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# DBD ENGINEERING PLC.

## THIRD QUARTERLY REPORT OF **2022**

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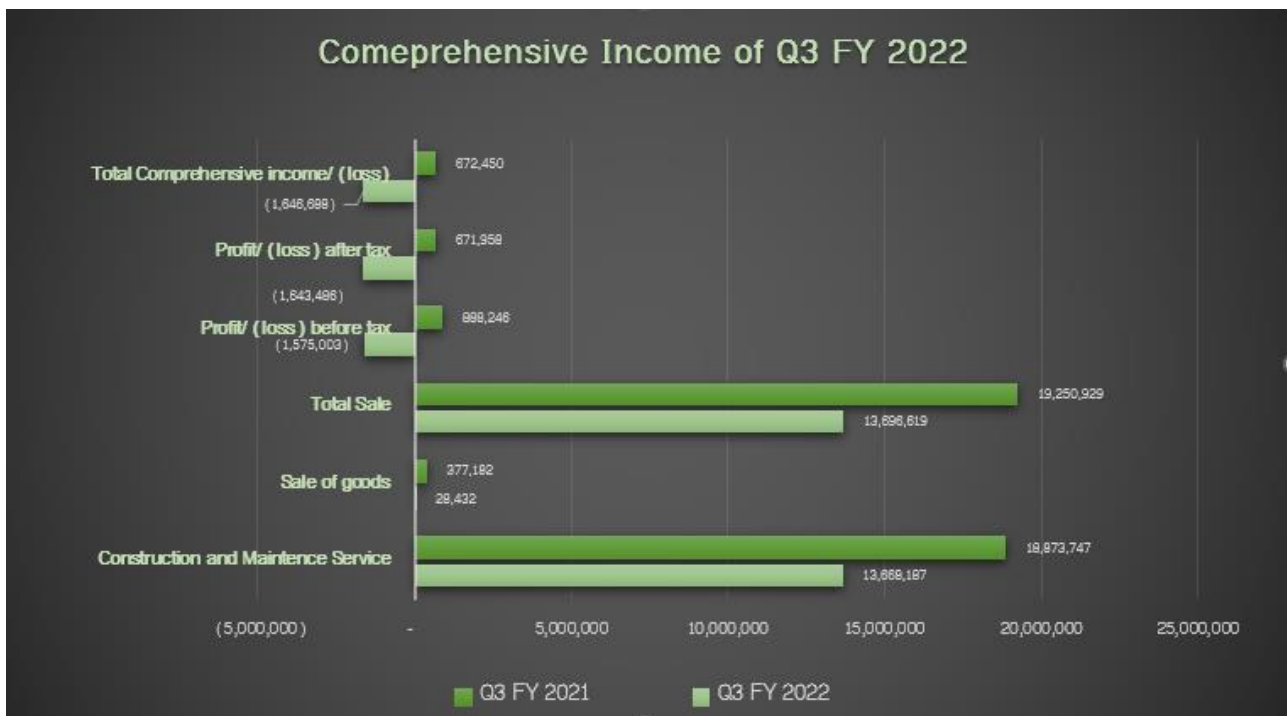


30 September 2022

## Financial Highlight

Description		Q3 FY 2022 <i>(Reviewed but Unaudited)</i>	FY 2021 <i>(Audited)</i>
<b>Financial Position (KHR'000)</b>			
Total Asset		58,903,734	66,540,748
Total Liabilities		26,322,592	29,649,851
Total Shareholder's Equity		32,581,142	36,890,897
<b>Profit/ (Loss) (KHR'000)</b>		<b>Q3 FY 2022</b> <i>(Reviewed but Unaudited)</i>	<b>Q3 FY 2021</b> <i>(Unreviewed and Unaudited)</i>
Revenues		13,696,619	19,250,929
Profit/ (Loss) before Tax		(1,575,003)	888,246
Profit/ (Loss) after Tax		(1,643,486)	671,958
Total Comprehensive income		(1,646,688)	672,450
<b>Financial Ratio</b>		<b>Q3 FY 2022</b>	<b>FY 2021</b>
Liquidity ratio	Current ratio	1,85	2.10
	Quick ratio	1,64	1.67
		<b>Q3 FY 2022</b>	<b>Q3 FY 2021</b>
Profitability ratio	Return on assets (%)	(2.79)	1.16
	Return on equity (%)	(5.04)	1.98
	Gross profit margin (%)	1.14	18.78
	Profit margin (%)	(12)	3.76
	Earnings per share	(89) riel	48 riel
Interest Coverage ratio		(4.27)	2.59

## Financial Summary Chart



**Board of Directors**



**Mr. NEANG Vithy**  
**Chairman and Managing**  
**Director**



**Mrs. LIM MUYLY**  
**Executive Director and CFO**



**Mr. THAI VANTHA**  
**Non-Executive Director**



**Mr. HUY VATHARO**  
**Independent Director**



**Mr. RAMI BASHIR ASAD SHARAF**  
**Non-Executive Director**

## Message of Chairman and Managing Director

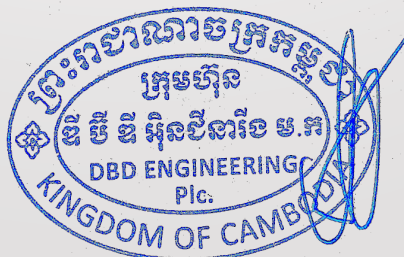
On behalf of DBD Engineering Plc. and the Board of Directors, I am pleased to present our third quarterly report for the period from 1 July to 30 September 2022 to all stakeholders.

The company reported total revenue 13,696,619 KHR'000 for the third quarter which decreased 28.85% compared to 19,250,929 KHR'000 in the same quarter of year 2021. The company report comprehensive loss of (1,646,688) KHR'000 for this quarter. The total assets decreased 11.48% compared to year 2021 from 66,540,748 KHR'000 to 58,903,734 KHR'000 due to decreased in trade receivables and contract asset.

Phnom Penh, Date: November 15, 2022

Signature and Stamp

Mr. NEANG Vithy  
Chairman and Executive Director



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Signature of Directors of DBD Engineering Plc.	

## Part 1.-General Information of DBD Engineering Plc.

### A. Identity of DBD Engineering Plc.

Name of Company in Khmer	ឌី ប៊ី ឌី អ៊ីនជីនារីង ម.ក
In Latin	<b>DBD Engineering Plc. (DBD)</b>
Standard Code	KH1000150008
Address	NO 68, Street 598, Sangkat Phnom Penh Tmey, Khan Sensok, Phnom Penh, Cambodia
Telephone	(+855) 78 700 598
Website	<a href="http://www.dbdengineering.com">www.dbdengineering.com</a>
Email	<a href="mailto:services@dbdengineering.com.kh">services@dbdengineering.com.kh</a>
Registration Number	00004029, date: December 12, 2014, issued by Ministry of Commerce
Authorization and registered documents number	123/21/SSR/SERC, date: June 24,2021, issued by Securities and Exchange Regulator of Cambodia
Representative	<b>Mr. NEANG Vithy</b>

### B. Nature of Business

DBB Engineering Plc, was founded in 1995, which makes it one of the oldest engineering & construction company in Cambodia. DBD provides design, construction, installation, and maintenance services to scores of reputed national and internal companies. DBD has an excellent track record of providing high-quality products and services and has achieved an exceptional level of client satisfaction.

Electrical and Construction



Mechanical and Electrical



Building Inspection and Maintenance



Heating, Ventilation, and AC



DBD has strong service and maintenance team to ensure that new buildings or installations remain in top condition, and the company is expanding the ducting production, plants, and equipment maintenance.

**C. Milestones of DBD Engineering Plc.**

❖ Investor Education Training Program since 11 August 2022.





## Part 2.- Information on Business Operation Performance

### A. Business Operation Performance Including Business Segment

In early 2022, DBD Engineering has the first project of the construction and MEP system installation of the building's "WING OFFICE TOWER", which is located at the Preah Monivong blvd and the Kapuchea Krom Blvd, Sangkat Monorom, Khan 7 Makara, Phnom Penh. This project started in 2022 and expect to finish by 2023. In additional, DBD Engineering announced a new project for the "Biomass Steam Boiler Plant" from the BECIS which produces bio-steam power and supply to the Heineken company.

By the way, DBD Participated in construction and continued to build plenty of big projects such as Aeon 1, Aeon 2, North Park condominium, Chip Mong Sen Sok, Chip Mong 598, and Chip Mong 271 etc.

The company currently working on a new system for manpower management, this helps management to get live report more easily on manpower arrangement and monitoring to reduce labor wastage, beside from that the company also implement new module in current accounting system in order to improve the materials cost management.

#### New Project of Q3 FY 2022

Project	Amount (excluding VAT)	Expected Closing Date
Wing Bank PBC	USD 1,070,000.00	30 <sup>th</sup> November 2022
B-Quik Aeon 3	USD 474,137.70	15 <sup>th</sup> December 2022
CTN	USD 273,700.00	31 <sup>st</sup> October 2022
Decathlon Aeon 3	USD 660,000.00	05 <sup>th</sup> January 2023
Wing Tower- LED Screen	USD 2,000,000.00	20 <sup>th</sup> June 2023
Cinema / CM271 Tenant	USD 521,947.04	30 <sup>th</sup> October 2022
CMG / CM271 Tenant	USD 835,029.98	30 <sup>th</sup> November 2022
CMRT / CM271 Tenant	USD 486,418.68	30 <sup>th</sup> November 2022
Food Park / CM271 Tenant	USD 245,492.30	30 <sup>th</sup> October 2022
Master Craft / CM271 Tenant	USD 93,333.00	05 <sup>th</sup> October 2022

**On Going Project**

គម្រោង	កាលបរិច្ឆេទចាប់ផ្តើមគម្រោង	លទ្ធផលសម្រេចបាន
Biomass	18 Jan 2022	99 %
WING Tower	6 Jan 2022	4 %
DBD New HQ	7 Dec 2021	68 %
CTN	1 Aug 2022	75 %
WING Bank Branch	1 Sep 2022	40 %
Chip Mong 271 Mega Mall	July 2020	95 %
Tenant Market Place	7 Jun 2022	98 %
Tenant Mastercraft	5 July 2022	85 %
Tenant Food Court	6 Aug 2022	75 %
Tenant Cinema	5 Aug 2022	45 %
Tenant CMG Office		25 %
Tenant CMRT Office		45 %



❖ BIOMASS STEAM BOILER PLANT PROJECT



WING OFFICE TOWER PROJECT



○ CHIP MONG MEGA MALL 271 PROJECT



○ CHIP MONG SENSOK MALL PROJECT



○ CHIP MONG 598 MALL PROJECT



○ TRIBE HOTEL PHNOM PENH PROJECT

## B. Income Structure

DBD has two source revenues, one is from construction which is the main source included new project and repair & maintenance work. The other one is from sale of materials which is a very small compared to total revenue. However, the revenue from sale will be increase after we expended the ducting production, DBD is going to sale this product which currently we only produce for supply to our construction project only.

N°	Source of Income	Q3 FY 2022		Q3 FY 2021	
		Amount (KHR'000)	%	Amount (KHR'000)	%
1	Revenue from Maintenance and construction	13,668,187	99.80%	18,873,747	98.04%
2	Revenue from sale material	28,432	0.20%	377,128	1.96%
<b>Total Revenue</b>		<b><u>13,696,619</u></b>	<b><u>100%</u></b>	<b><u>19,250,929</u></b>	<b><u>100%</u></b>

As Q3 FY 2022 DBD Report total revenue of KHR 13,668,187,000 which's decreasing of KHR (5,554,310,000) equivalent to -28.85% compared to Q3 FY 2021. The decreasing was driven by revenue from decreasing of maintenance and construction at -27.58 %, and revenue from sale material decreased at -92.46 %.

## **PART 3.- Reviewed Financial Statement**

Please find the information in annex as attached with.

## **PART 4.- Management’s discussion and analysis (MD&A)**

The following discussion and analysis are the discussion of management team of DBD Engineering Plc on the operational results and financial situation based on Financial Statement as of 30 September 2022. The management team discussed and analyzed only the key components of the Financial Statement and key factors that affect DBD’s profitability.

### **A. Overview of operations**

DBD Engineering Plc was incorporated on 1998 under the Law of Commercial Enterprise of Cambodia. The Company is a construction contractor specializing in MEP and Civil Engineering works, providing mechanical, electrical, plumbing, firefighting, air conditioning-cold room HVAC, and building maintenance.

#### **1- Revenue Analysis**

DBD’s main revenue is derived from the construction and maintenance services which include MEP and Civil Engineering works, with the total revenues recorded in the financial statements separated into three categories listed such as construction and maintenance, sales of goods, other income. Revenue is recognized when or as a performance obligation in the contract with customer is satisfied, i.e. when the “control” of the goods or services underlying the particular performance obligation is transferred to the customer. The performance obligation is certified by the contractual parties, typically by the Company’s project manager, and the client’s consultant. To determine whether to recognize revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognizing revenue when/as performance obligation(s) are satisfied

#### **2-Revenue by segment analysis**

As Q3 FY 2022 DBD Report total revenue of KHR 13,696,619,000 which’s decreasing of KHR (5,554,31,000) equivalent to -28.85% compared to Q3 FY 2021. The decreasing was driven by revenue from decreasing of maintenance and construction at -27.58 %, and revenue from sale material decreased at -92.46 %.

### 3-Gross profit margin analysis

As Q3 FY 2022, DBD reported gross profit of KHR 155,760,000, decreased of KHR (3,459,035,000) equivalent to -95.70 % compared to Q3 FY 2021. The decreasing was driven by decreasing of revenue and increasing of cost of goods sold. However,

### 4-Profit/ (Loss) before tax analysis

Summary of Profit Q2 FY 2022	Q3 FY 2022 KHR'000	Q3 FY 2021 KHR'000	Changed KHR'000	Changed %
Gross Profit	155,760	3,614,795	(3,459,035)	-95.69 %
Other loss	(5,211)	(25,068)	(19,857)	79.21 %
Operating Expenses	(1,426,858)	(2,143,524)	(716,666)	-33.43%
Finance Cost	(298,694)	(557,957)	(259,263)	-46.46 %
<b><u>Profit before Tax</u></b>	<b><u>(1,575,003)</u></b>	<b><u>888,246</u></b>	<b><u>(2,463,249)</u></b>	<b><u>-277.32 %</u></b>

As Q3 FY 2022, DBD reported loss before tax of KHR (1,575,003,000), this loss increased by KHR (2,463,249,000) equivalent to -277.32 % compared to Q3 FY 2021. The increasing was driven by increasing of gross loss at -95.69 %.

### 5-Profit/ (Loss) after tax analysis

Summary of Profit Q3 FY 2022	Q3 FY 2022 KHR'000	Q3 FY 2021 KHR'000	Changed KHR'000	Changed %
Profit before tax	(1,575,003)	888,246	(2,463,249)	-277.32 %
Income tax expenses	(68,483)	(216,288)	(147,805)	-68.34 %
<b><u>Profit after tax</u></b>	<b><u>(1,643,486)</u></b>	<b><u>671,958</u></b>	<b><u>(2,315,444)</u></b>	<b><u>-344.58%</u></b>

For annual income tax, DBD is required to pay is 20% of its taxable income. As Q3 FY 2022, DBD reported Loss after tax of KHR (1,643,486,000), increased by KHR (2,315,444,000)

equivalent to -344.58 % compared to Q3 FY 2021. The increasing of loss was driven by increasing of loss before tax.

## **6-Total comprehensive income/(loss) analysis**

As Q3 FY 2022, DBD reported total comprehensive loss of KHR (1,646,688,000), increase by KHR (2,319,139,000), equivalent to -344.88 % compared to Q3 FY 2021. The increasing was driven by increasing of loss after tax.

## **7-Factors and trends analysis affecting financial conditions and results**

As Q3 FY 2022, DBD has no any factors and trends affecting financial conditions and results.

### **B. Significant factors affecting profit**

DBD has observed the following significant factors that may affect our profitability;

#### **1-Demand and supply conditions analysis**

There was a shrinking opportunity in the construction industry, 4,303 projects were approved in 2021 equal to USD 5.33 billion, a decrease of 31.21% compared to 2020 there were 4,841 projects approved equal to USD 7.75 billion, the forecast opportunities growing of construction industry has 6,760 approved projects in 2022, equal to USD 15.52 billion.

DBD is one of the leading Construction Company especially MEP service in Cambodia offering services such as (1) mechanical & electrical contracting, (2) plumbing & fire-fighting contracting, (3) heating, ventilation, and air conditioning, (4) civil construction, and (5) building maintenance.

#### **2-Fluctuations in prices of raw materials analysis**

DBD included the expected inflationary in the proposed tender price. If the materials price fluctuates accordance with the inflation rate, there won't be a significant impact to the company's profit. However, if the price of materials increases significantly, it will make loss to company. Cost of goods sold includes materials costs sold to clients while cost of construction includes the cost for main construction materials and engineering works.

#### **3- Tax analysis**



DBD has received tax incentive 50% on profit tax for 3 years' period from 2022 to 2024. In accordance with Cambodian tax laws, our Company has the obligation to pay tax on profit at the rate of 20% of taxable profit. Beside tax on profit, we are also subject to a separate minimum tax. The minimum tax is an annual tax with a liability equal to 1% of annual turnover inclusive of all taxes except valued added tax, and in due irrespective of the Company's profit or loss position. Notwithstanding the above, DBD charges VAT of 10% on invoiced amounts when issuing invoices to clients. This VAT is settled with the 10% input tax that DBD pays to the suppliers when making purchases. Moreover, DBD obligated to pay withholding tax on interest income, which is at the rate of 4% for current deposit, deducted by banks, withhold tax at the rate of 15% on the BOD's compensation, and at the rate of 14% (nonresident) to 15% (resident) on expenses related to consultant/advisory service fees, withhold tax on rental income at the rate of 10% import tax on materials and raw materials at rates ranging from 7% to 35%, depending on the type of goods.

#### **4-Exceptional and extraordinary items analysis**

There was no exceptional and extraordinary income or expense during the third quarter of 2022.

#### **C. Material changes in sales and revenue**

As Q3 FY 2022, DBD's revenue from sale of materials has decrease significantly, revenue from construction also decrease due to in this quarter DBD have only one big project in progress "Chip Mong Mega Mall 271" other big project such "Wing Tower" is just at the beginning stage, so the revenue is smaller compared to the third quarter of 2021.

#### **D. Impact of foreign exchange, interest rate and commodity prices**

##### **1- Impact on foreign exchange**

DBD has no financial assets and liabilities in other foreign currency, except there is a small amount in trade payable are in other currencies such as THB and EUR, and all DBD's borrowings are at fixed rate so there is no impact from the fluctuate of the foreign exchange and interest rate.

##### **2-Impact on interest rates**

As Q3 FY 2022, DBD is not exposed to interest rate risk as the Company does not have any floating rate-based financial assets and liabilities.

### **3-Impact on commodity prices**

As Q3 FY 2022, DBD has no material impact of commodity prices on our financial results.

### **E. Impact of inflation**

As Q3 FY 2022, DBD included the expected inflationary in the proposed tender price. If the materials price fluctuates accordance with the inflation rate, there won't be a significant impact to the company's profit.

### **F. Economic/ fiscal / monetary policy of Royal Government**

In the last several years, the real estate and construction sector has been one of the top drivers of economic growth. According to CBRE's report, Cambodian Real Estate Market Outlook 2019, the construction industry grew by 18.1% in 2018, and the number of condominium units grew by roughly 120%. While diverse economic growth factors into the strong performance of the construction industry, Foreign Direct Investment (FDI) is one of the main drivers of the industry. In 2019, FDI in Cambodia accounted for 10.6% of total GDP. In 2018, FDI reached record highs, increasing by 10.7% or USD 300 million from USD 2.8 billion in 2017 to USD 3.1 billion in 2018 (World Bank). A significant local COVID-19 outbreak, real estate market correction following a prolonged construction and property boom, increased credit provided to the construction/real estate/mortgage sector (that recently relies highly on Chinese investment), and high outstanding credit are the current industry vulnerabilities.

In 2021, there were 4,303 approved construction projects with capital investment of USD 5.33 billion, a decrease of 31.21% compared to 2020 there were 4,841 approved construction projects with capital investment of USD 7.75 billion, according to the Ministry of Land Management, Urban Planning and Construction. The forecast opportunities growing of construction industry has 6,760 approved projects in 2022, equal to USD 15.52 billion.

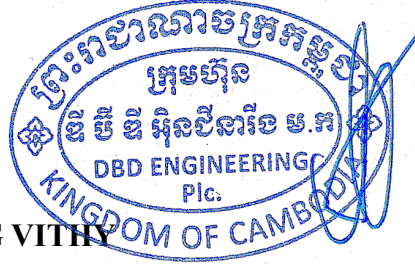
## **PART 5.-Other Necessary Information for Investors Protection**

DBD Engineering Plc. has no significant information other than the information disclosed in this report.

**Signature of Board of Director**

Date.....November 15, 2022.....

Read and approved by:



Mr. NEANG VITHY

Chairman and Executive Director

**Statement by the Directors  
and  
Reviewed interim condensed  
financial information**

**DBD Engineering Plc.**

As at 30 September 2022 and for the quarter and  
nine-month period then ended

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# Statement by the Directors

In the opinion of the Directors, the accompanying interim condensed statement of financial position of DBD Engineering Plc. ("the Company") as at 30 September 2022, and the related interim condensed statement of comprehensive income, statement of changes in equity and statement of cash flows for the quarter and nine-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



Neang Vithy  
Chairman

Phnom Penh, Kingdom of Cambodia  
3 November 2022



# Grant Thornton

# Report on review of review interim condensed financial information

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## To the Shareholders of DBD Engineering Plc.

We have reviewed the interim condensed financial information of DBD Engineering Plc. (“the Company”), which comprise the interim statement of financial position as at 30 September 2022, and the related interim statements of other comprehensive income, changes in equity and cash flows for the quarter and nine-month period then ended, and explanatory notes (“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 Company is not prepared, in all material respects, in accordance with Cambodian International Accounting Standard 34 *Interim Financial Reporting*.

#### Certified Public Accountants and Auditors

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**Other matter**

The comparative information on the statement of financial position is based on the Company's audited financial statements as at 31 December 2021 and for the year then ended. The comparative information for the quarter and nine-month period ended 30 September 2021, on the statements of comprehensive income, cash flows and related explanatory notes were neither reviewed nor audited.

Grant Thornton

**GRANT THORNTON (CAMBODIA) LIMITED**

Certified Public Accountants

Registered Auditors



**Ronald C. Almera**

Partner – Audit and assurance

Phnom Penh, Kingdom of Cambodia

3 November 2022

**Certified Public Accountants and Auditors**

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# Interim condensed statement of financial position

	Note	[Reviewed but unaudited] 30 September 2022		[Audited] 31 December 2021	
		USD	KHR'000 (Note 3)	USD	KHR'000 (Note 3)
<b>Assets</b>					
<b>Non-current</b>					
Property and equipment - net	6	3,634,518	14,970,580	2,643,062	10,767,835
Intangible assets - net	7	42,949	176,907	33,986	138,459
Right-of-use asset - net	8	3,275	13,490	32,745	133,403
Other non-current assets	9	25,100	103,387	20,050	81,684
<b>Non-current assets</b>		<b>3,705,842</b>	<b>15,264,364</b>	<b>2,729,843</b>	<b>11,121,381</b>
<b>Current</b>					
Contract assets	15	3,233,649	13,319,400	3,791,366	15,446,025
Other current assets	14	695,297	2,863,928	946,962	3,857,923
Amounts due from shareholder	26	136,270	561,296	134,421	547,631
Inventories - net	13	1,213,147	4,996,952	2,167,258	8,829,409
Trade receivables	12	4,774,512	19,666,215	6,273,057	25,556,434
Guarantee deposits	11	480,000	1,977,120	65,000	264,810
Cash and cash equivalents	10	61,777	254,459	225,119	917,135
<b>Current assets</b>		<b>10,594,652</b>	<b>43,639,370</b>	<b>13,603,183</b>	<b>55,419,367</b>
<b>Total assets</b>		<b>14,300,494</b>	<b>58,903,734</b>	<b>16,333,026</b>	<b>66,540,748</b>
<b>Equity</b>					
Share capital	16	4,615,385	18,796,687	4,615,385	18,796,687
Share premium	16	2,158,154	8,779,370	2,158,154	8,779,370
Retained earnings		1,136,425	4,772,751	2,281,664	9,441,887
Currency translation reserves		-	232,334	-	(127,047)
<b>Total equity</b>		<b>7,909,964</b>	<b>32,581,142</b>	<b>9,055,203</b>	<b>36,890,897</b>
<b>Liabilities</b>					
<b>Non-current</b>					
Borrowings - net of current portion	17	675,440	2,782,137	811,320	3,305,318
<b>Total non-current liabilities</b>		<b>675,440</b>	<b>2,782,137</b>	<b>811,320</b>	<b>3,305,318</b>
<b>Current</b>					
Borrowings	17	739,133	3,044,489	2,519,011	10,262,451
Overdraft	18	2,555,302	10,525,289	1,871,112	7,622,910
Trade and other payables	19	911,466	3,754,328	1,831,215	7,460,370
Lease liabilities	8	-	-	48,509	197,626
Contract liabilities	15	1,497,935	6,169,994	161,880	659,499
Current income tax liability	25	11,254	46,355	34,776	141,677
<b>Current liabilities</b>		<b>5,715,090</b>	<b>23,540,455</b>	<b>6,466,503</b>	<b>26,344,533</b>
<b>Total liabilities</b>		<b>6,390,530</b>	<b>26,322,592</b>	<b>7,277,823</b>	<b>29,649,851</b>
<b>Total equity and liabilities</b>		<b>14,300,494</b>	<b>58,903,734</b>	<b>16,333,026</b>	<b>66,540,748</b>

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

# Interim condensed statement of comprehensive income

	Note	(Reviewed but unaudited) For the quarter ended 30 September 2022		(Unreviewed and unaudited) For the quarter ended 30 September 2021	
		USD	KHR'000 (Note 3)	USD	KHR'000 (Note 3)
Revenue	20	3,331,700	13,696,619	4,722,995	19,250,929
Cost of services and goods sold	21	(3,293,812)	(13,540,859)	(3,836,147)	(15,636,134)
<b>Gross profit</b>		<b>37,888</b>	<b>155,760</b>	<b>886,848</b>	<b>3,614,795</b>
Other loss-net	23	(1,268)	(5,211)	(6,150)	(25,068)
Operating expenses	22	(347,083)	(1,426,858)	(525,889)	(2,143,524)
Finance costs	24	(72,657)	(298,694)	(136,888)	(557,957)
<b>(Loss)/profit before tax</b>		<b>(383,120)</b>	<b>(1,575,003)</b>	<b>217,921</b>	<b>888,246</b>
Income tax expense	25	(16,659)	(68,483)	(53,064)	(216,288)
<b>(Loss)/profit for the period</b>		<b>(399,779)</b>	<b>(1,643,486)</b>	<b>164,857</b>	<b>671,958</b>
Other comprehensive income/(loss) – currency translation differences		-	(3,202)	-	492
<b>Total comprehensive (loss)/income for the period</b>		<b>(399,779)</b>	<b>(1,646,688)</b>	<b>164,857</b>	<b>672,450</b>

The loss/profit per share attributable to shareholders of the Company during the quarter are as follows:

Basic (loss)/earnings per share (cent/riel)	29	(2.17)	(89)	1.16	48
Diluted (loss)/earnings per share (cent/riel)	29	(2.17)	(89)	1.16	48

# Interim condensed statement of comprehensive income

	Note	(Reviewed but unaudited) For the nine-month period ended 30 September 2022		(Unreviewed and unaudited) For the nine-month period ended 30 September 2021	
		USD	KHR'000 (Note 3)	USD	KHR'000 (Note 3)
Revenue	20	10,225,072	41,687,619	13,081,263	53,188,415
Cost of services and goods sold	21	(9,691,597)	(39,512,641)	(11,504,286)	(46,776,427)
<b>Gross profit</b>		<b>533,475</b>	<b>2,174,978</b>	<b>1,576,977</b>	<b>6,411,988</b>
Other income-net	23	5,616	22,896	26,362	107,188
Operating expenses	22	(1,160,275)	(4,730,441)	(1,107,390)	(4,502,648)
Finance costs	24	(264,802)	(1,079,598)	(382,150)	(1,553,822)
<b>[Loss]/profit before tax</b>		<b>(885,986)</b>	<b>(3,612,165)</b>	<b>113,799</b>	<b>462,706</b>
Income tax expense	25	(51,125)	(208,437)	(130,813)	(531,886)
<b>Loss for the period</b>		<b>(937,111)</b>	<b>(3,820,602)</b>	<b>(17,014)</b>	<b>(69,180)</b>
Other comprehensive loss –					
Currency translation differences		-	(39,358)	-	(220)
<b>Total comprehensive loss for the period</b>		<b>(937,111)</b>	<b>(3,859,960)</b>	<b>(17,014)</b>	<b>(69,400)</b>

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

Basic loss per share (cent/riel)	29	(5.08)	(209)	(0.13)	(5)
Diluted loss per share (cent/riel)	29	(5.08)	(209)	(0.13)	(5)

# Interim condensed statement of changes in equity

	Share capital		Share premium		Retained earnings		Currency translation reserve	USD	Total
	USD	KHR'000	USD	KHR'000	USD	KHR'000	KHR'000		
		(Note 3)		(Note 3)	(Notes 3 and 27)	(As reclassified)	(Note 3)		(Note 3)
<b>(Reviewed but unaudited)</b>									
Balance at 1 January 2022	4,615,385	18,796,687	2,158,154	8,779,370	2,281,664	9,441,887	(127,047)	9,055,203	36,890,897
Dividends	-	-	-	-	(208,128)	(848,534)	-	(208,128)	(848,534)
Loss for the period	-	-	-	-	(937,111)	(3,820,602)	-	(937,111)	(3,820,602)
Currency translation differences	-	-	-	-	-	-	359,381	-	359,381
<b>Balance at 30 September 2022</b>	<b>4,615,385</b>	<b>18,796,687</b>	<b>2,158,154</b>	<b>8,779,370</b>	<b>1,136,425</b>	<b>4,772,751</b>	<b>232,334</b>	<b>7,909,964</b>	<b>32,581,142</b>
<b>(Unreviewed and unaudited)</b>									
Balance at 1 January 2021	3,000,000	12,225,301	-	-	1,868,982	7,763,096	(293,365)	4,868,982	19,695,032
Additional capital contribution	1,615,385	6,571,386	2,158,154	8,779,370	-	-	-	3,773,539	15,350,756
Loss for the period	-	-	-	-	(17,014)	(69,180)	-	(17,014)	(69,180)
Currency translation differences	-	-	-	-	-	-	206,835	-	206,835
<b>Balance at 30 September 2021</b>	<b>4,615,385</b>	<b>18,796,687</b>	<b>2,158,154</b>	<b>8,779,370</b>	<b>1,851,968</b>	<b>7,693,916</b>	<b>(86,530)</b>	<b>8,625,507</b>	<b>35,183,443</b>

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

# Interim condensed statement of cash flows

	Note	<b>(Reviewed but unaudited)</b> For the nine-month period 30 September 2022		<b>(Unreviewed and unaudited)</b> For the nine-month period ended 30 September 2021	
		USD	KHR'000 (Note 3)	USD	KHR'000 (Note 3)
<b>Cash flows from operating activities</b>					
(Loss)/profit before income tax		(885,986)	(3,612,165)	113,799	462,706
<b>Adjustments for:</b>					
Depreciation and amortization		146,499	597,276	131,155	533,276
Finance costs	24	264,802	1,079,598	382,150	1,553,822
Income tax	25	2,775	11,314	-	-
Loss on disposal of property and equipment and intangible assets	6	417	1,700	1,711	6,957
<b>Operating (loss)/profit before working capital changes</b>		<b>(471,493)</b>	<b>(1,922,277)</b>	<b>628,815</b>	<b>2,556,761</b>
<b>Changes in working capital</b>					
Net changes in:					
Contract assets		557,717	2,273,812	(788,178)	(3,204,732)
Other current assets		251,665	1,026,038	(1,009,913)	(4,106,306)
Amount due from shareholder		(1,849)	(7,538)	(748,523)	(3,043,495)
Inventories – net		954,111	3,889,911	202,536	823,511
Guarantee deposits		(415,000)	(1,691,955)	145,545	591,786
Trade receivables		1,498,545	6,109,568	(2,631,386)	(10,699,215)
Other non-current assets		(5,050)	(20,589)	30,000	121,980
Overdraft		684,190	2,789,443	(592,411)	(2,408,743)
Trade and other payables		(919,749)	(3,749,817)	595,000	2,419,270
Contract liabilities		1,336,055	5,447,096	(138,579)	(563,462)
Amount due to shareholder		-	-	40,620	165,161
<b>Cash generated from/(used in) operations</b>		<b>3,469,142</b>	<b>14,143,692</b>	<b>(4,266,474)</b>	<b>(17,347,484)</b>
Income tax paid	25	(77,422)	(315,649)	(96,403)	(391,975)
<b>Net cash from/(used in) operating activities</b>		<b>3,391,720</b>	<b>13,828,043</b>	<b>(4,362,877)</b>	<b>(17,739,459)</b>

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

# Interim condensed statement of cash flows (continued)

	Note	(Reviewed but unaudited) For the nine-month period 30 September 2022		(Unreviewed and unaudited) For the nine-month period ended 30 September 2021	
		USD	KHR'000 (Note 3)	USD	KHR'000 (Note 3)
<b>Investing activities</b>					
Acquisitions of property and equipment and intangible assets	6,7	(1,117,865)	(4,557,536)	(106,995)	(435,042)
Proceeds from disposals of property and equipment and intangible assets	6,7	-	-	150	610
<b>Net cash used in investing activities</b>		<b>(1,117,865)</b>	<b>(4,557,536)</b>	<b>(106,845)</b>	<b>(434,432)</b>
<b>Financing activities</b>					
Additional capital contribution		-	-	3,773,539	15,343,210
Repayments of borrowings	17	(5,166,993)	(21,065,830)	(5,456,934)	(22,187,894)
Drawdown of borrowings	17	3,251,235	13,255,285	6,790,737	27,611,137
Payments of dividends		(208,128)	(848,538)	-	-
Payments of interest	17	(262,911)	(1,071,888)	(376,402)	(1,530,451)
Repayments of lease liabilities	8	(50,400)	(205,481)	(50,400)	(204,926)
<b>Net cash from/(used in) financing activities</b>		<b>(2,437,197)</b>	<b>(9,936,452)</b>	<b>4,680,540</b>	<b>19,031,076</b>
<b>Net change in cash and cash equivalents during the period</b>		<b>(163,342)</b>	<b>(665,945)</b>	<b>210,818</b>	<b>857,185</b>
Cash and cash equivalents, beginning of period		225,119	917,135	283,124	1,145,237
Currency translation differences		-	3,269	-	12,367
<b>Cash and cash equivalents, end of period</b>		<b>61,777</b>	<b>254,459</b>	<b>493,942</b>	<b>2,014,789</b>

# Notes to the interim condensed financial statements

## 1 The Company

DBD Engineering Plc., (formerly known as DBD Engineering Co., Ltd.) (“the Company”) is a public limited company established under the laws of the Kingdom of Cambodia on 10 March 1998 with registration number Co. 00004029 from the Ministry of Commerce. In accordance with its Memorandum and Articles of Association, the allowed duration of the Company’s operation is 99 years beginning from the date of registration with the Ministry of Commerce in the Kingdom of Cambodia.

The registered office and principal place business of the Company are both located at No.68 Street 598, Phnom Penh Thmey, Khan Sen Sok, PO Box 178, Phnom Penh, Kingdom of Cambodia.

The Company changed its name from DBD Engineering Co., Ltd to DBD Engineering Plc. after obtaining approval from the MOC on 18 January 2021.

The principal activities of the Company are to operate as mechanical and electrical contractor, plumbing and firefighting contractor, air conditioning cold room HVAC and building maintenance.

The Company had 938 employees as at 30 September 2022 (31 December 2021: 966 employees).

On 6 September 2021, the Company was successfully listed on the growth board of the Cambodia Securities Exchange. The number of new issued shares listed are 6,461,538 shares with a par value of KHR1000 or USD0.25 per share, at an offering price of KHR2,380 or USD0.540 per share.

As at the date of the report, the Memorandum and Articles of Association of the Company are yet to be updated and it is expected to be updated upon approval of shareholders about the appointment of a new Non-Executive Director in the annual general meeting on 31 May 2022.

## 2 Basis of preparation

The interim condensed financial information for the quarter ended 30 September 2022 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 of the type normally included in the annual audited financial statements. Accordingly, this report is to be read in conjunction with the audited financial statements as at 31 December 2021 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 31 December 2021 and for the year then ended.

### 3 Functional and presentation currency

The national currency of Cambodia is Khmer Riel (“KHR”). However, as the Company transacts its business and maintains its accounting records primarily in United States Dollars (“USD”), the Board of Directors has determined the USD to be Company’s currency for measurement and presentation purposes as it reflects the economic substance of the underlying events and circumstances 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.

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:

	30 September 2022	31 December 2021	30 September 2021
Average rate* - 3-month	4.111	N/A	4.076
Average rate* - 9-month	4.077	4,068	4.066
Closing rate	4.119	4,074	4.074

\* The average rate is calculated using the daily 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.

### Foreign currency transactions and balances

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

### 4 Significant accounting policies

The accounting policies and methods of computation adopted are consistent with those adopted in the Company’s audited financial statements as at 31 December 2021 and for the year then ended.

### 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 Company’s audited financial statements as at 31 December 2021 and for the year then ended.

## 6 Property and equipment

Movements in the carrying amount of the Company's property and equipment are as follows:

	Land USD	Machine USD	Vehicle USD	Office equipment USD	Furniture USD	Land improvement USD	Work in progress USD	USD	Total KHR'000 (Note 3)
<b>(Reviewed but unaudited)</b>									
<b>Gross carrying amount</b>									
Balance as at 1 January 2022	2,167,620	652,941	573,408	66,433	8,910	52,165	60,801	3,582,278	14,594,201
Additions	-	83,394	-	4,730	-	-	1,017,133	1,105,257	4,506,133
Write-off and Disposal	-	(10,803)	-	(3,053)	-	-	-	(13,856)	(56,491)
Currency translation difference	-	-	-	-	-	-	-	-	207,041
<b>Balance as at 30 September 2022</b>	<b>2,167,620</b>	<b>725,532</b>	<b>573,408</b>	<b>68,110</b>	<b>8,910</b>	<b>52,165</b>	<b>1,077,934</b>	<b>4,673,679</b>	<b>19,250,884</b>
<b>Accumulated depreciation</b>									
Balance as at 1 January 2022	-	392,070	482,720	51,007	8,202	5,217	-	939,216	3,826,366
Depreciation	-	79,984	17,354	7,796	425	7,825	-	113,384	462,267
Write-off and Disposal	-	(10,565)	-	(2,874)	-	-	-	(13,439)	(54,791)
Currency translation difference	-	-	-	-	-	-	-	-	46,462
<b>Balance as at 30 September 2022</b>	<b>-</b>	<b>461,489</b>	<b>500,074</b>	<b>55,929</b>	<b>8,627</b>	<b>13,042</b>	<b>-</b>	<b>1,039,161</b>	<b>4,280,304</b>
<b>Carrying amount as at 30</b>									
September 2022	2,167,620	264,043	73,334	12,181	283	39,123	1,077,934	3,634,518	14,970,580

	Land USD	Machine USD	Vehicle USD	Office equipment USD	Furniture USD	Land improvement USD	Work in progress USD	USD	Total KHR'000 (Note 3)
<b>(Audited)</b>									
<b>Gross carrying amount</b>									
Balance as at 1 January 2021	2,167,620	550,602	573,268	61,376	8,653	-	52,165	3,413,684	13,808,352
Additions	-	113,441	490	7,817	257	-	60,801	182,806	743,655
Transfer	-	-	-	-	-	52,165	(52,165)	-	-
Write-off and Disposal	-	(11,102)	(350)	(2,760)	-	-	-	(14,212)	(57,814)
Currency translation difference	-	-	-	-	-	-	-	-	100,008
<b>Balance as at 31 December 2021</b>	<b>2,167,620</b>	<b>652,941</b>	<b>573,408</b>	<b>66,433</b>	<b>8,910</b>	<b>52,165</b>	<b>60,801</b>	<b>3,582,278</b>	<b>14,594,201</b>
<b>Accumulated depreciation</b>									
Balance as at 1 January 2021	-	295,878	465,856	44,928	7,007	-	-	813,669	3,291,291
Depreciation	-	105,478	17,081	8,818	1,195	5,217	-	137,789	560,526
Write-off and Disposal	-	(9,286)	(217)	(2,739)	-	-	-	(12,242)	(49,800)
Currency translation difference	-	-	-	-	-	-	-	-	24,349
<b>Balance as at 31 December 2021</b>	<b>-</b>	<b>392,070</b>	<b>482,720</b>	<b>51,007</b>	<b>8,202</b>	<b>5,217</b>	<b>-</b>	<b>939,216</b>	<b>3,826,366</b>
<b>Carrying amount as at</b>									
<b>31 December 2021</b>	<b>2,167,620</b>	<b>260,871</b>	<b>90,688</b>	<b>15,426</b>	<b>708</b>	<b>46,948</b>	<b>60,801</b>	<b>2,643,062</b>	<b>10,767,835</b>

On 22 October 2019, the Company entered into a consumption loan contract with Advanced Bank of Asia Limited ("ABA") amounting to USD1,690,000 bearing interest at 8% per annum and repayable in 72 months from the date of implementation of the loan. As of 31 December 2021, the remaining principal of the loan is USD1,384,016. The loan is secured by two lots of land with total land size of 10,322 square meters, covered by certificate of property no. 12120103-0495 and 12120103-0496, lot no. 495 and 496, located at Svay Chek Village, Sangkat Kork Roka, Khan Prek Pnov, Phnom Penh, Cambodia, recorded in the Company's property and equipment as freehold land costing USD2,167,620. The title of the land was originally registered under the name of Mr. Neang Vithy and Mrs. Lim Muly on behalf of the Company. On 17 January 2022, title was transferred to company name and combined into one certificate of property no. 2120103-1298.

On 23 September 2021, the Company approved by director's resolution to construct of its Head Office by themselves. The construction started in 7 December 2021, the total cost capitalised as at the end of 30 September 2022 is USD1,077,934 (31 December 2021: USD60,801).

As at 30 September 2022, Management believes that the recoverable amounts of the Company's property and equipment exceed their carrying amounts, accordingly, no impairment loss was recognised.

**7 Intangible assets**

	(Reviewed but unaudited)		(Audited)	
	30 September 2022		31 December 2021	
	USD	KHR'000	USD	KHR'000
<b>Gross carrying amount</b>				
Balance as at 1 January 2022	42,845	174,551	42,845	173,308
Additions	12,608	51,403	-	-
Currency translation difference	-	2,457	-	1,243
Balance as at end of the period/year	55,453	228,411	42,845	174,551
<b>Accumulated amortisation</b>				
Balance as at 1 January 2022	8,859	36,092	5,389	21,798
Amortisation	3,645	14,861	3,470	14,116
Currency translation difference	-	551	-	178
Balance as at end of the period/year	12,504	51,504	8,859	36,092
<b>Carrying amount as at end of period/year</b>	<b>42,949</b>	<b>176,907</b>	<b>33,986</b>	<b>138,459</b>

**8 Right-of-use assets and lease liabilities****Company as a lessee**

The Company has a lease contract for the building that is used as its office for a period of 10 non-cancelable years, with no option to renew the lease after the end of the tenancy period. The Company is not restricted from assigning and subleasing the leased asset.

Movements in the carrying amount of the Company's right-of-use assets are as follows:

	(Reviewed but unaudited)		(Audited)	
	30 September 2022		31 December 2021	
	USD	KHR'000	USD	KHR'000
<b>Cost</b>				
Balance as at beginning of the period/year				
Additions	392,941	1,600,842	392,941	1,589,446
Currency translation difference	-	17,682	-	11,396
Balance as at end of the period/year	392,941	1,618,524	392,941	1,600,842
<b>Accumulated depreciation</b>				
Balance as at beginning of the period/year	360,196	1,467,439	322,539	1,304,670
Depreciation	29,470	120,149	37,657	153,189
Currency translation difference	-	17,446	-	9,580
Balance as at end of the period/year	389,666	1,605,034	360,196	1,467,439
<b>Carrying amount as at end of the period/year</b>	<b>3,275</b>	<b>13,490</b>	<b>32,745</b>	<b>133,403</b>

Lease liabilities pertains to the present value of lease payments over the term of the lease agreements.

Movements in lease liabilities are as follows:

	(Reviewed but unaudited)		(Audited)	
	30 September 2022		31 December 2021	
	USD	KHR'000	USD	KHR'000
Balance as at beginning of the period/year	48,509	197,626	108,600	439,287
Accretion of interest	1,891	7,710	7,110	12,577
Repayments	(50,400)	(205,481)	(67,201)	(273,374)
Currency translation difference	-	145	-	19,136
Balance as at end of the period/year	-	-	48,509	197,626

**9 Other non-current assets**

	(Reviewed but unaudited)		(Audited)	
	30 September 2022		31 December 2021	
	USD	KHR'000	USD	KHR'000
Deposit paid	25,100	103,387	20,050	81,684

**10 Cash and cash equivalents**

	(Reviewed but unaudited)		(Audited)	
	30 September 2022		31 December 2021	
	USD	KHR'000	USD	KHR'000
Cash in banks	54,543	224,663	218,603	890,589
Cash on hand	7,234	29,796	6,516	26,546
Balance as at end of the period/year	61,777	254,459	225,119	917,135

**11 Guarantee deposits**

The details of the Company's guarantee deposits are as follows:

	(Reviewed but unaudited)		(Audited)	
	30 September 2022		31 December 2021	
	USD	KHR'000	USD	KHR'000
Guarantee deposits on credit facilities	480,000	1,977,120	65,000	264,810

**12 Trade receivables**

	(Reviewed but unaudited)		(Audited)	
	30 September 2022		31 December 2021	
	USD	KHR'000	USD	KHR'000
Trade receivables	2,929,257	12,065,610	4,510,666	18,376,453
Retention receivables	1,845,255	7,600,605	1,762,391	7,179,981
	4,774,512	19,666,215	6,273,057	25,556,434

**13 Inventories - net**

	(Reviewed but unaudited)		(Audited)	
	30 September 2022		31 December 2021	
	USD	KHR'000	USD	KHR'000
Materials	1,213,147	4,996,952	2,167,258	8,829,409

As of September 2022, a total of USD5,474,484 (December 2021: USD9,569,044) was included in cost of services and goods sold.

**14 Other current assets**

	(Reviewed but unaudited)		(Audited)	
	30 September 2022		31 December 2021	
	USD	KHR'000	USD	KHR'000
Prepayment to suppliers	439,459	1,810,132	630,506	2,568,681
Salary loan	253,470	1,044,042	312,233	1,272,037
Salary advance	-	-	3,771	15,363
Consumables	2,368	9,754	452	1,842
	<b>695,297</b>	<b>2,863,928</b>	<b>946,962</b>	<b>3,857,923</b>

**15 Contract assets/(liabilities)**

	(Reviewed but unaudited)		(Audited)	
	30 September 2022		31 December 2021	
	USD	KHR'000	USD	KHR'000
Contract assets	3,233,649	13,319,400	3,791,366	15,446,025
Contract liabilities	(1,497,935)	(6,169,994)	(161,880)	(659,499)

The contract assets represent the Company's right to consideration for worked completed on construction contracts but not billed yet at the reporting date. Typically, the amount will be billed within 30 days and payment is expected within 60 days.

The contract liabilities represent advance considerations received from customers for construction contract where revenue is recognised over time during the construction of a property. The contract liabilities are expected to be recognised as revenue upon completion of certain agreed milestones.

	(Reviewed but unaudited)		(Audited)	
	30 September 2022		31 December 2021	
	USD	KHR'000	USD	KHR'000
Contract liabilities recognised as revenue during the period/year	177,418	730,785	396,090	1,613,671

There were no impairment losses recognised on contract assets and liabilities in the reporting period.

**16 Share capital**

The Company is authorised to issue two classes of shares as follows:

	(Reviewed but unaudited)			(Audited)		
	30 September 2022			31 December 2021		
	Number of shares	Amount		Number of shares	Amount	
		USD	KHR'000		USD	KHR'000
Class A, with par value of USD 0.25 per share	10,000,000	2,500,000	10,000,000	10,000,000	2,500,000	10,000,000
Class B, with par value of USD 0.25 per share	20,000,000	5,000,000	20,000,000	20,000,000	5,000,000	20,000,000
<b>As at end of the period/year</b>	<b>30,000,000</b>	<b>7,500,000</b>	<b>30,000,000</b>	<b>30,000,000</b>	<b>7,500,000</b>	<b>30,000,000</b>

The movement in the paid-up capital are as follows:

	(Reviewed but unaudited)			(Audited)		
	30 September 2022			31 December 2021		
	Number of shares	USD	Amount KHR'000	Number of shares	USD	Amount KHR'000
As at beginning of the period/year	18,461,538	4,615,385	18,796,687	12,000,000	3,000,000	12,225,301
Shares issued	-	-	-	6,461,538	1,615,385	6,571,386
<b>As at end of the period/year</b>	<b>18,461,538</b>	<b>4,615,385</b>	<b>18,796,687</b>	<b>18,461,538</b>	<b>4,615,385</b>	<b>18,796,687</b>

As at 30 September 2022 and 31 December 2021, details of the Company's shareholding follow:

	(Reviewed but unaudited)		(Audited)	
	30 September 2022		31 December 2021	
	USD	KHR'000	USD	KHR'000
Mr. Neang Vithy	2,100,000	8,556,001	2,100,000	8,556,001
Mrs. Lim Muyly	900,000	3,669,300	900,000	3,669,300
Public shareholders	1,615,385	6,571,386	1,615,385	6,571,386
	<b>4,615,385</b>	<b>18,796,687</b>	<b>4,615,385</b>	<b>18,796,687</b>

## 16.1 Share premium

On 6 September 2021, the Company was successfully listed on the Cambodia Securities Exchange ("CSX."). The number of new issued shares listed are 6,461,538 shares with a par value of KHR1,000 (USD0.25) per share, at an offering price of KHR2,380 (USD0.58) per share. The Company received the proceeds from the Initial Public Offering ("IPO") amounting to USD3,773,539, resulting in share premium of USD2,158,154 (KHR8,779,370,000).

## 17 Borrowings

	(Reviewed but unaudited)		(Audited)	
	30 September 2022		31 December 2021	
	USD	KHR'000	USD	KHR'000
		(Note 3)		(Note 3)
Non-current	675,440	2,782,137	811,320	3,305,318
Current	739,133	3,044,489	2,519,011	10,262,451
	<b>1,414,573</b>	<b>5,826,626</b>	<b>3,330,331</b>	<b>13,567,769</b>

	(Reviewed but unaudited)		(Audited)	
	30 September 2022		31 December 2021	
	USD	KHR'000	USD	KHR'000
Balance 1 January	3,330,331	13,567,769	2,149,031	8,692,830
Additions	3,251,235	13,255,285	8,486,821	34,524,388
Repayments	(5,166,993)	(21,065,830)	(7,305,521)	(29,718,859)
Interest charged	262,911	1,071,888	499,760	2,033,023
Interest paid	(262,911)	(1,071,888)	(499,760)	(2,033,023)
Currency translation difference	-	69,402	-	69,410
<b>Balance at end of the period/year</b>	<b>1,414,573</b>	<b>5,826,626</b>	<b>3,330,331</b>	<b>13,567,769</b>

### a. By maturity

Within one year	739,133	3,044,489	2,519,011	10,262,451
From two to five year	675,440	2,782,137	811,320	3,305,318
	<b>1,414,573</b>	<b>5,826,626</b>	<b>3,330,331</b>	<b>13,567,769</b>

b. By security				
Secured	1,414,573	5,826,626	2,754,450	11,221,629
Not secured	-	-	575,881	2,346,140
USD	1,414,573	5,826,626	3,330,331	13,567,769
c. By currency				
USD	1,414,573	5,826,626	3,330,331	13,567,769
d. By relationship				
Non-related parties	1,414,573	5,826,626	3,330,331	13,567,769
e. By interest rate (per annum)				
Loan		7.5% to 8%		1% to 9%

## 18 Overdraft

	(Reviewed but unaudited)		(Audited)	
	30 September 2022		31 December 2021	
	USD	KHR'000	USD	KHR'000
<b>By banks</b>				
ABA	1,744,750	7,186,625	1,218,854	4,965,611
J.Trust	481,501	1,983,303	268,460	1,093,706
Chipmong	329,051	1,355,361	383,798	1,563,593
	2,555,302	10,525,289	1,871,112	7,622,910

Overdraft with Advanced Bank of Asia (“ABA”) has an interest rate of 7.5% per annum and is secured by a plot of land recorded as freehold land under property and equipment costing USD2,167,620. The agreement was re-entered on 18 February 2022 with a limited amount of USD1,800,000 and payable within twelve months from the agreement date.

Overdraft with J Trust Royal Bank (“J.Trust”) has an interest rate of 8% per annum and is secured by the properties of the shareholder and key management personnel. The agreement was re-entered on 16 November 2021 with a limited amount of USD600,000 and maturity date on 15 November 2022. During the current year, the overdraft was automatically renewed for another year.

Overdraft with Chip Mong Commercial Bank Plc. (“Chipmong”) has an interest rate of 9% per annum and is unsecured. The agreement was re-entered on 30 April 2022 with a limited amount of USD400,000 and maturity date on 30 April 2023. During the current year, the overdraft was automatically renewed for another year.

## 19 Trade and other payables

	(Reviewed but unaudited)		(Audited)	
	30 September 2022		31 December 2021	
	USD	KHR'000	USD	KHR'000
Accounts payable	458,001	1,886,506	668,677	2,724,190
Accrued expenses	37,259	153,470	666,068	2,713,561
Other taxes payable	193,962	798,929	275,923	1,124,111
Retention	222,244	915,423	31,625	128,840
Salary payable	-	-	181,082	737,728
Other current liabilities	-	-	7,840	31,940
	911,466	3,754,328	1,831,215	7,460,370



**20 Revenue**

	<b>(Reviewed but unaudited)</b>		<b>(Unreviewed and unaudited)</b>	
	<b>For the quarter ended</b>		<b>For the quarter ended</b>	
	<b>30 September 2022</b>		<b>30 September 2021</b>	
	<b>USD</b>	<b>KHR'000</b>	<b>USD</b>	<b>KHR'000</b>
Construction and maintenance services	3,324,784	13,668,187	4,630,458	18,873,747
Sale of goods	6,916	28,432	92,537	377,182
	<b>3,331,700</b>	<b>13,696,619</b>	<b>4,722,995</b>	<b>19,250,929</b>

	<b>(Reviewed but unaudited)</b>		<b>(Unreviewed and unaudited)</b>	
	<b>For the nine-month</b>		<b>For the nine-month</b>	
	<b>period ended</b>		<b>period ended</b>	
	<b>USD</b>	<b>KHR'000</b>	<b>USD</b>	<b>KHR'000</b>
Construction and maintenance services	10,180,099	41,504,264	12,730,417	51,761,876
Sale of goods	44,973	183,355	350,846	1,426,539
	<b>10,225,072</b>	<b>41,687,619</b>	<b>13,081,263</b>	<b>53,188,415</b>

**21 Cost of services and goods sold**

	<b>(Reviewed but unaudited)</b>		<b>(Unreviewed and unaudited)</b>	
	<b>For the quarter ended</b>		<b>For the quarter ended</b>	
	<b>30 September 2022</b>		<b>30 September 2021</b>	
	<b>USD</b>	<b>KHR'000</b>	<b>USD</b>	<b>KHR'000</b>
Cost of construction and maintenance services	3,287,333	13,514,224	3,745,541	15,266,824
Cost of goods sold	6,479	26,635	90,606	369,310
	<b>3,293,812</b>	<b>13,540,859</b>	<b>3,836,147</b>	<b>15,636,134</b>

	<b>(Reviewed but unaudited)</b>		<b>(Unreviewed and unaudited)</b>	
	<b>For the nine-month</b>		<b>For the nine-month</b>	
	<b>period ended</b>		<b>period ended</b>	
	<b>USD</b>	<b>KHR'000</b>	<b>USD</b>	<b>KHR'000</b>
Cost of construction and maintenance services	9,649,636	39,341,566	11,160,576	45,378,902
Cost of goods sold	41,961	171,075	343,710	1,397,525
	<b>9,691,597</b>	<b>39,512,641</b>	<b>11,504,286</b>	<b>46,776,427</b>

**22 Operating expenses**

	<b>(Reviewed but unaudited)</b>		<b>(Unreviewed and unaudited)</b>	
	<b>For the quarter ended</b>		<b>For the quarter ended</b>	
	<b>30 September 2022</b>		<b>30 September 2021</b>	
	<b>USD</b>	<b>KHR'000</b>	<b>USD</b>	<b>KHR'000</b>
Personnel	159,777	656,843	128,508	523,799
Other taxes	50,435	207,338	52,967	215,893
Bank charges	6,288	25,850	29,030	118,326
Professional fees	9,813	40,341	202,135	823,903
Office supplies and stationeries	22,852	93,945	23,234	94,702
Depreciation	22,218	91,338	24,269	98,920
Insurance	14,310	58,828	13,773	56,139
Repairs and maintenance	7,133	29,324	8,206	33,448
Utilities	11,897	48,909	13,475	54,924
Rent	5,018	20,629	4,200	17,119
Communication	1,591	6,541	2,081	8,482
Entertainment	858	3,527	3,392	13,826
Inventory adjustment	-	-	(164)	(668)
Others	34,893	143,445	20,783	84,711
	<b>347,083</b>	<b>1,426,858</b>	<b>525,889</b>	<b>2,143,524</b>

	<b>(Reviewed but unaudited)</b>		<b>(Unreviewed and unaudited)</b>	
	<b>For the nine-month</b>		<b>For the nine-month</b>	
	<b>period ended</b>		<b>period ended</b>	
	<b>USD</b>	<b>KHR'000</b>	<b>USD</b>	<b>KHR'000</b>
Personnel	471,411	1,921,943	357,375	1,453,087
Other taxes	163,770	667,690	113,596	461,881
Bank charges	105,330	429,430	86,926	353,441
Professional fees	87,063	354,956	229,817	934,436
Office supplies and stationeries	63,646	259,485	64,613	262,716
Depreciation	66,515	271,182	67,636	275,008
Insurance	51,287	209,097	52,108	211,871
Repairs and maintenance	21,993	89,665	30,396	123,590
Utilities	24,975	101,823	41,788	169,910
Rent	18,173	74,091	13,038	53,013
Communication	5,328	21,722	6,058	24,632
Entertainment	4,440	18,102	4,748	19,305
Inventory adjustment	-	-	855	3,476
Others	76,344	311,255	38,436	156,282
	<b>1,160,275</b>	<b>4,730,441</b>	<b>1,107,390</b>	<b>4,502,648</b>

**23 Other income**

	(Reviewed but unaudited)		(Unreviewed and unaudited)	
	For the quarter ended		For the quarter ended	
	30 September 2022		30 September 2021	
	USD	KHR'000	USD	KHR'000
Foreign exchange loss	(1,211)	(4,977)	(5,976)	(24,359)
Interest income	97	399	225	917
Loss on disposal of property and equipment, and intangible asset	(154)	(633)	(399)	(1,626)
	<b>(1,268)</b>	<b>(5,211)</b>	<b>(6,150)</b>	<b>(25,068)</b>

	(Reviewed but unaudited)		(Unreviewed and unaudited)	
	For the nine-month		For the nine-month	
	period ended		period ended	
	USD	KHR'000	USD	KHR'000
Foreign exchange gain/(loss)	3,035	12,373	(3,251)	(13,218)
Interest income	2,995	12,211	4,391	17,854
(Loss)/Gain on disposal of property and equipment, and intangible asset	(417)	(1,700)	6,186	25,152
Others	3	12	19,036	77,400
	<b>5,616</b>	<b>22,896</b>	<b>26,362</b>	<b>107,188</b>

**24 Finance cost**

	(Reviewed but unaudited)		(Unreviewed and unaudited)	
	For the quarter ended		For the quarter ended	
	30 September 2022		30 September 2021	
	USD	KHR'000	USD	KHR'000
Interest on borrowings and overdraft	72,401	297,641	135,175	550,973
Interest on lease liability	256	1,053	1,713	6,984
	<b>72,657</b>	<b>298,694</b>	<b>136,888</b>	<b>557,957</b>

	(Reviewed but unaudited)		(Unreviewed and unaudited)	
	For the nine-month		For the nine-month	
	period ended		period ended	
	USD	KHR'000	USD	KHR'000
Interest on borrowings and overdraft	262,911	1,071,888	376,402	1,530,451
Interest on lease liability	1,891	7,710	5,748	23,371
	<b>264,802</b>	<b>1,079,598</b>	<b>382,150</b>	<b>1,553,822</b>

**25 Income taxes****(a) Income tax expense**

In accordance with Cambodia's Law on Taxation, the Company has an obligation to pay tax on income of the higher of either the tax on income at the rate of 20% of taxable income or a minimum tax at 1% of annual turnover inclusive of all taxes, except value-added tax. The minimum tax is due irrespective of the taxpayer's profit or loss position.

Components of income tax expense charged to profit or loss are as follows:

	<b>(Reviewed but unaudited)</b>		<b>(Unreviewed and unaudited)</b>	
	<b>For the quarter ended 30 September 2022</b>		<b>For the quarter ended 30 September 2021</b>	
	USD	KHR'000	USD	KHR'000
		<b>(Note 3)</b>		<b>(Note 3)</b>
Current income tax expense	<b>16,659</b>	<b>68,483</b>	53,064	216,288

	<b>(Reviewed but unaudited)</b>		<b>(Unreviewed and unaudited)</b>	
	<b>For the nine-month period ended 30 September 2022</b>		<b>For the nine-month period ended 30 September 2021</b>	
	USD	KHR'000	USD	KHR'000
		<b>(Note 3)</b>		<b>(Note 3)</b>
Current income tax expense	<b>51,125</b>	<b>208,437</b>	130,813	531,886

**(b) Reconciliation between loss/profit before income tax and estimated corporate income tax**

The reconciliation between accounting (loss)/profit before tax and estimated corporate income tax is shown below:

	<b>(Reviewed but unaudited)</b>		<b>(Unreviewed and unaudited)</b>	
	<b>For the quarter ended 30 September 2022</b>		<b>For the quarter ended 30 September 2021</b>	
	USD	KHR'000	USD	KHR'000
		<b>(Note 3)</b>		<b>(Note 3)</b>
(Loss)/profit before tax	<b>(383,120)</b>	<b>(1,575,003)</b>	217,921	888,246
Add non-deductible expenses	<b>50,365</b>	<b>207,050</b>	47,397	193,191
Taxable (loss)/income for the period	<b>(332,755)</b>	<b>(1,367,953)</b>	265,318	1,081,437
Income tax at applicable rate of 20% (A)	-	-	53,064	216,288
Minimum tax at rate 1% of revenue (B)	<b>16,659</b>	<b>68,483</b>	47,230	192,509
Income tax expense (higher of A or B)	<b>16,659</b>	<b>68,483</b>	53,064	216,288

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	<b>(Reviewed but unaudited)</b>		<b>(Unreviewed and unaudited)</b>	
	<b>For the nine-month period ended 30 September 2022</b>		<b>For the nine-month period ended 30 September 2021</b>	
	USD	KHR'000 (Note 3)	USD	KHR'000 (Note 3)
(Loss)/profit before tax	(885,986)	(3,612,165)	113,799	462,707
Add non-deductible expenses	154,861	631,369	104,945	426,706
Taxable (loss)/income for the period	(731,125)	(2,980,796)	218,744	889,413
Income tax at applicable rate of 20% (A)	-	-	43,749	177,883
Minimum tax at rate 1% of revenue (B)	51,125	208,437	130,813	531,886
Income tax expense (higher of A or B)	51,125	208,437	130,813	531,886

**(c) Current income tax payable**

	<b>(Reviewed but unaudited)</b>		<b>(Audited)</b>	
	<b>30 September 2022</b>		<b>31 December 2021</b>	
	USD	KHR'000 (Note 3)	USD	KHR'000 (Note 3)
As at beginning of the period/year	34,776	141,677	27,965	114,013
Charge during the period/year	51,125	208,437	179,754	731,239
Reversal due to over provision	2,775	11,314	-	-
Income tax paid	(77,422)	(315,649)	(172,943)	(703,532)
Currency translation difference	-	576	-	(43)
As at end of the period/year	11,254	46,355	34,776	141,677

**26 Related party transactions**

The following balances are outstanding with related parties:

Related party	Relationship	<b>(Reviewed but unaudited)</b>		<b>(Audited)</b>	
		<b>30 September 2022</b>		<b>31 December 2021</b>	
		USD	KHR'000	USD	KHR'000
Amounts due from shareholder - Neang Vithy	Shareholder	136,270	561,296	134,421	547,631

Transactions with Neang Vithy	<b>(Reviewed but unaudited)</b>		<b>(Unreviewed and unaudited)</b>	
	<b>For the quarter ended 30 September 2022</b>		<b>For the quarter ended 30 September 2021</b>	
	USD	KHR'000	USD	KHR'000
Payments on behalf of shareholder	100,000	411,100	729,879	2,974,987
Repayments from shareholder	(98,151)	(403,499)	(8,788)	(35,820)
Payments on behalf of the company	-	-	(15,806)	(64,425)
Repayments to the shareholder	-	-	2,618	10,671

	<b>(Reviewed but unaudited)</b>		<b>(Unreviewed and unaudited)</b>	
	<b>For the nine-month period ended 30 September 2022</b>		<b>For the nine-month period ended 30 September 2021</b>	
	USD	KHR'000	USD	KHR'000
<b>Transactions with Neang Vithy</b>				
Payments on behalf of shareholder	100,000	407,700	729,879	2,967,688
Repayments from shareholder	(98,151)	(400,162)	(8,788)	(35,732)
Payments on behalf of the Company	-	-	(15,806)	(64,267)
Repayments to the shareholder	-	-	2,618	10,645

Amounts due from shareholder are payments of expense made by the Company on behalf of the shareholder. These amounts are unsecured, interest-free, and repayable on demand.

### Transactions with key management personnel

Key management personnel is defined as those persons having and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly. Key management includes all the directors of the Company. Transactions with key management personnel are as follows:

	<b>(Reviewed but unaudited)</b>		<b>(Unreviewed and unaudited)</b>	
	<b>For the quarter ended 30 September 2022</b>		<b>For the quarter ended 30 September 2021</b>	
	USD	KHR'000	USD	KHR'000
		<b>(Note 3)</b>		<b>(Note 3)</b>
Salaries	50,756	208,658	40,600	165,486

	<b>(Reviewed but unaudited)</b>		<b>(Unreviewed and unaudited)</b>	
	<b>For the nine-month period ended 30 September 2022</b>		<b>For the nine-month period ended 30 September 2021</b>	
	USD	KHR'000	USD	KHR'000
		<b>(Note 3)</b>		<b>(Note 3)</b>
Salaries	140,556	573,047	118,600	482,228

## 27 Categories of financial assets and financial liabilities

	<b>(Reviewed but unaudited)</b>		<b>(Audited)</b>	
	<b>30 September 2022</b>		<b>31 December 2021</b>	
	USD	KHR'000	USD	KHR'000
		<b>(Note 3)</b>		<b>(Note 3)</b>
<b>Financial assets measured at amortised cost</b>				
Other non-current assets	25,100	103,387	20,050	81,684
Guarantee deposits	480,000	1,977,120	65,000	264,810
Amount due from shareholder	136,270	561,296	134,421	547,631
Trade receivables*	4,774,512	19,666,215	6,273,057	25,556,434
Cash and cash equivalents	61,777	254,459	225,119	917,135
<b>Total financial assets</b>	<b>5,477,659</b>	<b>22,562,477</b>	<b>6,717,647</b>	<b>27,367,694</b>

	(Reviewed but unaudited)		(Audited)	
	30 September 2022		31 December 2021	
	USD	KHR'000	USD	KHR'000
<b>Financial liabilities</b>		(Note 3)		(Note 3)
<b>at amortised cost</b>				
Borrowings	1,414,573	5,826,626	3,330,331	13,567,769
Lease liabilities	-	-	48,509	197,626
Overdraft	2,555,302	10,525,289	1,871,112	7,622,910
Trade and other payables**	717,504	2,955,399	1,555,292	6,336,259
<b>Total financial liabilities</b>	<b>4,687,379</b>	<b>19,307,314</b>	<b>6,805,244</b>	<b>27,724,564</b>

\*\*Excludes output VAT and other taxes payable

## 28 Fair value information

As at the end of the period, Management considers that the fair values of financial assets and financial liabilities of the Company approximate their carrying amounts as these items are not materially sensitive to the shift in market interest rates.

## 29 Loss/earnings per share

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

	(Reviewed but unaudited)		(Unreviewed and unaudited)	
	For the quarter ended		For the quarter ended	
	30 September 2022		30 September 2021	
	USD	KHR'000	USD	KHR'000
(Loss)/profit attributable to the owners of the Company	(399,779)	(1,646,688)	164,857	672,450
Weighted average number of shares		18,461,538		14,153,846
Basic (loss)/earnings per share (cent/riel)	(2.17)	(89)	1.16	48
Diluted (loss)/earnings per share (cent/riel)	(2.17)	(89)	1.16	48

	(Reviewed but unaudited)		(Unreviewed and unaudited)	
	For the nine-month period ended		For the nine-month period ended	
	30 September 2022		30 September 2021	
	USD	KHR'000	USD	KHR'000
Loss attributable to the owners of the Company	(937,111)	(3,859,960)	(17,014)	(69,400)
Weighted average number of shares		18,461,538		12,717,949
Basic loss per share (cent/riel)	(5.08)	(209)	(0.13)	(5)
Diluted loss per share (cent/riel)	(5.08)	(209)	(0.13)	(5)

## 30 Events after reporting period

There are no significant events which 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.

## 31 Authorisation of the interim condensed financial information

The interim condensed financial information of the Company as at 30 September 2022 and for the quarter and nine-month period then ended was approved for issue by the Board of Directors on 3 November 2022.