



Annual Report 2021

JS Land Plc

(31 December 2021)



Vision and Mission

Vision

By insisting on continually adopting state-of-the-art construction technologies and the latest architectural design trends, it is our vision that all Cambodians will be able to own genuine and affordable homes with the finest workmanship.

Mission

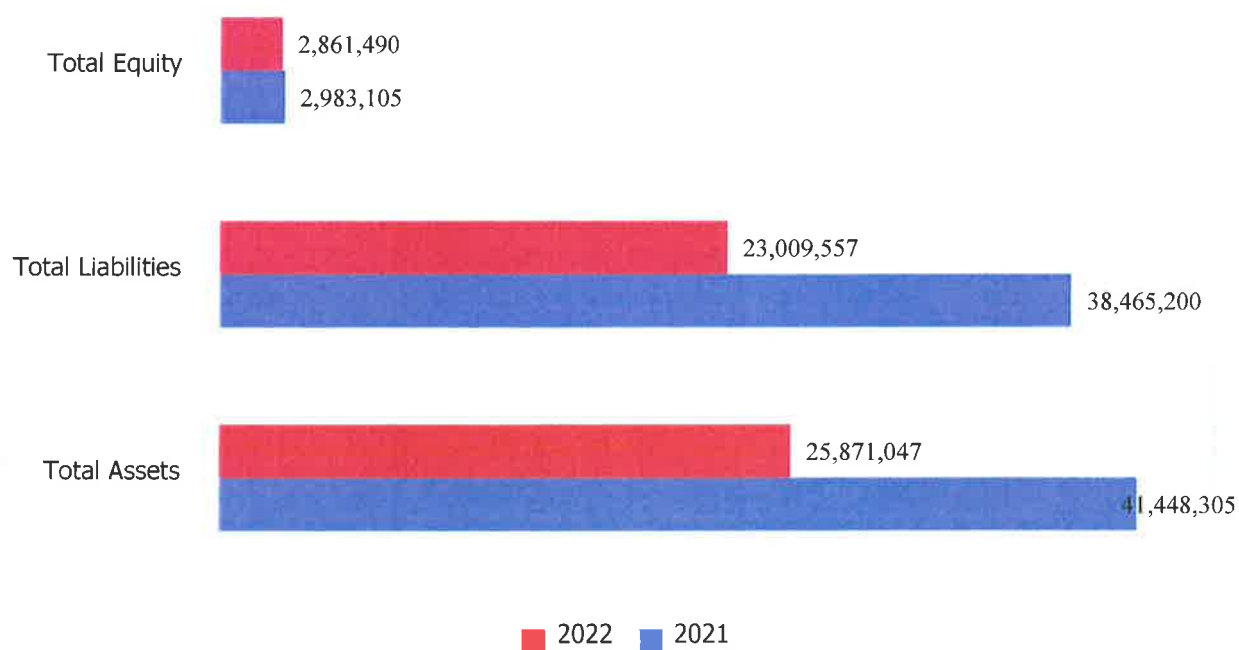
The company primary mission is to build homes that meet the needs of the Cambodians and to deliver properties with quality that inspire and enrich the lives of the homeowners.

Financial Highlight

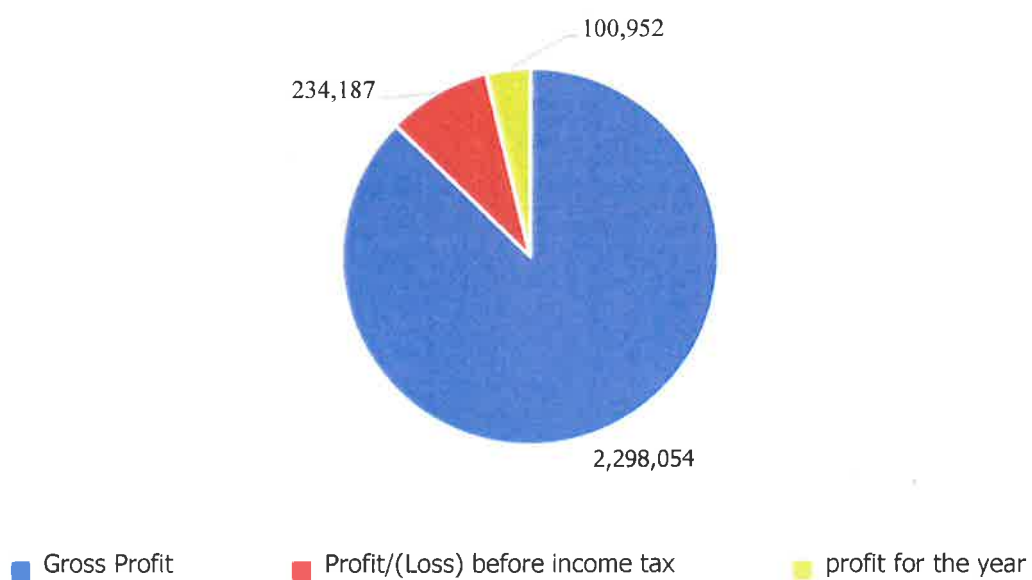
Description		2021	2020	2019
Financial Position (KHR'000)				
Total Asset		41,448,305	25,871,047	24,260,415
Total Liabilities		38,465,200	23,009,557	21,580,817
Total Shareholder's Equity		2,983,105	2,861,490	2,679,598
Profit/ (Loss) (KHR'000)				
Total Revenues		5,461,896	3,092,311	29,879,229
Profit/ (Loss) before Tax		234,187	318,316	8,655,983
Profit/ (Loss) after Tax		100,952	203,214	7,255,385
Total Comprehensive income		121,615	202,640	7,218,422
Financial Ratio				
Solvency ratio		7.20%	11.1%	11.05%
Debt to Equity ratio		5.15	2.97	3.41
Liquidity ratio	Current ratio	126.66%	98.52%	71.15%
	Quick ratio	125.63%	84.02%	47.70%
Profitability ratio	Return on assets	0.29%	0.78%	29.75%
	Return on equity	4.08%	7.08%	269.38%
	Gross profit margin	42.07%	44.01%	31.72%
	Profit margin	2.23%	6.55%	24.16%
	Earnings per share	4.73	7.88	280.76
Interest Coverage ratio		8.45	7.52	104.41
Dividend per share		N/A	N/A	N/A

Financial Summary Chart

FINANCIAL POSITION (KHR'000)



COMPREHENSIVE INCOME 2021 (KHR'000)



Key Statistics of Annual Operational Results

Indicator	2021	2020
Total Asset (KHR'000)	41,448,305	25,871,047
Revenue (KHR'000)	5,461,896	3,092,311
Other Income (KHR'000)	688,786	703,698
Total comprehensive income for the year (KHR'000)	222,324	202,640
Number of Condo units Sales	24	7

Board of Directors



Okhna KOY Le San
Chairman



Dato' YAP Ting Chiat
Executive Director and Chief



Okhna MENG Lee
Non-Executive Director



TANG Chun Kiu
Non-Executive Director



TAN Ser Chhay
Independent Director

Message from Chairman



Dear Shareholders,

We believe that success belongs to those who dare to dream first, then set a plan and finally work on realising this plan and its objectives. Our objectives have been met with great determination, persistence but most importantly, the belief and trust from all the shareholders and partners to make **JS Land PLC** who we are today.



Our dream began in 2014, 5 entrepreneurs from Cambodia, Malaysia and Hongkong who came together and formed a development company, JS Land Limited. It has always been the company's vision and mission to build lifestyle condominiums at the most affordable price for Cambodians. We took fast but steady steps and launched our first project, **The Garden Residency 1**, which is 20 storeys building with a total of 179 units in 2015. We are the first condominium building in Sen Sok district to be completed and successfully handover in 2019.

With more planning, in 2020, We launched **The Garden Residency 2**, which is 31 storeys building with 339 units and a gross development value of 28M dollars. Despite the timing coinciding with the beginning of the global pandemic outbreak when everyone's disposable income and markets sentiments are at a low, we still managed to close a commendable number of sales of **The Garden Residency 2**.

This very reason further proves that our company is definitely on the right track with the right products, and it's with this very same reason that drives us to take the next big leap going forward by deciding to go public as we know we have the experience and market knowledge and are now ready to expand our company to the next level.

When the pandemic was getting more serious and the whole world was working from home, we were making the best use of this slow down period to overcome the biggest challenge till date which was getting JS Land PLC to be publicly listed. On the 10th February 2022, the company is officially listed successfully on the Cambodia Securities Exchange with a market Cap of 12M dollars.

Getting listed is the beginning of a new chapter for JS LAND PLC to strengthen Its foothold & further expand its business in Cambodia.

As the Chairman of JS LAND PLC, I will ensure not only the Sustainable growth in development, but also through the realisation of dreams, to become one of the biggest developers in Cambodia.

Phnom Penh, Date 27. / April. / 2022
Signature and seal



Oknha KOY Le San
Chairman

Message from Chief Executive Officer



Dear Shareholders,

Today, we proudly announce that **JS LAND PLC** is the first developer to be listed on the board of Cambodia Securities Exchange. On behalf of the board of directors, management & staff of **JS LAND PLC**, I would like to extend my utmost gratitude to all the shareholders who have subscribed to the IPO of **JS LAND PLC**.

Thank you for your belief & trust in us.

Since starting in 2014, we have always positioned and focused ourselves in building affordable homes that meets the needs of Cambodians.

Sen Sok, one of the prime residential areas & fastest growing districts in Phnom Penh is home to our first project, The Garden Residency. In recent years, Sen Sok has the most supply of clustered homes in Phnom Penh and accounts for 25% of the total supply of landed residential units. One also sees the aggressive commercial developments in the area to support the growing community i.e. Aeon Mall, Makro and also amenities like function halls, international schools and hospitals in Sen Sok.

The Garden Residency is at the heart of this strategic location, growing along with the advancing development of the district. With the correct affordable payment plans & price, The Garden Residency was successfully sold out and handed over in 2019.

Building on this success, We continued to launch The Garden Residency 2 at Sen Sok in 2020. Despite the challenges of the global pandemic that affected the world's economy in these 2 years, we still managed to achieve a good number of sales to date as a result of our location & affordable prices. Currently, we have sold more than 70% of The Garden Residency 2.

After eight years of effort, JS LAND PLC now has the first mover advantage, being the pioneers in affordable homes development in Cambodia. Together with our Public Listing stature, we are able to

deploy quickly over the next few years and acquire more of the affordable condominium's market shares.

With our strength, together, we will be able to grow in value and size by having a lion's share in profit in this huge affordable condominium market in Cambodia. And in turn, this growth will be able to reward our shareholders with the actual capital gain in share prices, and sustainable dividend pay-outs.

Phnom Penh, Date 17/ April/ 2022
Signature



Dato' YAP Ting Chait
Chief Executive Officer

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Part 1.-General Information of JS Land Plc

A. Identity of JS Land Plc

Name of Company in Khmer	ជេអេស លែន ភីអិលស៊ី
In Latin	JS Land Plc.
Standard Code	Kh1000160007
Address	B2-107, The Elysee Diamond Island, Koh Pich Street, Sangkat Tonle Bassac, Khan Chamkarmon, Phnom Penh.
Telephone	+855 10 88 66 99
Website	www.jslandplc.com
Email	enquiry@jsland.com.kh
Registration Number	00010332 12 December 2014
Authorization and registered documents number	248/21 ឧ.ម.ក./ស.ស.វ. 27 December 2021
Representative	Oknha KOY Le San

B. Nature of Business

JS Land Plc was incorporated on 12 December 2014 as a private limited company under the Law on Commercial Enterprises of Cambodia. The Company was subsequently converted into a public limited company and adopted its present name on 13 May 2021 to facilitate the IPO.

JS Land Plc was founded by a group of 5 entrepreneurs from Cambodia, Malaysia & Hong Kong. Together, JS Land's Directors have with them a broad range of experience in property, hotel & industrial development both in Cambodia and in the region.

Our primary mission is to build homes that meet the needs of the Cambodian people and to deliver properties with quality that inspire and enrich the lives of the homeowners. By insisting on continually adopting start-of-the-art construction technologies and latest architectural design trends, it is the Company's vision that all Cambodians are able to own genuine and affordable home of the finest workmanship.

We commenced our first project called GR1 in 2015 which is a lifestyle condominium developed to meet the housing needs of the young Cambodian generation. The project was successfully completed and handed over to customer in 2019.

In 2020, the Company embarked in its second project called GR2. The construction of GR2 commenced in November 2020 and is expected to compete and hand over by the end of 2023.

C. Group Structure of JS Land Plc

As of December 31, 2021, JS Land Plc has no any subsidiary, affiliated, holding company, or any related company.

D. Milestones of JS Land Plc

Milestone of JS Land Plc



E. Market Situation

As of December 31, 2021, JS Land Plc reported total comprehensive income of 121,615 KHR'000, decrease by 81,025 KHR'000, equivalent to 39.98 % compared to FY 2020. The decreasing was driven by decreasing of profit after tax. We notice that company reported increasing of revenue from

real estate sales by 2,369,585 KHR'000, equivalent to 76.63 % compared to FY 2020. The increasing was driven by the increased sales of Condo. In 2021, we observed that our property development project in Khan Sen Sok is good processing.

F. Competitive Situation

Our Company is supported by the following key strengths and competitive advantages to sustain our business as well as to support our growth. These key competitive advantages are set out below:

- i) We have strong management team with the combination of foreign expertise and local knowledge.
- ii) We have the proven track record of successful completion and handover of GR1 which helps build trust and confidence on our company.
- iii) We have precise product knowledge and unique proposition.
- iv) All our projects are located in strategic locations.
- v) We target a largely untapped market affordable and lifestyle condominium for young generation.
- vi) We not provide only the affordable price but also affordable and attractive payment scheme options.
- vii) We have the proven resilient and strong demand for GR2 amid COVID-19 outbreak in 2020.
- viii) We have secured land bank for the development of our future projects.

G. Future Plan

Secured Land Bank

For the development of our future projects, GR3 and beyond, JS Land Plc has secured approximately 4.2 hectares land in the strategic location of Phnom Penh through a joint-venture agreement with the land owner. The land is located at Tror Peang Mean Village, Krang Thnong commune, Sen Sok district, which is surrounded by many Borey developments such as Borey New World, Borey Varina, Borey Okide Villa, Borey Moha Sen Sok and other potential Borey development projects.

Meanwhile, this land is sizeable enough for a dozen of major condominiums and other commercial projects and shall keep the company busy for the next 10 years.

First technology park in Cambodia

In 2023, JS Land Plc plans to develop the first technology park in Cambodia-the innovation facilitator and technology enabler of Cambodia. With its modern infrastructure and state-of-the-art facilities, it boasts as the only generation incubator service provider in the country offering a comprehensive range of services.

Focused on the objective of creating a conducive environment for innovation, the technology park will transform itself whilst maximizing its land assets, enhancing its commercialization and support services, increasing the efficacy of its advanced infrastructure and networking capabilities, elevating its generation technology incubation programmes and developing start-up friendly policies to generate a proliferation of technology-based quality start-up companies with global potential.

H. Risk Factors

While the types and degree of risks the company may be exposed to depend upon several factors such as its size, complexity of business activities, volume etc., we believe that JS Land Plc generally faces the following types of risk on a continuous basis:

1. Interest Rate Risk

a. Analysis

Interest rate risk refers to risks from fluctuations of interest rate in the future, which may adversely affect financing costs and returns to JS Land Plc. Our Company's ability to expand our business operation is dependent upon our ability to raise sufficient financing or internally generated cash flows.

b. Management view and Risk mitigation

As at 31 December 2021, JS Land Plc was not exposed to any interest rate risk as all of our borrowings carry fixed-interest rates. As such, any fluctuation of the market interest rate will not have any immediate and adverse impact on our financial performance.

2. Change in economic, political, social and regulatory conditions in Cambodia

a. Analysis

Housing market is susceptible to changes in economic, political and social conditions. Any adverse developments affecting the housing market may have adverse impact on our business operations and profitability. These situations include, but are not limited to, current global and local economic climates, inflation, credit conditions, political leadership, government

regulations and policies, methods of taxation, nationalization, expropriation and renegotiation or nullification of existing contracts.

Furthermore, our business operations are governed by the government policies and legislation, regulations and requirements established to control and protect consumers as well as to determine minimum industry standards.

The performance of the property market is also dependent on the availability, cost and the ease of access to financing by home buyers. The steady decline in banks' interest rate for mortgage financing in recent year in Cambodia, coupled with the flexible instalment scheme offered by property developers such as our Company, has been stimulating growth in the residential property market in Cambodia. As such, any adverse developments affecting the cost and ease of access to financing for home buyers, including but not limited to, the increase in USD financing cost in the international market and measures that may be imposed by the NBC to contain bank mortgage financing and to deter developers' instalment scheme to cool down the property market may have adverse impacts on our business operations and financial performance.

b. Management view and Risk mitigation

The temporary setback in the Cambodian economy in 2020 has led to a slowdown in the housing development market, especially in the condominium segment.

Notwithstanding the above, premised on the country's young population and growing middle class as a result of sustained economic growth in recent years, we are optimistic that Cambodia's demand for housing will rebound post COVID-19 pandemic.

As for JS Land Plc, the launch of GR2's pr-booking in Q2 2020 amid COVID-19 outbreak has proven resilient and strong demand for our project. The Company has achieved more than 50% sales within a month of its launch and as at 31st December 2020 the Company has sold 180 out of 339 units.

Notwithstanding the above, there can be no assurance that we would not be adversely affected the protracted spread of COVID-19 globally and in Cambodia. Furthermore, while we believe the Cambodian stimulus in light of the economic slowdown we may adversely affected by new rules an regulations that may be introduced by the authorities in the future such as those aiming at deterring speculative activities and protecting consumer interests. Furthermore, we may be adversely affected by any decision of the NBC to cool down the mortgage financing by

imposing conditions on mortgage financing by banks and deterring instalment scheme offered by developers.

3. Fluctuation of costs

a. Analysis

JS Land Pls's profitability may be adversely affected by any increase in land acquisition costs and fluctuations of construction costs which are inherent in the property development industry. Higher cost of materials, cost of labor and contractor and overheads costs will reduce our profit margin in the event that we are unable to pass on these increased costs to customers in the form of higher selling prices. Selling prices of properties are largely dependent on the product differentiation in terms of location, reputation of developer, quality, design and the condition of the property market.

b. Management view and Risk mitigation

JS Land Plc take prudent approach in managing our development costs and in pricing our product to maintain a healthy profit margin. We generally engage with independent contractors to handle all our construction activities. As such, our contractors will bear the risk of fluctuation of costs of materials and labor. Furthermore, before acquiring land bank, we take into consideration a wide range of factors including but not limited to, the type of properties to be developed, marketability of the development and consumer demand for the properties in that area.

4. Scarcity of commercially-viable land bank for development

a. Analysis

For JS Land Plc to continue to be successful in the residential development industry, we rely to a large extent on our existing land bank, as well as our ability to identify and acquire suitable land bank with development potential to deliver sustainable growth and profitability. However, like our peers, we face intense competition from other property developers in identifying and acquiring strategically located land bank at commercially viable prices. The competition among the property developers, coupled with the speculation by the property owners and investors, has to a large extent created scarcity of development land, which may result in higher acquisition cost, thus may lead to a potential decrease in our profitability and adversely affect our prospects.

b. Management view and Risk mitigation

For the development of our future projects, GR3 and beyond, JS Land has secured approximately 4.2 hectares land in the strategic location of Phnom Penh through a joint-venture agreement with the land owner.

5. We may be affected by property overhang and/or unsold properties

a. Analysis

Property overhang is commonly caused by oversupply and/or low take up rate of new property launches by property developers. Other factors contributing to property overhang may include economic downturn and unfavorable market conditions. Any prolonged rise in the property overhang situation would inevitably result in us potentially holding high number of unsold properties and thus adversely affect our financial performance. Apart from the general property overhang situation, an increase in the number of unsold properties of a particular project may also be due to factors such as weak reception of the launched property project, location of the development and changes in consumer preference.

b. Management view and Risk mitigation

JS Land Plc seek to lower the risk of holding unsold properties by launching presale events to attract early bird buyers with attractive selling price and payment options. We believe our various options of payment scheme not only help attract interest of buyers but also reduce the cancellation rate which contribute to lower the risk of property overhang. Further, before acquiring and developing any land bank, we conduct feasibility to determine the potential demand of the properties by taking into consideration including amongst others, the market supply and demand, forecasted budget and estimated costs of construction, comparable projects, potential pricing of the properties, existing and/or potential competitors developing in the vicinity of the site.

6. Change Day-to-day operational risk and insurance coverage

a. Analysis

As JS Land Plc operate in the housing development industry, our business activities are susceptible to operational risks. Risks in day-to-day operations include risks of accidents, disruption in supply of utilities, as well as fire, flood, and/or other natural disasters that may cause disruption or delay in implementing our projects.

b. Management view and Risk mitigation

JS Land Plc seek to limit the above risks through, inter-alia, the following measures:

- i). JS Land Plc have taken up annual fire insurance policy for GR1 for a total amount of USD5 million. Furthermore, we have also taken up the public liability insurance of USD100,000.
- ii). For GR2, JS Land Plc have procured that our main contractor has subscribed for contractors' all risk insurance policy. This insurance covers material damage with a total sum insured of approximately USD15.02 million and third-party legal liability with a total sum insured of USD1.0 million.
- iii). JS Land Plc select contractors to handle our construction project based on their qualifications, experiences and track records.
- iv). JS Land Plc require our contractors to abide by safety standards and to take up appropriate insurance policies to minimize damages from any accident.
- v). Our office premise and property buildings are equipped with firefighting equipment as required by the applicable regulations such as fire hose reel system and fire extinguisher stored at strategic locations which can be easily accessible in the event of fire.

7. Delay in completions of projects

a. Analysis

Most of JS Land Plc property units are sold prior to the completion of the development project. Furthermore, we may be affected by external factors which may give rise to the delay in delivery of our properties to our buyers. These external factors include, but not limited to, regulatory approvals and permits from various authorities, adverse weather conditions, unsatisfactory performance of contractors, accident at project sites, stop work orders issued by relevant local authorities, labor disputes and availability of materials and labor.

Any delay in completion may give rise to potential claims for damages from our buyers pursuant to the terms of the sales and purchase agreement and such claims may adversely affect our Company's reputation and financial performance.

b. Management view and Risk mitigation

As a housing developer, JS Land Plc engage independent contractors in all our projects. We seek to limit risk of delay by inviting bids from our panel of registered and experienced contractors with track records and proven capabilities. Further, we are also able to claim from contractors in the event of such delays, subject to the terms and conditions set out in our contracting agreements.

8. Reliance on licenses, permits and other relevant approvals issued

a. Analysis

JS Land Plc required to possess the licenses, permits and other approvals by the relevant authorities in order to operate our business in Cambodia. Any changes in the laws, regulations and government policies could affect our operations. In particular, any decisions by the government or regulatory authorities related to grant or renewal of our licenses or permits could disrupt our operations and have material adverse effect on our business and financial condition of our Company. Even though we have obtained the required licenses, permits and approvals, we are subject to continuous review under the applicable laws and regulations, the implementation of which is subject to change from time to time.

b. Management view and Risk mitigation

JS Land Plc will continue to remain compliant with the laws and regulations in the countries where we are operating by ensuring we review the regulations, conditions imposed and new directives on an on-going basis. Nonetheless, there is no assurance that our effort is sufficient to mitigate such risk.

9. Liquidity risk

a. Analysis

Liquidity risk is the risk that JS Land Plc will encounter difficulty in raising and/or generating funds to meet our short-term payment commitments.

We generally extend credit terms to our customers in the form of payment instalment. We also provide our customers with long term instalment option for up to 15 years. As such, in the event that a significant number of customers delay or default their payments to us, we may not have sufficient liquidity to meet our payment obligations and our business operations may as such be adversely affected.

b. Management view and Risk mitigation

JS Land Plc seek to maintain sufficient cash and cash equivalents to meet our working capital requirements. We regularly monitor the current and expected liquidity requirements to ensure that we maintain sufficient reserves of cash to meet our liquidity requirements in the short and long term. In addition, we believe we are able to secure financing from our existing banking partners as well as other banks to meet any funding requirement.

Furthermore, we seek to mitigate the liquidity risk by launching pre-sale booking to gauge potential demand before we commence the construction. Moreover, we have a large customer base who are mostly individual homebuyers and none of whom contribute significant percentage to our revenue.

10. Credit risk

a. Analysis

Credit risk is the risk of a financial loss by the Company if a customer or counterparty to a financial instrument fail to meet its contractual obligations. Like our peers, we generally collect payments from our customers on a progressive basis or based on the terms set out in the sales and purchase agreement. Our business may, therefore, be adversely affected if customers are unable to meet their payment obligations to us. as at 31st December 2020 we have not been materially affected by the default or late payment by our customers.

b. Management view and Risk mitigation

The payment terms offered by JS Land Plc to our customers are generally in line with the industry practice. Moreover, as an industry practice, a title deed of a property unit will be transferred to a customer only after we receive full payment. And it is contractually agreed by the customers that in the event that any customers fail to meet their payment obligations as set out in the sales and purchase agreement; we have the rights to terminate the agreement without any refund.

Part 2.- Information on Business Operation Performance

A. Business Operation Performance Including Business Segment

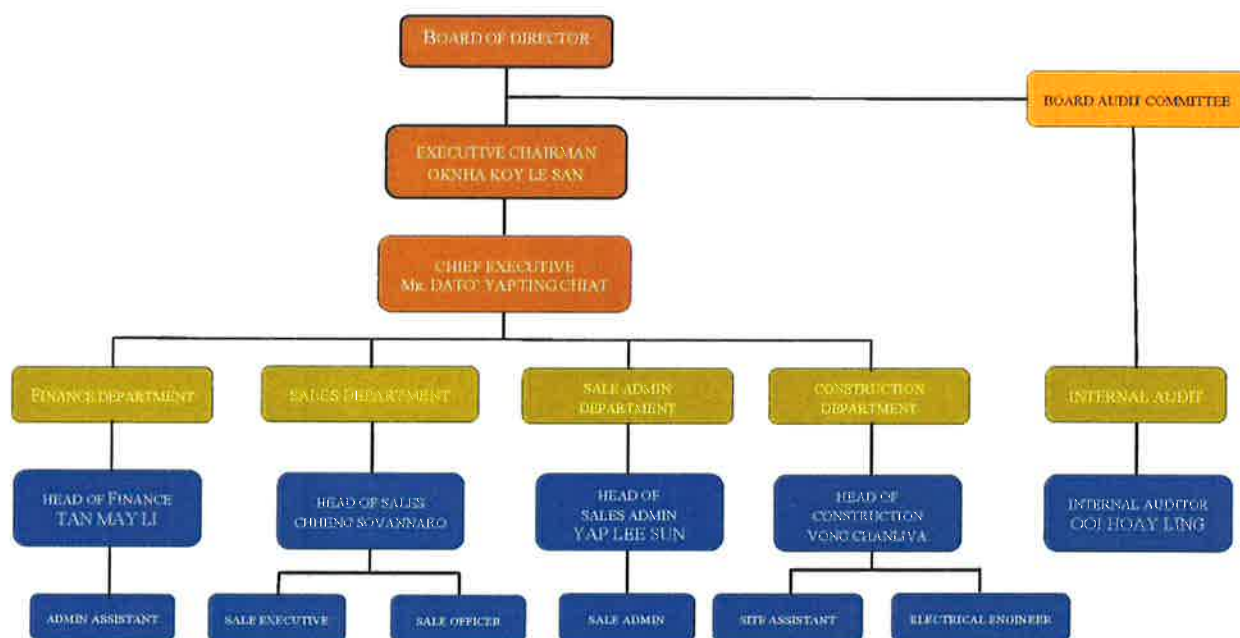
JS Land Plc's revenues are from Condo unit sale and other income. As of December 31, 2021, Land Plc reported major revenue from real estate sales of 5,461,896 KHR'000, increase of 2,369,585 KHR'000, equivalent to 76.63 % compared to FY 2020. The increasing was driven by the increased sales of Condo and Company reported other income of 688,786 KHR'000, decreased by 14,912 KHR'000, equivalent to 2.11% compared to FY 2020. As of December 31, 2021, JS Land Plc reported total comprehensive income of 121,615 KHR'000, decrease by 81,025 KHR'000, equivalent to 39.98 % compared to FY 2020. The decreasing was driven by decreasing of profit after tax.

B. Income Structure

Nº	Source of Income	2021		2020	
		Amount (KHR'000)	%	Amount (KHR'000)	%
1	Revenue	5,461,896	88.80%	3,092,311	81.47%
2	Other Income	688,786	11.20%	703,698	18.53%
	Total Revenue	6,150,682	100%	3,796,009	100%

Part 3.-Information on Corporate Governance

A. Organizational Structure



B. Board of Directors

Composition of Board of Directors

Nº	Name of Directors	Position	Start Date in Position	End Date in Position
1	Oknha KOY Le San	Executive Chairman	26 October 2021	25 October 2026
2	Mr. Dato' YAP Ting Chiat	Executive Director	26 October 2021	25 October 2026
3	Oknha MENG Lee	Non-executive Director	26 October 2021	25 October 2026
4	Mr. TANG Chun Kiu	Non-executive Director	26 October 2021	25 October 2026
5	Mr. TAN Ser Chhay	Independent Director	26 October 2021	25 October 2026

Name of Company Secretary: **Ms. Yap Lee Sun.**

C .Senior Officers

Composition of senior officers

Nº	Name	Gender	Position
1	Oknha Koy Le San	M	Executive Chairman
2	Mr. Dato' Yap Ting Chiat	M	Executive Director/Chief Executive Officer
3	Ms. Yap Lee Sun	F	Corporate Secretary/Head of Sales Admin
4	Ms. Tan May Lin	F	Head of Finance
5	Mr. Chheng Sovannaro	M	Head of Sales
6	Mr. Vong Chanliva	M	Head of Construction
7	Ms. Ooi Hoay Ling	F	Internal Auditor

Note: Detail information on corporate governance is attached as Appendix.

PART 4.- Information on Securities' Trading and Shareholders of JS Land Plc

A. Information on Securities

1- Information on Equity Securities

N/A

2- Information on Debt Securities

N/A

3-Other Securities

N/A

B. Securities' price and Trading volume

As of December 31, 2021 JS Land plc has no any price and trading volume.

C. Controlling Shareholders (30% or more)

Nº	Name	Nationality	Number of Shares	Percentage
1	Oknha KOY Le San	Khmer	7,000,000	35
2	Dato' YAP Ting Chiat	Malaysian	7,000,000	35
Total			14,000,000	70

D. Substantial Shareholder(s) (5% or more)

Nº	Name	Nationality	Number of Shares	Percentage
1	TANG Chun Kiu	Chinese	2,000,000	10
2	KIN Solyta	Khmer	2,000,000	10
3	Oknha MENG Lee	Khmer	2,000,000	10
Total			6,000,000	30

E. Information on dividend distribution in the last 3 (three) years

As of December 31, 2021 JS Land plc has no any dividend distribution.

Details of dividend distribution	2021	2020	2019
Net profit N/A	N/A	N/A	N/A
Total cash dividend	N/A	N/A	N/A
Total share dividend	N/A	N/A	N/A
Another dividend	N/A	N/A	N/A
Dividend payout ratio (%)	N/A	N/A	N/A
Dividend yield (%)	N/A	N/A	N/A
Dividend per share	N/A	N/A	N/A

PART 5.- Internal Control Audit Report by Internal Auditor

I. Introduction

Internal audit is an independent, objective assurance and consulting activity designed to add value and improve the company operations. It helps the company to accomplish the objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. The internal audit function is led by the Internal Audit Officer, who is authorized to communicate and interact directly with the Board Audit Committee.

II. Scope of Internal Audit Engagement

The scope of Internal Audit activities consists of three core engagements to apply the systematic and disciplined approach to examine and evaluate internal control, risk management perspectives and the processes of the company's operation.

- Monitoring, analyzing and assessing the risks and controls of the company
- Review the company's compliance with policies and laws.
- Making reassurances and recommendation to the company's owner.

III. Summary of Performing Internal Audit Engagement in 2021

The activities of internal audit consisted of defining the scope of assessment, submitting the audit plan to the Board Audit Committee for approval, performing and controlling engagements, communicating the results, providing a written report, monitoring corrective action taken by management.

An annual internal audit plan of the year 2021 was established based on the comprehensive risk assessment method to align with the company strategy to define the audit objective and scope of each engagement. The Board Audit Committee approved the annual internal audit plan, including the budget to support the internal audit activities, human resources and professional knowledge development.

The 2021 internal audit plan approved by the Board Audit Committee was successfully performed. The engagements also to cover the following audit areas, namely Risk Management Audit, Human Resource Audit, Office Management Audit, Credit Audit, Information Security Audit, Financial Audit, Market Risk Audit, and Liquidity Risk Management

Where material issues have been identified through internal audit reviews, recommendations have been communicated to management and internal audit have ensured that management have set up the appropriate corrective actions with proper timelines for improvement such as updating/developing policy, operating manual and procedures, strengthening and training management and staff.

IV. Conclusion

The internal audit engagement plan in 2021 was completely achieved and strictly applied the risk based approach to all the audit areas and audit locations to provide the recommendation on effective control on risk management, internal control process and procedure and compliance control.

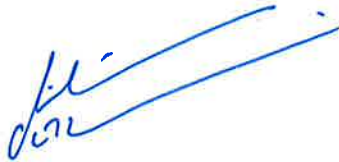
To respond to the internal audit recommendation, the management set up corrective action plan to enhance control environment for the day-to-day company operation.

Based on the internal audit results of 2021 engagement, the company's framework of governance, risk management and control are adequately designed for the system to perform in accordance with the regulations, internal policies, and procedures.

Read and Approved

Phnom Penh, Date 27 / April / 2022

Signature



TAN Ser Chhay
Chairman of Audit Committee

Phnom Penh, Date 27 / April / 2022

Signature



OOI Hoay Ling
Internal Auditor

PART 6.- Financial Statement Audited by the External Auditor

Please find the annex of Audited financial statement as attached with.

PART 7.-Information on Related Party Transactions and Conflict of Interest

JS Land Plc would like to disclose information of material related parties 'transactions in the last 2 (two) years, specifying name, relation between the JS Land Plc and related parties, size of transaction and the type of interest which arise from that relationship as follows;

A. Material Transactions with shareholder who hold at least 5% or more shares of outstanding equity securities.

As of December 31, 2021, aside from the material contracts was disclosed as set out in section 7 (7.5.16) Of JS Land Plc's disclosure document, the company has no any transaction with shareholders.

B. Material Transactions with Director and Senior Officer

As of December 31, 2021, aside from the material contracts was disclosed as set out in section 7 (7.5.16) Of JS Land Plc's disclosure document, the company has transaction with director and senior officer as below;

Name of Relation Party	Nature of Relationship	Nature of Transaction	2021 USD	2020 USD	2019 USD
Oknha KOY Le San	Director	Director's benefit*	49,109	-	(164,475)
		Non-cash interest	-	39,525	162,750
		Interest payment	69,912	(46,500)	-
		Loan	532,186.93	-	-
Dato' YAP Ting Chiat	Director	Director's benefit*	134,512	(11,000)	(85,463)
		(Settlements) /Advances	-	137,380	(1,798,562)
		Loan	515,203.12	-	-
		(Settlements) /Drawdown	-	(200,000)	96,000
		Non-cash interest	-	56,900	245,290
		Interest payment	33,010	(66,163)	(132,957)
TANG Chun	Director	Director's benefit*	-	-	(35,368)

Kiu					
Oknha	Director	Director's benefit*	-	-	(36,053)
MENG Lee					

The balance of the related party must not be guaranteed and compensated with the requirements. The interest rate of advances amount is 0%, while the loan's interest rate is 15% per year.

*Note: * Inclusive of free condominium units*

C. Transactions with Director and Shareholder related to buy/Sell asset and service

As of December 31, 2021, aside from the material contracts was disclosed as set out in section 7 (7.5.16) Of JS Land Plc's disclosure document, the company has no any transaction with director and shareholder related to buy/Sell asset and service.

D. Material transactions with immediate family members of the director, Senior Officer and Shareholder who hold at least 5% or more shares

As of December 31, 2021, aside from the material contracts was disclosed as set out in section 7 (7.5.16) Of JS Land Plc's disclosure document, the company has no any transaction with immediate family members of the director, Senior Officer and Shareholder who hold at least 5% or more shares.

E. Material transactions with the person, who associated with director of JS Land Plc, its Subsidiary or Holding Company, whose relationship has occurred in any transactions or have been made by JS Land Plc

As of December 31, 2021, aside from the material contracts was disclosed as set out in section 7 (7.5.16) Of JS Land Plc's disclosure document, the company has transaction with related party as below;

Name of Relation Party	Nature of Transaction	2021 USD	2020 USD	2019 USD
T2 Plus Co., Ltd	Management fee	(18,287)	(33,900)	(9,690)
	Event management fee	(18,208)	(33,000)	-
	Building model fee	-	(31,801)	-
	Marketing retainer fee	(37,500)	(17,112)	-
	Printing and stationeries	(390)	(14,702)	-

JM Estate SDN BHD	Event management fee	35,934	-	-
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F. Material transactions with former director or person who involved with former director

As of December 31, 2021, aside from the material contracts was disclosed as set out in section 7 (7.5.16) Of JS Land Plc's disclosure document, the company has transaction with former director as below;

Name of Relation Party	Nature of Relationship	Nature of Transaction	2020 USD	2019 USD
KIN Solyta**	Director	Director's benefit*	-	(35,368)

** KIN Solyta resigned from the Board on 23 March 2021.

G. Material transactions with director who is holding any position in a non-profit organization or in any other company other than JS Land Plc

As of December 31, 2021, aside from the material contracts was disclosed as set out in section 7 (7.5.16) Of JS Land Plc's disclosure document, the company has no any transaction with director who is holding any position in a non-profit organization or in any other company other than JS Land Plc.

H. Material transactions with directors who get benefit either finance or non-financial from JS Land Plc

As of December 31, 2021, aside from the material contracts was disclosed as set out in section 7 (7.5.16) Of JS Land Plc's disclosure document, the company has no any transaction with directors who get benefit either finance or non-financial from JS Land Plc.

PART 8.- Management's discussion and analysis (MD&A)

A. Overview of operations

JS Land Plc was incorporated on 12 December 2014 under the Law of Commercial Enterprise of Cambodia. We are principally engaged in the development of affordable and lifestyle condominium to meet the housing need of the young Cambodian generation.

1- Revenue Analysis

Our main source of revenue is from the sale of condominium project that we have developed. All revenues are recognized at a point in time upon transfer of the ownership of the residential units to the customers.

2-Revenue by segment analysis

As of December 31, 2021, J.S. Land Plc reported major revenue from real estate sales of 5,461,896 KHR'000, increase of 2,369,585 KHR'000, equivalent to 76.63 % compared to FY 2020. The increasing was driven by the increased sales of Condo.

3-Gross profit margin analysis

As of December 31, 2021, J.S. Land Plc reported gross profits of 2,298.054 KHR'000, increase of 937,212 KHR'000, equivalent to 68.87 % compared to FY 2020. In addition, the company reported gross profit ratio of 42.07 %, decrease of 4.39 % compared with FY 2020. The decreasing was driven by an increasing of cost of real estate sold.

4-Profit/ (Loss) before tax analysis

As of December 31, 2021, JS Land Plc reported profits before tax of 234,187 KHR'000, decrease by 84,129 KHR'000, equivalent to 26.43 % compared to FY 2020. The decreasing was driven by increasing of cost of real estate sold by 82.73 % and increasing of general and administrative expenses by 60.41% compared with FY 2020. Summary of Profit

5-Profit/ (Loss) after tax analysis

Summary of Profit 2021	2021 KHR'000	2020 KHR'000	Changed KHR'000	Changed %
Profits before tax	234,187	318,316	(84,129)	(26.43)
Income tax expenses	(133,235)	(115,102)	(18,133)	15.75

Profits after tax	100,952	203,214	(102,262)	(50.32)
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As of December 31, 2021, JS Land Plc reported profits after tax of 100,952 KHR'000, decrease by 102,262 KHR'000, equivalent to 50.32 % compared to FY 2020. The decreasing was driven by decreasing of profit before tax and increasing of income tax expenses.

6-Total comprehensive income (Loss) analysis

As of December 31, 2021, JS Land Plc reported total comprehensive income of 121,615 KHR'000, decrease by 81,025 KHR'000, equivalent to 39.98 % compared to FY 2020. The decreasing was driven by decreasing of profit after tax.

7-Factors and trends analysis affecting financial conditions and results

As of December 31, 2021, JS Land Plc has no any factors and trends affecting financial conditions and results.

B. Significant factors affecting profit

Based on our track record, Board of director has observed the following significant factors that may affect our profitability;

1-Demand and supply conditions analysis

The current situation of apparent oversupply of condominium may result in property overhang or unsold properties and downward pressure on price of our current development project which may adversely affect our sales and profitability. We seek to lower the risk of holding unsold properties by launching presale events to attract early bird buyers with attractive selling price and payment options. We believe our various options of payment scheme not only help attract interest of buyers but also reduce the cancellation rate which contributes to lower the risk of property overhang. Further, before acquiring and developing any land bank, we conduct feasibility to determine the potential demand of the properties by taking into consideration including amongst others, the market supply and demand, forecasted budget and estimated costs of construction, comparable projects, potential pricing of the properties, existing and/or potential competitors developing in the vicinity of the site.

2-Fluctuations in prices of raw materials analysis

JS Land is the real estate developer; therefore, all construction and related construction works of our projects are sub-contracted to main contractor Sinohydro Corporation Limited, located on 27th Floor, Canadia Tower, No 315, the Corner of Ang Duong Street and Monivong Blvd, Phnom Penh,

Cambodia. As of December 31, 2021, our profitability may be adversely affected by any increase in land acquisition costs and fluctuations of construction cost which are inherent in the property development industry.

3- Tax analysis

In accordance with Cambodian tax laws, our Company has the obligation to pay tax on profit at the rate of 20% of taxable profit. Beside tax on profit, we are also subject to a separate minimum tax. The minimum tax is an annual tax with a liability equal to 1% of annual turnover inclusive of all taxes except valued added tax, and in due irrespective of the Company's profit or loss position.

Notwithstanding the above, in accordance with the sub degree no. 1 ANK.BK 2019 on tax incentives in the securities industry, the Company shall entitle to a 50% reduction on the tax on profit for the three years after listing.

Further, our profitability could be affected by any possible tax liability arising from tax reassessment. Under the self-declaration regime, the taxpayers are required to self-assess its tax which is subject to a future tax audit.

4-Exceptional and extraordinary items analysis

COVID-19 has yielded significantly adverse impact on the Cambodia's economy and the property sector has been one of the most severely hit by the pandemic. The uncertainties caused by COVID-19 still plagued the business and consumer sentiment in Cambodia. Therefore, our board of director believe that JS Land Plc would affect by these uncertainties of by COVID-19. Apart from this, company has no any exceptional and extraordinary items analysis.

C. Material changes in sales and revenue

As of December 31, 2021, J.S. Land Plc reported major revenue from real estate sales of 5,461,896 KHR'000, increase of 2,369,585 KHR'000, equivalent to 76.63 % compared to FY 2020. The increasing was driven by the increased sales of Condo.

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

1- Impact on foreign exchange

Our sales revenue and purchases are mainly denominated in USD. As such, JS land Plc has no any materially affected by the fluctuations of the foreign exchanges during the Financial Year under Review.

2-Impact on interest rates

As of December 31, 2021, J.S. Land Plc are not exposed to any interest rate risk as all of our borrowings carry fixed-interest rates. As such, any fluctuation of the market interest rate will not have any immediate and adverse impact on our financial performance.

Further details on interest rates risk are set out in part 1.H.1 of this report.

3-Impact on commodity prices

As of December 31, 2021, J.S. Land Plc has no material impact of commodity prices on our financial results.

E. Impact of inflation

As of December 31, 2021, J.S. Land Plc has no material impact of inflation.

F. Economic/ fiscal / monetary policy of Royal Government

Risk relating to government, economic, fiscal or monetary policies or other factor which may materially affect our operations are set out in Part1.H.2 of this report.

As of December 31, 2021, J.S. Land Plc has no material change in government, economic, fiscal or monetary policies or other factor that have materially impacted our financial results.

PART 9.-Other Necessary Information for Investors Protection

JS Land plc has no significant information other than the information disclosed in this report.

Signature of Board of Director

Date.. 27-April-2022

Read and approved by:



Oknha KOY Le San
Chairman

Date.. 27-April-2022

Read and approved by:



Dato' YAP Ting Chiat
Executive Director and Chief

Date.. 27-April-2022

Read and approved by:



Oknha MENG Lee
Non-Executive Director

Date.. 27-April-2022

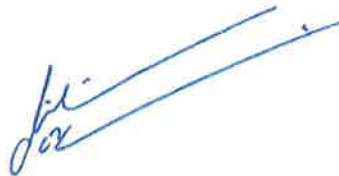
Read and approved by:



Tang Chun Kiu
Non-Executive Director

Date.. 27-April-2022

Read and approved by:



TAN Ser Chhay
Independent Director



Appendix of Annual Report 2021

JS Land Plc

Annual Corporate Governance Report 2021

Annex:

Corporate Governance Report

Part 1.- Shareholders

A. Shareholder Structure

Shareholders of JS Land Plc. is updated on the 31st of December, 2021.

1. Shareholder Information

Description	Nationality	Type of Shareholders	Number of Shareholders	Number of Shares	Percentage
Less than 5%	Cambodian	Individual	None	None	None
		Legal Person			
	Non-Cambodian	Individual			
		Legal Person			
From 5% to 30%	Cambodian	Individual	2	4.000.000	20%
		Legal Person	None	None	None
	Non-Cambodian	Individual	1	2.000.000	10%
		Legal Person	None	None	None
From 30%	Cambodian	Individual	1	7.000.000	35%
		Legal Person	None	None	None
	Non-Cambodian	Individual	1	7.000.000	35%
		Legal Person	None	None	None

2. Shareholders Who Are Directors, Senior Officers and Employees of JS Land Plc.

Shareholders	Number of Shareholders	Number of Shares	Percentage
Directors	4	18.000.000	90%
Total		18.000.000	90%

B. Shareholders' Rights and Protection of Shareholders' Rights

1. Rights of Shareholders

Unless otherwise provided by the company's Memorandum and Article of Association, a holders of each share shall be entitled to:

- vote at any meeting of shareholders of the company
- receive any dividend declared by the company
- receive the remaining property of the company on dissolution
- examine the list of shareholders during business hours at registered office of the company; and

- receive any right and protection in accordance with the Law on Commercial Enterprises of the Kingdom of Cambodia
2. Protection of Shareholders' Rights and the Company's Practice of the Protection of Shareholders' Rights

Shareholders have the right to vote for board to lead the business of JS Land Plc. Therefore, the board shall perform roles and duties to protect the interest of the shareholders. Rights of shareholder shall be protected by the company's Memorandum and Article of Association, laws and regulations.
 3. Protection of Minority Shareholders' Rights and the Company's Practice of the Protection of Shareholders' Rights

Every shareholder shall have equal rights and obligations; and IPO shares shall rank pari passu in all respects with the existing issued shares of the company.

C. General Shareholder Meeting

1. Procedures of General Shareholder Meeting and Voting

AGM may be convoked at any time, upon a majority of votes of the board of directors, or by the chairman of board of directors, or by a majority if the voting power of the shareholders, or by an auditor. General meeting of the shareholders shall be held at the company office or at any other place as specified in the invitation letter. The invitation letter shall provide the date, agenda, and place of the meeting and must be sent to all shareholders at least 20 days before the meeting takes place.

Quorum of the general meeting of the shareholders is limited by a majority of votes of over half if the shareholder's voting power.

A decision of the general meeting of shareholders is valid only if there is consent of shareholders representing a majority of votes of more than 51% of the voting power of the shareholders presented in the meeting.

General meeting of the shareholders may be held by proxy notes instead of their presence in the meeting. In such case, a decision of the meeting is valid only if all shareholders give their unanimous consent to such decision. In any case, each shareholder may assign a third party to represent him/her through a proper letter of power of attorney.

Voting procedure shall be based on transparency, effectiveness and fairness. To ensure the transparency, effectiveness and fairness of the voting at general meeting of shareholders, the company shall assign the person in charge voting whose responsibilities are to oversee, count and record the votes. Results of the voting shall be immediately announced to the general meeting of shareholders.

2. Information of General Shareholder Meeting

No.	Date	Type of Meeting	Quorum	Agenda	Resolutions
1	26/10//2021	Extraordinary Meeting	100%	To approve on the term of the Board of Directors: (1) Koy Le San (2) Yap Ting Chiat (3) Tang Chun Kiu (4) Meng Lee (5) Tan Ser Chhay	The shareholders of the Company approved on the term of the Board of Directors.
2	24/9/2021	Extraordinary Meeting	100%	To approve on the followings: - Resignation of a shareholder from JS & Partners Co., Ltd (829 shares). Those shares are transferred as follows: • Koy Le San 290 shares • Yap Ting Chiat 290 shares • Tang Chun Kiu 83 shares • Kin Solyta 83 shares • Meng Lee 83 shares	Shareholders approved on the followings: - Resignation of a shareholder from JS & Partners Co., Ltd (829 shares). Those shares are transferred as follows: Koy Le San 290 shares Yap Ting Chiat 290 shares Tang Chun Kiu 83 shares Kin Solyta 83 shares Meng Lee 83 shares

No.	Date	Type of Meeting	Quorum	Agenda	Resolutions
				- Authorization of Oknha Koy Le San as the company representative to sign and thumbprint on transferring 829 shares in JS & Partners Co., Ltd.	- Authorization of Oknha Koy Le San as the Company representative to sign and thumbprint on transferring 829 shares in JS & Partners Co., Ltd.
3	23/03/ 2021	Extraordinary Meeting	100%	To acknowledge and agree on the followings resolutions: - The proposed IPO scheme - The content of the disclosure document - The change of shareholding structure and increase of registered capital - The change of director and composition of board of directors - The conversion of legal form to a ‘public limited company’ - The change of registered office address - The change of business activities - The amendment of MOA.	The shareholder of the Company acknowledged and agreed on the followings resolutions: - The proposed IPO scheme - The content of the disclosure document - The change of shareholding structure and increase of registered capital - The change of director and composition of board of directors - The conversion of legal form to a ‘public limited company’ - The change of registered office address - The change of business activities - The amendment of MOA.

D. Dividend Distribution

1. Dividend Policy

The ability of the company to pay dividends or make other distributions to our shareholders is subject to various factors, such as having profits and excess funds not required to fund our business.

Our directors will consider the following factors, amongst others, when recommending dividends for approval by our shareholders or when declaring any interim dividends:

- (i) our level of cash and retained earnings;
- (ii) our expected financial performance;
- (iii) our projected levels of capital expenditure and other investment plans;
- (iv) our working capital requirements; and
- (v) any contractual restrictions and/or commitments.

Any dividend declared will be subject to the recommendation of our board and subject to the approval of our shareholders at the annual general shareholder meeting.

2. Historical Information of Dividend Distribution for the Last 3 Years

No.	Detail of Dividend Distribution	2021	2020	2019
1	Announcement Date of Dividend Distribution	None	None	None
2	Record Date	None	None	None
3	Dividend Payment Date	None	None	None

Part 2.- Board of Directors

A. Board of Directors

1. Board Composition

No.	Name	Position	Appointing Date	Ending Date
1	Koy Le San	Executive Chairman	26 October 2021	25 October 2026
2	Tang Chun Kiu	Non-executive	26 October 2021	25 October 2024
3	Meng Lee	Non-executive	26 October 2021	25 October 2024
4	Yap Ting Chiat	Executive Director/Chief Executive Director	26 October 2021	25 October 2024
5	Tan Ser Chhay	Independent Director	26 October 2021	25 October 2024

2. Director Biography

Oknha Koy Le San, Executive Chairman

Oknha Koy Le San is our executive chairman and co-founder and of JS Land Plc. He grew up and was educated in Singapore for almost 20 years since his primary school. He had excelled in his studies maintaining at least top 10 in class during his primary and secondary school years. He was awarded Director Honours List during his polytechnic years in Temasek Polytechnic.

He returned to Cambodia in 2010 and set up the operations of Angel Boss Group Co., Ltd. (“ABG”). Under his direction and leadership, ABG has seen a steady growth in sales and is currently considered one of the top direct marketing companies in Cambodia with an annual turnover of USD8 million market and has more than 40,000 members registered from all over Cambodia. In 2012, he co-founded T2 Events Management Co., Ltd. with Dato’ Yap Ting Chiat. Today, T2 is one of the main players having serviced many big brands such as Cellcard, Maybank, Union Commercial Bank, Johnny Walker, Hennessy, British American Tobacco, Japanese Tobacco International and Google, etc. In 2013, he was part of the project management team involved in the planning, coordination, execution and also the marketing strategies for the development of the GT Tower, a 15-storey office building with more than 18,000 sqm of office space in the center of the Phnom Penh with the invested capital of USD15 million.

In 2014, having witnessed the boom of the real estate sector in Cambodia, Oknha San and Dato' Jack co-founded JS Land and started the Garden Residency 1 (GR1) as its first development project which was also among the first affordable condominium projects in Phnom Penh.

Oknha San is also the co-founder and director of JS Property International Co., Ltd. which has developed Chief Tower, a 40-storey integrated office and hotel building in Phnom Penh with a GDV of approximately USD100-million. Oknha San and Dato' Jack co-founded Asian Business Association with a mission to link businessman from all over ASEAN+5 to collaborate and establish collective trade and industry information sharing among members in order to facilitate the expansion and cross borders business dealings.

On 18 December 2019, Oknha San was bestowed the honorary title "Oknha" by his majesty King Norodom Sihamoni, the King of Cambodia for his unrelenting effort in helping the needy and contributing to uplift the living standard of the society.

Yap Ting Chiat, Executive Director/Chief Executive Officer

Yap Ting Chiat, Malaysian, aged 41, is a co-founder and the chief executive officer of our company. He was appointed to our board in December 2014. He graduated from University of Liverpool in 2002, admitted to the England Bar Lincoln's Inn as Barrister-At-Law in 2003, and admitted to the Malaysian Bar Council in 2005.

During his years as practicing lawyer in Malaysia, he has wide ranging experience in legal documentations for a wide selection of bank and financial institutions. He has also been acting for individual customers, companies and listed companies in various transactions of sales and purchase. He is the director of T2 Interactive International Sdn Bhd, an event-marketing company based in Malaysia which has served many high profile clients such as Celcom, McDonald, Nokia, Samsung etc. He set up a subsidiary of T2 Interactive in Cambodia with client based now spread across bank, telecommunication, and tobacco and alcohol industry. In addition, he also sits in the board of directors of and manages Jotex Industries Sdn Bhd, which is a property investment company based in Malaysia.

In 2013, he set up JM Estate Sdn Bhd to venture into residential housing developing link and town houses, which was fully developed and handover in 2019. In 2014, Dato' Yap Ting Chiat was conferred the title DARJAH INDERA MAHKOTA PAHANG (D.I.M.P) which carries the

title “Dato’” by Kebawah Duli Yang Maha Mulia Sultan Pahang Sultan Haji Ahmad Shah Al-Musta’in Billah ibni Almarhum Sultan Abu Bakar Ri’ayatuddin Al-Mu’adzam Shah. At the same year, he set up K-Capital International Co. Ltd., a construction materials supplier and was set up to venture into the condominium segment of Cambodia.

Tang Chun Kiu, Non-Executive Director

Tang Chun Kiu, from Hong Kong, aged 42, is the non-executive director of JS Land since June 2015. He graduated from University of Liverpool in 2002. He then started his career as a design engineer in the Geotechnical Consultant Company. He joined VSL Engineers (M) Sdn. Bhd, one of the world’s leading construction companies. He is currently the project manager of VSL looking after the company’s projects in China. Tang has involved in thousand-million projects such as Lai Chi Kok Viaduct, Tseung Kwan O 70, Shanghai LNG Terminal, Fujian LNG Terminal, Zhejiang LNG Terminal, Dapeng LNG Terminal, Shenzhen LNG Terminal, Yuedong LNG Terminal.

Oknha Meng Lee, Non-executive Director

Oknha Meng Lee, Cambodian, aged 36, is our non-executive director since June 2015. He spent over 10 years being educated in Singapore. He pursued his study at California State University, Fullerton, USA where he obtained bachelor’s degree of Business Economics in 2010.

Oknha Meng Lee began his career in 2011 in the developing and leasing of factory buildings. To date, he has built and leased out four (4) factories and is the Proprietor of Borey Chhouk Va 2 Residence, a housing development project located in Sen Sok District, Phnom Penh. In 2017, he co-founded Rompolthong Trading Co., Ltd, a manufacturer and wholesale distributor of baby products under the brand “My Bébé”. Oknha Meng Lee is also a director of JS Property International Co., Ltd. and K-Capital International Co., Ltd.

Oknha Meng Lee has been conferred the title of “Oknha” by His Majesty King Norodom Sihamoni on 21 February 2020.

Tan Ser Chhay, Independent Director

Tan Ser Chhay, Cambodian, aged 31, is our independent director since March 2021. He finished bachelor's degree in Economics at California State University, Fullerton, USA in 2011. He started his career in 2011 as a marketing assistant at Moet Hennessy Diageo Singapore Pte., Ltd. In 2012, he joined Attwood Import Export Co., Ltd. as the trade marketing manager and has been appointed to be the chief executive officer from 2018 until present. Since 2013, he has been holding the position as an executive director at LCH Investment Group Co., Ltd.

3. If Any Director is Director, Shareholders or Co-owner of Other Company

No.	Name	Company	Director, Shareholder or Co-owner
1	Koy Le San	- Angel Boss Group Co., Ltd. - JS Property International Co., Ltd. - JS & Partners Co., Ltd. - K-Capital International Co., Ltd. - T2 Plus Co., Ltd.	Director and Shareholder
2	Yap Ting Chiat	- JS Property International Co., Ltd. - JS & Partners Co., Ltd. - K Capital International Co., Ltd. - T2 Plus Co., Ltd. - Jotex Industries Sdn Bhd - T2 Interactive International Sdn Bhd - JM Estate Sdn Bhd - Creative Craftworks Sdn Bhd - Digital Business Platform Sdn Bhd - JS Plus Co.,Ltd	Director and Shareholder
3	Tang Chun Kiu	- JS and Partners Co., Ltd - K Capital International Co., Ltd.	Director and Shareholder

4	Meng Lee	- JS Property International Co., Ltd. - K-Capital International Co., Ltd. - Rompolthong Trading Co., Ltd	Director and Shareholder
5	Tan Ser Chhay	- Attwood Import Export Co., Ltd. - LCH Investment Group Co., Ltd. - LCH-Microfinance Plc. - Taskforce Tech Co., Ltd.	Director and Shareholder

4. Board Roles, Duties and Responsibilities and Performance

The Board is charged with leading and controlling the company in an effective. The board of directors shall have roles, duties and responsibilities to manage and to serve the lawful interests of the company which include, but are not limited to, the power to:

- ensure that the company has the effective transaction with its shareholders and other related parties;
- establish, investigate, evaluate the strategic plan and business plan of the company and ensure that resources have already been prepared for responding to the direction determined;
- establish, investigate, and evaluate the effectiveness of the auditing;
- establish and investigate the risk management policy;
- prepare the policy on the remuneration for directors for submitting to the meeting of shareholders for approval and establish the policy on the remuneration for senior officers;
- set the qualifications and procedure to nominate a director;
- appoint and remove senior officers, corporate secretary, head of internal audit and officer in charge of information;
- investigate, review and evaluate the effectiveness of the performance of the Board of directors, directors, and other board committees;
- endeavor to use the best effort in performing the roles and duties in order to ensure the financial solvency of the Company;
- establish mechanism and procedure of protecting the rights of the shareholders by ensuring that the minority shareholders also have the right to participate in nominating director(s) or to be a director;

- establish mechanism and procedure of the election in the meeting of shareholders such as cumulative voting system in order to ensure the protection of the interests of the minority shareholders;
- establish mechanism allowing the majority shareholders and shareholders with absolute majority voting rights to disclose the change in shareholding structure to the public through the Company;
- establish mechanism and procedure in relation to the related parties' transaction;
- set other policies in the Company;
- comply with applicable laws and regulations in force;
- determine and approve the remuneration and other compensations of all officers of the Company;
- determine the remuneration and other compensations of all directors and submit for shareholders' approval;
- issue notes, bonds, debentures and other evidences of debt of the Company and determine their absolute, relative and contingent characteristics;
- propose to shareholders the amendments to or annulments of the Articles of the Company;
- propose to the shareholders a dissolution or liquidation of the Company;
- declare dividends in accordance with accounting principles and the terms of payment of each class of shares entitled to receive dividends;
- borrow money;
- issue, reissue or sell securities of the Company as approved by the shareholders;
- mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Company to secure any obligation of the Company; and
- close account books of each financial year and propose the annual profits for submission to the shareholders and shareholders' General Meeting.

5. Board Meeting

No.	Date	Type of Meetings	Name of Directors Attending the Meeting
1	23/3/2021	Special	All board members joint the meeting: 1. Koy Le San 2. Yap Ting Chiat

			3. Tang Chun Kiu 4. Meng Lee 5. Tan Ser Chhay
--	--	--	---

B. Board Committees

1. Board Committee Structure

1.1. Audit Committee

No.	Name	Position	Appointing Date	Number of Attending the Meeting	Total Number of Meetings
1	Tan Ser Chhay	Chairman	26 October 2021	1	1*
2	Oknha Koy Le San	Member	26 October 2021		
3	Yap Ting Chiat	Member	26 October 2021		

* At the end of 2021, audit committee was newly established.

Roles and Duties

Board Audit Committee is responsible to provide independent oversight on the management of the financial reporting and internal control system and ensuring checks and balances and to review the financial condition and performance. Roles and duties of audit committee are defined by board as following:

- review financial statements
- review internal controls
- review internal auditing
- report to board committee performance to board of directors
- review risk management if there is no risk management committee
- report and recommend to board and
- perform other roles and duties set by board of directors.

Results of Audit Committee Performance

As JS Land Plc. has newly listed on Cambodia Stock Exchange (CSX) in 2022, the company has also just established audit committee; therefore, in 2021, audit committee had only one meeting to review the financial statements.

2. Changes of Committee Member

In 2021, JS Land Plc. had no any change of audit committee members.

C. Remuneration or Compensation

1. Brief Description of Remuneration or Compensation Policy for Directors and Senior Officers

Directors

Remuneration or Compensation for Directors of JS Land Plc.

- Transportation
- Phone credit
- Meeting times
- Others remuneration and compensation.

Senior Officers

Remuneration or Compensation for Senior Officers of JS Land Plc.

- Net Salary
- Productive Salary
- Position Allowance
- Family benefit
- Meal Allowance
- Bonus
- Holiday Allowance

2. Aggregate Amount of Remuneration or Compensation Paid

Aggregate amount of remuneration or compensation paid is updated on the 31 December 2021.

No.	Remuneration or Compensation Payees	Aggregate Amount of Remuneration or Compensation	Others
1	Directors	183.618,00*	
2	Executive Directors	183.618,00*	
3	Top 5 Employees Paid the highest remuneration or compensation	72.894,00	

* In 2012, non-executive directors were not remunerated.

D. Annual Performance Assessment of Board, Directors, Committees and CEO

In 2021, JS Land Plc. conducted evaluation on the annual board performance. As the result of the evaluation, the board managed the challenge to perform solid strategy to optimize shareholder value. This process includes active consultation with management on the issues, business environment, assumptions, goals and financial budgets that underpin the strategy and ensures that risk levels are appropriate.

To ensure that the board is fully informed and engaged in the strategic issues and critical risks of our business, one meeting each year is dedicated to the review and approval of our strategic plan to manage risk, protect shareholder value and build a sustainable business.

E. Training For Directors and Senior Officers

In 2021, JS Land Plc. did not have any training for directors and senior officers.

Part 3.- Code of Business Conduct Practices

A. Brief Description of Code of Business Conducts Policy for Directors and Senior Officers

This code of conducts applies to directors, senior officers and all employees of the JS Land Plc. to rightly behave with ethics and professionalism in various aspects towards colleagues, customers and stakeholders.

The existence of this code of conducts provides clarity on the JS Land Plc. core values toward greater achievement, prosperity, trust promotion and integrity safeguarding. We extensively believe that the code of conducts will provide employees with necessary guidance in the way we work through the following common values as clarified below:

- | | |
|----------------------------------|---|
| 1. Compliance with law: | Employees are expected to comply with all laws, rules, and regulations that are applicable to the company's activities. |
| 2. Trust/ Honesty/Responsibility | <p>Employees are obliged to moral character and connotes other positive and virtuous attributes including sincerity, trustworthy, integrity and a huge sense of responsibility.</p> <p>Employees involved in the sale of our products must ensure that all statements, communications, and representations to clients are accurate, complete, and truthful.</p> |
| 3. Professionalism | Employees must show integrity and professionalism in every aspect of conducts, including matters involving dignity, fraudulent engagement and impartiality. In this alignment, employees should wholeheartedly perform works with highest standard and commitment to deliver on a promise. |
| 4. Respectfulness | Employees should respect their colleagues, supervisors, and customers. Any discriminatory behavior or harassment will not be tolerated. |

5. Confidentiality

Employees should safeguard the private and confidential nature of the information acquired as part of their work duties, and more specifically to comply with the confidentiality clauses requested by Clients and other counterparties.

6. Conflict of interest

Employees should not (1) engage in any activities that will bring direct or indirect profit to a competitor and for own private advantages (2) accept gifts from clients, or partners for the benefit of another party (3) improperly use or waste any assets belonging to the company for personal gain.

B. Publication of Code of Business Conducts

The code of business conduct is established with a formal written and set the requirements for the conduct of directors, senior officer and all employees in order to control and maintain the employee practice in accordance with the code of conducts in the company. In 2021, JS Land Plc. did not find or know that any director, senior officer and employee were not in compliance with the code.

C. Mechanisms and Procedures to Assess Code of Business Conducts

JS Land Plc. has assigned the task to Internal Audit Department to conduct regular inspections as well as motivate and encourage all employees of JS Land Plc. should report any evidence of illegal or unethical acts to the department or competent person while any of those illegal or unethical acts may have a serious negative impact on the business and the reputation of JS Land Plc. or it may lead to serious legal liability.

D. Related-Party Transactions

1. Related-Party Transaction Policies

No	Related Parties	Policies
1	Holding Company	None
2	Joint Venture	None
3	Subsidiary	None

4	Majority Shareholders and Controlling Shareholders	None
5	Directors and Their Family	None
6	Employees and Their Family	None
7	Others	None

2. Material Transactions with Related Parties

In 2021, JS Land Plc. did not have any related-party transaction, except the transactions stated in the independent auditor's report.

Part 4.- Risk Management, Internal Controls and Auditing

A. Brief Risk Management System or Risk Management Policies

JS Land Plc., the condominium developer in Phnom Penh and the listed company is exposed to key risks arising from operations and the use of financial instruments. We establish financial risk management policy to ensure that adequate resources are available for the development of our business whilst managing our credit risk, liquidity risk, foreign currency risk and interest rate risk.

To prevent and manage risk of the company, board of directors established and approved the risk management policy and procedure as follows:

- identify risks JS Land Plc. is facing
- measure and classify risks
- assess risks having impacts on all parts of the business operation of the company
- control and oversee risks on the regular basis and ensure that related persons are well and fully informed in order to response to the risks in the timely and effective manners
- monitor risks through proper inspections and regular performance assessment.

B. Brief Internal Control System

Board of JS Land Plc. establishes and implements the internal control system in order to ensure that the effectiveness of the use of resources is in compliance with laws and regulations relevant to the business of the company and minimizing the frauds in the company.

Board audit committee is responsible to provide independent oversight on the management of the financial reporting and internal control system and ensuring checks and balances and to review the financial condition and performance of the company.

Internal control system has functions as follows:

1. ensure that business execution by directors, senior officers and employees complies with the company's Memorandum and Article of Association, laws and regulations
2. store and manage data on execution of duties of directors
3. comply with standards and risk management system
4. ensure that director effectively execute roles and duties
5. ensure that auditors independently inspect financial statements and operations of the company without any interfere of directors
6. establish a formal reporting process from senior officers to directors and from senior officers to auditors

7. ensure that auditing is conducted effectively.

C. Auditing

1. Internal Audit

1.1. Roles and Responsibilities of Internal Auditors

The responsibilities of the internal auditor shall include the development of an audit plan and executing internal control reviews of key business processes and related controls by undertaking the following:

- understand and evaluate, through the review of documentation, interviews with management and process owners and performing walk-through procedures, business processes and related business controls from a risk perspective along each entire process lifecycle;
- review and assess the adequacy of documented policies and procedures;
- perform an assessment of the effectiveness of the design of the current system of internal controls;
- conduct internal control testing on sampling basis of the key business processes to assess the integrity and effectiveness of the internal controls in place;
- identify control weaknesses/deficiencies within the key processes;
- identify process improvement opportunities within the processes reviewed; and
- provide recommendations for improvement.

1.2. New Appointment and Removal/Resignation of Head and/or Deputy Head of Internal Auditors

No.	Name	Appointment Date	Removal/ Resignation Date	Reasons
1	None			

1.3. Appointment of Head and/or Deputy of Internal Auditors

No.	Name	Appointment Date	Removal/ Resignation Date	
1	None			

2. External Auditors

No.	Name of Audit Firms	Agreement Date	Auditing Fee	Non-Audit Fees
1	Grant Thornton (Cambodia) Limited	31 December 2020	USD 32,741.30	None

Reasons for the Change, Suspension and Termination of Audit Firms in Securities Sector

In 2021, JS Land Plc. did not change, suspend or remove auditing firm providing the audit service to the company.

Part 5.- Stakeholders

A. Identify Policies and Activities Related to the Following:

No.	Contents	Policies	Actions
1	Customer Welfare	Pay attention and fulfill customers' need	Provide service to customers on time
2	Suppliers and Subcontractors Selection	Implement procurement procedure	Bidding and consultation
3	Management and Protection of Employee	Quarterly employee meeting	Resolve issues raise up during meeting
4	Environment Protection	N/A	N/A
5	Community Interaction	Offer help when necessary	Donation
6	Creditors' Right Protection	Reservation for paying debt according to their due date	Settle debt on time
7	Anti-Corruption Program	Establish a strong internal control system	Monitor by internal auditors

B. Describe the Corporate Social Responsibilities of JS Land PLC

In 2021, JS Land Plc. did not make any charity or donation.

Part 6.- Disclosure and Transparency

A. Identify the Following Information in the Annual Report:

No.	Information	Yes/No
1	Visions/Missions/Objectives	Yes
2	Financial Indicator	Yes
3	Non-Financial Indicator	Yes
4	Main Risk Factors	Yes
5	Dividend Policy	Yes
6	Biography of Directors	Yes
7	Training for Directors	Yes
8	Number of Board Meeting	Yes
9	Attendance of Directors in Board Meeting	Yes
10	Remuneration or Compensation for Directors and Senior Officers	Yes

B. Describe the Mechanism of Disclosure Including Means, Procedures and Responsibilities

Procedure and Means of Information Disclosure:

Information disclosure shall be made via the following procedures and means:

- Written letter, email and phone to inform SERC
- Written letter, email, phone and E-Disclosure System to inform CSX
- Disclosure via JS Land Plc.'s website
- Invitation letter to shareholders for attending general shareholder meeting of JS Land Plc. etc.

Person in Charge of Disclosure:

No.	Name and Position	Contact
1	Yap Lee Sun Corporate Secretary/Head of Sales Admin	• Mobile Number: (+60) 12 379 8830 • Email: jessicayap@jslandplc.com
2	Chheng Sovannaro Head of Sale	• Mobile Number: (+855) 71 992 4309 • Email: chhengsovannaro@gmail.com

C. Investor Relations

1. Demonstrate Mechanisms and Procedures for Investor Relations

Investor relation is conducted via the following means and procedures:

- Disclosure via JS Land Plc.'s website
- Disclosure via CSX's website
- Written letter, email and phone to investors
- Transfer agent playing important role in providing information to investors.

2. Briefly Describe Investor Relations for the Last Year

In 2021, JS Land Plc. was not contacted by investors, or vice versus.

Report of the Board of Directors and Audited financial statements

JS Land Plc.

31 December 2021

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Report of the Board of Directors

The Board of Directors submits its report together with the audited financial statements of JS Land Plc. (“the Company”) as at 31 December 2021 and for the year then ended.

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 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.

Principal activities

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.

Results and dividends

The results of the Company’s operations for the year ended 31 December 2021, and the state of its affairs as at that date are set out in the accompanying audited financial statements.

The Board of Directors does not recommend the payment of any dividends in respect of the year ended 31 December 2021.

Board of Directors

The members of the Board of Directors of the Company during the year and to the date of this report follows:

Name	Position	Date of appointment/resignation
Mr Koy Le San	Chairman	12 June 2015
Mr Tang Chun Kiu	Director	12 June 2015
Mr Meng Lee	Director	12 June 2015
Mr Yap Ting Chiat	Director	12 June 2015
Mr Tan Ser Chhay	Director	19 May 2021
Mr Kin Solyta	Director	12 June 2015/23 March 2021

Directors' interest in the Company

The interests of directors in the shares of the Company during the year follow:

Name	Number of ordinary shares at USD0.025 (KHR100) each			Interest in the Company
	Balance as at 01 January 2021	Purchase	Balance as at 31 December 2021	
Mr Koy Le San	1,750	6,998,250	7,000,000	35%
Mr Yap Ting Chiat	1,750	6,998,250	7,000,000	35%
Mr Tang Chun Kiu	500	1,999,500	2,000,000	10%
Mr Meng Lee	500	1,999,500	2,000,000	10%

Directors' benefit

During the year, no arrangements subsisted in which the Company is a party, with the object or objects of enabling the directors of the Company to acquire benefit by means of the acquisition of shares in or debenture of the Company or any other corporate body.

Since the end of the previous financial year, the directors have not received or become entitled to receive any benefit by reason of a contract made by the Company or a related corporation with any director or with a firm of which any director is a member, or with a company in which any director has a substantial financial interest, other than as disclosed in the notes to the financial statements.

Auditor

The Company's audited financial statements as at 31 December 2021 and for the year then ended have been audited by Grant Thornton (Cambodia) Limited.

Board of Directors' responsibility in respect of the financial statements

The Board of Directors is responsible for ensuring that the financial statements are properly drawn up so as to present fairly, in all material respects, the financial position of the Company as at 31 December 2021, and of its financial performance and its cash flows for the year then ended. When preparing these financial statements, the Board of Directors is required to:

- i. adopt appropriate accounting policies which are supported by reasonable and prudent judgements and estimates and then apply them consistently;
- ii. comply with the disclosure requirements of Cambodian International Financial Reporting Standards or, 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 control;
- 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.

The Board of Directors is also responsible for safeguarding the assets of the Company, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Directors confirms that the Company has complied with the above requirements in preparing the financial statements.

Statement by the Board of Directors

In the opinion of the Board of Directors, the accompanying statements of financial position, comprehensive income, changes in equity and cash flows, together with the notes thereto, have been properly drawn up and give a true and fair view of the financial position of the Company as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with Cambodian International Financial Reporting Standards.

On behalf of the Board of Directors:



Mr Koy Le San
Chairman

Phnom Penh, Kingdom of Cambodia
31 March 2022

**Grant Thornton**

Independent auditor's report

Grant Thornton (Cambodia) Limited
20th Floor Canadia Tower
315 Preah Ang Doudg Street
(corner Monivong Boulevard)
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Khan Daun Penh
Phnom Penh
Kingdom of Cambodia

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To the Shareholders of JS Land Plc.

Opinion

We have audited the financial statements of JS Land Plc. ("the Company"), which comprise the statement of financial position as at 31 December 2021, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2021, and its financial performance and its cash flows for the year then ended, in accordance with Cambodian International Financial Reporting Standards ("CIFRSs").

Basis for opinion

We conducted our audit in accordance with Cambodian International Standards on Auditing ("CISAs"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. 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 financial statements in the Kingdom of Cambodia, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



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Below is the key audit matter identified in our audit of the financial statements of the Company:

Key audit matters	How our audit addressed the key audit matter
Revenue and cost recognition for property development activities The revenue and cost recognition for property development activities are recognised in accordance with the accounting policies and significant estimates, assumptions and judgement as detailed in notes 4.1 and 5 to the financial statements, respectively. We focused on this area as significant Management's judgement and estimates are involved in determining the following: (i) transaction price for contracts with customers which include significant financing component; (ii) the timing when the contract revenue should be recognised; (iii) relative fair values of the services delivered and allocation of the consideration received or receivable of performance obligation; (iv) extent of contract cost incurred to-date; and (v) provision for liquidated ascertained damages.	In addressing this area of focus, we have performed, amongst others, the following procedures: - Perused terms and conditions stipulated in the contracts with customers and subcontractors/suppliers to determine individually significant contract and assessed their relationship with revenue and costs recognised; - Evaluated the appropriateness and the consistency of key assumptions used by the Management to determine the transaction price for contracts with customers which include significant financing component, fair value of the services to be delivered and the basis of the allocation of the consideration received and/or receivable to each service; and - Assessed actual costs incurred and accrued costs by examining evidences such as contractors' progress claims and suppliers' invoices issued during the financial year and/or subsequent to the financial year.
Net realisable value of completed properties The completed properties are recognised in accordance with the accounting policies and significant estimates, assumptions and judgement as detailed in notes 4.3 and 5 to the financial statements, respectively. We focused on this area as significant Management's judgement and estimates are involved in determining the net realisable value based on the recent sales transactions of similar properties or comparable properties in similar or nearby locations net of estimated cost necessary to complete the sale.	In addressing this area of focus, we have performed, amongst others, the following procedures: - Evaluated the Company's policy for valuation of completed properties through discussion with Management and considered Management's basis for determining the net realisable value; - Tested Management's assessment of net realisable value by comparing it to recent transacted prices of similar or comparable completed property units and taking into consideration the estimated cost necessary to complete the sales; - Challenged the reasonableness of Management's assumptions and estimation for determining the net realisable value; - Performed site visits to assess the condition of the inventories to arrive at an overall assessment as to whether information provided by Management is reasonable and to ascertain if any write-down is warranted due to physical obsolescence and deterioration of the units.

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Other information

Management is responsible for the other information. The other information comprises the Report of the Board of Directors, but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the annual report, which is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit assurance nor conclusion thereon.

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

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Board of Directors and respond to that matter in accordance with the requirements of CISA 720 (revised).

Responsibilities of the directors for the financial statements

The directors of the Company are responsible for the preparation and fair presentation of the financial statements in accordance with CIFRSs, and for such internal control as the directors determine 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 directors are 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 directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's 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 a 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.

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.



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- 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 directors.
- Conclude on the appropriateness of the 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 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 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.

From the matters communicated with directors, we determine those matters that were of most significance in the audit of the financial statements of the Company for 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.

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GRANT THORNTON (CAMBODIA) LIMITED
 Certified Public Accountants
 Registered Auditors



Ng Yee Zent

Partner – Audit and assurance

Phnom Penh, Kingdom of Cambodia
 31 March 2022

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Statement of financial position

		31 December 2021		31 December 2020	
		USD	KHR'000	USD	KHR'000
	Note		(Note 2.3)		(Note 2.3 and 27)
(As reclassified)					
Assets					
Non-current					
Property and equipment	6	665,461	2,711,088	649,386	2,626,766
Right-of-use assets	13	93,991	382,919	17,014	68,822
Deferred tax assets	22(d)	-	-	125,257	506,665
Total non-current assets		759,452	3,094,007	791,657	3,202,253
Current					
Real estate inventories	7	76,246	310,626	824,776	3,336,219
Property development costs	8	5,448,075	22,195,458	1,899,632	7,684,011
Contract costs	9	105,436	429,546	30,464	123,227
Contract assets	10	2,993,066	12,193,751	2,076,641	8,400,013
Receivables	10	19,390	78,995	208,327	842,683
Prepayments and other receivables	11	564,594	2,300,156	337,842	1,366,570
Cash and cash equivalents	12	207,601	845,766	226,470	916,071
Total current assets		9,414,408	38,354,298	5,604,152	22,668,794
Total assets		10,173,860	41,448,305	6,395,809	25,871,047
Equity and liabilities					
Equity					
Share capital	14	500,000	2,000,000	5,000	20,000
Deposits for future share subscription	15	-	-	399,000	1,596,000
Retained earnings		232,230	949,520	303,414	1,232,568
Currency translation difference		-	33,585	-	12,922
Total equity		732,230	2,983,105	707,414	2,861,490
Liabilities					
Non-current					
Borrowings	17	1,975,989	8,050,178	-	-
Lease liabilities	13	32,619	132,890	-	-
Total non-current liabilities		2,008,608	8,183,068	-	-
Current					
Contract liabilities	10	1,598,931	6,514,045	496,945	2,010,143
Trade and other payables	16	2,638,036	10,747,357	1,120,376	4,531,921
Borrowings	17	1,793,090	7,305,050	2,101,253	8,499,568
Lease liabilities	13	64,431	262,492	37,912	153,354
Amounts due to shareholders	19	1,268,459	5,167,702	1,661,394	6,720,338
Income tax payable	22(b)	70,075	285,486	270,515	1,094,233
Total current liabilities		7,433,022	30,282,132	5,688,395	23,009,557
Total liabilities		9,441,630	38,465,200	5,688,395	23,009,557
Total equity and liabilities		10,173,860	41,448,305	6,395,809	25,871,047

Statement of comprehensive income

		For the year ended 31 December 2021		For the year ended 31 December 2020	
		USD	KHR'000	USD	KHR'000
	Note		(Note 2.3)		(Note 2.3 and 27) (As reclassified)
Real estate sales	10	1,342,649	5,461,896	758,477	3,092,311
Cost of real estate sold	7	(777,739)	(3,163,842)	(424,692)	(1,731,469)
Gross profit		564,910	2,298,054	333,785	1,360,842
Other income	20	169,318	688,786	172,602	703,698
General and administrative expenses	21	(669,586)	(2,723,876)	(416,500)	(1,698,071)
Operating profit		64,642	262,964	89,887	366,469
Finance costs	13	(7,647)	(31,108)	(11,954)	(48,736)
Finance income	12	573	2,331	143	583
Profit before income tax		57,568	234,187	78,076	318,316
Income tax expense	22(a)	(32,752)	(133,235)	(28,232)	(115,102)
Profit for the year		24,816	100,952	49,844	203,214
Other comprehensive income/(loss) –					
Currency translation difference		-	20,663	-	(574)
Total comprehensive income for the year		24,816	121,615	49,844	202,640

Statement of changes in equity

	Share capital		Deposits for future share subscription		Retained earnings		Cumulative translation difference	Total	
	USD	KHR'000	USD	KHR'000	USD	KHR'000	KHR'000	USD	KHR'000
	(Note 2.3)		(Note 2.3 and 27)		(Note 2.3)		(Note 2.3)	(Note 2.3)	
			(As reclassified)						
Balance at 01 January 2021	5,000	20,000	399,000	1,596,000	303,414	1,232,568	12,922	707,414	2,861,490
Profit for the year	-	-	-	-	24,816	100,952	-	24,816	100,952
Conversion of deposits for future share subscription to additional share capital (Note 15)	399,000	1,596,000	(399,000)	(1,596,000)	-	-	-	-	-
Conversion of retained earnings to additional share capital (Note 14)	96,000	384,000	-	-	(96,000)	(384,000)	-	-	-
Currency translation difference	-	-	-	-	-	-	20,663	-	20,663
Balance at 31 December 2021	500,000	2,000,000			232,230	949,520	33,585	732,230	2,983,105
Balance at 01 January 2020	5,000	20,000	399,000	1,596,000	253,570	1,029,354	13,496	657,570	2,658,850
Loss for the period	-	-	-	-	49,844	203,214	-	49,844	203,214
Currency translation difference	-	-	-	-	-	-	(574)	-	(574)
Balance at 31 December 2020	5,000	20,000	399,000	1,596,000	303,414	1,232,568	12,922	707,414	2,861,490

The accompanying notes are an integral part of these audited financial statements.

Statement of cash flows

		For the year ended 31 December 2021		For the year ended 31 December 2020	
		USD	KHR'000	USD	KHR'000
	Note		(Note 2.3)		(Note 2.3)
Cash flows from operating activities					
Profit before income tax		57,568	234,187	78,076	318,316
Adjustments for:					
Depreciation	21	86,483	351,813	110,489	450,464
Gain on lease termination	20	(385)	(1,566)	-	-
Finance costs	18	136,198	554,053	183,695	748,925
Finance income	12	(573)	(2,331)	(143)	(583)
Loss on disposal of property and equipment	6	-	-	3,363	13,711
Operating profit before working capital changes		279,291	1,136,156	375,480	1,530,833
Changes in working capital					
Net changes in:					
Property development costs		(3,548,443)	(14,435,066)	(237,059)	(966,489)
Receivables		188,937	768,596	-	-
Contract assets		(916,425)	(3,728,017)	(411,159)	(1,676,295)
Prepayments and other receivables		(226,752)	(922,427)	(56,372)	(229,829)
Contract costs		(74,972)	(304,986)	(30,464)	(124,202)
Real estate inventories		748,530	3,045,020	408,502	1,665,463
Trade and other payables		1,517,660	6,173,841	(75,764)	(308,890)
Contract liabilities		1,101,986	4,482,879	496,945	2,026,045
Amounts due to shareholders		(392,935)	(1,598,460)	137,380	560,098
Cash (used in)/generated from operations		(1,323,123)	(5,382,464)	607,489	2,476,734
Income tax paid	22(b)	(107,935)	(439,080)	(139,041)	(566,870)
Interest received	12	573	2,331	143	583
Interest paid		-	-	(4)	(16)
Net cash (used in)/from operating activities		(1,430,485)	(5,819,213)	468,587	1,910,431
Investing activity					
Acquisitions of property and equipment	6	(31,529)	(128,260)	(74,451)	(303,537)
Financing activities					
Drawdown of borrowings	18	2,669,942	10,861,324	-	-
Repayment of borrowings	18	(1,117,624)	(4,546,494)	(235,000)	(958,095)
Interest paid on borrowings	18	(13,043)	(53,059)	(75,320)	(307,079)
Payment of principal portion of lease liabilities	18	(88,483)	(359,949)	(103,565)	(422,235)
Interest paid on lease liabilities	18	(7,647)	(31,108)	(11,950)	(48,720)
Net cash from/(used in) financing activities		1,443,145	5,870,714	(425,835)	(1,736,129)
Net decrease in cash and cash equivalents		(18,869)	(76,759)	(31,699)	(129,235)
Cash and cash equivalents, beginning of year	12	226,470	916,071	258,169	1,052,039
Currency translation difference		-	6,454	-	(6,733)
Cash and cash equivalents, end of year	12	207,601	845,766	226,470	916,071

Notes to the 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 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 3 August 2021, the Cambodia Securities Exchange ("CSX") announced that it has granted approval in principle to the Company for a listing eligibility review. As of the date of the issuance of these audited financial statements, the Company is still in the process of obtaining final approval from the Securities and Exchange Regulator of Cambodia.

COVID-19 outbreak

The novel coronavirus ("COVID-19"), declared as a pandemic, has spread into Cambodia since late January 2020. Since then, the country is facing sustained risk of further national spread causing disruption to business and economic activity. During the peak of the outbreak of COVID-19 in Cambodia, the pandemic has affected the business activities in Cambodia which resulted to the temporary suspension of operations of some factories and companies between the months of March until May 2020. Other sectors such as hotel and tourism were also impacted due to the limited travel flights and the impact of the pandemic to the global tourism sector.

In April 2021, following the recommendations of the Royal Government, Phnom Penh City, Sihanoukville Province and some areas of Siem Reap Province were placed on lockdown. As a consequence, the Company's office limited its operations with almost all office staff working from home for two weeks. As of the date of the issuance of these audited financial statements, the Company's office already resumed its operations.

The construction of its second project progresses as scheduled despite the ongoing pandemic.

The outbreak in Cambodia is still manageable as backed up by the roll out of its national vaccination program and timely intervention by the government through additional regulations to curb the spread of the virus in Cambodia.

2 Financial reporting framework and basis of preparation and presentation

2.1 Statement of compliance

The financial statements of the Company have been prepared in accordance with Cambodian International Financial Reporting Standards ("CIFRSs"). CIFRSs are equivalent to International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Boards ("IASB") because IFRSs were adopted by the National Accounting Council, now the Accounting and Auditing Regulator ("ACAR"), without modification as CIFRSs.

2.2 Basis of preparation

The financial statements of the Company, which are expressed in United States Dollars ("USD"), are prepared under the historical cost convention and drawn up in accordance with CIFRSs.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and disclosure purposes in these audited financial statements is determined on such basis.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted price, included within level 1, that are observable for the asset or liability, either directly or indirectly; and,
- Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Basis of presentation

These financial statements are presented in USD, which is also the functional currency of the Company.

The national currency of Cambodia is the Khmer Riel ("KHR"). However, as the Company transacts its business and maintains its accounting records primarily in USD, Management 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 on translation are recognised in other comprehensive income.

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

	2021	2020
Closing rate	4,075	4,045
Average rate*	4,078	4,077

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

Such translation/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 this or any other rate of exchange.

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency of the Company, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in profit or loss.

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.

3 New and revised accounting standards

3.1 Adoption of new and revised accounting standards effective in 2021

The Company adopted all accounting standards and interpretations as at 31 December 2021. The new and revised accounting standards and interpretations that have been published by the IASB and adopted by ACAR were adopted by the Company and were assessed as not applicable and have no impact on the Company's audited financial statements.

3.2 New and revised accounting standards effective after 31 December 2021

At the date of authorisation of these financial statements, the Company has not adopted the following new and revised accounting standards that have been issued in 2021 but are not yet effective:

- CIFRS 17, Insurance Contracts
- Covid-19-related rent concessions beyond 30 June 2021 (Amendment to CIFRS 16)
- Prohibition of deducting proceeds from items produced on property and equipment (Amendments to CAS 16)
- Costs to include when assessing contract is onerous (Amendments to CAS 37)
- Classification of liabilities (Amendments to CAS 1)
- Reference to the Conceptual Framework (Amendments to CIFRS 3)
- Annual Improvements to CIFRSs 2018–2020
- Deferred tax related to assets and liabilities arising from a single transaction (Amendments to CAS 12)

The Company intends to adopt these amendments, if applicable, when they become effective.

Management does not expect that the adoption of these amendments will have a material impact on the financial statements in the period of initial application.

4 Summary of significant accounting policies

4.1 Revenue recognition

The Company recognises its revenue from the construction of real estate. Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts

collected on behalf of third parties. The Company recognises revenue when it transfers the control of a real estate to a customer.

Construction and sale of real estate

The Company constructs and sells condominium units under long-term agreements with customers. Under the terms of the Sale and Purchase Agreement (“SPA”), the Company is contractually restricted from redirecting the property to another customer, unless the customer defaulted the scheduled payments, but does not have an enforceable right to collect payment for performance completed to date. Revenue from construction of real estate is therefore recognised at a point in time, i.e., when the control over the condominium is transferred to the customer. Management considers that this method is an appropriate measure of complete satisfaction of the performance obligation under CIFRS 15.

Transaction price

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring control over the real estate to a customer, excluding amounts collected on behalf of third parties. The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both.

The revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Significant financing component

In determining the transaction price, the Company adjusts the amount of consideration for the effects of time value of money for payments to be received after the transfer of control over real estate to the customer, if any.

Receivables

A receivable represents the Company’s right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract assets

The Company initially recognises a contract asset upon control over real estate is transferred to the customer. The contract asset is subsequently reclassified to receivables based on the repayment schedule in the SPA.

Contract liabilities

The Company recognises a contract liability when there is an obligation to transfer control over real estate to a customer for which the Company has received consideration (or the amount is due) from the customer.

Contract costs

The Company recognises the incremental costs of obtaining a contract with a customer as an asset if the Company expects to recover those costs. The incremental costs of obtaining a contract are those costs that the Company incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained.

The Company recognises an asset from the costs incurred to fulfil a contract if those costs relate directly to a contract or to an anticipated contract that the Company can specifically identify, the costs generate or enhance resources of the Company that will be used in satisfying (or in continuing to satisfy) performance obligations in the future, and the costs are expected to be recovered.

Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained are recognised as an expense when incurred, unless those costs are explicitly chargeable to the customer regardless of whether the contract is obtained.

Other income

The Company's other sources of revenue are from its other income, which is generated outside the normal course of business and is recognised when it is probable that the economic benefits will flow to the Company and it can be measured reliably.

4.2 Property and equipment

Property and equipment are initially measured at cost. The cost of an item of property and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by Management.

At the end of each reporting period, item of property and equipment measured using the cost model are carried at cost less any subsequent accumulated depreciation and impairment losses.

Depreciation is computed on the straight-line method based on the estimated useful lives of the assets as follows:

	Useful lives (years)
Building	10 years
Furniture and fixtures	4 years
Computer equipment	4 years
Leasehold improvements	Shorter of lease term or 10years
Land	Indefinite

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gain or loss arising on the disposal of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

4.3 Inventories

Inventories pertain to fully constructed real estates which are initially measured at cost. Subsequently, inventories are stated at the lower of cost and net realisable value. Cost of inventories include costs of construction and any other costs directly attributable to bringing the inventories to a working condition for their intended use.

The costs of inventories are calculated using specific identification of individual costs. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost to sell or the current replacement cost of the asset.

When the net realisable value of the inventories is lower than the cost, the Company provides for an allowance for the decline in the value of the inventory and recognises the write-down as an expense in the statement of comprehensive income. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised.

4.4 Property development costs

Property development costs are determined based on a specific identification basis. Property development costs comprising costs of land, direct materials, direct labour, borrowings costs on qualifying assets, and other direct costs attributable overheads and payments to subcontractors that meet the definition of inventories are recognised as an asset and are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses. The asset is subsequently recognised as an expense in the statement of comprehensive income when or as the control of the asset is transferred to the customer at a point in time.

4.5 Impairment of non-financial assets

At the end of each reporting period, the Company assesses whether there is any indication that any of its non-financial assets may have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit ("CGU") to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, assets are also allocated to individual CGUs, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised as an expense, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

4.6 Financial instruments

Financial assets and financial liabilities are recognised in the Company's audited financial statements when the Company becomes a party to the contractual provisions of the instrument.

Initial recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

Classification and subsequent measurement

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Fair value is determined in the manner described in Note 2.2.

Financial assets measured subsequently at amortised cost

Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, are subsequently measured at amortised cost using the effective interest rate method.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset.

The Company's cash and cash equivalents, receivables and certain other receivables fall into this category of financial instruments.

Impairment of financial assets

ClFRS 9's impairment requirements – the 'expected credit loss ("ECL") model', use forward-looking information to recognise expected credit losses. Instruments within the scope included contract assets, receivables, cash and cash equivalents and certain other receivables.

The Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1'); and,
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date. However, none of the Company's financial assets fall into this category.

'12-month ECL' are recognised for the "Stage 1" financial instruments while 'lifetime ECL' are recognised for "Stage 2" and "Stage 3" financial instruments.

Measurement of the expected credit losses is determined by a profitability-weighted estimate of the credit losses over the expected life of the financial instrument.

Derecognition

The Company derecognises a financial asset only when the contractual rights to the asset's cash flows expire or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL. Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not (i) held-for-trading, or (ii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the Company exchanges with the existing lender one debt instrument into another one with substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Company accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 percent different from the discounted present value of the remaining cash flows of the original financial liability.

If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification should be recognised in profit or loss as the modification gain or loss within other gains and losses.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by Company are recognised at the proceeds received, net of direct issue costs.

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are considered as a deduction from the proceeds, net of tax.

Deposit for future share subscription

The Company classifies the excess of deposits received from shareholders over authorised share capital as deposits for future share subscription under equity.

Retained earnings

Retained earnings represent accumulated profit attributable to equity holders of the Company after deducting dividends declared. Retained earnings may also include effect of changes in accounting policy as may be required by the standard's transitional provisions.

Other components of equity include cumulative difference on translation of USD to KHR.

4.7 Cash and cash equivalents

Cash and cash equivalents comprises cash on hand and deposits in banks which are subject to an insignificant risk of changes in value.

4.8 Prepayments

Prepayments represent expenses not yet incurred but already paid in cash. Prepayments are initially recorded as assets and measured at the amount of cash paid. Subsequently, these are charged to profit or loss as they are consumed in operations or expire with the passage of time.

Prepayments are classified in the statement of financial position as current assets when the costs related to the prepayments are expected to be incurred within one year or the Company's normal operating cycle, whichever is longer. Otherwise, prepayments are classified as non-current assets.

4.9 Provisions, contingent assets and contingent liabilities

Provisions

Provisions are recognised when the Company has a present obligation, either legal or constructive, as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised is the best estimate of the consideration required to settle the present obligation at the end of each reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation; its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that a transfer of economic benefits will be required to settle the obligation, the provision should be reversed.

Contingent assets and liabilities

Contingent assets and liabilities are not recognised because their existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent assets are not recognised, but are disclosed only when an inflow of economic benefits is probable. When the realisation of income is virtually certain, asset should be recognised.

Contingent liabilities are disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote.

4.10 Employee benefits

Short-term employee benefits

Wages, salaries, bonuses, and other short-term benefits are recognised as an expense in the period in which the associated services are rendered by employees of the Company.

Seniority indemnity payments

The Ministry of Labour and Vocational Training issued Prakas No. 443 on 21 September 2018 requiring companies to make seniority payments to employees under unfixed duration contracts. Employees hired under fixed duration contract will not receive the seniority payment, but are entitled to severance pay, calculated at 5% of the wages the employee would have received during the length of the contract unless otherwise stated in the collective bargaining agreement.

Seniority payments are made every six months as follows:

- 7.5 days of the employee's wages and other fringe benefits, to be paid in June of each year; and,
- 7.5 days of an employee's wages and other fringe benefits, to be paid in December of each year.

4.11 Expenses

Expenses are recognised in profit or loss when decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably. Expenses are recognised in profit or loss:

- i) on the basis of a direct association between the costs incurred and the earning of specific items of income;
- ii) on the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association with income can only be broadly or indirectly determined; or,
- iii) immediately when an expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify, or cease to qualify, for recognition in the statements of financial position as an asset.

Expenses in the statements of comprehensive income are presented using the function of expense method.

4.12 Leases

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

At the date of initial adoption, the lease liability was discounted at an incremental borrowing rate of 7.5% per annum.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and,
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as separate line in the statements of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified and the lease modification is not accounted for as separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The Company did not make any such adjustments during the periods presented.

Right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under CAS 37. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statements of financial position. The Company applies CAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property and equipment' policy.

As a practical expedient, CIFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient.

4.13 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in statement of comprehensive income in the period in which they are incurred.

4.14 Related party transactions

A related party is a person or entity that is related to the Company. A related party transaction is a transfer of resources, services or obligations between the Company and its related party, regardless of whether a price is charged. In addition:

- i. A person or a close member of that person's family is related to the Company if that person:
 - a. Has control or joint control over the Company;
 - b. Has significant influence over the Company; or,
 - c. Is a member of the key management of the ultimate holding company of the Company, or the Company.
- ii. An entity is related to the Company if any of the following conditions applies:
 - a. The entity and the Company are members of the same group.
 - b. One entity is an associate or joint venture of the other entity.
 - c. Both entities are joint ventures of the same third party.
 - d. One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - e. The entity is a post-employment benefit plan for the benefits of employees of either the Company or an entity related to the Company.
 - f. The entity is controlled or jointly-controlled by a person identified in i. above.
 - g. A person identified in i.a. above has significant influence over the entity or is a member of the key management of the ultimate holding company or the entity.
 - h. The entity, or any member of a group of which it is a part, provides key management services to the Company or to the parent of the Company.

4.15 Income taxes

Income tax expense represents the sum of the current tax and deferred tax expense.

Current tax

The current tax expense is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statements of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's current tax expense is calculated using 20% corporate income tax rate or 1% minimum tax rate, whichever is higher.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the audited financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred tax liabilities are generally recognised for all taxable temporary differences. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

4.16 Events after reporting period

The Company identifies events after the end of each reporting period as those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the audited financial statements are authorised for issue. The audited financial statements of the Company are adjusted to reflect those events that provide evidence of conditions that existed at the end of the reporting period. Non-adjusting events after the end of the reporting period are disclosed in the notes to the audited financial statements when material.

4.17 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.

5 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, Management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on the historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

The following are the critical judgments, apart from those involving estimations, that Management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in audited financial statements.

Determining the timing of satisfaction of performance obligations

The Company assessed that there is only one performance obligation and that revenue arising from such qualify for recognition at a point in time, when the control over real estate is transferred to the customer.

Determining the transaction price and the amounts allocated to performance obligation

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring control over the real estate to a customer, excluding amounts collected on behalf of third parties.

The Company assessed that there is only one performance obligation for each SPA that it has entered an that revenue arising from such agreements qualify for recognition at a point in time based on the transfer of control. Control over real estate refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from the asset. The Company allocates the transaction price to one performance obligation and recognises revenue at a point in time.

Determining the amount of contract costs

The Company assessed that incremental costs of obtaining a contract with a customer such as sales commissions paid are costs that the Company incurs that would not have incurred if the contract had not been obtained and should be recognised as an asset.

Leases

The evaluation of whether an arrangement contains a lease is based on its substance. An arrangement is, or contains, a lease when the fulfilment of the arrangement depends on specific asset or assets and the arrangement conveys the right to use the asset.

Leases of low-value assets

In assessing whether leases are of low-value, Management considers the economic substance of the underlying asset as a whole.

Discount rate used to determine the carrying amount of the Company's lease liability

The Company's lease liability is discounted at a rate set by reference to market yields at the end of the report period as prescribed by the GDT. Significant judgment is required when setting the criteria for borrowing interest rates to be included in the population from which the discount rate is derived.

Amortisation of right-of-use asset

Amortisation of leased asset is calculated using straight-line method to allocate the cost, net of residual values, over the estimated useful lives being the lesser between the remaining lease terms and the expected life of the asset.

Income tax expense

The Company will recognise liabilities for expected tax expenses based on an estimate of whether the taxes are due through Management's current interpretation of the various tax legislations which are subject to periodic changes. The final determination of a tax expense will be made following examination by the GDT. When the final tax outcome of these matters is different from the amount that were initially recognised, such differences will impact the tax provision in the financial year in which such determination is made.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Estimating loss allowance for expected credit losses

The Company measures expected credit losses of a financial instrument in a way that reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, the time value of money and information about past events, current conditions and forecasts of future economic conditions. When measuring ECL the Company uses reasonable and supportable forward-looking information, which is

based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Estimating useful lives of assets

The useful lives of the Company's assets with definite life are estimated based on the period over which the assets are expected to be available for use. The estimated useful lives of Company's property and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the Company's assets.

In addition, the estimation of the useful lives is based on the Company's collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of property, plant and equipment would increase the recognised operating expenses and decrease non-current assets.

Estimating cost of right-of-use assets

Determining the cost of right-of-use asset includes the amount of lease liability recognised and the estimated costs to be incurred in dismantling and removing its underlying asset or restoring to the condition required by the contract.

Impairment of non-financial assets

The Company performs an impairment review when certain impairment indicators are present.

Determining the recoverable amount of property and equipment which require the determination of future cash flows expected to be generated from the continued use and ultimate disposition of such assets, requires the Company to make estimates and assumptions that can materially affect the audited financial statements. Future events could cause the Company to conclude that property and equipment are impaired. Any resulting impairment loss could have a material adverse impact on the financial condition and results of operations.

The preparation of the estimated future cash flows involves significant judgment and estimations. While the Company believes that its assumptions are appropriate and reasonable, significant changes in the assumptions may materially affect the assessment of recoverable values and may lead to future additional impairment charges.

Deferred tax assets

The Company reviews the carrying amounts at the end of each reporting period and reduces deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. However, there is no assurance that the Company will generate sufficient taxable profit to allow all or part of its deferred tax assets to be utilised.

Estimating net realisable value of inventories

The net realisable value of inventories represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. The Company determines the estimated selling price based on the recent sale transactions of similar goods with adjustments to reflect any changes in economic conditions since the date the transactions occurred. The Company records provision for excess of cost over net realisable value of inventories. While the Company believes that the estimates are reasonable and appropriate, significant differences in the actual experience or significant changes in estimates may materially affect the profit or loss and equity.

6 Property and equipment

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

	Land USD	Building USD	Furniture and fixtures USD	Computer equipment USD	Leasehold improvements USD	Total USD	KHR'000 (Note 2.3)
Gross carrying amount							
Balance as at 01 January 2021	560,000	96,500	3,102	2,261	-	661,863	2,677,236
Additions	-	-	12,513	2,512	16,504	31,529	128,260
Write-off	-	-	(295)	(399)	-	(694)	(2,823)
Currency translation difference	-	-	-	-	-	-	19,379
Balance as at 31 December 2021	560,000	96,500	15,320	4,374	16,504	692,698	2,822,052
Accumulated depreciation							
Balance as at 01 January 2021	-	(7,920)	(2,564)	(1,993)	-	(12,477)	(50,470)
Depreciation	-	(9,650)	(3,351)	(803)	(1,650)	(15,454)	(62,867)
Write-off	-	-	295	399	-	694	2,823
Currency translation difference	-	-	-	-	-	-	(450)
Balance as at 31 December 2021	-	(17,570)	(5,620)	(2,397)	(1,650)	(27,237)	(110,964)
Carrying amount as at 31 December 2021	560,000	78,930	9,700	1,977	14,854	665,461	2,711,088

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 2021, Management believes that the recoverable amounts of the Company's property and equipment exceed their carrying amounts, accordingly, no impairment loss was recognised.

	Land USD	Building USD	Furniture and fixtures USD	Computer equipment USD	Total USD	KHR'000 (Note 2.3)
Gross carrying amount						
Balance as at 01 January 2020	-	22,369	7,222	2,261	31,852	129,797
Additions	-	74,131	320	-	74,451	303,537
Reclassification	560,000	-	-	-	560,000	2,283,120
Write-off	-	-	(4,440)	-	(4,440)	(18,102)
Currency translation difference	-	-	-	-	-	(21,116)
Balance as at 31 December 2020	560,000	96,500	3,102	2,261	661,863	2,677,236
Accumulated depreciation						
Balance as at 01 January 2020	-	-	(3,418)	(1,729)	(5,147)	(20,974)
Depreciation	-	(7,920)	(223)	(264)	(8,407)	(34,276)
Write-off	-	-	1,077	-	1,077	4,391
Currency translation difference	-	-	-	-	-	389
Balance as at 31 December 2020	-	(7,920)	(2,564)	(1,993)	(12,477)	(50,470)
Carrying amount as at 31 December 2020	560,000	88,580	538	268	649,386	2,626,766

7 Real estate inventories

Details of the Company's inventories are as follows:

	31 December 2021		31 December 2020	
	USD	KHR'000 (Note 2.3)	USD	KHR'000 (Note 2.3)
Condominium units for sale	76,246	310,626	824,776	3,336,219

The cost of inventories sold during the year amounted USD777,739 or KHR3,163,842 (2020: USD424,692 or KHR1,731,469), and is recognised as cost of real estate sold.

As at 31 December 2021, inventories with a cost of USD38,123 or KHR155,313,000 (2020: USD88,907 or KHR362,207,000) have been pledged as security for the Company's borrowings as disclosed in Note 17 (a).

As at 31 December 2021, Management believes that the costs of the Company's inventories exceed their net realisable value, accordingly, no allowance was recognised.

8 Property development costs

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

	31 December 2021		31 December 2020	
	USD	KHR'000 (Note 2.3)	USD	KHR'000 (Note 2.3)
Cost				
Balance as at beginning of the year	1,899,632	7,684,011	94,590	385,454
Land held for property development	-	-	1,380,000	5,626,260
Capitalised development costs during the year	3,548,443	14,435,066	425,042	1,732,896
Currency translation difference		76,381	-	(60,599)
Balance as at end of the year	5,448,075	22,195,458	1,899,632	7,684,011

In 2019, the Company entered into a Contract and Declaration of Trust with its shareholder to hold a parcel of land for the construction of its second project.

9 Contract costs

	2021		2020	
	USD	KHR'000 (Note 2.3)	USD	KHR'000 (Note 2.3)
Balance as at beginning of the year	30,464	123,227	-	-
Additions	74,972	304,986	30,464	124,202
Currency translation difference	-	1,333	-	(975)
Balance as at end of the year	105,436	429,546	30,464	123,227

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

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

10 Contract assets/(liabilities)

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

	31 December 2021		31 December 2020	
	USD	KHR'000 (Note 2.3)	USD	KHR'000 (Note 2.3)
Cost				
Balance as at beginning of the year	1,579,696	6,389,870	1,834,247	7,474,557
Income recognised during the year from:				
Real estate sales	1,342,649	5,461,896	758,477	3,092,311
Premium on deferred payment	(72,798)	(296,142)	(147,584)	324,423
Billings	(1,455,412)	(5,920,616)	(865,444)	(3,528,415)
Currency translation difference	-	44,698	-	(973,006)
Balance as at end of the period/year	1,394,135	5,679,706	1,579,696	6,389,870

There was no revenue recognised during the period related to contract liabilities recognised from prior year (2020: nil).

Receivables pertain to uncollected amounts due from customers based on the repayment schedule per SPA. As at the end of the reporting period, the balance of receivables amounted to USD19,390 or KHR78,995 (2020: USD208,327 or KHR842,683)

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

	31 December 2021		31 December 2020	
	USD	KHR'000 (Note 2.3)	USD	KHR'000 (Note 2.3)
Contract assets	2,993,066	12,193,751	2,076,641	8,400,013
Contract liabilities	(1,598,931)	(6,514,045)	(496,945)	(2,010,143)
	1,394,135	5,679,706	1,579,696	6,389,870

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

11 Prepayments and other receivables

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

	31 December 2021		31 December 2020	
	USD	KHR'000 (Note 2.3)	USD	KHR'000 (Note 2.3)
Liquidated damages receivables	305,000	1,242,570	305,000	1,233,725
Prepayments	220,083	896,618	32,092	129,812
Advance payments	27,500	112,035	-	-
Receivables from related party	12,011	48,933	-	-
Deposits	-	-	750	3,033
	564,594	2,300,156	337,842	1,366,570

Prepayments represent capitalised IPO costs.

During the year, the Company made advance payments to its contractor in relation with the ongoing construction of its second real estate development project.

12 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 follow:

	31 December 2021		31 December 2020	
	USD	KHR'000 (Note 2.3)	USD	KHR'000 (Note 2.3)
Fixed deposits	110,831	451,525	-	-
Cash on hand	6,967	28,384	46,739	189,059
Cash in banks	89,803	365,857	179,731	727,012
	207,601	845,766	226,470	916,071

Fixed deposits pertain to long-term deposits maintained in a reputable local bank, which the Company placed on 22 May 2021 with a fixed maturity period of three years, and earn fixed interest of 5%. Under the terms of the fixed deposit certificate, the Company has the discretion to withdraw the amount anytime, hence it is recognised as a cash equivalents.

Cash in banks earn interest at the prevailing bank deposit rates of 0.11% (2020:0.09%). Interest income earned on cash in banks amounted to USD573 or KHR2,331,000 during the year (2020: USD143 or KHR583,000).

13 Right-of-use assets and lease liabilities

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

	31 December 2021		31 December 2020	
	USD	KHR'000 (Note 2.3)	USD	KHR'000 (Note 2.3)
Cost				
Balance as at beginning of the year	204,164	825,843	204,164	831,968
Additions	148,006	602,088	-	-
Lease expiration	(204,164)	(830,539)	-	-
Currency translation difference	-	5,585	-	(6,125)
Balance as at end of the year	148,006	602,977	204,164	825,843
Accumulated depreciation				
Balance as at beginning of the year	(187,150)	(757,021)	(85,068)	(346,652)
Depreciation	(71,029)	(288,946)	(102,082)	(416,188)
Lease expiration	204,164	830,539	-	-
Currency translation difference	-	(4,630)	-	5,819
Balance as at end of the period	(54,015)	(220,058)	(187,150)	(757,021)
Carrying amount as at end of the year	93,991	382,919	17,014	68,822

On 1 February 2021, the Company entered into a lease agreement with one of its shareholders to rent a building which is valid for a lease term of two years.

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

Movements in lease liabilities are as follows:

	31 December 2021		31 December 2020	
	USD	KHR'000 (Note 2.3)	USD	KHR'000 (Note 2.3)
Balance as at beginning of the year	37,912	153,354	141,477	576,518
Additions	148,006	602,088	-	-
Interest expense	7,647	31,108	11,954	48,736
Repayment of principal	(88,483)	(359,949)	(103,565)	(422,235)
Repayment of interest	(7,647)	(31,108)	(11,954)	(48,736)
Gain on lease termination	(385)	(1,566)	-	-
Currency translation difference	-	1,455	-	(929)
Balance as at end of the year	97,050	395,382	37,912	153,354

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

	31 December 2021		31 December 2020	
	USD	KHR'000 (Note 2.3)	USD	KHR'000 (Note 2.3)
Current	64,431	262,492	37,912	153,354
Non-current	32,619	132,890	-	-
	97,050	395,382	37,912	153,354

Interest rate underlying the lease liabilities is 7.5%. Interest expense charged on the lease liabilities during the period amounted to USD5,061 (2020: USD11,950).

The details of future minimum lease payments are summarised below:

	Minimum lease payments due			
	Within one year	1 – 2 years	Total	
	USD	USD	USD	KHR'000 (Note 2.3)
Lease payments	69,412	33,336	102,748	418,595
Finance charges	(4,981)	(717)	(5,698)	(23,213)
Net present value	64,431	32,619	97,050	395,382

Expenses related to short-term leases during the period amounted to USD461 or KHR1,875,000 (2020: USD3,240 or KHR13,209,000), as disclosed in Note 21.

14 Share capital

The Company is originally authorised with KHR20,000 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 (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. At the end of the reporting year, the amended authorised share capital is fully issued and paid-up.

The movement in the authorised share capital are as follows:

	2021			2020		
	Number of shares	USD	Amount KHR'000 (Note 2.3)	Number of shares	USD	Amount KHR'000 (Note 2.3)
As at beginning of the year	5,000	5,000	20,000	5,000	5,000	20,000
Issuance of share capital	19,995,000	495,000	1,980,000	-	-	-
As at end of the year	20,000,000	500,000	2,000,000	5,000	5,000	20,000

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

	31 December 2021			31 December 2020		
	Number of shares	USD	Amount KHR'000 (Note 2.3)	Number of shares	USD	Amount KHR'000 (Note 2.3)
As at beginning of the year	5,000	5,000	20,000	5,000	5,000	20,000
Conversion of deposit (Note 15)	16,155,000	399,000	1,596,000	-	-	-
Conversion of retained earnings	3,840,000	96,000	384,000	-	-	-
As at end of the year	20,000,000	500,000	2,000,000	5,000	5,000	20,000

On 19 May 2021, the Board of Directors agreed on a resolution made pursuant to the Company's constitution, on the conversion of retained earnings to additional paid-up capital.

15 Deposit for future share subscription

On 31 March 2019, the Board of Directors agreed on a resolution made pursuant to the Company's constitution that amounts owing to shareholders amounting to USD399,000 be converted into deposit for future stock subscription. The Company's MAA was updated on 13 May 2021 to reflect the conversion of deposit to additional share capital of the Company.

16 Trade and other payables

The details of this account consist of:

	31 December 2021		31 December 2020	
	USD	KHR'000	USD	KHR'000
		(Note 2.3)		(Note 2.3)
Trade payables				
Non-related parties	2,132,752	8,688,832	769,088	3,110,961
Output value-added tax ("VAT")	341,078	1,389,552	297,817	1,204,670
Taxes payables	46,449	189,233	24,399	98,694
Provision for seniority indemnity	-	-	1,871	7,568
Other payables	117,757	479,740	27,201	110,028
	2,638,036	10,747,357	1,120,376	4,531,921

17 Borrowings

This account is composed of:

	31 December 2021		31 December 2020	
	USD	KHR'000	USD	KHR'000
		(Note 2.3)		(Note 2.3)
Loans from commercial banks (a)	2,721,689	11,088,161	845,700	3,420,857
Loans from related parties (b)	1,047,390	4,267,067	1,255,553	5,078,711
	3,769,079	15,355,228	2,101,253	8,499,568

- 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 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 2022.

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

- b. Loans from related parties bear interest of 15% per annum. These loans are unsecured and are payable on demand. Movements in the loan from related parties are disclosed in Note 19.

Interest expense during the year amounted to USD128,551 or KHR 522,945, which was capitalised as part of property development costs, with details as follows.

	For the year ended 31 December 2021		For the year ended 31 December 2020	
	USD	KHR'000	USD	KHR'000
		(Note 2.3)		(Note 2.3)
Bank loans	111,915	455,270	-	-
Loans from related parties	16,636	67,675	-	-
	128,551	522,945	-	-

18 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			
	01 January 2021 USD	Recognition of lease liabilities USD	Interest expense USD	Gain on lease termination USD	Proceeds USD	Repayments of principal USD	Repayments of interest USD	31 December 2021 USD
								KHR'000 (Note 2.3)
Borrowings	2,101,253	-	128,551	-	2,669,942	(1,117,624)	(13,043)	3,769,079
Lease liabilities	37,912	-	7,647	(385)	148,006	(88,483)	(7,647)	97,050
	2,139,165	-	136,198	(385)	2,817,948	(1,206,107)	(20,690)	3,866,129
								15,355,228
								395,382
								15,750,610

	Non-cash flows				Cash flows			
	01 January 2020 USD	Recognition of lease liabilities USD	Interest expense USD	Gain on lease termination USD	Proceeds USD	Repayment of principal USD	Repayments of interest USD	31 December 2020 USD
								KHR'000 (Note 2.3)
Borrowings	2,239,828	-	171,745	-	-	(235,000)	(75,320)	2,101,253
Lease liabilities	141,477	-	11,950	-	-	(103,565)	(11,950)	37,912
	2,381,305	-	183,695	-	-	(338,565)	(87,270)	2,139,165
								8,499,568
								153,354
								8,652,922

19 Related party transactions

The following balances are outstanding with related parties:

Related party	USD	31 December 2021 KHR'000 (Note 2.3)	31 December 2020 USD	31 December 2020 KHR'000 (Note 2.3)
Shareholders				
Amount due to shareholders	1,268,459	5,167,702	1,661,394	6,720,338
Borrowings	1,047,390	4,267,067	1,255,553	5,078,711
Contract assets	-	-	12,470	50,441
Contract liabilities	65,806	268,093	14,881	60,194

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 payable on demand.

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

Related party and relationship	Transactions	For the year ended 31 December 2021		For the year ended 31 December 2020	
		USD	KHR'000 (Note 2.3)	USD	KHR'000 (Note 2.3)
Shareholder	Other income	-	-	1,468	5,983
	Utilities	-	-	(13,451)	(54,841)
	Interest	(102,922)	(418,688)	(112,663)	(459,327)
Directors	Directors' benefits	(183,618)	(746,958)	(11,000)	(44,847)
Company under common control	Management fee	(18,287)	(74,392)	(33,900)	(138,210)
	Event management fee	(18,208)	(74,072)	(33,000)	(134,541)
	Building model fee	-	-	(31,801)	(129,653)
	Marketing retainer fee	(37,500)	(152,550)	(17,112)	(69,766)
	Printing and stationeries	(390)	(1,587)	(14,702)	(59,940)

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:

	For the year ended 31 December 2021		For the year ended 31 December 2020	
	USD	KHR'000 (Note 2.3)	USD	KHR'000 (Note 2.3)
Directors' benefits	183,618	746,958	11,000	44,847

20 Other income

The Company's other income consists of:

	For the year ended 31 December 2021		For the year ended 31 December 2020	
	USD	KHR'000 (Note 2.3)	USD	KHR'000 (Note 2.3)
Premium on deferred payment (Note 10)	72,798	296,142	147,584	601,700
Receipts on forfeited units	48,730	198,234	14,013	57,131
Gain on lease termination	385	1,566	-	-
Others	47,405	192,844	11,005	44,867
	169,318	688,786	172,602	703,698

Others relate to payments received from customers for processing of transfer of property.

21 General and administrative expenses

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

	For the year ended 31 December 2021		For the year ended 31 December 2020	
	USD	KHR'000 (Note 2.3)	USD	KHR'000 (Note 2.3)
Salaries	261,578	1,064,099	26,754	109,076
Depreciation (Notes 6 and 13)	86,483	351,813	110,489	450,464
Non-deductible taxes	67,195	273,349	63,086	257,202
Professional fees	75,502	307,142	45,386	185,039
Marketing	59,865	243,531	70,621	287,922
Management fees	59,700	242,860	30,900	125,979
Travel	14,319	58,250	1,566	6,385
Insurance	7,320	29,778	1,549	6,315
Repairs and maintenance	2,232	9,080	34	139
Utilities	2,067	8,409	17,208	70,157
Communication	1,645	6,692	1,003	4,089
Printing and stationeries	1,953	7,945	18,607	75,861
Upkeep for showroom	1,180	4,800	-	-
Entertainment	986	4,011	166	677
Rental	461	1,875	3,240	13,209
Bank charges	390	1,587	4,620	18,836
Sundry	373	1,517	2,222	9,059
Provision of director unit	-	-	11,000	44,847
Security guard	-	-	1,800	7,339
Gifts and donation	-	-	5,324	21,706
Others	26,337	107,138	925	3,770
	669,586	2,723,876	416,500	1,698,071

22 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:

	For the year ended 31 December 2021		For the year ended 31 December 2020	
	USD	KHR'000 (Note 2.3)	USD	KHR'000 (Note 2.3)
Current income tax expense	62,752	255,275	27,130	110,611
Deferred tax expense	-	-	1,102	4,491
Over provision in prior years:	(30,000)	(122,040)	-	-
Deferred tax	125,257	509,545	-	-
Current tax	(155,257)	(631,585)	-	-
Income tax expense	32,752	133,235	28,232	115,102

Reconciliation between profit before income tax and estimated corporate income tax

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

	For the year ended 31 December 2021		For the year ended 31 December 2020	
	USD	KHR'000 (Note 2.3)	USD	KHR'000 (Note 2.3)
Profit before income tax	57,568	234,187	78,076	318,316
Add: Non-deductible expenses	256,191	1,042,186	63,086	257,202
Taxable income for the year	313,759	1,276,373	141,162	575,518
Income tax at applicable rate of 20%	62,752	255,275	28,232	115,102
Over provision in prior years	(30,000)	(122,040)	-	-
Estimated tax expense (A)	32,752	133,235	28,232	115,102
Minimum tax at rate 1% of revenue (B)	19,422	79,009	5,065	20,651
Income tax expense (higher of A or B)	32,752	133,235	28,232	115,102

(b) Current income tax payable

	2021		2020	
	USD	KHR'000 (Note 2.3)	USD	KHR'000 (Note 2.3)
As at beginning of the year	270,515	1,094,233	382,426	1,558,386
Charge during the year	62,752	255,275	27,130	110,611
Over provision in prior year	(155,257)	(631,585)	-	-
Income tax paid	(107,935)	(439,080)	(139,041)	(566,870)
Currency translation difference	-	6,643	-	(7,894)
As at end of the year	70,075	285,486	270,515	1,094,233

(c) Tax losses carried forward

In accordance with the Prakas on Tax on Income, in order for tax losses to be carried forward and utilised against taxable income in subsequent years, the following conditions should be met:

- Continuity of the business activity of the Company; and,
- No tax unilateral reassessment on the tax losses has been made by the GDT.

Tax losses can be carried forward to offset future years' taxable income of up to five years from the year in which they were incurred. The actual amount of accumulated losses that can be carried forward is subject to assessment by the GDT and may not be utilised if one of the criteria mentioned above will not be met.

(d) Deferred taxes

The following are the composition of deferred tax assets recognised by the Company:

	31 December 2021		31 December 2020	
	USD	KHR'000 (Note 2.3)	USD	KHR'000 (Note 2.3)
Arising from difference in accounting and tax				
Depreciation expense	-	-	278	1,125
Provisions	-	-	71,345	288,591
Tax losses	-	-	53,634	216,949
	-	-	125,257	506,665

(e) Taxation contingencies

The taxation system in Cambodia is characterised by frequently changing legislation which is subject to interpretation. Often times, differing interpretations exist and investigation by a number of 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. 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 since the incorporation could be significant.

23 Categories of financial instruments

The category of financial instruments are shown below:

Assets	31 December 2021		31 December 2020	
	USD	KHR'000 (Note 2.3)	USD	KHR'000 (Note 2.3)
At amortised cost				
Cash and cash equivalents	207,601	845,766	226,470	916,071
Receivables	19,390	78,995	208,327	842,683
Other receivables*	317,011	1,291,503	305,750	1,236,758
	544,002	2,216,264	740,547	2,995,512

*Excludes prepayments and advance payments

Financial liabilities	31 December 2021		31 December 2020	
	USD	KHR'000 (Note 2.3)	USD	KHR'000 (Note 2.3)
At amortised cost				
Trade and other payables**	2,250,509	9,168,572	798,160	3,228,557
Borrowings	3,769,079	15,355,228	2,101,253	8,499,568
Amounts due to shareholders	1,268,459	5,167,702	1,661,394	6,720,338
Not within scope of CIFRS 9				
Lease liabilities	97,050	395,382	37,912	153,354
	7,385,097	30,086,884	4,598,719	18,601,817

*Excludes output VAT and taxes payable

24 Fair value information

As at the end of the year, 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.

25 Risk management objectives and policies

The Company is significantly exposed to credit risk and liquidity risk in relation to its financial instruments. The Company's exposures to foreign currency sensitivity and interest rate sensitivity are minimal as most of its transactions are conducted in USD and it does not have any financial assets and financial liabilities subject to floating interest rate. The Company's financial assets and liabilities by category are summarised in Note 4.5.

The Company's risk management is closely monitored by Management, and focuses on actively securing the Company's short to medium-term cash flows by minimising the exposure to financial markets.

The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed to are described below.

(a) Credit risk analysis

Credit risk refers to the possibility that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Company uses other publicly available financial information and its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The concentration of credit risk exists when changes in economic, industry and geographical factors affects groups of counterparties whose aggregate credit exposure is significant in relation to the Company's total credit exposure. The Company transacts only with recognised, creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant.

Contract assets

The Company applies the CIFRS 9 simplified model of recognising lifetime ECL for all contract assets as these items do not have a significant financing component.

In measuring the expected credit losses, contract assets have been assessed on a collective basis as they possess shared credit risk characteristics.

The expected loss rates are based on the corresponding historical credit loss over the past years before 31 December 2021. The historical rates are adjusted to reflect current and forwarding looking macroeconomic factors affecting the customer's ability to settle the amount outstanding. Given the short period exposed to credit risk, the impact of these macroeconomic factors has not been consider significant within the reporting period.

Receivables

Receivables are written off (i.e., derecognised) when there is no reasonable expectation of recovery. Failure to make payments within 180 days from the invoice date and failure to engage with the Company on alternative payment amongst other is considered indicators of no reasonable expectation recovery.

As at 31 December 2021, no expected credit loss is recognised as the receivables are partially paid according to the agreed repayment terms after the reporting period.

Cash and cash equivalents

The credit risk for cash and cash equivalents and short-term placements is considered negligible, since the counterparties are reputable local banks.

(b) Liquidity risk analysis

Liquidity risk arises when the Company encounters difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's objective of managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's financial liabilities which have contractual maturities as at 31 December 2021 and 31 December 2020 are summarised below:

	31 December 2021		31 December 2020	
	USD	KHR'000 (Note 2.3)	USD	KHR'000 (Note 2.3)
Within one year				
Trade and other payables*	2,250,509	9,168,572	798,160	3,228,557
Borrowings	1,793,090	7,305,050	2,101,253	8,499,568
Amounts due to shareholders	1,268,459	5,167,702	1,661,394	6,720,338
Lease liabilities	69,412	33,336	38,181	154,442
More than one year				
Borrowings	1,975,989	8,050,178	-	-
Lease liabilities	32,619	132,890	-	-
	7,390,078	29,857,728	4,598,988	18,602,905

*Excludes output VAT and taxes payables

26 Capital risk management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividends payable to shareholders, return capital to shareholders or issue new capital. No changes were made in the objective, policies or processes during the period.

27 Reclassification of comparative amounts

Certain amounts in the comparative financial statements and note disclosures have been reclassified to conform with the current year's presentation of accounts. Management believes that these reclassifications would better reflect the nature of the balances and transactions.

Summary of changes arising from the reclassifications are shown below:

Statement of financial position

	31 December 2020 (As previously stated) USD	Effects of reclassification USD	31 December 2020 (As reclassified) USD
Contract assets	2,245,406	(168,765)	2,076,641
Receivables	-	208,327	208,327
Prepayment and other receivables	377,404	(39,562)	337,842
Share capital	404,000	(399,000)	5,000
Deposit for future share subscription	-	399,000	399,000

Statement of comprehensive income

	For the year ended 31 December 2020 (As previously stated) USD	Effects of reclassification USD	For the year ended 31 December 2020 (As reclassified) USD
Other income	172,745	(143)	172,602
Finance income	-	143	143

28 Post-reporting date significant events

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 USD0.467 per share. As at the date of the report, the Memorandum and Articles of Association of the Company is yet to be updated and it is expected to be updated upon approval of shareholders in the upcoming annual general meeting on March 2022.

29 Authorisation of the audited financial statements

The financial statements as at 31 December 2021 and for the year then ended were approved for issue by the Board of Directors on 31 March 2022.