

**Statement by the Directors
and
Interim condensed financial information**

**PESTECH (Cambodia) Plc and its
subsidiaries**

As at 30 September 2023 and for the three-month
period then ended

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Statement by the Directors

In the opinion of the Directors, the accompanying interim condensed statements of financial position of PESTECH (Cambodia) Plc ("the Company") and its subsidiaries as at 30 September 2023, and the related interim condensed statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows for the 3-month period then ended, and notes to the interim condensed financial information are presented fairly, in all material respects, in accordance with Cambodian International Accounting Standard 34 *Interim Financial Reporting*.

Signed on behalf of the Board of Directors,



Lim Pay Chuan
Executive Chairman

The stamp is a blue circular seal. The outer ring contains the text "ព្រះរាជាណាចក្រកម្ពុជា" (Kingdom of Cambodia) at the top and "KINGDOM OF CAMBODIA" at the bottom. The inner circle contains the text "ផែនដីក" (Phnom Penh) at the top, "(ខេត្តប៉ៃលិន) ភ.ក" (Prey Veng Province) in the middle, and "PESTECH (CAMBODIA) PLC" at the bottom.

Kuala Lumpur, Malaysia
10 November 2023

**Grant Thornton**

Report on review of interim condensed financial information

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**To the Shareholder of
PESTECH (Cambodia) Plc**

We have reviewed the interim condensed financial information of PESTECH (Cambodia) Plc. (“the Company”) and the interim condensed financial information of the Company and its subsidiaries (together hereinafter referred to as “the Group”), which comprise the interim statements of financial position as at 30 September 2023, the interim statements of profit or loss and other comprehensive income, changes in equity and cash flows for the 3-month period then ended, and explanatory notes (“the financial information”). The Board of Directors of the Company is responsible for the preparation and presentation of these interim condensed financial information in accordance with Cambodian International Accounting Standard 34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on this interim condensed 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 Condensed Financial Information Performed by the Independent Auditor of the Entity*. A review of interim condensed 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 interim condensed financial information of the Group and the Company are not prepared, in all material respects, in accordance with Cambodian International Accounting Standard 34 *Interim Financial Reporting*.

Certified Public Accountants and Auditors

A member of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. Services are delivered independently by the member firms.



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Other matter

The comparative information on the statements of financial position is based on the Group's and the Company's audited financial statements as at 30 June 2023. The comparative information for the 3-month period ended 30 September 2022 on the statements of profit or loss and other comprehensive income, cash flows and related explanatory notes were reviewed but unaudited. .

Grant Thornton
GRANT THORNTON (CAMBODIA) LIMITED

Certified Public Accountants

Registered Auditors



Ronald C. Almera
Ronald C. Almera

Partner – Audit and assurance

Phnom Penh, Kingdom of Cambodia

10 November 2023

Certified Public Accountants and Auditors

A member of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. Services are delivered independently by the member firms.

Group's interim statement of financial position

| | Note | (Reviewed) 30 September 2023 USD'000 | (Audited) 30 June 2023 USD'000 | (Reviewed) 30 September 2023 KHR'mil (Note 3) | (Audited) 30 June 2023 KHR'mil (Note 3) |
|----------------------------------|------|---|---|---|---|
| Assets | | | | | |
| Non-current | | | | | |
| Property, plant and equipment | 7 | 12,471 | 12,736 | 51,405 | 52,600 |
| Intangible assets | | 20 | 22 | 82 | 91 |
| Contract assets | 10 | 83,905 | 126,349 | 345,856 | 521,821 |
| Derivative financial instruments | 19 | 539 | 313 | 2,230 | 1,285 |
| Non-current assets | | 96,935 | 139,420 | 399,573 | 575,797 |
| Current | | | | | |
| Inventories | 11 | 3,314 | 3,314 | 13,660 | 13,687 |
| Contract assets | 10 | 170,748 | 131,857 | 703,823 | 544,569 |
| Trade and other receivables | 12 | 4,668 | 4,733 | 19,242 | 19,548 |
| Amounts due from related parties | 28 | 3 | 2,814 | 12 | 11,622 |
| Cash and bank balances | 13 | 6,503 | 8,296 | 26,805 | 34,263 |
| Current assets | | 185,236 | 151,014 | 763,542 | 623,689 |
| Total assets | | 282,171 | 290,434 | 1,163,115 | 1,199,486 |

The accompanying notes are an integral part of these interim condensed financial information.

Group's interim statement of financial position (continued)

| | Note | (Reviewed) 30 September 2023 USD'000 | (Audited) 30 June 2023 USD'000 | (Reviewed) 30 September 2023 KHR'mil (Note 3) | (Audited) 30 June 2023 KHR'mil (Note 3) |
|---|------|---|---|---|---|
| Equity and liabilities | | | | | |
| Equity | | | | | |
| Share capital | 14 | 7,494 | 7,494 | 30,725 | 30,725 |
| Share premium | 15 | 2,541 | 2,541 | 10,422 | 10,422 |
| Reserves | 16 | 591 | 365 | 2,444 | 1,497 |
| Retained earnings | | 8,697 | 11,648 | 34,996 | 47,206 |
| Cumulative translation differences | | - | - | 1,074 | 1,207 |
| Total equity attributable to owners of the Company | | 19,323 | 22,048 | 79,661 | 91,057 |
| Non-controlling interests | | 86 | 86 | 351 | 351 |
| Total equity | | 19,409 | 22,134 | 80,012 | 91,408 |
| Liabilities | | | | | |
| Non-current | | | | | |
| Borrowings | 18 | 66,844 | 70,194 | 275,531 | 289,901 |
| Lease liabilities | 8 | 288 | 303 | 1,187 | 1,251 |
| Deferred tax liability | 26 | 1,166 | 1,135 | 4,806 | 4,688 |
| Amount due to holding company | 28 | 25,475 | 27,966 | 105,008 | 115,500 |
| Amounts due to related parties | 28 | 39,098 | 38,377 | 161,162 | 158,497 |
| Non-current liabilities | | 132,871 | 137,975 | 547,694 | 569,837 |
| Current | | | | | |
| Contract liability | 10 | 265 | - | 1,092 | - |
| Trade and other payables | 17 | 49,154 | 49,061 | 202,612 | 202,622 |
| Amounts due to related parties | 28 | 59,043 | 59,740 | 243,375 | 246,726 |
| Borrowings | 18 | 20,829 | 20,779 | 85,857 | 85,817 |
| Lease liabilities | 8 | 106 | 119 | 437 | 491 |
| Income tax payable | | 494 | 626 | 2,036 | 2,585 |
| Current liabilities | | 129,891 | 130,325 | 535,409 | 538,241 |

The accompanying notes are an integral part of these interim condensed financial information.

| | | | | |
|-------------------------------------|----------------|---------|------------------|------------------|
| Total liabilities | 262,762 | 268,300 | 1,083,103 | 1,108,078 |
| Total equity and liabilities | 282,171 | 290,434 | 1,163,115 | 1,199,486 |

Company's interim statement of financial position

| | Note | (Reviewed) 30 September 2023 USD'000 | (Audited) 30 June 2023 USD'000 | (Reviewed) 30 September 2023 KHR'mil (Note 3) | (Audited) 30 June 2023 KHR'mil (Note 3) |
|----------------------------------|------|---|---|---|---|
| Assets | | | | | |
| Non-current | | | | | |
| Property, plant and equipment | 7 | 12,471 | 12,736 | 51,405 | 52,600 |
| Intangible assets | | 20 | 22 | 82 | 91 |
| Contract assets | 10 | 83,905 | 126,349 | 345,856 | 521,821 |
| Derivative financial instruments | 19 | 539 | 313 | 2,230 | 1,285 |
| Non-current assets | | 96,935 | 139,420 | 399,573 | 575,797 |
| Current | | | | | |
| Inventories | 11 | 3,314 | 3,314 | 13,660 | 13,687 |
| Contract assets | 10 | 170,748 | 131,857 | 703,823 | 544,569 |
| Trade and other receivables | 12 | 4,668 | 4,733 | 19,242 | 19,548 |
| Amounts due from related parties | 28 | 3 | 2,814 | 12 | 11,622 |
| Amount due from a subsidiary | 28 | 113 | 113 | 466 | 467 |
| Cash and bank balances | 13 | 6,498 | 8,290 | 26,784 | 34,238 |
| Current assets | | 185,344 | 151,121 | 763,987 | 624,131 |
| Total assets | | 282,279 | 290,541 | 1,163,560 | 1,199,928 |

The accompanying notes are an integral part of these interim condensed financial information.

Company's interim statement of financial position (continued)

| | Note | (Reviewed) 30 September 2023 USD'000 | (Audited) 30 June 2023 USD'000 | (Reviewed) 30 September 2023 KHR'mil (Note 3) | (Audited) 30 June 2023 KHR'mil (Note 3) |
|---------------------------------------|------|---|---|---|---|
| Equity and liabilities | | | | | |
| Equity | | | | | |
| Share capital | 14 | 7,494 | 7,494 | 30,725 | 30,725 |
| Share premium | 15 | 2,541 | 2,541 | 10,422 | 10,422 |
| Reserves | 16 | 591 | 365 | 2,444 | 1,497 |
| Retained earnings | | 8,892 | 11,842 | 35,791 | 47,993 |
| Cumulative translation differences | | - | - | 1,078 | 1,217 |
| Total equity | | 19,518 | 22,242 | 80,460 | 91,854 |
| Liabilities | | | | | |
| Non-current | | | | | |
| Borrowings | 18 | 66,844 | 70,194 | 275,531 | 289,901 |
| Lease liabilities | 8 | 288 | 303 | 1,187 | 1,251 |
| Deferred tax liability | 26 | 1,166 | 1,135 | 4,806 | 4,688 |
| Amount due to holding company | 28 | 25,475 | 27,966 | 105,008 | 115,500 |
| Amounts due to related parties | 28 | 39,098 | 38,377 | 161,162 | 158,497 |
| Non-current liabilities | | 132,871 | 137,975 | 547,694 | 569,837 |
| Current | | | | | |
| Contract liability | 10 | 265 | - | 1,092 | - |
| Trade and other payables | 17 | 49,153 | 49,060 | 202,609 | 202,618 |
| Amounts due to related parties | 28 | 59,043 | 59,740 | 243,375 | 246,726 |
| Borrowings | 18 | 20,829 | 20,779 | 85,857 | 85,817 |
| Lease liabilities | 8 | 106 | 119 | 437 | 491 |
| Income tax payable | | 494 | 626 | 2,036 | 2,585 |
| Current liabilities | | 129,890 | 130,324 | 535,406 | 538,237 |
| Total liabilities | | 262,761 | 268,299 | 1,083,100 | 1,108,074 |
| Total equity and liabilities | | 282,279 | 290,541 | 1,163,560 | 1,199,928 |

The accompanying notes are an integral part of these interim condensed financial information.

Group's interim statement of profit or loss and other comprehensive income

| | | (Reviewed) For the three-month period ended | (Reviewed) For the three-month period ended | (Reviewed) For the three-month period ended | (Reviewed) For the three-month period ended |
|---|------|---|---|---|---|
| | | 30 September 2023 | 30 September 2022 | 30 September 2023 | 30 September 2022 |
| | Note | USD'000 | USD'000 | KHR'mil (Note 3) | KHR'mil (Note 3) |
| Revenue | 20 | 2,081 | 7,973 | 8,609 | 32,756 |
| Operating expenses | 21 | (2,484) | (7,418) | (10,275) | (30,476) |
| Other operating income | 22 | 14 | 34 | 58 | 140 |
| Other (loss)/gains | | (1) | 10 | (4) | 39 |
| Operating (loss)/profit | | (390) | 599 | (1,612) | 2,459 |
| Finance income | 23 | 636 | 677 | 2,631 | 2,781 |
| Finance cost | 24 | (3,138) | (2,460) | (12,982) | (10,107) |
| Loss before income tax | | (2,892) | (1,184) | (11,963) | (4,867) |
| Income tax expense | 25 | (59) | (113) | (243) | (465) |
| Loss for the period | | (2,951) | (1,297) | (12,206) | (5,332) |
| Loss for the period attributable to: | | | | | |
| Owners of the Company | | (2,951) | (1,297) | (12,206) | (5,332) |
| Non-controlling interests | | - | - | - | - |
| | | (2,951) | (1,297) | (12,206) | (5,332) |

Group's interim statement of profit or loss and other comprehensive income (continued)

| | | (Reviewed) For the three-month period ended 30 September 2023 USD'000 | (Reviewed) For the three-month period ended 30 September 2022 USD'000 | (Reviewed) For the three-month period ended 30 September 2023 KHR'mil (Note 3) | (Reviewed) For the three-month period ended 30 September 2022 KHR'mil (Note 3) |
|------|--|--|--|--|--|
| Note | | | | | |
| | Loss for the period | (2,951) | (1,297) | (12,206) | (5,332) |
| | Other comprehensive income | | | | |
| | <i>Item that will be reclassified subsequently to profit or loss</i> | | | | |
| | Fair value gain on cash flow hedges | 226 | 1,058 | 935 | 4,347 |
| | Currency translation difference | - | - | 12 | 1,323 |
| | Total comprehensive (loss)/income for the period | (2,725) | (239) | (11,259) | 338 |
| | Total comprehensive (loss)/income for the period attributable to: | | | | |
| | Owners of the Company | (2,725) | (239) | (11,259) | 338 |
| | Non-controlling interests | - | - | - | - |
| | | (2,725) | (239) | (11,259) | 338 |

The loss per share attributable to shareholders of the Group during the period are as follows:

| | | | | | |
|------------------------------------|----|--------|--------|----------|---------|
| Basic loss per share (cent/riel) | 32 | (3.94) | (1.73) | (162.87) | (71.15) |
| Diluted loss per share (cent/riel) | 32 | (3.94) | (1.73) | (162.87) | (71.15) |

Company's interim statement of profit or loss and other comprehensive income

| | | (Reviewed) For the three-month period ended 30 September 2023 USD'000 | (Reviewed) For the three-month period ended 30 September 2022 USD'000 | (Reviewed) For the three-month period ended 30 September 2023 KHR'mil (Note 3) | (Reviewed) For the three-month period ended 30 September 2022 KHR'mil (Note 3) |
|--|------|--|--|--|--|
| | Note | | | | |
| Revenue | 20 | 2,081 | 7,973 | 8,609 | 32,756 |
| Operating expenses | 21 | (2,483) | (7,411) | (10,271) | (30,448) |
| Other operating income | 22 | 14 | 34 | 58 | 140 |
| Other (losses)/gains | | (1) | 10 | (4) | 41 |
| Operating (loss)/profit | | (389) | 606 | (1,608) | 2,489 |
| Finance income | 23 | 636 | 677 | 2,631 | 2,781 |
| Finance cost | 24 | (3,138) | (2,460) | (12,982) | (10,107) |
| Loss before income tax | | (2,891) | (1,177) | (11,959) | (4,837) |
| Income tax expense | 25 | (59) | (113) | (243) | (465) |
| Loss for the period | | (2,950) | (1,290) | (12,202) | (5,302) |
| Other comprehensive income | | | | | |
| <i>Item that will be reclassified subsequently to profit or loss</i> | | | | | |
| Fair value gain on cash flow hedges | | 226 | 1,058 | 935 | 4,347 |
| Currency translation difference | | - | - | 12 | 1,331 |
| Total comprehensive (loss)/period for the period | | (2,724) | (232) | (11,255) | 376 |

Group's interim statement of changes in equity

| Note | Attributable to owners of the Company | | | | Total USD'000 | Non-controlling interests USD'000 | Total equity USD'000 | KHR'mil (Note 3) |
|-------------------------------------|---------------------------------------|-----------------------------|---------------------|---------------------------------|------------------|---|-------------------------|---------------------|
| | Share capital USD'000 | Share premium USD'000 | Reserves USD'000 | Retained earnings USD'000 | | | | |
| (Reviewed) | | | | | | | | |
| Balance at 1 July 2023 | 7,494 | 2,541 | 365 | 11,648 | 22,048 | 86 | 22,134 | 91,408 |
| Loss for the three-month period | - | - | - | (2,951) | (2,951) | - | (2,951) | (12,206) |
| Fair value gain on cash flow hedges | - | - | 226 | - | 226 | - | 226 | 935 |
| Currency translation difference | - | - | - | - | - | - | - | (125) |
| Balance at 30 September 2023 | 7,494 | 2,541 | 591 | 8,697 | 19,323 | 86 | 19,409 | 80,012 |
| (Reviewed) | | | | | | | | |
| Balance at 1 July 2022 | 7,494 | 2,541 | (400) | 17,310 | 26,945 | 86 | 27,031 | 110,016 |
| Loss for the three-month period | - | - | - | (1,297) | (1,297) | - | (1,297) | (5,332) |
| Fair value gain on cash flow hedges | - | - | 1,058 | - | 1,058 | - | 1,058 | 4,347 |
| Currency translation difference | - | - | - | - | - | - | - | 1,323 |
| Balance at 30 September 2022 | 7,494 | 2,541 | 658 | 16,013 | 26,706 | 86 | 26,792 | 110,354 |

The accompanying notes are an integral part of these interim condensed financial information.

Company's interim statement of changes in equity

| Note | ← Non-distributable → | | | Distributable Retained earnings USD'000 | Total equity USD'000 | KHR'mil (Note 3) |
|-------------------------------------|-----------------------------|-----------------------------|---------------------|---|-------------------------|---------------------|
| | Share capital USD'000 | Share premium USD'000 | Reserves USD'000 | | | |
| (Reviewed) | | | | | | |
| Balance at 1 July 2023 | 7,494 | 2,541 | 365 | 11,842 | 22,242 | 91,854 |
| Loss for the three-month period | - | - | - | (2,950) | (2,950) | (12,202) |
| Fair value gain on cash flow hedges | - | - | 226 | - | 226 | 935 |
| Currency translation difference | - | - | - | - | - | (127) |
| Balance at 30 September 2023 | 7,494 | 2,541 | 591 | 8,892 | 19,518 | 80,460 |
| (Reviewed) | | | | | | |
| Balance at 1 July 2022 | 7,494 | 2,541 | (400) | 17,542 | 27,177 | 110,609 |
| Loss for the three-month period | - | - | - | (1,290) | (1,290) | (5,302) |
| Fair value gain on cash flow hedges | - | - | 1,058 | - | 1,058 | 4,347 |
| Currency translation difference | - | - | - | - | - | 1,325 |
| Balance at 30 September 2022 | 7,494 | 2,541 | 658 | 16,252 | 26,945 | 110,979 |

The accompanying notes are an integral part of these interim condensed financial information.

Group's interim statement of cash flows

| | | (Reviewed) For the three-month period ended 30 September 2023 USD'000 | (Reviewed) For the three-month period ended 30 September 2022 USD'000 | (Reviewed) For the three-month period ended 30 September 2023 KHR'mil (Note 3) | (Reviewed) For the three-month period ended 30 September 2022 KHR'mil (Note 3) |
|---|----------------------------------|--|--|--|--|
| Note | | | | | |
| Operating activities | | | | | |
| | Loss before income tax | (2,892) | (1,184) | (11,963) | (4,867) |
| Adjustments for: | | | | | |
| 21 | Depreciation | 259 | 280 | 1,071 | 1,151 |
| 21 | Amortisation | 2 | 1 | 8 | 4 |
| 23 | Interest income | (636) | (677) | (2,631) | (2,781) |
| 24 | Interest expense | 3,138 | 2,460 | 12,982 | 10,107 |
| | Gain on termination of lease | - | (20) | - | (82) |
| Operating profit before working capital changes | | | | | |
| | | (129) | 860 | (533) | 3,532 |
| Changes in working capital | | | | | |
| Changes in: | | | | | |
| | Trade and other receivables | 65 | (1,310) | 269 | (5,382) |
| | Contract assets/liability | 4,438 | (3,161) | 18,359 | (12,986) |
| | Amount due to holding company | (2,491) | - | (10,304) | - |
| | Amounts due from related parties | 2,753 | 117 | 11,388 | 481 |
| | Trade and other payables | (403) | 2,444 | (1,667) | 10,041 |
| Cash generated from/(used in) operations | | | | | |
| | | 4,233 | (1,050) | 17,512 | (4,314) |
| | Income tax paid | (160) | - | (662) | - |
| Net cash generated from/(used in) operating activities | | | | | |
| | | 4,073 | (1,050) | 16,850 | (4,314) |

Group's interim statement of cash flows (continued)

| | | (Reviewed) For the three-month period ended 30 September 2023 USD'000 | (Reviewed) For the three-month period ended 30 September 2022 USD'000 | (Reviewed) For the three-month period ended 30 September 2023 KHR'mil (Note 3) | (Reviewed) For the three-month period ended 30 September 2022 KHR'mil (Note 3) |
|-----------------------------|---|--|--|--|--|
| Note | | | | | |
| Investing activities | | | | | |
| | Acquisitions of property, plant and equipment | - | (8) | - | (33) |
| | Acquisitions of intangible assets | - | (2) | - | (8) |
| | Interest received | 16 | 13 | 66 | 53 |
| | Net cash from investing activities | 16 | 3 | 66 | 12 |
| Financing activities | | | | | |
| | Proceeds from borrowings | 27 | - | 5,459 | - |
| | Repayment of borrowings | 27 | (2,901) | (5,560) | (12,000) |
| | Interest paid | | (2,629) | (1,610) | (10,875) |
| | Repayment of lease liabilities | 27 | (35) | (32) | (145) |
| | Advances from holding company | | - | 206 | - |
| | Advances due from/ to related parties | | 82 | 670 | 339 |
| | Placement of fixed deposits | | (128) | (75) | (529) |
| | Withdrawal of debt service reserve accounts | | 1,981 | - | 8,195 |
| | Net cash used in financing activities | | (3,630) | (942) | (15,015) |
| | Net change in cash and cash equivalents | | 459 | (1,989) | 1,901 |
| | Cash and cash equivalents, beginning of the period | | (7,877) | (6,238) | (32,531) |
| | Currency translation difference | | - | - | 53 |
| | Cash and cash equivalents, end of the period | 13 | (7,418) | (8,227) | (30,577) |
| | | | (8,227) | (30,577) | (33,888) |

Company's interim statement of cash flows

| | | (Reviewed) For the three-month period ended 30 September 2023 USD'000 | (Reviewed) For the three-month period ended 30 September 2022 USD'000 | (Reviewed) For the three-month period ended 30 September 2023 KHR'mil (Note 3) | (Reviewed) For the three-month period ended 30 September 2022 KHR'mil (Note 3) |
|---|----------------------------------|--|--|--|--|
| Note | | | | | |
| Operating activities | | | | | |
| | Loss before income tax | (2,891) | (1,177) | (11,959) | (4,837) |
| Adjustments for: | | | | | |
| 21 | Depreciation | 259 | 280 | 1,071 | 1,151 |
| 21 | Amortisation | 2 | 1 | 8 | 4 |
| 23 | Interest income | (636) | (677) | (2,631) | (2,781) |
| 24 | Interest expense | 3,138 | 2,460 | 12,982 | 10,107 |
| | Gain on termination of lease | - | (20) | - | (82) |
| Operating profit before working capital changes | | (128) | 867 | (529) | 3,562 |
| Changes in working capital | | | | | |
| Changes in: | | | | | |
| | Trade and other receivables | 65 | (1,310) | 269 | (5,382) |
| | Contract assets/liability | 4,438 | (3,161) | 18,359 | (12,986) |
| | Amount due to holding company | (2,491) | - | (10,304) | - |
| | Amounts due from related parties | 2,753 | 117 | 11,388 | 481 |
| | Trade and other payables | (403) | 2,446 | (1,667) | 10,049 |
| Cash generated from/(used in) operations | | 4,234 | (1,041) | 17,516 | (4,276) |
| | Income tax paid | (160) | - | (662) | - |
| Net cash generated from/(used in) operating activities | | 4,074 | (1,041) | 16,854 | (4,276) |

Company's interim statement of cash flows (continued)

| | | (Reviewed) For the three-month period ended 30 September 2023 USD'000 | (Reviewed) For the three-month period ended 30 September 2022 USD'000 | (Reviewed) For the three-month period ended 30 September 2023 KHR'mil (Note 3) | (Reviewed) For the three-month period ended 30 September 2022 KHR'mil (Note 3) |
|---|------|--|--|--|--|
| | Note | | | | |
| Investing activities | | | | | |
| Acquisitions of property, plant and equipment | | - | (8) | - | (33) |
| Acquisitions of intangible assets | | - | (2) | - | (8) |
| Interest received | | 16 | 13 | 66 | 53 |
| Net cash from investing activities | | 16 | 3 | 66 | 12 |
| Financing activities | | | | | |
| Proceeds from borrowings | 27 | - | 5,459 | - | 22,427 |
| Repayment of borrowings | 27 | (2,901) | (5,560) | (12,000) | (22,842) |
| Interest paid | | (2,629) | (1,610) | (10,875) | (6,614) |
| Payment of lease liabilities | 27 | (35) | (32) | (145) | (98) |
| Placement of fixed deposits | | (128) | (75) | (529) | (308) |
| Withdrawal of debt service reserve accounts | | 1,981 | - | 8,195 | - |
| Advances from holding company | | - | 206 | - | 846 |
| Advance due from/ to related parties | | 82 | 670 | 339 | 2,753 |
| Advance to a subsidiary | | - | (11) | - | (45) |
| Net cash used in financing activities | | (3,630) | (953) | (15,015) | (3,881) |
| Net change in cash and cash equivalents | | 460 | (1,991) | 1,905 | (8,145) |
| Cash and cash equivalents, beginning of period | | (7,883) | (6,244) | (32,556) | (25,416) |
| Currency translation difference | | - | - | 53 | (360) |
| Cash and cash equivalents, end of period | 13 | (7,423) | (8,235) | (30,598) | (33,921) |

The accompanying notes are an integral part of these interim condensed financial information.

Notes to the interim condensed financial information

1. General information

PESTECH (Cambodia) Plc (“the Company”) was incorporated on 5 February 2010 as a single member private company and was a 100% owned subsidiary of PESTECH International Berhad, a company incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad, with a registered and fully paid share capital totalling USD7,100,000, consisting of 71,000,000 shares, each with a par value of USD0.10 per share. The Company is registered with the Ministry of Commerce (“MOC”) under company registration number 00000957.

On 12 August 2020, the Company was successfully listed on the Cambodia Securities Exchange (“CSX”). The number of new issued shares are 3,945,000 shares with a par value of KHR400 or USD0.10 per share, at an offering price of KHR3,120 or USD0.76 per share. Upon the completion of listing, PESTECH International Berhad owned 94.74% shares of the Company.

The principal activity of the Company is engaged in the construction of electrical substation and transmission lines.

PESTECH (Myanmar) Limited (“PML”) was incorporated as a private limited company which is 100% owned by the Company under registration No. 1171FC/2016-2017 dated 24 March 2017 issued by the Government of the Republic of the Union of Myanmar, Ministry of Planning and Finance. The registered share capital is USD50,000 comprising 50,000 ordinary shares.

The principal activity of PML is the provision of comprehensive power system engineering, construction, design, installation and related services in power industry.

PESTECH Hinthar Corporation Limited (“PHC”) was incorporated as a private limited company which is 60% owned by PML under Myanmar Companies Law 2017 on 24 June 2019. The registered share capital is USD50,000 comprising 50,000 ordinary shares.

The principal activity of PHC is to establish the infrastructure of power sector and promote the power segments such as power generation, power transmission, power distribution, microgrid system and other power infrastructure to the rural areas in Myanmar.

PESTECH Microgrid Company Limited (“PMG”) was incorporated as a private limited company which is 90% owned by PHC under Myanmar Companies Law 2017 on 14 February 2020. The registered and issued share capital is USD10,000 comprising 10,000 ordinary shares.

1. General information (continued)

The principal activity of PMG is the provision of microgrid system and other power infrastructure to rural areas in Myanmar.

The Company considers PHC and PMG as indirect subsidiaries.

The registered office of the Company is at 10th Floor, Building No. 35, Mao Tse Toung Boulevard, Phum 9, Sangkat Boeung Keng Kang I, Khan Boeung Keng Kang, Phnom Penh, Kingdom of Cambodia.

The registered office of PML, PHC and PMG are at Building 24-26 South Race Course Road, Room PH-C, Penthouse floor, Race Course Condo, Tamwe Township, Yangon Region, Myanmar.

There have been no significant changes in the nature of the Company's and its subsidiaries' activities during the reporting period.

The interim condensed financial information for the 3-month period ended 30 September 2023 has been reviewed.

The interim condensed financial information of PESTECH (Cambodia) Plc and its subsidiaries ("the Group") as at 30 September 2023 and for the 3-month period then ended was approved for issue by the Board of Directors on 10 November 2023.

2. Basis of preparation

The interim condensed financial information for the 3-month period ended 30 September 2023 has been prepared in accordance with Cambodian International Accounting Standards 34 - Interim Financial Reporting ("CIAS 34"). This interim condensed financial information does not include all the notes normally included in the annual audited financial statements. Accordingly, this report is to be read in conjunction with the audited financial statements as at 30 June 2023 and for the year then ended, which have been prepared in accordance with Cambodian International Financial Reporting Standards ("CIFRSs"). The significant accounting policies used in preparing this interim condensed financial information are consistent with the significant accounting policies used in the preparation of the audited financial statements as at 30 June 2023 and for the year then ended.

3. Functional and presentation currency

The national currency of Cambodia is Khmer Riel ("KHR"). However, as the Group and the Company transact their business and maintain their accounting records primarily in United States Dollars ("USD"), the Board of Directors has determined the USD to be the Group's and the Company's currency for measurement and presentation purposes as it reflects the economic substance of the underlying events and circumstances of the Group and of the Company.

Transactions in foreign currencies other than USD are translated to USD at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in currencies other than USD at the reporting date are translated into USD at the rates of exchange ruling at that date. Exchange differences arising from translations are recognised in other comprehensive income.

3. Functional and presentation currency (continued)

The translations of USD amounts into KHR as presented in the financial information are included solely to comply with the requirement of the Law on Accounting and Auditing (April 2016) and have been made using the following prescribed official exchange rate, as presented in KHR per USD1, as announced by the National Bank of Cambodia:

| | Three-month period ended 30 September 2023 | Year ended 30 June 2023 | Three- month period ended 30 September 2022 | Year ended 30 June 2022 |
|---------------|--|----------------------------|---|----------------------------|
| Average rate* | 4,137 | 4,106 | 4,108 | 4,067 |
| Closing rate | 4,122 | 4,130 | 4,119 | 4,070 |

* The average rate is calculated using the monthly rates during the period

Such translated amounts are unaudited and should not be construed as representations that the USD amounts represent, or have been or could be, converted into KHR at that or any other rate. USD and KHR amounts are presented in the nearest thousands and millions, respectively, unless otherwise stated.

3.1 Foreign operations

In the Group's consolidated financial statements, all assets, liabilities and transactions of Group entities with a functional currency other than the USD are translated into USD upon consolidation. The functional currencies of entities within the Group remained unchanged during the reporting period.

On consolidation, assets and liabilities are being translated into USD at the closing rate at the reporting date. Goodwill and fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of the foreign entity and translated into USD at the closing rate. Income and expenses have been translated into USD at the average rate over the reporting periods. Exchange differences are charged or credited to other comprehensive income and recognised in the cumulative translation differences in equity. On disposal of a foreign operation, the related cumulative translation differences recognised in equity are reclassified to profit or loss and are recognised as part of the gain or loss on disposal.

4. Significant accounting policies

The accounting policies and methods of computation adopted are consistent with those adopted in the Group's audited financial statements as at 30 June 2023 and for the year then ended.

4.1 Segment reporting

The Group has one reportable segment, namely engineering, procurement, construction and commissioning. The chief operating decision maker reviews the internal management report, which reports the performance of the segment as a whole, to assess performance of the reportable segment. As such, no further segmentation is required.

4.2 Seasonality

The principal business of the Group and the Company are mainly to provide engineering, procurement, construction and commissioning services. There is no significant seasonality factor associated with these services.

5. Management estimates

When preparing the interim condensed financial information, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income, and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the interim condensed financial information, including the key sources of estimation uncertainty, were the same as those applied in the Group's audited financial statements as at 30 June 2023 and for the year then ended.

6. Going concern

The Group's and the Company's financial statements have been prepared on a going-concern basis, the validity of which depends on the continuing support from its holding company, PESTECH International Berhad ("Holding Company"), a company incorporated and domiciled in Malaysia. The Holding Company has pledged to provide the necessary financial support for the Group and the Company to meet their liabilities as and when they fall due. The Holding Company is currently going through a restricted issue fund raising exercise ("Corporate Exercise") where the Bursa Malaysia Securities Berhad (The Stock Exchange in Malaysia) had, on 29 August 2023, approved the listing of and quotation for the new shares to be issued pursuant to the Corporate Exercise. Currently, the Holding Company is in the midst of fulfilling the condition precedents of the Corporate Exercise and is targeted to be completed by the 4th quarter of 2023.

Management strongly believes that it is appropriate to prepare the financial statements of the Group and the Company on a going-concern basis given the financial support forthcoming from its Holding Company. The financial statements do not include any adjustments relating to the recoverability and classification of the recorded asset amounts, or to amounts and classification of liabilities that may be necessary should the going-concern basis for the preparation of the financial statements of the Group and the Company become not appropriate.

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7. Property, plant and equipment

| Group and Company | Equipment | Motor vehicles | Computers | Furniture and fittings | Right-of-use assets | Signage | Renovation | Total | |
|---|----------------|----------------|-------------|------------------------|---------------------|------------|-------------|----------------|---------------------|
| | USD'000 | USD'000 | USD'000 | USD'000 | USD'000 | USD'000 | USD'000 | USD'000 | KHR'mil (Note 3) |
| (Reviewed) | | | | | | | | | |
| Cost | | | | | | | | | |
| At 1 July 2023 | 16,806 | 812 | 45 | 99 | 562 | 19 | 76 | 18,419 | 76,070 |
| Reversal | (6) | - | - | - | - | - | - | (6) | (25) |
| Currency translation difference | - | - | - | - | - | - | - | - | (147) |
| Balance at 30 September 2023 | 16,800 | 812 | 45 | 99 | 562 | 19 | 76 | 18,413 | 75,898 |
| Accumulated depreciation | | | | | | | | | |
| At 1 July 2023 | (4,785) | (615) | (35) | (59) | (169) | (5) | (15) | (5,683) | (23,470) |
| Depreciation | (206) | (16) | (1) | (4) | (32) | - | (2) | (261) | (1,079) |
| Reversal | 2 | - | - | - | - | - | - | 2 | 8 |
| Currency translation difference | - | - | - | - | - | - | - | - | 48 |
| Balance at 30 September 2023 | (4,989) | (631) | (36) | (63) | (201) | (5) | (17) | (5,942) | (24,493) |
| Carrying amount at 30 September 2023 | 11,811 | 181 | 9 | 36 | 361 | 14 | 59 | 12,471 | 51,405 |

7. Property, plant and equipment (continued)

| Group and Company | Equipment USD'000 | Motor vehicles USD'000 | Computers USD'000 | Furniture and fittings USD'000 | Right-of-use assets USD'000 | Signage USD'000 | Renovation USD'000 | Total USD'000 | KHR'mil (Note 3) |
|---|----------------------|---------------------------|----------------------|--------------------------------------|-----------------------------------|--------------------|-----------------------|------------------|---------------------|
| (Reviewed) | | | | | | | | | |
| Cost | | | | | | | | | |
| At 1 July 2022 | 16,796 | 812 | 39 | 99 | 492 | 19 | 76 | 18,333 | 74,615 |
| Additions | 10 | - | 6 | - | 385 | - | - | 401 | 1,656 |
| Write-off due to termination of lease contract | - | - | - | - | (315) | - | - | (315) | (1,301) |
| Currency translation difference | - | - | - | - | - | - | - | - | 1,100 |
| Balance at 30 June 2023 | 16,806 | 812 | 45 | 99 | 562 | 19 | 76 | 18,419 | 76,070 |
| Accumulated depreciation | | | | | | | | | |
| At 1 July 2022 | (3,949) | (524) | (30) | (45) | (171) | (3) | (7) | (4,729) | (19,247) |
| Depreciation | (836) | (91) | (5) | (14) | (130) | (2) | (8) | (1,086) | (4,459) |
| Write-off due to termination of lease contract | - | - | - | - | 132 | - | - | 132 | 542 |
| Currency translation difference | - | - | - | - | - | - | - | - | (306) |
| Balance at 30 June 2023 | (4,785) | (615) | (35) | (59) | (169) | (5) | (15) | (5,683) | (23,470) |
| Carrying amount at 30 June 2023 | 12,021 | 197 | 10 | 40 | 393 | 14 | 61 | 12,736 | 52,600 |

8. Lease liabilities

Group and Company as a lessee

The Group and the Company have lease contracts for the properties that are used as their office space, staff accommodation and storage.

Lease liabilities are presented in the interim statements of financial position as follows:

| | Group and Company | | | |
|-------------|-------------------|--------------|-------------------|--------------|
| | (Reviewed) | (Audited) | (Reviewed) | (Audited) |
| | 30 September 2023 | 30 June 2023 | 30 September 2023 | 30 June 2023 |
| | USD'000 | USD'000 | KHR'mil | KHR'mil |
| | | | (Note 3) | (Note 3) |
| Non-current | 288 | 303 | 1,187 | 1,251 |
| Current | 106 | 119 | 437 | 491 |
| | 394 | 422 | 1,624 | 1,742 |

Set out below are the carrying amounts of lease liabilities and the movements during the period/year:

| | Group and Company | | | |
|---------------------------------|-------------------|--------------|-------------------|--------------|
| | (Reviewed) | (Audited) | (Reviewed) | (Audited) |
| | 30 September 2023 | 30 June 2023 | 30 September 2023 | 30 June 2023 |
| | USD'000 | USD'000 | KHR'mil | KHR'mil |
| | | | (Note 3) | (Note 3) |
| Beginning of the period/year | 422 | 348 | 1,742 | 1,416 |
| Addition | - | 385 | - | 1,581 |
| Accretion of interest | 7 | 33 | 29 | 135 |
| Termination | - | (203) | - | (833) |
| Payments | (35) | (141) | (145) | (579) |
| Currency translation difference | - | - | (2) | 22 |
| End of the period/year | 394 | 422 | 1,624 | 1,742 |

The weighted average incremental borrowing rate applied to lease liabilities recognised under CIFRS 16 was 7.2% per annum.

The table below describes the nature of the Group's and the Company's leasing activities by type of right-of-use assets recognised on the statement of financial position:

| | No. of right-of-use assets | Range of remaining term | Average remaining lease term | No. of leases with extension options | No. of leases with termination options |
|---------------------|----------------------------|-------------------------|------------------------------|--------------------------------------|--|
| Right-of-use assets | | | | | |
| House | 4 | 10 months | 10 months | - | 4 |
| Office building | 1 | 4.9 years | 4.9 years | 1 | 1 |
| Storage | 1 | 2.3 years | 2.3 years | - | 1 |

8. Lease liabilities (continued)

The details of future minimum lease payments are summarized below:

| | Minimum lease payments due | | | | Total KHR'mil (Note 3) |
|--------------------------|-------------------------------|---------------------------------------|--|------------------|------------------------------|
| | Within one year USD'000 | From one to three years USD'000 | From three to five years USD'000 | Total USD'000 | |
| 30 September 2023 | | | | | |
| Lease payments | 130 | 167 | 164 | 461 | 1,900 |
| Finance charges | (24) | (32) | (11) | (67) | (276) |
| Net present value | 106 | 135 | 153 | 394 | 1,624 |
| 30 June 2023 | | | | | |
| Lease payments | 145 | 167 | 185 | 497 | 2,053 |
| Finance charges | (26) | (35) | (14) | (75) | (311) |
| Net present value | 119 | 132 | 171 | 422 | 1,742 |

9. Investment in a subsidiary

| | Company | | | |
|---------------------------------|---|---|---|---|
| | (Reviewed) 30 September 2023 USD'000 | (Audited) 30 June 2023 USD'000 | (Reviewed) 30 September 2023 KHR'mil (Note 3) | (Audited) 30 June 2023 KHR'mil (Note 3) |
| At cost – unquoted shares | 50 | 50 | 204 | 204 |
| Impairment | (50) | (50) | (205) | (205) |
| Currency translation difference | - | - | 1 | 1 |
| End of the period/year | - | - | - | - |

The movement of impairment loss during the financial period/year as follows:

| | Company | | | |
|--|---|---|---|---|
| | (Reviewed) 30 September 2023 USD'000 | (Audited) 30 June 2023 USD'000 | (Reviewed) 30 September 2023 KHR'mil (Note 3) | (Audited) 30 June 2023 KHR'mil (Note 3) |
| Beginning of the period/year | (50) | - | (205) | - |
| Impairment loss during the period/year | - | (50) | - | (205) |
| End of the period/year | (50) | (50) | (205) | (205) |

9. Investment in a subsidiary (continued)

Details of the subsidiaries are as follows:

| Name | Country of incorporation and operation | Effective interest % | | Principal activities |
|---|--|----------------------|--------------|--|
| | | 30 September 2023 | 30 June 2023 | |
| PESTECH (Myanmar) Limited ("PML") | Myanmar | 100.00% | 100.00% | Provision of comprehensive power system engineering, construction, design, installation and related services in power industry. |
| <u>Subsidiary of PML</u> | | | | |
| PESTECH Hinthar Corporation Limited ("PHC") | Myanmar | 60.00% | 60.00% | Establish the infrastructure of power sector and promote the power segments such as power generation, power transmission, power distribution, microgrid system and other power infrastructure to the rural areas in Myanmar. |
| <u>Subsidiary of PHC</u> | | | | |
| PESTECH Microgrid Company Limited ("PMG") | Myanmar | 54.00% | 54.00% | Provision of microgrid system and other power infrastructure to rural areas in Myanmar. |

10. Contract assets/liability

| | Group and Company | | | |
|----------------------------------|--|--------------------------------------|--|--|
| | (Reviewed) 30 September 2023 USD'000 | (Audited) 30 June 2023 USD'000 | (Reviewed) 30 September 2023 KHR'mil (Note 3) | (Audited) 30 June 2023 KHR'mil (Note 3) |
| Beginning of the period/year | 258,206 | 265,050 | 1,066,390 | 1,078,754 |
| Revenue recognized | 2,081 | 19,368 | 8,609 | 79,517 |
| Billing issued | (6,519) | (28,756) | (26,967) | (118,060) |
| Finance income recognized | 620 | 2,544 | 2,565 | 10,445 |
| Currency translation differences | - | - | (2,010) | 15,734 |
| End of the period/year | 254,388 | 258,206 | 1,048,587 | 1,066,390 |

Presented as:

| | | | | |
|---------------------------|----------------|----------------|------------------|------------------|
| Contract assets | | | | |
| Current | 170,748 | 131,857 | 703,823 | 544,569 |
| Non-current | 83,905 | 126,349 | 345,856 | 521,821 |
| | 254,653 | 258,206 | 1,049,679 | 1,066,390 |
| Contract liability | | | | |
| Current | (265) | - | (1,092) | - |
| | 254,388 | 258,206 | 1,048,587 | 1,066,390 |

Contract assets represent the Group's and the Company's right to consideration for work completed on construction contracts but not yet billed at the reporting date. The amount will be billed according to the billing schedule as stipulated in the construction contracts.

Contract liability is recognised if billing have been issued to a customer before the Group or the Company earns the right to the consideration for work completed.

11. Inventories

| | (Reviewed) 30 September 2023 USD'000 | Group and Company | | (Audited) 30 June 2023 USD'000 | (Reviewed) 30 September 2023 KHR'mil (Note 3) | (Audited) 30 June 2023 KHR'mil (Note 3) |
|------------------------|--|-------------------|--------|--------------------------------------|--|--|
| Construction materials | 3,314 | 3,314 | 13,660 | 13,687 | | |

12. Trade and other receivables

| | (Reviewed) 30 September 2023 USD'000 | Group and Company | | (Audited) 30 June 2023 USD'000 | (Reviewed) 30 September 2023 KHR'mil (Note 3) | (Audited) 30 June 2023 KHR'mil (Note 3) |
|-----------------------------|--|-------------------|---------------|--------------------------------------|--|--|
| Trade receivables | 3,308 | 3,116 | 13,636 | 12,869 | | |
| Deposits | 26 | 20 | 107 | 83 | | |
| Staff advances | 9 | 15 | 37 | 62 | | |
| Financial assets | 3,343 | 3,151 | 13,780 | 13,014 | | |
| Prepayment | 1,325 | 1,582 | 5,462 | 6,534 | | |
| Non-financial assets | 1,325 | 1,582 | 5,462 | 6,534 | | |
| | 4,668 | 4,733 | 19,242 | 19,548 | | |

13. Cash and bank balances

| | (Reviewed) 30 September 2023 USD'000 | Group | | (Audited) 30 June 2023 USD'000 | (Reviewed) 30 September 2023 KHR'mil (Note 3) | (Audited) 30 June 2023 KHR'mil (Note 3) |
|----------------------------------|---|--------------|---------------|---|---|---|
| Cash in banks (a) | 4,139 | 6,058 | 17,061 | 25,020 | | |
| Deposits with licensed banks (b) | 2,354 | 2,226 | 9,703 | 9,193 | | |
| Cash on hand | 10 | 12 | 41 | 50 | | |
| | 6,503 | 8,296 | 26,805 | 34,263 | | |

| | (Reviewed) 30 September 2023 USD'000 | Company | | (Audited) 30 June 2023 USD'000 | (Reviewed) 30 September 2023 KHR'mil (Note 3) | (Audited) 30 June 2023 KHR'mil (Note 3) |
|----------------------------------|---|--------------|---------------|---|---|---|
| Cash in banks (a) | 4,134 | 6,052 | 17,040 | 24,995 | | |
| Deposits with licensed banks (b) | 2,354 | 2,226 | 9,703 | 9,193 | | |
| Cash on hand | 10 | 12 | 41 | 50 | | |
| | 6,498 | 8,290 | 26,784 | 34,238 | | |

- (a) Two of the bank accounts have been pledged to syndicated financing facilities and one of the bank accounts have been pledged to bank overdraft as disclosed in note 17(a.2) and note 17(b.5) respectively.
- (b) Deposits with licensed banks of the Group and the Company have been pledged as security for bank overdrafts and term loan as disclosed in note 17(a.2) and note 17(b.5), respectively. The deposits earn interest of 4.25% (30 June 2023: 4.25%) per annum.

13. Cash and bank balances (continued)

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

| | Group | | | |
|---|--------------|--------------|--------------|--------------|
| | (Reviewed) | (Reviewed) | (Reviewed) | (Reviewed) |
| | 30 September | 30 September | 30 September | 30 September |
| | 2023 | 2022 | 2023 | 2022 |
| | USD'000 | USD'000 | KHR'mil | KHR'mil |
| | | | (Note 3) | (Note 3) |
| Cash and bank balances | 6,503 | 8,533 | 26,805 | 35,147 |
| Bank overdrafts | (7,531) | (8,276) | (31,043) | (34,089) |
| Fixed deposit pledged to borrowings | (2,354) | (1,841) | (9,703) | (7,583) |
| Cash in banks pledged to borrowings | (4,036) | (6,643) | (16,636) | (27,363) |
| Cash and cash equivalents per statement of cash flows | (7,418) | (8,227) | (30,577) | (33,888) |

| | Company | | | |
|---|--------------|--------------|--------------|--------------|
| | (Reviewed) | (Reviewed) | (Reviewed) | (Reviewed) |
| | 30 September | 30 September | 30 September | 30 September |
| | 2023 | 2022 | 2023 | 2022 |
| | USD'000 | USD'000 | KHR'mil | KHR'mil |
| | | | (Note 3) | (Note 3) |
| Cash and bank balances | 6,498 | 8,525 | 26,784 | 35,114 |
| Bank overdrafts | (7,531) | (8,276) | (31,043) | (34,089) |
| Fixed deposit pledged to borrowings | (2,354) | (1,841) | (9,703) | (7,583) |
| Cash in banks pledged to borrowings | (4,036) | (6,643) | (16,636) | (27,363) |
| Cash and cash equivalents per statement of cash flows | (7,423) | (8,235) | (30,598) | (33,921) |

14. Share capital

| | Group and Company | | | | | |
|------------------------------------|-------------------|------------|--------------|-----------|--------------|-----------|
| | Number of shares | | Amount | | | |
| | 30 September | 30 June | (Reviewed) | (Audited) | (Reviewed) | (Audited) |
| | | | 30 September | 30 June | 30 September | 30 June |
| | 2023 | 2023 | 2023 | 2023 | 2023 | 2023 |
| | | | USD'000 | USD'000 | KHR'mil | KHR'mil |
| | | | | | (Note 3) | (Note 3) |
| Shares issued and fully paid: | | | | | | |
| - Beginning/end of the period/year | 74,945,000 | 74,945,000 | 7,494 | 7,494 | 30,725 | 30,725 |

15. Share premium

Share premium 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.

16. Reserves

| | Group and Company | | | |
|-----------------------------------|--------------------------|------------------|---------------------|------------------|
| | (Reviewed) | (Audited) | (Reviewed) | (Audited) |
| | 30 September | 30 June | 30 September | 30 June |
| | 2023 | 2023 | 2023 | 2023 |
| | USD'000 | USD'000 | KHR'mil | KHR'mil |
| | | | (Note 3) | (Note 3) |
| Capital contribution reserve | 52 | 52 | 215 | 213 |
| Cash flow hedge reserve (note 18) | 539 | 313 | 2,230 | 1,285 |
| Currency translation difference | - | - | (1) | (1) |
| | 591 | 365 | 2,444 | 1,497 |

Capital contribution reserve represents the fair value of equity-settled share options granted to employees of the Company by its holding company in October 2017. The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share options and is reduced upon the expiry of the share options or payments made to the holding company.

17. Trade and other payables

| | Group | | | |
|--------------------------------|---------------------|------------------|---------------------|------------------|
| | (Reviewed) | (Audited) | (Reviewed) | (Audited) |
| | 30 September | 30 June | 30 September | 30 June |
| | 2023 | 2023 | 2023 | 2023 |
| | USD'000 | USD'000 | KHR'mil | KHR'mil |
| | | | (Note 3) | (Note 3) |
| Provision for project cost | 45,317 | 45,034 | 186,797 | 185,990 |
| Trade payables | 2,200 | 2,258 | 9,068 | 9,326 |
| Accruals | 741 | 1,309 | 3,054 | 5,406 |
| Other payables | 171 | 69 | 705 | 285 |
| Financial liabilities | 48,429 | 48,670 | 199,624 | 201,007 |
| Value-added tax | 353 | 261 | 1,455 | 1,078 |
| Taxes payable | 372 | 130 | 1,533 | 537 |
| Non-financial liability | 725 | 391 | 2,988 | 1,615 |
| | 49,154 | 49,061 | 202,612 | 202,622 |

| | Company | | | |
|--------------------------------|---------------------|------------------|---------------------|------------------|
| | (Reviewed) | (Audited) | (Reviewed) | (Audited) |
| | 30 September | 30 June | 30 September | 30 June |
| | 2023 | 2023 | 2023 | 2023 |
| | USD'000 | USD'000 | KHR'mil | KHR'mil |
| | | | (Note 3) | (Note 3) |
| Provision for project cost | 45,317 | 45,034 | 186,797 | 185,990 |
| Trade payables | 2,200 | 2,258 | 9,068 | 9,326 |
| Accruals | 741 | 1,309 | 3,054 | 5,406 |
| Other payables | 170 | 68 | 702 | 281 |
| Financial liabilities | 48,428 | 48,669 | 199,621 | 201,003 |
| Value-added tax | 353 | 261 | 1,455 | 1,078 |
| Taxes payable | 372 | 130 | 1,533 | 537 |
| Non-financial liability | 725 | 391 | 2,988 | 1,615 |
| | 49,153 | 49,060 | 202,609 | 202,618 |

18. Borrowings

| | (Reviewed) 30 September 2023 USD'000 | Group and Company (Audited) 30 June 2023 USD'000 | (Reviewed) 30 September 2023 KHR'mil (Note 3) | (Audited) 30 June 2023 KHR'mil (Note 3) |
|--------------------------|---|--|---|---|
| Current | | | | |
| Secured: | | | | |
| Bank overdrafts | 7,531 | 7,930 | 31,043 | 32,751 |
| Term loans | 13,298 | 12,849 | 54,814 | 53,066 |
| Total current | 20,829 | 20,779 | 85,857 | 85,817 |
| Non-current | | | | |
| Secured: | | | | |
| Term loans | 66,844 | 70,194 | 275,531 | 289,901 |
| Total non-current | 66,844 | 70,194 | 275,531 | 289,901 |
| | 87,673 | 90,973 | 361,388 | 375,718 |

The effective interest rates of the borrowings are as follows:

| | Group and Company (Reviewed) 30 September 2023 % | (Audited) 30 June 2023 % |
|---------------------|---|--------------------------------|
| Bank overdrafts (a) | 6.75 to 8.5 | 6.75 to 8.5 |
| Term loans (b) | 8.08 to 9.50 | 5.07 to 8.26 |

The borrowings are secured by the following:

Bank overdrafts

- a.1 Granting facilities to the Company under letter of offer;
- a.2 Pledge of bank accounts and deposits with a licensed bank of the Company as disclosed in note 12; and
- a.3 Corporate guarantee from holding company, PESTECH International Berhad.

Term loans

- b.1 Assignment of rights and benefits of the Project Documents, entered into between the Company and customer;
- b.2 Corporate guarantee from holding company, PESTECH International Berhad;
- b.3 Insurance covering the projects;
- b.4 Granting certain direct rights to the Company of the Direct Agreement dated 17 February 2015, entered into between the Company and customer; and
- b.5 Pledge of bank accounts and deposits with a licensed bank of the Company as disclosed in note 12.

19. Derivative financial instruments

| | Group and Company | | | | | |
|---------------------|-------------------|-----------|---------------------------------|-----------|--------------|-----------|
| | (Reviewed) | (Audited) | (Reviewed) | (Audited) | (Reviewed) | (Audited) |
| | 30 September | 30 June | 30 September | 30 June | 30 September | 30 June |
| | 2023 | 2023 | 2023 | 2023 | 2023 | 2023 |
| | Notional value | | Fair value assets/(liabilities) | | | |
| | USD'000 | USD'000 | USD'000 | USD'000 | KHR'mil | KHR'mil |
| | | | | | (Note 3) | (Note 3) |
| Interest rate swaps | 40,175 | 41,250 | 539 | 313 | 2,230 | 1,285 |

On 25 October 2018 and 27 December 2018, the Group entered into interest rate swaps contracts ("IRS") to hedge the Group's exposure to interest rate risks on its borrowings. The IRS entitles the Group to receive interest at floating rates on notional amounts and obliges the Group to pay interest at fixed interest rates on the same notional amounts, thus allowing the Group to raise borrowings at floating rates and swap into fixed rates.

The changes in fair value of these IRS that are designated as hedges are included as hedging reserve in equity and continuously released to other comprehensive income until the repayment of the borrowings or maturity of the IRS, whichever is earlier. For the IRS that are not designated as hedges, the changes in fair value are recognised in profit or loss.

20. Revenue

| | Group and Company | | | |
|--|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | (Reviewed) | (Reviewed) | (Reviewed) | (Reviewed) |
| | For the three-month period ended | For the three-month period ended | For the three-month period ended | For the three-month period ended |
| | 30 September | 30 September | 30 September | 30 September |
| | 2023 | 2022 | 2023 | 2022 |
| | USD'000 | USD'000 | KHR'mil | KHR'mil |
| | | | (Note 3) | (Note 3) |
| Construction contract and service rendered | 2,081 | 7,973 | 8,609 | 32,756 |

20.1 Disaggregated revenue information

| | Group and Company | | | |
|--------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | (Reviewed) | (Reviewed) | (Reviewed) | (Reviewed) |
| | For the three-month period ended | For the three-month period ended | For the three-month period ended | For the three-month period ended |
| | 30 September | 30 September | 30 September | 30 September |
| | 2023 | 2022 | 2023 | 2022 |
| | USD'000 | USD'000 | KHR'mil | KHR'mil |
| | | | (Note 3) | (Note 3) |
| Timing of revenue recognition: | | | | |
| Over time | 2,081 | 7,973 | 8,609 | 32,756 |

21. Operating expenses

| | Group | | | |
|---|----------------------------|----------------------------|----------------------------|----------------------------|
| | (Reviewed) | (Reviewed) | (Reviewed) | (Reviewed) |
| | For the three-month | For the three-month | For the three-month | For the three-month |
| | period ended | period ended | period ended | period ended |
| | 30 September | 30 September | 30 September | 30 September |
| | 2023 | 2022 | 2023 | 2022 |
| | USD'000 | USD'000 | KHR'mil | KHR'mil |
| | | | (Note 3) | (Note 3) |
| <u>Direct costs</u> | | | | |
| Raw materials and consumables | 1,120 | 5,539 | 4,633 | 22,756 |
| Operation overheads | 241 | 533 | 997 | 2,190 |
| | 1,361 | 6,072 | 5,630 | 24,946 |
| <u>Employee benefits</u> | | | | |
| Salaries, wages, bonuses and other emoluments | 256 | 383 | 1,059 | 1,573 |
| Directors' remuneration | 111 | 128 | 459 | 526 |
| <u>Amortisation</u> | | | | |
| Intangible assets | 2 | 1 | 8 | 4 |
| <u>Depreciation</u> | | | | |
| Property, plant and equipment | 227 | 246 | 939 | 1,011 |
| Right-of-use assets | 32 | 34 | 132 | 140 |
| | 259 | 280 | 1,071 | 1,151 |
| <u>General expenses</u> | | | | |
| Withholding tax | 322 | 233 | 1,332 | 957 |
| Professional fees | 14 | 84 | 58 | 345 |
| Bank charges | 23 | 73 | 95 | 300 |
| Other expenses | 136 | 164 | 564 | 674 |
| | 495 | 554 | 2,049 | 2,276 |
| | 2,484 | 7,418 | 10,276 | 30,476 |

21. Operating expenses (continued)

| | Company | | | |
|---|---------------------|---------------------|---------------------|---------------------|
| | (Reviewed) | (Reviewed) | (Reviewed) | (Reviewed) |
| | For the three-month | For the three-month | For the three-month | For the three-month |
| | period ended | period ended | period ended | period ended |
| | 30 September | 30 September | 30 September | 30 September |
| | 2023 | 2022 | 2023 | 2022 |
| | USD'000 | USD'000 | KHR'mil | KHR'mil |
| | | | (Note 3) | (Note 3) |
| Direct costs | | | | |
| Raw materials and consumables | 1,120 | 5,539 | 4,633 | 22,756 |
| Operation overheads | 241 | 533 | 997 | 2,190 |
| | 1,361 | 6,072 | 5,630 | 24,946 |
| Employee benefit expenses | | | | |
| Salaries, wages, bonuses and other emoluments | 256 | 380 | 1,059 | 1,561 |
| Director's remuneration | 111 | 128 | 459 | 526 |
| Amortisation | | | | |
| Intangible assets | 2 | 1 | 8 | 4 |
| Depreciation | | | | |
| Property, plant and equipment | 227 | 246 | 939 | 1,011 |
| Right of use assets | 32 | 34 | 132 | 140 |
| | 259 | 280 | 1,071 | 1,151 |
| General expenses | | | | |
| Withholding tax | 322 | 233 | 1,332 | 957 |
| Professional fee | 13 | 82 | 54 | 337 |
| Bank charges | 23 | 73 | 95 | 300 |
| Other expenses | 136 | 162 | 563 | 666 |
| | 494 | 550 | 2,044 | 2,260 |
| | 2,483 | 7,411 | 10,271 | 30,448 |

22. Other operating income

| | Group and Company | | | |
|--|---------------------|---------------------|---------------------|---------------------|
| | (Reviewed) | (Reviewed) | (Reviewed) | (Reviewed) |
| | For the three-month | For the three-month | For the three-month | For the three-month |
| | period ended | period ended | period ended | period ended |
| | 30 September | 30 September | 30 September | 30 September |
| | 2023 | 2022 | 2023 | 2022 |
| | USD'000 | USD'000 | USD'000 | USD'000 |
| Gain on lease termination | - | 20 | - | 82 |
| Management fees charged to related parties | 14 | 14 | 58 | 58 |
| | 14 | 34 | 58 | 140 |

23. Finance income

| | Group and Company | | | |
|-----------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | (Reviewed) | (Reviewed) | (Reviewed) | (Reviewed) |
| | For the three-month period ended | For the three-month period ended | For the three-month period ended | For the three-month period ended |
| | 30 September | 30 September | 30 September | 30 September |
| | 2023 | 2022 | 2023 | 2022 |
| | USD'000 | USD'000 | KHR'mil | KHR'mil |
| | | | (Note 3) | (Note 3) |
| Interest income for: | | | | |
| Contract assets | 620 | 664 | 2,565 | 2,728 |
| Term deposits | 16 | 13 | 66 | 53 |
| | 636 | 677 | 2,631 | 2,781 |

24. Finance cost

| | Group and Company | | | |
|------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | (Reviewed) | (Reviewed) | (Reviewed) | (Reviewed) |
| | For the three-month period ended | For the three-month period ended | For the three-month period ended | For the three-month period ended |
| | 30 September | 30 September | 30 September | 30 September |
| | 2023 | 2022 | 2023 | 2022 |
| | USD'000 | USD'000 | KHR'mil | KHR'mil |
| | | | (Note 3) | (Note 3) |
| Interest expense for: | | | | |
| Term loans | 1,700 | 1,556 | 7,033 | 6,392 |
| Charged by intercompany | 1,278 | 652 | 5,287 | 2,679 |
| Bank overdrafts | 156 | 156 | 645 | 641 |
| Revolving credit | (3) | 53 | (12) | 218 |
| Trust receipt | - | 35 | - | 144 |
| Lease liabilities | 7 | 8 | 29 | 33 |
| | 3,138 | 2,460 | 12,982 | 10,107 |

25. Income tax expense

Cambodia

In accordance with Cambodian tax laws, the Company has the obligation to pay tax on income ("Tol") at the rate of 20% of taxable income.

Besides the Tol, taxpayers in Cambodia are subject to a separate minimum tax. The minimum tax is an annual tax with a liability equal to 1% of annual turnover and sundry income inclusive of all taxes except value-added tax, and is due irrespective of the taxpayer's profit or loss position. The Company pays the higher of Tol or minimum tax.

The Company's tax returns are subject to examination by the tax authorities. Because the application of tax laws and regulations for many types of transactions is susceptible to varying interpretations, the amounts reported in the financial statements could change at a later date upon final determination by the tax authorities.

Myanmar

In accordance with the Income Tax Law of the Republic of the Union of Myanmar, the direct and indirect subsidiaries have the obligation to pay corporate income tax at the rate of 25% of taxable income. The subsidiaries are not subject to corporate income tax for the periods ended 30 September 2023 and 2022 as they have not yet started their commercial operations.

25. Income tax expense (continued)

Income tax expense for the periods ended 30 September 2023 and 2022 consists of:

| | Group and Company | | | |
|------------------------------|---------------------|---------------------|---------------------|---------------------|
| | (Reviewed) | (Reviewed) | (Reviewed) | (Reviewed) |
| | For the three-month | For the three-month | For the three-month | For the three-month |
| | period ended | period ended | period ended | period ended |
| | 30 September | 30 September | 30 September | 30 September |
| | 2023 | 2022 | 2023 | 2022 |
| | USD'000 | USD'000 | KHR'mil | KHR'mil |
| | | | (Note 3) | (Note 3) |
| Current income tax: | | | | |
| Provision for current year | 21 | 80 | 86 | 329 |
| Underprovision in prior year | 7 | - | 29 | - |
| | 28 | 80 | 115 | 329 |
| Deferred tax | 31 | 33 | 128 | 136 |
| Income tax expense | 59 | 113 | 243 | 465 |

25.1 Reconciliation between loss before income tax and taxable income

A reconciliation between accounting loss before income tax and taxable income for the periods ended 30 September 2023 and 2022 follows:

| | Group | | | |
|---|---------------------|---------------------|---------------------|---------------------|
| | (Reviewed) | (Reviewed) | (Reviewed) | (Reviewed) |
| | For the three-month | For the three-month | For the three-month | For the three-month |
| | period ended | period ended | period ended | period ended |
| | 30 September | 30 September | 30 September | 30 September |
| | 2023 | 2022 | 2023 | 2022 |
| | USD'000 | USD'000 | KHR'mil | KHR'mil |
| | | | (Note 3) | (Note 3) |
| Accounting loss before tax | (2,892) | (1,184) | (11,963) | (4,866) |
| Add: | | | | |
| Non-deductible expenses | 2,799 | 1,482 | 11,579 | 6,089 |
| Taxable (loss)/profit | (93) | 298 | (384) | 1,223 |
| Income tax expense at the applicable tax rate 20% | (19) | 60 | (77) | 245 |
| Reduction in tax rate 2.76%* | - | (8) | - | (34) |
| Income tax expense at the effective tax rate 20%/17.24% (A) | (19) | 51 | (77) | 211 |
| Minimum tax (B) | 21 | 80 | 86 | 329 |
| Estimated income tax expense (higher of A or B) | 21 | 80 | 86 | 329 |

25. Income tax expense (continued)

25.1 Reconciliation between loss before income tax and taxable income (continued)

| | Company | | | |
|---|---|---|---|---|
| | (Reviewed) For the three-month period ended 30 September 2023 USD'000 | (Reviewed) 30 September 2022 USD'000 | (Reviewed) For the three-month period ended 30 September 2023 KHR'mil (Note 3) | (Reviewed) 30 September 2022 KHR'mil (Note 3) |
| Accounting loss before tax | (2,891) | (1,177) | (11,959) | (4,834) |
| Add: | | | | |
| Non-deductible expenses | 2,799 | 1,484 | 11,579 | 6,098 |
| Taxable (loss)/profit | (92) | 307 | (380) | 1,264 |
| Income tax expense at the applicable tax rate 20% | (18) | 61 | (76) | 253 |
| Reduction in tax rate 2.76%* | - | (8) | - | (35) |
| Income tax expense at the effective tax rate 20%/17.24% (A) | (18) | 53 | (76) | 218 |
| Minimum tax (B) | 21 | 80 | 86 | 329 |
| Estimated income tax expense (higher of A or B) | 21 | 80 | 86 | 329 |

* In accordance with Prakas No. 183 dated 25 February 2020 issued by the Ministry of Economy and Finance, which implements tax on income incentives under Sub-decree 01, entities that list or offer either stock or debt security are entitled to enjoy 50% reduction of the annual tax on income liability for three years. The tax on income incentive is calculated based on percentage of stock securities issued. On 26 August 2021, the Company has obtained letter No. 14331 issued by the GDT to approve its application for this tax on income incentive. The three years tax on income incentive has expired as of 30 September 2023.

25.2 Taxation contingencies

The taxation system in Cambodia is characterised by numerous taxes and frequently changing legislation, which is subject to interpretation. Often times, different interpretations exist among numerous taxation authorities and jurisdictions. Taxes are subject to reviews and investigations by a number of authorities that are enabled by law to impose severe fines, penalties and interest charges.

These facts may create tax risks in Cambodia that is substantially greater than in other countries. Management believes that tax liabilities have been adequately provided for based on its interpretation of tax legislation. However, the relevant authorities may have differed interpretations and the effects since the incorporation could be significant.

26. Deferred tax liability

| | Group and Company | | | |
|--------------------------------------|---|---|---|---|
| | (Reviewed) 30 September 2023 USD'000 | (Audited) 30 June 2023 USD'000 | (Reviewed) 30 September 2023 KHR'mil (Note 3) | (Audited) 30 June 2023 KHR'mil (Note 3) |
| Property, plant and equipment | | | | |
| Beginning balance | 1,135 | 986 | 4,688 | 4,013 |
| Recognised in profit or loss | 31 | 149 | 128 | 612 |
| Translation difference | - | - | (10) | 63 |
| Ending balance | 1,166 | 1,135 | 4,806 | 4,688 |

27. Reconciliation of liabilities arising from financing activities

The changes in the Group's and the Company's liabilities arising from financing activities as follows:

| | (Audited) 1 July 2023 | Non-cash flows | | Cash flows | | (Reviewed) 30 September 2023 | |
|-------------------|--------------------------|----------------------|---------------------|---------------------|-----------------------|---------------------------------|---------------------|
| | USD'000 | Additions USD'000 | Reversal USD'000 | Proceeds USD'000 | Repayments USD'000 | USD'000 | KHR'mil (Note 3) |
| Term loans | 83,043 | - | - | - | (2,901) | 80,142 | 330,345 |
| Lease liabilities | 422 | 7 | - | - | (35) | 394 | 1,624 |
| | 83,465 | 7 | - | - | (2,936) | 80,536 | 331,969 |

| | (Audited) 1 July 2022 | Non-cash flows | | Cash flows | | (Reviewed) 30 September 2022 | |
|-------------------|--------------------------|----------------------|---------------------|---------------------|-----------------------|---------------------------------|---------------------|
| | USD'000 | Additions USD'000 | Reversal USD'000 | Proceeds USD'000 | Repayments USD'000 | USD'000 | KHR'mil (Note 3) |
| Term loans | 91,571 | - | - | 978 | (2,251) | 90,298 | 371,937 |
| Revolving credit | 3,080 | - | - | 1,177 | (3,309) | 948 | 3,905 |
| Trust receipt | - | - | - | 3,304 | - | 3,304 | 13,609 |
| Lease liabilities | 348 | 372 | (182) | - | (32) | 506 | 2,084 |
| | 94,999 | 372 | (182) | 5,459 | (5,592) | 95,056 | 391,535 |

(The remainder of this page was intentionally left blank.)

28. Related party balances and transactions

The following balances are outstanding with related parties:

| Related party | Relationship | (Reviewed) 30 September 2023 USD'000 | (Audited) 30 June 2022 USD'000 | (Reviewed) 30 September 2023 KHR'mil (Note 3) | (Audited) 30 June 2022 KHR'mil (Note 3) |
|---|-------------------|--|--------------------------------------|--|--|
| Group and Company | | | | | |
| Amounts due from related parties | | | | | |
| Diamond Power Limited | Fellow subsidiary | 3 | 4 | 12 | 17 |
| Green Sustainable Ventures (Cambodia) Co., Ltd. | Fellow subsidiary | - | 2,810 | - | 11,605 |
| | | 3 | 2,814 | 12 | 11,622 |
| Amounts due to related parties - Current | | | | | |
| PESTECH Sdn Bhd | Fellow subsidiary | 8,618 | 9,674 | 35,523 | 39,954 |
| PESTECH Energy Sdn Bhd | Fellow subsidiary | 7 | 7 | 29 | 29 |
| ODM Power Line Co Ltd | Fellow subsidiary | 38,925 | 38,929 | 160,449 | 160,778 |
| PESTECH Transmission Sdn Bhd | Fellow subsidiary | 3,606 | 3,598 | 14,864 | 14,860 |
| PESTECH Power Sdn Bhd | Fellow subsidiary | 7,887 | 7,532 | 32,510 | 31,105 |
| | | 59,043 | 59,740 | 243,375 | 246,726 |
| Amounts due to related parties - Non-current | | | | | |
| Enersol Co. Ltd. | Fellow subsidiary | 39,098 | 38,377 | 161,162 | 158,497 |
| Amount due to holding company - Non-current | | | | | |
| PESTECH International Berhad | Holding company | 25,475 | 27,966 | 105,008 | 115,500 |
| Company | | | | | |
| Amount due from a subsidiary | | | | | |
| PESTECH (Myanmar) Limited | Subsidiary | 113 | 113 | 466 | 467 |

The amounts due from/to related parties are mainly trade related, unsecured, interest free and repayable on demand, except for certain amounts due to PESTECH International Berhad, Enersol Co. Ltd., PESTECH Power Sdn Bhd and PESTECH Sdn Bhd which bear interest at rates ranging from 4.50% to 8.24% (30 June 2023: 3.31% to 7.63%) per annum.

28. Related party balances and transactions (continued)

During the period, the following transactions with related parties are recorded:

| Group and Company | | | (Reviewed) For the three-month period ended 30 September 2023 USD'000 | (Reviewed) 30 September 2022 USD'000 | (Reviewed) For the three-month period ended 30 September 2023 KHR'mil (Note 3) | (Reviewed) 30 September 2022 KHR'mil (Note 3) |
|---|-------------------|-----------------------------------|---|---|---|---|
| Related party | Relationship | Transactions | | | | |
| Diamond Power Limited | Fellow subsidiary | Management service income | 5 | 5 | 21 | 20 |
| | | Operation and maintenance service | - | 339 | - | 1,394 |
| PESTECH Sdn Bhd | Fellow subsidiary | Progress billing | 1,401 | 141 | 5,796 | 579 |
| | | Contract cost incurred | - | 2,000 | - | 8,216 |
| | | Interest charged | 116 | 66 | 480 | 271 |
| Enersol Co. Ltd. | Fellow subsidiary | Interest charged | 744 | 280 | 3,078 | 1,152 |
| ODM Power Line Co Ltd | Fellow subsidiary | Management service income | 5 | 5 | 21 | 20 |
| PESTECH International Berhad | Holding company | Interest charged | 298 | 306 | 1,233 | 1,256 |
| Green Sustainable Ventures (Cambodia) Co., Ltd | Fellow subsidiary | Management service income | 4 | 4 | 16 | 18 |
| | | Operation and maintenance service | 36 | 36 | 149 | 148 |
| PESTECH Power Sdn Bhd | Fellow subsidiary | Interest charged | 120 | - | 496 | - |

29. Transactions with key management personnel

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

| | Group and Company | | | |
|--------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | (Reviewed) | (Reviewed) | (Reviewed) | (Reviewed) |
| | For the three-month period ended | For the three-month period ended | For the three-month period ended | For the three-month period ended |
| | 30 September 2023 | 30 September 2022 | 30 September 2023 | 30 September 2022 |
| | USD'000 | USD'000 | KHR'mil (Note 3) | KHR'mil (Note 3) |
| Salaries and bonus | 111 | 128 | 459 | 526 |

30. Fair value of financial instruments

The table below shows the carrying amounts and fair values of financial assets, including their levels in the fair value hierarchy. It does not include fair value information for financial assets not measured at fair value if the carrying amount is a reasonable approximation of fair value. The carrying amounts of cash and bank balances, amounts due to/from related parties, amount due from a subsidiary, amount due to holding company, trade and other receivables, trade and other payables, and borrowings are reasonable approximation of their fair value, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

The different levels in the fair value hierarchy are as follows:

- Quoted prices (unadjusted) in active markets for identified assets or liabilities (Level 1),
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (Level 2),
- Inputs for the asset or liability that are not based on observable market data (Level 3).

| Financial assets | Group and Company | | | |
|----------------------------------|-------------------|---------|-----------------|---------|
| | 30 September 2023 | | 30 June 2023 | |
| | Carrying amount | Level 2 | Carrying amount | Level 2 |
| | USD'000 | USD'000 | USD'000 | USD'000 |
| Derivative financial instruments | 539 | 539 | 313 | 313 |

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis. These instruments are included in Level 1.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available 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, If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.

31. Categories of financial instruments

The table below provides an analysis of financial instruments in each category:

| | Group | | | |
|----------------------------------|---------------------|------------------|---------------------|------------------|
| | (Reviewed) | (Audited) | (Reviewed) | (Audited) |
| | 30 September | 30 June | 30 September | 30 June |
| | 2023 | 2023 | 2023 | 2023 |
| | USD'000 | USD'000 | KHR'mil | KHR'mil |
| | | | (Note 3) | (Note 3) |
| Financial assets | | | | |
| At amortised cost | | | | |
| Cash and bank balances | 6,503 | 8,296 | 26,805 | 34,263 |
| Trade and other receivables | 3,343 | 3,151 | 13,780 | 13,014 |
| Amounts due from related parties | 3 | 2,814 | 12 | 11,622 |
| Derivatives used for hedging | | | | |
| Derivative financial instruments | 539 | 313 | 2,230 | 1,285 |
| | 10,388 | 14,574 | 42,827 | 60,184 |
| | | | | |
| | Company | | | |
| | (Reviewed) | (Audited) | (Reviewed) | (Audited) |
| | 30 September | 30 June | 30 September | 30 June |
| | 2023 | 2023 | 2023 | 2023 |
| | USD'000 | USD'000 | KHR'mil | KHR'mil |
| | | | (Note 3) | (Note 3) |
| Financial assets | | | | |
| At amortised cost | | | | |
| Cash and bank balances | 6,498 | 8,290 | 26,784 | 34,238 |
| Trade and other receivables | 3,343 | 3,151 | 13,780 | 13,014 |
| Amount due from a subsidiary | 113 | 113 | 466 | 467 |
| Amounts due from related parties | 3 | 2,814 | 12 | 11,622 |
| Derivatives used for hedging | | | | |
| Derivative financial instruments | 539 | 313 | 2,230 | 1,285 |
| | 10,496 | 14,681 | 43,272 | 60,626 |
| | | | | |
| | Group | | | |
| | (Reviewed) | (Audited) | (Reviewed) | (Audited) |
| | 30 September | 30 June | 30 September | 30 June |
| | 2023 | 2023 | 2023 | 2023 |
| | USD'000 | USD'000 | KHR'mil | KHR'mil |
| | | | (Note 3) | (Note 3) |
| Financial liabilities | | | | |
| At amortised cost | | | | |
| Trade and other payables | 48,429 | 48,670 | 199,624 | 201,007 |
| Amount due to holding company | 25,475 | 27,966 | 105,008 | 115,500 |
| Amounts due to related parties | 98,141 | 98,117 | 404,537 | 405,223 |
| Borrowings | 87,673 | 90,973 | 361,388 | 375,718 |
| Not within scope of CIFRS 9 | | | | |
| Lease liabilities | 394 | 422 | 1,624 | 1,742 |
| | 260,112 | 266,148 | 1,072,181 | 1,099,190 |

31. Categories of financial instruments (continued)

The table below provides an analysis of financial instruments in each category: (continued)

| | Company | | | |
|--------------------------------|---------------------|------------------|---------------------|------------------|
| | (Reviewed) | (Audited) | (Reviewed) | (Audited) |
| | 30 September | 30 June | 30 September | 30 June |
| | 2023 | 2023 | 2023 | 2023 |
| | USD'000 | USD'000 | KHR'mil | KHR'mil |
| Financial liabilities | | | (Note 3) | (Note 3) |
| At amortised cost | | | | |
| Trade and other payables | 48,428 | 48,669 | 199,621 | 201,003 |
| Amount due to holding company | 25,475 | 27,966 | 105,008 | 115,500 |
| Amounts due to related parties | 98,141 | 98,117 | 404,537 | 405,223 |
| Borrowings | 87,673 | 90,973 | 361,388 | 375,718 |
| Not within scope of CIFRS 9 | | | | |
| Lease liabilities | 394 | 422 | 1,624 | 1,742 |
| | 260,111 | 266,147 | 1,072,178 | 1,099,186 |

32. Loss per share

Basic loss per share are calculated by dividing the loss attributable to equity holders of the Group by the weighted average numbers of ordinary shares in issue during the respective period as shown below:

| | Group | | | |
|---|----------------------------|---------------------|----------------------------|---------------------|
| | (Reviewed) | | (Reviewed) | |
| | For the three-month | | For the three-month | |
| | period ended | | period ended | |
| | 30 September | 30 September | 30 September | 30 September |
| | 2023 | 2022 | 2023 | 2022 |
| | USD'000 | USD'000 | KHR'mil | KHR'mil |
| | | | (Note 3) | (Note 3) |
| Loss attributable to the owners of the | | | | |
| Company | (2,951) | (1,297) | (12,206) | (5,332) |
| Weighted average number of shares (units) | 74,945,000 | 74,945,000 | 74,945,000 | 74,945,000 |
| Basic loss per share (cent/riel) | (3.94) | (1.73) | (162.87) | (71.15) |
| Diluted loss per share (cent/riel) | (3.94) | (1.73) | (162.87) | (71.15) |

Diluted loss per share are calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

The Group had no dilutive potential ordinary shares as at each of the period end. As such, the diluted loss per share were equivalent to the basic loss per share.

33. Commitments

The Company has committed to purchase a 10-year political risk insurance for the construction of the 230kV Stung Tatay Hydro Power Plant-Phnom Penh Transmission System Project for a total amount of USD 4,968,600 to secure the borrowing facility as disclosed in note 17b.3. As at 30 September 2023, the insurance premium payable is USD1,471,198 (30 June 2023: USD1,471,198).

The Company has committed to purchase a 7-year political risk insurance for the construction of the 230kV and 500kV double circuit transmission line from Phnom Penh to Sihanoukville for a total amount of USD3,222,125 to secure the borrowing facility as disclosed in note 17b.3. As at 30 September 2023, the insurance premium payable is USD 1,256,271 (30 June 2023: USD1,256,271).

34. Events after reporting period

There are no significant events occurred after the end of the reporting period and the date of authorization of these interim financial statements, which would require adjustments or disclosures to be made in the interim financial statements.