

**R M A (CAMBODIA) PLC.**

**DIRECTORS' REPORT  
AND  
AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**R M A (CAMBODIA) PLC.**

**AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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## **R M A (CAMBODIA) PLC.**

### **DIRECTORS' REPORT**

The Board of Directors (the "Directors") hereby submit their report together with the audited financial statements of R M A (Cambodia) Plc. (the "Company") for the year ended 31 December 2024.

### **PRINCIPAL ACTIVITIES**

The principal activities of the Company are marketing and sale of motor vehicles, spare parts and heavy equipment, maintenance and servicing of the equipment. There have been no significant changes in the nature of these principal activities during the year.

### **RESULTS**

|                     | <b>2024</b> |                |
|---------------------|-------------|----------------|
|                     | <b>USD</b>  | <b>KHR'000</b> |
| Profit for the year | 16,609,946  | 67,619,090     |

### **DIVIDENDS**

The amount of dividends declared and paid by the Company since the end of the previous year are as follows:

|   | <b>2024</b> |                |
|---|-------------|----------------|
|   | <b>USD</b>  | <b>KHR'000</b> |
| Dividends declared and paid during the year (Note 25) | 11,561,000  | 47,108,536     |

### **RESERVES AND PROVISIONS**

There were no material reserves or provisions during the year other than those disclosed in the financial statements.

### **SHARE CAPITAL**

The details of share capital and shareholding structure is disclosed in Note 14 of the financial statements.

### **BAD AND DOUBTFUL DEBTS**

Before the financial statements of the Company were prepared, the Directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the estimating of the allowance for doubtful debts and had satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts.

At the date of this report, the Directors are not aware of any circumstances which would render the amount written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Company inadequate to any substantial extent.

## **DIRECTORS' REPORT**

### **ASSETS**

Before the financial statements of the Company were prepared, the Directors took reasonable steps to ensure that any assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Company had been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances which would render the values attributed to the assets in the financial statements of the Company misleading.

### **VALUATION METHODS**

At the date of this report, the Directors are not aware of any circumstances that have arisen which would render adherence to the existing methods of valuation of assets or liabilities of the Company misleading or inappropriate.

### **CONTINGENT AND OTHER LIABILITIES**

At the date of this report, there does not exist:

- (i) any change on the assets of the Company that had arisen since the end of the year to secure the liabilities of any other person; and
- (ii) any contingent liabilities in respect of the Company that had arisen since the end of the year.

In the opinion of the Directors, no contingent liabilities or other liabilities of the Company has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the year which will or may affect the ability of the Company to meet its obligations as and when they fall due.

### **CHANGE OF CIRCUMSTANCES**

At the date of this report, the Directors are not aware of any circumstances, not otherwise dealt with in this report or the financial statements of the Company, which would render any amount stated in the financial statements misleading.

### **ITEMS OF MATERIAL AND UNUSUAL NATURE**

In the opinion of the Directors,

- (i) the results of the operations of the Company for the year were not substantially affected by any item, transaction or event of material and unusual nature; and
- (ii) no item, transaction or event of material and unusual nature had arisen in the interval between the end of the year and the date of this report which is likely to affect substantially the results of the operations of the Company for the year in which this report is made.

### **ISSUANCE OF SHARES AND DEBENTURES**

During the year, no new shares or debentures were issued by the Company.

## **DIRECTORS' REPORT**

### **DIRECTORS**

The Directors in office during the year and during the period from the end of the financial year to this date of the report are:

| <b>Name</b>               | <b>Position</b>      |
|---------------------------|----------------------|
| Kevin Robert Whitcraft    | Chairman             |
| Wiedmann Apiwat Christian | Director             |
| Ngorn Saing               | Director             |
| Thomas Arthur Whitcraft   | Director             |
| Ith Vichit                | Independent director |

### **DIRECTORS' BENEFITS**

Since the end of the previous 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 the Directors or with a firm of which the Directors are a member, or with a company in which the Directors have a substantial financial interest.

Neither during, nor at the end of the year, was the Company a party to any arrangements where the objective is to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other corporate body.

### **HOLDING COMPANIES**

The Directors regard Clipper Holdings Limited, a company incorporated in Hong Kong, and Whitbro LLC, a company incorporated in United States of America, as the immediate holding and ultimate holding companies, respectively.

### **SIGNIFICANT EVENT SUBSEQUENT TO THE END OF THE YEAR**

Details of significant event subsequent to the end of the year is disclosed in Note 33 to financial statements.

### **AUDITORS**

The auditors, Baker Tilly (Cambodia) Co., Ltd., have expressed their willingness to continue in office.

## DIRECTORS' REPORTS

### DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors of the Company are responsible for ascertaining that the financial statements of the Company give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended. In preparing these financial statements, the Directors of the Company are required to:

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

The Directors confirm that the Company has complied with the above requirements in preparing the financial statements.

### APPROVAL OF THE FINANCIAL STATEMENTS

In the opinion of the Directors, the accompanying statement of financial position of the Company as at 31 December 2024 and the related statements of comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the financial statements are presented fairly, in all material respects, in accordance with CIFRSs.

Signed on behalf of the Board of Directors,



**NGORN SAING**  
Director

Phnom Penh, Kingdom of Cambodia  
Date: 31 MAR 2025

**R M A (CAMBODIA) PLC.**
**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2024**

|                                      |       | 2024               |                    | 2023               |                      |
|--------------------------------------|-------|--------------------|--------------------|--------------------|----------------------|
|                                      | Notes | USD                | KHR'000            | USD                | KHR'000              |
| (As reclassified Note 31)            |       |                    |                    |                    |                      |
| <b>ASSETS</b>                        |       |                    |                    |                    |                      |
| <b>Non-current assets</b>            |       |                    |                    |                    |                      |
| Property and equipment               | 5     | 23,064,614         | 92,835,071         | 18,765,631         | 76,657,603           |
| Right-of-use assets                  | 6     | 33,672,002         | 135,529,808        | 32,089,807         | 131,086,862          |
| Investment in associate              | 7     | 669,536            | 2,694,882          | -                  | -                    |
| Deferred tax assets - net            | 24(b) | 1,800,340          | 7,246,369          | 2,418,267          | 9,878,621            |
| Deposit                              |       | 341,591            | 1,374,904          | 304,015            | 1,241,901            |
| Other investment                     | 8     | 5,600,000          | 22,540,000         | 5,600,000          | 22,876,000           |
| <b>Total non-current assets</b>      |       | <b>65,148,083</b>  | <b>262,221,034</b> | <b>59,177,720</b>  | <b>241,740,987</b>   |
| <b>Current assets</b>                |       |                    |                    |                    |                      |
| Inventories                          | 9     | 89,530,396         | 360,359,844        | 158,001,344        | 645,435,490          |
| Trade and other receivables          | 10    | 23,536,831         | 94,735,745         | 22,258,355         | 90,925,380           |
| Amounts due from related parties     | 11    | 6,185,480          | 24,896,557         | 6,089,501          | 24,875,612           |
| Short-term deposits                  | 12    | 17,000,000         | 68,425,000         | -                  | -                    |
| Cash and bank balances               | 13    | 17,118,876         | 68,903,476         | 22,162,605         | 90,534,241           |
| <b>Total current assets</b>          |       | <b>153,371,583</b> | <b>617,320,622</b> | <b>208,511,805</b> | <b>851,770,723</b>   |
| <b>TOTAL ASSETS</b>                  |       | <b>218,519,666</b> | <b>879,541,656</b> | <b>267,689,525</b> | <b>1,093,511,710</b> |
| <b>EQUITY AND LIABILITIES</b>        |       |                    |                    |                    |                      |
| <b>EQUITY</b>                        |       |                    |                    |                    |                      |
| Share capital                        | 14    | 4,000,000          | 16,000,000         | 4,000,000          | 16,000,000           |
| Retained earnings                    |       | 125,137,554        | 510,261,961        | 120,088,608        | 489,751,407          |
| Exchange differences                 |       | -                  | (6,483,306)        | -                  | 1,150,557            |
| <b>TOTAL EQUITY</b>                  |       | <b>129,137,554</b> | <b>519,778,655</b> | <b>124,088,608</b> | <b>506,901,964</b>   |
| <b>LIABILITIES</b>                   |       |                    |                    |                    |                      |
| <b>Non-current liabilities</b>       |       |                    |                    |                    |                      |
| Loans and borrowings                 | 15    | 24,000,000         | 96,600,000         | 31,807,834         | 129,935,002          |
| Lease liabilities                    | 6     | 28,933,594         | 116,457,716        | 26,794,012         | 109,453,539          |
| <b>Total non-current liabilities</b> |       | <b>52,933,594</b>  | <b>213,057,716</b> | <b>58,601,846</b>  | <b>239,388,541</b>   |
| <b>Current liabilities</b>           |       |                    |                    |                    |                      |
| Loans and borrowings                 | 15    | 13,715,041         | 55,203,040         | 45,525,573         | 185,971,966          |
| Lease liabilities                    | 6     | 1,240,918          | 4,994,695          | 885,296            | 3,616,434            |
| Amounts due to related parties       | 16    | 3,617,701          | 14,561,247         | 22,825,811         | 93,243,438           |
| Trade and other payables             | 17    | 12,575,109         | 50,614,813         | 9,188,683          | 37,535,770           |
| Contract liabilities                 | 18    | 4,251,805          | 17,113,515         | 4,703,692          | 19,214,582           |
| Current tax liabilities              |       | 1,047,944          | 4,217,975          | 1,870,016          | 7,639,015            |
| <b>Total current liabilities</b>     |       | <b>36,448,518</b>  | <b>146,705,285</b> | <b>84,999,071</b>  | <b>347,221,205</b>   |
| <b>TOTAL LIABILITIES</b>             |       | <b>89,382,112</b>  | <b>359,763,001</b> | <b>143,600,917</b> | <b>586,609,746</b>   |
| <b>TOTAL EQUITY AND LIABILITIES</b>  |       | <b>218,519,666</b> | <b>879,541,656</b> | <b>267,689,525</b> | <b>1,093,511,710</b> |

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

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2024**

|  | Notes | 2024              |                    | 2023              |                    |
|--|-------|-------------------|--------------------|-------------------|--------------------|
|  |       | USD               | KHR'000            | USD               | KHR'000            |
| Revenues   | 19    | 400,662,170       | 1,631,095,694      | 438,044,305       | 1,800,362,094      |
| Cost of revenues   |       | (340,371,743)     | (1,385,653,366)    | (361,905,459)     | (1,487,431,436)    |
| <b>Gross profit</b>  |       | <u>60,290,427</u> | <u>245,442,328</u> | <u>76,138,846</u> | <u>312,930,658</u> |
| Other incomes  | 20    | 3,582,233         | 14,583,271         | 1,688,194         | 6,938,477          |
| Operating expenses   | 21    | (15,717,365)      | (63,985,393)       | (15,195,613)      | (62,453,969)       |
| Administrative expenses  | 22    | (14,628,487)      | (59,552,571)       | (15,106,932)      | (62,089,491)       |
| Marketing expenses   |       | (6,170,292)       | (25,119,259)       | (6,445,967)       | (26,492,924)       |
| <b>Profit from operations</b>                                    |       | <u>27,356,516</u> | <u>111,368,376</u> | <u>41,078,528</u> | <u>168,832,751</u> |
| Finance costs  | 23    | (6,139,270)       | (24,992,968)       | (7,156,314)       | (29,412,451)       |
| Share of results of<br>associate – net of tax                    | 7     | 419,536           | 1,707,931          | -                 | -                  |
| <b>Profit before tax</b>   |       | <u>21,636,782</u> | <u>88,083,339</u>  | <u>33,922,214</u> | <u>139,420,300</u> |
| Income tax expenses  | 24    | (5,026,836)       | (20,464,249)       | (6,252,352)       | (25,697,167)       |
| <b>Profit for the year</b>                                       |       | <u>16,609,946</u> | <u>67,619,090</u>  | <u>27,669,862</u> | <u>113,723,133</u> |
| <b>Other comprehensive<br/>loss</b>                              |       |                   |                    |                   |                    |
| <i>Items that will not be<br/>reclassified to profit or loss</i> |       |                   |                    |                   |                    |
| Exchange differences   |       | -                 | (7,633,863)        | -                 | (3,846,767)        |
| <b>Total comprehensive<br/>income for the year</b>               |       | <u>16,609,946</u> | <u>59,985,227</u>  | <u>27,669,862</u> | <u>109,876,366</u> |

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



**R M A (CAMBODIA) PLC.**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2024**

|   | Notes | Share capital |            | Retained earnings |              | Exchange differences | Total equity |              |
|---|-------|---------------|------------|-------------------|--------------|----------------------|--------------|--------------|
|   |       | USD           | KHR'000    | USD               | KHR'000      | KHR'000              | USD          | KHR'000      |
| <b>At 1 January 2023</b>                |       | 4,000,000     | 16,000,000 | 102,364,537       | 416,905,475  | 4,997,324            | 106,364,537  | 437,902,799  |
| Profit for the year                     |       | -             | -          | 27,669,862        | 113,723,133  | -                    | 27,669,862   | 113,723,133  |
| Other comprehensive loss for the year   |       | -             | -          | -                 | -            | (3,846,767)          | -            | (3,846,767)  |
| Total comprehensive income for the year |       | -             | -          | 27,669,862        | 113,723,133  | (3,846,767)          | 27,669,862   | 109,876,366  |
| <b>Transactions with owners</b>         |       |               |            |                   |              |                      |              |              |
| Dividends paid                          | 25    | -             | -          | (9,945,791)       | (40,877,201) | -                    | (9,945,791)  | (40,877,201) |
| <b>At 31 December 2023</b>              |       | 4,000,000     | 16,000,000 | 120,088,608       | 489,751,407  | 1,150,557            | 124,088,608  | 506,901,964  |
| <b>At 1 January 2024</b>                |       | 4,000,000     | 16,000,000 | 120,088,608       | 489,751,407  | 1,150,557            | 124,088,608  | 506,901,964  |
| Profit for the year                     |       | -             | -          | 16,609,946        | 67,619,090   | -                    | 16,609,946   | 67,619,090   |
| Other comprehensive loss for the year   |       | -             | -          | -                 | -            | (7,633,863)          | -            | (7,633,863)  |
| Total comprehensive income for the year |       | -             | -          | 16,609,946        | 67,619,090   | (7,633,863)          | 16,609,946   | 59,985,227   |
| <b>Transactions with owners</b>         |       |               |            |                   |              |                      |              |              |
| Dividends paid                          | 25    | -             | -          | (11,561,000)      | (47,108,536) | -                    | (11,561,000) | (47,108,536) |
| <b>At 31 December 2024</b>              |       | 4,000,000     | 16,000,000 | 125,137,554       | 510,261,961  | (6,483,306)          | 129,137,554  | 519,778,655  |

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

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

|  |       | 2024         |              | 2023         |               |
|--|-------|--------------|--------------|--------------|---------------|
|  | Notes | USD          | KHR'000      | USD          | KHR'000       |
| (As reclassified Note 31)  |       |              |              |              |               |
| <b>Operating activities</b>  |       |              |              |              |               |
| Profit before tax  |       | 21,636,782   | 88,083,339   | 33,922,214   | 139,420,300   |
| <u>Adjustments for:</u>  |       |              |              |              |               |
| Finance costs  | 23    | 6,139,270    | 24,992,968   | 7,156,314    | 29,412,451    |
| Finance income   | 20    | (1,038,603)  | (4,228,153)  | (638,097)    | (2,622,579)   |
| Net unrealised gain on foreign exchange                            | 20    | (11,007)     | (44,809)     | (35,432)     | (145,626)     |
| Property and equipment   |       |              |              |              |               |
| - Depreciation   | 5     | 4,463,902    | 18,172,545   | 3,666,578    | 15,069,636    |
| - Gain on disposal   | 20    | (320,804)    | (1,305,993)  | (233,057)    | (957,864)     |
| - Write-off  |       | (342)        | (1,392)      | -            | -             |
| Impairment loss/(reversal) on impairment loss of trade receivables | 10    | 22,685       | 92,351       | (6,261)      | (25,733)      |
| Reversal of provision on warranty                                  |       | -            | -            | (998,000)    | (4,101,780)   |
| Right-of-use assets  |       |              |              |              |               |
| - Depreciation   | 6     | 2,129,406    | 8,668,812    | 1,616,480    | 6,643,733     |
| - Gain on derecognition  |       | -            | -            | (28,297)     | (116,301)     |
| Investment in associate  | 7     |              |              |              |               |
| - Reversal of impairment losses                                    |       | (250,000)    | (1,017,750)  | -            | -             |
| - Share of result of associate - net of tax                        |       | (419,536)    | (1,707,931)  | -            | -             |
| Slow-moving inventories  | 9     |              |              |              |               |
| - (Reversal)/provision recognised                                  |       | (875,223)    | (3,563,033)  | 557,228      | 2,290,207     |
| - Write-off  |       | (318,321)    | (1,295,885)  | (244,306)    | (1,004,098)   |
| <b>Operating profit before changes in working capital</b>          |       | 31,158,209   | 126,845,069  | 44,735,364   | 183,862,346   |
| <u>Changes in working capital:</u>                                 |       |              |              |              |               |
| Inventories  |       | 63,606,247   | 258,941,032  | (36,881,315) | (151,582,205) |
| Trade and other receivables  |       | (819,469)    | (3,336,058)  | (6,062,184)  | (24,915,576)  |
| Amounts due from related parties                                   |       | (95,979)     | (390,731)    | 375,402      | 1,542,902     |
| Trade and other payables   |       | 4,413,762    | 17,968,425   | 118,278      | 486,122       |
| Amounts due to related parties                                     |       | (19,208,110) | (78,196,216) | 7,055,436    | 28,997,842    |
| Contract liabilities   |       | (451,887)    | (1,839,632)  | (8,814,757)  | (36,228,651)  |
| <b>Cash generated from operations</b>                              |       | 78,602,773   | 319,991,889  | 526,224      | 2,162,780     |
| Interest received  |       | 519,335      | 2,114,213    | 1,228,714    | 5,050,015     |
| Income tax paid  |       | (5,004,799)  | (20,374,537) | (15,697,076) | (64,514,982)  |
| <b>Net cash generated from/(used in) operating activities</b>      |       | 74,117,309   | 301,731,565  | (13,942,138) | (57,302,187)  |

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

|   |       | 2024                |                      | 2023                |                     |
|---|-------|---------------------|----------------------|---------------------|---------------------|
|   | Notes | USD                 | KHR'000              | USD                 | KHR'000             |
| (As reclassified Note 31)                                     |       |                     |                      |                     |                     |
| <b>Investing activities</b>                                   |       |                     |                      |                     |                     |
| Placement of short-term deposits                              | 12    | (17,000,000)        | (69,207,000)         | -                   | -                   |
| Purchase of property and equipment                            | 5     | (3,729,104)         | (15,181,182)         | (6,262,183)         | (25,737,572)        |
| Proceeds from disposal of property and equipment              |       | 1,345,610           | 5,477,978            | 1,630,467           | 6,701,219           |
| Placement of security deposit                                 |       | -                   | -                    | (5,600,000)         | (23,016,000)        |
| <b>Net cash used in investing activities</b>                  |       | <b>(19,383,494)</b> | <b>(78,910,204)</b>  | <b>(10,231,716)</b> | <b>(42,052,353)</b> |
| <b>Financing activities</b>                                   |       |                     |                      |                     |                     |
| Loans and borrowings  |       |                     |                      |                     |                     |
| - Drawdowns   | 15    | 73,486,109          | 299,161,950          | 189,540,350         | 779,010,839         |
| - Principal repayments  | 15    | (108,954,068)       | (443,552,011)        | (162,198,206)       | (666,634,627)       |
| - Repayments of corporate bonds                               | 15    | (4,762,664)         | (19,388,805)         | (3,838,899)         | (15,777,875)        |
| - Interest paid   |       | (4,293,235)         | (17,477,760)         | (6,912,510)         | (28,410,416)        |
| Repayments of lease liabilities                               | 6     |                     |                      |                     |                     |
| - Principal   |       | (1,216,397)         | (4,951,952)          | (1,141,482)         | (4,691,491)         |
| - Interest  |       | (2,476,289)         | (10,080,973)         | (1,251,367)         | (5,143,118)         |
| Dividends paid  | 25    | (11,561,000)        | (47,108,536)         | (9,945,791)         | (40,877,201)        |
| Change in bond guarantee                                      |       | (22,123)            | (90,063)             | 4,028,531           | 16,557,262          |
| <b>Net cash (used in)/generated from financing activities</b> |       | <b>(59,799,667)</b> | <b>(243,488,150)</b> | <b>8,280,626</b>    | <b>34,033,373</b>   |
| <b>Net decrease in cash and cash equivalents</b>              |       | <b>(5,065,852)</b>  | <b>(20,666,789)</b>  | <b>(15,893,228)</b> | <b>(65,321,167)</b> |
| Cash and cash equivalents at the beginning of the year        |       | 21,598,135          | 88,228,381           | 37,491,363          | 154,351,942         |
| Exchange differences  |       | -                   | (1,019,153)          | -                   | (802,394)           |
| <b>Cash and cash equivalents at the end of the year</b>       | 13    | <b>16,532,283</b>   | <b>66,542,439</b>    | <b>21,598,135</b>   | <b>88,228,381</b>   |

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**1. CORPORATE INFORMATION**

R M A (Cambodia) Plc. (the "Company") is a public limited company, incorporated and domiciled in the Kingdom of Cambodia. The registered office and operating office of the Company are located at No. 27 E1, Street 134, Sangkat Mittakpheap, Khan 7 Makara, Phnom Penh, Kingdom of Cambodia.

The principal activities of the Company are marketing and sale of motor vehicles, spare parts and heavy equipment, maintenance and servicing of equipment. There have been no significant changes in nature of these principal activities during the year.

As at 31 December 2024, the Directors consider the immediate holding and ultimate holding companies to be Clipper Holdings Limited, a company incorporated in Hong Kong, and Whitbro LLC, a company incorporated in United States of America, respectively.

**2. BASIS OF PREPARATION**

**2.1 Statement of compliance**

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

**2.2 Basis of measurement**

The financial statements of the Company have been prepared on the historical cost basis, except as otherwise disclosed in Note 3 to the financial statements.

**2.3 Adoption of new CIFRSs and amendments/improvement to CIFRSs**

**(a) Amendments/Improvements to standards adopted during the year**

The following amendments/improvements were adopted by the Company but did not have significant impact on the current period or any prior period and it is not likely to affect the future periods.

- Classification of Liabilities as Current or Non-current Liabilities with Covenants – Amendments to CIAS 1
- Lease Liability in a Sale and Leaseback – Amendments to CIFRS 16
- Supplier Finance Arrangements – Amendments to CIAS 7 and CIFRS 7

**(b) Standards and amendments/improvements that have been issued but not yet effective**

|                                |  | <b>Effective for<br/>financial year<br/>beginning on<br/>or after</b> |
|--------------------------------|--|---|
| <u>New Standard</u>            |  |   |
| CIFRS 18                       | Presentation and Disclosure in Financial Statements                          | 1 January 2027  |
| CIFRS 19                       | Subsidiaries without Public Accountability:<br>Disclosures                   | 1 January 2027  |
| <u>Amendments/improvements</u> |  |   |
| CIFRS 21                       | Amendments to CIAS 21 – Lack of Exchangeability                              | 1 January 2025  |
| CIFRS 7 and<br>CIFRS 9         | Amendments to the Classification and Measurement<br>of Financial Instruments | 1 January 2026  |

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**2. BASIS OF PREPARATION (CONTINUED)**

**2.3 Adoption of new CIFRSs and amendments/improvement to CIFRSs (continued)**

The above standards/amendments have been published but not yet effective for year beginning on or after 1 January 2024 and have not been early adopted by the Company. These standards, amendments or interpretations are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

**2.4 Functional and presentation currency**

The national currency of Cambodia is the Khmer Riel ("KHR"). However, as the Company transacts its businesses and maintains its accounting records primarily in United States Dollar ("USD"), the Directors have 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.

In compliance with the Law on Accounting and Auditing, the financial statements shall be presented in Khmer Riel ("KHR"). The statement of comprehensive income, and cash flows are translated into KHR using the average rate for the year ended 31 December 2024 of USD1 to KHR4,071 (2023: KHR4,110). Assets and liabilities for each statement of financial position presented are translated at the closing rate as at the reporting date 31 December 2024 of USD1 to KHR4,025 (2023: KHR4,085). Shareholders' capital and dividends are translated at the date of transaction. All exchange differences arising from the translation are recognised as exchange differences in other comprehensive income.

These translations should not be construed as representations that the USD amounts represent, or have been or could be, converted into KHR at that or any other rate.

**3. MATERIAL ACCOUNTING POLICY INFORMATION**

**3.1 Financial instruments**

**Financial assets**

**(a) Classification**

The Company classifies financial assets into two principal classification categories: measured at amortised cost, and at fair value through other comprehensive income ("FVTOCI"). This classification is determined by considering the business model under which the financial asset is managed and its contractual cash flow characteristics.

**(b) Initial measurement**

At initial recognition, the Company measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

**(c) Subsequent measurement**

The Company categorises the financial instrument as follow:

**Debt instruments**

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into a single principal classification category, which is measured at amortised cost.

Financial assets that are held for collection of contractual cash flows and those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the financial asset is derecognised, modified or impaired.

**Equity instruments**

The Company subsequently measures all equity investments at fair value. Upon initial recognition, the Company can make an irrevocable election to classifies its equity investments that is not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are not recycled to profit or loss. Dividends are recognised as other income in the profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity instruments designated at FVOCI are not subject to impairment assessment.

**Financial liabilities**

The Company classifies its financial liabilities at amortised cost.

Subsequent to initial recognition, financial liabilities are measured at amortised cost using effective interest method. Gains and losses are recognised in profit or loss when the financial liabilities are derecognised and through the amortisation process.

**3.2 Property and equipment**

All items of property and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and any impairment in value. The cost of property and equipment initially recognised includes its purchase price and any cost that is 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.

Assets under construction included in property and equipment are not depreciated as these assets are not available for use.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

**3.2 Property and equipment (continued)**

Property and equipment are depreciated on straight-line basis by allocating their depreciable amounts over the remaining useful life, at the following:

|                                 | <b>Years</b> |
|---------------------------------|--------------|
| Buildings                       | 10           |
| Service and warehouse equipment | 5            |
| Furniture and fixtures          | 4            |
| Leasehold improvements          | 5 - 10       |
| Motor vehicles                  | 5            |
| Operating equipment             | 3 - 5        |

The estimated useful lives and depreciation method of property and equipment are reviewed, and adjusted as appropriate, at each reporting period. The effects of any revision are recognised in profit or loss when the changes arise.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

**3.3 Leases**

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company use its incremental borrowing rate as the discount rate.

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

- fixed payments (including in-substance fixed payments, less any lease incentives receivable;
- lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and payment of penalties of early termination of a lease unless the Company is reasonably certain not to terminate early.

**Short-term leases and leases of low-value assets**

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

**3.4 Investment in associate**

Investment in associate is accounted for in the financial statement of the Company using the equity method.

**3.5 Inventories**

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated on weighted average basis for the spare parts while specific identification basis for motor vehicles and heavy equipment and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

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. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

**3.6 Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents comprise cash in banks and on hand, demand deposits with banks and other financial institutions, and other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

**3.7 Revenue recognition**

Revenue is recognised when control over a product or service is transferred to the customer at the amount of promised consideration to which the Company is expected to be entitled, excluding those amounts collected on behalf of third parties. Further details of the Company's revenue recognition policies are as follows:

Motor vehicles, heavy equipment and related spares parts

The performance obligation is satisfied upon delivery of the motor vehicles, heavy equipment and related spares parts.

Warranty beyond fixing the defects that existed at the time of sale is provided to customers. The service warranty is accounted as a separate performance obligation and a portion of the transaction price is allocated. The performance obligation for the service warranty is satisfied over one to two years based on time elapsed.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

**3.7 Revenue recognition (Continued)**

Services

Except for warranty above-mentioned, other paid services relating to the motor vehicles and heavy equipment, the performance obligation is satisfied at a point in time when the service is rendered and payment is generally due upon completion and acceptance by the customer.

Revenue from sale of goods or services is recognised when the goods are delivered, services rendered or satisfactory of performance obligation.

**4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS**

The preparation of financial statements in conformity to CIFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. It also requires the Directors to exercise their judgement in the process of applying the Company's accounting policies. Although these estimates and judgement are based on the Directors' best knowledge of current events and actions, actual results may differ.

Significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have significant effect in determining the amount recognised in the year include the following:

**(a) Depreciation and useful lives of property and equipment**

As disclosed in Note 3.2 to the financial statements, the Company reviews the useful lives and depreciation methods at the end of each reporting period. Estimates are applied in the selection of the depreciation method and the useful lives. The actual consumption of the economic benefits of the property and equipment may differ from the estimates applied and therefore, future depreciation charges could be revised.

The carrying amounts of the Company's property and equipment are disclosed in Note 5 to the financial statements.

**(b) Write-down of obsolete or slow-moving inventories**

The Company writes down its obsolete or slow moving inventories based on the assessment of its estimated net selling price. Inventories are written down when events or changes in circumstances indicate that the carrying amounts may not be recoverable.

The management specifically analyses sales trend and current economic trends when making a judgement to evaluate the adequacy of the write-down of obsolete or slow moving inventories. Where expectations differ from the original estimates, the differences will impact the carrying amount of inventories.

The carrying amounts of the Company's inventories are disclosed in Note 9 to the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)**

**(c) Impairment of trade receivables**

The impairment provisions for trade receivables is based on assumptions about risk of default and expected loss rate. The Company uses judgement in making these assumptions and selecting inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The Company uses a provision matrix to calculate expected credit losses for trade receivables. The provision rates are depending on the number of days that a trade receivable is past due. The Company uses the grouping according to the customer segments that have similar loss patterns. The criteria include geographical region, product type, customer type and rating, collateral or trade credit insurance.

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forward-looking estimates and expected credit losses is a significant estimate. The amount of expected credit losses is sensitive to changes in circumstances and of forecast economic conditions over the expected lives of the financial assets and contract assets. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The information about the impairment losses on the Company's trade receivables is disclosed in Note 10 to the financial statements.

**(d) Measurement of income tax**

Significant judgement is required in determining the Company's estimation for current and deferred taxes because the ultimate tax liability for the Company as a whole is uncertain. When the final outcome of the tax payable is determined with the tax authorities, the amounts might be different from the initial estimates of the tax payables. Such differences may impact the current and deferred taxes in the period when such determination is made. The Company will make adjustments for current or deferred taxes in respect of prior years in the current period on those differences arise.

The income tax expense of the Company is disclosed in Note 24 to the financial statements.

**(e) Determination of lease term**

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

As disclosed in Note 6 to the financial statements, the Company has a lease contract that include extension. The Company applies judgement in evaluating whether they are reasonably certain to exercise the option to renew or terminate the lease. The Company considers all relevant factors that create an economic incentive for them to exercise the renewal or termination. After the commencement date, the Company reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**5. PROPERTY AND EQUIPMENT**

|  | <b>Buildings<br/>USD</b> | <b>Service and<br/>warehouse<br/>equipment<br/>USD</b> | <b>Furniture<br/>and fixtures<br/>USD</b> | <b>Leasehold<br/>improvement<br/>USD</b> | <b>Motor<br/>vehicles<br/>USD</b> | <b>Operating<br/>equipment<br/>USD</b> | <b>Construction<br/>in Progress<br/>("CIP")<br/>USD</b> | <b>Total<br/>USD</b> |
|--|--------------------------|--|---|--|-----------------------------------|--|---|----------------------|
| <b>Cost</b>                                    |                          |  |   |  |                                   |  |   |                      |
| At 1 January 2024                              | 10,140,161               | 2,373,652  | 1,207,960                                 | 1,966,554                                | 10,520,274                        | 4,060,055                              | 1,989,174   | 32,257,830           |
| Additions                                      | 1,066,581                | 208,637  | 104,923                                   | 1,242,006                                | -                                 | 279,814                                | 827,143   | 3,729,104            |
| Transfer from inventories (Note 9)             | -                        | 14,009   | -   | -  | 8,980,096                         | 1,284,889                              | -   | 10,278,994           |
| Transfer to inventories (Note 9)               | -                        | -  | -   | -  | (4,363,136)                       | (960,901)                              | -   | (5,324,037)          |
| Transfer from CIP                              | 1,989,174                | -  | -   | -  | -                                 | -                                      | (1,989,174)   | -                    |
| Disposals                                      | -                        | (3,288)  | -   | -  | (1,761,653)                       | (3,331)                                | -   | (1,768,272)          |
| Write-off                                      | -                        | (143,179)  | (227,930)                                 | (131,576)                                | -                                 | (164,159)                              | -   | (666,844)            |
| At 31 December 2024                            | 13,195,916               | 2,449,831  | 1,084,953                                 | 3,076,984                                | 13,375,581                        | 4,496,367                              | 827,143   | 38,506,775           |
| <b>Accumulated depreciation</b>                |                          |  |   |  |                                   |  |   |                      |
| At 1 January 2024                              | 4,328,656                | 1,387,109  | 952,060                                   | 1,234,607                                | 3,158,820                         | 2,430,947                              | -   | 13,492,199           |
| Depreciation charged for the<br>year (Note 21) | 1,064,781                | 313,277  | 121,738                                   | 240,328                                  | 2,180,729                         | 543,049                                | -   | 4,463,902            |
| Transfer to inventories (Note 9)               | -                        | -  | -   | -  | (893,941)                         | (209,347)                              | -   | (1,103,288)          |
| Disposals                                      | -                        | (3,288)  | -   | -  | (737,562)                         | (3,300)                                | -   | (744,150)            |
| Write-off                                      | -                        | (143,131)  | (227,930)                                 | (131,576)                                | -                                 | (163,865)                              | -   | (666,502)            |
| At 31 December 2024                            | 5,393,437                | 1,553,967  | 845,868                                   | 1,343,359                                | 3,708,046                         | 2,597,484                              | -   | 15,442,161           |
| <b>Carrying amount</b>                         |                          |  |   |  |                                   |  |   |                      |
| At 31 December 2024                            | 7,802,479                | 895,864  | 239,085                                   | 1,733,625                                | 9,667,535                         | 1,898,883                              | 827,143   | 23,064,614           |
| At 31 December 2024<br>(KHR'000)               | 31,404,978               | 3,605,851  | 962,317                                   | 6,977,841                                | 38,911,827                        | 7,643,006                              | 3,329,251   | 92,835,071           |

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**5. PROPERTY AND EQUIPMENT (CONTINUED)**

|  | <b>Buildings<br/>USD</b> | <b>Service and<br/>warehouse<br/>equipment<br/>USD</b> | <b>Furniture<br/>and fixtures<br/>USD</b> | <b>Leasehold<br/>improvement<br/>USD</b> | <b>Motor<br/>vehicles<br/>USD</b> | <b>Operating<br/>equipment<br/>USD</b> | <b>Construction<br/>in Progress<br/>("CIP")<br/>USD</b> | <b>Total<br/>USD</b> |
|--|--------------------------|--|---|--|-----------------------------------|--|---|----------------------|
| <b>Cost</b>                                    |                          |  |   |  |                                   |  |   |                      |
| At 1 January 2023                              | 6,810,671                | 1,610,301  | 1,043,344                                 | 1,421,026                                | 9,498,084                         | 3,399,341                              | 1,829,756   | 25,612,523           |
| Additions                                      | 2,011,520                | 763,351  | 164,616                                   | 498,779                                  | -                                 | 961,537                                | 1,862,380   | 6,262,183            |
| Transfer from inventories (Note 9)             | -                        | -  | -   | -  | 7,968,175                         | 437,718                                | -   | 8,405,893            |
| Transfer to inventories (Note 9)               | -                        | -  | -   | -  | (4,244,682)                       | (718,103)                              | -   | (4,962,785)          |
| Transfer from CIP                              | 1,651,533                | -  | -   | 46,749                                   | -                                 | 4,680                                  | (1,702,962)   | -                    |
| Disposals                                      | (333,563)                | -  | -   | -  | (2,701,303)                       | (21,948)                               | -   | (3,056,814)          |
| Write-off                                      | -                        | -  | -   | -  | -                                 | (3,170)                                | -   | (3,170)              |
| At 31 December 2023                            | 10,140,161               | 2,373,652  | 1,207,960                                 | 1,966,554                                | 10,520,274                        | 4,060,055                              | 1,989,174   | 32,257,830           |
| <b>Accumulated depreciation</b>                |                          |  |   |  |                                   |  |   |                      |
| At 1 January 2023                              | 3,938,619                | 1,176,867  | 858,659                                   | 1,087,944                                | 3,194,817                         | 2,062,093                              | -   | 12,318,999           |
| Depreciation charged for the<br>year (Note 21) | 687,066                  | 210,242  | 93,401                                    | 146,663                                  | 2,026,536                         | 502,670                                | -   | 3,666,578            |
| Transfer to inventories (Note 9)               | -                        | -  | -   | -  | (715,931)                         | (114,873)                              | -   | (830,804)            |
| Disposals                                      | (297,029)                | -  | -   | -  | (1,346,602)                       | (15,773)                               | -   | (1,659,404)          |
| Write-off                                      | -                        | -  | -   | -  | -                                 | (3,170)                                | -   | (3,170)              |
| At 31 December 2023                            | 4,328,656                | 1,387,109  | 952,060                                   | 1,234,607                                | 3,158,820                         | 2,430,947                              | -   | 13,492,199           |
| <b>Carrying amount</b>                         |                          |  |   |  |                                   |  |   |                      |
| At 31 December 2023                            | 5,811,505                | 986,543  | 255,900                                   | 731,947                                  | 7,361,454                         | 1,629,108                              | 1,989,174   | 18,765,631           |
| At 31 December 2023<br>(KHR'000)               | 23,739,998               | 4,030,028  | 1,045,352                                 | 2,990,003                                | 30,071,540                        | 6,654,906                              | 8,125,776   | 76,657,603           |

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**6. LEASES**

The Company leases lands, showrooms and warehouse facilities. These leases typically run for a period ranging from 2 years to 50 years (2023: 2 years to 50 years), with option to renew these leases after that date. Lease payments are renegotiated at end of lease terms to reflect market rentals. For certain leases, the Company is restricted from entering into any sub-lease arrangements.

The showrooms and warehouse leases were entered into many years ago as combined leases of land and buildings.

Information about leases for which the Company is a lessee is presented below:

Right-of-use assets

|                               | <b>2024</b>       |                    | <b>2023</b>                      |                    |
|-------------------------------|-------------------|--------------------|----------------------------------|--------------------|
|                               | <b>USD</b>        | <b>KHR'000</b>     | <b>USD</b>                       | <b>KHR'000</b>     |
|                               |                   |                    | <b>(As reclassified Note 31)</b> |                    |
| At 1 January                  | 32,089,807        | 131,086,862        | 3,118,448                        | 12,838,650         |
| Additions                     | 3,711,601         | 15,109,928         | 30,688,711                       | 126,130,602        |
| Depreciation charge (Note 21) | (2,129,406)       | (8,668,812)        | (1,616,480)                      | (6,643,733)        |
| Derecognition                 | -                 | -                  | (100,872)                        | (414,584)          |
| Exchange differences          | -                 | (1,998,170)        | -                                | (824,073)          |
| At 31 December                | <u>33,672,002</u> | <u>135,529,808</u> | <u>32,089,807</u>                | <u>131,086,862</u> |

Lease liabilities

|             | <b>2024</b>       |                    | <b>2023</b>       |                    |
|-------------|-------------------|--------------------|-------------------|--------------------|
|             | <b>USD</b>        | <b>KHR'000</b>     | <b>USD</b>        | <b>KHR'000</b>     |
| Current     | 1,240,918         | 4,994,695          | 885,296           | 3,616,434          |
| Non-current | 28,933,594        | 116,457,716        | 26,794,012        | 109,453,539        |
|             | <u>30,174,512</u> | <u>121,452,411</u> | <u>27,679,308</u> | <u>113,069,973</u> |

Movement of lease liabilities

|  | <b>2024</b>       |                    | <b>2023</b>       |                    |
|--|-------------------|--------------------|-------------------|--------------------|
|  | <b>USD</b>        | <b>KHR'000</b>     | <b>USD</b>        | <b>KHR'000</b>     |
| At 1 January                               | 27,679,308        | 113,069,973        | 3,557,233         | 14,645,128         |
| Additions                                  | 3,711,601         | 15,109,928         | 25,392,726        | 104,364,104        |
| Interest charged during the year (Note 23) | 2,476,289         | 10,080,973         | 1,251,367         | 5,143,118          |
| Repayments                                 | (3,692,686)       | (15,032,925)       | (2,392,849)       | (9,834,609)        |
| Derecognition                              | -                 | -                  | (129,169)         | (530,885)          |
| Exchange differences                       | -                 | (1,775,538)        | -                 | (716,883)          |
| At 31 December                             | <u>30,174,512</u> | <u>121,452,411</u> | <u>27,679,308</u> | <u>113,069,973</u> |

Amounts recognised in profit or loss

|  | <b>2024</b>   |                | <b>2023</b>   |                |
|--|---------------|----------------|---------------|----------------|
|  | <b>USD</b>    | <b>KHR'000</b> | <b>USD</b>    | <b>KHR'000</b> |
| Short-term leases and lease low-value assets (Note 22) | <u>35,578</u> | <u>144,838</u> | <u>35,284</u> | <u>145,017</u> |

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**7. INVESTMENT IN ASSOCIATE**

|  | <b>2024</b>    |                  | <b>2023</b> |                |
|--|----------------|------------------|-------------|----------------|
|  | <b>USD</b>     | <b>KHR'000</b>   | <b>USD</b>  | <b>KHR'000</b> |
| Unquoted shares, at cost                 | -              | -                | -           | -              |
| Share of results of associate net of tax | 419,536        | 1,707,931        | -           | -              |
| Reversal of impairment losses            | 250,000        | 1,017,750        | -           | -              |
| Exchange differences                     | -              | (30,799)         | -           | -              |
|  | <u>669,536</u> | <u>2,694,882</u> | <u>-</u>    | <u>-</u>       |

The Company acquired 25% of interest in RMA Automotive (Cambodia) Co.,Ltd. amounted USD250,000 on 11 November 2022.

| <b>Name of associate</b>              | <b>Country of incorporation</b> | <b>Effective equity interest (%)</b> | <b>Nature of business</b>   |
|---------------------------------------|---------------------------------|--------------------------------------|---|
|                                       |                                 | <b>2024/2023</b>                     |   |
| R M A Automotive (Cambodia) Co., Ltd. | Cambodia                        | 25                                   | Vehicles assembly. The activity contributes to the Company's Ford business segment. |

**Summarised financial information of the associate**

The following table illustrates the summarised financial information of the Company's material associate, adjusted for any differences in accounting policies and reconciles the information to the carrying amount of the Company's interest in the associate:

|  | <b>2024</b>        |                    | <b>2023</b>        |                    |
|--|--------------------|--------------------|--------------------|--------------------|
|  | <b>USD</b>         | <b>KHR'000</b>     | <b>USD</b>         | <b>KHR'000</b>     |
|  | <b>(Unaudited)</b> |                    | <b>(Audited)</b>   |                    |
| <b>Assets and liabilities:</b>                                     |                    |                    |                    |                    |
| Non-current assets   | 16,327,602         | 65,718,598         | 11,800,811         | 48,206,313         |
| Current assets   | 24,700,506         | 99,419,537         | 26,467,830         | 108,121,085        |
| Non-current liabilities  | (7,515,869)        | (30,251,373)       | (6,701,656)        | (27,376,265)       |
| Current liabilities  | (29,587,734)       | (119,090,629)      | (30,119,198)       | (123,036,923)      |
| Net assets   | <u>3,924,505</u>   | <u>15,796,133</u>  | <u>1,447,787</u>   | <u>5,914,210</u>   |
| <b>Results:</b>  |                    |                    |                    |                    |
| Profit for the year  | <u>2,476,718</u>   | <u>10,082,719</u>  | <u>6,830,717</u>   | <u>28,074,247</u>  |
| Total comprehensive income   | <u>2,476,718</u>   | <u>10,082,719</u>  | <u>6,830,717</u>   | <u>28,074,247</u>  |
| <b>Included in total comprehensive income of the associate is:</b> |                    |                    |                    |                    |
| Revenue  | <u>84,899,847</u>  | <u>345,627,277</u> | <u>133,744,698</u> | <u>549,690,709</u> |
| <b>Company's share of results:</b>                                 |                    |                    |                    |                    |
| Profit for the year  | <u>419,536</u>     | <u>1,707,931</u>   | <u>-</u>           | <u>-</u>           |

During the year, the Company has recognised excess gain amounting to USD419,536 after offsetting the cumulative share of losses amounted to USD514,951.

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**8. OTHER INVESTMENT**

|  | <b>2024</b>      |                   | <b>2023</b>      |                   |
|--|------------------|-------------------|------------------|-------------------|
|  | <b>USD</b>       | <b>KHR'000</b>    | <b>USD</b>       | <b>KHR'000</b>    |
| Financial assets designated<br>at Fair Value through Other<br>Comprehensive Income<br>("FVTOCI") |                  |                   |                  |                   |
| At fair value:   |                  |                   |                  |                   |
| Unquoted equity securities   |                  |                   |                  |                   |
| - BSP Finance (Cambodia) Plc.  |                  |                   |                  |                   |
| At 1 January   | 5,600,000        | 22,876,000        | 5,600,000        | 23,055,200        |
| Exchange differences   | -                | (336,000)         | -                | (179,200)         |
| At 31 December   | <u>5,600,000</u> | <u>22,540,000</u> | <u>5,600,000</u> | <u>22,876,000</u> |

On 19 October 2021, the Company entered into a Share Sale and Purchases Agreement with DEVCO Capital Limited, for the acquisition of 10% shares in BSP Finance (Cambodia) Plc. for a consideration of USD5,000,000 (equivalents to KHR'000 20,370,000).

On 16 March 2022, the Directors passed a resolution and approved the additional contribution to meet the capital injection to BSP Finance (Cambodia) Plc. (the "Investee") for a consideration of USD600,000 (equivalents to KHR'000 2,442,000). The increase of registered capital in the Investee had been approved by the National Bank of Cambodia on 20 April 2022.

The Company holds non-controlling interests of 10% in equity of the Investee and designated it as investment at FVTOCI, as the Company considers this investment as strategic long-term investment and the volatility of market prices of this investment would not affect profit or loss.

There is no dividends declared or received for the year ended 31 December 2024 (2023: nil).

**9. INVENTORIES**

|  | <b>2024</b>       |                    | <b>2023</b>        |                    |
|--|-------------------|--------------------|--------------------|--------------------|
|  | <b>USD</b>        | <b>KHR'000</b>     | <b>USD</b>         | <b>KHR'000</b>     |
| Motor vehicles, spare parts<br>and equipment |                   |                    |                    |                    |
| At cost                                      | 92,584,695        | 372,653,397        | 162,249,187        | 662,787,929        |
| Provision for slow-moving<br>inventories     | (3,054,299)       | (12,293,553)       | (4,247,843)        | (17,352,439)       |
|  | <u>89,530,396</u> | <u>360,359,844</u> | <u>158,001,344</u> | <u>645,435,490</u> |

The cost of inventories of the Company recognised as an expense within cost of sales for the year ended amounted to USD333,639,917 (2023: USD360,910,129).

**NOTES TO THE FINANCIAL STATEMENTS  
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**9. INVENTORIES (CONTINUED)**

**Slow-moving inventories**

Reconciliation of provision for slow-moving inventories:

|  | <b>2024</b>      |                   | <b>2023</b>      |                   |
|--|------------------|-------------------|------------------|-------------------|
|  | <b>USD</b>       | <b>KHR'000</b>    | <b>USD</b>       | <b>KHR'000</b>    |
| At 1 January                                   | 4,247,843        | 17,352,439        | 3,934,921        | 16,200,070        |
| (Reversal)/provision during the year (Note 21) | (875,223)        | (3,563,033)       | 557,228          | 2,290,207         |
| Write-off                                      | (318,321)        | (1,295,885)       | (244,306)        | (1,004,098)       |
| Exchange differences                           | -                | (199,968)         | -                | (133,740)         |
| At 31 December                                 | <u>3,054,299</u> | <u>12,293,553</u> | <u>4,247,843</u> | <u>17,352,439</u> |

The reversal of provision is due to the sales of the written down inventories. The reversal and write-off are included in operating expenses in the statement of comprehensive income.

**Transfer to/from property and equipment**

During the year ended 31 December 2024, the Company transferred some of its inventories to property and equipment amounted to USD10,278,994 (equivalent to KHR'000 41,845,785) (2023: USD8,405,893 (equivalent to KHR'000 34,338,073)) as these were no longer for sales in business operation but for showroom purposes.

During the year ended 31 December 2024, the Company transferred some of its property and equipment to inventories amounted to USD4,220,749 - net (equivalent to KHR'000 17,182,669) (2023: USD4,131,981 (equivalent to KHR'000 16,879,142)) as these were initially used for showroom purposes but eventually sold to customers.

**10. TRADE AND OTHER RECEIVABLES**

|                                 | <b>2024</b>       |                   | <b>2023</b>       |                   |
|---------------------------------|-------------------|-------------------|-------------------|-------------------|
|                                 | <b>USD</b>        | <b>KHR'000</b>    | <b>USD</b>        | <b>KHR'000</b>    |
| <b>Trade</b>                    |                   |                   |                   |                   |
| Third parties                   | 5,484,139         | 22,073,659        | 8,255,044         | 33,721,855        |
| Allowance for impairment losses | (62,547)          | (251,752)         | (40,693)          | (166,231)         |
|                                 | <u>5,421,592</u>  | <u>21,821,907</u> | <u>8,214,351</u>  | <u>33,555,624</u> |
| <b>Other receivables</b>        |                   |                   |                   |                   |
| Prepayments                     | 12,932,658        | 52,053,948        | 7,951,691         | 32,482,658        |
| Other receivables               | 3,446,615         | 13,872,625        | 2,546,830         | 10,403,800        |
| Deposits                        | 1,042,291         | 4,195,223         | 810,449           | 3,310,684         |
| Other tax receivables           | 693,675           | 2,792,042         | 2,735,034         | 11,172,614        |
|                                 | <u>18,115,239</u> | <u>72,913,838</u> | <u>14,044,004</u> | <u>57,369,756</u> |
|                                 | <u>23,536,831</u> | <u>94,735,745</u> | <u>22,258,355</u> | <u>90,925,380</u> |

Trade receivables are amounts owing from contract customers for goods sold or services performed in the ordinary course of business. There are non-interest bearing and the normal credit term offered by the Company is 30 days (2023: 30 days). Other credit terms are accessed and approved on a case by case basis.



**NOTES TO THE FINANCIAL STATEMENTS  
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**10. TRADE AND OTHER RECEIVABLES (CONTINUED)**

Prepayments includes advance payment of USD10,000,000 (equivalent to KHR'000 40,250,000) (2023: USD5,059,200 (equivalent to KHR'000 20,793,312) to an associate of the Company for the purchase of inventories.

**Impairment of trade receivables**

Impairment losses in respect of trade receivables are recorded using an impairment loss allowance account unless the Company is satisfied that there is no realistic prospect of recovery, in which case the impairment loss is written off against trade receivables directly.

Movements in the impairment losses allowance account for the year are as follow:

|  | <b>2024</b>   |                | <b>2023</b>   |                |
|--|---------------|----------------|---------------|----------------|
|  | <b>USD</b>    | <b>KHR'000</b> | <b>USD</b>    | <b>KHR'000</b> |
| At 1 January                                       | 40,693        | 166,231        | 48,637        | 200,239        |
| Additional/(Reversal) on impairment loss (Note 21) | 22,685        | 92,351         | (6,261)       | (25,733)       |
| Write-off  | (831)         | (3,383)        | (1,683)       | (6,917)        |
| Exchange differences                               | -             | (3,447)        | -             | (1,358)        |
| At 31 December                                     | <u>62,547</u> | <u>251,752</u> | <u>40,693</u> | <u>166,231</u> |

**11. AMOUNTS DUE FROM RELATED PARTIES**

|                       | <b>2024</b>      |                   | <b>2023</b>      |                   |
|-----------------------|------------------|-------------------|------------------|-------------------|
|                       | <b>USD</b>       | <b>KHR'000</b>    | <b>USD</b>       | <b>KHR'000</b>    |
| <b>Trade</b>          |                  |                   |                  |                   |
| Fellow subsidiaries   | 6,006,889        | 24,177,728        | 5,834,504        | 23,833,949        |
| Other related parties | <u>178,591</u>   | <u>718,829</u>    | <u>254,997</u>   | <u>1,041,663</u>  |
|                       | <u>6,185,480</u> | <u>24,896,557</u> | <u>6,089,501</u> | <u>24,875,612</u> |

Amounts due from related parties are interest free, unsecured and are receivable on demand. Hence, Expected Credit Losses ("ECL") are based on the assumption that the repayment of receivables is demanded at the reporting date, with short contractual period for payment. The fellow subsidiaries and other related parties have sufficient accessible highly liquid assets to repay the balances if demanded at the reporting date. Therefore, ECL is likely to be immaterial with probability of default close to 0%.

**12. SHORT-TERM DEPOSITS**

|              | <b>2024</b>       |                   | <b>2023</b> |                |
|--------------|-------------------|-------------------|-------------|----------------|
|              | <b>USD</b>        | <b>KHR'000</b>    | <b>USD</b>  | <b>KHR'000</b> |
| In 12 months | <u>17,000,000</u> | <u>68,425,000</u> | <u>-</u>    | <u>-</u>       |

These represent fixed deposits placed with reputable banks with maturity of 12 months with interest from 4.75% to 5.75% per annum.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**13. CASH AND BANK BALANCES**

|                           | <b>2024</b>       |                   | <b>2023</b>       |                   |
|---------------------------|-------------------|-------------------|-------------------|-------------------|
|                           | <b>USD</b>        | <b>KHR'000</b>    | <b>USD</b>        | <b>KHR'000</b>    |
| Cash and bank balances    | 17,113,876        | 68,883,351        | 22,157,605        | 90,513,816        |
| Fixed deposits with bank  | 5,000             | 20,125            | 5,000             | 20,425            |
|                           | <u>17,118,876</u> | <u>68,903,476</u> | <u>22,162,605</u> | <u>90,534,241</u> |
| CGIF bond guarantee       | (586,593)         | (2,361,037)       | (564,470)         | (2,305,860)       |
| Cash and cash equivalents | <u>16,532,283</u> | <u>66,542,439</u> | <u>21,598,135</u> | <u>88,228,381</u> |

Included in cash and bank balances of the Company is a bond guarantee held by Asian Development Bank in relation to Credit Guarantee and Investment Facility ("CGIF") and therefore not available for general use by the Company.

Cash in banks represent current and saving accounts maintained at local commercial banks which earn interests at rates ranging from nil to 4.00% (2023: nil to 4.00%) per annum.

**14. SHARE CAPITAL**

Details of share capital based on the Memorandum and Articles of Association of the Company are as follows:

|  | <b>2024</b>              |                              | <b>2023</b>              |                              |
|--|--------------------------|------------------------------|--------------------------|------------------------------|
|  | <b>No. of<br/>shares</b> | <b>Equivalent<br/>to USD</b> | <b>No. of<br/>shares</b> | <b>Equivalent<br/>to USD</b> |
| Ordinary share, registered,<br>Issued and fully paid<br>(par value of KHR4,000,000<br>(equivalent to USD1,000)<br>per share) |                          |                              |                          |                              |
| At 1 January/31 December   | <u>1,000</u>             | <u>4,000,000</u>             | <u>1,000</u>             | <u>4,000,000</u>             |
| KHR'000  |                          | <u>16,000,000</u>            |                          | <u>16,000,000</u>            |

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**15. LOANS AND BORROWINGS**

|                                   | <b>2024</b>       |                    | <b>2023</b>       |                    |
|-----------------------------------|-------------------|--------------------|-------------------|--------------------|
|                                   | <b>USD</b>        | <b>KHR'000</b>     | <b>USD</b>        | <b>KHR'000</b>     |
| <b>Current</b>                    |                   |                    |                   |                    |
| Trade finances                    | 5,294,950         | 21,312,174         | 37,762,910        | 154,261,488        |
| Corporate bonds                   | 4,807,834         | 19,351,532         | 4,762,663         | 19,455,478         |
| Term loan                         | 3,000,000         | 12,075,000         | 3,000,000         | 12,255,000         |
|                                   | 13,102,784        | 52,738,706         | 45,525,573        | 185,971,966        |
| Accrual interest payables         | 612,257           | 2,464,334          | -                 | -                  |
|                                   | 13,715,041        | 55,203,040         | 45,525,573        | 185,971,966        |
| <b>Non-current</b>                |                   |                    |                   |                    |
| Term loan                         | 24,000,000        | 96,600,000         | 27,000,000        | 110,295,000        |
| Corporate bonds                   | -                 | -                  | 4,807,834         | 19,640,002         |
|                                   | 24,000,000        | 96,600,000         | 31,807,834        | 129,935,002        |
| <b>Total loans and borrowings</b> | <b>37,715,041</b> | <b>151,803,040</b> | <b>77,333,407</b> | <b>315,906,968</b> |

**Trade finances**

Trade finances represents various short-term financial obligation undertaken with financial institutions at a predetermined interest rate and maturity date. The loan proceeds are utilised to refinance existing working capital facilities of the Company. Finance costs charged for the year ended 31 December 2024 amounted to USD875,728 (2023: USD4,968,746).

**Corporate bonds**

On 9 April 2020, the Company issued an unsecured, unsubordinated and guaranteed bonds amounted to KHR80 billion (equivalent to USD19.67 million), with net bonds proceeds amounted to KHR76.38 billion (equivalent to USD18.78 million) in total and 5 years tenor which shall be partially redeemed before and on the maturity date. These corporate bonds are guaranteed by CGIF, a trust fund of the Asian Development Bank. The net bonds proceeds are utilised to refinance existing working capital facilities of the Company. Finance costs charged for the year ended 31 December 2024 amounted to USD487,085 (2023: USD870,843).

**Term loan**

On 21 December 2023, the Company entered into a secured loan agreement with Export-Import Bank of Thailand for an approved limit of USD30 million and is repayable in 10 semi-annually installments within 5 years. Finance costs charged for the year ended 31 December 2024 amounted to USD2,300,168 (2023: USD65,358).

**NOTES TO THE FINANCIAL STATEMENTS  
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**15. LOANS AND BORROWINGS (CONTINUED)**

The terms of outstanding loans and borrowings are as follows:

|                              | Currency | Nominal<br>interest rate | Maturity                        | Carrying amount      |                      |
|------------------------------|----------|--------------------------|---------------------------------|----------------------|----------------------|
|                              |          |                          |                                 | USD                  | KHR'000              |
| <b>At 1 January 2024</b>     |          |                          |                                 | 77,333,407           | 315,906,968          |
| <b>Drawdowns</b>             |          |                          |                                 |                      |                      |
|                              |          | EURIBOR/<br>SOFR         |                                 |                      |                      |
| Trade finance I              | USD      | + 6.79% to<br>6.84% p.a. | 90 - 180 days<br>after drawdown | 54,735,743           | 222,829,210          |
| Trade finance II             | USD      | 8.50% p.a.               | 90 days<br>after drawdown       | 6,013,915            | 24,482,648           |
| Trade finance III            | USD      | 7.50% p.a.               | 90 days<br>after drawdown       | 2,630,518            | 10,708,839           |
| Trade finance IV             | USD      | 8.00% p.a.               | 180 days<br>after drawdown      | 10,105,933           | 41,141,253           |
|                              |          |                          |                                 | <u>73,486,109</u>    | <u>299,161,950</u>   |
| <b>Repayments</b>            |          |                          |                                 |                      |                      |
| Corporate bonds              | KHR      | 5.50% p.a.               | 9 April 2025                    | (4,762,664)          | (19,388,805)         |
|                              |          | EURIBOR/<br>SOFR         |                                 |                      |                      |
| Trade finance I              | USD      | + 6.79% to<br>6.84% p.a. | 90 - 180 days<br>after drawdown | (76,623,382)         | (311,933,788)        |
| Trade finance II             | USD      | 8.50% p.a.               | 90 days<br>after drawdown       | (7,974,009)          | (32,462,191)         |
| Trade finance III            | USD      | 7.50% p.a.               | 90 days<br>after drawdown       | (3,623,284)          | (14,750,389)         |
| Trade finance IV             | USD      | 8.00% p.a.               | 180 days<br>after drawdown      | (17,733,393)         | (72,192,643)         |
|                              |          | SOFR                     |                                 |                      |                      |
| Term loan                    | USD      | +2.50% to<br>2.85% p.a.  | 21 December<br>2028             | (3,000,000)          | (12,213,000)         |
|                              |          |                          |                                 | <u>(108,954,068)</u> | <u>(443,552,011)</u> |
| Accrual interest<br>payables |          |                          |                                 | 612,257              | -                    |
| Exchange differences         |          |                          |                                 | -                    | (2,789,396)          |
| <b>At 31 December 2024</b>   |          |                          |                                 | <u>37,715,041</u>    | <u>151,803,040</u>   |

**NOTES TO THE FINANCIAL STATEMENTS  
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**16. AMOUNTS DUE TO RELATED PARTIES**

|                       | <b>2024</b>      |                   | <b>2023</b>       |                   |
|-----------------------|------------------|-------------------|-------------------|-------------------|
|                       | <b>USD</b>       | <b>KHR'000</b>    | <b>USD</b>        | <b>KHR'000</b>    |
| <b>Trade</b>          |                  |                   |                   |                   |
| Associate             | 2,588,896        | 10,420,306        | 21,381,748        | 87,344,441        |
| Fellow subsidiaries   | 828,792          | 3,335,888         | 1,393,112         | 5,690,863         |
| Other related parties | 200,013          | 805,053           | 50,951            | 208,134           |
|                       | <u>3,617,701</u> | <u>14,561,247</u> | <u>22,825,811</u> | <u>93,243,438</u> |

Amounts due to related parties are trade in nature, interest free, unsecured and are repayable on demand.

**17. TRADE AND OTHER PAYABLES**

|                       | <b>2024</b>       |                   | <b>2023</b>      |                   |
|-----------------------|-------------------|-------------------|------------------|-------------------|
|                       | <b>USD</b>        | <b>KHR'000</b>    | <b>USD</b>       | <b>KHR'000</b>    |
| <b>Trade</b>          |                   |                   |                  |                   |
| Third parties         | <u>6,705,343</u>  | <u>26,989,006</u> | <u>3,683,461</u> | <u>15,046,938</u> |
| <b>Other payables</b> |                   |                   |                  |                   |
| Accruals              | 5,687,343         | 22,891,554        | 4,821,456        | 19,695,648        |
| Other tax payables    | 182,423           | 734,253           | 683,766          | 2,793,184         |
|                       | <u>5,869,766</u>  | <u>23,625,807</u> | <u>5,505,222</u> | <u>22,488,832</u> |
|                       | <u>12,575,109</u> | <u>50,614,813</u> | <u>9,188,683</u> | <u>37,535,770</u> |

Trade payables are non-interest bearing and normal credit terms granted to the Company are normally within 30 days (2023: 30 days).

**18. CONTRACT LIABILITIES**

Contract liabilities primarily relate to the advance consideration received from customers for deposits on motor vehicles and heavy equipment and to the unredeemed services on motor vehicles and heavy equipment for which unearned revenue is recognised and billings in excess of revenue recognised to date. Contract liabilities are recognised as revenue when the Company satisfies the performance obligations under its contracts.

**NOTES TO THE FINANCIAL STATEMENTS  
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**18. CONTRACT LIABILITIES (CONTINUED)**

|                                    | <b>2024</b>      |                   | <b>2023</b>      |                   |
|------------------------------------|------------------|-------------------|------------------|-------------------|
|                                    | <b>USD</b>       | <b>KHR'000</b>    | <b>USD</b>       | <b>KHR'000</b>    |
| At 1 January                       | 4,703,692        | 19,214,582        | 13,518,449       | 55,655,455        |
| Additions                          |                  |                   |                  |                   |
| - Customer deposits                | 4,265,678        | 17,365,575        | 1,616,648        | 6,607,240         |
| - Unredeemed services              | 3,648,791        | 14,854,228        | 3,339,609        | 13,648,982        |
| Revenue recognised during the year |                  |                   |                  |                   |
| - Customer deposits                | (3,460,050)      | (14,085,864)      | (9,342,062)      | (38,181,007)      |
| - Unredeemed services              | (4,906,306)      | (19,973,572)      | (4,428,952)      | (18,101,127)      |
| Exchange differences               | -                | (261,434)         | -                | (414,961)         |
| At 31 December                     | <u>4,251,805</u> | <u>17,113,515</u> | <u>4,703,692</u> | <u>19,214,582</u> |
| Advance consideration received     | 3,251,866        | 13,088,761        | 2,446,238        | 10,071,162        |
| Unredeemed services                | <u>999,939</u>   | <u>4,024,754</u>  | <u>2,257,454</u> | <u>9,293,939</u>  |
|                                    | <u>4,251,805</u> | <u>17,113,515</u> | <u>4,703,692</u> | <u>19,214,582</u> |

The amount of advance consideration received on motor vehicles and heavy equipment will be recognised as revenue when the goods are transferred to the customers, which is expected to occur within one year.

The amount of unredeemed service on motor vehicles and heavy equipment will be recognised as revenue when the service is redeemed by customers, which is expected to occur within one to two years.

**19. REVENUES**

|   | <b>2024</b>        |                      | <b>2023</b>        |                      |
|---|--------------------|----------------------|--------------------|----------------------|
|   | <b>USD</b>         | <b>KHR'000</b>       | <b>USD</b>         | <b>KHR'000</b>       |
| <b>Disaggregations of revenue from contract with customers:</b> |                    |                      |                    |                      |
| Sales of goods  | 375,616,305        | 1,529,133,978        | 420,819,028        | 1,729,566,206        |
| Service revenues  | <u>25,045,865</u>  | <u>101,961,716</u>   | <u>17,225,277</u>  | <u>70,795,888</u>    |
|   | <u>400,662,170</u> | <u>1,631,095,694</u> | <u>438,044,305</u> | <u>1,800,362,094</u> |
| <b>Timing of revenue</b>  |                    |                      |                    |                      |
| Over time   | 25,045,865         | 101,961,716          | 17,225,277         | 70,795,888           |
| At point in time  | <u>375,616,305</u> | <u>1,529,133,978</u> | <u>420,819,028</u> | <u>1,729,566,206</u> |
|   | <u>400,662,170</u> | <u>1,631,095,694</u> | <u>438,044,305</u> | <u>1,800,362,094</u> |

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**20. OTHER INCOMES**

|  | <b>2024</b>      |                   | <b>2023</b>      |                  |
|--|------------------|-------------------|------------------|------------------|
|  | <b>USD</b>       | <b>KHR'000</b>    | <b>USD</b>       | <b>KHR'000</b>   |
| Supplier's incentives                      | 2,165,901        | 8,817,384         | 1,094,382        | 4,497,910        |
| Finance income                             | 1,038,603        | 4,228,153         | 638,097          | 2,622,579        |
| Gain on disposal of property and equipment | 320,804          | 1,305,993         | 233,057          | 957,864          |
| Realised gain/(loss) on foreign exchange   | 45,918           | 186,932           | (317,948)        | (1,306,766)      |
| Unrealised gain on foreign exchange        | 11,007           | 44,809            | 35,432           | 145,626          |
| Others                                     | -                | -                 | 5,174            | 21,264           |
|  | <u>3,582,233</u> | <u>14,583,271</u> | <u>1,688,194</u> | <u>6,938,477</u> |

**21. OPERATING EXPENSES**

|  | <b>2024</b>       |                   | <b>2023</b>       |                   |
|--|-------------------|-------------------|-------------------|-------------------|
|  | <b>USD</b>        | <b>KHR'000</b>    | <b>USD</b>        | <b>KHR'000</b>    |
| Depreciation of property and equipment (Note 5)                              | 4,463,902         | 18,172,545        | 3,666,578         | 15,069,636        |
| Corporate services   | 2,958,025         | 12,042,120        | 1,906,819         | 7,837,026         |
| Depreciation of right-of-use assets (Note 6)                                 | 2,129,406         | 8,668,812         | 1,616,480         | 6,643,733         |
| Penalty fees   | 1,606,939         | 6,541,847         | 3,405,797         | 13,997,826        |
| Fuel and oil   | 1,026,761         | 4,179,944         | 971,722           | 3,993,777         |
| Entertainment expenses   | 649,503           | 2,644,127         | 529,801           | 2,177,482         |
| Insurance fees   | 550,007           | 2,239,078         | 523,346           | 2,150,952         |
| Communication expenses   | 513,990           | 2,092,453         | 527,323           | 2,167,298         |
| Professional and legal fees  | 461,481           | 1,878,689         | 342,014           | 1,405,678         |
| Bank charges and commission  | 302,707           | 1,232,320         | 310,986           | 1,278,151         |
| Gifts and donations  | 195,696           | 796,678           | 401,626           | 1,650,683         |
| Impairment loss/(reversal) on impairment loss of trade receivables (Note 10) | 22,685            | 92,351            | (6,261)           | (25,733)          |
| (Reversal)/Provision for slow-moving inventories (Note 9)                    | (875,223)         | (3,563,033)       | 557,228           | 2,290,207         |
| Reversal of provision on warranty  | -                 | -                 | (998,000)         | (4,101,780)       |
| Others   | 1,711,486         | 6,967,462         | 1,440,154         | 5,919,033         |
|  | <u>15,717,365</u> | <u>63,985,393</u> | <u>15,195,613</u> | <u>62,453,969</u> |

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**22. ADMINISTRATIVE EXPENSES**

|                                    | <b>2024</b>       |                   | <b>2023</b>       |                   |
|------------------------------------|-------------------|-------------------|-------------------|-------------------|
|                                    | <b>USD</b>        | <b>KHR'000</b>    | <b>USD</b>        | <b>KHR'000</b>    |
| Salaries, wages and other benefits | 10,603,247        | 43,165,819        | 10,237,930        | 42,077,892        |
| Storage fees                       | 799,189           | 3,253,498         | 2,491,178         | 10,238,742        |
| Utilities expenses                 | 590,102           | 2,402,305         | 404,895           | 1,664,118         |
| Repairs and maintenance            | 530,427           | 2,159,367         | 375,258           | 1,542,310         |
| Staff development costs            | 364,721           | 1,484,781         | 387,603           | 1,593,048         |
| Short-term leases                  | 35,578            | 144,838           | 35,284            | 145,017           |
| Others                             | 1,705,223         | 6,941,963         | 1,174,784         | 4,828,364         |
|                                    | <u>14,628,487</u> | <u>59,552,571</u> | <u>15,106,932</u> | <u>62,089,491</u> |

Salaries, wages and other benefits for the year comprises:

|                    | <b>2024</b>       |                   | <b>2023</b>       |                   |
|--------------------|-------------------|-------------------|-------------------|-------------------|
|                    | <b>USD</b>        | <b>KHR'000</b>    | <b>USD</b>        | <b>KHR'000</b>    |
| Wages and salaries | 9,287,284         | 37,808,533        | 9,005,450         | 37,012,400        |
| Other benefits     | 1,315,963         | 5,357,286         | 1,232,480         | 5,065,492         |
|                    | <u>10,603,247</u> | <u>43,165,819</u> | <u>10,237,930</u> | <u>42,077,892</u> |

**23. FINANCE COSTS**

|                     | <b>2024</b>      |                   | <b>2023</b>      |                   |
|---------------------|------------------|-------------------|------------------|-------------------|
|                     | <b>USD</b>       | <b>KHR'000</b>    | <b>USD</b>       | <b>KHR'000</b>    |
| - Bank loans        | 3,662,981        | 14,911,995        | 5,904,947        | 24,269,333        |
| - Lease liabilities | 2,476,289        | 10,080,973        | 1,251,367        | 5,143,118         |
|                     | <u>6,139,270</u> | <u>24,992,968</u> | <u>7,156,314</u> | <u>29,412,451</u> |

**24. INCOME TAX**

In accordance with the Cambodian Law on Taxation, the Company has an obligation to pay corporate income tax of either the profit tax at the rate of 20% of taxable profits or the minimum tax at 1% of gross revenues, whichever is higher.

**(a) Income tax expenses**

|              | <b>2024</b>      |                   | <b>2023</b>      |                   |
|--------------|------------------|-------------------|------------------|-------------------|
|              | <b>USD</b>       | <b>KHR'000</b>    | <b>USD</b>       | <b>KHR'000</b>    |
| Current tax  | 4,408,909        | 17,948,669        | 5,694,345        | 23,403,758        |
| Deferred tax | 617,927          | 2,515,580         | 558,007          | 2,293,409         |
|              | <u>5,026,836</u> | <u>20,464,249</u> | <u>6,252,352</u> | <u>25,697,167</u> |



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**24. INCOME TAX (CONTINUED)**

**(a) Income tax expenses (Continued)**

The reconciliation of income tax computed at the statutory tax rate to the Company's income tax expense is as follow:

|                               | <b>2024</b>      |                   | <b>2023</b>      |                   |
|-------------------------------|------------------|-------------------|------------------|-------------------|
|                               | <b>USD</b>       | <b>KHR'000</b>    | <b>USD</b>       | <b>KHR'000</b>    |
| Profit before tax             | 21,636,782       | 88,083,339        | 33,922,214       | 139,420,300       |
| Calculated at tax rate of 20% | 4,327,356        | 17,616,666        | 6,784,443        | 27,884,061        |
| Adjustments for:              |                  |                   |                  |                   |
| Non-deductible expenses       | 699,480          | 2,847,583         | 962,000          | 3,953,820         |
| Temporary differences         | -                | -                 | (578,837)        | (2,379,020)       |
| Overprovision of deferred tax | -                | -                 | (915,254)        | (3,761,694)       |
|                               | <u>5,026,836</u> | <u>20,464,249</u> | <u>6,252,352</u> | <u>25,697,167</u> |

For the year ended 31 December 2024, the Company has obligation to pay income tax as it's higher than minimum tax (2023: income tax).

**(b) Deferred tax assets - net**

|                           | <b>2024</b>      |                  | <b>2023</b>      |                  |
|---------------------------|------------------|------------------|------------------|------------------|
|                           | <b>USD</b>       | <b>KHR'000</b>   | <b>USD</b>       | <b>KHR'000</b>   |
| Deferred tax assets       | 7,502,271        | 30,196,641       | 7,777,031        | 31,769,172       |
| Deferred tax liabilities  | (5,701,931)      | (22,950,272)     | (5,358,764)      | (21,890,551)     |
| Deferred tax assets - net | <u>1,800,340</u> | <u>7,246,369</u> | <u>2,418,267</u> | <u>9,878,621</u> |

The movements in deferred tax assets - net during the year were as follows:

|                              | <b>2024</b>      |                  | <b>2023</b>      |                  |
|------------------------------|------------------|------------------|------------------|------------------|
|                              | <b>USD</b>       | <b>KHR'000</b>   | <b>USD</b>       | <b>KHR'000</b>   |
| At 1 January                 | 2,418,267        | 9,878,621        | 2,976,274        | 12,253,320       |
| Recognised in profit or loss | (617,927)        | (2,515,580)      | (558,007)        | (2,293,409)      |
| Exchange differences         | -                | (116,672)        | -                | (81,290)         |
| At 31 December               | <u>1,800,340</u> | <u>7,246,369</u> | <u>2,418,267</u> | <u>9,878,621</u> |

Deferred tax assets – net are attributable to:

|  | <b>1 January<br/>2024<br/>USD</b> | <b>Recognised<br/>in profit or<br/>loss during<br/>the year<br/>USD</b> | <b>31 December<br/>2024<br/>USD</b> | <b>31 December<br/>2024<br/>KHR'000</b> |
|--|-----------------------------------|---|-------------------------------------|---|
| <b>Deferred tax assets/(liabilities)</b> |                                   |   |                                     |   |
| Property and equipment                   | 438,606                           | (463,540)   | (24,934)                            | (100,359)                               |
| Right-of-use assets                      | (5,358,764)                       | (316,439)   | (5,675,203)                         | (22,842,691)                            |
| Lease liabilities                        | 5,535,862                         | 499,040   | 6,034,902                           | 24,290,481                              |
| Provision                                | 1,341,981                         | (441,004)   | 900,977                             | 3,626,432                               |
| Contract liabilities                     | 456,464                           | 109,928   | 566,392                             | 2,279,728                               |
| Unrealised exchange differences          | 4,118                             | (5,912)   | (1,794)                             | (7,222)                                 |
|  | <u>2,418,267</u>                  | <u>(617,927)</u>  | <u>1,800,340</u>                    | <u>7,246,369</u>                        |

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**24. INCOME TAX (CONTINUED)**

**(b) Deferred tax assets - net (Continued)**

The movements in deferred tax assets - net during the year were as follows:

|  | 1 January<br>2023<br>USD | Recognised<br>in profit or<br>loss during<br>the year<br>USD | 31 December<br>2023<br>USD | 31 December<br>2023<br>KHR'000 |
|--|--------------------------|--|----------------------------|--------------------------------|
| <b>Deferred tax assets/(liabilities)</b> |                          |  |                            |                                |
| Property and equipment                   | 101,833                  | 336,773  | 438,606                    | 1,791,706                      |
| Right-of-use assets                      | (623,689)                | (4,735,075)  | (5,358,764)                | (21,890,550)                   |
| Lease liabilities                        | -                        | 5,535,862  | 5,535,862                  | 22,613,996                     |
| Provision                                | 1,466,031                | (124,050)  | 1,341,981                  | 5,481,992                      |
| Contract liabilities                     | 1,991,772                | (1,535,308)  | 456,464                    | 1,864,655                      |
| Unrealised exchange differences          | 40,327                   | (36,209)   | 4,118                      | 16,822                         |
|  | <u>2,976,274</u>         | <u>(558,007)</u>   | <u>2,418,267</u>           | <u>9,878,621</u>               |

**25. DIVIDENDS**

|  | 2024<br>USD | KHR'000    | 2023<br>USD | KHR'000 |
|--|-------------|------------|-------------|---------|
| <b>Recognised during the year:</b>   |             |            |             |         |
| Dividend declared and paid<br>during the period ended 31<br>March of USD5,000<br>(KHR20,420,000) per ordinary<br>share (Note a)    | 5,000,000   | 20,420,000 | -           | -       |
| Dividend declared and paid<br>during the period ended 30<br>June of USD1,880<br>(KHR7,640,320) per ordinary<br>share (Note b)      | 1,880,000   | 7,640,320  | -           | -       |
| Dividend declared and paid<br>during the period ended 30<br>June of USD540<br>(KHR2,192,940) per ordinary<br>share (Note (c)(i))   | 540,000     | 2,192,940  | -           | -       |
| Dividend declared and paid<br>during the period ended 30<br>June of USD480<br>(KHR1,950,720) per ordinary<br>share (Note (c)(ii))  | 480,000     | 1,950,720  | -           | -       |
| Dividend declared and paid<br>during the period ended 30<br>June of USD360<br>(KHR1,469,880) per ordinary<br>share (Note (c)(iii)) | 360,000     | 1,469,880  | -           | -       |

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**25. DIVIDENDS (CONTINUED)**

|  | <b>2024</b>       |                   | <b>2023</b>      |                   |
|--|-------------------|-------------------|------------------|-------------------|
|  | <b>USD</b>        | <b>KHR'000</b>    | <b>USD</b>       | <b>KHR'000</b>    |
| <b>Recognised during the year:</b>   |                   |                   |                  |                   |
| Dividend declared and paid during the period ended 30 June of USD518 (KHR2,134,160) per ordinary share (Note d)            | 518,000           | 2,134,160         | -                | -                 |
| Dividend declared and paid during the period ended 30 June of USD187 (KHR770,440) per ordinary share (Note e)              | 187,000           | 770,440           | -                | -                 |
| Dividend declared and paid during the period ended 30 September of USD310 (KHR1,276,580) per ordinary share (Note f)       | 310,000           | 1,276,580         | -                | -                 |
| Dividend declared and paid during the period ended 31 December of USD1,430 (KHR5,811,520) per ordinary share (Note (g)(i)) | 1,430,000         | 5,811,520         | -                | -                 |
| Dividend declared and paid during the period ended 31 December of USD856 (KHR3,441,976) per ordinary share (Note (g)(ii))  | 856,000           | 3,441,976         | -                | -                 |
| Dividend declared and paid during the period ended 31 March of USD2,500 (KHR10,275,000) per ordinary share (Note (h)(i))   | -                 | -                 | 2,500,000        | 10,275,000        |
| Dividend declared and paid during the period ended 31 March of USD651 (KHR2,674,751) per ordinary share (Note (h)(ii))     | -                 | -                 | 650,791          | 2,674,751         |
| Dividend declared and paid during the period ended 30 September of USD3,995 (KHR16,419,450) per ordinary share (Note (i))  | -                 | -                 | 3,995,000        | 16,419,450        |
| Dividend declared and paid during the period ended 31 December of US2,800 (KHR11,508,000) per ordinary share (Note (j))    | -                 | -                 | 2,800,000        | 11,508,000        |
|  | <u>11,561,000</u> | <u>47,108,536</u> | <u>9,945,791</u> | <u>40,877,201</u> |

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**25. DIVIDENDS (CONTINUED)**

- (a) On 11 January 2024, an additional monthly interim dividend of USD5,000,000 was declared from the earnings of year ended 2023. The dividend was paid on 17 January 2024.
- (b) On 18 April 2024, an additional interim dividend of USD1,880,000 was declared from the earnings of year ended 2023. The dividend was paid on 22 April 2024.
- (c) On 18 April 2024, the Board of Directors resolved via a written resolution of the Board of Directors that monthly interim dividends for 2024, equal to or less than 20% of the net income earned in a specified month will be paid to those shareholders whose names appear on the Register of Members of the Company as of the end of the same month, subject to the relevant laws and regulations.
  - (i) Monthly interim dividends of USD540,000 was declared from January to February 2024 earnings. The dividend was paid on 24 April 2024.
  - (ii) Monthly interim dividends of USD480,000 was declared from March 2024 earnings. The dividend was paid on 30 April 2024.
  - (iii) Monthly interim dividend of USD360,000 was declared from April 2024 earnings. The dividend was paid on 28 May 2024.
- (d) On 12 June 2024, the additional interim dividends of USD518,000 was declared from the earnings of three-month period ended 31 March 2024. The dividend was paid on 19 June 2024.
- (e) On 12 June 2024, the additional monthly interim dividend of USD187,000 was declared from April 2024 earnings. The dividend was paid on 19 June 2024.
- (f) On 2 July 2024, an additional monthly interim dividend of USD310,000 was declared from May 2024 earnings. The dividend was paid on 3 July 2024.
- (g) On 01 July 2024, the Board of Directors resolved via a written resolution of the Board of Directors that monthly interim dividends for 2024, equal to or less than 30% of the net income earned in a specified month will be paid to those shareholders whose names appear on the Register of Members of the Company as of the end of the same month, subject to the relevant laws and regulations.
  - (i) On 31 October 2024, an additional monthly interim dividend of USD1,430,000 was declared from June to September 2024 earnings. The dividend was paid on 1 November 2024.
  - (ii) On 18 December 2024, an additional monthly interim dividend of USD856,000 was declared from the May, October and November earnings. The dividend was paid on 19 December 2024.
- (h) On 14 June 2022, the Board of Directors resolved via a written resolution of the Board of Directors that monthly interim dividends for 2022, equal to or less than 20% of the net income earned in a specified month will be paid to those shareholders whose names appear on the Register of Members of the Company as of the end of the same month, subject to the relevant laws and regulations.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**25. DIVIDENDS (CONTINUED)**

- (i) On 20 January 2023, an additional monthly interim dividend of USD2,500,000 was declared from the earnings of the nine-month period ended 30 September 2022. The dividend was paid on 20 January 2023.
- (ii) On 30 January 2023, a monthly interim dividend of USD650,791 was declared from the earnings of the month of December 2022. The dividend was paid on 7 February 2023.
- (i) On 10 August 2023, a final dividend of USD3,995,000 was declared from the earnings of the month of December 2022. The dividend was paid on 27 September 2023.
- (j) On 14 December 2023, a monthly interim of USD2,800,000 was declared from the retained earnings for the period ended January to September 2023. The dividend was paid on 18 December 2023.

**26. RELATED PARTIES**

**(a) Identity of related parties**

Parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operational decisions, or vice versa, or where the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties of the Company include:

- (i) Immediate and ultimate holding companies;
- (ii) Subsidiaries;
- (iii) Associates;
- (iv) Key management personnel of the Company's holding companies, comprising persons (including directors) having the authority and responsibility for planning, directing, and controlling the activities directly or indirectly.

**(b) Significant related parties' transactions**

|   | <b>2024</b>       |                    | <b>2023</b>        |                    |
|---|-------------------|--------------------|--------------------|--------------------|
|   | <b>USD</b>        | <b>KHR'000</b>     | <b>USD</b>         | <b>KHR'000</b>     |
| <b>Dividends paid to (Note 25):</b>         |                   |                    |                    |                    |
| Immediate holding company                   | 11,549,439        | 47,061,427         | 9,935,845          | 40,836,322         |
| Shareholder                                 | 11,561            | 47,109             | 9,946              | 40,878             |
|   | <u>11,561,000</u> | <u>47,108,536</u>  | <u>9,945,791</u>   | <u>40,877,200</u>  |
| <b>Rental charged by:</b>                   |                   |                    |                    |                    |
| Fellow subsidiaries                         | 1,680,000         | 6,839,280          | 840,000            | 3,452,400          |
| Associate                                   | 149,100           | 606,986            | -                  | -                  |
| Other related parties                       | -                 | -                  | 5,250              | 21,578             |
|   | <u>1,829,100</u>  | <u>7,446,266</u>   | <u>845,250</u>     | <u>3,473,978</u>   |
| <b>Purchase of goods and services from:</b> |                   |                    |                    |                    |
| Associate                                   | 84,899,847        | 345,627,276        | 133,856,324        | 550,149,492        |
| Fellow subsidiaries                         | 4,250,364         | 17,303,232         | 4,714,517          | 19,376,665         |
| Other related parties                       | 1,226,728         | 4,994,009          | 1,086,323          | 4,464,787          |
|   | <u>90,376,939</u> | <u>367,924,517</u> | <u>139,657,163</u> | <u>573,990,942</u> |

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**26. RELATED PARTIES (CONTINUED)**

**(b) Significant related parties' transactions (Continued)**

|  | <b>2024</b> |                | <b>2023</b> |                |
|--|-------------|----------------|-------------|----------------|
|  | <b>USD</b>  | <b>KHR'000</b> | <b>USD</b>  | <b>KHR'000</b> |
| <b>Purchase of assets from:</b>                |             |                |             |                |
| Fellow subsidiaries                            | 922,960     | 3,757,372      | 1,585,825   | 6,517,741      |
| <b>Management fee and services charged by:</b> |             |                |             |                |
| Fellow subsidiaries                            | 3,691,212   | 15,026,924     | 2,631,824   | 10,816,796     |
| <b>Interest paid to:</b>                       |             |                |             |                |
| Associate                                      | 84,470      | 343,879        | 981,299     | 4,033,139      |
| Other related parties                          | 522,597     | 2,127,492      | 169,960     | 698,536        |
|  | 607,067     | 2,471,371      | 1,151,259   | 4,731,675      |
| <b>Penalty paid to:</b>                        |             |                |             |                |
| Associate                                      | -           | -              | 2,424,123   | 9,963,143      |
| <b>Rental charged to:</b>                      |             |                |             |                |
| Fellow subsidiaries                            | 19,800      | 80,606         | 93,703      | 385,119        |
| <b>Sale of goods and services to:</b>          |             |                |             |                |
| Fellow subsidiaries                            | 11,395,081  | 46,389,374     | 11,008,235  | 45,243,846     |
| Associate                                      | 83,143      | 338,477        | 233,334     | 959,003        |
| Other related parties                          | 26,514,120  | 107,938,982    | 27,381,496  | 112,537,952    |
|  | 37,992,344  | 154,666,833    | 38,623,066  | 158,740,801    |
| <b>Sale of assets to:</b>                      |             |                |             |                |
| Fellow subsidiaries                            | -           | -              | 44,908      | 184,573        |
| Other related parties                          | 70,909      | 288,671        | 55,455      | 227,918        |
|  | 70,909      | 288,671        | 100,363     | 412,491        |
| <b>Management fee and service charged to:</b>  |             |                |             |                |
| Fellow subsidiaries                            | 385,056     | 1,567,564      | 314,895     | 1,294,220      |
| Associate                                      | 305,376     | 1,243,185      | 305,779     | 1,256,753      |
| Other related parties                          | 42,755      | 174,056        | 37,755      | 155,172        |
|  | 733,187     | 2,984,805      | 658,430     | 2,706,145      |
| <b>Commission fee income:</b>                  |             |                |             |                |
| Other related parties                          | 23,730      | 96,604         | 36,702      | 150,845        |

**(c) Related parties' balances**

Information on related parties balances are disclosed in Notes 10, 11 and 16 to the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**26. RELATED PARTIES (CONTINUED)**

**(d) Key management personnel remuneration**

|                         | <b>2024</b>      |                  | <b>2023</b>      |                  |
|-------------------------|------------------|------------------|------------------|------------------|
|                         | <b>USD</b>       | <b>KHR'000</b>   | <b>USD</b>       | <b>KHR'000</b>   |
| Wages and salaries      | 1,798,385        | 7,321,225        | 2,046,639        | 8,411,686        |
| Directors' remuneration | 139,853          | 569,342          | 144,852          | 595,342          |
| Other benefits          | 111,887          | 455,492          | 135,175          | 555,569          |
|                         | <u>2,050,125</u> | <u>8,346,059</u> | <u>2,326,666</u> | <u>9,562,597</u> |

**27. COMMITMENTS**

The Company has commitments as following:

|  | <b>2024</b>      |                   | <b>2023</b>      |                   |
|--|------------------|-------------------|------------------|-------------------|
|  | <b>USD</b>       | <b>KHR'000</b>    | <b>USD</b>       | <b>KHR'000</b>    |
| Unsecured bank guarantees<br>issued in favour of suppliers | 6,000,000        | 24,150,000        | 6,000,000        | 24,510,000        |
| Property and equipment                                     | 505,869          | 2,036,123         | 778,399          | 3,179,760         |
|  | <u>6,505,869</u> | <u>26,186,123</u> | <u>6,778,399</u> | <u>27,689,760</u> |

**28. TAXATION CONTINGENCIES**

The taxation system in Cambodia is characterised by numerous taxes and frequently changing legislation, which is often unclear and subject to interpretation. Often different interpretation exists among numerous taxation authorities and jurisdiction. 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 tax liabilities have been adequately provided based on its interpretation of tax legislations. However, the relevant authorities may have differing interpretations and effects could be significant.

**29. FINANCIAL INSTRUMENTS**

Categories of financial instruments

The following table analyses the financial instruments in the statement of financial position by the classes of financial instruments to which they are assigned:

- i. Amortised cost
- ii. Designated fair value through other comprehensive income ("FVTOCI")

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**29. FINANCIAL INSTRUMENTS (CONTINUED)**

Categories of financial instruments (Continued)

|  | <b>Carrying amount</b> |                    | <b>Amortised</b>   | <b>FVTOCI</b>    |
|--|------------------------|--------------------|--------------------|------------------|
|  | <b>USD</b>             | <b>KHR'000</b>     | <b>cost</b>        | <b>USD</b>       |
| <b>At 31 December 2024</b>   |                        |                    |                    |                  |
| <b>Financial assets</b>  |                        |                    |                    |                  |
| Other investment   | 5,600,000              | 22,540,000         | -                  | 5,600,000        |
| Trade and other receivables<br>(excluded prepayments and<br>other tax receivables) | 9,910,498              | 39,889,755         | 9,910,498          | -                |
| Amounts due from related<br>parties  | 6,185,480              | 24,896,557         | 6,185,480          | -                |
| Short-term deposits  | 17,000,000             | 68,425,000         | 17,000,000         | -                |
| Cash and bank balances   | 17,118,876             | 68,903,476         | 17,118,876         | -                |
|  | <u>55,814,854</u>      | <u>224,654,788</u> | <u>50,214,854</u>  | <u>5,600,000</u> |
| <b>Financial liabilities</b>   |                        |                    |                    |                  |
| Loans and borrowings   | 37,715,041             | 151,803,040        | 37,715,041         | -                |
| Lease liabilities  | 30,174,512             | 121,452,411        | 30,174,512         | -                |
| Amounts due to related parties   | 3,617,701              | 14,561,247         | 3,617,701          | -                |
| Trade and other payables<br>(excluded other tax payables)                          | 12,392,686             | 49,880,560         | 12,392,686         | -                |
|  | <u>83,899,940</u>      | <u>337,697,258</u> | <u>83,899,940</u>  | <u>-</u>         |
| <b>At 31 December 2023</b>   |                        |                    |                    |                  |
| <b>Financial assets</b>  |                        |                    |                    |                  |
| Other investment   | 5,600,000              | 22,876,000         | -                  | 5,600,000        |
| Trade and other receivables<br>(excluded prepayments and<br>other tax receivables) | 11,571,630             | 47,270,108         | 11,571,630         | -                |
| Amounts due from related<br>parties  | 6,089,501              | 24,875,612         | 6,089,501          | -                |
| Cash and cash equivalents  | 22,162,605             | 90,534,241         | 22,162,605         | -                |
|  | <u>45,423,736</u>      | <u>185,555,961</u> | <u>39,823,736</u>  | <u>5,600,000</u> |
| <b>Financial liabilities</b>   |                        |                    |                    |                  |
| Loans and borrowings   | 77,333,407             | 315,906,968        | 77,333,407         | -                |
| Lease liabilities  | 27,679,308             | 113,069,973        | 27,679,308         | -                |
| Amounts due to related parties   | 22,825,811             | 93,243,438         | 22,825,811         | -                |
| Trade and other payables<br>(excluded other tax payables)                          | 8,504,917              | 34,742,586         | 8,504,917          | -                |
|  | <u>136,343,443</u>     | <u>556,962,965</u> | <u>136,343,443</u> | <u>-</u>         |

Financial risk management

Exposure to credit, liquidity and interest rate risk arises in the normal course of the Company's business. The Company's exposure to these risks and the financial risk management policies and practices used by the Company to manage these risks are described below.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**29. FINANCIAL INSTRUMENTS (CONTINUED)**

**(a) Credit risk**

Credit risk is the risk of financial loss to the Company that may arise on outstanding financial instruments should a counterparty default on its obligations. The Company is exposed to credit risk from its operating activities (primarily trade receivables, amounts due from related parties and other receivables) and from its other financial assets, including deposits with banks and financial institutions and other investment. The Company has a credit policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limits and monitoring procedures. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

**Trade receivables**

The Company's credit risk is primarily attributable to trade receivables and other receivables. Management has a credit policy in place and the exposures to these credit risks are monitored on an on-going basis.

The Company measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Company's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Company's different customer bases.

Amounts due from related companies are considered by the directors to be fully recoverable under the 12-month ECLs method as there has not been a significant increase in credit risk since initial recognition and the related companies have the ability to repay the outstanding amounts.

**Other receivables and other financial assets**

For other receivables and other financial assets (including deposits with banks and financial institutions), the Company minimises credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Company's maximum exposure to credit risk arising from other receivables and other financial assets is represented by the carrying amount of each class of financial assets recognised in the statement of financial position.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

As at the end of the reporting date, the Company did not recognise any loss allowance for impairment for other receivables, amounts due from related companies and other financial assets.

**(b) Liquidity risk**

The Company's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The following table details the remaining contractual maturities at the end of reporting period of the Company's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using fixed rates, based on rates current at the end of reporting period) and the earliest date the Company can be required to pay:

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**29. FINANCIAL INSTRUMENTS (CONTINUED)**

**(b) Liquidity risk (Continued)**

|   | Carrying amount    |                    | Undiscounted cash flows                 |   |                             |                    |
|---|--------------------|--------------------|---|---|-----------------------------|--------------------|
|   | USD                | KHR'000            | Within<br>1 year or on<br>demand<br>USD | More than 1<br>year but less<br>than 5 years<br>USD | More than<br>5 years<br>USD | Total<br>USD       |
| <b>2024</b>   |                    |                    |   |   |                             |                    |
| Loans and borrowings                                      | 37,715,041         | 151,803,040        | 13,102,784                              | 24,000,000  | -                           | 37,102,784         |
| Lease liabilities   | 30,174,512         | 121,452,411        | 3,762,908                               | 13,981,473  | 84,744,459                  | 102,488,840        |
| Amounts due to related parties                            | 3,617,701          | 14,561,247         | 3,617,701                               | -   | -                           | 3,617,701          |
| Trade and other payables<br>(excluded other tax payables) | 12,392,686         | 49,880,560         | 12,392,686                              | -   | -                           | 12,392,686         |
|   | <u>83,899,940</u>  | <u>337,697,258</u> | <u>32,876,079</u>                       | <u>37,981,473</u>                                   | <u>84,744,459</u>           | <u>155,602,011</u> |
| <b>2023</b>   |                    |                    |   |   |                             |                    |
| Loans and borrowings                                      | 77,333,407         | 315,906,968        | 49,717,272                              | 34,763,749  | -                           | 84,481,021         |
| Lease liabilities   | 27,679,308         | 113,069,973        | 3,204,532                               | 11,922,131  | 86,000,460                  | 101,127,123        |
| Amounts due to related parties                            | 22,825,811         | 93,243,438         | 22,825,811                              | -   | -                           | 22,825,811         |
| Trade and other payables<br>(excluded other tax payables) | 8,504,917          | 34,742,586         | 8,504,917                               | -   | -                           | 8,504,917          |
|   | <u>136,343,443</u> | <u>556,962,965</u> | <u>84,252,532</u>                       | <u>46,685,880</u>                                   | <u>86,000,460</u>           | <u>216,938,872</u> |

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**29. FINANCIAL INSTRUMENTS (CONTINUED)**

**(c) Interest rate risk**

Interest rate risk is the risk of fluctuation in fair value or future cash flows of the Company's financial instruments as a result of changes in market interest rates.

Whilst the Company's operating results are subject to the effect of change in interest rate, the Company constantly monitors the net effect of its transactions in the same interest to minimise the exposure to interest rate risk. The Directors are of the view that the Company's interest rate risk arises primarily from loans and borrowings and corporate bonds. Loans and borrowings and corporate bonds expose the Company to risk of fluctuation in future cash flow of the Company due to its floating rate, hence sensitivity analysis is presented as following.

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant on the Company's total equity and profit for the year.

|                            | Change in<br>basis point<br>(1/100) | Effect on<br>profit or loss<br>USD | Effect on equity<br>USD | KHR'000   |
|----------------------------|-------------------------------------|------------------------------------|-------------------------|-----------|
| <b>At 31 December 2024</b> |                                     |                                    |                         |           |
| Loans and borrowings       | +50                                 | (15,879)                           | (15,879)                | (64,643)  |
|                            | -50                                 | 15,879                             | 15,879                  | 64,643    |
| Corporate bonds            | +50                                 | (2,435)                            | (2,435)                 | (9,913)   |
|                            | -50                                 | 2,435                              | 2,435                   | 9,913     |
| <b>At 31 December 2023</b> |                                     |                                    |                         |           |
| Loans and borrowings       | +50                                 | (25,171)                           | (25,171)                | (102,824) |
|                            | -50                                 | 25,171                             | 25,171                  | 102,824   |
| Corporate bonds            | +50                                 | (4,354)                            | (4,354)                 | (17,786)  |
|                            | -50                                 | 4,354                              | 4,354                   | 17,786    |

**(d) Foreign currency risk**

The Company is exposed to foreign currency risk on transactions that are denominated in a currency other than the functional currency of the Company. The management monitors the foreign currency exposure on an on-going basis.

Whilst the Company's operating results are subject to the effect of change in exchange rate, the Company's constantly monitors the net effect of its transactions in the same currency to minimise the exposure to foreign currency exchange risk.

The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when cash and bank balances, trade and other receivables, trade and other payables, sales, purchases and borrowings that are denominated in a foreign currency).

**NOTES TO THE FINANCIAL STATEMENTS  
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**29. FINANCIAL INSTRUMENTS (CONTINUED)**

**(d) Foreign currency risk (continued)**

The Company's unhedged financial assets and liabilities that are not denominated in its functional currency are as follows:

|                                    | <b>2024<br/>USD</b> | <b>2023<br/>USD</b> |
|------------------------------------|---------------------|---------------------|
| <b>Cash and cash equivalents</b>   |                     |                     |
| Khmer Riel (KHR)                   | 386,175             | 2,817,040           |
| <b>Trade and other receivables</b> |                     |                     |
| British Pound Sterling (GBP)       | 316,520             | 312,987             |
| <b>Trade and other payables</b>    |                     |                     |
| European Euro (EUR)                | -                   | 39,089              |
| Japanese Yen (JPY)                 | -                   | 144,335             |
| <b>Loans and borrowings</b>        |                     |                     |
| Khmer Riel (KHR)                   | <u>4,807,834</u>    | <u>4,762,663</u>    |

The Company's principal foreign currency exposure relates mainly to Khmer Riel.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity to a reasonably possible change in the KHR with all other variables held constant:

|                            | <b>Change in<br/>rate %</b> | <b>Effect on<br/>profit or<br/>loss<br/>USD</b> | <b>Effect on equity<br/>USD</b> | <b>KHR'000</b> |
|----------------------------|-----------------------------|---|---------------------------------|----------------|
| <b>At 31 December 2024</b> |                             |   |                                 |                |
| KHR/USD                    | + 3%                        | 165,316   | 165,316                         | 673,001        |
|                            | - 3%                        | (165,316)                                       | (165,316)                       | (673,001)      |
| <b>At 31 December 2023</b> |                             |   |                                 |                |
| KHR/USD                    | + 3%                        | (202,604)                                       | 227,391                         | 934,577        |
|                            | - 3%                        | 202,604   | (227,391)                       | (934,577)      |

**29. FINANCIAL INSTRUMENTS**

**(e) Fair value**

The fair value of unquoted equity investments has been estimated using a dividend discount model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, the discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in the management's estimate of fair value for these unquoted equity investments.

**NOTES TO THE FINANCIAL STATEMENTS  
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**29. FINANCIAL INSTRUMENTS (CONTINUED)**

**(e) Fair value (Continued)**

|                         | Carrying amount |            | Fair value of financial instruments carried at fair value |
|-------------------------|-----------------|------------|---|
|                         | USD             | KHR'000    | USD   |
| <b>Other investment</b> |                 |            |   |
| 31 December 2024        | 5,600,000       | 22,540,000 | 5,600,000   |
| 31 December 2023        | 5,600,000       | 22,876,000 | 5,600,000   |

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the significant unobservable.

Fair value of financial instruments carried at FVTOCI

| Description                                   | Valuation technique     | Significant unobservable input                                      | Relationship of unobservable inputs to fair value                   |
|---|-------------------------|---|---|
| Investment in unquoted equity shares (FVTOCI) | Dividend discount model | Intrinsic value approach based on a 10-year dividend discount model | Increase in the dividend would result in an increase in fair value. |

Fair value of other financial instruments

The fair value of the other financial assets and liabilities are not materially different from their carrying amounts due to relatively short-term in nature or the interest is close to current market rates.

**30. CAPITAL MANAGEMENT**

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratio in order to support its business and maximise shareholder value. The Company manages its capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies and processes during the years ended 31 December 2024 and 31 December 2023.

**31. COMPARATIVE FIGURES**

**Reclassification**

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**31. COMPARATIVE FIGURES (CONTINUED)**

**Reclassification (Continued)**

Summary of changes arising from the reclassifications are shown below:

|  | As<br>previously<br>stated<br>USD | Reclassification<br>USD | As reclassified<br>USD | KHR'000            |
|--|-----------------------------------|-------------------------|------------------------|--------------------|
| <b>2023</b>                            |                                   |                         |                        |                    |
| <b>Statement of financial position</b> |                                   |                         |                        |                    |
| <b>Non-current assets</b>              |                                   |                         |                        |                    |
| Right-of-use assets                    | 26,793,822                        | 5,295,985               | 32,089,807             | 131,086,862        |
| Deposit                                | 5,600,000                         | (5,295,985)             | 304,015                | 1,241,901          |
|  | <u>32,393,822</u>                 | <u>-</u>                | <u>32,393,822</u>      | <u>132,328,763</u> |
| <b>Statement of cash flow</b>          |                                   |                         |                        |                    |
| <b>Operating activities</b>            |                                   |                         |                        |                    |
| <u>Changes in working capital:</u>     |                                   |                         |                        |                    |
| Trade and other payables               | (1,133,089)                       | 1,251,367               | 118,278                | 486,122            |
| <b>Financing activities</b>            |                                   |                         |                        |                    |
| Repayments of lease liabilities        |                                   |                         |                        |                    |
| - Interest                             | -                                 | (1,251,367)             | (1,251,367)            | (5,143,118)        |

**32. SEGMENT INFORMATION**

The Company is a diversified company which derives its revenue and profits from a variety of sources. The Company's chief operating decision maker, i.e. the chief executive officer ("CEO"), considers the business from different products and services and has identified one reportable segment.

- |                  |   |   |
|------------------|---|---|
| Ford             | - | Marketing and sale of Ford's vehicles, service and spare parts.   |
| Other operations | - | Marketing and sale of machinery, equipment, maintenance and servicing of equipment, vehicles and spare parts other than Ford. |
- None of these operations met the quantitative thresholds for reportable segments.

**Segment profit**

Segment performance issued to measure performance as CEO believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Performance is evaluated based on operating profit or loss which is measured differently from operating profit or loss in the financial statements.

**Segment assets**

The total of segment asset is measured based on all assets of a segment, as included in the internal reports that are reviewed by the CEO.

**Segment liabilities**

The total of segment liability is measured based on all liabilities of a segment, as included in the internal reports that are reviewed by the CEO.

**NOTES TO THE FINANCIAL STATEMENTS  
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**32. SEGMENT INFORMATION (CONTINUED)**

The table below shows the segment information for the reportable segments for the year ended 31 December 2024 and 2023:

|                               | Ford               |                      | Other operations  |                    | Corporate and elimination |                     | Total              |                      |
|-------------------------------|--------------------|----------------------|-------------------|--------------------|---------------------------|---------------------|--------------------|----------------------|
|                               | USD                | KHR'000              | USD               | KHR'000            | USD                       | KHR'000             | USD                | KHR'000              |
| <b>As at 31 December 2024</b> |                    |                      |                   |                    |                           |                     |                    |                      |
| Total segment revenue         | 342,813,216        | 1,395,592,602        | 69,995,774        | 284,952,796        | -                         | -                   | 412,808,990        | 1,680,545,398        |
| Inter segment revenue         | -                  | -                    | -                 | -                  | (12,146,820)              | (49,449,704)        | (12,146,820)       | (49,449,704)         |
|                               | <u>342,813,216</u> | <u>1,395,592,602</u> | <u>69,995,774</u> | <u>284,952,796</u> | <u>(12,146,820)</u>       | <u>(49,449,704)</u> | <u>400,662,170</u> | <u>1,631,095,694</u> |
| Revenues from:                |                    |                      |                   |                    |                           |                     |                    |                      |
| - External customers          | 312,784,107        | 1,273,344,099        | 49,885,719        | 203,084,762        | -                         | -                   | 362,669,826        | 1,476,428,861        |
| - Related parties             | 30,029,109         | 122,248,503          | 20,110,055        | 81,868,034         | (12,146,820)              | (49,449,704)        | 37,992,344         | 154,666,833          |
|                               | <u>342,813,216</u> | <u>1,395,592,602</u> | <u>69,995,774</u> | <u>284,952,796</u> | <u>(12,146,820)</u>       | <u>(49,449,704)</u> | <u>400,662,170</u> | <u>1,631,095,694</u> |
| <b>Segment profit (*)</b>     | <u>30,379,397</u>  | <u>123,674,525</u>   | <u>1,110,965</u>  | <u>4,522,738</u>   | <u>-</u>                  | <u>-</u>            | <u>31,490,362</u>  | <u>128,197,263</u>   |
| <b>As at 31 December 2023</b> |                    |                      |                   |                    |                           |                     |                    |                      |
| Total segment revenue         | 386,112,678        | 1,586,923,107        | 58,951,381        | 242,290,176        | -                         | -                   | 445,064,059        | 1,829,213,283        |
| Inter segment revenue         | -                  | -                    | -                 | -                  | (7,019,754)               | (28,851,189)        | (7,019,754)        | (28,851,189)         |
|                               | <u>386,112,678</u> | <u>1,586,923,107</u> | <u>58,951,381</u> | <u>242,290,176</u> | <u>(7,019,754)</u>        | <u>(28,851,189)</u> | <u>438,044,305</u> | <u>1,800,362,094</u> |
| Revenues from:                |                    |                      |                   |                    |                           |                     |                    |                      |
| - External customers          | 349,116,151        | 1,434,867,381        | 50,305,088        | 206,753,912        | -                         | -                   | 399,421,239        | 1,641,621,293        |
| - Related parties             | 36,996,527         | 152,055,726          | 8,646,293         | 35,536,264         | (7,019,754)               | (28,851,189)        | 38,623,066         | 158,740,801          |
|                               | <u>386,112,678</u> | <u>1,586,923,107</u> | <u>58,951,381</u> | <u>242,290,176</u> | <u>(7,019,754)</u>        | <u>(28,851,189)</u> | <u>438,044,305</u> | <u>1,800,362,094</u> |
| <b>Segment profit (*)</b>     | <u>43,443,435</u>  | <u>178,552,518</u>   | <u>1,588,715</u>  | <u>6,529,619</u>   | <u>-</u>                  | <u>-</u>            | <u>45,032,150</u>  | <u>185,082,137</u>   |

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**32. SEGMENT INFORMATION (CONTINUED)**

The table below shows the segment information for the reportable segments for the year ended 31 December 2024 and 2023:

|                           | <b>Ford</b> |                | <b>Other operations</b> |                | <b>Corporate and elimination</b> |                | <b>Total</b> |                |
|---------------------------|-------------|----------------|-------------------------|----------------|----------------------------------|----------------|--------------|----------------|
|                           | <b>USD</b>  | <b>KHR'000</b> | <b>USD</b>              | <b>KHR'000</b> | <b>USD</b>                       | <b>KHR'000</b> | <b>USD</b>   | <b>KHR'000</b> |
| <b>31 December 2024</b>   |             |                |                         |                |                                  |                |              |                |
| Total segment assets      | 138,961,399 | 559,319,631    | 79,558,267              | 320,222,025    | -                                | -              | 218,519,666  | 879,541,656    |
| Total segment liabilities | 68,541,039  | 275,877,683    | 20,841,073              | 83,885,318     | -                                | -              | 89,382,112   | 359,763,001    |
| <b>31 December 2023</b>   |             |                |                         |                |                                  |                |              |                |
| Total segment assets      | 191,734,092 | 783,233,766    | 75,955,433              | 310,277,944    | -                                | -              | 267,689,525  | 1,093,511,710  |
| Total segment liabilities | 121,211,121 | 495,147,429    | 22,389,796              | 91,462,317     | -                                | -              | 143,600,917  | 586,609,746    |



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**32. SEGMENT INFORMATION (CONTINUED)**

(\*) A reconciliation of segment profit to operating profit before tax is provided as follows:

|  | <b>2024</b>       |                   | <b>2023</b>       |                    |
|--|-------------------|-------------------|-------------------|--------------------|
|  | <b>USD</b>        | <b>KHR'000</b>    | <b>USD</b>        | <b>KHR'000</b>     |
| <b>Segment profit</b>  | 31,490,362        | 128,197,263       | 45,032,150        | 185,082,137        |
| Depreciation of:   |                   |                   |                   |                    |
| - Property and equipment   | (4,463,902)       | (18,172,545)      | (3,666,578)       | (15,069,636)       |
| - Right-of-use assets  | (2,129,406)       | (8,668,812)       | (1,616,480)       | (6,643,733)        |
| Finance costs  | (6,139,270)       | (24,992,968)      | (7,156,314)       | (29,412,451)       |
| Finance income   | 1,038,603         | 4,228,153         | 638,097           | 2,622,579          |
| (Impairment loss)/reversal of<br>impairment loss on trade<br>receivables | (22,685)          | (92,351)          | 6,261             | 25,733             |
| Reversal of provision on warranty  | -                 | -                 | 998,000           | 4,101,780          |
| Investment in associate  |                   |                   |                   |                    |
| - Reversal of provision  | 250,000           | 1,017,750         | -                 | -                  |
| - Share of results of associate -<br>net of tax                          | 419,536           | 1,707,931         | -                 | -                  |
| Slow-moving inventories  |                   |                   |                   |                    |
| - (Reversal)/provision<br>recognised                                     | 875,223           | 3,563,033         | (557,228)         | (2,290,207)        |
| - Write-off  | 318,321           | 1,295,885         | 244,306           | 1,004,098          |
| <b>Profit before tax</b>   | <b>21,636,782</b> | <b>88,083,339</b> | <b>33,922,214</b> | <b>139,420,300</b> |

**33. SIGNIFICANT EVENT SUBSEQUENT TO THE END OF THE YEAR**

On 14 March 2025, the Company has obtained the right to sale and provide the after sale services for the Vehicle brand Peugeot.

**34. AUTHORISATION OF FINANCIAL STATEMENTS**

The financial statements of the Company for the financial year ended 31 December 2024 were authorised for issue in accordance with a resolution of the Directors dated 31 March 2025.

Baker Tilly (Cambodia) Co., Ltd.  
Certified Public Accountants

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Ref no: GA/0037/0325/R001-0067/KMT

## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF R M A (CAMBODIA) PLC.**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the financial statements of R M A (Cambodia) PLC. (the "Company"), which comprise the statement of financial position as at 31 December 2024, 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 material accounting policy information, as set out on pages 5 to 47.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with the 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 *Auditors' 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' *Code of Ethics for Professional Accountants* ("IESBA Code"), and the ethical requirements that are relevant to our audit of the financial statements in Cambodia, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key Audit Matter

Key audit matter are those matters that, in our professional judgement, were of most significant in our audit of the financial statements of the Company for the current year. The matter described below was 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 the matter.

### Valuation of inventories

#### Refer to Note 3.5, Note 4(b) and Note 9 to the financial statements

As at 31 December 2024, the carrying values of inventories of the Company amounted to USD89,530,396.

The Company holds significant levels of inventories which consisted of mainly motor vehicles and spare parts. The ability of the Company to sell the inventories in the future may be adversely affected by many factors including changes in consumers' preferences, competitors' activities including pricing and the introduction of new car models. As a result, there is a risk that certain models may be sold below the carrying value and may need to be written down to their net realizable value ("NRV"). It is a significant area for our audit as establishing the valuation of the inventories requires management to make estimates and judgements in determining the appropriateness of the write-down of the inventories to NRV.

Accordingly, we have identified this as key audit matter.

Our audit procedures in this area included, among others:

- We obtained an understanding of the assessment performed by the management to arrive at the NRV of inventories;
- We tested the cost of inventories by model;
- We compared the inventory levels to recent sales trend of the Company; and
- We compared the cost of inventories against the expected selling price less cost to sell by model. The expected selling price less cost to sell was derived from post-year end published selling price by model net of estimate discounts and estimated sales incentives, and other related costs to sell.

Based on the above procedures performed, we did not identify any material exceptions.

## Information Other than the Financial Statements and Auditors' Report Thereon

The management of the Company is responsible for the other information. The other information comprises the Annual Report and Directors' Report (but does not include the financial statements of the Company and our auditors' report thereon). The Directors' Report was obtained prior to the date of this auditors' report, and other sections included in the annual report are expected to be made available to us after that date.

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

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

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' 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 directors, and respond to that matter in accordance with the requirement of CIAS 720 (revised).



## **Responsibilities of the Management and Those Charged with Governance for the Financial Statements**

Management of the Company is responsible for the preparation of financial statements so as to give a true and fair view in accordance with CIFRSs. Management is also responsible for such internal controls as the management determine are 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 of the Company, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- conclude on the appropriateness of the management's 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 auditors' report to the related disclosures in the financial statements of the Company 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 auditors' 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 of the Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

### Auditors' Responsibilities for the Audit of the Financial Statements

We communicate with those charged with governance 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 those charged with governance with a statement that we have complied with the 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, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determined 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 auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determined that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh public interest benefits of such communication.



**Baker Tilly (Cambodia) Co., Ltd.**  
Certified Public Accountants

Phnom Penh, Kingdom of Cambodia

Date: 31 MAR 2025



**Peou Dara**  
Certified Public Accountant