315,159
Other financial liabilities	9	9,664,508	39,914	9,264,565	38,142
Contract liabilities		23,720,781	97,967	23,897,682	98,393
Payables for capital expenditure		520,273	2,149	751,157	3,093
Current income tax liabilities		44,522,256	183,877	41,252,442	169,836
Borrowings	8	15,742,433	65,016	15,484,709	63,751
Lease liabilities		7,514,900	31,037	6,603,657	27,187
Employment seniority payment obligations		52,559	217	53,096	218
Payables to related parties		5,297,089	21,876	4,258,555	17,532
Accrued liabilities		16,233,786	67,047	34,964,789	143,950
		213,833,755	883,134	213,081,204	877,261
Total liabilities		420,262,077	1,735,682	415,784,601	1,711,791
Total equity and liabilities		632,792,928	2,613,434	602,412,717	2,480,139

The accompanying notes form an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2023

		For the three-month period ended				For the six-month period ended			
		30 June 2023		30 June 2022		30 June 2023		30 June 2022	
	Notes	US$	Riel million	US$	Riel million	US$	Riel million	US$	Riel million
				Un-reviewed	*Un-reviewed*			*Un-reviewed*	*Un-reviewed*
Revenue		45,316,171	185,978	47,375,374	192,155	91,259,123	373,615	92,428,914	375,261
Operating costs									
Depreciation and amortisation		(6,042,108)	(24,797)	(7,918,844)	(32,119)	(12,259,054)	(50,189)	(16,845,535)	(68,393)
Interconnect costs		(2,426,795)	(9,960)	(2,744,143)	(11,130)	(4,815,225)	(19,714)	(5,534,087)	(22,468)
Personnel costs		(3,477,886)	(14,273)	(3,127,858)	(12,687)	(6,690,286)	(27,390)	(6,598,179)	(26,789)
Other operating costs	10	(18,918,552)	(77,642)	(22,294,239)	(90,425)	(37,875,029)	(155,060)	(44,317,400)	(179,929)
Other gains/(losses) – net		64,095	262	70,443	286	17,214	70	157,166	638
Operating profit		14,514,925	59,568	11,360,733	46,080	29,636,743	121,332	19,290,879	78,320
Finance income		5,464,577	22,427	5,193,784	21,066	10,942,008	44,797	10,375,148	42,123
Finance costs		(5,681,324)	(23,316)	(3,454,288)	(14,011)	(11,615,407)	(47,553)	(8,518,011)	(34,583)
Profit before income tax		14,298,178	58,679	13,100,229	53,135	28,963,344	118,576	21,148,016	85,860
Income tax expense		(3,129,778)	(12,845)	(2,820,113)	(11,438)	(6,309,856)	(25,833)	(4,552,549)	(18,483)
Profit for the period		11,168,400	45,834	10,280,116	41,697	22,653,488	92,743	16,595,467	67,377
Other comprehensive income:									
Items that will not be reclassified to profit or loss									
Currency translation differences		-	290	-	627	-	(1,908)	-	(1,974)
Other comprehensive income for the period		-	290	-	627	-	(1,908)	-	(1,974)
Total comprehensive income for the period		11,168,400	46,124	10,280,116	42,324	22,653,488	90,835	16,595,467	65,403
Profit for the period attributable to owners of the parent		11,168,400	45,834	10,280,116	41,697	22,653,488	92,743	16,595,467	67,377
Total comprehensive income for the period attributable to owners of the parent		11,168,400	46,124	10,280,116	42,324	22,653,488	90,835	16,595,467	65,403

		For the three-month period ended				For the six-month period ended			
		30 June 2023		30 June 2022		30 June 2023		30 June 2022	
		US$	Riel	US$	Riel	US$	Riel	US$	Riel
				Un-reviewed	*Un-reviewed*			*Un-reviewed*	*Un-reviewed*
Basic/diluted earnings per share (US$/Riel)	12	0.01	23	2,056	8,464,800	0.01	46	3,319	13,080,600

The accompanying notes form an integral part of this condensed consolidated interim financial information.

CAMGSM PLC.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023

	Attributable to owners of the parent									
	Share capital		**Share premium**		**Retained earnings**		**Other reserves**		**Total**	
	US$	**Riel million**	**US$**	**Riel million**	**US$**	**Riel million**	**US$**	**Riel million**	**US$**	**Riel million**
For the period ended 30 June 2022										
As at 1 January 2022	5,000,000	20,370	-	-	141,056,922	572,713	-	1,953	146,056,922	595,036
Comprehensive income										
Profit for the period	-	-	-	-	16,595,467	67,377	-	-	16,595,467	67,377
Other comprehensive income - currency translation differences	-	-	-	-	-	-	-	(1,974)	-	(1,974)
Total comprehensive income for the year	-	-	-	-	16,595,467	67,377	-	(1,974)	16,595,467	65,403
Transactions with owners										
Currency translation differences	-	(70)	-	-	-	-	-	-	-	(70)
Total transactions with owners	-	(70)	-	-	-	-	-	-	-	(70)
Balance at 30 June 2022 *(un-reviewed)*	5,000,000	20,300	-	-	157,652,389	640,090	-	(21)	162,652,389	660,369
For the period ended 30 June 2023										
As at 1 January 2023	5,000,000	20,585	-	-	181,628,116	738,528	-	9,235	186,628,116	768,348
Comprehensive income										
Profit for the period	-	-	-	-	22,653,488	92,743	-	-	22,653,488	92,743
Other comprehensive income - currency translation differences	-	-	-	-	-	-	-	(1,908)	-	(1,908)
Total comprehensive income for the year	-	-	-	-	22,653,488	92,743	-	(1,908)	22,653,488	90,835
Transactions with owners										
Proceeds from shares issued (see note 7)	695,340	2,847	2,553,907	10,456	-	-	-	-	3,249,247	13,303
Transfer from retained earnings to share capital (see note 7)	141,250,000	578,278	-	-	(141,250,000)	(578,278)	-	-	-	-
Currency translation differences	-	5,174	-	92	-		-	-	-	5,266
Total transactions with owners	141,945,340	586,299	2,553,907	10,548	(141,250,000)	(578,278)	-	-	3,249,247	18,569
Balance at 30 June 2023	146,945,340	606,884	2,553,907	10,548	63,031,604	252,993	-	7,327	212,530,851	877,752

The accompanying notes form an integral part of this condensed consolidated interim financial information.

CAMGSM PLC.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023

		For the six-month period ended			
		30 June 2023		30 June 2022	
	Notes	US$	Riel million	US$	Riel million
				Un-reviewed	*Un-reviewed*
Cash flows from operating activities					
Cash generated from operations	11	51,421,451	210,518	42,907,031	174,200
Income tax paid		(950,142)	(3,890)	(852,807)	(3,463)
Interest received from banks		190,810	781	158,671	647
Net cash generated from operating activities		50,662,119	207,409	42,212,895	171,384
Cash flows from investing activities					
Short-term deposit		-	-	1,500,000	6,090
Payments for property, plant and equipment	6	(6,424,835)	(26,303)	(4,890,660)	(19,856)
Proceeds from sales of property, plant and equipment		189,356	775	-	-
Net cash used in investing activities		(6,235,479)	(25,528)	(3,390,660)	(13,766)
Cash flows from financing activities					
Principal elements of lease payments		(4,566,226)	(18,694)	(2,447,863)	(9,938)
Repayments of borrowings		(16,065,405)	(65,772)	(7,442,524)	(30,217)
Repayments of other financial liabilities		(4,389,991)	(17,973)	(3,732,997)	(15,156)
Repayments of long-term trade payable		(8,571,576)	(35,092)	(7,940,000)	(32,236)
Proceeds from borrowings		10,000,000	40,940	-	-
Proceeds from share capital		4,812,505	19,702	-	-
Payments of finance costs		(103,347)	(423)	(750,000)	(3,045)
Interest paid		(10,602,528)	(43,407)	(8,840,398)	(35,892)
Net cash used in financing activities		(29,486,568)	(120,719)	(31,153,782)	(126,484)
Net increase in cash and cash equivalents		14,940,072	61,162	7,668,453	31,134
Cash and cash equivalents at the beginning of the period		2,863,187	11,788	8,331,483	33,826
Currency translation differences		-	577	-	160
Cash and cash equivalents at end of the period		17,803,259	73,527	15,999,936	65,120

NON-CASH FINANCING AND INVESTING TRANSACTIONS

Retained earnings amounting to US$141,250,000 of the Company was converted into share capital during the period (see note 7).

The bank financing of US$7,704,095 was obtained for the purchase of the telecommunication equipment during the period (see note 8).

The accompanying notes form an integral part of this condensed consolidated interim financial information.

1. GENERAL INFORMATION

CamGSM Plc., formerly known as Cam GSM Co., Ltd, (the Company) and its wholly owned subsidiaries (together 'the Group') are the companies established in the Kingdom of Cambodia under the Law on Foreign Investment. The Company was formed on 20 April 1996. On 17 March 2023, the Company has obtained an approval from the Ministry of Commerce on changing its legal name from Cam GSM Co., Ltd. to Cam GSM Plc. to meet the listing requirements of Cambodia Securities Exchange (CSX).

The Company is majority-owned by Royal Millicom Co., Ltd (RMC) with its principal office at 246 H-I Monivong Boulevard, Phnom Penh. RMC is a joint venture between Three Star Investment Cambodia Ltd, a company incorporated in Cayman Islands with a 61.5% share and Royal Group Co., Ltd, a company incorporated in Cambodia with a 38.5% share.

Three Star Investment Cambodia Ltd is a wholly owned subsidiary of Three Star Investment Cayman Limited, a company incorporated in Cayman Islands, which is wholly owned by Neak Okhna Kith Meng.

The Company obtained the license for the provision and operation of GSM Digital Cellular mobile telephone services within the Kingdom of Cambodia from the Ministry of Posts and Telecommunications on 20 April 1996. A new license agreement was received on 24 November 2009 with a validity of 30 years from the date of issuance and renewable for an additional 5 years for the use of the GSM and 3G technologies. On 15 July 2013, Mobitel Company Limited was granted licence for the use of 4G technologies in addition to using the 2G and 3G technologies.

The Company obtained the investment approval letter number 1066/96 from the Council for the Development of Cambodia/Cambodian Investment Board dated 7 August 1996. The Company was registered with the Ministry of Commerce (MoC) and received letter reference 2159 M.O.C. dated 26 August 1996. The MoC Registration number is INV 231E/1996.

The Group uses brands for its mobile phone and internet connections. 'Mobitel' was the brand of Cam GSM prior to 'Cellcard' and to protect the brand names, Mobitel Company Limited was established as wholly owned subsidiary of CamGSM Plc. Mobitel Company Limited was registered with MoC on 20 January 1997 as per licence reference CO 2824E/1997. On 15 July 2013, Mobitel Company Limited got a licence from Telecommunication Regulator of Cambodia (TRC) to operate 4G, a long term evolution technology. On 20 March 2019, Telemobile (Cambodia) Corporation was established as a wholly owned subsidiary of CamGSM Plc. in order to hold the license for the Company. On 14 January 2022, Telemobile (Cambodia) Corporation received a license from the TRC to operate tower services in the Kingdom of Cambodia. The two companies are subsidiaries of the Group and currently 'Mobitel' is dormant.

The principal activities of the Group are to:

(a) Install and operate any and all equipment and machinery used in connection with the operation of the GSM mobile cellular telephone network in the entire Kingdom of Cambodia and all products which are ancillary, complementary or component parts of that equipment; and

(b) Market and sell any of the Group's telecommunications product and/or service.

The registered office of CamGSM Plc. is at Building 246 Preah Monivong Boulevard, Sangkat Boeung Raing, Khan Daun Penh, Phnom Penh, Kingdom of Cambodia.

The condensed consolidated interim financial information was authorised for issue by the Board of Directors on 14 August 2023.

2. BASIS OF PREPARATION

This condensed consolidated interim financial information for the six-month reporting period ended 30 June 2023 has been prepared in accordance with Cambodian International Accounting Standard (CIAS) 34 'Interim financial reporting'.

The condensed consolidated interim financial information does not include all the notes of the type normally included in the annual audited consolidated financial statements. Accordingly, this report is to be read in conjunction with the annual audited consolidated financial statements for the year ended 31 December 2022, which have been prepared in accordance with Cambodian International Financial Reporting Standards (CIFRS).

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

The comparative information for the condensed consolidated statement of profit or loss and other comprehensive income for the three-month and six-month periods then ended, condensed consolidated statement of changes in equity and cash flows for the six-month periods then ended, and related explanatory notes for the three-month and six-month periods ended 30 June 2022 has not been audited or reviewed.
An English version of this condensed consolidated interim financial information has been prepared from the condensed consolidated interim financial information that is in the Khmer language. In the event of a conflict or a difference in interpretation between the two languages, the Khmer language condensed consolidated interim financial information shall prevail.

New and amended standards adopted by the Group

A number of amended standards became applicable for the current reporting period as follows:

- Disclosure of Accounting Policies – Amendments to CIAS 1 and CIFRS Practice Statement 2,
- Definition of Accounting Estimates – Amendments to CIAS 8, and
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to CIAS 12

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Presentation in Khmer Riel

In compliance with the Law on Accounting and Auditing, the condensed consolidated interim financial information shall be presented in Khmer Riel (Riel). The condensed consolidated statements of profit or loss and other comprehensive income and cash flows are translated into Riel using the average rate for the period. Assets and liabilities for each statement of financial position presented and shareholders' capital are translated at the closing rate as at the reporting date. Exchange differences arising from the translation of shareholders' capital are recognised directly in equity; all other exchange differences are recognised in the condensed consolidated statement of profit or loss and other comprehensive income.

2. BASIS OF PREPARATION (CONTINUED)

Presentation in Khmer Riel (Continued)

As at the reporting date, the average rates and closing rates are based on the following exchange rates per $1:

	For the three-month period ended		For the six-month period ended	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
Average rate	Riel 4,104	Riel 4,056	Riel 4,094	Riel 4,060

	30 June 2023	31 December 2022
Closing rate	Riel 4,130	Riel 4,070

3. SIGNIFICANT EVENTS AND TRANSACTIONS IN THE CURRENT REPORTING PERIOD

The following are the significant events that occurred in the current reporting period:

The conversion of retained earnings to share capital

During the period, the Company transferred its retained earnings amounting to US$141,250,000 to be its share capital. The new registered share capital was approved by the Ministry of Commerce on 17 March 2023 (see note 7).

Share issued on the CSX

The Company obtained the approvals to list its shares in the CSX from the Securities and Exchange Regulator of Cambodia (SERC) on 20 June 2023 and the Cambodia Securities Exchange (CSX) on 22 June 2023.

On 27 June 2023, the Company successfully listed its shares on the CSX. The Company received US$5,284,587 in proceeds from the Initial Public Offering (IPO) for the newly issued shares (see note 7).

4. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The significant estimates, assumptions and judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual audited consolidated financial statements for the year ended 31 December 2022.

5. SEGMENT AND REVENUE INFORMATION

The Group has only one reportable segment, namely, telecommunication service. The chief operating decision-maker (the management team) reviews the internal management report, which reports the performances of the telecommunication service segment as a whole, to assess performance and allocate resources. The management team also reviews profit before tax and net profit as a whole compared to the prior period.

6. PROPERTY, PLANT AND EQUIPMENT

	Building and leasehold improvement US$	Network equipment US$	Billing system US$	Equipment, furniture and fixture US$	Motor vehicles US$	Capital work-in-progress US$	Total US$
As at 31 December 2022							
Cost	5,953,737	642,354,859	13,736,180	17,526,270	1,506,084	8,874,091	689,951,221
Accumulated depreciation	(5,267,173)	(564,862,877)	(11,469,351)	(15,664,269)	(1,390,964)	-	(598,654,634)
	686,564	77,491,982	2,266,829	1,862,001	115,120	8,874,091	91,296,587
Riel million equivalent		319,034	9,333	7,666	474	36,534	375,868
Carrying value as at 1 January 2023	686,564	77,491,982	2,266,829	1,862,001	115,120	8,874,091	91,296,587
Additions	-	-	-	-	-	16,065,090	16,065,090
Transfers	705,395	10,194,695	-	944,000	-	(11,844,090)	-
Disposals/written off-cost	-	(9,126,735)	(14,500)	(32,898)	(129,039)	-	(9,303,172)
Disposals-accumulated depreciation	-	9,120,532	14,500	34,042	96,654	-	9,265,728
Depreciation charges for the period	(146,008)	(5,356,388)	(851,758)	(500,194)	(15,360)	-	(6,869,708)
As at 30 June 2023	1,245,951	82,324,086	1,415,071	2,306,951	67,375	13,095,091	100,454,525
As at 30 June 2023							
Cost	6,659,132	643,422,819	13,721,680	18,437,372	1,377,045	13,095,091	696,713,139
Accumulated depreciation	(5,413,181)	(561,098,733)	(12,306,609)	(16,130,421)	(1,309,670)	-	(596,258,614)
	1,245,951	82,324,086	1,415,071	2,306,951	67,375	13,095,091	100,454,525
Riel million equivalent	5,146	339,998	5,844	9,528	279	54,082	414,877

6. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The following table provides details of cash used for the purchases of property, plant and equipment:

	30 June 2023		30 June 2022	
	US$	Riel million	US$	Riel million
			Un-reviewed	*Un-reviewed*
	16,065,090	65,770	5,063,243	20,557
Increase in accrued capital expenditure	(270,129)	(1,106)	10,726	44
(Increase)/decrease in suppliers' advances for capital expenditure	(1,976,647)	(8,092)	(317,886)	(1,291)
Decrease in payables for capital expenditure	230,884	945	35,340	143
Decrease in payable for capital expenditure to related parties	79,732	327	99,237	403
Increase in borrowings for capital expenditure (note 8)	(7,704,095)	(31,541)	-	-
Cash used for purchases of property, plant and equipment	6,424,835	26,303	4,890,660	19,856

7. SHARE CAPITAL AND SHARE PREMIUM

Share capital

As at 30 June 2023, the authorised share capital comprised 1,959,271,206 shares (2022: 5,000 shares) at par value of US$0.075 per share. All issued shares are fully paid.

	30 June 2023		31 December 2022	
	US$	Riel million	US$	Riel million
Issued and fully paid:				
At 1 January	5,000,000	20,585	5,000,000	20,370
Proceed from share issued in the IPO	695,340	2,847	-	-
Conversion of retained earnings to share capital	141,250,000	578,278	-	-
Currency translation differences	-	5,174	-	215
	146,945,340	606,884	5,000,000	20,585

Share capital of US$146,945,340 is represented by 1,959,271,206 shares at Riel 300 US$0.075) each, divided into two classes:

- 9,271,206 Class A shares with total value of US$695,340 with the par value of Riel
were from the share issued in the Initial Public Offerings (IPO). Class A shareholders are entitled to the minimum guaranteed dividend yield of 7% of total number of shares held as of the day immediately proceeding the ex-dividend date multiplied by the initial public offering price for the period of 5 years (either cash or non-cash dividend), payable quarterly, effective after an initial 3- month period from listing date. The holders of Class A shares must be active customers, who are active subscribers of telecommunication services provided by the Company.

- 1,950 million Class B shares with total value of US$146,250,000 were from the conversion of US$141,250,000 from the retained earnings to share capital with the par value of Riel 300 per share and the conversion of the prior registered capital of US$5,000,000 with the par value of Riel 300 (2022: Riel 4 million per share). Class B shareholders are entitled to a dividend as approved by the Board of Directors.

7. SHARE CAPITAL AND SHARE PREMIUM (CONTINUED)

Share premium

The share premium mainly represents the excess amount received by the Company over the par value of its shares pursuant to the issuance of shares, net of transaction costs directly attributable to the issuance.

The total number of newly issued shares are 9,271,206 shares with a par value of Riel 300 (US$0.075) per share, at an offering price of Riel 2,270 (US$0.57) per share. The share premium is calculated as follows:

	US$
Share proceeds	5,284,587
Less: share capital at par value	(695,340)
Less: IPO costs	(472,081)
Less: dividend payables (note 9)	(1,563,259)
Share premium	2,553,907

Total shares are summarised as follows:

	Number of Shares	**Par value US$**
Class A	9,271,206	695,340
Class B	1,950,000,000	146,250,000
At 30 June 2023	1,959,271,206	146,945,340

8. BORROWINGS

	30 June 2023		**31 December 2022**	
	US$	**Riel million**	**US$**	**Riel million**
Current				
Bank of China Limited – CFA	6,906,889	28,525	9,530,651	39,238
Canadia Bank Plc.	1,000,000	4,130	1,464,035	6,027
Neak Oknha Kith Meng	15,796	65	15,796	65
Union Commercial Bank Plc.	2,000,000	8,260	2,000,000	8,234
Mega International Commercial Bank Co., Ltd. Phnom Penh Branch	1,957,745	8,085	1,894,748	7,801
Maybank (Cambodia) Plc.	2,625,000	10,842	579,479	2,386
Loan from Industrial and Commercial Bank of China Limited Phnom Penh Branch (ICBC)	1,237,003	5,109	-	-
	15,742,433	65,016	15,484,709	63,751
Non-current				
Neak Oknha Kith Meng	11,418,000	47,156	11,418,000	47,008
Bank of China Limited – CFA	90,133,334	372,251	98,928,542	
Canadia Bank Plc.	13,866,666	57,269	15,466,667	63,676
Union Commercial Bank Plc.				
Co., Ltd. Phnom Penh Branch	4,917,844	20,311	5,912,346	24,341
• Maybank (Cambodia) Plc.	10,947,917	45,215	3,645,834	15,010
Loan from Industrial and Commercial Bank of China Limited Phnom Penh Branch (ICBC)	6,467,092	26,709	-	-
	144,417,519	596,444	142,871,389	588,202

8. BORROWINGS (CONTINUED)

Loan from Industrial and Commercial Bank of China Limited (ICBC)

In the period, ICBC issued letters of credit to the Company to provide US$7,704,095 in bank financing to purchase the telecommunication equipment and related services from Huawei International Pte. Ltd. and Huawei Technologies (Cambodia) Co., Ltd (the Suppliers) with deferred payments up to 540 days. The bank financing is secured by the property of Khaou Chuly Land Company Limited, a company wholly owned by Neak Oknha Kith Meng. Hence, the Company shall settle the borrowings to ICBC within 540 days from the Suppliers' invoice dates.

9. OTHER FINANCIAL LIABILITIES

	30 June 2023		31 December 2022	
	US$	**Riel million**	**US$**	**Riel million**
Current				
Payables to suppliers	9,391,585	38,787	9,264,565	38,142
Guaranteed dividend payables (*)	272,923	1,127	-	-
	9,664,508	39,914	9,264,565	38,142
Non-current				
Payables to suppliers	4,032,676	16,655	8,549,687	35,199
Guaranteed dividend payables (*)	1,290,336	5,329	-	-
	5,323,012	21,984	8,549,687	35,199

(*) The payables represent the guaranteed dividend payables for Class A shared issued on the CSX during the period, which is the present value of dividend yield of 7% for the period of 5 years (see note 7).

10. OTHER OPERATING COSTS

	For the three-month period ended				For the six-month period ended			
	30 June 2023		30 June 2022		30 June 2023		30 June 2022	
	US$	KHR'000	US$	KHR'000	US$	KHR'000	US$	KHR'000
			Un-reviewed	*Un-reviewed*			*Un-reviewed*	*Un-reviewed*
Operational costs to the Ministry of Post and Telecommunication	7,580,230	31,109	7,709,955	31,272	15,152,284	62,033	15,120,274	61,388
Utilities	3,054,102	12,534	4,182,612	16,965	6,122,436	25,065	8,011,002	32,525
Dealers' commissions	2,888,378	11,854	3,607,449	14,632	6,161,041	25,223	7,172,474	29,120
Maintenance	1,633,416	6,704	1,871,620	7,591	3,282,102	13,437	3,458,239	14,040
Advertising and promotion costs	1,039,598	4,267	788,689	3,199	1,960,334	8,026	2,069,201	8,401
Leased line charges	186,856	767	361,427	1,466	420,056	1,720	706,540	2,869
Rentals	174,422	716	295,783	1,200	299,291	1,225	602,129	2,445
Specific tax expenses	130,057	534	623,283	2,528	310,312	1,270	1,763,335	7,159
Roaming costs	114,311	469	139,704	567	235,458	964	218,132	886
Customers' rewards	-	-	910,000	3,691	3,096	13	1,810,000	7,349
Others	2,117,182	8,688	1,803,717	7,314	3,928,619	16,084	3,386,074	13,747
	18,918,552	77,642	22,294,239	90,425	37,875,029	155,060	44,317,400	179,929

11. CASH GENERATED FROM OPERATIONS

	30 June 2023		30 June 2022	
	US$	**Riel million**	**US$**	**Riel million**
			Un-reviewed	*Un-reviewed*
Profit before income tax	28,963,344	118,576	21,148,016	85,860
Adjustments for:				
Depreciation charge	12,072,162	49,423	16,658,644	67,634
Amortisation charge	186,892	765	186,891	759
(Gain)/loss on disposal of property, plant and equipment	(151,912)	(622)	109,963	446
Employment seniority payment obligations	(3,650)	(15)	-	-
Finance cost	11,615,407	47,553	8,518,011	34,583
Finance income	(10,942,008)	(44,797)	(10,216,476)	(41,479)
	41,740,235	170,883	36,405,049	147,803
Changes in working capital:				
Trade and other payables	28,111,684	115,089	7,883,556	32,007
Contract liabilities	(176,901)	(724)	1,231,570	5,000
Payables to related companies	1,118,266	4,578	(6,165,663)	(25,033)
Accrued liabilities	(19,001,132)	(77,791)	4,062,665	16,494
Trade and other receivables, gross	502,586	2,058	661,777	2,687
Prepayments and deposits	(842,079)	(3,447)	(1,285,511)	(5,219)
Inventories	11,005	45	275,087	1,117
Receivables from related companies	(42,213)	(173)	(161,499)	(656)
Cash generated from operations	51,421,451	210,518	42,907,031	174,200

12. EARNINGS PER SHARE

i) Basic earnings per share

Basic earnings per share are calculated by dividing the earnings attributable to equity holders of the Company by numbers of ordinary shares in issue during the period as shown below:

	30 June 2023		30 June 2022	
	US$	**Riel**	**US$**	**Riel**
			Un-reviewed	*Un-reviewed*
Earning attributable to the owners of the Company	22,653,488	90,835,000,000	16,595,467	65,403,000,000
Number of shares	1,959,271,206	1,959,271,206	5,000	5,000
Basic earnings per share (US$/Riel)	0.01	46	3,319	13,080,600

ii) Diluted earnings per share

Diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company had no dilutive potential ordinary shares as at the period end. As such, the diluted earnings per share was equivalent to the basic earnings per share.

13. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

This note provides an update on the judgements and estimates made by the Group in determining the fair values of the financial instruments since the last annual audited financial statements.

(a) Fair value hierarchy

To provide an indication about the reliability of the inputs used in determining fair value, the Group classifies its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over–the–counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.
The Group has no financial assets or financial liabilities measured at fair value as at the reporting period.

(b) Financial instruments not measured at fair value

As at the balance sheet date, the fair values of financial instruments of the Group approximate their carrying amounts except for the loans from Bank of China Limited. The fair value of the loan from Bank of China Limited is as follows:

	30 June 2023		31 December 2022	
	US$	Riel million	US$	Riel million
Carrying value	97,040,223	400,776	108,459,193	588,202
Fair value	97,062,287	400,867	107,799,772	443,812

The fair value of the loan is based on cash flows discounted using a borrowing rate of 10.435% (2022: 9.832%). They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

13. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (CONTINUED)

The estimated fair values of other financial instruments are based on the following methodologies and assumptions:

i) Cash and cash equivalents and short-term investments – The carrying values of these amounts approximate fair values due to their short-term nature.

ii) Accounts receivable and payable – The carrying amounts less impairment provision approximate fair value because these are subject to normal credit terms and are short-term in nature.

iii) Loan to a related party – The carrying amount approximates fair values because it is matured within one year.

iv) Borrowings and other financial liabilities – the fair values are not materially different from their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short-term nature.

v) Long term trade payables – The fair value of the long-term trade payables is estimated by discounting the future contractual cash flows using a market lending rate in the year.

vi) Other assets and other liabilities – The carrying amounts of other financial assets and other financial liabilities are assumed to approximate their fair values as these items are not materially sensitive to the shift in market interest rates.

14. EVENTS OCCURRING AFTER THE REPORTING PERIOD

In July 2023, the Company entered into term loan agreements with three different lenders, Maybank (Cambodia) Plc., Maybank Singapore Limited and Canadia Bank Plc. for a US$112.5 million to refinance its outstanding term loan payable to Bank of China Limited. The borrowings from Canadia Bank Plc. and Maybank (Cambodia) Plc. amounting to US$72.5 million are charged with fixed interest rates ranging from 7% to 8.75% per annum while the borrowing from Maybank Singapore Limited amounting to US$40 million is charged with a floating rate of SOFR plus 4.85% margin per annum. Its outstanding loan payable with Bank of China Limited was fully settled on total loan amount of 8 August 2023.

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