

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

JS Land Plc.

As at 31 March 2023 and for the
three-month period then ended

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Statement by the Directors

In the opinion of the Directors, the accompanying interim condensed statement of financial position of JS Land Plc. ("the Company") as at 31 March 2023, and the related interim condensed statement of comprehensive income, statement of changes in equity and statement of cash flows for the three-month period then ended, and notes to the interim condensed financial information are presented fairly, in all material respects, in accordance with Cambodian International Accounting Standard 34 *Interim Financial Reporting*.

Signed on behalf of the Board of Directors,



Oknha Koy Le San
Chairman

Phnom Penh, Kingdom of Cambodia
19 May 2023



Grant Thornton

Report on review of interim condensed financial information

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**To the Shareholders of
JS Land Plc.**

We have reviewed the interim condensed financial information of JS Land Plc. (“the Company”), which comprise the interim statement of financial position as at 31 March 2023, and the related interim statements of comprehensive income, changes in equity and cash flows for the three-month period then ended, and explanatory notes (“financial information”). The Board of Directors of the Company is responsible for the preparation and presentation of these interim condensed financial information in accordance with Cambodian International Accounting Standard 34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of review

We conducted our review in accordance with Cambodian International Standard on Review Engagements 2410 *Review of Interim condensed financial information Performed by the Independent Auditor of the Entity*. A review of interim condensed financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Cambodian International Standards on Auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed financial information of the Company is not prepared, in all material respects, in accordance with Cambodian International Accounting Standard 34 *Interim Financial Reporting*.

Certified Public Accountants and Auditors

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Other matter

The comparative information on the statement of financial position is based on the Company's audited financial statements as at 31 December 2022. The comparative information for the three-month period ended 31 March 2022 on the statements of comprehensive income, cash flows and related explanatory notes was reviewed but unaudited.



GRANT THORNTON (CAMBODIA) LIMITED
Certified Public Accountants
Registered Auditors



Ng Yee Zent

Partner - Audit and assurance

Phnom Penh, Kingdom of Cambodia
19 May 2023

Certified Public Accountants and Auditors

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Interim condensed statement of financial position

| | Note | (Reviewed but unaudited) 31 March 2023 | | (Audited) 31 December 2022 | |
|-----------------------------------|------|---|---------------------|-------------------------------|---------------------|
| | | USD | KHR'000 (Note 3) | USD | KHR'000 (Note 3) |
| Assets | | | | | |
| Non-current | | | | | |
| Property and equipment - net | 6 | 688,561 | 2,791,426 | 675,851 | 2,782,479 |
| Investment property | 7 | 124,116 | 503,166 | - | - |
| Right-of-use assets | 14 | 15,433 | 62,565 | 30,867 | 127,079 |
| Total non-current assets | | 828,110 | 3,357,157 | 706,718 | 2,909,558 |
| Current | | | | | |
| Real estate inventories | 8 | 76,246 | 309,101 | 76,246 | 313,905 |
| Property development costs | 9 | 13,975,304 | 56,655,882 | 12,380,547 | 50,970,712 |
| Contract costs | 10 | 138,784 | 562,630 | 137,373 | 565,565 |
| Contract assets | 11 | 2,473,238 | 10,026,507 | 2,695,421 | 11,097,048 |
| Receivables | 11 | 131,284 | 532,225 | 79,263 | 326,326 |
| Prepayments and other receivables | 12 | 96,304 | 390,417 | 384,046 | 1,581,116 |
| Cash and cash equivalents | 13 | 150,159 | 608,744 | 269,653 | 1,110,161 |
| Total current assets | | 17,041,319 | 69,085,506 | 16,022,549 | 65,964,833 |
| Total assets | | 17,869,429 | 72,442,663 | 16,729,267 | 68,874,391 |
| Equity and liabilities | | | | | |
| Equity | | | | | |
| Share capital | 15 | 642,750 | 2,571,000 | 642,750 | 2,571,000 |
| Share premium | 16 | 2,400,458 | 9,601,832 | 2,400,458 | 9,601,832 |
| Accumulated losses | | (1,371,520) | (5,604,048) | (1,052,221) | (4,300,031) |
| Cumulative translation difference | | - | 208,238 | - | 324,092 |
| Total equity | | 1,671,688 | 6,777,022 | 1,990,987 | 8,196,893 |

Interim condensed statement of financial position (continued)

| | | (Reviewed but unaudited) | | (Audited) | |
|-------------------------------------|-------|--------------------------|-------------------|-------------------|-------------------|
| | | 31 March 2023 | | 31 December 2022 | |
| | | USD | KHR'000 | USD | KHR'000 |
| | Note | | (Note 3) | | (Note 3) |
| Liabilities | | | | | |
| Non-current | | | | | |
| Borrowings | 18 | 5,338,541 | 21,642,445 | 4,069,248 | 16,753,094 |
| Current | | | | | |
| Contract liabilities | 11 | 3,694,763 | 14,978,569 | 3,358,675 | 13,827,665 |
| Trade and other payables | 17 | 3,553,524 | 14,405,986 | 2,305,115 | 9,490,158 |
| Borrowings | 18 | 3,316,274 | 13,444,175 | 3,238,996 | 13,334,947 |
| Lease liabilities | 14 | 16,462 | 66,737 | 32,619 | 134,292 |
| Amounts due to shareholders | 20 | 235,487 | 954,664 | 1,731,823 | 7,129,915 |
| Income tax payable | 23(b) | 42,690 | 173,065 | 1,804 | 7,427 |
| Total current liabilities | | 10,859,200 | 44,023,196 | 10,669,032 | 43,924,404 |
| Total liabilities | | 16,197,741 | 65,665,641 | 14,738,280 | 60,677,498 |
| Total equity and liabilities | | 17,869,429 | 72,442,663 | 16,729,267 | 68,874,391 |

Interim condensed statement of comprehensive income

| | Note | (Reviewed but unaudited) For the three-month period ended 31 March 2023 | | (Reviewed but unaudited) For the three-month period ended 31 March 2022 | |
|--|--------|--|---------------------|--|---------------------|
| | | USD | KHR'000 (Note 3) | USD | KHR'000 (Note 3) |
| Real estate sales | | - | - | - | - |
| Cost of real estate sold | | - | - | - | - |
| Gross income | | - | - | - | - |
| Other income | 21 | 22,663 | 92,556 | 6,784 | 27,563 |
| General and administrative expenses | 22 | (270,165) | (1,103,354) | (444,434) | (1,805,735) |
| Operating loss | | (247,502) | (1,010,798) | (437,650) | (1,778,172) |
| Finance costs | | (511) | (2,087) | (1,675) | (6,806) |
| Finance income | 13, 20 | 204 | 833 | 16,490 | 66,999 |
| Loss before income tax | | (247,809) | (1,012,052) | (422,835) | (1,717,979) |
| Income tax expense | 23 | (71,490) | (291,965) | (4,018) | (16,325) |
| Loss for the period | | (319,299) | (1,304,017) | (426,853) | (1,734,304) |
| Other comprehensive (loss)/ income - | | | | | |
| Currency translation difference | | - | (115,854) | - | 115,134 |
| Total comprehensive loss for the period | | (319,299) | (1,419,871) | (426,853) | (1,619,170) |

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

| | | | | | |
|------------------------------------|----|--------|---------|--------|---------|
| Basic loss per share (cent/riel) | 25 | (0.01) | (50.72) | (0.02) | (76.68) |
| Diluted loss per share (cent/riel) | 25 | (0.01) | (50.72) | (0.02) | (76.68) |

Interim condensed statement of changes in equity

| | Share capital | | Share premium | | Accumulated losses | | Cumulative translation difference | Total | | |
|----------------------------------|----------------|---------------------|------------------|---------------------|--------------------|---------------------|-----------------------------------|------------------|---------------------|--|
| | USD | KHR'000 (Note 3) | USD | KHR'000 (Note 3) | USD | KHR'000 (Note 3) | KHR'000 (Note 3) | USD | KHR'000 (Note 3) | |
| (Reviewed but unaudited) | | | | | | | | | | |
| Balance at 1 January 2023 | 642,750 | 2,571,000 | 2,400,458 | 9,601,832 | (1,052,221) | (4,300,031) | 324,092 | 1,990,987 | 8,196,893 | |
| Loss for the period | - | - | - | - | (319,299) | (1,304,017) | - | (319,299) | (1,304,017) | |
| Currency translation difference | - | - | - | - | - | - | (115,854) | - | (115,854) | |
| Balance at 31 March 2023 | 642,750 | 2,571,000 | 2,400,458 | 9,601,832 | (1,371,520) | (5,604,048) | 208,238 | 1,671,688 | 6,777,022 | |
| (Reviewed but unaudited) | | | | | | | | | | |
| Balance at 1 January 2022 | 500,000 | 2,000,000 | - | - | 232,230 | 949,520 | 33,585 | 732,230 | 2,983,105 | |
| Shares issued (Note 15) | 142,750 | 571,000 | 2,400,458 | 9,601,832 | - | - | - | 2,543,208 | 10,172,832 | |
| Loss for the period | - | - | - | - | (426,853) | (1,734,304) | - | (426,853) | (1,734,304) | |
| Currency translation difference | - | - | - | - | - | - | 115,134 | - | 115,134 | |
| Balance at 31 March 2022 | 642,750 | 2,571,000 | 2,400,458 | 9,601,832 | (194,623) | (784,784) | 148,719 | 2,848,585 | 11,536,767 | |

Interim condensed statement of cash flows

| | Note | (Reviewed but unaudited) For the three-month period ended 31 March 2023 | | (Reviewed but unaudited) For the three-month period ended 31 March 2022 | |
|---|--------|--|---------------------|--|---------------------|
| | | USD | KHR'000 (Note 3) | USD | KHR'000 (Note 3) |
| Cash flows from operating activities | | | | | |
| Loss before income tax | | (247,809) | (1,012,052) | (422,835) | (1,717,979) |
| Adjustments for: | | | | | |
| Depreciation | 22 | 19,459 | 79,471 | 19,358 | 78,652 |
| Gain on lease termination | | - | - | (1,350) | (5,485) |
| Finance costs | 19 | 276,413 | 1,128,871 | 75,701 | 307,573 |
| Finance income | 13, 20 | (204) | (833) | (16,490) | (66,999) |
| Operating profit/(loss) before working capital changes | | 47,859 | 195,457 | (345,616) | (1,404,238) |
| Changes in working capital | | | | | |
| Net changes in: | | | | | |
| Property development costs | | (1,594,757) | (6,512,988) | (1,649,974) | (6,703,844) |
| Receivables | | (52,021) | (212,454) | 13,781 | 55,992 |
| Contract assets | | 222,183 | 907,395 | 98,642 | 400,782 |
| Prepayments and other receivables | | 287,742 | 1,175,138 | (401,067) | (1,629,535) |
| Contract costs | | (1,411) | (5,763) | (16,132) | (65,544) |
| Trade and other payables | | 1,248,409 | 5,098,502 | (261,384) | (1,062,003) |
| Contract liabilities | | 336,088 | 1,372,583 | 342,214 | 1,390,415 |
| Cash generated from/(used in) operations | | 494,092 | 2,017,870 | (2,219,536) | (9,017,975) |
| Income tax paid | 23(b) | (30,604) | (124,987) | (46,898) | (190,547) |
| Interest received | 13 | 204 | 833 | 419 | 1,702 |
| Net cash from/(used in) operating activities | | 463,692 | 1,893,716 | (2,266,015) | (9,206,820) |
| Investing activities | | | | | |
| Acquisitions of property and equipment | 6 | (16,735) | (68,346) | (1,815) | (7,374) |
| Acquisitions of investment properties | 7 | (124,116) | (506,890) | - | - |
| Net cash used in investing activities | | (140,851) | (575,236) | (1,815) | (7,374) |

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

Interim condensed statement of cash flows (continued)

| | Note | (Reviewed but unaudited) For the three-month period ended 31 March 2023 | | (Reviewed but unaudited) For the three-month period ended 31 March 2022 | |
|--|------|--|---------------------|--|---------------------|
| | | USD | KHR'000 (Note 3) | USD | KHR'000 (Note 3) |
| Financing activities | | | | | |
| Proceeds from issuance of share capital | | - | - | 2,543,208 | 10,333,054 |
| Drawdown of borrowings | 19 | 1,442,565 | 5,891,435 | - | - |
| Repayment of borrowings | 19 | (76,138) | (310,948) | (19,875) | (80,752) |
| Interest paid on borrowings | 19 | (295,758) | (1,207,876) | (57,761) | (234,683) |
| Payment of principal portion of lease liabilities | 19 | (16,157) | (65,985) | (14,993) | (60,917) |
| Interest paid on lease liabilities | 19 | (511) | (2,087) | (1,675) | (6,806) |
| Amounts due to shareholders | | (1,496,336) | (6,111,036) | (8,540) | (34,698) |
| Net cash (used in)/ from financing activities | | (442,335) | (1,806,497) | 2,440,364 | 9,915,198 |
| Net change in cash and cash equivalents | | (119,494) | (488,017) | 172,534 | 701,004 |
| Cash and cash equivalents, beginning of period | | 269,653 | 1,110,161 | 207,601 | 845,766 |
| Currency translation difference | | - | (13,400) | - | (7,223) |
| Cash and cash equivalents, end of period | 13 | 150,159 | 608,744 | 380,135 | 1,539,547 |

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

Notes to the Interim condensed financial statements

1 The Company

JS Land Plc., previously known as JS Land Limited, is a private limited company established under the laws of the Kingdom of Cambodia on 12 December 2014, pursuant to its Memorandum and Articles of Association (“MAA”) and Certificate of Incorporation No. Co. 3278 KH/2014 issued by the Ministry of Commerce (“MOC”).

On 9 June 2016, the Company re-registered with the MOC under its new registration number 00010332.

On 13 May 2021, the Company amended its MAA to adopt its new corporate name and its new registered business address at B2-107, The Elysee Diamond Island, Koh Pich Street, Sangkat Tonle Bassac, Khan Chamkarmon, Phnom Penh, Kingdom of Cambodia.

The Company is principally engaged in all aspects of a real estate company, particularly in the development of building projects for its own operations, i.e. for selling of unit spaces in these buildings. Currently, the Company is constructing its second project in Sensok district, which was launched in November 2020 and is scheduled to be completed in November 2023. The first project was completed in 2019.

On 4 March 2022, the Company was successfully listed on the growth board of the Cambodia Securities Exchange. The number of new issued shares are 5,710,000 shares with a par value of KHR100 or USD0.025 per share, at an offering price of KHR1,900 or USD0.46 per share. The Company obtained approval from the MOC for the amendment of its Memorandum and Articles of Association on 21 April 2023.

2 Basis of preparation

The interim condensed financial information for the three-month period ended 31 March 2023 has been prepared in accordance with Cambodian International Accounting Standard 34 – Interim financial reporting (“CIAS 34”). This interim condensed financial information does not include all the notes normally included in the annual audited financial statements. Accordingly, this report is to be read in conjunction with the audited financial statements as at 31 December 2022 and for the year then ended, which have been prepared in accordance with Cambodian International Financial Reporting Standards (“CIFRSs”). The significant accounting policies used in preparing this interim condensed financial information are consistent with the significant accounting policies used in the preparation of the audited financial statements as at 31 December 2022 and for the year then ended, unless disclosed otherwise.

3 Functional and presentation currency

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

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

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

| | 31 March 2023 | 31 December 2022 | 31 March 2022 |
|---------------|---------------|------------------|---------------|
| Closing rate | 4,054 | 4,117 | 4,050 |
| Average rate* | 4,084 | 4,087 | 4,063 |

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

Such translated amounts are unaudited and should not be construed as representations that the USD amounts represent, or have been or could be, converted into KHR at that or any other rate.

Foreign currency balances

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

4 Significant accounting policies

The accounting policies and methods of computation adopted are consistent with those adopted in the Company’s audited financial statements as at 31 December 2022 and for the year then ended, except for the accounting policy stated in Note 4.1, which is a new account and policy adopted by the Company during the quarter upon venturing into property leasing business.

4.1 Investment properties

Investment properties are properties which are owned 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 measured initially 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.

Investment property is measured at cost less accumulated depreciation and accumulated impairment losses.

Investment property is depreciated over 50 years.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

4.2 Operating segment

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenue and expenses that relate to transactions with any of the Company's other components. All operating segments' operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

The Company has one reportable segment, namely real estate construction. The chief operating decision maker reviews the internal management report, which reports the performance of the segment as a whole, to assess performance of the reportable segment.

4.3 Seasonality

The principal business of the Company is mainly real estate construction. There is no significant seasonality factor associated with this business activity.

5 Management estimates

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

The judgements, estimates and assumptions applied in the interim condensed financial information, including the key sources of estimation uncertainty, were the same as those applied in the Company's audited financial statements as at 31 December 2022 and for the year then ended.

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6 Property and equipment - net

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

| | Land USD | Buildings USD | Furniture and fixtures USD | Office equipment USD | Computer equipment USD | Leasehold improvements USD | Fixed asset in progress USD | Total USD | KHR'000 (Note 3) |
|--|----------------|------------------|----------------------------------|----------------------------|------------------------------|----------------------------------|-----------------------------------|-----------------|---------------------|
| (Reviewed but unaudited) | | | | | | | | | |
| Gross carrying amount | | | | | | | | | |
| Balance as at 1 January 2023 | 560,000 | 97,646 | 16,720 | 2,816 | 4,143 | 16,504 | 21,381 | 719,210 | 2,960,988 |
| Additions | - | - | - | - | - | - | 16,735 | 16,735 | 68,346 |
| Currency translation difference | - | - | - | - | - | - | - | - | (45,813) |
| Balance as at 31 March 2023 | 560,000 | 97,646 | 16,720 | 2,816 | 4,143 | 16,504 | 38,116 | 735,945 | 2,983,521 |
| Accumulated depreciation | | | | | | | | | |
| Balance as at 1 January 2023 | - | (27,306) | (9,234) | (1,103) | (2,416) | (3,300) | - | (43,359) | (178,509) |
| Depreciation | - | (2,441) | (902) | (169) | (100) | (413) | - | (4,025) | (16,439) |
| Currency translation difference | - | - | - | - | - | - | - | - | 2,853 |
| Balance as at 31 March 2023 | - | (29,747) | (10,136) | (1,272) | (2,516) | (3,713) | - | (47,384) | (192,095) |
| Carrying amount as at 31 March 2023 | 560,000 | 67,899 | 6,584 | 1,544 | 1,627 | 12,791 | 38,116 | 688,561 | 2,791,426 |

Fixed assets in progress consist of leasehold improvements, software, and equipment under construction or installation intended use for daily operation. The amount is stated at the cost of the property and equipment under construction or installation until the property and equipment are ready for their intended use. Assets in progress are not depreciated until they are completed and ready for their intended use.

6 Property and equipment – net (continued)

| | Land USD | Buildings USD | Furniture and fixtures USD | Office equipment USD | Computer equipment USD | Leasehold improvements USD | Fixed asset in progress USD | Total USD | KHR'000 (Note 3) |
|---|----------------|------------------|----------------------------------|----------------------------|------------------------------|----------------------------------|-----------------------------------|-----------------|---------------------|
| (Audited) | | | | | | | | | |
| Gross carrying amount | | | | | | | | | |
| Balance as at 1 January 2022 | 560,000 | 96,500 | 15,320 | - | 4,374 | 16,504 | - | 692,698 | 2,822,052 |
| Reclassification | - | - | - | 1,551 | (1,551) | - | - | - | - |
| Additions | - | 1,146 | 1,400 | 1,265 | 1,320 | - | 21,381 | 26,512 | 108,355 |
| Currency translation difference | - | - | - | - | - | - | - | - | 30,581 |
| Balance as at 31 December 2022 | 560,000 | 97,646 | 16,720 | 2,816 | 4,143 | 16,504 | 21,381 | 719,210 | 2,960,988 |
| Accumulated depreciation | | | | | | | | | |
| Balance as at 1 January 2022 | - | (17,570) | (5,620) | - | (2,397) | (1,650) | - | (27,237) | (110,964) |
| Reclassification | - | - | - | (477) | 477 | - | - | - | - |
| Depreciation | - | (9,736) | (3,614) | (626) | (496) | (1,650) | - | (16,122) | (65,891) |
| Currency translation difference | - | - | - | - | - | - | - | - | (1,654) |
| Balance as at 31 December 2022 | - | (27,306) | (9,234) | (1,103) | (2,416) | (3,300) | - | (43,359) | (178,509) |
| Carrying amount as at 31 December 2022 | 560,000 | 70,340 | 7,486 | 1,713 | 1,727 | 13,204 | 21,381 | 675,851 | 2,782,479 |

On 1 August 2016, the Company entered into a Contract and Declaration of Trust with its shareholder to hold a parcel of land used for its showroom.

As at 31 December 2022, Management believes that the recoverable amounts of the Company's property and equipment exceed their carrying amounts, accordingly, no impairment loss was recognised.

7 Investment property

| | (Reviewed but unaudited) | | (Audited) | |
|---|---------------------------------|-----------------|-------------------------|-----------------|
| | 31 March 2023 | | 31 December 2022 | |
| | USD | KHR'000 | USD | KHR'000 |
| | | (Note 3) | | (Note 3) |
| Cost | | | | |
| Balance as at beginning of the period/year | - | - | - | - |
| Addition | 124,116 | 506,890 | - | - |
| Currency translation differences | - | (3,724) | - | - |
| Balance as at end of the period/year | 124,116 | 503,166 | - | - |

In March 2023, the Company purchased two units of condominiums with the purpose to earn rental income.

The investment properties are yet to be depreciated as they were acquired at the end of the month.

8 Real estate inventories

Details of the Company's inventories are as follows:

| | (Reviewed but unaudited) | | (Audited) | |
|-----------------------------------|---------------------------------|-----------------|-------------------------|-----------------|
| | 31 March 2023 | | 31 December 2022 | |
| | USD | KHR'000 | USD | KHR'000 |
| | | (Note 3) | | (Note 3) |
| Condominium units for sale | 76,246 | 309,101 | 76,246 | 313,905 |

There is no inventory sold during the period (2022: Nil).

As at 31 March 2023, inventories with a cost of USD38,123 or KHR154,551,000 (31 December 2022: USD38,123 or KHR156,952,000) have been pledged as security for the Company's borrowings as disclosed in Note 18(a).

As at 31 March 2023, Management believes that the costs of the Company's inventories exceed their net realisable value, accordingly, no allowance was recognised.

9 Property development costs

Movements in the carrying amount of the Company's property development costs are as follows:

| | (Reviewed but unaudited) | | (Audited) | |
|--|---------------------------------|-------------------|-------------------------|-------------------|
| | 31 March 2023 | | 31 December 2022 | |
| | USD | KHR'000 | USD | KHR'000 |
| | | (Note 3) | | (Note 3) |
| Cost | | | | |
| Balance as at beginning of the period/year | 12,380,547 | 50,970,712 | 5,448,075 | 22,195,458 |
| Land held for property development | - | - | 1,800,000 | 7,356,600 |
| Capitalised development costs during the period/year | 1,594,757 | 6,512,988 | 5,132,472 | 20,976,413 |
| Currency translation difference | - | (827,818) | - | 442,241 |
| Balance as at end of the period/year | 13,975,304 | 56,655,882 | 12,380,547 | 50,970,712 |

10 Contract costs

| | (Reviewed but unaudited) | | (Audited) | |
|---|---------------------------------|-----------------|-------------------------|-----------------|
| | 31 March 2023 | | 31 December 2022 | |
| | USD | KHR'000 | USD | KHR'000 |
| | | (Note 3) | | (Note 3) |
| Balance as at beginning of the period/year | 137,373 | 565,565 | 105,436 | 429,546 |
| Additions | 1,411 | 5,763 | 31,937 | 130,527 |
| Currency translation difference | - | (8,698) | - | 5,492 |
| Balance as at end of the period/year | 138,784 | 562,630 | 137,373 | 565,565 |

Costs to obtain contracts represent commission fees paid to intermediaries to obtain residential property sales contracts.

There was no impairment loss in relation to the costs capitalised.

11 Contract (liabilities)/assets

The details of the Company's contract (liabilities)/assets are as follows:

| | (Reviewed but unaudited) | | (Audited) | |
|---|---------------------------------|--------------------|-------------------------|--------------------|
| | 31 March 2023 | | 31 December 2022 | |
| | USD | KHR'000 | USD | KHR'000 |
| | | (Note 3) | | (Note 3) |
| Cost | | | | |
| Balance as at beginning of the period/year | (663,254) | (2,730,617) | 1,394,135 | 5,679,706 |
| Billings | (558,271) | (2,279,979) | (2,057,389) | (8,408,549) |
| Currency translation difference | - | 58,534 | - | (1,774) |
| Balance as at end of the period/year | (1,221,525) | (4,952,062) | (663,254) | (2,730,617) |

There was no revenue recognised during the period related to contract liabilities recognised from prior period (2022: nil).

Receivables pertaining to uncollected amounts due from customers based on the repayment schedule per sale and purchase agreement. As at the end of the reporting period, the balance of receivables amounted to USD131,284 or KHR532,225,000 (31 December 2022: USD79,263 or KHR326,326,000).

The table below presents the carrying amounts of the Company's contract (liabilities)/assets:

| | (Reviewed but unaudited) | | (Audited) | |
|----------------------|---------------------------------|--------------------|-------------------------|--------------------|
| | 31 March 2023 | | 31 December 2022 | |
| | USD | KHR'000 | USD | KHR'000 |
| | | (Note 3) | | (Note 3) |
| Contract assets | 2,473,238 | 10,026,507 | 2,695,421 | 11,097,048 |
| Contract liabilities | (3,694,763) | (14,978,569) | (3,358,675) | (13,827,665) |
| | (1,221,525) | (4,952,062) | (663,254) | (2,730,617) |

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

12 Prepayments and other receivables

Details of the Company's prepayments and other receivables are as follows:

| | (Reviewed but unaudited) | | (Audited) | |
|----------------------------------|--------------------------|----------------|------------------|------------------|
| | 31 March 2023 | | 31 December 2022 | |
| | USD | KHR'000 | USD | KHR'000 |
| | | (Note 3) | | (Note 3) |
| Advance payments | 41,500 | 168,241 | 27,500 | 113,218 |
| Refundable deposit* | 20,000 | 81,080 | - | - |
| Non-refundable deposits | 14,140 | 57,324 | 1,640 | 6,749 |
| Prepayments | 10,004 | 40,556 | 12,500 | 51,463 |
| Receivables from a related party | 7,051 | 28,585 | 4,067 | 16,744 |
| Liquidated damages receivables | - | - | 305,000 | 1,255,685 |
| VAT input | - | - | 33,339 | 137,257 |
| Other receivables | 3,609 | 14,631 | - | - |
| | 96,304 | 390,417 | 384,046 | 1,581,116 |

* Refundable deposit is paid to the relevant authority to obtain trust license for a shareholder to hold properties on behalf of the Company.

13 Cash and cash equivalents

Cash and cash equivalents at the end of the reporting period as shown in the statements of cash flows can be reconciled to the related items in the statements of financial position as follows:

| | (Reviewed but unaudited) | | (Audited) | |
|---------------|--------------------------|----------------|------------------|------------------|
| | 31 March 2023 | | 31 December 2022 | |
| | USD | KHR'000 | USD | KHR'000 |
| | | (Note 3) | | (Note 3) |
| Cash in banks | 88,410 | 358,414 | 207,857 | 855,747 |
| Cash on hand | 61,749 | 250,330 | 61,796 | 254,414 |
| | 150,159 | 608,744 | 269,653 | 1,110,161 |

Interest income earned on cash in banks amounted to USD204 or KHR833,000 during the period (31 March 2022: USD419 or KHR1,702,000).

14 Right-of-use assets and lease liabilities

The Company has a lease contract with one of its shareholder for the building that is used as its corporate office for a period of 2 non-cancellable years, with no option to renew the lease after the end of the tenancy period. The Company is not restricted from assigning and subleasing the leased asset.

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

| | (Reviewed but unaudited) | | (Audited) | |
|---|---------------------------------|------------------|-------------------------|------------------|
| | 31 March 2023 | | 31 December 2022 | |
| | USD | KHR'000 | USD | KHR'000 |
| | | (Note 3) | | (Note 3) |
| Cost | | | | |
| Balance as at beginning of the period/year | 123,468 | 508,318 | 148,006 | 602,977 |
| Lease expiration | - | - | (24,538) | (100,287) |
| Currency translation difference | - | (7,779) | - | 5,628 |
| Balance as at end of the period/year | 123,468 | 500,539 | 123,468 | 508,318 |
| Accumulated amortisation | | | | |
| Balance as at beginning of the period/year | (92,601) | (381,239) | (54,015) | (220,058) |
| Amorisation | (15,434) | (63,032) | (61,734) | (252,307) |
| Lease expiration | - | - | 23,148 | 94,606 |
| Currency translation difference | - | 6,297 | - | (3,480) |
| Balance as at end of the period/year | (108,035) | (437,974) | (92,601) | (381,239) |
| Carrying amount as at end of the period/year | 15,433 | 62,565 | 30,867 | 127,079 |

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

Movements in lease liabilities are as follows:

| | (Reviewed but unaudited) | | (Audited) | |
|---|---------------------------------|-----------------|-------------------------|-----------------|
| | 31 March 2023 | | 31 December 2022 | |
| | USD | KHR'000 | USD | KHR'000 |
| | | (Note 3) | | (Note 3) |
| Balance as at beginning of the period/year | 32,619 | 134,292 | 97,050 | 395,382 |
| Derecognised lease | - | - | (1,390) | (5,681) |
| Interest expense | 511 | 2,087 | 4,981 | 20,357 |
| Repayment of principal | (16,157) | (65,985) | (61,691) | (252,131) |
| Repayment of interest | (511) | (2,087) | (4,981) | (20,357) |
| Gain on lease termination | - | - | (1,350) | (5,517) |
| Currency translation difference | - | (1,570) | - | 2,239 |
| Balance as at end of the period/year | 16,462 | 66,737 | 32,619 | 134,292 |

The table below presents the carrying amounts of the Company's lease liabilities:

| | (Reviewed but unaudited) | | (Audited) | |
|----------------|---------------------------------|-----------------|-------------------------|-----------------|
| | 31 March 2023 | | 31 December 2022 | |
| | USD | KHR'000 | USD | KHR'000 |
| | | (Note 3) | | (Note 3) |
| Current | 16,462 | 66,737 | 32,619 | 134,292 |

Interest rate underlying the lease liabilities is 7.5%.

The details of future minimum lease payments are summarised below:

| | 31 March 2023 | | |
|--------------------------|------------------------|---------------|---------------------|
| | Within one year USD | Total USD | KHR'000 (Note 3) |
| Lease payments | 16,668 | 16,668 | 67,572 |
| Finance charges | (206) | (206) | (835) |
| Net present value | 16,462 | 16,462 | 66,737 |

| | 31 December 2022 | | |
|--------------------------|------------------------|---------------|---------------------|
| | Within one year USD | Total USD | KHR'000 (Note 3) |
| Lease payments | 33,336 | 33,336 | 137,244 |
| Finance charges | (717) | (717) | (2,952) |
| Net present value | 32,619 | 32,619 | 134,292 |

Expenses related to short-term leases during the period amounted to USD44 or KHR180,000 (2022: USD67 or KHR272,000), as disclosed in Note 22.

15 Share capital

The Company is originally authorised with KHR20,000,000 share capital (equivalent to USD5,000) represented by 5,000 ordinary shares, having a par value of USD1 per share.

On 13 May 2021, the Company sent a request letter to the MOC to increase its authorised share capital to KHR2,000,000,000 (equivalent to USD500,000), represented by 20,000,000 ordinary shares with par value of KHR100 or USD0.025 per share. The request was approved by the MOC on 19 May 2021. The amended authorised share capital is fully issued and paid-up.

On 4 March 2022, the Company was successfully listed on the growth board of the Cambodia Securities Exchange. The number of new issued shares are 5,710,000 shares with a par value of KHR100 or USD0.025 per share, at an offering price of KHR1,900 or USD0.46 per share. The Company obtained approval from the MOC for the amendment of its Memorandum and Articles of Association on 21 April 2023.

The movements in the authorised share capital are as follows:

| | (Reviewed but unaudited) 31 March 2023 | | | (Audited) 31 December 2022 | | |
|-------------------------------------|---|----------------|-------------------------------|-------------------------------|----------------|-------------------------------|
| | Number of shares | USD | Amount KHR'000 (Note 3) | Number of shares | USD | Amount KHR'000 (Note 3) |
| As at beginning of the period/year | 25,710,000 | 642,750 | 2,571,000 | 20,000,000 | 500,000 | 2,000,000 |
| Issuance of share capital | - | - | - | 5,710,000 | 142,750 | 571,000 |
| As at end of the period/year | 25,710,000 | 642,750 | 2,571,000 | 25,710,000 | 642,750 | 2,571,000 |

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

| | (Reviewed but unaudited) | | | (Audited) | | |
|-------------------------------------|---------------------------------|-----------------|------------------|-------------------------|-----------------|------------------|
| | 31 March 2023 | | | 31 December 2022 | | |
| | Number of shares | Amount | | Number of shares | Amount | |
| | USD | KHR'000 | | USD | KHR'000 | |
| | | (Note 3) | | | (Note 3) | |
| As at beginning of the period/year | 25,710,000 | 642,750 | 2,571,000 | 20,000,000 | 500,000 | 2,000,000 |
| Shares issued | - | - | - | 5,710,000 | 142,750 | 571,000 |
| As at end of the period/year | 25,710,000 | 642,750 | 2,571,000 | 25,710,000 | 642,750 | 2,571,000 |

16 Share premium

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

17 Trade and other payables

The details of this account consist of:

| | (Reviewed but unaudited) | | (Audited) | |
|--------------------------------|---------------------------------|-------------------|-------------------------|------------------|
| | 31 March 2023 | | 31 December 2022 | |
| | USD | KHR'000 | USD | KHR'000 |
| | (Note 3) | | (Note 3) | |
| Trade payables | 3,359,465 | 13,619,271 | 2,065,224 | 8,502,527 |
| Other taxes payables | 83,191 | 337,256 | 178,209 | 733,686 |
| Salary payable | 35,176 | 142,604 | - | - |
| Output value-added tax ("VAT") | 8,062 | 32,683 | - | - |
| Other payables | 67,630 | 274,172 | 61,682 | 253,945 |
| | 3,553,524 | 14,405,986 | 2,305,115 | 9,490,158 |

18 Borrowings

This account is composed of:

| | (Reviewed but unaudited) | | (Audited) | |
|--|---------------------------------|-------------------|-------------------------|-------------------|
| | 31 March 2023 | | 31 December 2022 | |
| | USD | KHR'000 | USD | KHR'000 |
| | (Note 3) | | (Note 3) | |
| Loans from commercial banks (a) | 4,490,993 | 18,206,486 | 4,509,164 | 18,564,228 |
| Loans from related parties (b) | 2,177,431 | 8,827,305 | 2,099,080 | 8,641,913 |
| Loan from individual third parties (c) | 1,986,391 | 8,052,829 | 700,000 | 2,881,900 |
| | 8,654,815 | 35,086,620 | 7,308,244 | 30,088,041 |

- a. On 1 August 2019, the Company entered in a contract with a reputable commercial bank to obtain loan amounting to USD960,000. The loan bears interest at the rate of 8.5% per annum, which will mature on 31 August 2021, and is secured by a mortgage over the Company's real estate inventories as disclosed in Note 7. Upon maturity, the term of the loan was extended until 31 August 2023 and bears interest at rate of 9% per annum.

In September 2021, the Company entered into several contracts with a reputable commercial bank to obtain loan totalling USD1,994,893. The loans are unsecured, bear interest at the rate of 8.5% per annum and will mature in September 2036.

On 12 May 2022, the Company entered in a contract with a reputable commercial bank to obtain loan amounting to USD4,000,000. The loan bears interest at the rate of 8.5% per annum, which will mature on 13 May 2027, and is secured by a joint mortgage and guarantee from six shareholders of the Company. The first drawdown was in July 2022.

- b. Loans from related parties bear interest of 15% per annum. These loans are unsecured and are payable on demand.

On 1 September 2022, the Company entered into a contract to obtained loan from related parties amounting to USD1,000,000, which bears interest at the rate of 14.4% per annum. This loan is unsecured and is payable on demand.

Movements in the loan from related parties are disclosed in Note 20.

- c. Detail of the loan from individual third parties are as below:

| Date of contract | Principal amount (USD) | Security | Effective interest rate | Maturity date |
|------------------|---------------------------|-----------|----------------------------|------------------|
| 29 November 2022 | 500,000 | Unsecured | 18% | 28 December 2023 |
| 15 December 2022 | 989,342 | Unsecured | 20.45% | 14 December 2024 |
| 26 December 2022 | 200,000 | Unsecured | 18% | 25 December 2024 |
| 13 January 2023 | 344,456 | Unsecured | 20.44% | 12 January 2025 |
| Total | 2,033,798 | | | |

Interest expense during the period, which was capitalised as part of property development costs, with details as follows:

| | (Reviewed but unaudited) For the three-month period ended 31 March 2023 | | (Reviewed but unaudited) For the three-month period ended 31 March 2022 | |
|-------------------------------------|---|---------------------|---|---------------------|
| | USD | KHR'000 (Note 3) | USD | KHR'000 (Note 3) |
| Loans from individual third parties | 102,302 | 418,108 | - | - |
| Bank loans | 97,139 | 397,007 | 57,761 | 234,683 |
| Loans from related parties | 76,461 | 312,496 | 16,265 | 66,085 |
| | 275,902 | 1,127,611 | 74,026 | 300,768 |

19 Reconciliation of liabilities arising from financing activities

The changes in the Company's liabilities arising from financing activities are classified as follows:

| | Non-cash flows | | | | Cash flows | | | 31 March 2023 | |
|--------------------------|------------------|----------------------------------|------------------|---------------------------|------------------|------------------------|------------------------|------------------|-------------------|
| | 1 January 2022 | Recognition of lease liabilities | Interest expense | Gain on lease termination | Proceeds | Repayment of principal | Repayments of interest | | |
| | USD | USD | USD | USD | USD | USD | USD | USD | KHR'000 |
| [Reviewed but unaudited] | | | | | | | | | |
| Borrowings | 7,308,244 | - | 275,902 | - | 1,442,565 | (76,138) | (295,758) | 8,654,815 | 35,086,620 |
| Lease liabilities | 32,619 | - | 511 | - | - | (16,157) | (511) | 16,462 | 66,737 |
| | 7,340,863 | - | 276,413 | - | 1,442,565 | (92,295) | (296,269) | 8,671,277 | 35,153,357 |

| | Non-cash flows | | | | Cash flows | | | 31 March 2022 | |
|--------------------------|------------------|----------------------------------|------------------|---------------------------|------------|------------------------|------------------------|------------------|-------------------|
| | 1 January 2022 | Recognition of lease liabilities | Interest expense | Gain on lease termination | Proceeds | Repayment of principal | Repayments of interest | | |
| | USD | USD | USD | USD | USD | USD | USD | USD | KHR'000 |
| [Reviewed but unaudited] | | | | | | | | | |
| Borrowings | 3,769,079 | - | 74,026 | - | - | (19,875) | (57,761) | 3,765,469 | 15,250,149 |
| Lease liabilities | 97,050 | (1,390) | 1,675 | (1,350) | - | (14,993) | (1,675) | 79,317 | 321,234 |
| | 3,866,129 | (1,390) | 75,701 | (1,350) | - | (34,868) | (59,436) | 3,844,786 | 15,571,383 |

20 Related party transactions

The following balances are outstanding with related parties:

| Related party | [Reviewed but unaudited] | | [Audited] | |
|----------------------------------|--------------------------|--------------------------------------|-----------|---|
| | USD | 31 March 2023 KHR'000 (Note 3) | USD | 31 December 2022 KHR'000 (Note 3) |
| Shareholders | | | | |
| Amount due to shareholders | 235,487 | 954,664 | 1,731,823 | 7,129,915 |
| Borrowings | 2,177,431 | 8,827,306 | 2,099,080 | 8,641,913 |
| Contract liabilities | 400,236 | 1,622,556 | 389,899 | 1,605,214 |
| Refundable deposit | 20,000 | 81,080 | - | - |
| Company under common control | | | | |
| Receivables from a related party | 7,051 | 28,585 | - | - |

Amounts due to shareholders are advances received and payments of expense made by the shareholders on behalf of the Company. These amounts are unsecured, interest-free, and repayable on demand.

Detail of borrowings are disclosed in Note 17.

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

| Related party and relationship | Transactions | (Reviewed but unaudited) For the three-month period ended 31 March 2023 | | (Reviewed but unaudited) For the three-month period ended 31 March 2022 | |
|-----------------------------------|---|---|---------------------|---|---------------------|
| | | USD | KHR'000 (Note 3) | USD | KHR'000 (Note 3) |
| Shareholder | Interest expense | (79,459) | (324,511) | (16,265) | (66,085) |
| | Collections on behalf of the Company | 10,006 | 40,865 | - | - |
| | Proceeds from borrowings | (108,767) | (444,204) | - | - |
| | Repayment of principal | 10,000 | 40,840 | - | - |
| | Repayment on interest | 96,876 | 395,643 | - | - |
| | Refundable deposit paid | 20,000 | 81,680 | | |
| Company under common control | Management fee | (6,028) | (24,618) | (5,763) | (23,415) |
| | Accounting fee | (5,233) | (21,372) | - | - |
| | Event management fee | - | - | (47,345) | (192,361) |
| | Marketing retainer fee | - | - | (7,500) | (30,473) |
| | Loan | - | - | 1,130,000 | 4,591,190 |
| | Loan collection | - | - | 500,000 | 2,031,500 |
| | Interest income | - | - | 16,071 | 65,297 |
| | Payment on behalf | 11,965 | 48,865 | 3,161 | 12,843 |

Transactions with key management personnel

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

| | (Reviewed but unaudited) For the three-month period ended 31 March 2023 | | (Reviewed but unaudited) For the three-month period ended 31 March 2022 | |
|---------------------|---|---------------------|---|---------------------|
| | USD | KHR'000 (Note 3) | USD | KHR'000 (Note 3) |
| Directors' benefits | 97,662 | 398,852 | 71,285 | 289,631 |

21 Other income

| | (Reviewed but unaudited) | | (Reviewed but unaudited) | |
|-----------------------------|---|-----------------|---|-----------------|
| | For the three-month period ended 31 March 2023 | | For the three-month period ended 31 March 2022 | |
| | USD | KHR'000 | USD | KHR'000 |
| | | (Note 3) | | (Note 3) |
| Premium on deferred payment | 10,551 | 43,090 | - | - |
| Gain on foreign exchange | 9,904 | 40,448 | 349 | 1,418 |
| Receipts on forfeited units | 1,020 | 4,166 | 5,085 | 20,660 |
| Others | 1,188 | 4,852 | 1,350 | 5,485 |
| | 22,663 | 92,556 | 6,784 | 27,563 |

Other service fees are fees received from customers to process the transfer of properties' title.

22 General and administrative expenses

Details of the Company's general and administrative expenses are as follows:

| | (Reviewed but unaudited) | | (Reviewed but unaudited) | |
|-------------------------------|---|------------------|---|------------------|
| | For the three-month period ended 31 March 2023 | | For the three-month period ended 31 March 2022 | |
| | USD | KHR'000 | USD | KHR'000 |
| | | (Note 3) | | (Note 3) |
| Salaries | 125,066 | 510,770 | 98,829 | 401,542 |
| Non-deductible taxes | 44,848 | 183,159 | - | - |
| Marketing | 39,835 | 162,686 | 12,365 | 50,239 |
| Professional fees | 25,012 | 102,149 | 226,444 | 920,042 |
| Depreciation | 19,459 | 79,471 | 19,358 | 78,652 |
| Management fee | 11,353 | 46,366 | 68,657 | 278,953 |
| Printing and stationeries | 900 | 3,676 | 509 | 2,068 |
| Staff welfare and refreshment | 886 | 3,618 | - | - |
| Repairs and maintenance | 868 | 3,545 | 1,677 | 6,814 |
| Travel | 763 | 3,116 | 691 | 2,808 |
| Utilities | 683 | 2,789 | 562 | 2,283 |
| Staff benefit | 187 | 764 | - | - |
| Bank charges | 107 | 436 | 108 | 439 |
| Communication | 90 | 368 | 330 | 1,341 |
| Upkeep for showroom | 64 | 261 | - | - |
| Rental | 44 | 180 | 67 | 272 |
| Others | - | - | 14,837 | 60,282 |
| | 270,165 | 1,103,354 | 444,434 | 1,805,735 |

23 Income tax**(a) Income tax expense**

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

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

| | (Reviewed but unaudited) | | (Reviewed but unaudited) | |
|-------------------------------|--|---------------------|--|---------------------|
| | For the three-month period ended 31 March 2023 | | For the three-month period ended 31 March 2022 | |
| | USD | KHR'000 (Note 3) | USD | KHR'000 (Note 3) |
| Current income tax expense | 42,690 | 174,346 | 4,018 | 16,325 |
| Under provision in prior year | 28,800 | 117,619 | - | - |
| | 71,490 | 291,965 | 4,018 | 16,325 |

Reconciliation between loss before income tax and estimated corporate income tax

The reconciliation between accounting loss before income tax and estimated corporate income tax is shown below:

| | (Reviewed but unaudited) | | (Reviewed but unaudited) | |
|---|--|---------------------|--|---------------------|
| | For the three-month period ended 31 March 2023 | | For the three-month period ended 31 March 2022 | |
| | USD | KHR'000 (Note 3) | USD | KHR'000 (Note 3) |
| Loss before income tax | (247,809) | (1,012,052) | (422,835) | (1,717,979) |
| Add: Non-deductible expenses | 674,713 | 2,755,528 | (6,247) | (25,382) |
| Taxable income for the period | 426,904 | 1,743,476 | - | - |
| Income tax at applicable rate of 10%* (A) | 42,690 | 174,346 | - | - |
| Minimum tax at rate 1% (B) | 21,107 | 86,201 | 4,018 | 16,325 |
| Income tax expense (higher of A or B) | 42,690 | 174,346 | 4,018 | 16,325 |
| Under provision in prior year | 28,800 | 117,619 | - | - |
| Income tax expense | 71,490 | 291,965 | 4,018 | 16,325 |

Having been successfully listed on the CSX, the Company is entitled to a temporary postponement on the prepayment of profit tax for a period of 3 years after listing in accordance with Prakas No. 855 of the Ministry of Economy and Finance ("MEF") dated 24 July 2015. The Company has submitted its application to the GDT through the Securities and Exchange Regulator of Cambodia ("SERC") to enjoy the tax incentives.

On 29 April 2022, the Company received a letter of approval from the GDT to defer the Company's 1% prepayment of profit tax from December 2021 until December 2024.

* In accordance with Sub-decree dated 24 February 2022 issued by the Royal Government of Cambodia, entities that list or offer either stock or debt security are entitled to enjoy 50% reduction of the annual tax on income liability for first three years. The tax on income incentive is calculated based on percentage of stock securities issued. On 15 June 2022, the Company has obtained letter No. 13051 issued by the GDT to approve its application for this tax on income incentive from 2022 until 2024.

(b) Current income tax payable

| | (Reviewed but unaudited) | | (Audited) | |
|-------------------------------------|---------------------------------|-----------------|-------------------------|-----------------|
| | 31 March 2023 | | 31 December 2022 | |
| | USD | KHR'000 | USD | KHR'000 |
| | | (Note 3) | | (Note 3) |
| As at beginning of the period/year | 1,804 | 7,427 | 70,075 | 285,486 |
| Charge during the period/year | 42,690 | 174,346 | 9,246 | 37,788 |
| Under provision in prior year | 28,800 | 117,619 | - | - |
| Income tax paid | (30,604) | (124,987) | (77,517) | (316,812) |
| Currency translation difference | - | (1,340) | - | 965 |
| As at end of the period/year | 42,690 | 173,065 | 1,804 | 7,427 |

(c) Taxation contingencies

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 are susceptible to varying interpretations, the amounts reported to the financial statements could change at a later date upon final determination by the GDT.

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

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

On 12 July 2022, the Company received a notification letter from the GDT to perform comprehensive tax audit on the Company's tax return for the fiscal years 2020 to 2021. The tax audit was carried out on 1 August 2022. As of the reporting date, the Management has yet to receive tax reassessment result from the tax authority.

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24 Categories of financial instruments

The category of financial instruments are shown below:

| Financial Assets | (Reviewed but unaudited) | | (Audited) | |
|---------------------------|--------------------------|------------------|------------------|------------------|
| | 31 March 2023 | | 31 December 2022 | |
| | USD | KHR'000 | USD | KHR'000 |
| | | (Note 3) | | (Note 3) |
| At amortised cost | | | | |
| Cash and cash equivalents | 150,159 | 608,744 | 269,653 | 1,110,161 |
| Receivables | 131,284 | 532,225 | 79,263 | 326,326 |
| Other receivables* | 30,660 | 124,296 | 310,707 | 1,279,178 |
| | 312,103 | 1,265,265 | 659,623 | 2,715,665 |

*Excludes input VAT, prepayments, non-refundable deposit and advance payments

| Financial liabilities | (Reviewed but unaudited) | | (Audited) | |
|------------------------------------|--------------------------|-------------------|-------------------|-------------------|
| | 31 March 2023 | | 31 December 2022 | |
| | USD | KHR'000 | USD | KHR'000 |
| | | (Note 3) | | (Note 3) |
| At amortised cost | | | | |
| Trade and other payables** | 3,462,271 | 14,036,047 | 2,126,906 | 8,756,472 |
| Borrowings | 8,654,815 | 35,086,620 | 7,308,244 | 30,088,041 |
| Amounts due to shareholders | 235,487 | 954,664 | 1,731,823 | 7,129,915 |
| Not within scope of CIFRS 9 | | | | |
| Lease liabilities | 16,462 | 66,737 | 32,619 | 134,292 |
| | 12,369,035 | 50,144,068 | 11,199,592 | 46,108,720 |

**Excludes output VAT and other taxes payable

25 Fair value information

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

26 Commitment

| Construct or develop: | (Reviewed but unaudited) | | (Audited) | |
|----------------------------|--------------------------|-------------------|------------------|-------------------|
| | 31 March 2023 | | 31 December 2022 | |
| | USD | KHR'000 | USD | KHR'000 |
| | | (Note 3) | | (Note 3) |
| Property development costs | 6,610,984 | 26,800,929 | 7,310,242 | 30,096,266 |
| Software | 28,961 | 117,408 | 42,625 | 175,487 |
| | 6,639,945 | 26,918,337 | 7,352,867 | 30,271,753 |

27 Loss per share

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

| | (Reviewed but unaudited) | | (Reviewed but unaudited) | |
|---|---------------------------------|--------------------|---------------------------------|-------------|
| | For the three-month | | For the three-month | |
| | period ended | | period ended | |
| | 31 March 2023 | | 31 March 2022 | |
| | (Note 3) | | (Note 3) | |
| Loss attributable to the owners of the Company (USD/KHR'000) | (319,299) | (1,304,017) | (426,853) | (1,734,304) |
| Weighted average number of shares | 25,710,000 | 25,710,000 | 22,618,051 | 22,618,051 |
| Basic loss per share (cent/riel) | (0.01) | (50.72) | (0.02) | (76.68) |
| Diluted loss per share (cent/riel) | (0.01) | (50.72) | (0.02) | (76.68) |

28 Events after reporting period

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

29 Authorisation of the interim condensed financial information

The interim condensed financial information of the Company as at 31 March 2023 and for the three-month period then ended was approved for issue by the Board of Directors on 19 May 2023.