



GOLDEN
TREE

ANNUAL REPORT --- 2023



52%



24%



84%



VISION

GT's vision is to become the leading full-service real estate company in Cambodia, committing to exceptional service standards. We strive for sustainable practices, develop a collaborative partnership with our clients, empower our teammates and deliver positive impacts to all people around us.

MISSION

GT's mission is to build a full-service real estate company that delivers positive values to all our stakeholders. With safety and sustainability in mind, we strive to create an environment where people can live and work with creativity, collaboration and comfort.



VALUES

Honesty

Integrity

Accountability

Independence

Fairness

Sustainability

COMMITMENTS

We commit to winning clientele through leadership in sustainability, innovation, performance, and services.

We commit to delivering long-term value to our clients, teammates, shareholders, and all members of society with integrity and sustainability in mind guided by our ESG policy.

We commit to total customer satisfaction, trouble-free property management, turnkey solution investments, and superior services to all our clients.

We commit to nurturing the expertise of our teammates by encouraging personal development, the ability to take risks, and being innovative, and independent in their judgments to do the right things.

We commit to building a community that enhances lives and thrives for generations to come.

We commit to investing with purpose and working tirelessly to maximize the value of each and every development.



Financial Highlight

In KH'000

Financial Position	Audited 31-12-2023	Audited 31-12-2022*	Audited 31-12-2021
Total assets	128,959,675	144,745,584	101,804,313
Total liabilities	114,438,481	121,173,782	78,704,526
Total shareholders' equity	14,521,194	23,571,802	23,099,787
Financial Result	Audited 31-12-2023	Audited 31-12-2022	Audited 31-12-2021
Total revenues	11,427,309	12,425,530	13,204,647
Profit/(Loss) before Tax	(9,250,044)	1,052,337	1,846,816
Profit/(Loss) after Tax	(8,921,659)	226,538	676,932
Financial Ratio	Audited 31-12-2023	Audited 31-12-2022	Audited 31-12-2021
Solvency ratio	11.26%	16.58%	22.69%
Debt to equity ratio	7.88x	5.14x*	3.40x
Current ratio	0.21	0.26*	0.30
Quick Ratio	0.21	0.26*	0.30
Interest Coverage Ratio	0.76x	1.19x	1.31x
Financial Ratio	Audited 31-12-2023	Audited 31-12-2022	Audited 31-12-2021
Return on Asset	-6.92%	0.16%*	0.82%
Return on Equity	-61.44%	0.96%*	3.63%
Gross Profit Margin	64.50%	72.3%	73.92%
Net Profit Margin	-78.07%	1.82%*	6.34%
EBITDA margin	59.29%	72.03%	76.12%

(*) Due to the changes in account grouping by the management during 2023, some figures have been reclassified as disclosed in first quarter and second quarter reviewed financial statements of 2023.



Financial Summary Charts

In KH'000

Total Asset

-10.91%

From 2022

2023: 128,959,675

2022: 144,745,584

2021: 101,804,313

Total Equities

-38.40%

From 2022

2023: 14,521,194

2022: 23,571,802

2021: 23,099,787

Revenue

-8.03%

From 2022

2023: 11,427,309

2022: 12,425,530

2021: 13,204,647

Total Liabilities

-5.56%

From 2022

2023: 114,438,481

2022: 121,173,782

2021: 78,704,526

Occupancy Rate

75%

as of 31 December 2023

2023: 75%

2022: 83%

2021: 84%

EBITDA & Margin

-24.29% & 60.26%

From 2022 ••• For 2023

2023: 6,775,742

2022: 8,949,855

2021: 10,051,377



Board of Directors



Mr. HONG UY
Chairman



Oknha Sok Piseth
Non-Executive Director



Mr. KING KAPKALYAN
Independent Director



Ms. PICH ENG
Non-Executive Director



Mr. LOR SOK KHIM
Non-Executive Director



STATEMENT FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS

Dear Friends, Partners and Investors of Golden Tree

2023 proved to be a challenging year for office landlords, including Golden Tree. On the macro front, even though Cambodia's economy is growing at a healthy rate, the investors' sentiment in real estate is still low. In the office sector, prospective tenants were hesitant to make real estate decisions due to uncertainties about their office needs, the economy, and business prospects. For this, the competition is fierce to maintain and attract new tenants. In addition to current over-supply of the market, this environment made it difficult for office landlords to operate profitably.

Nonetheless, it is encouraging to see the improvement of office fundamentals toward year end of 2023 as more employees are going back to the offices. The occupancy rate is 64% compared to the beginning year of 58%. The rental rate is also stabilized as landlords prefers to offer tenants more perks rather than competing on price.

During the year of 2023, we welcomed several tenants into VTrust Tower from an international fertility clinic to prominent logistic companies. Our diverse tenants mix enhances the value, appeal, and stability of our tower, as well as creating a vibrant community. We are working tirelessly to make progress in leasing, increasing the tower's occupancy and upkeep of its value through additional investment in facilities and amenities. Evidently, in July 2023, GT opened and operated one of the international coffee shops in the lobby of the tower to provide our tenants with a relaxed environment to meet, work and socialize within the tower's community.

Related to Amara Residence, our initial plan of launching the Residence in Quarter 4 of 2023 was delayed and is expected to be delayed in the foreseeable future due to the provisional attachment on the residence. Consequently, this attachment also jeopardized our plan to convert the residence into a green building. We will resume our plan right away when the provisional attachment on the residence is resolved in the court. We are currently working with our legal professionals and related authorities to resolve this case as soon as possible.

On financing strategies, this attachment has jeopardized temporarily on our initial public offering (IPO) and second trach offering of corporate bond to deleverage our balance sheet. These initiatives would have reduced our debt facility, and boosted GT's reputation as a well-known and investible company. These steps were crucial for GT to ultimately convert itself into a Real Estate Investment Trust (REIT).

We have taken concrete steps to address these issues. We are in the process of increasing our capital to immediately improve our fundamentals. We believe that injecting additional



capital into the company will enhance our financial strength and provide the necessary resources to overcome the current challenges. This approach aligns with our commitment to securing the interests of our investors and ensuring the continued growth and success of our organization.

The year 2024 will be about business stabilization and balance sheet deleverage. we continue to proactively identify opportunities to crystallize our buildings value. We continue to provide quality space and focus on operational excellence supporting the real estate needs of our tenants. We believe our strong tenant relationship, clear strategies and implementation plans will help us grow sustainably in the future to come.

Even though there are a lot of challenges and uncertainties, we would like to reassure you that we have taken concrete steps to address those issues. We are focusing on executing our plan to manage identified risks and keeping the business safer so that it is well positioned to deliver value when the office market improves. Our team will stay vigilant, flexible and nimble as we continue to adapt to the ever changing macro and micro-environments. As we look ahead, we are optimistic about the future of the real estate sector and our company.

We understand the importance of maintaining transparency and will keep you informed about the progress of these initiatives. We appreciate your ongoing support and trust in our ability to navigate through these challenges successfully.

In closing, on behalf of the Board of Directors, management team and Golden Tree team, I would like to take this profound opportunity to thank our tenants, partners, team and all stakeholders for their trust and support in us. Your continued encouragement and support will inspire us to add value and deliver on our objectives. We wish you to be safe & healthy.



Mr. HONG UY

Chairman of the Board of Directors

Date: 26 March 2024



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The background is a vibrant green with a complex, abstract design. It features a large, curved, grid-like pattern that resembles a stylized letter 'S' or a similar shape, composed of many small dots and lines. This pattern is set against a backdrop of diagonal stripes and several large, semi-transparent spheres of varying shades of green. The overall effect is modern and technological.

PART ONE

**GENERAL INFORMATION OF
THE LISTED ENTITY**

A. IDENTIFICATION OF THE LISTED ENTITY

Name in Khmer	ហ្គេណេតធីន ទ្រី
Name in Latin	GOLDEN TREE
Standard code	KH 2000201CC7
Address	Czech Republic Blvd (Street 169) Sangkat Veal Vong, Khan 7 Makara
Phone number	+855 23 224 701
Website	www.goldentree.com.kh
E-mail	enquiry@goldentree.com.kh
Company registration numbers	00012373 12 October 2006
Disclosure document registration number by SERC	231/22 ន.ម.ក/ស.ស.វ 12 October 2022
Name of Listed Entity's Representative	Mr. HONG UY

B. NATURE OF BUSINESS

1. Brief Description of the business

Golden Tree Co., Ltd is one of the leading real estate companies in Cambodia. GT provides services in commercial office lease, residential lease and property management.

GT primarily objectives are to provide best quality and exception service standards for our tenants. Currently, GT owns two towers in the heart of Phnom Penh most desirable area.

- VTrust Tower is a 12-story commercial office building which was awarded the EDGE (Excellence in Design for Greater Efficiencies) certificate on 02 March 2022, by International Finance Corporation (IFC), a member of the World Bank Group. VTrust Tower currently is the second green building, Edge certified by IFC in Cambodia





- Amara Residence, a 25-story residential building, which GT purchased in December 2022. The building is intended to be operated as the Service Apartment.

During these few years, GT has been embarking on the journey of sustainability. GT recognizes the important role a building owner can play in fostering the efficient use of resources and respecting our environment. One of our missions is to implement buildings with high standards of efficiency and compliance with cutting-edge environmental standards. After VTrust became a green building, we went further to integrate our financing strategy toward sustainability by issuing the first green bond in Cambodia. The bond was listed on January 19, 2023 at the Cambodia Securities Exchange (CSX)

2. VTrust Tower

VTrust Tower, a commercial green office building, provides high-quality office space with sophisticated structure and security. The building is located in the commercial area of Khan 7 Makara and can be accessed via major arterial roads such as Russian Boulevard, Kampuchea Krom Boulevard, and Charles de Gaulle Boulevard, which all lead to Czech Republic Boulevard.

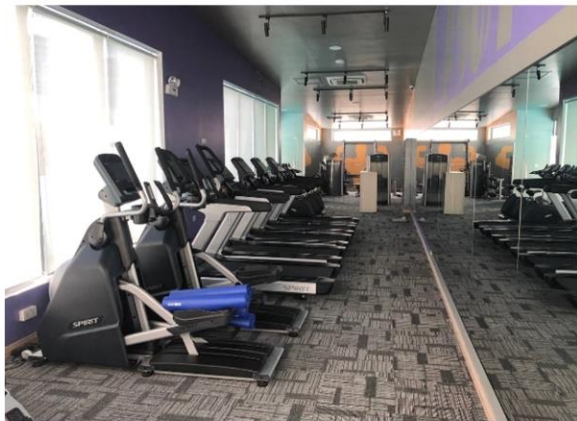
The tower is a 12-story office floor and 2-level basement car park. The car parks can accommodate 138 Cars and 300 motorbikes. Construction of VTrust Tower commenced in 2010 and substantially completed in September 2015 and the business started its operations in late 2015. The building is built on a parcel of rectangular-shaped land with a land area of 2,557 sqm, with free-hold tenure. The office building's gross floor area is 25,959 sqm with a net lettable area of 15,572.50 sqm.

VTrust Tower offices span from the ground floor to the 12th floor with recreational facilities such as a swimming pool and fitness center located on the fourth floor.

VTrust Tower is equipped with fire safety features and equipment. and security measures such as fire extinguishers, fire hose reels, smoke detectors, fire alarms, raised flooring, and sprinkler systems. Fire drill training is conducted every 6 months. VTrust Tower also offers 24/7 Securities

services with a security guard at each entrance, CCTV cameras, and key access cards for all 4 passenger elevators.





THIS CERTIFIES THAT
VTRUST Tower
HAS ACHIEVED AN
EDGE CERTIFICATE
CERTIFICATE NUMBER
GP2-KHM-21012610101455

Exemplifying achievement in the following areas:

24%
Energy Savings

52%
Water Savings

84%
Less Embodied Energy in Materials

719,80 tCO₂/year
Operational CO₂ Emissions
258,07 tCO₂/year
Operational CO₂ Savings

DEVELOPED BY
Golden Tree Co., LTD

CERTIFIED BY
Green Business Certification Inc. (GBCI)

DEVELOPED BY
Golden Tree Co., LTD

HAS ACHIEVED AN
EDGE CERTIFICATE

CERTIFICATE NUMBER
GP2-KHM-21012610101455

WAS AUDITED BY
Satrio Dwi Prakoso
EDGE Software Version: v2.1.5

CERTIFIED BY
Green Business Certification Inc. (GBCI)

Peter Templeton
Peter Templeton, President and CEO

GBCI GREEN BUSINESS CERTIFICATION INC.™

DATE OF ISSUE
02-MAR-2022

Peter Templeton
Peter Templeton, President and CEO
DATE OF ISSUE: 02-MAR-2022

EDGE Excellence In Design For Greater Efficiencies

ENERGY MEASURES
Reduced Window to Wall Ratio
Reflective Paints for External Walls
Variable Refrigerant Volume (VRV) Cooling System
Energy-Saving Light Bulbs - Internal Spaces
Energy-Saving Light Bulbs - External Spaces
Consumption Based Energy Meters

WATER MEASURES
Low-Flow Fixtures in Bathrooms
Efficient Flush for Water Closets in All Bathrooms
Water-Efficient Urinals in all Bathrooms
Water-Efficient Faucets for Kitchen Sinks

MATERIALS
Floor Slabs - Re Use of Existing Floor slab
Roof Construction - Re Use of Existing Roof
External Walls - Re Use of Existing Wall
Internal Walls - Re Use of Existing Wall
Flooring - Re Use of Existing Flooring
Window Frames - Aluminium

www.edgescertifications.com

EDGE is a registered trademark of IFC, DfPC 2022

The EDGE standard requires 20% energy, water and 10% material savings compared to a local benchmark. Individual efficiencies are not a guarantee of future operational performance. Energy savings may be associated with extra energy for certain equipment or the presence of windows and cooling systems. Annual energy bills will continue to vary by 10%.

This certificate is issued by the certifier based on information provided by the client and is not audited by the certifier. Any address to the certifier and copies of the Certificate can be obtained if the client measures are not in compliance with the standard.

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GBCI GREEN BUSINESS CERTIFICATION INC.™

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- **Location**

VTrust Tower is an office building in the office-space underserved district of Khan 7 Makara on Czech Republic Blvd (Street 169). It is located in front of Bak Touk High School within walking distance of the Olympia City and Olympic Stadium. It is less than 2 kilometers to the South-west of the Central Business District (CBD) of Phnom Penh by road while the Phnom Penh International Airport is approximately 9 kilometers to the South-west of the tower by road, and 1 Km to the Council of The Ministers.

The Tower is located within the immediate vicinity and comprises serviced apartments, condominiums, single to four-story shophouses, residential areas, purpose-built office buildings, commercial complexes, government buildings, educational institutions, and hospitals.

Located in the commercial district of Khan 7 Makara, Vtrust Tower is within walking distance to various important institutions such as Foreign Trade Bank (FTB), Amaret Micro-finance, Ministry of Tourism Office, District of Police office, and Phnom Penh International University. Chip Mong Offices and Olympia City are approximately 700m. Other notable landmarks



include Delano Business Center, CEO Center, City Mall Shopping Center, Phnom Penh Court House, Pi Pay Tower, Park Café, and Total and Caltex Petro Stations, to name a few.

Features	Description
Air Conditioning	The whole building is cooled by a centralized Variable Refrigerant Volume (VRV) multi-split air-conditioning system
Ventilation	Access to install wall-mounted units throughout
Fire Prevention	The whole building is fully fitted with a hose reel system, break glass fire alarm system, portable fire extinguishers, fire-rated doors, emergency lighting, smoke detectors, and heat detectors.
Security	Closed-circuit television (CCTV) is installed in various strategic and critical areas of the tower, with 24-hour security and reception.
Generator	Two standby generators in case of a power outage.

3. Amara Residence

In order to expand our business into the Service Apartment Sector, GT bought Amara Residence in December 2022 for USD 9.2 million.

Amara Residence is a perfect destination for those looking for a serviced apartment in central Phnom Penh. Residents can stay in comfort and luxury, enjoying the apartment's modern and spacious interior design that caters to all needs.

The apartment amenities include 24-hour concierge service, an outdoor pool and sundeck with beautiful city views, gym access on the 22nd floor and full security.

The Residence is built on a 492 square metres land plot with a total construction area of 8,928 square metres and net leasable area of 5,550 square metres.

amara residence service apartment



3.1 Location

The Residence is conveniently located in the most sought-after district of the capital of Phnom Penh on street 41, Tonle Bassac Commune, Chamkarmon District. It is easily accessible by both Norodom Blvd and Monivong Blvd and surrounded by prominent landmark and within 30 mins distance such as AEON1, BKK1, The AEON3 and New Airport.



3.2 Building Floors & Structures

Amara Residence comprises 25 floors above the ground and 2 floor underground.

The two basement floors (B1 and B2) and ground floor area to be used as parking spaces. The reception is situated on the first floor and office on the second floor. The building accommodates 101 apartment units, distributed across the 3rd to 21st floors and 23rd to 24th floors. Each unit has an average size between 37 to 141 square metres.

The Residence provides three types of units with one bedroom, two bedroom and three bedroom units ranging from a net leasable area of 41 sqm to 136 sqm.



Type of Units	No of Unit	Net SQM per Unit	Total Net SQM
Unit A1	9	43.43	390.87
Unit A2	9	41.23	371.07
Unit A3	9	42.24	380.16
Unit B1	18	37.71	678.78
Unit B2	18	37.00	666.00
Unit B3	1	92.55	92.55
Unit C	18	59.55	1071.90
Unit D1	5	63.48	317.40
Unit D2	5	63.53	317.65
Unit E-F	7	141.45	990.15
Unit G	2	136.53	273.06
Total	101		5,549.59



3.3 Upgrading to Green Building

GT believes in building better communities of living by investing to make a positive and lasting impact on our people, tenants, and stakeholders. We believe in operating our business in a manner that promotes environmentally friendly by continuously reducing the environment impact as well as positively contributing to the low carbon economy.

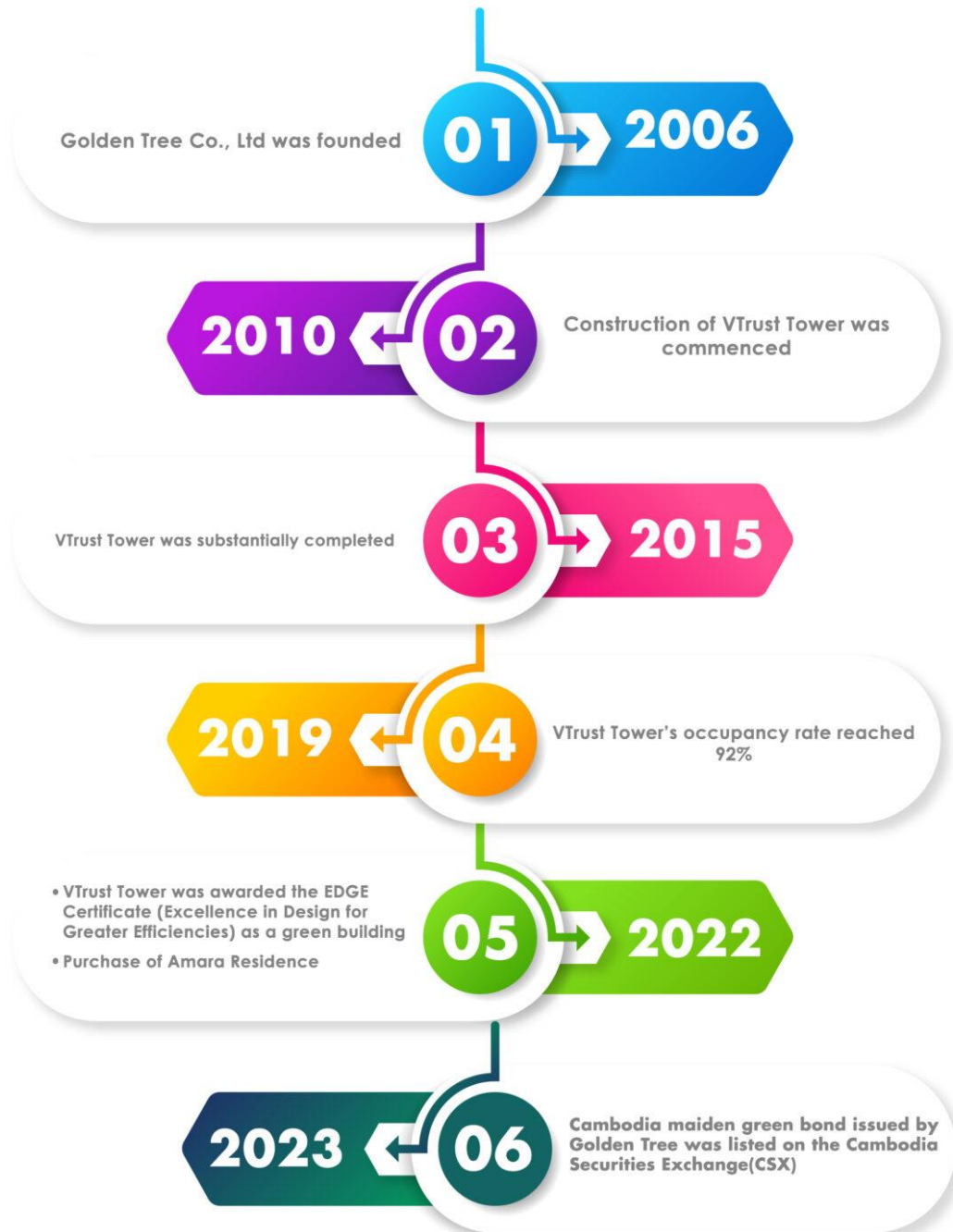
For that reason, to make a bigger impact on fighting climate change, we decide to change the use of proceeds from our issuance of green bond from refinance VTrust Tower, which is an existing green building, to refinance and develop Amara Residence into a green building. This information was announced to the public on 26 June 2023. Please see the announcement in the appendix.

Unfortunately, our plan is currently postponed due to the provisional attachment by the Phnom Penh Municipality of Phnom Penh. Please see details in Section G.

C. GROUP STRUCTURE OF THE LISTED ENTITY

None

D. THE LISTED ENTITY MILESTONES



E. MARKET SITUATION

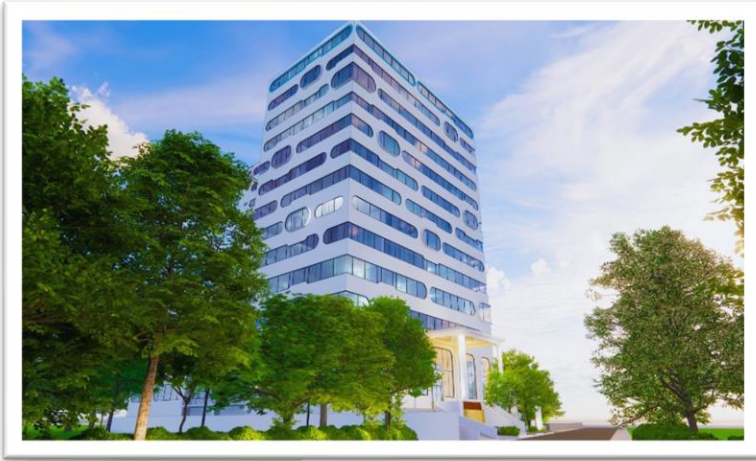
Cambodian economy enjoyed a 5.8% GDP growth in 2023 and a declining inflation rate of about 3% and grow to 4.0% in 2024. Cambodia's substantial infrastructure spending, including multibillion-dollar undertakings like ring highways, port extensions, and new international airports, continue to support the nation's economy.

During 2023, Cambodia attracted 5.43 million international tourists in 2023, a 139.5% increase from 2.27 million in 2022, according to a Ministry of Tourism report. Thailand topped the list with 1.82 million foreign arrivals, followed by Vietnam, China, Laos, and the United States. The majority of tourists entered Cambodia via international airports, border gates, and waterways. According to a report from the Ministry of Tourism, the country is expected to receive approximately 4.5 to five million international tourists by the end of this year and aiming for around 7 million by the end of 2025 or early 2026 after a new airport in Siem Reap was officially inaugurated on 16 November 2023.



Cambodia attracted \$4.92 billion in fixed-asset investment in 2023, a 22% increase from the previous year, according to the Council for the Development of Cambodia. The country approved 268 investment projects, focusing on industries, infrastructure, agriculture, and tourism. Top three foreign investors in the kingdom last year were from China, Singapore and Malaysia. Cambodia will be able to attract more investments because both local and foreign investors see the potential of trade preferences the country has such as the RCEP, Cambodia-China FTA, Cambodia-Korea FTA and the implementation of the new investment law.

Cambodia's real estate sector has seen slight improvement in 2023, but the pace of expansion remains sluggish. Construction and real estate account for 10% of Cambodia's GDP, making future growth crucial. The demand for residential and commercial properties is on the rise, especially in major cities like Phnom Penh and Siem Reap. The 17.12 million people in Cambodia are expected to grow by 1.04 percent in 2024, compared to an annual growth rate of 1.19 percent in the last decade. The urban population rose at a rate of 3.07 percent in 2024, compared to an annual growth rate of 3.29 percent in the previous ten years. The government's extensive investment in infrastructure projects, such as roads, bridges, and airports, is expected to boost the real estate market.



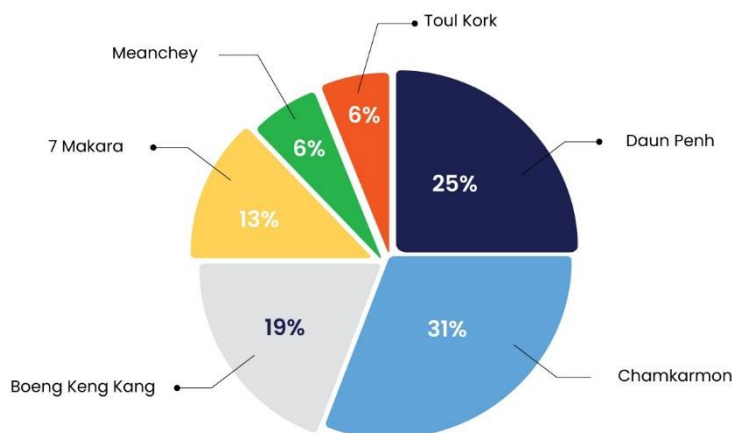
Have a look at The Phnom Penh office market, it is expected to supply an extra 410,000 square meters between now and 2026, with Chamkarmon being the primary supplier (31%). This excess supply is expected to cause vacancies and put downward pressure on office building rents.

In commercial real estate, price plays a critical role in determining the property's value as well as

factors like supply and demand, consumer perception, and value. The favorable circumstances of Grade B and Grade C office spaces, together with reasonably priced rates, will probably cause demand to surge and draw in new tenants who want to grow their businesses.

Older office buildings often have much lower rental rates while having inferior facilities, architecture, and technology. When looking for a longer-term way to boost revenue, decrease operating expenses, improve asset performance, and prevent obsolescence, landlords of these aging office buildings can think about asset upgrading.

Upcoming Office Space Distribution of Available Supply by Locations



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Take a look at Serviced Apartment, Following COVID-19, there was a minor growth in the expatriate population in Phnom Penh. The convenience, safety, and close proximity of serviced flats to places of employment made them increasingly popular with foreigners. The prices are less in the outskirts of the city than in the center city in places like Boeung Kak, Boeung Keng Kang, Toul Kork, and Toul Tum Pong. But not all foreigners are drawn to densely populated areas; Phnom Penh has a plenty of landed, luxury, and mid-range homes. Typical apartment or condo rental rates are at least 10% to 30% less. In order to draw a mix of business and leisure visitors for brief stays, Frasers Hospitality has created two further projects in Phnom Penh: Fraser Residence Leedon and Capri by Fraser City Centre Phnom Penh. Together, these developments will have over 300 service apartments.



F. COMPETITIVE SITUATION

GT maintains competitive advantages by providing seamless, safe, and comfortable working and living environments for our tenants while the rental rate is in line with the industry. GT differentiates our strategies by consistently upgrading our building to meet international standards in terms of safety and technology.

For VTrust Tower, GT aims to maintain its brand image as a commercial office space with world-class facilities standards and sustainable design in the prime location of Phnom Penh City Centre.

VTrust Tower is one of the first commercial office buildings in Phnom Penh to achieve EDGE certification for its compliance with Excellence of Design in Greater Efficiency, a certification system developed by the International Finance Corporation, which is part of the World Bank.

Furthermore, the adoption of the ESG practices has been on the rise. Commercial buildings are no exception. According to CBRE, green is now considered a table stake for most institutional investors. As a result, the pressure is imminent on building owners and its tenants to meet ESG goals. GT aims to integrate the concepts of sustainable development with consideration given to the environment, society and governance (ESG) in order to support GT's operations and assets enhancement of both buildings (VTrust Tower and Amara Residence). We successfully upgraded VTrust Tower to a green building in 2022. GT is also planning to upgrade Amara Residence into a green building by 2024, but the plan is currently

postponed due to the provisional attachment by the Phnom Penh Municipality of Phnom Penh. Please see details on Section G.

G. SIGNIFICANT EVENTS DURING YEAR 2023

1. New Amenity

GT is continually improving the quality of our office communities. One of our priorities is to provide a physical environment essential to the well-being of our tenants and the success of their businesses. We continue to build a community where our tenants are able to have the opportunities to socialize and collaborate within and outside of their businesses.

For that reason, we decided to open a coffee shop in our lobby. We franchised one of the premium international coffee shops – Gloria Jean's. The coffee shop was opened in August 2023.



2. New Tenants

2.1. Yusen Logistic



GT would like to welcome our new tenant – Yusen Logistics – to VTrust Tower.

Yusen Logistics is a global supply chain logistics company that provides ocean and air freight forwarding, warehousing, distribution services and supply chain management – a seamlessly connected suite of supply chain solution that delivers superior value, reliability, and expertise.

<https://www.yusen-logistics.com/>

2.2. Yes Medical Clinic

Yes Medical Clinic is a fertility clinic with top-notch technology and international experience doctors and technicians who are ready to help couples succeed in having children and try to build their families.



2.3. Maersk's Office Expansion & Grand Opening

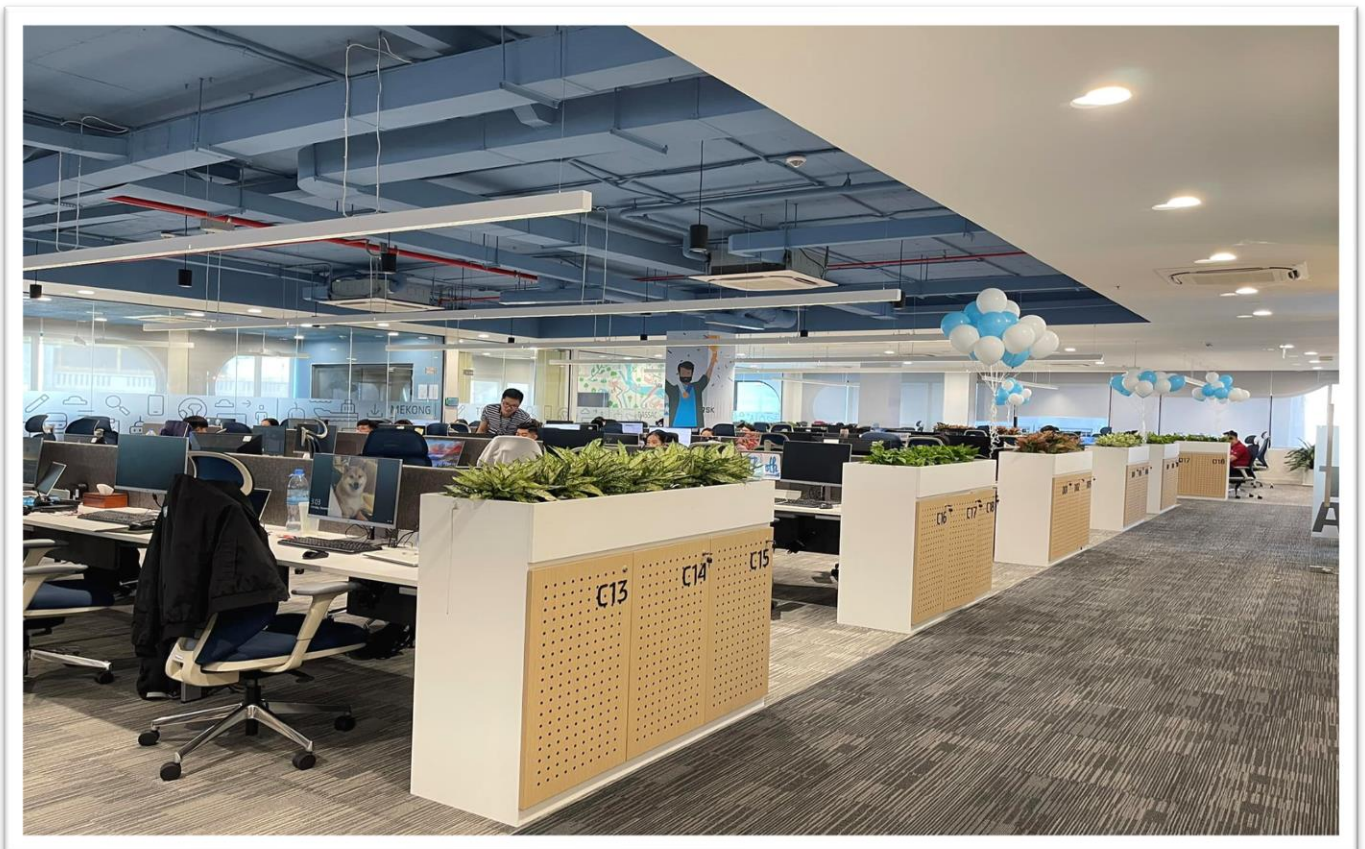
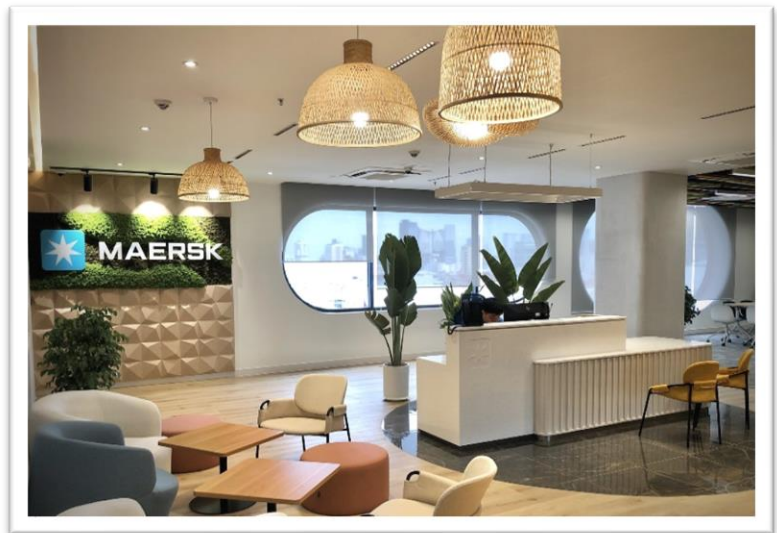
GT would like to congratulate Maersk Cambodia on the 30th year anniversary and Grand Opening of the new office at VTrust Tower on 04 December 2023.



Maersk is the world's largest container shipping company, known for reliable, flexible and eco-efficient services.

Maersk has more than 20-years-experience of operation in Cambodia market. Maersk offers worldwide and professional export and import sea freight and transportation services from/to Cambodia.

<https://www.maersk.com/>



3. Changes of Shareholders and Directors

On 20 June 2023, the Board of Directors and shareholders were called for an extra-ordinary meeting to decide on

- Changing of the shareholder structure
- Changing of the composition of the Board of Directors
- Amendment on the company's Memorandum of Association.

The Memorandum of Association was registered at the Ministry of Commerce on 28 June 2023

As of 28 June 2023, there are two shareholders at Golden Tree

1. Mr. Hong Uy holds 750,000 shares, equivalent to 75% of total shares.
2. Oknha Sok Piseth holds 250,000 shares, equivalent to 25% of total shares.

- Changing of the composition of the Board of Directors

As of 28 June 2023, Mr. Kuy Vat has completely sold all his shares and resigned his directorship from the company.

Furthermore, Mr. Li Liang, and Mr. Ieng Se also resigned their directorship from the Board of directors on 02 October 2023.

Ms. Pich Eng and Mr. Lor Sok Khim were appointed respectively to the board of directors. Please refer to the appendix on Corporate Governance for detail.

As of the date of the report, GT's Board of Directors are:

1. Mr. Hong Uy, Chairman of the Board of Directors
2. Oknha Sok Piseth, Non-Executive Director
3. Ms. Pich Eng, Non-Executive Director
4. Mr. Lor Sok Khim, Non-Executive Director
5. Mr. King Kapkalyan, Independent Director

4. Provisional Attachment Ruling on Amara Residence

As previously announced in the company's Q3-2023 report, there is an ongoing court case for the Amara Residence.

During the transfer of ownership of Amara Residence to GT, GT was informed of the provisional attachment ruling no.275 dated 29 June 2023, issued by the Phnom Penh Municipal Court of First Instance, which provisionally attaches the properties of Mr. KUY VAT. This court ruling has temporarily prevented the transfer of ownership over the residential building to the Company.

GT is seriously and diligently taking legal action to object the court ruling in order to protect its interest and reputation, as well as to ensure its transparency and accountability to its investors and the public.

GT announced this information to the public through Cambodia Securities Exchange website on 20 November 2023.

Please see appendix for the notification that we published on CSX

Update

GT has submitted the counter-claimed application to the court and is waiting for the date of the trial.

GT will update the public whenever there is any new update.

H. FUTURE PLAN

It is important to highlight that the constraints we have faced as a company over the past year stemmed from the provisional attachment to the Amara Residence which has derailed our business expansion and financing strategies.

The attachment delayed our plan of launching the Amara Residence in Quarter 4 of 2023 and is expected to be delayed in the foreseeable future until the provisional attachment is resolved in the court. Consequently, this attachment also jeopardized our plan to convert this building into a green building. We are working with our legal professionals and related authorities to resolve this case as soon as possible.

On financing strategies, this attachment has derailed our initial public offering (IPO) and second trach offering of corporate bond to deleverage our balance sheet. These initiatives would have reduced our debt, and boosted GT's reputation as a well-known and investible



company. All of these steps are crucial for GT to ultimately convert itself into a Real Estate Investment Trust (REIT). Without successfully executing our financing plan as described above, we are facing balance sheet over leverage and resulting in high interest and principal payment.

Following this issue, the auditor has raised his opinion in the annual audit financial statements of 2023 regarding our company's going concern status. We understand the significance of this matter and want to assure you that we have taken proactive steps to address the situation.

Upon collaborative discussions with our shareholders, we have proposed a comprehensive plan to resolve the going concern issue. The proposed solutions involve a series of strategic steps aimed at stabilizing our financial position and ensuring the long-term sustainability of the company.

One key element of our proposed plan is a capital increment. We believe that injecting additional capital into the company will enhance our financial strength and provide the necessary resources to overcome the current challenges. This approach aligns with our commitment to securing the interests of our investors and ensuring the continued growth and success of our organization.

The shareholders have approved in principle to increase capital during the shareholders' meeting on 01st November 2023. Nonetheless, as of this date, the new capital increase has not been completed yet.

Furthermore, for the year 2024, we are focusing on strengthening our business and balance sheet. Even though the real estate sector currently is facing challenges, it is well-positioned for growth. We have an exceptional office building which we would like to utilize to its full value.

We are also working with our principal bank to restructure our term loan to a further maturity date.

If successful, these efforts not only immediately positively impact on our earnings through reducing interest expenses, but also enhance the balance sheet. While there is still work ahead of us, we are confident in our ability to continue to unlock value of this company.

Nonetheless, our ability to fund our immediate operations is dependent upon shareholders' capital injection and an approval of commercially acceptable term loan restructuring from our principal bank. If those are unavailable, there will be a material adverse effect on our business, financial condition, results of operation, and ability to operate as a going concern.



I. Risk Factors

1. Risk related to continue impact of the high interest rate and inflation

Inflation remains risk confronting financial markets. Thus central banks in the advanced economy may keep interest rates higher for longer than currently priced; given a high borrowing cost for Cambodia's banks. As some of GT's loans are up for renewal, GT might not be able to obtain a current interest rate upon renewal.

2. Risk Related to FDI

China contributes the largest portion to Cambodia's economy. Given Cambodia's economy heavily depends on capital inflows and tourists from China, a dramatic slowdown in the

Chinese economy could decrease the economic growth in Cambodia, which could significantly affect GT's customers.

3. Risks related to change in political, economic, social and regulator condition in Cambodia

Factors like political instability, economic shocks, changes in government law, or social changes can have material impacts on GT's business operation and profitability.

4. Risk related to the capability of the lessees in making payment of rental, service, and other fees

There will be a material impact on GT operation and profitability if the financial positions and capabilities of the lessees are under stress.

5. *Customer concentration risk*

If GT's three major tenants move out and GT could not replace them with new lessees, it would materially impact GT's operation and financial condition.

6. *Competition risk*

GT might experience the risk of intense competition in the future due to an increase in new office buildings. Such an increase in supply might attract tenants to rent other offices, affecting the occupancy rate, the bargain of space rental rate, and the profitability of GT.

7. *Over-supply risk*

The oversupply of office space will increase intense competition. The rental rate is under downward pressure as office building owners continue to offer competitive rents to attract new tenants and retain their existing tenants.

8. *Management risk*

Any loss in key personnel would be a loss of experience, knowledge, and expertise, and replacement of the same is difficult and may be resulted in less operation efficiency, or worst operation viability of the company.

9. *Risks related to bank loan*

If GT is unable to pay the interest and/or the principal of the loan or is in default of any other provision as specified in the loan agreement, the lender might choose to take legal action against GT.

10. *Interest rate risk*

If the market interest rate increases or if the bank increases the interest rate, it would increase the cost and reduce the company's profitability.

11. *Risk from natural disasters, floods, acts of terrorism, thefts, and other force majeure events*

Natural disasters, floods, acts of terrorism, thefts, and other force majeure events might cause damage to the core assets of GT, damage or loss of lives, assets of tenants, and clients.

12. *Risk related to unexpected high maintenance and repairing cost*

Any major renovation and reparation may require temporarily closing part of the property which may materially cause a negative effect on the utilization of such property or cause the lessees to terminate their lease agreement.

The background is a vibrant green with a complex, abstract pattern. A prominent feature is a grid of small dots that forms a large, stylized number '2' or a similar shape, rendered in a lighter shade of green. This grid pattern is set against a backdrop of darker green geometric shapes, including a large, curved, semi-transparent shape that resembles a stylized 'S' or a similar letter. The overall effect is modern and digital.

PART TWO

**INFORMATION ON BUSINESS
OPERATIONS PERFORMANCE**

Items included in our financial statements of the company are measured using the currency of the primary economic environment in which the entity operates. The national currency of Cambodia is Khmer Riel (KHR). However, as GT transacts its business and maintains its accounting records primarily in USD, the Board of Directors has determined the USD to be the company currency for measurement and presentation purposes as it reflects the economic substance of the underlying events and circumstances of the company.

The transactions of USD amount into KHR as presented in the financial statements are included solely to comply with the requirement pursuant to the Law on Accounting and Auditing dated 11 April 2016.

A. BUSINESS OPERATION

As a result of the increased office supplies in the market, most of the operators in the office industry have faced significant challenges and reduced income. GT is no exception. GT 2023 revenue was declining by -8.03% as compared to 2022.

In spite of this, thanks to GT continuing maintenance of excellent customer services and facilities improvement, GT occupancy rate as of 31 December 2023 is 75% in line with the industry.

	2023		2022		% Change (KH)
	USD	KHR'000	USD	KHR'000	%
Revenue	2,780,367	11,427,309	3,040,257	12,425,530	-8.03
Gross Profit	1,793,222	7,370,143	2,189,839	8,949,872	-17.65
Operating Profit	(1,838,255)	(2,271,580)	1,626,015	6,645,523	-134.18
EBITDA	1,648,599	6,775,742	2,189,897	8,950,109	-24.29
Net Profit	(2,170,720)	(8,921,659)	55,429	226,538	-4,038.26

B. REVENUE STRUCTURE

	2023			2022		
	USD	KHR'000	%	USD	KHR'000	%
Rental Income	1,978,845	8,133,053	71.17	2,170,315	8,870,077	71.39
Service Charge	482,176	1,981,743	17.34	573,524	2,343,993	18.86
Utility Income	227,214	933,850	8.17	247,453	1,011,340	8.14
Parking	47,771	196,339	1.72	40,824	166,848	1.34
Other Income	44,361	182,324	1.6	8,141	33,272	0.27
Total	2,780,367	11,427,309	100	3,040,257	12,425,530	100

The background is a vibrant green with a complex, abstract design. It features a grid of small dots that forms a large, stylized number '3' in the upper right quadrant. The grid lines are more densely packed in some areas, creating a sense of depth and movement. There are also several large, overlapping circles and curved lines in various shades of green, some appearing as solid shapes and others as faint outlines. The overall effect is modern and digital.

PART THREE
CORPORATE GOVERNANCE

A. ORGANIZATION STRUCTURE



B. BOARD OF DIRECTORS

Nº	Name	Nationality	Designation	Appointment Date	Date of Expiry of Current Term
Composition of the Board of Directors as of the date of the report					
1	Mr. Hong Uy	Cambodian	Chairman of the Board of Directors	14 July 2022	31 December 2024
2	Oknha Sok Piseth	Cambodia	Non-Executive Director	20 June 2023	19 June 2026
3	Ms. Pich Eng*	Cambodia	Non-Executive Director	01 November 2023	31 October 2026
4	Mr. Lor Sok* Khim	Cambodia	Non-Executive Director	14 February 2024	13 February 2027
5	Mr. King Kapkalyan	Cambodian	Independent Director	01 November 2023	31 October 2026
Directors who resigned in 2023					
1	Mr. Kuy Vat	Cambodia	Former Chairman	14 July 2022	Resigned on 20 June 2023
2	Mr. Li Liang	Cambodia	Former Independent Director	14 July 2022	Resigned on 02 October 2023
3	Mr. Ieng Se	Cambodia	Former Non-Executive Director	14 July 2022	Resigned on 02 October 2023

(*) Due to some procedure difficulty, Ms. Pich Eng registered as GT's directors with the Ministry of Commerce in time.

- As disclosed in the report of Quarter 2 of 2023, On 20 June 2023, the Board of Directors and shareholders were called for a special meeting to decide on
 - Changing of the shareholder structure
 - Changing of the composition of the Board of Directors
 - Amendment on the company's Memorandum of Association.

The Memorandum of Association was approved by the Ministry of Commerce on 28 June 2023. Since then, GT has two shareholders

- Mr. Hong Uy 75%
- Oknha Sok Piseth 25%



During that meeting, Mr. Kuy Vat exited as the shareholder. He resigned from both the chairmanship and directorship from the Board of Directors. Mr. Hong UY subsequently was appointed as Chairman of the Board of Directors and Oknha Sok Piseth also was appointed as Non-Executive Director.

2. Subsequently, as disclosed in the report of Quarter 3 of 2023, two of our previous directors Mr. Li Liang and Mr. Ieng Se resigned from their directorships on 02 October 2023.
3. Mr. King Kapkalyan was reappointed as Independent Director on 01 November 2023.
4. Ms Pich Eng and Mr. Lor Sok Khim were appointed as Non-Executive Directors during the shareholders meeting held on 01 November 2023 and 14 February 2024 respectively.

C. SENIOR OFFICERS

No	Name	Sex	Position
1	Mr. Hong Uy	M	Chief Executive Office
2	Ms. Siv Sreyneang	F	EVP, Chief Operation Officer
3	Mr. Oum Sereyrotanak	M	Chief Financial Officer
4	Mr. Meas Samnang	M	Corporate Secretary / Accounting Manager

**Chief Business Development Officer is currently vacant. Ms. Siv Sreyneang assumes the position of this position temporarily on top of her current responsibilities.

Note: For detailed information related to corporate governance, please see attached the report on corporate governance which is published along this report.

The background is a dark green gradient with a complex, abstract pattern. A prominent feature is a series of concentric, slightly curved lines that create a sense of depth and movement, resembling a stylized 'S' or a wave. The lines are composed of small dots or a fine grid. There are also several large, semi-transparent green circles and rectangular shapes scattered across the page, adding to the geometric and modern aesthetic.

PART FOUR
SECURITIES TRADING & SHAREHOLDERS

A. INFORMATION ON SECURITIES (DEBT SECURITIES)

Debt securities type	Corporate bond Green Bond
Symbol	GT27A
Issuing date	06 December 2022
Total amount of debt securities	KHR 6,072,100,000
Total amount of outstanding debt securities	KHR 6,072,100,000
Maturity date	06 December 2027
Coupon payment schedule	Semi-annually
Coupon Rate (%)	7% per annum
Total amount of coupon payment	KHR 425,047,000 per annum

B. SECURITIES' PRICE AND TRADING VOLUME

Securities		JAN	FEB	MAR	APR	MAY	JUN	JULY	AUG	SEPT	OCT	NOV	DEC
Trading Price (in KHR)	Maximum						N/A						
	Average						N/A						
	Minimum						N/A						
Trading Volume (Units)	Maximum						N/A						
	Average						N/A						
	Minimum						N/A						

C. CONTROLLING SHAREHOLDER(S) (30% OR MORE)

No.	Shareholder	Nationality	Shares		Type of share
			Number	Percentage	
1	Mr. Hong Uy	Khmer	750,000	75%	Ordinary Share
2	Oknha Sok Piseth	Khmer	250,000	25%	Ordinary Share
Total			1,000,000	100%	Ordinary Share



The background is a vibrant green with a complex, abstract pattern. A prominent feature is a grid of small dots that forms a curved, tunnel-like shape, creating a sense of depth and movement. This grid is set against a backdrop of various shades of green, including solid colors and subtle gradients. In the lower-left and lower-right corners, there are soft, glowing circular shapes that resemble spheres or planets, adding to the futuristic and technological aesthetic of the design.

PART FIVE
INTERNAL CONTROL AUDIT REPORT

A. INTRODUCTION

The audit committee of the board herewith the company's internal auditor provides independent and advisory services, designed to add value to and improve the operation of Golden Tree. Since listing its bond on the Cambodia Securities Exchange on 19 January 2023, GT has been working to establish its internal audit control framework. Nonetheless, as this is the first year that we have conducted an internal audit, the scope of our work is currently not comprehensive.

B. SCOPE OF INTERNAL AUDIT ENGAGEMENT

For the financial year of 2023, the audit committee started the process by periodically analyzing, assessing, and evaluating the quarterly and annual financial statements either reviewed or audited by the independent auditors. The scope of the work was to evaluate whether the financial statements for both reviewed and audited by the external auditors are prepared well according to the CIFRS and to ensure accuracy, transparency and free of fraud.

C. SUMMARY OF TASKS PERFORMED

During 2023, the internal audit committee of the Board and the internal auditor have performed some tasks, namely:

1. Review of the financial statements prepared by the management team for all quarters of 2023 and the financial statements for the year ended 2023 as of 31 December 2023. Please note that both the quarterly and annual reports are either reviewed or audited by the independent auditor.
2. Advise on policy and procedures to strengthen GT's corporate governance.



D. CONCLUSION

The internal audit engagement plan for 2023 was completely achieved and satisfied. The company's financial records perform well in accordance with the procedure and accounting standards.

As the Head of Audit Committee, Mr. King Kapkalyan is absent. He authorizes Mr. Hong Uy, Chairman of the Board of Directors, to sign this report on his behalf.

Having read and approved
Phnom Penh, 26 March 2024

Chairman of the Board of Directors

Internal Auditor



Mr. Hong Uy



Mr. Rith Sopheak

The background is a vibrant green with a complex, abstract design. It features a grid of small dots that forms a large, curved shape, possibly representing a stylized letter or a geometric form. There are also several large, overlapping circles and curved lines in various shades of green, creating a sense of depth and movement. The overall aesthetic is modern and technical.

PART SIX

**FINANCIAL STATEMENT REVIEWED BY
INDEPENDENT AUDITOR**

Please refer to the Annex for the interim Financial Statement reviewed by the independent Auditor.



The background is a dark green gradient with a complex grid pattern of dots and lines that creates a 3D effect. There are also several large, semi-transparent green circles and rectangular shapes scattered across the page.

PART SEVEN

**FINANCIAL STATEMENT REVIEWED BY
INDEPENDENT AUDITOR**

Golden Tree would like to disclose information of material related parties' transactions in the last two years, specifying name, relation between GT and related parties, size of transaction and the type of interest which arise from that relationship as follow.

A. Transactions with shareholders holding at least 5% of the company

During the last 2 years prior to this disclosure document, GT has had a material transaction with:

- Current shareholder, Chairman of the Board of Directors and Chief Executive Officer – Mr. Hong Uy. As of 31 December 2023, GT owed Mr. Hong Uy in the amount of USD 4,933,736.
- Former Shareholder and ex-Chairman of the Board of Directors – Mr. Kuy Vat. As of 31 December 2023, Mr. Kuy Vat owed GT in the amount of USD 1,323,256.

B. Material transactions with directors or senior officers

Please refer to section A for material transactions with GT.

In preparation for this bond issuance and strengthening the corporate governance, GT added three additional directors. Those three additional directors do not have any material transactions with the Company.

During the last 2 years, GT's senior officers, with the exception of Mr. Hong Uy (Shareholder, Chairman of the Board of Directors and CEO), do not have any material transactions with GT.

C. Material transactions with family members of directors or senior officers or shareholders holding least 5% of the outstanding shares

None

D. Material transactions with directors or senior officers in relation to the sale and purchase of the asset or services offered by those individuals

In 2022, GT bought Amara Residence from shareholders - Mr. Hong Uy and Former Shareholder - Mr. Kuy Vat in the amount of USD 9.2 million.



E. Material transactions with persons who have relationship with directors of the company, its subsidiary or holding company where relationship occurred in the transaction or any arrangement with the company

During the last 2 years prior to the date of this disclosure document, GT has 2 material transactions with companies that have relationships with GT's current director and previous director. Mr. Kuy Vat is a director of Phnom Penh Securities PLC and United Food Co., Ltd while Mr. Hong Uy is a former director of United Food Co., Ltd

As of 31 December 2023, United Food Co., Ltd. and Phnom Penh Securities PLC. have owned a rental fee in the amount of USD 115,146 and USD 36,870 respectively.

As Mr. Kuy Vat exited the company since 20 June 2023. Starting Quarter one of 2024, Phnom Penh Securities Plc and United Food Co., Ltd are no longer company related parties.

During the last 2 years prior to the date of this disclosure document, GT does not have any material transactions with any person who were directors or with any person who has relation with the former directors of GT.

F. Material transactions with directors holding any position in an association or non-profit organization or other companies for the last 2 years prior to the filing of application.

None

G. Material transactions with director receiving any financial or non-financial interest from those transactions

None

H. Conflict of interest with professional advisors (if any)

None

The background is a vibrant green with a complex, abstract pattern. It features a large, curved, grid-like structure that resembles a stylized letter 'E' or a similar geometric form, composed of many small dots and lines. This structure is set against a backdrop of diagonal bands and several large, semi-transparent spheres of varying shades of green. The overall effect is modern and digital.

PART EIGHT

**MANAGEMENT'S DISCUSSION
& ANALYSIS**

The following discussion should be read together with the audited financial statements for the years ended 31 December 2023 and 2022. These financial statements have been prepared in accordance with Cambodian International Financial Reporting Standards (CIFRS) and relevant accounting regulations and guidelines issued by the National Accounting Council, which are recognized and practiced in Cambodia.

The discussion in this section contains uncertainties and risks with regard to forward-looking statements or unforeseen events. Thus, investors should read other parts of the Disclosure Document such as *Risk Factors*. In case of doubt, investors should seek advice from professionals.

Items included in our financial statements of the company are measured using the currency of the primary economic environment in which the entity operates. The national currency of Cambodia is Khmer Riel (KHR). However, as GT transacts its business and maintains its accounting records primarily in USD, the Board of Directors has determined the USD to be the company currency for measurement and presentation purposes as it reflects the economic substance of the underlying events and circumstances of the company.

The transactions of USD amount into KHR as presented in the financial statements are included solely to comply with the requirement pursuant to the Law on Accounting and Auditing dated 11 April 2016, and have been made using the prescribed official exchange rate based on the following application exchange rate per USD as announced by the National Bank of Cambodia (NBC)

	31 December 2022	31 December 2021
Average Rate (12 months)	4,110	4,087
Closing Rate	4,085	4,117

A. OVERVIEW OF OPERATION

1. Revenue Analysis

	2023		2022		Variance	
	USD	KHR'000	USD	KHR'000	KHR'000	%
Direct Revenue	2,736,006	11,244,985	3,023,116	12,392,258	(1,147,273)	-9.26
Costs of Services	(942,784)	(3,874,842)	(842,277)	(3,442,386)	432,456	12.56
Gross profit	1,793,222	7,370,143	2,189,839	8,949,872	(1,579,729)	-17.65
Other income	44,361	182,324	8,141	33,272	149,052	447.98
Operating and administrative expenses	(552,024)	(2,268,819)	(571,965)	(2,337,621)	(68,802)	-2.94
Impairment (loss)/reversal on	(1,838,255)	(7,555,228)			(7,555,228)	
Operating Profit	(552,696)	(2,271,580)	1,626,015	6,645,523	(8,917,103)	-134.18
Finance costs	(1,697,923)	(6,978,464)	(1,368,531)	(5,593,186)	1,385,278	24.77
Profit before income tax	(2,250,619)	(9,250,044)	257,484	1,052,337	(10,302,381)	-979.00
Income tax expense	79,899	328,385	(202,055)	(825,799)	(1,154,184)	-139.77
Net profit	(2,170,720)	(8,921,659)	55,429	226,538	(9,148,197)	-4,038.26

Rental Income and service charge decreased due to the decrease of the occupancy rate from average occupancy rate in 2022 of 83% to the current occupancy rate of 75% as of 31 December 2023.

2. Revenue By Segment Analysis

	2023			2022		
	USD	KHR'000	%	USD	KHR'000	%
Rental Income	1,978,845	8,133,053	71.17	2,170,315	8,870,077	71.39
Service Charge	482,176	1,981,743	17.34	573,524	2,343,993	18.86
Utility Income	227,214	933,850	8.17	247,453	1,011,340	8.14
Parking	47,771	196,339	1.72	40,824	166,848	1.34
Other Income	44,361	182,324	1.6	8,141	33,272	0.27
Total	2,780,367	11,427,309	100	3,040,257	12,425,530	100

3. Cost of Service Analysis

	2023		2022		Variance	
	USD	KHR'000	USD	KHR'000	KHR'000	%
Utility expense	268,409	1,103,161	262,592	1,073,214	29,947	2.22
Security service	70,145	288,296	69,578	284,365	3,931	0.81
Cleaning service	27,452	112,828	30,019	122,688	(9,860)	-8.55
Other cost of service	140,637	578,018	48,686	198,979	379,039	188.87
Depreciation	408,649	1,679,547	403,905	1,650,760	28,787	1.17
Depreciation – ROU	27,492	112,992	27,497	112,380	612	-0.02
Total	942,784	3,874,842	842,277	3,442,386	432,456	11.93

Other cost of services increased due to an increase in the cost of building preventive maintenance.

GT takes preventive maintenance seriously. Preventive maintenance prolongs the life of the equipment, reduces downtime, decreases reactive maintenance requests, and prevents costly emergency repairs which will lead to increased customer satisfaction.

Cost of cleaning service decrease due to the decrease of occupancy rate.

4. Gross Profit Margin Analysis

	2023		2022		Variance	
	USD	KHR'000	USD	KHR'000	KHR'000	%
Gross Profit	1,793,222	7,370,143	2,189,839	8,949,872	(1,579,729)	-17.65

Gross profit was reduced due to factors mentioned in revenue and cost of services analysis.

5. Operating and Administrative Expense Analysis

	2023		2022		Variance	
	USD	KHR'000	USD	KHR'000	KHR'000	%
PPE depreciation	137,155	563,707	132,419	541,196	22,511	4.16
Personnel expense	275,798	1,133,530	183,211	748,783	384,746	51.38
Bank charge	31,170	128,109	18,023	73,660	54,449	73.92
Professional fees	36,105	148,022	128,369	524,644	(376,622)	-71.79
Other tax expense	14,344	58,954	15,115	61,775	(2,821)	-4.57
Marketing expense	12,086	49,673	9,176	37,502	12,171	32.45
Office supplies	13,835	56,862	7,348	30,031	26,831	89.34
Travelling expense	5,370	22,071	1,758	7,185	14,886	-207.18
Training	336	1,381	881	3,602	(2,220)	-61.65
Other Expense	25,915	106,511	75,665	309,243	(202,732)	-65.56
Total	552,024	2,268,819	571,965	2,337,621	(68,802)	-2.94

Personnel expenses increased due to an increase in staffs' salaries and benefits, and additional new hires of higher skill staff in participation of business expansion.

Professional fee decreased due to the decrease of professional fee of the green bond issuance which GT incurred in 2022.

Marketing expenses increased due to the competitive business landscape in the office sector which currently is facing an over-supply issue.

6. Profit/(Loss) Before Tax

	2023		2022		Variance	
	USD	KHR'000	USD	KHR'000	KHR'000	%
Profit before income tax	(2,250,619)	(9,250,044)	257,484	1,052,337	(10,302,381)	-979.00

Analysis on the impairment

During 2023, GT incurred an impairment loss of

- The financial asset of USD 210,255 as one of our tenants terminated and owed us rental fee. The amount is a net rental fee owed after deduction of security deposit.
- Fair Value Loss on property and equipment of USD 1,628,000 on Amara Residence due to
 - Worsen economic condition of real estate sector in Cambodia.
 - The residence has not generated any revenue.
 - Ongoing court case.
 - This is a non-cash item.
- The fair value of the residence is sensitive to changes in the significant valuation assumptions. Changes in the capitalization rates and economic factors would result in a change to the estimated fair value of the asset.

Analysis on the finance expense

- Finance cost increased KHR 1,385,278,000 or USD 329,392, equivalent to 24.77% as compared to 2022 due to the additional interest expense from green bond issuance and additional bank loan to acquire Amara Residence for our business expansion.

7. Profit/(Loss) After Tax

	Q4 2023		Q4 2022		Variance	
	USD	KHR'000	USD	KHR'000	KHR'000	%
Profit/(loss) after Tax	(2,170,720)	(8,921,659)	55,429	226,538	(9,148,197)	-4,038.26

There was no significant change on the income tax paid for this quarter.

According to the Sub-decree no 42 RNKR/BK dated 24 February 2022 on Tax Incentives in Securities Sector issued by the Royal Government of Cambodia, GT is expected to receive tax incentive from issuing its green bond in next fiscal year of 2024.

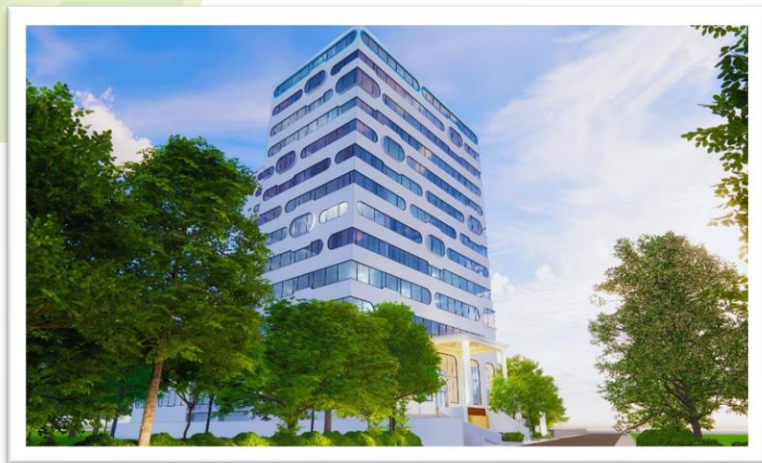
8. Factors and Trends Analysis Affecting Financial Conditions and Results

During 2023, the significant factors that drove down GT profit were:

- Decrease in revenue due to the decrease in occupancy rate.
- Additional finance cost related to bank loan from acquiring Amara Residence and green bond issuance. GT expected Amara to generate revenue in Q4.
- The recognition of impairment on Amara Residence
- The ongoing court case of Amara Residence.

B. SIGNIFICANT FACTORS AFFECTING PROFIT

1. Demand and Supply Conditions Analysis



According to the report by CBRE, the office sector is continuing to face over supply challenge. The anticipated rise of 200,000 square metre supply will push the whole supply of office space upward by 1.2 million square meters by the end of 2024. All things considered; the pandemic's longer-term economic effects have resulted in an excess of space due to the surge in newly available space. As of December

2023, the occupancy rate is 64 percent across all office grades, as compared to around 90 occupancy rate in 2019.

Compared to the company's H1 2023 statistics, which verified a 58 percent occupancy rate for the first half of this year, this indicates some progress. Furthermore, rental rate is also stabilized as landlords prefers to offer tenants more perks rather than pricing war.

For serviced apartment, according to CBRE, with a third of the entire supply, Boeung Keng Kang (BKK) continues to be the most popular neighborhood in the capital, which now offers almost 8,200 serviced apartments! By 2026, there will likely be about 9,000 serviced apartments available in Phnom Penh overall.



The capital has more than 41,000 condo units, with Chamkarmon having the most percentage (22%). The entire supply is anticipated to reach

83,023 units by 2028. The cost of condominiums in Phnom Penh in 2023 will be as follows: \$2,700 for high-end units, \$2,200 for mid-range units, and less than \$1,500 for inexpensive units. Quoting sales for landed homes have often ranged from \$800 to \$1,200.

Townsend, chairman, and Lennon, managing director, of CBRE Cambodia have proposed strategies to address challenges in 2023 and the post-pandemic context, including strengthening trust laws, implementing first-time buyer incentives, and repositioning real estate. They highlighted the potential for student accommodation and budget hotels as a key opportunity for real estate repositioning. Lennon emphasized the importance of seeking out alternative solutions and embracing Environmental, Social, and Governance (ESG) considerations to attract and secure foreign investment. Both strategies aim to address the current market's untapped opportunities.

2. Fluctuations in Prices of Raw Materials and Analysis

Non applicable

3. Tax Analysis

As GT listed its bond on January 19, 2023, GT is expected to receive tax incentives according to stipulation by the Sub-degree no 42 RNKR/BK dated 24 February 2022 on Tax Incentive in Securities Sector issued by the Royal Government of Cambodia in the next fiscal year of 2024.

Currently, there have been no significant changes in tax regulations in Cambodia that have had a material impact on our financial performance.

4. Exceptional and Extraordinary Items Analysis

There were no exceptional and extraordinary items in the period.



C. MATERIAL CHANGES IN SALE AND REVENUE

The revenue of the 31 December 2023 and the comparative period on 31 December 2022 are shown in section A of this section and also in the Reviewed Financial Information of the Financial Ended 31 December 2023.

There were no material changes in sales and revenue for the period.

D. IMPACT OF FOREIGN EXCHANGE, INTEREST RATES AND COMMODITY PRICES

GT did not experience any material impact on any fluctuation in the exchange rate between USD and KHR. Furthermore, the exchange rate between USD/KHR is fairly stable.

GT did not experience any material impact on the interest rate as GT's bank loan and bond are fixed interest rate and won't mature until 2026 and 2027 respectively.

GT did not experience any material impact on commodity prices in this period.

E. IMPACT OF INFLATION

GT did not experience any material impact on inflation.

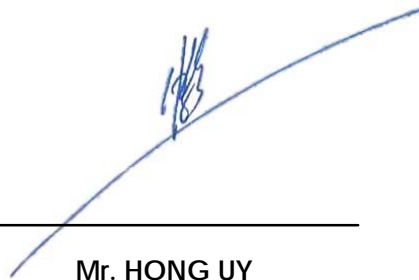
F. ECONOMIC, FISCAL AND MONETARY POLICY OF ROYAL GOVERNMENT

Currently, GT believes that there is no material change in government, economic, fiscal, or monetary policies, or other factors that have materially impacted GT's financial results for the Financial Years under review or in our future operating results.

Signature of Directors of Listed Entity

Date: 26 March 2024

Read and Approved



Mr. HONG UY

Chairman of the Board of Directors

Read and approved by



Oknha Sok Piseth

None-Executive Director



Read and approved by



Ms. Pich Eng

None-Executive Director

Read and approved by



Mr. Lor Sok Khim

None-Executive Director

Read and approved by



Mr. Hong Uy

Representative of Mr. King Kapkalyan
Independent Director



The background is a vibrant green with a complex, abstract pattern. A prominent feature is a grid of small dots that forms a curved, funnel-like shape, tapering from the top left towards the bottom right. This grid pattern is overlaid on a background of diagonal stripes and several large, semi-transparent spheres of varying shades of green. The overall aesthetic is modern and digital.

Appendix

GOLDEN TREE CO., LTD.

(Incorporated in Cambodia)

Registration No: 00012373

FINANCIAL REPORT

for the financial year ended 31 December 2023

GOLDEN TREE CO., LTD.

(Incorporated in Cambodia)

Registration No: 00012373

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GOLDEN TREE CO., LTD.

(Incorporated in Cambodia)

Registration No: 00012373

DIRECTORS' REPORT

The directors hereby submit the report and the audited financial statements of the Company for the financial year ended 31 December 2023.

DIRECTORS

The names of directors of the Company who served during the financial year and up to the date of this report are as follows:-

Name	Position
Mr. Hong Uy	Chairman (Appointed on 28 June 2023)
Mr. Sok Piseth	Non-Executive Director (Appointed on 28 June 2023)
Mr. King Kepkalyan	Independent Director
Mr. Kuy Vat	Chairman (Resigned on 20 June 2023)
Mr. Li Liang	Independent Director (Resigned on 2 October 2023)
Mr. Leng Se	Non-Executive Director (Resigned on 2 October 2023)

DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The directors are responsible for the financial statements of the Company to be properly drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2023 and of its financial performance and cash flows for the financial year then ended. In the preparation of these financial statements, the directors are required to:

- (i) adopt appropriate accounting policies in compliance with Cambodian International Financial Reporting Standards ("CIFRSs") which are supported by reasonable and appropriate judgments and estimates and then apply them consistently;
- (ii) comply with the disclosure requirements CIFRSs, if there have been any departures in the interest of true and fair presentation, ensure that these have been appropriately disclosed, explained and quantified in the financial statements;
- (iii) maintain adequate accounting records and an effective system of internal controls;
- (iv) prepare the financial statements on a going concern basis unless it is inappropriate to assume that the Company will continue its operations in the foreseeable future; and
- (v) control and direct effectively the Company in all material decisions affecting its operations and performance and ascertain that such decisions and/or instructions have been properly reflected in the financial statements.

STATEMENT BY DIRECTORS

The directors state that, in their opinion, the financial statements set out on pages 8 to 37 are drawn up in accordance with CIFRSs so as to give a true and fair view of the financial position of the Company as of 31 December 2023 and of its financial performance and cash flows for the financial year ended on that date.

GOLDEN TREE CO., LTD.

(Incorporated in Cambodia)

Registration No: 00012373

DIRECTORS' REPORT

PREPARATION OF THE FINANCIAL STATEMENTS

In the preparation of the financial statements, the directors have taken account of the following matters:-

- (i) all material transfers to or from reserves or provisions during the financial year are disclosed in the financial statements;
- (ii) adequate allowance for impairment losses on receivables and other current and non-current assets, if required, has been made;
- (iii) known bad debts had been written off, if any;
- (iv) existing methods of valuation of assets or liabilities is not misleading or inappropriate;
- (v) there are no known circumstances that would render any amount stated in the financial statements to be misleading;
- (vi) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Company for the financial year in which this report is made;
- (vii) the results of the operations of the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature;
- (viii) no contingent or other liability of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Company to meet its obligations when they fall due.

APPROVAL OF THE FINANCIAL STATEMENTS

The directors hereby approve the accompanying financial statements which give a true and fair view of the financial position of the Company as at 31 December 2023, its financial performance and cash flows for the financial year then ended in accordance with CIFRSs.



Mr. Hong Uy
Chairman

Phnom Penh, Cambodia

26 MAR 2024

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
GOLDEN TREE CO., LTD.**

(Incorporated in Cambodia)
Registration No: 00012373

Crowe (KH) Co., Ltd
Chartered Accountants
Member Crowe International

Unit 4B, 4th floor, K1 Building,
#148, Mao Tse Toung Blvd
(St.245) Songkat ToulTompong 2
Khan Chomkarmon,
Phnom Penh
Kingdom of Cambodia
Main +855 23 216 717
Fax +855 23 216 727
www.crowe.com.kh
info@crowe.com.kh

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**Qualified Opinion**

We have audited the financial statements of Golden Tree Co.,Ltd. ("the Company"), which comprise the statement of financial position of the Company as at 31 December 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 8 to 37.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and of its financial performance and its cash flows for the financial year then ended in accordance with Cambodian International Financial Reporting Standards ("CIFRSs").

Basis for Qualified Opinion

As disclosed in Note 3.3 to the financial statements, the financial statement of the Company have been prepared on the assumption that the Company will continue as going concern. The application of going concern basis is based on the assumption that the Company will be able to realise its assets and discharge its liabilities in the normal course of business.

The events or conditions as set out below indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continues as going concerns:

- (a) during the financial period ended 30 September 2023, the Company breached the repayment terms of Loan 1 for an amount of USD140,000 due in the month of September 2023, and this was subsequently settled on 11 November 2023. The Company also requested for a restructuring of the loan with the lender, of which a moratorium was granted by the lender in December 2023 for 6 months in respect of the monthly repayment of the Loans 1 and 2. The moratorium is set to commence from 1 January 2024 to 30 June 2024 for Loan 1 and Loan 2. Further details are disclosed in Note 11 to the financial statements.
- (b) during the financial year ended 31 December 2023, the Company incurred loss after tax of USD2,170,720. As of that date, the Company's current liabilities exceeded its current assets by USD 5,759,977.

We are unable to obtain sufficient appropriate audit evidence to determine whether the use of the going concern basis in the preparation of the financial statements of the Company is appropriate.

We conducted our audit in accordance with Cambodian International Standards on Auditing ("CISA"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
GOLDEN TREE CO., LTD. (CONT'D)**

(Incorporated in Cambodia)

Registration No: 00012373

Independence and Other Ethical Responsibilities

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the Kingdom of Cambodia, and we have fulfilled our other ethical responsibilities in accordance with these requirements and IESBA Code.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the current financial year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Impairment of property and equipment	
Refer to Note 5 to the financial statements	
Key Audit Matter	How our audit addressed the Key Audit Matter
<p>The carrying amount of the property and equipment as at 31 December 2023, amounted to USD7,856,277.</p> <p>During the financial year, the Company recorded an impairment loss of USD1,628,000 as a result of the shortfall arising from the recoverable amount of the property as compared to the carrying amount as at 31 December 2023.</p> <p>The focus on the impairment loss of USD1,628,000 arising from the property and equipment as management has relied on an external valuer to derive the market value of the property. The determination of the market value of the property, which forms the basis of management's impairment, is subject to significant estimates and assumptions made by the external valuer.</p> <p>Refer to Note 4.3 in the material accounting policy information and Note 5 to the financial statements.</p>	<p>We obtained the valuation report that was relied upon by management in determining the recoverable amount of the property. We evaluated the competencies, capabilities and objectivity of the external valuer.</p> <p>We discussed with the external valuer to gain an understanding on the basis of the valuation and the adjustments applied by the valuer to arrive at the comparison values for purpose. We also evaluated the key assumptions applied and methods used by the external valuer in deriving the valuation for the property.</p> <p>We verified the accuracy of the input data provided by management to the external valuer with respect to the property.</p>



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GOLDEN TREE CO., LTD. (CONT'D)

(Incorporated in Cambodia)

Registration No: 00012373

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the Directors' Report, but does not include the financial statements of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, base on the work we have performed, we conclude that there is a material misstatement of the Directors' Report, we are required to report that fact. As described in the *Basis for Qualified Opinion* section above, we were unable to obtain sufficient appropriate audit evidence about the going concern basis in the preparation of the financial statements of the Company was appropriate. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

Responsibilities of the Board of Directors for the Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with CIFRSs, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not guarantee that an audit conducted in accordance with CISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GOLDEN TREE CO., LTD. (CONT'D)

(Incorporated in Cambodia)

Registration No: 00012373

Auditors' Responsibilities for the Audit of the Financial Statements(Cont'd)

As part of an audit in accordance with CISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
GOLDEN TREE CO., LTD. (CONT'D)**

(Incorporated in Cambodia)

Registration No: 00012373

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Crowe (KH) Co., Ltd.



Onn Kien Hoe



Director

26 MAR 2024

GOLDEN TREE CO., LTD.

(Incorporated in Cambodia)

Registration No: 00012373

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	Note	2023 USD	2023 KHR'000	2022 USD	2022 KHR'000
ASSETS					
NON-CURRENT ASSETS					
Property and equipment	5	7,856,277	32,092,892	9,553,705	39,332,603
Investment properties	6	22,153,061	90,495,254	22,576,322	92,946,718
Intangible assets	7	13,530	55,270	-	-
		<u>30,022,868</u>	<u>122,643,416</u>	<u>32,130,027</u>	<u>132,279,321</u>
CURRENT ASSETS					
Corporate bond receivable	13	-	-	1,474,885	6,072,100
Trade and other receivables	8	1,387,699	5,668,750	436,564	1,797,334
Amounts due from related parties	21	152,016	620,985	674,458	2,776,744
Cash and cash equivalents	9	6,493	26,524	442,090	1,820,085
		<u>1,546,208</u>	<u>6,316,259</u>	<u>3,027,997</u>	<u>12,466,263</u>
TOTAL ASSETS		<u>31,569,076</u>	<u>128,959,675</u>	<u>35,158,024</u>	<u>144,745,584</u>
EQUITY AND LIABILITIES					
EQUITY					
Share capital	10	5,000,000	20,000,000	5,000,000	20,000,000
(Accumulated losses)/ Retained earnings		(1,445,240)	(5,349,857)	725,480	2,950,151
Currency translation reserve		-	(128,949)	-	621,651
		<u>3,554,760</u>	<u>14,521,194</u>	<u>5,725,480</u>	<u>23,571,802</u>
LIABILITIES					
NON-CURRENT LIABILITIES					
Borrowings	11	12,948,739	52,895,599	15,470,690	63,692,831
Lease liabilities	12	34,488	140,883	66,331	273,085
Corporate bond payable	13	1,468,109	5,997,225	1,474,885	6,072,100
Trade and other payables	14	825,353	3,371,567	-	-
Amounts due to related parties	21	4,933,736	20,154,312	-	-
Deferred tax liabilities	20	497,706	2,033,129	604,290	2,487,862
		<u>20,708,131</u>	<u>84,592,715</u>	<u>17,616,196</u>	<u>72,525,878</u>

GOLDEN TREE CO., LTD.

(Incorporated in Cambodia)

Registration No: 00012373

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	Note	2023 USD	2023 KHR'000	2022 USD	2022 KHR'000
CURRENT LIABILITIES					
Trade and other payables	14	539,449	2,203,649	1,279,790	5,268,895
Borrowings	11	6,727,755	27,482,879	4,805,096	19,782,580
Lease liabilities	12	31,844	130,083	29,404	121,056
Corporate bond payable	13	7,137	29,155	2,058	8,473
Amounts due to related parties	21	-	-	5,700,000	23,466,900
		<u>7,306,185</u>	<u>29,845,766</u>	<u>11,816,348</u>	<u>48,647,904</u>
TOTAL LIABILITIES		<u>28,014,316</u>	<u>114,438,481</u>	<u>29,432,544</u>	<u>121,173,782</u>
TOTAL EQUITY AND LIABILITIES		<u>31,569,076</u>	<u>128,959,675</u>	<u>35,158,024</u>	<u>144,745,584</u>

GOLDEN TREE CO., LTD.

(Incorporated in Cambodia)

Registration No: 00012373

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

	Note	2023 USD	2023 KHR'000	2022 USD	2022 KHR'000
Revenue	15	2,736,006	11,244,985	3,032,116	12,392,258
Cost of sales	16	(942,784)	(3,874,842)	(842,277)	(3,442,386)
Gross profit		1,793,222	7,370,143	2,189,839	8,949,872
Other income		44,361	182,324	8,141	33,272
Administrative expenses		(552,024)	(2,268,819)	(571,965)	(2,337,621)
Impairment loss on					
- property and equipment	17	(1,628,000)	(6,691,080)	-	-
- financial asset	18	(210,255)	(864,148)	-	-
Operating profit		(552,696)	(2,271,580)	1,626,015	6,645,523
Finance costs	19	(1,697,923)	(6,978,464)	(1,368,531)	(5,593,186)
(Loss)/Profit before income tax		(2,250,619)	(9,250,044)	257,484	1,052,337
Income tax expense	20	79,899	328,385	(202,055)	(825,799)
(Loss)/Profit for the period		(2,170,720)	(8,921,659)	55,429	226,538
Other comprehensive income		-	-	-	-
Total comprehensive (expense)/income for the period		(2,170,720)	(8,921,659)	55,429	226,538

The (loss)/earnings per share attributable to shareholders of the Company during the year are as follows:

	Note	2023 USD	2023 KHR'000	2022 USD	2022 KHR'000
Basic (loss)/earnings per share	22	(2.171)	(8.922)	0.055	0.227
Diluted (loss)/earnings per share	22	(2.171)	(8.922)	0.055	0.227

GOLDEN TREE CO., LTD.

(Incorporated in Cambodia)

Registration No: 00012373

**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

	Share capital USD	(Accumulated losses)/Retained earnings USD	USD	Total equity KHR'000
Balance as at 1 January 2023	5,000,000	725,480	5,725,480	23,571,802
Loss for the year	-	(2,170,720)	(2,170,720)	(8,921,659)
Currency translation difference	-	-	-	(128,949)
Balance as at 31 December 2023	5,000,000	(1,445,240)	3,554,760	14,521,194
Balance as at 1 January 2022	5,000,000	670,051	5,670,051	22,723,613
Profit for the year	-	55,429	55,429	226,538
Currency translation difference	-	-	-	621,651
Balance as at 31 December 2022	5,000,000	725,480	5,725,480	23,571,802

GOLDEN TREE CO., LTD.

(Incorporated in Cambodia)

Registration No: 00012373

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

	Note	2023 USD	2023 KHR'000	2022 USD	2022 KHR'000
Operating activities					
(Loss)/Profit before income tax		(2,250,619)	(9,250,044)	257,484	1,052,337
Adjustments for:					
Depreciation of property and equipment	5	137,155	563,707	132,419	541,196
Depreciation of investment properties	6	435,552	1,790,119	431,401	1,763,136
Amortisation of intangible asset	7	588	2,417	-	-
Interest expense	19	1,697,923	6,978,464	1,368,531	5,593,186
Allowance for impairment loss on					
- property and equipment	17	1,628,000	6,691,080	-	-
- trade receivables	18	210,255	864,148	-	-
Operating profit before working capital		1,858,854	7,639,891	2,189,835	8,949,855
Changes in working capital:					
- trade and other receivables		(1,161,390)	(4,744,278)	(139,098)	(572,666)
- trade and other payables		60,345	246,509	51,241	210,959
Cash generated from operating activities		757,809	3,142,122	2,101,978	8,588,148
Income tax paid		(26,685)	(109,008)	(124,979)	(514,539)
Net cash from operating activities		731,124	3,033,114	1,976,999	8,073,609
Investing activities					
Purchase of :					
- property and equipment	5	(67,727)	(276,665)	(9,207,666)	(37,907,961)
- investment properties	6	(12,291)	(50,209)	-	-
- intangible asset	7	(14,118)	(57,672)	-	-
Net cash used in investing activities		(94,136)	(384,546)	(9,207,666)	(37,907,961)
Financing activities					
Proceeds from corporate bond		1,474,885	6,024,905	-	-
Interest paid		(1,668,356)	(6,815,234)	(1,359,681)	(5,597,807)
Repayment of bank borrowings		(599,292)	(2,448,108)	2,837,758	11,683,050
Repayment of lease liability	12	(29,403)	(120,111)	(27,151)	(111,781)
Repayment of interest portion of lease	12	(6,597)	(27,114)	(8,850)	(36,170)
(Repayment)/Advance from related parties		(766,264)	(3,130,188)	5,700,000	23,466,900
Advance to related parties		522,442	2,134,176	359,026	1,478,110
Net cash (used in)/from financing activities		(1,072,585)	(4,381,674)	7,501,102	30,882,302
Net change in cash and cash equivalents		(435,597)	(1,733,106)	270,435	1,047,950
Cash and cash equivalents, at the beginning of year		442,090	1,820,085	171,655	706,704
Currency translation difference		-	(60,620)	-	65,431
Cash and cash equivalents, at the end of year		6,493	26,524	442,090	1,820,085

The annexed notes form an integral part of these financial statements.

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GOLDEN TREE CO., LTD.

(Incorporated in Cambodia)

Registration No: 00012373

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

1. GENERAL INFORMATION

Golden Tree Co., Ltd (“the Company”) was registered on 12 October 2006 as a private limited company in the Kingdom of Cambodia.

The Company was approved by the Securities and Exchange Regulator of Cambodia (“SERC”) to issue Cambodia’s first corporate green bond, which is unsecured, unsubordinated and not guaranteed on 12 October 2022. The total approved bond size is KHR 12 billion, with a par value of KHR 100,000 per unit, a 7% annual coupon rate, semi-annual interest payments, and a 5-years tenure. The bonds were subsequently listed on the Cambodia Securities Exchange (“CSX”) on 19 January 2023.

The registered office and principal place of business of the Company is at Plot A, Street 169, Sangkat Veal Vong, Khan 7 Makara, Phnom Penh, Kingdom of Cambodia.

The financial statements of the company are presented in the currency of the primary economic environment in which the Company operates, which is the functional currency.

The financial statements are presented in US Dollar (“USD”), which is the company’s functional and presentation currency.

The translation of the USD amounts into Khmer Riel (“KHR”) is presented in the financial statements to comply with the Law on Accounting and Auditing dated 11 April 2016 using the closing and average rates for the year then ended, as announced by Accounting and Auditing Regulator (“ACAR”).

The financial statements are presented in KHR based on the following applicable exchange rates per USD1:

	2023	2022
Closing rate	4,085	4,117
Average rate for the year	<u>4,110</u>	<u>4,087</u>

Amounts in the financial statements have been rounded off to the nearest dollar and nearest thousand for USD and KHR amounts, respectively.

The financial statements were authorised for issue by the Board of Directors on 26 March 2024.

2. PRINCIPAL ACTIVITY

The principal activity of the Company is the leasing of offices and apartments.

GOLDEN TREE CO., LTD.

(Incorporated in Cambodia)

Registration No: 00012373

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

3. BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with the Cambodian International Financial Reporting Standards (“CIFRSs”).

The National Accounting Council of Cambodia, as mandated by Prakas (Circular) No. 068-MEF-Pr dated 8 January 2009 issued by the Ministry of Economy and Finance of Cambodia on the adoption of Cambodian Financial Reporting Standards, has decided to fully adopt International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) without modifications. The new standards are referred to as “Cambodian International Financial Reporting Standards” (“CIFRSs”).

- 3.1 During the current financial year, the Company has adopted the following new accounting standards and interpretations:-

CIFRSs and/or IC Interpretations (Including The Consequential Amendments)

CIFRS 17 Insurance Contracts

Amendments to CIFRS 17 Insurance Contracts

Amendment to CIFRS 17: Initial Application of CIFRS 17 and CIFRS 9 –
Comparative Information

Amendments to CIAS 1: Disclosure of Accounting Policies

Amendments to CIAS 8: Definition of Accounting Estimates

Amendments to CIAS 12: Deferred Tax related to Assets and Liabilities arising from a
Single Transaction

Amendments to CIAS 12: International Tax Reform – Pillar Two Model Rules

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the Company’s financial statements.

GOLDEN TREE CO., LTD.

(Incorporated in Cambodia)

Registration No: 00012373

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

3. BASIS OF PREPARATION (CONT'D)

- 3.2 The Company has not applied in advance the following accounting standards and/or interpretation(s) (including the consequential amendments, if any) that have been issued by the International Accounting Standard Board ("IASB") but are not yet effective for the current financial year:-

CIFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
Amendments to CIFRS 10 and CIAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to CIFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to CIAS 1: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to CIAS 1: Non-current Liabilities with Covenants	1 January 2024
Amendments to CIAS 7 and CIFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to CIAS 21: Lack of Exchangeability	1 January 2025

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Company upon its initial application.

3.3 GOING CONCERN

During the current financial period, the Company incurred a net loss of USD2,170,720 (including allowance for impairment loss on trade receivables USD210,255 which is in the process of recovery and impairment loss on property and equipment of USD1,628,000). As at 31 December 2023, the Company's current liabilities exceeded its current assets by USD 5,759,977.

The financial statements are prepared on the basis of accounting principles applicable to a going concern as Mr Hong Uy, one of the major shareholders of the Company, has indicated his willingness to provide financial support to the Company to enable it to operate as a going concern in the foreseeable future. Accordingly, the directors are of the opinion that the going concern basis used in the preparation of the financial statements is appropriate.

GOLDEN TREE CO., LTD.

(Incorporated in Cambodia)

Registration No: 00012373

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

4. MATERIAL ACCOUNTING POLICY INFORMATION

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Key sources of estimation uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

(a) Depreciation of property and equipment

The estimates for the residual values, useful lives and related depreciation charges for the property and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Company anticipates that the residual values of its property and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of property and equipment as at the reporting date is disclosed in Note 5 to the financial statements.

(b) Income taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Company recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made. The carrying amount of current tax liabilities as at the reporting date is USD497,706 (2022 – USD604,290).

The principal accounting policies adopted in the preparation of the financial statements are set out below. These accounting policies have been consistently applied by the Company during the year.

Critical judgements made in applying accounting policies

Management believes that there are no instances of application of critical judgement in applying the Company's accounting policies which will have a significant effect on the amounts recognised in the financial statements.

GOLDEN TREE CO., LTD.

(Incorporated in Cambodia)

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.2 FINANCIAL INSTRUMENTS

(a) Financial assets

Financial Assets Through Profit or Loss

The financial assets are initially measured at fair value. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest and dividend income.

Financial Assets at Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

Financial Assets Through Other Comprehensive Income

The Company has elected to designate the equity instruments as financial assets through other comprehensive income at initial recognition.

The financial assets are initially measured at fair value plus transaction costs. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes taken up in other comprehensive income and accumulated in the fair value reserve, except for the recognition of impairment, interest income and foreign exchange difference of a debt instrument which are recognised directly in profit or loss. The fair value changes do not include interest and dividend income.

(b) Financial Liabilities

Financial Liabilities Through Profit or Loss

The financial liabilities are initially measured at fair value. Subsequent to the initial recognition, the financial liabilities are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest interest.

Financial Liabilities at Amortised Cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

GOLDEN TREE CO., LTD.

(Incorporated in Cambodia)

Registration No: 00012373

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.2 FINANCIAL INSTRUMENTS (CONT'D)

(c) Equity

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

4.3 PROPERTY AND EQUIPMENT

All items of property and equipment are initially measured at cost. Cost includes expenditures that are directly attributable to the acquisition of the asset and other cost directly attributable to bringing the asset to working condition for its intended use. Freehold land is stated at cost less impairment losses, if any and is not depreciated.

Subsequent to initial recognition, all property and equipment are stated at cost less accumulated depreciation and any impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset will flow to the Company and the cost of the asset can be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of property and equipment are recognised in profit or loss as incurred.

Depreciation on other property and equipment is charged to profit or loss (unless it is included in the carrying amount of another asset) on a straight-line method to write off the depreciable amount of the assets over their estimated useful lives. Depreciation of an asset does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated. The principal annual rates used for this purpose are:-

Motor vehicles	25%
Equipment and computers	10% to 50%

Capital work-in-progress represent building under construction and production machinery under installation. They are not depreciated until such time when the asset is available for use.

The depreciation method, useful lives and residual values are reviewed, and adjusted if appropriate, at the end of each reporting period to ensure that the amounts, method and periods of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of the property and equipment. Any changes are accounted for as a change in estimate.

GOLDEN TREE CO., LTD.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.3 PROPERTY AND EQUIPMENT (CONT'D)

When significant parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising from derecognition of the asset, being the difference between the net disposal proceeds and the carrying amount, is recognised in profit or loss.

4.4 INVESTMENT PROPERTIES

Investment properties are properties which are owned or right-to-use asset held to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties which are owned are initially measured at cost. Cost includes expenditures that are directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses, if any.

Depreciation is charged to profit or loss on a straight-line method over the estimated useful lives of the investment properties. The estimated useful lives of the investment properties is 40 years.

Investment properties are derecognised when they have either been disposed of or when the investment property is permanently withdrawn from use and no future benefit is expected from its disposal.

On the derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

Transfers are made to or from investment property only when there is a change in use. All transfers do not change the carrying amount of the property reclassified.

GOLDEN TREE CO., LTD.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.5 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) Short-term Leases and Leases of Low-value Assets

The Company apply the “short-term lease” and “lease of low-value assets” recognition exemption. For these leases, the Company recognise the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

(b) Right-of-use Assets

Right-of-use assets are initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term.

(c) Lease Liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the entities' incremental borrowing rate. Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

4.6 EARNINGS PER ORDINARY SHARE

Basic earnings per ordinary share is calculated by dividing the consolidated profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the reporting period, adjusted for own shares held.

Diluted earnings per ordinary share is determined by adjusting the consolidated profit or loss attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding.

GOLDEN TREE CO., LTD.

(Incorporated in Cambodia)

Registration No: 00012373

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023****5. PROPERTY AND EQUIPMENT**

	Construction in progress USD	Motor vehicles USD	Equipment and computer USD	Total USD
Cost				
Balance at 1 January 2023	9,200,000	18,776	1,219,740	10,438,516
Additions	33,500	900	33,327	67,727
Balance at 31 December 2023	9,233,500	19,676	1,253,067	10,506,243
Accumulated depreciation				
Balance at 1 January 2023	-	(18,776)	(866,035)	(884,811)
Depreciation	-	(168)	(136,987)	(137,155)
Impairment loss	(1,628,000)	-	-	(1,628,000)
Balance at 31 December 2023	(1,628,000)	(18,944)	(1,003,022)	(2,649,966)
Carrying amount at 31 December 2023	7,605,500	732	250,045	7,856,277
KHR'000	31,068,468	2,990	1,021,434	32,092,892
Cost				
Balance at 1 January 2022	233,474	18,776	1,154,418	1,406,668
Additions	9,200,000	-	7,666	9,207,666
Transfers	(233,474)	-	57,656	(175,818)
Balance at 31 December 2022	9,200,000	18,776	1,219,740	10,438,516
Accumulated depreciation				
Balance at 1 January 2022	-	(17,687)	(734,705)	(752,392)
Depreciation	-	(1,089)	(131,330)	(132,419)
Balance at 31 December 2022	-	(18,776)	(866,035)	(884,811)
Carrying amount at 31 December 2022	9,200,000	-	353,705	9,553,705
KHR'000	37,876,400	-	1,456,203	39,332,603

The Company purchased a new residential building under construction, known as Amara Residence, from the shareholders for USD9,200,000 on 30 December 2022. The land and building title deed for Amara Residence is under the names of shareholder, Mr. Hong Uy and a former shareholder, Mr. Kuy Vat. The title is in the process of being transferred to the Company, but has not been completed as of 31 December 2023. The delay in the transfer of the title deed is explained further in Note 25 to the financial statements.

The land and built-up area of Amara Residence is 492 square metres and 8,928 square metres, respectively. The title to Amara Residence has been used by the Company to secure the loan (Note 11) with the Foreign Trade Bank of Cambodia.

GOLDEN TREE CO., LTD.

(Incorporated in Cambodia)

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023****5. PROPERTY AND EQUIPMENT (CONT'D)**

During the financial year, the Company has carried out a review of the recoverable amount of its residential building due to the worsening of the economic condition of the real estate sector in Cambodia. In addition, the residential building has not generated any revenue due to the still on-going court case. An impairment loss of USD1,628,000 (2022 - Nil), representing the write-down of the residential building to the recoverable amount was recognised in "Impairment loss on property and equipment" line item of the statement of profit or loss and other comprehensive income as disclosed in Note 17 to the financial statements. The recoverable amount was based on its fair value less costs to sell. The main valuation inputs used were price per square foot (determined by a professional valuer using the sales comparison approach for the freehold land and cost approach for the building) estimated by management of USD7,572,000.

6. INVESTMENT PROPERTIES

	Land USD	Building and structures USD	Right-of-use assets USD	Total USD
Cost				
Balance at 1 January 2023	9,000,000	16,317,321	192,478	25,509,799
Additions	-	12,291	-	12,291
Balance at 31 December 2023	9,000,000	16,329,612	192,478	25,522,090
Accumulated depreciation				
Balance at 1 January 2023	-	(2,823,489)	(109,988)	(2,933,477)
Depreciation	-	(408,061)	(27,491)	(435,552)
Balance at 31 December 2023	-	(3,231,550)	(137,479)	(3,369,029)
Carrying amount at 31 December 2023	9,000,000	13,098,062	54,999	22,153,061
KHR'000	36,765,000	53,505,583	224,671	90,495,254
Cost				
Balance at 1 January 2022	9,000,000	16,141,503	192,478	25,333,981
Additions	-	175,818	-	175,818
Balance at 31 December 2022	9,000,000	16,317,321	192,478	25,509,799
Accumulated depreciation				
Balance at 1 January 2022	-	(2,419,585)	(82,491)	(2,502,076)
Depreciation	-	(403,904)	(27,497)	(431,401)
Balance at 31 December 2022	-	(2,823,489)	(109,988)	(2,933,477)
Carrying amount at 31 December 2022	9,000,000	13,493,832	82,490	22,576,322
KHR'000	37,053,000	55,554,106	339,612	92,946,718

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023****6. INVESTMENT PROPERTIES (CONT'D)**

The land title deed is owned by Golden Tree Co., Ltd., which is represented by shareholders Mr. Hong Uy and Mr. Sok Piseth. This land title deed and building are used by the Company to secure the loans (Note 11) with the Foreign Trade Bank of Cambodia. The land title deed number is 15006 dated 6 February 2012. The land is located on plot A, Street 169, village 12, Sangkat Vealvong, Khan 7 Makara, Phnom Penh.

7. INTANGIBLE ASSETS

	2023	2022
	USD	USD
Cost		
Balance at 1 January	-	-
Addition	14,118	-
Balance at 31 December	14,118	-
Accumulated amortisation		
Balance at 1 January	-	-
Amortisation	(588)	-
Balance at 31 December	(588)	-
Carrying amount at 31 December	13,530	-
KHR'000	55,270	-

Computer software comprises accounting software and is amortised using the declining balance method. Amortisation of intangible assets is classified under cost of sales as the computer software is mainly used in production.

8. TRADE AND OTHER RECEIVABLES

	2023	2023	2022	2022
	USD	KHR'000	USD	KHR'000
Trade receivables	247,143	1,009,579	402,728	1,658,031
Deposits	26,071	106,500	26,071	107,334
Advances and prepayments	1,480	6,046	7,765	31,969
Withholding tax payable	4	16	-	-
Other receivable – Kuy Vat	1,323,256	5,405,501	-	-
	1,597,954	6,527,642	436,564	1,797,334
Allowance for impairment losses	(210,255)	(864,148)	-	-
Translation different	-	(744)	-	-
	1,387,699	5,668,750	436,564	1,797,334

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023****8. TRADE AND OTHER RECEIVABLES (CONT'D)**

	2023	2023
	USD	KHR'000
Allowance for impairment losses:-		
At 1 January	-	-
Addition during the financial year	(223,850)	(914,428)
Reversal during the financial year	13,595	55,536
	<u>(210,255)</u>	<u>(858,892)</u>
At 31 December	<u>(210,255)</u>	<u>(858,892)</u>

The amount owed by Mr Kuy Vat (a former shareholder) is unsecured, free of interest with no fixed terms of repayment.

Mr Hong Uy, a director and shareholder of the Company, has given an undertaking to the Company that he will undertake the repayment of the amount owed by Mr Kuy Vat in the event that the Company declares Mr Kuy Vat is in default and unable to repay the amount owed. The undertaking does not relieve Mr Kuy Vat of any responsibility towards the amount owed by Mr Kuy Vat to the Company.

9. CASH AND CASH EQUIVALENTS

	2023	2023	2022	2022
	USD	KHR'000	USD	KHR'000
Cash on hand	54	221	642	2,644
Cash at banks	6,439	26,303	441,448	1,817,441
	<u>6,493</u>	<u>26,524</u>	<u>442,090</u>	<u>1,820,085</u>

10. SHARE CAPITAL

	2023	2023	2022	2022
	USD	KHR'000	USD	KHR'000
Issued and fully paid: 1,000,000 ordinary shares at KHR 20,000 equivalent to USD 5 each	<u>5,000,000</u>	<u>20,000,000</u>	<u>5,000,000</u>	<u>20,000,000</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023****11. BORROWINGS**

	2023 USD	2023 KHR'000	2022 USD	2022 KHR'000
Term loans	16,703,091	68,232,126	17,275,786	71,124,411
Bank overdraft	2,973,403	12,146,352	3,000,000	12,351,000
	<u>19,676,494</u>	<u>80,378,478</u>	<u>20,275,786</u>	<u>83,475,411</u>
Current	6,727,755	27,482,879	4,805,096	19,782,580
Non-current	12,948,739	52,895,599	15,470,690	63,692,831
	<u>19,676,494</u>	<u>80,378,478</u>	<u>20,275,786</u>	<u>83,475,411</u>

These borrowings represent facilities from the Foreign Trade Bank of Cambodia ("FTB"), details of which are as follows:-

- (i) Loan 1 which was drawdown in December 2018, with principal amount owing of USD15,750,000 as at the end of the period. It is repayable via fixed monthly instalment payment of USD140,000 from January 2019 to January 2023 and USD240,000 from February 2023 to November 2026, and final payment of USD8,862,204 in December 2026. The loan bore interest at the rate of 8% (2022 : 8%) per annum.

During the financial period, the Company breached the loan agreement by failing to make the repayment of USD140,000 for the month of September. The monthly instalment due in September 2023 was subsequently settled on 11 November 2023.

- (ii) Loan 2 which was drawdown as follows:
- First drawdown in September 2022, with principal amount owing of USD2,000,000 as at the end of the period. It is repayable via fixed monthly instalment payment of USD17,143 and final payment of USD1,929,900 in September 2024. The loan bore interest at the rate of 8% (2022 : 8%) per annum.
 - Second drawdown in October 2022, with principal amount owing of USD1,150,000 as at the end of the period. It is repayable via fixed monthly instalment payment of USD9,857 and final payment of USD1,109,169 in October 2024. The loan bore interest at the rate of 8% (2022 : 8%) per annum.
 - Third drawdown in December 2022, with principal amount owing of KHR1,435,000,000 (Approx USD358,750) as at the end of the period. It is repayable via fixed monthly instalment payment of KHR12,300,000 or approx. USD3,075 and final payment KHR1,396 million or approx. USD349,232. The loan bore interest at the rate of 8% (2022 : 8%) per annum.
- (iii) Overdraft facility which was drawn down in July 2018. The overdraft facility is up to a limit of USD3,000,000. The overdraft bore interest at the rate of 8% (2022 : 8%) per annum.

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(Incorporated in Cambodia)

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

11. BORROWINGS (CONT'D)

These borrowings represent facilities from the Foreign Trade Bank of Cambodia, details of which are as follows (cont'd):-

- (iv) On 29 December 2023, the Foreign Trade Bank of Cambodia approved a new facility of USD280,000 which was utilised by the Company to repay the instalments due for November and December 2023 in respect of Loan 1. This new facility is repayable via 6 monthly interest payment and final payment of USD281,120 in June 2024. The loan bore interest at the rate of 12% annum (2022 : Nil).

Consequent to the breach of the loan agreement as explained in (i) above, which was not rectified as at 30 September 2023 nor waiver from compliance obtained from the lender, the entire borrowings with FTB were subject to recall at the option of the lender as of 30 September 2023. The entire borrowings have been reclassified as current liabilities as of 30 September 2023. However, the breach in the repayment of instalments due for Loan 1 was subsequently rectified in November and December 2023.

On 29 December 2023 FTB also agreed to a restructuring of Loan 1 and Loan 2 with the Company. Under the restructuring, a moratorium of six months for the monthly repayment is set to commence from 1 January 2024 to 30 June 2024 for Loan 1 and Loan 2.

12. LEASE LIABILITIES

	2023 USD	2023 KHR'000	2022 USD	2022 KHR'000
Lease liabilities				
Maturity analysis				
Less than one year (Current)	31,844	130,083	29,404	121,056
One to five years (Non-current)	34,488	140,883	66,331	273,085
	<u>66,332</u>	<u>270,966</u>	<u>95,735</u>	<u>394,141</u>
Amounts recognised in profit and loss				
Interest on lease liabilities	<u>6,597</u>	<u>27,114</u>	<u>8,850</u>	<u>36,170</u>
Amounts recognised in the statement of cash flows				
Cash outflow for leases	<u>29,403</u>	<u>120,111</u>	<u>27,151</u>	<u>111,781</u>

The lease liabilities are in respect of the lease entered into on 1 March 2016, for a land that is used as parking lot for a period of 10 years.

GOLDEN TREE CO., LTD.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023****13. CORPORATE BOND**

	2023 USD	2023 KHR'000	2022 USD	2022 KHR'000
Corporate bond payables				
Current	7,137	29,155	2,058	8,473
Non-current	1,468,109	5,997,225	1,474,885	6,072,100
	<u>1,475,246</u>	<u>6,026,380</u>	<u>1,476,943</u>	<u>6,080,573</u>

On 12 October 2022, the SERC gave its approval for the Company to issue Cambodia's first corporate green bonds. The bonds are unsecured, unsubordinated and not guaranteed. Subsequently, the Company received subscriptions to its green bonds. The green bonds were issued on 6 December 2022 with a total amount of KHR 6,072,100,000. Subscriptions received were recorded as corporate bond receivables and kept in the Company's subscription account in a local bank until such time as the SERC approves its listing on the Cambodia Securities Exchange ("CSX").

On 2 January 2023, SERC approved the Company's green bonds to be listed on the CSX. The Company transferred the total subscriptions received from its subscription account to the Company's bank account on the same date.

On 19 January 2023, the green bonds were traded and registered on the CSX. The bond proceeds are to be utilised to refinance the bank loan of an existing green building (VTrust Tower) or to finance the acquisition of a new green building. The redemption of the bonds will be paid to the bondholders at the subscription exchange rate of KHR 4,136: USD 1 at maturity, which is equivalent to USD 1,468,109. All bond subscribers are non-related parties of the Company.

The green bonds at the end of the reporting period bore interest at the rate of 7% per annum. The green bonds is unsecured and will mature on 6 December 2027.

Under the terms of the bonds, there is a cross default clause where a default in the borrowings of the Company can be considered to be an event of default for the bonds. As mentioned in Note 11, there was a breach of the loan agreement by failing to make the repayment of Loan 1 from FTB. The breach has been remedied before 31 December 2023.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023****14. TRADE AND OTHER PAYABLES**

	2023 USD	2023 KHR'000	2022 USD	2022 KHR'000
Non-current				
Customer deposits	825,353	3,371,567	-	-
Current				
Unearned revenue	2,294	9,371	114,702	472,228
Other payables	109,872	448,827	72,068	296,704
Trade payables	50,676	207,011	45,197	186,076
Customer deposits	356,248	1,455,273	1,028,178	4,233,009
Other tax payables	20,359	83,167	19,645	80,878
	<u>539,449</u>	<u>2,203,649</u>	<u>1,279,790</u>	<u>5,268,895</u>
	<u>1,364,802</u>	<u>5,575,216</u>	<u>1,279,790</u>	<u>5,268,895</u>

15. REVENUE

	2023 USD	2023 KHR'000	2022 USD	2022 KHR'000
Rental income	1,978,845	8,133,053	2,170,315	8,870,077
Service charges	482,176	1,981,743	573,524	2,343,993
Utility income	227,214	933,850	247,453	1,011,340
Parking fee	47,771	196,339	40,824	166,848
	<u>2,736,006</u>	<u>11,244,985</u>	<u>3,032,116</u>	<u>12,392,258</u>

- (a) Revenue is recognised by reference to each distinct performance obligation in the contract with customer and is measured at the consideration specified in the contract of which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, net of sales and service tax, returns, rebates and discounts.

The Company recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of that asset.

The Company transfers control of a good or service at a point in time unless one of the following overtime criteria is met:-

- The customer simultaneously receives and consumes the benefits provided as the Company performs.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023****15. REVENUE (CONT'D)**

(a) The Company transfers control of a good or service at a point in time unless one of the following overtime criteria is met (cont'd):-

- The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The Company's performance does not create an asset with an alternative use and the Company has an enforceable right to payment for performance completed to date.

(b) The information of the revenue from other sources is summarised below:-

Rental income

Rental income from investment property is recognised as revenue on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

16. COST OF SALES

	2023 USD	2023 KHR'000	2022 USD	2022 KHR'000
Utility expense	268,409	1,103,161	262,592	1,073,214
Security service	70,145	288,296	69,578	284,365
Cleaning service	27,452	112,828	30,019	122,688
Other cost of service	140,637	578,018	48,686	198,979
Depreciation	408,649	1,679,547	403,905	1,650,760
Depreciation - ROU	27,492	112,992	27,497	112,380
	<u>942,784</u>	<u>3,874,842</u>	<u>842,277</u>	<u>3,442,386</u>

17. IMPAIRMENT LOSS ON PROPERTY AND EQUIPMENT

	2023 USD	2023 KHR'000	2022 USD	2022 KHR'000
Impairment loss on property and equipment (Note 5)	<u>1,628,000</u>	<u>6,691,080</u>	<u>-</u>	<u>-</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023****18. IMPAIRMENT LOSSES ON FINANCIAL ASSETS**

	2023 USD	2023 KHR'000	2022 USD	2022 KHR'000
Impairment loss on trade receivables	(210,255)	(864,148)	-	-

19. FINANCE COSTS

	2023 USD	2023 KHR'000	2022 USD	2022 KHR'000
Interest expenses – borrowings	1,588,466	6,528,595	1,357,623	5,548,605
Interest expenses – lease	6,597	27,114	8,850	36,170
Interest expenses – Corporate bond	102,860	422,755	2,058	8,411
	<u>1,697,923</u>	<u>6,978,464</u>	<u>1,368,531</u>	<u>5,593,186</u>

20. INCOME TAX EXPENSE

Under the Cambodian Law on Taxation, the Company has an obligation to pay tax on income at the rate of 20% of the taxable income or a minimum tax of 1%, whichever is higher.

The minimum tax is calculated at the rate of 1% of the annual turnover inclusive of all taxes. The prepayment of tax on income is temporarily suspended until the end of year 2022 in accordance with Prakas No. 1130MEF.Prk dated on 27 October 2017 issued by the Ministry of Economy and Finance.

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.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023****20. INCOME TAX EXPENSE (CONT'D)**

A reconciliation between accounting profit before tax and estimated taxable income for the years ended 31 December 2023 and 2022 follows:

	2023 USD	2023 KHR'000	2022 USD	2022 KHR'000
(Loss)/Profit before income tax	(2,250,619)	(9,250,044)	257,484	1,052,337
Income tax expense at applicable tax rate of 20% (2022: 20%)	(450,124)	(1,850,009)	51,497	210,467
Tax effects in respect of:				
Minimum tax during the year	27,360	112,450		
Non-allowable expenses	252,969	1,039,702	49,758	203,361
Under provision of income tax in respect of prior years	-	-	-	-
Over provision of deferred tax in respect of prior years	(75,101)	(308,665)	-	-
Deferred tax assets not recognised during the financial year	135,953	558,767	100,800	411,971
Other movements	29,044	119,370	-	-
Income tax expense	(79,899)	(328,385)	202,055	825,799
Tax expense comprise:				
Estimated current income tax expense	26,685	109,675	124,979	510,789
Deferred tax expense	(106,584)	(438,060)	77,076	315,010
	(79,899)	(328,385)	202,055	825,799

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023****20. INCOME TAX EXPENSE (CONT'D)**

20.1 Deferred tax liabilities

The movements of deferred tax liabilities in respect of property and equipment as well as intangible assets during the financial year are as follow:

	2023 USD	2023 KHR'000	2022 USD	2022 KHR'000
At 1 January	604,290	2,487,862	527,214	2,147,870
Recognised in profit or loss	(106,584)	(438,060)	77,076	315,010
Currency translation differences	-	(16,673)	-	24,982
At 31 December	<u>497,706</u>	<u>2,033,129</u>	<u>604,290</u>	<u>2,487,862</u>
Deferred tax (assets)/liabilities of:				
Unused tax losses	92,196	376,621	-	-
Unabsorbed capital allowance	637,208	2,602,995	627,230	2,582,306
Allowance on impairment	(42,051)	(171,778)	-	-
Unearned revenue	-	-	(22,940)	(94,444)
Other	(189,647)	(774,709)	-	-
Balance at 31 December	<u>497,706</u>	<u>2,033,129</u>	<u>604,290</u>	<u>2,487,862</u>

20.2 Taxation contingencies

The taxation system in Cambodia is relatively new and is characterised by numerous taxes and frequently changing legislation, which is often unclear, contradictory, and subject to interpretation. Often, differing interpretations exist among numerous taxation authorities and jurisdictions. Taxes are subject to review and investigation by a number of authorities, who are enabled by law to impose severe fines, penalties and interest charges. These facts may create tax risks in Cambodia substantially more significant than in other countries. Management believes that it has adequately provided for tax liabilities based on its interpretation of tax legislation. However, the relevant authorities may have differing interpretations and the effects could be significant.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023****21. RELATED PARTY DISCLOSURES**

		2023	2023	2022	2022
	Relationship	USD	KHR'000	USD	KHR'000
Current					
Amounts due from					
United Food Co., Ltd.	Company which a director has interest	115,146	470,374	22,186	91,340
Phnom Penh Securities Plc.	Company which a director has interest	36,870	150,611	26,204	107,882
Kuy Vat	Former Shareholder	-	-	626,068	2,577,522
		<u>152,016</u>	<u>620,985</u>	<u>674,458</u>	<u>2,776,744</u>
Amounts due to Hong Uy	Shareholder	4,933,736	20,154,312	5,700,000	23,466,900

The outstanding balances are unsecured, free of interest with no fixed terms of repayment.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023****21. RELATED PARTY DISCLOSURES (CONT'D)**

The Company had the following transactions with related parties during the financial year:

		2023	2023	2022	2022
	Relationship	USD	KHR'000	USD	KHR'000
<u>Trade</u>					
United Food Co., Ltd.	Company which a director has interest				
Rental		85,636	351,964	19,066	77,923
Management fee		7,324	30,102	3,120	12,751
Phnom Penh Securities Plc.	Company which a director has interest				
Rental		9,456	38,864	12,672	51,790
Management fee		1,210	4,973	1,049	4,287
<u>Non-trade</u>					
Kuy Vat	Former Shareholder				
Advance to shareholder		697,188	2,879,386	-	-
Transfer to other receivables		(1,323,256)	(5,465,047)	-	-
Hong Uy	Shareholder				
Advance from shareholder		227,736	935,995	12,284,023	50,204,802
Repayment of advance		(994,000)	(4,085,340)	(6,291,484)	(25,713,295)

22. (LOSS)/EARNINGS PER SHARE

	2023	2023	2022	2022
	USD	KHR'000	USD	KHR'000
(Loss)/profit attributable to ordinary equity holders	(2,170,720)	(8,921,659)	55,429	226,538
Weighted average number of shares in issue	1,000,000	1,000,000	1,000,000	1,000,000
Basic (loss)/earning per share	(2.171)	(8.922)	0.055	0.227
Diluted (loss)/earning per share	(2.171)	(8.922)	0.055	0.227

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

The Company had no dilutive potential ordinary shares as at the periods ended. As such, the diluted earnings per share were equivalent to the basic earnings per share.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

23. FINANCIAL INSTRUMENTS

The table below provides an analysis of financial instruments categorised as amortised cost under CIFRS 9 and financial liabilities categorised as other liabilities measured at amortised cost:

	2023 USD	2023 KHR'000	2022 USD	2022 KHR'000
Financial assets				
Amortised cost				
Trade and other receivables*	1,360,144	5,556,188	402,728	1,658,031
Amount due from related parties	152,016	620,985	674,458	2,776,744
Cash and cash equivalents	6,493	26,524	442,090	1,820,085
	<u>1,518,653</u>	<u>6,203,697</u>	<u>1,519,276</u>	<u>6,254,860</u>

*Excludes deposit and advances, prepayments and withholding tax credit.

	2023 USD	2023 KHR'000	2022 USD	2022 KHR'000
Financial liabilities				
Amortised cost				
Trade and other payables**	160,548	655,838	117,265	482,780
Corporate bond payable	1,475,246	6,026,380	1,476,943	6,080,573
Borrowings	19,676,494	80,378,478	20,275,786	83,475,411
Amounts due to related parties	4,933,736	20,154,312	5,700,000	23,466,900
	<u>26,238,887</u>	<u>107,185,853</u>	<u>27,569,994</u>	<u>113,505,664</u>

**Excludes customer deposits, other tax payables and unearned revenue.

24. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The financial risk management objective of the Company is to optimise value creation for its shareholders whilst minimising the potential adverse impact arising from volatility of the financial markets.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Company. The Management then establishes the detailed policies such as authority levels, oversight responsibilities, risk identification and measurement and exposure limits in accordance with the objectives and underlying principles approved by the Board of Directors.

24.1 Credit risk

Credit risk is the risk of financial loss to the Company if a counter party to a financial instrument fails to perform as contracted. The Company is mainly exposed to credit risk from credit sales. It is the Company's policy to monitor the financial standing of its counter parties on an ongoing basis to ensure that the Company is exposed to minimal credit risk

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

24. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (CONT'D)

24.1 Credit risk (Cont'd)

The Company's primary exposure to credit risk arises through its trade receivables from its customers. The credit period is three months and the Company seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by the Management.

24.2 Liquidity and cash flow risk

Liquidity and cash flow risk arises from the Company's management of working capital. It is the risk that the Company will encounter difficulty in meeting its financial obligations when they fall due.

The Company actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all operating, investing and financing needs are met. In liquidity risk management strategy, the Company maintains a level of cash and cash equivalents deemed adequate to finance the Company's activities for the next twelve months.

24.3 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument of the Company would fluctuate because of changes in market exchange rates.

The exposure of the Company to interest rate risk arises primarily from loans and borrowings. The Company manages its interest rate exposure by closely monitoring the debt market and where necessary, maintaining a prudent mix of fixed and floating rate borrowings. The Company does not use derivative financial instruments to hedge any debt obligations.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

25. SIGNIFICANT EVENT DURING THE REPORTING YEAR

On 30 December 2022, Company acquired a residential building, called Amara Residence in Phnom Penh, having Mr. Kuy Vat as one of the co-owners. The acquisition was financed with term loan from a bank and proceeds from Green Bond issuance in accordance with the principle and requirement to convert this building into green building. The Company had publicly disclosed the said acquisition in both its annual report of 2022 and its audited financial report of year end 2022 by the independent auditor. Upon acquiring the asset, the Company commenced the process of transferring ownership of the land and Amara Residence to itself.

On 28 June 2023, Mr. Kuy Vat is no longer a shareholder of the Company and he is currently has no role in the Company.

During the transfer of ownership over the land and Amara Residence to the Company, the Company was informed of the provisional attachment ruling no.275 "G1" D.R, dated 29 June 2023, issued by the Phnom Penh Municipal Court of First Instance, which provisionally attached the properties of Mr. Kuy Vat. Including Amara Residence which was acquired by the Company. As a result, this court ruling has temporarily prevented the transfer of ownership over the Amara Residence to the Company.

In response, the Company is seriously and diligently taking legal action to object to the court ruling in order to protect its interest and reputation, as well as to ensure its transparency and accountability to its investors and the public. The legal firm appointed by the Company has opined that the court proceeding would not result in any direct financial loss to the Company, other than the legal cost incurred.

26. EVENTS AFTER THE REPORTING DATE

There is no significant adjusting or non-adjusting event that has occurred between 31 December 2023 and the date of authorisation of these financial statements.



GOLDEN
TREE

REPORT ON CORPORATE GOVERNANCE

2023



52%



24%



84%

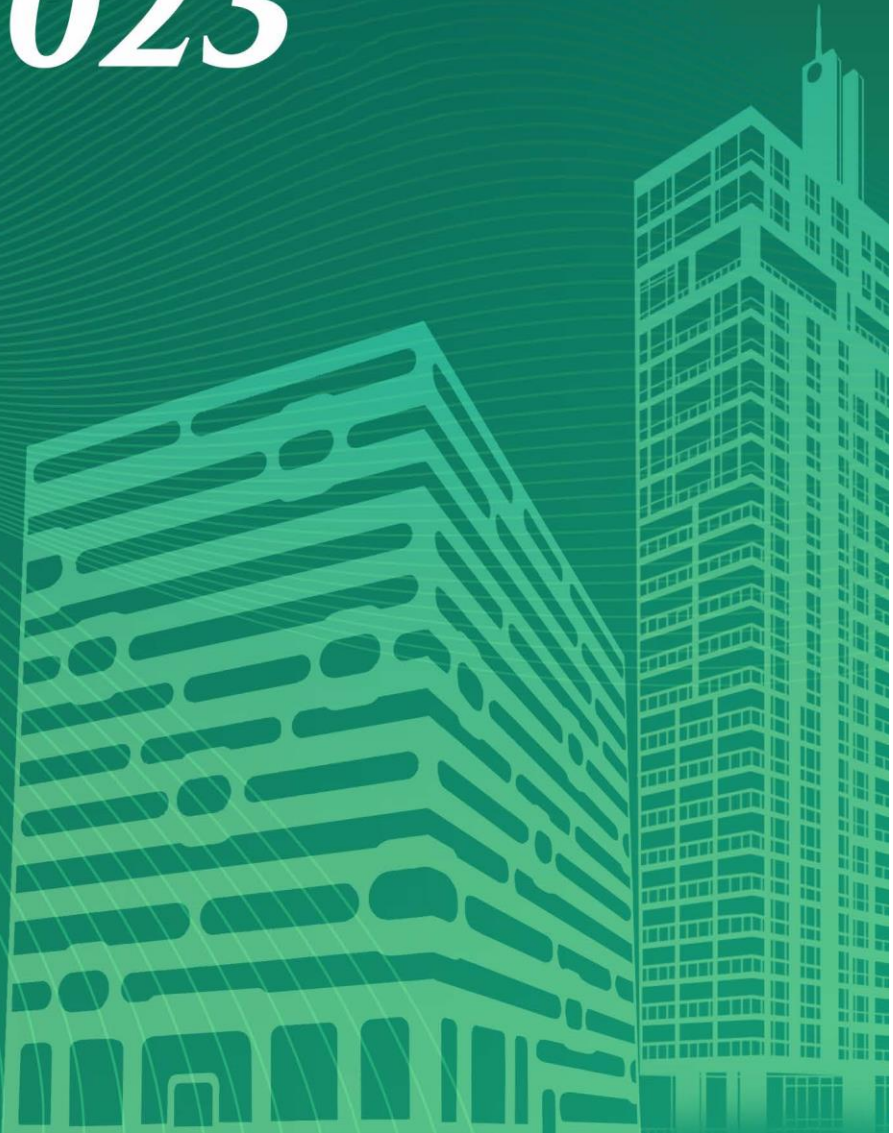


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The background is a vibrant green with a complex, abstract design. It features a grid of small dots that forms a large, stylized number '2' or a similar shape. There are also several overlapping circles and curved lines in various shades of green, creating a sense of depth and movement. The overall aesthetic is modern and digital.

PART ONE
SHAREHOLDERS

A. SHAREHOLDING STRUCTURE

1. Shareholders' information

Description	Nationality	Type of shareholders	Number of shareholders	Number of shares	Percentage
Less than 5%	Cambodian	Individual			
		Legal Person			
	Non-Cambodian	Individual			
		Legal Person			
From 5% to 30%	Cambodian	Individual	1	250,000	25%
		Legal Person			
	Non-Cambodian	Individual			
		Legal Person			
From 30%	Cambodian	Individual	1	750,000	75%
		Legal Person			
	Non-Cambodian	Individual			
		Legal Person			
					100%

2. Shareholders who are directors, senior officers and employees of the Company

Shareholders	Number of shareholders	Number of shares	Percentage
Directors	1	250,000	25%
Senior officers	1	750,000	75%
Employees			
Total	2	1,000,000	100%

Mr. Hong Uy is a shareholder, Chairman of the Board director and Chief Executive Officer of Golden Tree. He holds 750,000 shares at 75% of the total shares outstanding.

Mr. Sok Piseth is a shareholder and Non-executive director. He holds 250,000 shares at 25% of the total shares outstanding.

B. SHAREHOLDERS' PROTECTION AND RIGHTS

1. Shareholders' rights

GT respects the right of shareholders equitably as proclaimed by the company's Article of Incorporation, Prakas on Corporate Governance of the listed companies by SERC, and any relevant laws and regulations.

The rights of shareholders are

- The right to register ownership, conveyance or transfer shares.
- The right to obtain relevant information of the company that is factual, complete, adequate, and timely for decision making.
- The right to attend the general shareholder meetings and express opinions or propose various matters to the Board of Directors.
- The right to Exercise their voting rights at the shareholders' meeting in the case of changes in important policies, directions and extra-ordinary transactions of the company
- The right to consider and approve profit allocation and dividend payments
- The right vote on the election or removal of a member of the Board of Directors.
- The right to appoint a person to attend the meeting and vote on their behalf if they are unable to attend the meeting.

2. Protection of shareholders' rights and the Company's practice of the protection of the shareholders' rights

The rights of shareholders are protected under the company's Article of Incorporation, Prakas on Corporate Governance of the listed companies by SERC, and any relevant laws and regulations.

All shareholders of the same class shall be treated equally, including minority shareholders and foreign shareholders. Number of votes and their voting right will be respected according to their classes of shares. GT will ensure to not perform any acts which will lead to unfair treatment to shareholders.

3. Protection of the rights of shareholders holding minority shares and implementation

The shareholders who hold minority shares are entitled to the same rights protection as the other shareholders as described above.



C. GENERAL MEETING OF SHAREHOLDERS

1. Procedure of general shareholder meeting and voting

The Board of Directors shall convene the annual general shareholders' at least one per fiscal year in order to consider the Company's operating performance, approval of dividend payments, appointment of the Board of Directors, and other issues that require approval by the shareholders.

The general shareholders can be called by the Chairman of the BOD, upon request by 51% of directors or upon request by shareholders holding at least 51% of total voting right.

The quorum of any shareholders' meetings shall be shareholders present in person or by proxy, holding at least 51% of total voting shares. If there is not enough quorum, the meeting will delay for 30 days. The subsequent meeting will only require 30% of total voting rights. Notice of the meeting, voting process, details of all agenda items with the facts and reasons and the Board's opinions for each agenda item in the notice of the annual general meeting, accompanying documents, and required documents to be presented on the meeting day will be distributed to shareholders at least 20 days prior to the meeting.

2. Information of general shareholder meeting

No.	Date	Type of meeting	Quorums	Agenda	Resolutions
1	20 June 2023	GMS	100%	<ol style="list-style-type: none">1. Resignation of Mr. Kuy Vat from both Chairman of the Board of Directors and directorship.2. Appointment of Mr. Hong Uy as new Chairman of the Board of Directors.3. Appointment of Mr. Sok Piseth as Non-executive director of the company.	Approved Vote: 100%
				<ol style="list-style-type: none">4. Share Transfer of Mr. Kuy Vat<ul style="list-style-type: none">• 250,000 shares to Mr. Sok Piseth• 250,000 shares to Mr. Hong Uy• Mr. Kuy Vat exited the company as shareholder.• Mr. Sok Piseth joined GT as a new shareholder.	Approved Vote: 100%

				5. Amendment of Memorandum of Association	
2	01 November 2023	GMS	100%	1. Principle approval of the capital increase to USD 10 million	Approved Vote: 100%
				2. Appointment of Ms. Pich Eng as non-executive director	Approved Vote: 100%
				3. Reappointment of Mr. King Kapkalyan as Independent Director and Chairman of the Audit Committee	Approved Vote: 100%
				4. Appointment of Mr. Sok Piseth as Chairman of the Nomination & Remuneration Committee	Approved Vote: 100%
3	12 December 2023	GMS	75%	No resolution adopted	

D. DIVIDEND DISTRIBUTION

1. Dividend policy

Golden Tree Co., Ltd (the "Company") intends to pay dividends to its shareholders and will use the guidelines herein to determine and pay such dividend as is approved by shareholders and announced by the Board of Directors, subject to any provisions in the company's article of incorporated and any legal obligation.

Dividends can be distributed to its shareholders from its distributable profits. The total dividend payment cannot exceed the accumulated total retain earnings.

The company board of directors shall be responsible for the recommendation of the amount and timeline for the declaration and payment of dividends. This proposal must be approved by the majority of shareholders.

- Factor considered determining the amount of dividend
- The recognition of profit and availability of cash for distribution
- Any liabilities and debt payment requirements by which the company is bound from time to time
- The anticipated future obligation and earnings of the company
- The operating and investment plans of the company
- Overall political, economic, social, and technological situation and financial stability of the company.
- Dividend payout in the industry
- Any applicable debt covenants, and

- Any relevant applicable laws and regulations.

The Company will not declare any Dividends where the law prevents such payment and if there are reasonable grounds for believing that the Company is or would be, after a Dividend payment, unable to pay.

The policy will be subject to change if the factors above have significantly changed, and the Board of Directors considers it suitable and appropriate to propose to the shareholders. The new dividend policy shall be approved by most shareholders before taking effect.

2. Historical information of dividend distribution for the last 03 years

None

Note

The company issued and listed its green bond successfully on 19 January 2023. Thus, the company paid interest to the bondholders twice in 2023 as follow:

1. First interest payment on 06 June 2023

No	Description	Amount
1	Bond Types	Green, Unsecured, Unsubordinated in form
2	Number of Bonds	60,721
3	Total Payment	KHR 191,900,158 ≈ USD 46,397.52*
4	WHT Amount	KHR 5,757,004 ≈ USD 1,391.93*

* USD 1 = KHR 4,136

2. Second interest payment on 06 December 2023

No	Description	Amount
1	Bond Types	Green, Unsecured, Unsubordinated in form
2	Number of Bonds	60,721
3	Total Payment	KHR 212,523,500 ≈ USD 51,383.82*
4	WHT Amount	KHR 6,375,705 ≈ USD 1,541.51 *

* USD 1 = KHR 4,136

The background is a vibrant green with a complex, abstract pattern. A prominent feature is a grid of small dots that forms a large, stylized letter 'E' shape, extending from the top left towards the center. The grid lines are more densely packed in some areas, creating a sense of depth and movement. In the bottom left and bottom right corners, there are two large, semi-transparent green circles. The overall aesthetic is modern and digital.

PART TWO

BOARD OF DIRECTORS

A. BOARD OF DIRECTORS

1. Composition of the Board of Directors

Nº	Name	Nationality	Designation	Appointment Date	Date of Expiry of Current Term
The Composition of the Board of Directors as of Reported Date					
1	Mr. Hong Uy	Cambodian	Chairman	14 July 2022	31 December 2024
2	Mr. Sok Piseth	Cambodia	Non-executive director	20 June 2023	19 June 2026
3	Ms. Pich Eng*	Cambodia	Non-executive director	01 November 2023	31 October 2026
4	Mr. Lor Sok* Khim	Cambodia	Non-executive director	14 February 2024	13 February 2027
5	Mr. King Kapkalyan	Cambodian	Independent Director	01 November 2023	31 October 2026
Directors who resigned in 2023					
1	Mr. Kuy Vat	Cambodian	Former Chairman	14 July 2022	Resigned on 20 June 2023
2	Mr. Li Liang	Cambodian	Former Independent Director	14 July 2022	Resigned on 02 October 2023
3	Mr. Ieng Se	Cambodian	Former Non-Executive Director	14 July 2022	Resigned on 02 October 2023

(*) Due to some procedure difficulty, Ms. Pich Eng and Mr. Lor Sok Khim have not been registered as GT's directors with the Ministry of Commerce in time.

2. Directors' Biography

Nº	Name & Position	Experiences
1	Mr. Hong Uy <i>Chairman</i>	<p>With almost 25 years of working experience, Mr. Hong Uy currently is a shareholder, Chairman and CEO of Golden Tree Co., Ltd.</p> <p>As a veteran in Cambodia's business field, Mr. Uy's experience is ranging from the food industry and textile industries to the real estate industry. He was a director of business planning at Taiwan Kam-Huwa and 3 other prominent factories.</p>

		<p>In real estate, Mr. Uy has extensive experience in building development, facilities management, business planning, and consulting services.</p>
2	<p>Mr. Sok Piseth</p> <p><i>Non-executive director</i></p>	<p>Mr. Sok Piseth currently is a shareholder and non-executive director of Golden Tree. He is the co-founder and chief executive officer of GGear Group Company Limited.</p> <p>He graduated from Royal University of Law and Economics (RULE) with a bachelor's degree in informatics economics and from Royal University of Phnom Penh (RUPP) with a bachelor's degree in education focused on teaching English as a foreign language (TEFL). In 2016, he also graduated with an MBA from Australia's Charles Sturt University.</p> <p>In 2007, he opened his first business, Toys & Me, which is Cambodia's first store selling educational toys. He expanded his business portfolio in 2011 by adding the Hyundai Elevator and Escalator, AJ Auto Car Parking System, and GGear Group, an official distributor of LG Electronics products in addition to being a mechanical and electrical engineering company. Furthermore, he is the creator or co-founder of several other businesses and the entrepreneurial ecosystem, including Biz Solution Co., Ltd, Mega Leasing PLC., and Cambodia Investor Club Association, and GEN Cambodia</p>
3	<p>Ms. Pich Eng</p> <p><i>Non-executive director</i></p>	<p>Ms. Pich Eng is a professional consultant with almost 10 years in the area of private investment, taxation and accounting restructuring. She found Camwin Financial Advisory Firm at the end of 2016 with her partner.</p> <p>She is an ACCA Candidate with Master degree of Finance from National University of Management and a license tax agent by GDT.</p>
4	<p>Mr. Lor Sok Khim</p> <p><i>Non-executive director</i></p>	<p>Mr. Lor Sok Khim is a professional consultant with more than 10 years' experience in the field of Business strategy & Execution. He also offers other corporate services such as business registration, corporate restructuring and advisory on foreign business investment into Cambodia.</p> <p>He currently holds a master's degree of Accounting from Royal University of Law and Economics.</p>

5	<p>Mr. King Kapkalyan</p> <p><i>Independent Director</i></p>	<p>He has a diverse background in different fields of business. He is currently the Director of HAPPYPAWN CO.,LTD, a legal pawn service and managing two agriculture projects. He has many years work experience in financial sector such as National Bank of Cambodia, SAMIC Plc.</p> <p>Under his leadership, a small rural credit program has contributed significantly to Cambodia poverty reduction, and health improvement for rural population, and has transformed itself to a licensed Microfinance Company. Furthermore, he also held various directorships in many companies and association such as the Cambodia Microfinance Association, Meada Micro Insurance etc.</p> <p>Mr. Kalyan earned his degree of master's degree on Organizational Development in the field of MFI Management from SAIDI, Philippines and Master of Business Administration from National University of Management, Cambodia</p>
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3. Directors' Role in Another Company as Director, A Shareholder, An Owner or A Partner of Another Company

No	Name	Companies/Entities	Role (Director/Shareholder/ Owner/Partner)
1	Mr. Hong Uy	VTrust Property Co., Ltd.	Chairman of BOD
		Thean Long (Cambodia) Investment Group Co., Ltd.	Chairman of BOD
		VTrust-Keiai Solutions Co., Ltd.	Director
		Camwin Financial Advisory Co., Ltd	Director
2	Mr. Sok Piseth	G Gear Group Co., Ltd	Director
		G Gear Pronith Co., Ltd	Chairman of the BOD
		Biz Solution Co., Ltd	Chairman of the BOD
		Mega Leasing PLC.	Director
		Cambodia Investor Corporation Plc	Chairman of the BOD
		Smart Fun Co., Ltd	Director
		Cogetel Ltd	Director
		AIA (Cambodia) Life Insurance Plc	Director
		Micromax Co., Ltd	Director
		Thean Long (Cambodia) Investment Group Co., Ltd.	Director
Phum Digital Co., Ltd	Chairman of the BOD		

		Alpha Tree Plc	Chairman of the BOD
		Amara Capital PLC	Director
		Pacnovation Co., Ltd	Chairman of the BOD
		Lotusroot Co., Ltd	Director
		Accineur Venture Co., Ltd	Director
		Mega Fund Limited	Director
		Westline Education Group Co., Ltd	Director
		Eduinvestment International Co. Ltd	Director
3	Ms. Pich Eng	Camwin Financial Advisory Co., Ltd	Chairwoman of BOD
		Camwin Logistic Co., Ltd	Chairwoman of BOD
4	Mr. Lor Sok Khim	Camwin Logistic Co., Ltd	Director
		Camwin Service Co., Ltd	Chairman of the BOD
5	Mr. King Kapkalyan	HAPPYPAWN CO., LTD.	Director

4. Board Roles, Duties, Responsibilities and Performance

Pursuant to Article 32 of the registered Memorandum and Articles of Association of GT dated 08 July 2022, the Board of Directors shall have but is not limited to, the following powers.

- a- To appoint, remove, suspend and determine the powers of the officers.
- b- To determine the remuneration for the officers;
- c- To propose salaries and other compensation to the directors and submit the proposal to the shareholders for approval;
- d- To print and sell promissory notes, bonds, bonds, and other forms of debt and the terms of all these instruments;
- e- To establish, review and update company policies to ensure accountability, transparency, integrity, and good corporate governance;
- f- To define the business plan, goals, and strategies of the company;
- g- To propose to the shareholders to decide to amend the company's articles of association;
- h- To propose to the shareholders to decide on the merger agreement or merger between the company and any other person;
- i- To propose the shareholders to decide to sell all or a large part of the company's assets;
- j- To propose the shareholders to decide to dissolve or clear the liquidation of the company;
- k- To propose the shareholders to decide to divide the dividend according to the accounting principles and according to the dividend allocation policy of the company;

- l- To propose the shareholders to decide to issue the shares of the company to the extent permitted by the company's articles of association and in accordance with the law on commercial enterprises;
- m- To propose shareholders to decide to borrow money on behalf of the company;
- n- To propose the shareholders to decide to sell or resell or sell the company's securities;
- o- To propose the shareholders to decide to provide the guarantee on behalf of the company;
- p- To propose the shareholders to decide to mortgage the mortgage or create interest on the lien on all or any property of the company to secure any obligations of the company; and
- q- To prepare financial statements for each fiscal year (as defined below) for submission to shareholders for approval.

5. Board Meetings

No.	Date	Type of Meeting	Name of directors attending the meeting
1	13 February 2023	Physical Meeting	Mr. Hong Uy Mr. Li Liang Mr. King Kapkalyan
2	30 March 2023	Physical Meeting	Mr. Hong Uy Mr. Li Liang Mr. Ieng Se Mr. King Kapkalyan
3	28 April 2023	Physical Meeting	Mr. Kuy Vat Mr. Hong Uy Mr. King Kapkalyan Mr. Li Liang Mr. Ieng Se
4	18 May 2023	Physical Meeting	Mr. Hong Uy Mr. Li Liang Mr. Ieng Se Mr. King Kapkalyan
5	20 June 2023	Physical Meeting	Mr. Kuy Vat Mr. Hong Uy Mr. King Kapkalyan Mr. Li Liang Mr. Ieng Se Mr. Sok Piseth
6	01 November 2023	Physical Meeting	Mr. Hong Uy Mr. Sok Piseth Mr. King Kapkalyan Ms. Pich Eng

7	12 December 2023	Physical Meeting	Mr. Hong Uy Mr. Sok Piseth Mr. King Kapkalyan Ms. Pich Eng
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Please note that:

- Mr. Kuy Vat, previous Chairman of the Board of Director, resigned his both chairmanship and directorship from Golden Tree on 20 June 2023.
- Mr. Li Liang, previous independent director, and Mr. Ieng Se, previous non-executive director, resigned their directorship from the Board of directors on 02 October 2023.

B. COMMITTEES

1. Committees Structure

1.1 Audit Committee

The Audit Committee should be established by the Board of Directors and composed of at least three members. The appointment shall be confirmed by the shareholders. All the Audit Committee members may be made up of non-executive directors, if possible. However, the Chair of the Audit Committee shall be an independent director. The chair of the audit committee shall have a deep understanding and knowledge of accounting and finance.

No.	Name	Position	Appointing Date	Number of attending the meeting	Total number of meetings
The composition of the committee as of the date of the report					
1	Mr. King Kapkalyan	Head of the committee	01 November 2023	5	5
2	Ms. Pich Eng	Member	26 March 2024	2	5
3	Mr. San Laty	Member	26 March 2024	1	5
Members who resigned in 2023					
1	Mr. Li Liang	Former member	14 July 2022	3	5
2	Mr. Ieng Se	Former member	14 July 2022	3	5

Please note that:

- Mr. Li Liang, previous independent director, and Mr. Ieng Se, previous non-executive director, resigned their directorship from the Board of directors on 02 October 2023. They both were also members of the audit committee.



Responsibilities of the Audit Committee:

The audit committee's main duties, among others, shall

- Establish internal audit and risk management policy, process, and procedure.
- Monitor the effectiveness of internal audit procedures and risk management system.
- Strengthen any weakness found during the audit of the internal control system.
- Monitor compliance with the internal code of conduct. Corporate governance policy and related party transaction policy.
- Prepare an annual report on its operation, highlighting the principal incidents rising and the appropriate action to rectify those incidents.
- Review external audit report.

Results of Audit Committee

In 2023, the member of the committee had five meetings to

- Discussed and approved the company's financial statements (both quarterly reviewed and annual audited financial statements)
- Reviewed and discussed on the Internal Audit Report.

1.2 Nomination and Remuneration Committee

The Nomination and Remuneration Committee plays a key role in reviewing and proposing the remuneration or benefits to Directors and Senior Management. With an objective of achieving reasonable and acceptable rates and seeking to ensure the appointment and retention of appropriate talent for the further success of GT, the Nomination and Remuneration Committee is established by the Board of Directors. The Nomination and Remuneration Committee shall be composed of at least three (3) members and shall have a non-executive director as its chairman. If GT does not have a non-executive Director, the Independent Director shall chair this committee. The Nomination and Remuneration Committee has a crucial role in engaging and retaining professional directors and Senior Management to ensure the long-term success of GT.

No.	Name	Position	Appointing Date	Number of attending the meeting	Total number of meetings
The composition of the committee as of the date of the report					
1	Mr. Sok Piseth	Head of the committee	01 November 2023	1	1
2	Mr. Lor Sok Khim	Member	26 March 2024	0	1
3	Mr. Hong Uy	Member	14 July 2022	1	1
Members who resigned in 2023					
1	Mr. Ieng Se	Former Chairman	14 July 2022	0	1

2	Mr. King Kapkalyan	Former member	14 July 2022	0	1
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Please note that:

- Mr. Ieng Se, previous non-executive director, resigned their directorship from the Board of directors on 02 October 2023. He was also the chairman of the Nomination & Remuneration Committee.
- Mr. King Kapkalyan resigned from the member of the committee in 2023 but maintain his chairmanship at the Audit Committee.

Responsibilities of the Nomination and Remuneration Committee:

The remuneration and nomination committee's main duties, among others, shall

- Propose and evaluate the necessary skills, knowledge, and experience of the members of the Board of Directors and the executive teams.
- Propose the appointment of the directors and management team
- Inform about proposals for appointment or removal of senior executive
- Regularly access the structure, size, composition, and performance of the boards and its committee

Results of the Nomination and Remuneration Committee

In 2023, the members of the committee had meetings on the same date as the Board of Directors meeting to discuss the vacancy of the board and the committee upon the amendment of shareholders and Board of directors after 20 June 2023.

1.3 Risk committee (if any)

As at 31 December 2023, we have no risk management committee.

1.4 Other committees

As at 31 December 2023, we have no other board's committees.

2 Change of Committees member

Please see discussion above.

C. REMUNERATION OR COMPENSATION

1. Brief Policy on Benefits or Allowances for Directorships and Senior Staffs



Remuneration and compensation matters for directors is determined by the shareholders after careful consideration and recommendation from the Board of Directors and its committee.

Remuneration and compensation matter for senior executives is determined by the Nomination and Remuneration Committee with the recommendation from CEO.

2. Remuneration and Compensation Receivers

No.	Remuneration and compensation receivers	Remuneration and compensation amount	Other
1	All directors	USD 2,800	None
2	Senior officers	USD 93,051	None
3	Top 5 employees receiving Remuneration and compensation	USD 95,781	None

D. ANNUAL PERFORMANCE ASSESSMENT OF BOARD, DIRECTORS, COMMITTEES AND CEO

No.	Description	Evaluation process	Marking criteria
1	Board of directors	By the shareholders	<ul style="list-style-type: none"> • Outcome of the business operation • Participation in Board meeting
2	Directors	By the chairman of the board of directors	<ul style="list-style-type: none"> • KPI determined by the BOD • Participation in Board meeting
3	Committees	By the board of directors	<ul style="list-style-type: none"> • KPI and tasks assigned determined by the BOD • Participation in Board meeting
4	CEO	By the chairman of the board of directors	<ul style="list-style-type: none"> • Outcome of the business performance • KPI determined by the BOD

E. TRAINING FOR DIRECTORS AND SENIORS OFFICERS

In 2023, Golden Tree did not have any training for directors.

For senior officers, they can participate in any external training and education at their own choices. Any fees related to those training will be reimbursed if the HR department determines that those courses are related to their field of work and will contribute to the success of GT.



The background is a vibrant green with a complex, abstract pattern. A prominent feature is a grid of small dots that forms a large, curved shape, resembling a stylized letter 'E' or a similar geometric form. This grid is set against a backdrop of various shades of green, including solid colors and subtle gradients. In the lower-left and lower-right corners, there are two large, semi-transparent green circles. The overall aesthetic is modern and digital.

PART THREE

CODE OF CONDUCTS

A. POLICIES RELATED TO THE CODE OF BUSINESS CONDUCTS OF DIRECTORS, SENIOR OFFICES AND EMPLOYEES

The Board of Directors has formulated a Business Code of Conduct for all members of the company to follow. This conduct applies to all directors, executive team and employees. The board of directors expects all members of the company to respect the values, principles and rules contained therein and apply them in their professional activities and their internal and external relations.

The Code of Conduct will be based on the values of quality, trust and social commitment to all stakeholders and will promote the following principles for action:

- Compliance with Kingdom of Cambodia relevant laws and regulations.
- Respect for people, cultures, institutions, political pluralism, and the environment. Any discrimination against race, gender, political views or religious view are tolerated.
- Integrity. All members of the company should work and make decisions with integrity and sincerity. We must ensure that all our statements, communications, and representation to any stakeholders are accurate and complete.
- Transparency. All critical and main policies, procedures and relevant information shall be disseminated to all relevant members of the company. The Board of Directors and HR department shall conduct regular training on those policies and procedures. Furthermore, the main policies, relevant information and audited financial statements shall be published the main on the corporate website.
- Excellence and professionalism. All members of the company shall work with professionalism. Members shall continue to improve their performance and efficiency. We shall strive for excellence in any aspect of what we do.
- Confidentiality of information. All private and confidential information entrusted by shareholders and customers shall be safeguarded.
- Conflict of Interest. All members shall comply with the company policy on conflict of interest and shall not participate in those activities. If any member is in doubt, the/she shall report it to the HR department for clarification. If the serious is critical, it must be reported to the Board of Directors for investigation.
- Social responsibility with the Company's commitment towards the environment in the performance of its business

B. DISSEMINATION OF BUSINESS ETHICS TO DIRECTORS, SENIORS OFFICERS AND EMPLOYEES

The HR department conducts regular training for all employees. New employees will receive the training upon hire.

C. MECHANISMS AND PROCEDURES TO ACCESS CODE OF CONDUCTS PRACTICES

The members of the Board of Directors, senior officers and employees are required to strictly practise the code of conduct. Since the adoption of the conduct, there have been no serious problems committed by the members of the Board of Directors and the management in all areas contrary to this Code.

The HR department conducts regular training to all employees. New employees will receive the training upon hire. GT has created a channel for anyone in the company to report any suspicion of illegal or unethical acts to the management or audit committee directly in order to resolve those acts in a timely manner.

D. RELATED PARTY TRANSACTIONS

1. Company policy for managing transactions with related parties

As of December 31, 2023, Gt has no policy governing transactions with its stakeholders.

No.	Related Parties	Policies
1	Holding companies	N/A
2	Joint venture agreement	N/A
3	Subsidiaries	N/A
4	Controlling shareholder	N/A
5	Directors or Directors' family	N/A
6	Senior Officers or Senior Officers' family	N/A
7	Others	N/A

E. MATERIAL TRANSACTIONS WITH RELATED PARTIES

As of 31 December 2023, the outstanding balance of the related parties are as follows:

No.	Related Person	Type of Transaction	Outstanding Balance	Description
1	Hong Uy	Shareholder	USD 4,933,736	Loan from shareholder to purchase Amara Residence
2	Kuy Vat	Former Shareholder	USD 1,323,256	Loan to former shareholder
3	United Food Co., Ltd *	Company with a director has interest	USD 115,146	Rental receivable
4	Phnom Penh Securities Plc *	Company with a director has interest	USD 36,870	Rental receivable

(*) As Mr. Kuy Vat exited the company on 20 June 2023. Starting Quarter one of 2024, Phnom Penh Securities Plc and United Food Co., Ltd are no longer company related parties.



The background is a dark green gradient with a complex, abstract pattern of light green dots and lines that form a grid-like structure. This pattern is overlaid with several large, semi-transparent geometric shapes, including a large circle in the upper right and a large triangle in the lower right. The overall aesthetic is modern and technical.

PART FOUR

**RISK MANAGEMENT,
INTERNAL CONTROL & AUDITING**

A. SUMMARY OF RISK MANAGEMENT SYSTEMS OR RISK MANAGEMENT POLICY

A risk management policy is currently being developed by the Audit Committee. GT's new risk policy is guided by the principle of ESG (Environment, Social and Governance). Currently, GT management simplifies the policies into risk flow charts so that it is more practical.

The management team discusses potential risks and threats regularly in order to contain or mitigate those risks.

B. SUMMARY OF INTERNAL CONTROL SYSTEM

The Internal Audit Unit was established in Q3 2022. In Q3, 2022 the charter of the audit committee was established. It clearly defines the roles, duties and responsibilities for independent evaluation of the internal control system.

Audit Committee with the internal audit unit are mandated to provide independent oversight on the management of the financial, operational and code of conduct reporting.

C. AUDIT

1. Internal Audit

1.1 Duties and Responsibilities of the Internal Auditor

Duties and Responsibilities of the Internal Auditor are:

- review and evaluate the procedure of financial reporting.
- reviews and evaluate operational process and procedures.
- reviews compliance on financial, operational and risk management policy and others
- prepare and present report that reflect audit results to management team and board of directors.
- recommend risk aversion measures.
- investigate any reporting from members related to the potential violation of code of conduct.

1.2 Appointment and Removal / Removal of the Chairman and / or Deputy Chairman of the Internal Audit

None

2. External auditor

No.	Company	Date of Appointment	Services Fees	Other non auditing fees
1	Crowe (KH) Co., Ltd	17 March 2023	USD 16,200	N/A



The background is a vibrant green with a complex, abstract design. It features a grid of small dots that forms a large, curved, funnel-like shape. This shape is set against a backdrop of diagonal stripes and several large, semi-transparent circles. The overall aesthetic is modern and digital.

PART FIVE
STAKEHOLDERS

A. IDENTIFY POLICIES AND ACTIVITIES RELATED TO THE FOLLOWING

No.	Items	Policies	Activities
1	Customer Welfare	N/A	Ensure excellent service standards
2	Selecting suppliers / contractors	N/A	Ensure quality and price bidding.
3	Management and protection of employees	N/A	Provide salaries and other benefits in accordance with applicable laws and regulations
4	Environmental protection	N/A	Upgrade building into a green building.
5	Interact with the community	N/A	
6	Protection of creditors' rights	N/A	Payment on time in accordance with the agreement
7	Anti-Corruption Program	N/A	Review by the management team
8	Others	N/A	N/A

B. DESCRIBE THE COMPANY'S SOCIAL RESPONSIBILITY

In 2023, Golden Tree did not make any donation to any charity.

The background is a vibrant green with a complex, glowing wireframe structure that resembles a stylized letter 'E' or a similar geometric form. The wireframe is composed of numerous small dots and lines, creating a sense of depth and movement. There are also several large, semi-transparent green circles and curved shapes scattered across the background, adding to the abstract and modern aesthetic.

PART SIX

DISCLOSURE & TRANSPARENCY

A. DISCLOSURE IN THE ANNUAL REPORT AS THE FOLLOWING:

No.	Information	Yes/No
1	Vision / Mission / Business Goals	Yes
2	Key Indicators	Yes
3	Non-financial key indicators	Yes
4	Risk factors	Yes
5	Dividend policy	Yes
6	Biography of all directors	Yes
7	Training for all directors	Yes
8	Number of the meeting of the board of directors	Yes
9	Presence in the meeting of the board of directors	Yes
10	Compensation of the directors and senior officers	Yes

B. DESCRIBE THE MECHANISM OF DISCLOSURE, DESCRIBING THE MEANS, PROCEDURES AND STAFF IN CHARGE OF PROVIDING INFORMATION.

GT is currently listed on the Cambodia Securities Exchange, so we are required to provide timely with transparent information including quarterly, and annual reports, and any updates on the Company's operations, financial position and other necessary information. Stakeholders and public investors, including the Company's shareholders, are entitled to access the above-mentioned information in a timely manner through the Company's website at www.goldentree.com.kh, the SEC's website is www.serc.gov.kh and the website of the Cambodia Securities Exchange is www.csx.com.kh.

The corporate disclosure's officers provide timely, voluntary and other necessary information to the CSX via E-Disclosure.

GT investor relation team are

- Mr. Sereyrotanak Oum, Corporate Disclosure Officer
- Mr. Meas Somnang, Assistant to Corporate Disclosure Officer
- Mr. Sim Sambath, Assistant to Corporate Disclosure Officer

C. INVESTOR RELATIONS

1. Demonstrate the mechanism and procedure of communication with investors



Investors can contact the company directly during business hours if they have any questions or concerns that affect the decisions and interests of stakeholders and public investors.

- Email: investor-relation@goldentree.com.kh
- Phone number: 023-224-701

2. Briefly describe the relationship with investors in the last 1 (one) year

GT has contacted investors for all important matters such as:

- The delay of the report
- Change use of proceed for the green bond.
- The provisional attachment on the Amara Residence.
- The going concerns of the audited financial statements.



**Plot A Land, Street 169 , Sangkat Veal Vong , Khan 7 Makara ,
Phnom Penh, Cambodia**



+855 23 224 701



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www.goldentree.com.kh



**GOLDEN
TREE**

ALLOCATION & IMPACT REPORT

2023



52%



24%



84%



GREEN BOND AT A GLANCE

Debt securities type	Corporate bond Green Bond
Symbol	GT27A
Issuing date	06 December 2022
Total amount of debt securities	KHR 6,072,100,000
Total amount of outstanding debt securities	KHR 6,072,100,000
Maturity date	06 December 2027
Coupon payment schedule	Semi-annually
Coupon Rate (%)	7% per annum
Total amount of coupon payment	KHR 425,047,000 per annum



STATEMENT FROM THE CHAIMAN OF THE BOARD OF DIRECTORS

Dear Friends, Partners and Investors of Golden Tree

Sustainable finance can be highly instrumental of the achievement of our beloved country – Cambodia- sustainability and transition goal to net zero by 2050. As a building operator, we at Golden Tree (GT) believe in building better communities of living by investing to make a positive and lasting impact on our people, tenants, and stakeholders. We believe in operating our business in a manner that promotes environmentally friendly by continuously reducing the environment impact as well as positively contributing to the low carbon economy.

For that reason, we issued Cambodia's maiden green bond to finance/refinance and upgrade our buildings into green buildings. Our existing building – VTrust Tower is the first green commercial building, certified by Edge. To even make a bigger impact on fighting climate change, we decide to change the use of proceeds from our issuance of green bond from refinance VTrust Tower, which is an existing green building, to refinance and develop Amara Residence into a green building.

This document reports on the allocation and impact of the net proceeds of our green bond, issued on 06th December 2022 and listed on the Cambodia Securities Exchange (CSX) on 19 January 2023. We would like to announce that our target of investing the proceeds in sustainable projects within 24 months of the issuance has been achieved. However, as Amara is still under construction, its impact has not been materialized.

At GT, we have a clear commitment to contribute to fighting against climate change. We believe that acting responsibly is the foundation of our value creation for and with all our stakeholders. We are confident that this report will provide you with a valuable insight into our activities, and that it demonstrates our strong commitment to a sustainable future.

Best Regards,



Mr. HONG UY

Chairman of the Board of Directors

Date: 26 March 2024



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GOLDEN TREE AT A GLANCE



Golden Tree is a Real Estate Operating Company that operates, manages, and leases office buildings to well-diversified tenants.



Product and services

1. Office and residential leasing
2. Property management
3. Real estate investment and consultation



Currently GT Owns:

1. Green commercial building – VTrust Tower, certified by Edge
2. Residential building – Amara Residence



Notable Achievement

First green bond issuer in Cambodia



OUR BUILDINGS

VTrust Tower is a 15-story commercial office building which was awarded the EDGE (Excellence in Design for Greater Efficiencies) certificate on 02 March 2022, by International Finance Corporation (IFC), a member of the World Bank Group. VTrust Tower currently is the second green building, Edge certified by IFC in Cambodia.

- **Property Type:** Office Building
- **Description:** 15-story office building
- **Facilities**
 - Recreational facilities on the 4th floor
 - Parking on basement, levels 1 & 2
- **Award**
 - Edge Certification
- **Construction Period**
 - May 2010 - September 2015
- **Address**
 - Plot A, Czech Republic Boulevard (Street 169), Sangkat Veal Vong, Khan 7 Makara, Phnom Penh
- **Location**
 - Less than 2km to the south-west of the CBD of Phnom Penh, by roads
- **Land Area:** 2,557 SQM
- **Gross Floor Area:** 25,959 SQM
- **Net Lettable Area (NLA):** 15,572 SQM



OUR BUILDINGS (Cont)

Amara Residence, a 25-story residential building, which GT purchased in December 2022. The building is intended to be operated as the Service Apartment

- **Property Type**
 - Serviced Apartment
- **Description**
 - 25-storey building under construction
 - 95% completion as of March 2024
- **Address**
 - St. 41, Tonle Bassac Commune, Chamkarmon, Phnom Penh.
- **Location**
 - Less than 2.8 km from the independence monument and less than 4.9km from the CBD of Phnom Penh, by roads.
- **Land Area:** 492 SQM
- **Gross Floor Area:** 8,928 SQM
- **Net Lettable Area (NLA):** 5,550 SQM



ALLOCATION REPORT

GT issued Cambodia's maiden green bond on 06th December 2022, which was successfully listed on Cambodia Securities Exchange on 19th January 2023.

The relevant bond details are as follows:

Debt securities type	Corporate bond Green Bond
Symbol	GT27A
Issuing date	06 December 2022
Total amount of debt securities	KHR 6,072,100,000 /USD 1,468,109
Total amount of outstanding debt securities	KHR 6,072,100,000 /USD 1,468,109
Maturity date	06 December 2027
Coupon payment schedule	Semi-annually
Coupon Rate (%)	7% per annum
Total amount of coupon payment	KHR 425,047,000 per annum

The net proceeds were used to finance or refinance eligible projects as defined in Golden Tree's green bond Framework.

Eligible projects

Refinance the purchase and upgrade of Amara Residence into Green Building	USD 1,468,109	100%
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Our initial intention of issuing green bond was to refinance the bank loan of existing green building (VTrust Tower). However, after the issuance, we would like to make even a bigger impact on fighting climate change thus we decide to change the use of proceeds from our issuance of green bond from refinance VTrust Tower, to refinance and develop Amara Residence into a green building.

100% of the proceeds from green bond issuance has been used to refinance and develop Amara Residence into a green building. As of 31 March 2024, the Residence is 90% completed.

VTrust Tower and Amara Residence are described in detail in section II: our buildings and the company's annual report.



IMPACT REPORT

This section of the report provides information about the potential positive ecological impacts of the projects to which the green bond net proceeds were allocated. Such impacts may take varying shapes and forms depending on the individual projects. In line with the commitments and criteria of our Green Bond Framework, we have reported on the most notable potential impacts for each project. The green bond proceeds are allocated with the aim of making positive contributions to the UN Sustainable Development Goals, which are a blueprint for a sustainable future. This is shown by the variety of the different projects. The projects have the potential to contribute to CO₂ benefits by reducing:

- carbon emission
- Energy consumption
- Water consumption
- Embodied Energy in Material.



1. VTrust Tower

VTrust Tower is an existing green building before the bond issuance. As we are the building owner and operator, we have no control over the energy and water consumption of our tenants.

Nonetheless, based on data from Edge certification, as a green building, VTrust is able to save as follows if compared to other similar building:



24% in energy consumption



52% in water consumption



84% less embodied energy materials



232.04 tone of potential reduction of CO₂

<https://edgebuildings.com/project-studies/vtrust-tower/>

2. Amara Residence

As the building is under construction, the impact has not been materialized.



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Press Release

On changing the use of proceeds from the issuance of green bonds Of Golden Tree Co.,Ltd

Golden Tree Co.,Ltd (GT) would like to inform investors and the public that:

Golden Tree's (GT) will change the use of proceeds from the issuance of green bonds which listed on 19 January 2023 at Cambodia Securities Exchange (CSX) as follow:

1. To refinance loans for Amara Residence
2. To develop Amara Residence into a green building in the near future.
3. To refinance bank loan of V Trust Tower, which is currently the green building

The report on the use of proceed will be published along with Golden Tree 2023 annual report. Golden Tree believes that by upgrading additional new green building will definitely contribute to enviromental sustainability and fighting climate changes.

Therefore, investors and the public please kindly note and understand as mentioned.

Phnom Penh, 26th June 2023



Golden Tree Co.,Ltd

**NOTIFICATION
ON**

Amendment to the Memorandum of Association of GOLDEN TREE Co., Ltd

GOLDEN TREE Co., Ltd, the first company in Cambodia issued Green Bond on the Cambodia Securities Exchange (CSX) on 19th January 2023, would like to inform investors and the public about the changing of company's Memorandum of Association on 28th June 2023 as follow:

1. Change in Ownership Structure

Composition of Shareholders					
Before change (as of 27 June 2023)			After change (28 June 2023 onward)		
Shareholders	Number of Shares	Shares (%)	Shareholders	Number of Shares	Shares (%)
Mr. Kuy Vat	500,000	50%	Mr. Hong Uy	750,000	75%
Mr. Hong Uy	500,000	50%	Mr. Sok Piseth	250,000	25%
Total	1,000,000	100%	Total	1,000,000	100%

2. Change in the Composition of Board of Directors

Composition of Board of Directors			
Before Change (as of 27 June 2023)		After Change (28 June 2023 onward)	
Board of Directors	Position	Board of Directors	Position
Mr. Kuy Vat	Chairman	Mr. Hong Uy	Chairman
Mr. Hong Uy	Executive Director	Mr. Sok Piseth	Non-Executive Director
Mr. Ieng Se	Non-Executive Director	Mr. Ieng Se	Non-Executive Director
Mr. Li Liang	Independent Director	Mr. Li Liang	Independent Director
Mr. King Kapkalyan	Independent Director	Mr. King Kapkalyan	Independent Director

Therefore, investors and the public please kindly note and understand as mentioned.

Phnom Penh, 04th July 2023



Golden Tree Co.,Ltd





Operating in Brilliance

No: GTPR-2311-002

**NOTIFICATION
ON
PROVISIONAL ATTACHMENT OF GOLDEN TREE'S RESIDENTIAL PROPERTY**

GOLDEN TREE Co., Ltd, ("**GT**" or "**Company**"), which is the first company in Cambodia issuing Green Bond on the Cambodia Securities Exchange (CSX) on 19th January 2023, would like to inform investors and the public as follows:

GT acquired one residential building, called AMARA Residence, located at street 41, Sangkat Tonle Bassac, Khan Chamkar Mon, Phnom Penh, on 30 December 2022, having Mr. **KUY VAT** as one of the co-owners. The acquisition was financed with term loan from a bank and proceeds from Green Bond issuance in accordance with the principle and requirement to convert this building into green building. The Company had publicly disclosed the said acquisition in both its annual report of 2022 and its audited financial report of year end 2022 by the independent auditor. Please note that from 28 June 2023 Mr. **KUY VAT** is no longer a shareholder of the company, and he currently has no role in the Company.

During the transfer of ownership over the land and residential building to the Company, the Company was informed of the provisional attachment ruling no.275 "G1" D.R, dated 29 June 2023, issued by the Phnom Penh Municipal Court of First Instance, which provisionally attach the properties of Mr. **KUY VAT**. Amongst those properties there are land and building which were acquired by the Company. As a result, this court ruling has temporarily prevented the transfer of ownership over the residential building to the Company.

To deal with the above issue, the Company is seriously and diligently taking legal action to object the court ruling in order to protect its interest and reputation, as well as to ensure its transparency and accountability to its investors and the public.

Please note that this event has no effect on GT to fulfill its obligation such as interest and principal payment toward bondholders.

Therefore, please all investors and the public kindly be informed accordingly.

Phnom Penh, Monday 20 November 2023



Golden Tree Co., Ltd





No: GTPR-2403-001

NOTIFICATION
ON
AUDITOR'S REPORT ON THE APPROPRIATENESS OF PREPARING FINANCIAL STATEMENTS ON
A GOING CONCERN BASIS

GOLDEN TREE Co., Ltd, ("GT" or "**Company**"), which is the first company in Cambodia issuing Green Bond on the Cambodia Securities Exchange (CSX) on 19th January 2023, would like to inform investors and the public as follows:

We would like to address the concerns raised by our auditors in the reviewed financial statements of fourth quarter of 2023 regarding the appropriateness of preparing financial statements on a going concern basis. We understand the significance of this matter and want to assure you that we have taken proactive steps to address the situation.

Following collaborative discussions with our shareholders since 2023, we have proposed a comprehensive plan to resolve the going concern issue. The proposed solutions involve a series of strategic steps aimed at stabilizing our financial position and ensuring the long-term sustainability of the company.

One key element of our proposed plan is a capital increment. We believe that injecting additional capital into the company will enhance our financial strength and provide the necessary resources to overcome the current challenges. This approach aligns with our commitment to securing the interests of our investors and ensuring the continued growth and success of our organization.

The shareholders have approved in principle to increase capital during the shareholders' meeting on 01st November 2023. Nonetheless, as of this date, the new capital increase has not been completed yet. We continue working with our shareholders. We are optimistic that this issue will be resolved in the foreseeable future.

We understand the importance of maintaining transparency and will keep you informed about the progress of these initiatives. We appreciate your ongoing support and trust in our ability to navigate through these challenges successfully.



The bondholders, investors and the public are advised to see further information and discussion in the company's Q4 Report on the section:

1. The Fourth Quarter Reviewed Financial Statements (Attached as Appendix in the company's Q4 Report)
 - The auditor's report
 - Note 3.2

2. The Company's Q4 Report
 - Part 1, Section D: Discussion related to the Company's Ability to Continue as a Going Concern.

Phnom Penh 06th March 2024



Golden Tree Co., Ltd



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