MTSH MYANMAR THILAWA SEZ HOLDINGS PUBLIC CO. LTD.
Shwe Zabu River View Complex, 23G-1, No.3B, Tower (A), Penthouse-01 & 02, Strand Road, Ahlone Township, Yangon, Myanmar. Tel: (+951) 2301731, Email: info@mtshmyanmar.com

Date: June 27th , 2024

Notice of Financial Results for Financial Year 2023-2024

Myanmar Thilawa SEZ Holdings Public Company Limited ("MTSH") hereby releases its consolidated financial statements for the financial year ended March 31st, 2024 which is prepared in accordance with the International Financial Reporting Standards (IFRS) and reviewed by the Independent Auditors.

Such financial statements and its notes have been approved by the Board of Directors on June 24th, 2024.

Tun Lwin

Board Secretary

MYANMAR THILAWA SEZ HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

Currency – Myanmar Kyat (In Thousands)

MYANMAR THILAWA SEZ HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED 31 MARCH 2024

Contents	**Page**

Shwe Zabu River View Complex, 23G-1, No.3B, Tower (A), Penthouse-01 & 02, Strand Road, Ahlone Township,
Yangon, Myanmar. Tel: (+951) 2301731, Email: info@mtshmyanmar.com

MYANMAR THILAWA SEZ HOLDINGS PUBLIC CO., LTD. MTSH

STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR MYANMAR THILAWA SEZ HOLDINGS PUBLIC COMPANY LIMITED

It is the responsibility of the management to prepare the consolidated financial statements which give a true and fair view of the consolidated financial position of **Myanmar Thilawa SEZ Holdings Public Company Limited (the Company) and its subsidiary (the Group)** as at 31 March 2024, the consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. In preparing these consolidated financial statements, the management is required to:

- Select suitable accounting policies and then apply them consistently; and
- Make judgments and estimates that are reasonable and prudent.

The management is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the consolidated financial position of the Group. We have general responsibility for taking such steps as are reasonably open to us to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

On behalf of Management

WIN AUNG
Chairman
MYANMAR THILAWA SEZ HOLDINGS PUBLIC CO., LTD.

24 June 2024

Ref: 200/ M-255/ March 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of Myanmar Thilawa SEZ Holdings Public Company Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **Myanmar Thilawa SEZ Holdings Public Company Limited ("the Company") and its subsidiary ("the Group")**, which comprise the consolidated statement of financial position as at 31 March 2024, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and the provisions of the Myanmar Companies Law.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Myanmar, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Key audit matters	**How our audit addressed the key audit matters**
Investment in associate Refer to Notes 2.4 and 8 of the consolidated financial statements. Investment in associate from MJTD was Kyats 46,327,725 (In Thousands) as at 31 March 2024.	Our audit procedures to assess the carrying value of the investment in associate, amongst other, included the following: Communicated with the component auditor to

This carrying amounts represented 50% of the Group's total assets as at 31 March 2024 which was most significance to the Group's financial position and there was a heightened risk that the component auditor may have failed to detect misstatements. We considered this as a key audit matter.	obtain an understanding of the nature, scope, and timing of the audit procedures performed by the component auditor which include an understanding of the component auditor's assessment of the associate's risks, significant accounting policies, and key audit matters. Reviewed the component auditor's work papers to assess the quality of the audit work performed by the component auditor. Reviewed the component auditor's report to ensure that it is consistent with the Group auditor's understanding of the component's financial information. Performed discussion with the component auditor regarding the susceptibility of the component to material misstatement of the financial information due to fraud and error, and reviewed the component auditor's documentation of identified significant risks of material misstatement of the Group's financial statements. Communicated with the component auditor on a timely basis for its requirements (work to be performed, the use to be made of that work, and the form and content of the component auditor's communication with the Group engagement team). Evaluated the audit evidence obtained from the component auditor and any additional audit procedures performed by the Group auditor to form an opinion on the component's financial information. Evaluated the component's financial statements to determine whether there were any material misstatements that could have a significant impact on the Group's consolidated financial statements. Considered the adequacy of related disclosures in the consolidated financial statements in terms of applicable accounting standards.
Investment property Refer to Notes 2.5 and 10 of the consolidated financial statements. Investment property, being held for capital appreciation and/or yields, is stated at cost less accumulated depreciation and any impairment losses.	Our audit procedures to assess the valuation of carrying value of the investment property, amongst other, included the following: Evaluated the assumption and judgment adopted by management relating to growth rate and discounted rate used to derive the recoverable amount of the investment property.

Carrying value of Group's investment property as at 31 March 2024 was Kyats 3,837,837 (In Thousands). As at 31 March 2024, management conducted impairment test to assess the recoverability of the carrying value of the investment property. This was performed using discounted cash flows model to calculate the value in use. A number of key judgments were made in determining the input into the discounted cash flows model which includes expected future cash flows, growth rate and discount rate applied to the cash flows. We identify assessing the carrying value of the investment property as a key audit matter because of its significance to the consolidated financial statements and also assessing the key impairment assumptions involve a significant degree of management's judgment.	Recalculated the recoverable amount of investment property to verify the accuracy of management's calculation, ensuring that the discount rates and future cash flows projections were applied correctly. Tested the accuracy of the depreciation calculations applied to the investment property, ensuring that it was consistent with the accounting policies. Assessed whether any events or conditions subsequent to the balance sheet date, but before the issuance of the consolidated financial statements indicated that impairment losses might need to be adjusted. Considered whether the disclosures in the consolidated financial statements in respect of the impairment assessment reflected the risk inherent in the key assumptions which reference to the requirement of the relevant accounting standards.
Cash and cash equivalent Refer to Notes 2.10 and 14 of the consolidated financial statements. The Group has significant balances in foreign currency which need to be translated into the functional currency for the purpose of preparing the consolidated financial statements. The balances include cash and cash equivalents denominated in foreign currency. The translation of these foreign currency balances into the functional currency requires the application of the appropriate closing exchange rate at the reporting date. The determination of the correct exchange rate is critical as it has a significant impact on the reported consolidated financial position and performance of the Group. Additionally, due to the materiality of the foreign currency balances, this has been identified as a key audit matter.	Our audit procedures to assess the cash and cash equivalent, amongst other, included the following: Reviewed the Group's accounting policies and procedures for the translation of foreign currency balances and assessed the design and implementation of controls related to the identification and translation of foreign currency balances. Obtained and reviewed the closing exchange rate used by the Group for translating foreign currency balances and compared these rates to independently obtain market exchange rate as of the reporting date to ensure the accuracy and appropriateness. Selected a sample of foreign currency balances and re-performed the translation calculation to verify the accuracy of the translation into the functional currency and tested the completeness and accuracy of the foreign currency balances by tracing them back to the supporting documentation. Assessed the adequacy of the Group's disclosure regarding the sensitivity of the financial instruments to changes in foreign exchange rate and the related financial risk.

Considered the adequacy of related disclosures in the consolidated financial statements in terms of applicable accounting standards.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs and the provisions of the Myanmar Companies Law, and for such internal control as management determines is necessary to enable the preparation of consolidate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 consolidated financial statements.

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

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

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

Report on Other Legal and Regulatory Requirements

In accordance with the provisions of Myanmar Companies Law, we also report that:
(i) we have obtained all the information and explanations we have required; and
(ii) financial records have been maintained by the Company and its subsidiary as required by Section 258 of the Law.

Win Thin & Associates Ltd. ★ AUDITORS ★ Certified Public Accountants

Saw Nelson (PAPP-400)
Engagement Partner
Win Thin & Associates Ltd
Certified Public Accountants
Firm Registration No. ACC 008

24 June 2024

MYANMAR THILAWA SEZ HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024
Currency – Myanmar Kyat (In Thousands)

	Note	2024	2023
Assets			
Non-current assets			
Property, plant and equipment	6	**3,054,531**	3,157,606
Intangible asset	7	**522**	842
Investment in associate	8	**46,327,725**	45,043,553
Other investment	9	**10,000**	10,000
Investment property	10	**3,837,837**	3,954,339
Deferred tax assets	11	**50,583**	44,486
Net receivable under installment sales	12	**297,100**	426,133
Other assets	13	**351,716**	342,891
		53,930,014	52,979,850
Current assets			
Cash and cash equivalents	14	**11,280,884**	12,954,628
Trade and other receivables	15	**1,334,828**	1,683,548
Inventories	16	**25,774,896**	25,945,726
		38,390,608	40,583,902
		92,320,622	93,563,752
Equity and liabilities			
Equity			
Issued and paid-up share capital	17	**38,929,150**	38,929,150
Retained profits		**43,430,288**	44,061,874
		82,359,438	82,991,024
Non-controlling interest		**7,784,637**	7,712,738
		90,144,075	90,703,762
Non-current liabilities			
Advance from customers		**34,154**	730,120
		34,154	730,120
Current liabilities			
Trade and other payables	18	**1,662,363**	2,070,417
Borrowing	19	**440,000**	–
Current tax liability		**40,030**	59,453
		2,142,393	2,129,870
		92,320,622	93,563,752

The notes on pages 11 to 29 are an integral part of these consolidated financial statements.

Authenticated by:

MYINT ZAW
Chief Executive Officer
Myanmar Thilawa SEZ Holdings Public Co., Ltd.

Yu War Tun
Chief Financial Officer
MYANMAR THILAWA SEZ HOLDINGS PUBLIC CO.,LTD.

WIN AUNG
Chairman
MYANMAR THILAWA SEZ HOLDINGS PUBLIC CO., LTD.

TUN LWIN
Vice Chairman
MYANMAR THILAWA SEZ HOLDINGS PUBLIC CO., LTD.

MYANMAR THILAWA SEZ HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2024
Currency – Myanmar Kyat (In Thousands)

	Note	**2024**	2023
Revenue	20	**3,626,492**	3,162,807
Cost of sales	21	**(1,324,425)**	(1,481,649)
Gross profit		**2,302,067**	1,681,158
Other income	22	**132,199**	101,302
Realised exchange gains/ (losses)		**(53,086)**	456,946
Unrealised exchange gains	23	–	1,701,517
Loss on disposal of property, plant and equipment		–	(103)
Selling, marketing and business development expenses	21	**(24,445)**	(19,080)
Administrative expenses	21	**(2,219,201)**	(1,791,003)
Finance costs		**(23,554)**	–
Profit for the year		**113,980**	2,130,737
Share of profit of associate	8	**1,274,953**	2,537,276
Profit before tax		**1,388,933**	4,668,013
Income tax expense	24	**(2,162)**	(63,021)
Net profit for the year		**1,386,771**	4,604,992
Other comprehensive income for the year		–	–
Total comprehensive income for the year		**1,386,771**	4,604,992
Profit attributable to:			
Equity holders of the Group		**1,314,872**	4,398,263
Non-controlling interests		**71,899**	206,729
Total comprehensive income attributable to:			
Equity holders of the Group		**1,314,872**	4,398,263
Non-controlling interests		**71,899**	206,729
Earnings per share (K per share)			
Basic earnings per share	25	**34**	113
Diluted earnings per share	25	**34**	113

The notes on pages 11 to 29 are an integral part of these consolidated financial statements.

MYANMAR THILAWA SEZ HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2024

Currency – Myanmar Kyat (In Thousands)

	Issued and paid-up share capital	Retained profits	Non-controlling interest	Total equity
Balance at 1 April 2023	**38,929,150**	**44,061,874**	**7,712,738**	**90,703,762**
Comprehensive income				
Profit for the year	–	**1,314,872**	**71,899**	**1,386,771**
Other comprehensive income for the year	–	–	–	–
Total comprehensive income for the year	–	**1,314,872**	**71,899**	**1,386,771**
Contributions from and distributions to owners				
Issue of share capital	–	–	–	–
Dividend	–	**(1,946,458)**	–	**(1,946,458)**
Total contributions from and distributions to owners	–	**(1,946,458)**	–	**(1,946,458)**
Balance at 31 March 2024	**38,929,150**	**43,430,288**	**7,784,637**	**90,144,075**
Balance at 1 April 2022	38,929,150	39,663,611	7,806,009	86,398,770
Comprehensive income				
Profit for the year	–	4,398,263	206,729	4,604,992
Other comprehensive income for the year	–	–	–	–
Total comprehensive income for the year	–	4,398,263	206,729	4,604,992
Contributions from and distributions to owners				
Issue of share capital	–	–	–	–
Dividend	–	–	(300,000)	(300,000)
Total contributions from and distributions to owners	–	–	(300,000)	(300,000)
Balance at 31 March 2023	38,929,150	44,061,874	7,712,738	90,703,762

The notes on pages 11 to 29 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024
Currency – Myanmar Kyat (In Thousands)

	Note	**2024**	2023
Cash flows from operating activities			
Profit before tax		**1,388,933**	4,668,013
Adjustments for non-cash items:			
Depreciation		**373,449**	348,155
Amortisation		**320**	596
Write-off		**925**	736
Loss on disposal		–	103
Unrealised profit adjustment		**(47,258)**	(18,342)
Share of profit of associate		**(1,274,953)**	(2,537,276)
Operating profit before working capital changes		**441,416**	2,461,985
Changes in working capital			
Trade and other receivables		**470,071**	(528,764)
Inventories		**203,537**	679,348
Trade and other payables		**(408,054)**	236,650
Advance from customers		**(695,966)**	(502,282)
		11,004	2,346,937
Income tax paid		**(20,000)**	(54,739)
Net cash (used in)/ provided by operating activities		**(8,996)**	2,292,198
Cash flows from investing activities			
Purchase of property, plant and equipment		**(149,465)**	(21,140)
Proceed from disposal of property, plant and equipment		–	1,974
Other assets		**(8,825)**	(1,832)
Net cash used in investing activities		**(158,290)**	(20,998)
Cash flows from financing activities			
Dividend paid to shareholders		**(1,946,458)**	(300,000)
Proceed from borrowing		**740,000**	–
Repayment of borrowing		**(300,000)**	–
Net cash used in financing activities		**(1,506,458)**	(300,000)
Net (decrease)/ increase in cash and cash equivalents		**(1,673,744)**	1,971,200
Cash and cash equivalents at beginning of year		**12,954,628**	10,983,428
Cash and cash equivalents at end of year	14	**11,280,884**	12,954,628

The notes on pages 11 to 29 are an integral part of these consolidated financial statements.

1. General information

Myanmar Thilawa SEZ Holdings Public Company Limited (the Company) was incorporated in the Republic of the Union of Myanmar on 3 May 2013 under the Myanmar Companies Act. The Act has been replaced by the Myanmar Companies Law 2017. As such, the Company has been re-registered and issued Company Registration No. 151830293 according to the new Law.

On 26 May 2013, pursuant to the Cooperation Memorandum, the Company signed a Memorandum of Understanding with MMST LLP (MMS Thilawa Limited Liability Partnership) for the purpose of establishing the Joint Venture Company for the development, marketing, sales and operation of the Class A Project.

On 29 October 2013, pursuant to the Memorandum of Understanding mentioned above, the Company, the Thilawa SMC (Thilawa SEZ Management Committee) and MMSTD (MMS Thilawa Development Co., Ltd) entered into the Joint Venture Agreement in connection with the establishment of the JV Company to undertake the development, construction, marketing, sales and operation of the Class A project. The Joint Venture Company was established as Myanmar Japan Thilawa Development Ltd. (MJTD).

Under the Joint Venture Agreement, subject to the satisfaction of certain prescribed conditions precedent, the Company will collectively subscribe for JV Company Shares of an initial aggregate amount of US$50,000,000 in the proportions of 41%.

The principle business activities of the Company are to:

- invest in and participate in the management of the JV Company, which will engage in the development, construction, marketing, sales and operation of the Class A Project;
- market and sell the Class A Properties to Myanmar Related Entities as exclusive agent, and market and sell the Class A Properties to parties which are not Myanmar Related Entities or Japanese Related Entities jointly with the Japanese consortium members; and
- engage in the development of Thilawa SEZ (other than the Class A Area) or any part thereof as may be determined by our Directors in their discretion.

For additional information about the Company, please refer to the Company's Prospectus dated 27 February 2014.

The registered office of the Company is Shwe Zabu River View Complex 23G-1, No. 3B, Tower (A), Penthouse - 01 & 02, Strand Road, Ahlone Township, Yangon Region, Myanmar.

The Company is listed in Yangon Stock Exchange on 20 May 2016.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The accompanying consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRSs).

In preparing these financial statements, the certain reclassifications and rearrangements have been made in comparative financial statements to conform to the classification used in current financial statements.

2.2 Foreign currency translation

(1) Functional and presentation currency

Items included in the consolidated financial statements of the Group are measured using the currency of primary economic environment in which the Group operates (the "functional currency"). The consolidated financial statements are presented in Myanmar Kyat, which is the presentation currency as well as functional currency of the Group. All amounts have been rounded to the nearest thousands, unless otherwise indicated.

(2) Transactions and balances

Foreign currency transactions are translated into the functional currency at the exchange rate prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

2.3 Group Accounting

(a) Subsidiaries

Consolidation

Subsidiaries are entities (including special purpose entities) over which the Group has power to govern the financial and operating policies so as to obtain benefits from its activities, generally accompanied by a shareholding giving rise to a majority of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

In preparing the consolidated financial statements, transactions, balances and recognised gains on transactions between Group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests are that part of the net results of operations and of net assets of a subsidiary attributable to the interests which are not owned directly or indirectly by the equity holders of the Group. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(b) Associated companies

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above but not exceeding 50%. Investments in associated companies are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses.

(c) Equity method of accounting

In applying the equity method of accounting, the Group's share of its associated companies' post-acquisition profits or losses are recognised in profit or loss and its share of post-acquisition other comprehensive income is recognised in other comprehensive income. These post-acquisition movements and distributions received from the associated companies are adjusted against the carrying amount of the investments. When the Group's share of losses in an associated company equals to or exceeds its interest in the associated company, including any other unsecured non-current receivables, the Group does not recognise further losses, unless it has obligations to make or has made payments on behalf of the associated company.

Unrealised gains on transactions between the Group and its associated companies are eliminated to the extent of the Group's interest in the associated companies. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The accounting policies of associated companies have been changed where necessary to ensure consistency with the accounting policies adopted by the Group.

2.4 Investment in associate

Investment in associate is initially recognised at the transaction price (including transaction costs) under the equity method of accounting and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The investor's share of the profit or loss of the investee is recognised in the investor's profit or loss. Distributions received from an investee reduce the carrying amount of the investment.

2.5 Investment property

Investment property is property held to earn rental and/or capital appreciation (or both). Investment property is initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated using a straight-line method to allocate the depreciable amounts over the estimated useful lives of fifty years or the balance of land use right.

The residual values, useful lives and depreciation method of investment property are reviewed, and adjusted as appropriate, at each consolidated statement of financial position date. The effects of any revision are included in profit or loss when the changes arise.

2.6 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure 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.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is de-recognised. All other repairs and maintenance are charged to the profit or loss during the year in which they are incurred.

Depreciation on assets under construction commences when the assets are ready for their intended use. Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residuals values using the straight-line method over their estimated useful lives. The estimated depreciation rates are as follows:

Leasehold land	2.19%
Plant	5%
Transformers	2.17%
Building	2%-2.17%
Waste storage house	5%
Machinery and equipment	20%
Motor vehicle	20%
Computer equipment	20%
Furniture and equipment	10% - 40%
Office renovation	5% - 20%
Solar power system	0.083% - 20%

The residual values and useful lives of assets are reviewed, and adjusted if appropriate, at the end of the reporting year. The effects of any revision are recognised in profit or loss when the changes arise.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other gains/ (losses) – net' in the consolidated statement of comprehensive income.

2.7 Intangible asset

Accounting and payroll software

Accounting and payroll software license is initially capitalised at cost which includes the purchase prices (net of any discounts and rebates) and other directly attributable costs of preparing the asset for its intended use. Direct expenditures are added to the original cost of the software. Costs associated with maintaining the accounting software license are expensed off when incurred.

Computer software license is subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over their estimated useful lives of five years equivalent to 20%.

The amortisation year and amortisation method of intangible asset is reviewed at least at each consolidated statement of financial position date. The effects of any revision are recognised in profit or loss when the changes arise.

2.8 Construction contracts

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the consolidated statement of financial position date ("percentage-of-completion method"). When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that are likely to be recoverable. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Variations in contract work, claims and incentive payments are included in contract revenue when it is probable that the customer will approve the variation or negotiations have reached an advanced stage such that it is probable that the customer will accept the claim and they are capable of being reliably measured.

The stage of completion is measured by reference to the proportion of contract costs incurred to date to the estimated total costs for the contract. Costs incurred during the financial year in connection with future activity on a contract are excluded from the costs incurred to date when determining the stage of completion of a contract. Such costs are shown as construction contract work-in-progress on the consolidated statement of financial position unless it is not probable that such contract costs are recoverable from the customers, in which case, such costs are recognised as an expense immediately.

At the consolidated statement of financial position, the cumulative costs incurred plus recognised profits (less recognised losses) on each contract is compared against the progress billings. Where the cumulative costs incurred plus the recognised profits (less recognised losses) exceed progress billings, the balance is presented as due from customers on construction contracts within "trade and other receivables". Where progress billings exceed the cumulative costs incurred plus recognised profits (less recognised losses), the balance is presented as due to customers on construction contracts within "trade and other payables".

Progress billings not yet paid by customers and retentions by customers are included within "trade and other receivables". Advances received are included within "trade and other payables".

2.9 Inventories

Inventories are carried at the lower of cost and net realisable value. The cost comprises cost of land scraping cost, infrastructure development cost, direct labour and other direct cost. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

2.10 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and deposits with various local banks.

2.11 Trade and other receivables

Trade and other receivables are initially measured at fair value, and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade and other receivables are reduced by appropriate allowance for estimated irrecoverable amount.

2.12 Trade and other payables

Trade and other payables are initially measured at fair value, and subsequently measured at amortised cost using the effective interest method.

2.13 Borrowing

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the consolidated statement of financial position date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the year of the borrowings using the effective interest method.

2.14 Issued and paid-up share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

2.15 Dividends

Dividends to the Group's shareholders are recognised when the dividends are approved for payment.

2.16 Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees. Employee benefits are recognised as payable in the year in which the benefit is earned by employee. Past-service costs are recognised immediately in profit or loss.

2.17 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is a probable that an outflow of resources will be required to settle the obligations; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

2.18 Revenue

Revenue is recognised only when it is probable that the economic benefits associated with the transaction will flow to the Group. Revenue is shown net of sales (after deducting commercial tax).

(a) Rendering of services
Revenue for rendering services is recognised over time as the services are provided. The related costs are recognised in consolidated statement of profit or loss and comprehensive income when they are incurred.

(b) Sale of goods
Revenue from sales of goods is recognised when the goods are delivered and title has passed to the customer.

(c) Interest income
Interest income arising from deposit at financial institution is recognised when the effective interest method.

(d) Dividend income
Dividend income is recognised when the right to receive payment is established.

(e) Rental income
Rental income is recognised when earned on a straight-line basis over the lease term.

2.19 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method.

2.20 Income tax

Current income tax assets and liabilities for the current year are measured at the amount expected to be recovered from or paid to the taxation authorities. The current income tax is calculated on the basic of the tax rate and tax law enacted or substantially enacted at the end of the reporting year. Current income tax is recognised in profit or loss.

Deferred tax is recognised on the differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset realised based on the tax rates that have been enacted or substantively enacted by the end of the reporting year. Deferred tax is recognised as an expense or income in profit or loss, except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively).

3. Significant accounting judgments and estimates

The preparation of the Group's consolidated financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of revenues, expenses, assets and liabilities. Actual results may differ from these estimates.

Estimate and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the year in which the estimates are revised and in any future year affected.

Infrastructure development costs

Infrastructure development costs of land are recorded as inventories during the construction stage and an apportionment of these costs will be recognised in the consolidated statement of comprehensive income upon the recognition of the revenue of the land under development.

These infrastructure costs comprise of awarded contracts and an estimation of future ones. The total costs were estimated by a third-party professional Quantity Surveyor and periodically re-validated internally.

Before the final settlement of the development costs and other costs relating to the land under development, these costs are based on management's best estimate. Where the final settlement of costs and the related cost allocation is different from the initial estimates, any increase or decrease in the development costs and other costs would affect the profit or loss in future years.

4. Financial instruments and financial risks

Overview

The main areas of financial risks faced by the Group and the policy in respect of the major areas of treasury activity are set out as follows:

- Foreign exchange risk
- Credit risk
- Market risk
- Liquidity and cash flows risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk.

Foreign exchange risk

The Group is exposed to foreign exchange risk due to assets and liabilities denominated in foreign currencies. There is a significant financial risk arising from the fluctuation of foreign exchange rate, which accounted for the highest proportion of the Group's realised exchange gains/ (losses) transaction in the income statement.

The Group's exposures to foreign currency risk based on notional amount as follows:

Myanmar Kyat (In Thousands)	**2024**	2023
Cash and cash equivalents	**10,248,935**	13,510,989
Trade and other receivables	**17,640**	28,004
Trade and other payables	**(8,851)**	(73,078)
Net financial assets	**10,257,724**	13,465,915

Foreign currency sensitivity

The following analysis details the sensitivity to a 10% increase/ decrease in the Myanmar Kyat against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk exposures internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates, which is the change in foreign exchange rate that management deems reasonably possible which will affect outstanding foreign currency denominated monetary items at year end. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 10% change in foreign currency rates.

If the United States Dollars were to strengthen by 10% against the functional currency, profit before tax for the years will be increased by:

Myanmar Kyat (In Thousands)	**Profit before tax**
31 March 2024	
USD 10% strengthening	**851,391**
31 March 2023	
USD 10% strengthening	864,915

If the United States Dollars were to weaken by 10% against the functional currency, there will be opposite impact on profit before tax for the years.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group and Group's receivables from third party customers. The internal audit group always reviews on the current consolidated financial statements on this aspect of credit risk.

Trade receivables

The Group has a credit policy in place which establishes credit limits for customers and management monitors their balances on an ongoing basis. Credit evaluations are performed on all customers requiring credit, taking into account their credit worthiness and past payment experience with the Group.

Summarize below is the information about the credit risk exposure on the Group's trade receivables.

31 March 2024	Current	1-30 days past due	31-90 days past due	91-180 days past due	More than 180 days past due	Total
			Myanmar Kyat (In thousands)			
Carrying amount	**667**	**33,340**	**45,948**	**–**	**6,301**	**86,256**

31 March 2023	Current	1-30 days past due	31-90 days past due	91-180 days past due	More than 180 days past due	Total
			Myanmar Kyat (In thousands)			
Carrying amount	678	471,089	43,723	45,606	30,717	591,813

Market risk

Market risk is the risk that changes in market prices and the uncertainty of the value of the property. The objective of the market risk management is to manage and control market exposures within acceptable parameters, while optimizing the returns.

The Group's investment property and land are located in Thilawa Special Economic Zone, from which a substantial amount of the Group's revenue is derived. The challenging and highly downward trend of investment property market condition in Myanmar affected the Group's property rental performance and financial condition in the year. The default risk of tenants and the risk of tenants' relocation were also inevitably higher under unstable economic outlook and also had an adverse impact on the revenue and results of the Group. However, the Group had proactively reviewed and taken mitigation action to reduce the impact on its property leasing business arising from the risks mentioned above, by maintaining a good quality of tenant mix, offering a competitive rental package for tenants' retention, improved property management services and refining its business strategies. These proactive and responsive measures enable our group to benefit from mitigating the impact resulting from the risks mentioned above.

Liquidity and cash flows risk

Liquidity risk is the risk of incurring losses resulting from the inability to meet payment obligations in a timely manner when they become due or from being unable to do so at a sustainable cost.

The Group monitors the liquidity risk through conscious financial planning and analysis and by forecasting cash flows regularly, monitoring and optimizing net working capital and ability of the Group to meet its financial obligations. The Group maintains sufficient cash and cash equivalents, and internally generated cash flows to finance their activities.

5. Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. Expansions of new projects are analytically screened by possibility studies including financial projection with discounted cash flows method.

6. Property, plant and equipment

Myanmar Kyat (In Thousands)	Leasehold land	Plant	Transformers	Building	Waste storage house	Machinery and equipment	Motor vehicle	Computer equipment	Furniture and equipment	Office renovation	Solar Power System	Total
Cost												
At 1 April 2022	404,367	1,320,512	270,557	1,143,940	4,342	67,187	423,013	110,810	543,675	555,540	–	4,843,943
Addition	–	–	–	–	–	8,529	5,748	5,874	989	–	–	21,140
Disposal	–	–	–	–	–	–	–	(4,153)	–	–	–	(4,153)
Write off (Note 21)	–	–	–	–	–	(882)	–	(1,802)	(14,610)	–	–	(17,294)
At 31 March 2023	404,367	1,320,512	270,557	1,143,940	4,342	74,834	428,761	110,729	530,054	555,540	–	4,843,636
At 1 April 2023	**404,367**	**1,320,512**	**270,557**	**1,143,940**	**4,342**	**74,834**	**428,761**	**110,729**	**530,054**	**555,540**	–	**4,843,636**
Addition	–	–	–	–	–	**3,864**	–	**16,885**	**5,157**	–	**123,559**	**149,465**
Write off (Note 21)	–	–	–	–	–	**(4,877)**	–	**(3,015)**	**(4,896)**	–	–	**(12,788)**
At 31 March 2024	**404,367**	**1,320,512**	**270,557**	**1,143,940**	**4,342**	**73,821**	**428,761**	**124,599**	**530,315**	**555,540**	**123,559**	**4,980,313**
Accumulated depreciation and impairment losses												
At 1 April 2022	(31,672)	(279,582)	(23,440)	(68,301)	(724)	(45,196)	(372,325)	(78,982)	(385,561)	(194,443)	–	(1,480,226)
Depreciation (Note 21)	(8,839)	(66,026)	(5,860)	(23,242)	(217)	(8,168)	(21,613)	(12,809)	(53,604)	(24,060)	–	(224,438)
Disposal	–	–	–	–	–	–	–	2,076	–	–	–	2,076
Write off (Note 21)	–	–	–	–	–	652	–	1,314	14,592	–	–	16,558
Impairment loss	–	–	–	–	–	–	–	–	–	–	–	–
At 31 March 2023	(40,511)	(345,608)	(29,300)	(91,543)	(941)	(52,712)	(393,938)	(88,401)	(424,573)	(218,503)	–	(1,686,030)
At 1 April 2023	**(40,511)**	**(345,608)**	**(29,300)**	**(91,543)**	**(941)**	**(52,712)**	**(393,938)**	**(88,401)**	**(424,573)**	**(218,503)**	–	**(1,686,030)**
Depreciation (Note 21)	**(8,839)**	**(66,026)**	**(5,860)**	**(23,242)**	**(217)**	**(8,144)**	**(21,123)**	**(12,086)**	**(48,230)**	**(24,060)**	**(33,788)**	**(251,615)**
Write off (Note 21)	–	–	–	–	–	**4,011**	–	**3,015**	**4,837**	–	–	**11,863**
Impairment loss	–	–	–	–	–	–	–	–	–	–	–	–
At 31 March 2024	**(49,350)**	**(411,634)**	**(35,160)**	**(114,785)**	**(1,158)**	**(56,845)**	**(415,061)**	**(97,472)**	**(467,966)**	**(242,563)**	**(33,788)**	**(1,925,782)**
Net book value												
At 1 April 2022	372,695	1,040,930	247,117	1,075,639	3,618	21,991	50,688	31,828	158,114	361,097	–	3,363,717
At 31 March 2023	363,856	974,904	241,257	1,052,397	3,401	22,122	34,823	22,328	105,481	337,037	–	3,157,606
At 31 March 2024	**355,017**	**908,878**	**235,397**	**1,029,155**	**3,184**	**16,976**	**13,700**	**27,127**	**62,349**	**312,977**	**89,771**	**3,054,531**

Bank borrowing is secured on building of the Company with carrying amounts Kyats 838,667 (In Thousands). (31 March 2023: Kyats 857,167 (In Thousands)). (Referring to Borrowing Note 19)

7. Intangible asset

Myanmar Kyat (In Thousands)	**Software**
Cost	
At 1 April 2022	9,395
Addition	–
At 31 March 2023	9,395
At 1 April 2023	**9,395**
Addition	**–**
At 31 March 2024	**9,395**
Accumulated amortisation and impairment losses	
At 1 April 2022	(7,957)
Amortisation (Note 21)	(596)
Impairment loss	–
At 31 March 2023	(8,553)
At 1 April 2023	**(8,553)**
Amortisation (Note 21)	**(320)**
Impairment loss	**–**
At 31 March 2024	**(8,873)**
Net book value	
At 1 April 2022	1,438
At 31 March 2023	842
At 31 March 2024	**522**

8. Investment in associate

Myanmar Kyat (In Thousands)	**2024**	2023
Opening balance	**45,043,553**	42,498,088
Proportionate net profit for the year	**1,274,953**	2,537,276
Unrealised profit adjustment	**9,219**	8,189
Carrying value	**46,327,725**	45,043,553

The Group's share of profit in its equity-accounted investee (i.e, Myanmar Japan Thilawa Development Limited) for the year was Kyats 1,274,953 (In Thousands) (USD 607 (In Thousands) @ Kyats 2,100) (31 March 2023: Profit Kyats 2,537,276 (In Thousands) (USD 1,208 (In Thousands) @ Kyats 2,100). The equity accounted investee is not publicly listed entity and consequentially does not have published price quotations.

The following amounts represent the assets and the liabilities and income and expenses of the associate.

USD (In Thousands)	**2024**	2023
Ownership	**41%**	41%
Current assets	**75,244**	73,391
Non-current assets	**16,499**	18,019
Total assets	**91,743**	91,410
Current liabilities	**5,860**	7,006
Non-current liabilities	**1,963**	1,965
Total liabilities	**7,823**	8,971
Net assets	**83,920**	82,439
Income	**9,175**	9,573
Expenses	**(7,694)**	(6,626)
Profit	**1,481**	2,947
Share of profit	**607**	1,208

9. Other investment (MMK 10,000,000)

The above amount represents investment in Myanmar Kyauk Phyu SEZ Holding Consortium Public Co., Ltd. by the Group.

10. Investment property

Myanmar Kyat (In Thousands)	**Land and building**
Cost	
At 1 April 2022	4,987,726
Transferred to inventories	(246,392)
At 31 March 2023	4,741,334
At 1 April 2023	**4,741,334**
Transferred from inventories	**249,197**
Transferred to inventories	**(249,197)**
At 31 March 2024	**4,741,334**
Accumulated depreciation and impairment losses	
At 1 April 2022	(552,956)
Depreciation (Note 21)	(123,717)
Transferred to inventories	2,951
Impairment loss	–
At 31 March 2023	(673,722)
At 1 April 2023	**(673,722)**
Depreciation (Note 21)	**(121,834)**
Transferred to inventories	**1,535**
Impairment loss	**–**
At 31 March 2024	**(794,021)**
Unrealised profit adjustment	
At 1 April 2022	(119,158)
At 31 March 2023	(113,273)
At 31 March 2024	**(109,476)**
Net book value	
At 1 April 2022	4,315,612
At 31 March 2023	3,954,339
At 31 March 2024	**3,837,837**

The Group's investment property at 31 March 2024 includes three buildings of workers accommodation at recreational and commercial area of Thilawa SEZ. The Directors are of the view that a fair value of the property cannot be ascertained at 31 March 2024. The opinion is based on the following facts:

1. There is no such asset of this specification in Thilawa;
2. There is no history of such similar property transacted in Thilawa; and
3. No sales of any asset type have been recorded in the Thilawa SEZ.

As such, it is not possible for a valuation to be done on a willing-buyer/willing-seller basis. As such, the market comparable approach cannot be adopted. To value the property using the income capitalisation approach, the property has to be given sufficient time for leasing, and stabilisation of that yield, for the capitalisation rate to be applied. Since occupation permit was only quite recently obtained, the rental process is only in the beginning stage. Hence, the income capitalisation approach cannot be adopted.

Given that the first two valuation methods cannot be applied, the third would be the cost approach. This assumes that a reasonable buyer would have to pay equal or more than the cost of constructing a comparable building. The cost approach is probably the most prudent in estimating the book/ reinstatement value of such an asset at 31 March 2024.

As of 31 March 2024, the Group's investment property includes:

1. Three buildings of workers accommodation
2. One unit of type A shop house facing main road

Details of the Group's investment property and information about the fair value hierarchy as at 31 March 2024 are as follows:

	Level 1	Level 2	Level 3	**Fair value as at 2024**
Investment property				
Workers accommodation	–	–	5,193,852	**5,193,852**
Unit A – Main road	450,000	–	–	**450,000**

For unit A – Main road, the fair value was derived using the market comparable approach based on recent market price of similar property with adjustment made for frontage.

For investment property categorised into Level 3 of the fair value hierarchy, the following information is relevant:

Investment property	**Valuation technique**	**Significant unobservable input(s)**	**Sensitivity**
Workers accommodation	Income capitalisation approach	Capitalisation rate	Increase in the capitalisation rate used would result decrease in fair value, and vice versa.
		Occupancy rate	Decrease in the occupancy rate used would result decrease in fair value, and vice versa.
		Monthly rental	Decrease in the monthly rental used would result decrease in fair value, and vice versa.

One unit of type A facing main road was transferred from Level 2 to Level 1 and there were no other transfer during the year.

The fair value of investment property is not based on valuation by an independent valuer.

The property rental income from the Group's investment property all of which are leased out under operating lease amounted to Kyat 178,307 (In Thousands). Direct operating expenses (including repairs and maintenance) arising from the rental – generating investment property amounted to Kyat 181,117 (In Thousands).

11. Deferred tax assets

Deferred tax is calculated by applying income tax rate on deductible temporary difference, arrived at upon deducting the carrying value from tax base amount of property, plant and equipment, intangible asset and investment property.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority. The amounts, determined after appropriate offsetting, are shown on the financial position as follows:

Myanmar Kyat (In Thousands)	**Accelerated tax depreciation on property, plant and equipment, and intangible asset**	**Accelerated tax depreciation on investment property**	**Total**
Balance at 1 April 2023	**14,780**	**29,706**	**44,486**
(Charge)/ credit to profit or loss (Note 24)	**(467)**	**6,564**	**6,097**
Balance at 31 March 2024	**14,313**	**36,270**	**50,583**
Balance at 1 April 2022	20,812	26,395	47,207
(Charge)/ debit to profit or loss (Note 24)	(6,032)	3,311	(2,721)
Balance at 31 March 2023	14,780	29,706	44,486

12. Net receivable under installment sales

The Group sold its shop houses under installment plan. Net present value of installment payments to be received are recognised as revenue and receivable. The Group use interest rate implicit in the contract as discount rate to measure the net present value. These properties are de-recognised from the inventory and carrying amount is recognised under cost of sales. The selling profit is the difference between revenue and cost of sales.

The Group recognise the finance income and allocate over the installment term.

(a) Profit from installment sales

Myanmar Kyat (In Thousands)	**2024**	2023
Profit	–	470,988

(b) Receivable under installment sales

Myanmar Kyat (In Thousands)	**2024**	2023
Gross receivable under installment sales	**488,146**	694,687
Less: Unearned finance income	**(26,296)**	(45,246)
	461,850	649,441
Less: current portion (Note 15)	**(164,750)**	(223,308)
	297,100	426,133

(c) Undiscounted installment payments to be received

Myanmar Kyat (In Thousands)	2024	2023
Within one year	**178,590**	242,259
Second to fourth years	**309,556**	452,428
	488,146	694,687

13. Other assets

Myanmar Kyat (In Thousands)	2024	2023
Logistics Dependent Industrial Area	**86,706**	86,706
Gyo Gone Redevelopment Project	**218,260**	213,460
AGRO-Industrial Park	**46,750**	42,725
	351,716	342,891

14. Cash and cash equivalents

Myanmar Kyat (In Thousands)	2024	2023
Cash in hand	**16,010**	20,159
Cash at bank	**11,264,874**	12,934,469
	11,280,884	12,954,628

15. Trade and other receivables

Myanmar Kyat (In Thousands)	2024	2023
Trade receivables from		
- Related parties* (Note 26-b)	**1,785**	421,629
- Non-related parties	**48,753**	70,797
Other receivable from non-related parties	**231,642**	19,425
Net receivable under installment sales (Note 12)	**164,750**	223,308
Accrued income from non-related parties	**21,846**	20,225
Deposit	**218,880**	219,090
Prepayments and advance	**30,200**	18,427
Advance income tax	**81,881**	89,498
Advance commercial tax	**535,091**	601,149
	1,334,828	1,683,548

* It comprises management services fees receivable from MJTD.

16. Inventories

Inventories include cost of leasehold land acquired from MJTD for the development of residential and commercial area of Thilawa Special Economic Zone. It also includes the cost of land scraping, infrastructure development, fourteen units of shop houses, shop houses construction and MSME Commercial Hub Project.

In 31 March 2024, inventories of Kyats 414,109 (In Thousands) (31 March 2023: Kyats 747,591 (In Thousands)) were recognised as an expense during the year and included in cost of sales.

17. Issued and paid-up share capital

Myanmar Kyat (In Thousands)	No. of ordinary shares issued		Issued and fully paid-up share capital	
	2024	2023	**2024**	2023
Beginning of financial year	**38,929,150**	38,929,150	**38,929,150**	38,929,150
Issued of shares	**–**	–	**–**	–
End of financial year	**38,929,150**	38,929,150	**38,929,150**	38,929,150

18. Trade and other payables

Myanmar Kyat (In Thousands)	2024	2023
Trade payables to non-related parties	**63,776**	25,721
Construction contract-due to supplier	**–**	2,580
Other payables to		
- Related parties (Note 26-b)	**–**	73,305
- Non-related parties	**42,704**	455,647
Deposit from suppliers	**8,139**	8,138
Accrued expenses	**135,848**	125,905
Unpaid dividend	**1,363,406**	1,317,939
Deferred rental income to non-related parties	**30,388**	34,113
Commercial tax	**18,102**	27,069
	1,662,363	2,070,417

19. Borrowing

Myanmar Kyat (In Thousands)	2024	2023
Overdraft facilities	**740,000**	–
Repayment overdraft facilities	**(300,000)**	–
	440,000	–

The bank overdraft facility shall be used for working capital requirements and the amount shall be classified as current liabilities. The facility has been fully secured by immovable property (Building). Interest 10% p.a. shall be calculated on the outstanding balance and shall be recognised as expenses in the consolidated statement of comprehensive income using the effective interest rate method. The facility agreement has been entered into on 25 August 2023 and the amount shall be available for drawing during the first 12 months of the facility agreement date and yearly renewals up to 3 years.

20. Revenue

Myanmar Kyat (In Thousands)	2024	2023
Management fees (Note 26-a)	**1,744,188**	1,458,441
Sale of land	**1,370,750**	–
Sale of building	**–**	1,214,022
Rental income	**178,307**	201,289
Telecommunication	**2,573**	24,989
Utilities income	**330,674**	264,066
	3,626,492	3,162,807

Management fees

Management fees are received from Myanmar Japan Thilawa Development Limited (MJTD) in consideration of management services provided by the Company for the following personnel;

(1) Chairman
(2) Vice President (Myanmar Desk)
(3) Head of Finance & Accounting
(4) Head of Administration & Human Resources
(5) Head of Community Relationship

Sale of land

The above represents the sale of land to Myint Myat Htut Khaung Co., Ltd.

Sale of building

The above represents the sale of building to U Han Soe Kyaw and Myanmar Kinan Co., Ltd.

Rental income

The above comprises of rental of billboard and rooms in dormitory, food court and shop house.

Telecommunication

The above represents the fixed element and revenue sharing variable element for granting access of fiber optic cable to telecommunication service provider.

Utilities income

The above comprises of water, electricity and common area maintenance fees from the banks, shop house, rented shops and food court.

21. Expenses by nature

Myanmar Kyat (In Thousands)	2024	2023
Construction contract cost	**(2,580)**	(44,382)
Land cost	**414,109**	–
Cost of rental and dormitory	**181,117**	156,071
Building cost – shop house	**4,227**	775,557
Utilities cost	**236,724**	181,764
Cost of management fee	**317,125**	203,750
Write off – property, plant and equipment (Note 6)	**925**	736
Depreciation of property, plant and equipment (Note 6)	**251,615**	224,438
Depreciation of investment property (Note 10)	**121,834**	123,717
Amortisation of intangible asset (Note 7)	**320**	596
Employee benefit expenses (Note 21-a)	**568,324**	574,683
Key management personnel and director compensations (Note 26-c)	**975,954**	786,061
Selling, marketing and business development expenses	**24,445**	19,080
Transportation expense	**69,438**	54,640
Listing expense	**6,920**	7,334
Other expenses	**444,832**	246,029
Unrealised profit adjustment	**(47,258)**	(18,342)
Total cost of sales, selling, marketing and business development expenses and administrative expenses	**3,568,071**	3,291,732

21-a. Employee benefit expenses

Myanmar Kyat (In Thousands)	2024	2023
Wages and salaries	**419,774**	414,375
Other benefits	**148,550**	160,308
	568,324	574,683

22. Other income

Myanmar Kyat (In Thousands)	2024	2023
Interest income	**102,358**	71,336
Miscellaneous income	**8,391**	5,347
Tender income	**2,500**	–
Finance income under lease	**18,950**	24,619
	132,199	101,302

23. Unrealised exchange gains

The above mainly include the foreign exchange gains arising from the translation at year-end exchange rate of cash and bank balances denominated in foreign currency.

24. Income tax expense

Myanmar Kyat (In Thousands)	2024	2023
Current tax on profit for the year	**40,030**	59,453
Adjustments in respect of prior year	**(31,771)**	847
Deferred income tax (Note 11)	**(6,097)**	2,721
	2,162	63,021

25. Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Group by the weighted average number of ordinary shares outstanding during the financial years.

Diluted earnings per share is calculated by dividing the net profit attributable to equity holders of the Group by the sum of the weighted average number of shares outstanding and dilutive shares.

Myanmar Kyat (In Thousands)	2024	2023
Net profit attributable to equity holders of the Group (Myanmar Kyat in thousands)	**1,314,872**	4,398,263
Total number of common shares outstanding as on reporting date (shares in thousands)	**38,929**	38,929
Weighted average number of ordinary shares outstanding and dilutive shares (shares in thousands)	**38,929**	38,929
Basic earnings per share	**34**	113
Diluted earnings per share	**34**	113
Per value of share (Myanmar Kyat)	**1,000**	1,000

26. Related party transactions

In addition to the information disclosed elsewhere in the consolidated financial statements, the following transactions took place between the holding company and the related parties at terms agreed between the parties:

(a) Sales and purchase of goods and services

Myanmar Kyat (In Thousands)	**2024**	2023
Associate (Note 20)	**1,744,188**	1,458,441

(b) Year-end balances

Myanmar Kyat (In Thousands)	**2024**	2023
Trade receivables from related parties (Note 15)		
Associate	**1,785**	421,629
Other payables to related parties (Note 18)		
Other related parties	–	73,305

Other related parties comprise of directors of the Company.

(c) Key management personnel and director compensation

Myanmar Kyat (In Thousands)	**2024**	2023
Director remuneration	**96,000**	83,677
Director bonus		
- October 2021 to March 2022	–	15,234
- April 2022 to March 2023	–	58,071
- April 2023 to March 2024	–	–
Key management personnel remuneration	**853,673**	591,579
Key management personnel bonus	**26,281**	37,500
	975,954	786,061

(d) Significant agreements with related parties

Management fees

The Company entered into management memorandums with MJTD for which to provide management services. Under the term of these memorandums, the Company is entitled to receive management fees as stipulated in the memorandum and will expire in January 2025.

27. Authorisation of financial statements

The consolidated financial statements of the Group for the year ended 31 March 2024 were authorised for issue, in accordance with a resolution of the board of directors, on 24 June 2024.