

PICASSO CITY GARDEN DEVELOPMENT PLC.
(Incorporated in the Kingdom of Cambodia)

**REPORT OF INDEPENDENT AUDITORS
ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

PICASSO CITY GARDEN DEVELOPMENT PLC.

CORPORATE INFORMATION

- Company : Picasso City Garden Development Plc.
- Registration No. : 00021493
- Registered office : Floor 19-1, Street 322, Sangkat Boeng Keng Kang 1
Khan Boeng Keng Kang, Phnom Penh
Kingdom of Cambodia
- Shareholders : Mr. Teng Cheng Yueh
Mrs. Wea Chen, Chuen Mei
Mr. Yeh Wei Kuo
Mr. Wea Huei Fu
Mr. Lin Ting Chun
Mrs. Yuan Shu Chen
Mr. Hsu Chia Chieh
Mrs. Peng Pin Chun
Titan Stone Capital (Asia) Limited
- Board of Directors : Mr. Teng Cheng Yueh, Chairman
Mrs. Teoh Seok Ai, Director
Mrs. Yang Fan, Director
- Auditors : REACHS & PARTNERS Co., Ltd.

PICASSO CITY GARDEN DEVELOPMENT PLC.

CONTENTS

	Pages
Statement of the Board of Directors	1
Independent auditors' report	2
Condensed consolidated interim statement of financial position	3
Condensed consolidated interim statement of comprehensive income	4
Condensed consolidated interim statement of changes in equity	5
Condensed consolidated interim statement of cash flows	6
Condensed separate interim statement of financial position	7
Condensed separate interim statement of comprehensive income	8
Condensed separate interim statement of changes in equity	9
Condensed separate interim statement of cash flows	10
Notes to the condensed consolidated interim financial statements	11 - 20

STATEMENT OF THE BOARD OF DIRECTORS

In the opinion of the Directors, the accompanying condensed consolidated interim financial statements of Picasso City Garden Development Plc. ("the Company") and its subsidiary (collectively referred to as "the Group"), which comprise condensed consolidated interim statement of financial position as at 31 March 2026 and the related condensed consolidated interim statement of comprehensive income, condensed consolidated interim statement of changes in equity, and condensed consolidated interim statement of cash flows for the three-month period then ended, together with the notes to thereto, are prepared, in all material respects, in accordance with Cambodian International Accounting Standard 34, 'Interim Financial Reporting'.

Signed on behalf of the Board of Directors,



Mr. Teng Cheng Yueh
Chairman

Phnom Penh, Kingdom of Cambodia
Date: 26 May 2026



PICASSO CITY GARDEN DEVELOPMENT PLC.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2026

	Note	31 March 2026		31 December 2025	
		US\$	KHR'000	US\$	KHR'000
Assets					
Current assets					
Cash and cash equivalents	6	27,063	108,279	4,664,507	18,718,667
Trade and other receivables	7	2,870,243	11,483,842	2,774,771	11,135,156
Amount due from related parties	22	485,838	1,943,838	485,673	1,949,006
Land held for development	8	11,000,000	44,011,000	11,000,000	44,143,000
Inventories	9	1,569,429	6,279,285	1,569,429	6,298,119
		15,952,573	63,826,244	20,494,380	82,243,948
Non-current assets					
Investment property	10	5,438,296	21,758,622	5,519,667	22,150,424
Property and equipment	11	3,700,715	14,806,561	3,748,410	15,042,369
Intangible asset		1,929	7,718	2,138	8,580
Right-of-use asset	12	224,053	896,436	313,863	1,259,532
Investment in private equity		508,333	2,033,840	508,333	2,039,940
Investment in associates	13	4,001,130	16,008,521	4,085,749	16,396,111
		13,874,456	55,511,698	14,178,160	56,896,956
Total assets		29,827,029	119,337,942	34,672,540	139,140,904
Liabilities					
Current liabilities					
Trade and other payables	14	5,043,719	20,179,919	4,869,521	19,541,389
Amount due to related parties	22	8,110,962	32,451,959	12,131,827	48,685,022
Lease liability		270,474	1,082,166	240,336	964,468
Borrowings - short-term		475,000	1,900,475	475,000	1,906,175
Tax payable	21	387,557	1,550,616	387,473	1,554,929
		14,287,712	57,165,135	18,104,157	72,651,983
Non-current liabilities					
Lease liabilities		888,356	3,554,312	934,955	3,751,975
Borrowings - long-term	15	6,326,267	25,311,394	6,448,538	25,877,983
		7,214,623	28,865,706	7,383,493	29,629,958
Total liabilities		21,502,335	86,030,841	25,487,650	102,281,941
Equity					
Share capital	16	2,745,351	10,981,404	2,745,351	10,981,404
Share premium	16	5,643,071	22,572,284	5,643,071	22,572,284
Other capital	8	(750,504)	(3,010,272)	(750,504)	(3,010,272)
Retained earnings		735,223	3,616,710	1,591,902	7,059,703
Currency translation differences		-	(659,189)	-	(563,851)
		8,373,141	33,500,937	9,229,820	37,039,268
Non-controlling interests		(48,447)	(193,836)	(44,930)	(180,305)
Total equity		8,324,694	33,307,101	9,184,890	36,858,963
Total liabilities and equity		29,827,029	119,337,942	34,672,540	139,140,904

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

PICASSO CITY GARDEN DEVELOPMENT PLC.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

	Note	31 March 2026		31 March 2025	
		US\$	KHR'000	US\$	KHR'000
Revenue	17	-	-	750,000	3,012,750
Cost of sales	18	(91,399)	(367,333)	(526,224)	(2,113,842)
Gross profit		(91,399)	(367,333)	223,776	898,908
Other income		8,408	33,792	6,697	26,902
General and administrative expenses	19	(479,197)	(1,925,893)	(776,992)	(3,121,177)
Loss from operation		(562,188)	(2,259,434)	(546,519)	(2,195,367)
Finance cost	20	(213,305)	(857,273)	(167,618)	(673,322)
Share of loss from associates		(84,619)	(340,084)	(94,653)	(380,221)
Loss before tax		(860,112)	(3,456,791)	(808,790)	(3,248,910)
Tax expense	21	(84)	(338)	(42,332)	(170,048)
Loss for the period		(860,196)	(3,457,129)	(851,122)	(3,418,958)
Other comprehensive income					
Currency translation differences		-	(94,733)	-	(125,334)
Total comprehensive loss		(860,196)	(3,551,862)	(851,122)	(3,544,292)
Loss attributable to:					
Owners of the Company		(856,679)	(3,442,993)	(847,786)	(3,405,556)
Non-controlling interests		(3,517)	(14,136)	(3,336)	(13,402)
		(860,196)	(3,457,129)	(851,122)	(3,418,958)
Total comprehensive loss attributable to:					
Owners of the Company		(856,679)	(3,457,129)	(847,786)	(3,531,749)
Non-controlling interests		(3,517)	(94,733)	(3,336)	(12,543)
		(860,196)	(3,551,862)	(851,122)	(3,544,292)

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

PICASSO CITY GARDEN DEVELOPMENT PLC.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

	Attributable to owners of the Company												Non-controlling Interests		Total		
	Share capital		Share premium		Other capital		Retained earnings		Currency translation differences	Total		Total					
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000		US\$	KHR'000	US\$					KHR'000
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026																	
At 1 January 2026	2,745,351	10,981,404	5,643,071	22,572,284	(750,504)	(3,010,272)	1,591,902	7,059,703	(563,851)	9,229,820	37,039,268	(44,930)	(180,305)	9,184,890	36,858,964		
Loss for the period	-	-	-	-	-	-	(856,679)	(3,442,993)	-	(856,679)	(3,442,993)	(3,517)	(14,136)	(860,196)	(3,457,129)		
Currency translation differences	-	-	-	-	-	-	-	-	(95,338)	-	(95,338)	-	605	-	(94,733)		
At 31 March 2026	2,745,351	10,981,404	5,643,071	22,572,284	(750,504)	(3,010,272)	735,223	3,616,710	(659,189)	8,373,141	33,500,937	(48,447)	(193,836)	8,324,694	33,307,101		
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025																	
At 1 January 2025	2,350,500	9,402,000	-	-	-	-	3,273,751	13,805,599	(569,990)	5,624,251	22,637,609	(32,077)	(129,110)	5,592,174	22,508,500		
Loss for the period	-	-	-	-	-	-	(847,786)	(3,405,556)	-	(847,786)	(3,405,556)	(3,336)	(13,402)	(851,122)	(3,418,958)		
Currency translation differences	-	-	-	-	-	-	-	-	(126,193)	-	(126,193)	-	860	-	(125,334)		
At 31 March 2025	2,350,500	9,402,000	-	-	-	-	2,425,965	10,400,043	(696,183)	4,776,465	19,105,860	(35,413)	(141,652)	4,741,052	18,964,208		

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

PICASSO CITY GARDEN DEVELOPMENT PLC.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

	Note	31 March 2026		31 March 2025	
		US\$	KHR'000	US\$	KHR'000
Cash flows from operating activities					
Loss before tax		(860,112)	(3,456,791)	(808,790)	(3,248,910)
<i>Adjustment for:</i>					
Depreciation and amortisation	11	50,620	203,442	46,559	187,028
Depreciation of investment property	10	81,371	327,030	81,371	326,867
Amortisation – ROU Asset	12	89,810	360,946	100,107	402,130
Finance cost		213,305	857,273	167,618	673,322
Share of loss from associates		84,619	340,084	94,653	380,221
Bad debt written off		-	-	200,160	804,043
		(340,387)	(1,368,016)	(118,322)	(475,299)
Changes in:					
Trade and other receivables		(95,263)	(382,862)	20,737	83,301
Amount due from related parties		(165)	(663)	812,730	3,264,736
Inventories		-	-	357,188	1,434,824
Amount due to related parties		(4,020,865)	(16,159,856)	(711,876)	(2,859,606)
Trade and other payables		174,198	700,102	(259,018)	(1,040,475)
Cash (used in)/generated from operation		(4,282,482)	(17,211,295)	101,439	407,481
Interest paid		(139,127)	(559,151)	(167,618)	(673,322)
Income tax paid		-	-	(51,313)	(206,124)
Net cash used in operating activities		(4,421,609)	(17,770,446)	(117,492)	(471,965)
Cash flows from investing activities					
Acquisition of property and equipment		(2,925)	(11,756)	(1,588)	(6,379)
Net cash used in investing activities		(2,925)	(11,756)	(1,588)	(6,379)
Cash flows from financing activities					
Proceed from borrowings		2,000,000	8,038,000	2,100,000	8,435,700
Repayment of borrowings		(2,165,000)	(8,701,135)	(2,228,913)	(8,953,544)
Payment of principal of lease liabilities		(47,910)	(192,550)	(5,935)	(23,841)
Net cash used in financing activities		(212,910)	(855,685)	(134,848)	(541,685)
Net changes in cash and cash equivalent		(4,637,444)	(18,637,887)	(253,928)	(1,020,029)
Cash and cash equivalents at beginning of the year		4,664,507	18,718,667	287,151	1,155,783
Currency transaction differences		-	27,499	-	(2,862)
Cash and cash equivalents at end of the year	6	27,063	108,279	33,223	132,892

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

PICASSO CITY GARDEN DEVELOPMENT PLC.

CONDENSED SEPARATE INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2026

	Note	31 March 2026		31 December 2025	
		US\$	KHR'000	US\$	KHR'000
Assets					
Current assets					
Cash and cash equivalents	6	26,606	106,451	4,663,816	18,715,894
Trade and other receivables	7	2,870,144	11,483,446	2,774,672	11,134,759
Amount due from related parties	22	510,520	2,042,591	510,520	2,048,717
Land held for development	8	11,000,000	44,011,000	11,000,000	44,143,000
Inventories	9	1,569,429	6,279,285	1,569,429	6,298,119
		15,976,699	63,922,773	20,518,437	82,340,489
Non-current assets					
Investment property	10	5,438,296	21,758,622	5,519,667	22,150,424
Property and equipment	11	3,700,715	14,806,561	3,748,410	15,042,369
Intangible asset		1,929	7,718	2,138	8,580
Right-of-use asset	12	224,053	896,436	313,863	1,259,532
Investment in private equity		508,333	2,033,840	508,333	2,039,940
Investment in associate and subsidiary	13	3,888,091	15,556,252	3,980,915	15,975,412
		13,761,417	55,059,429	14,073,326	56,476,257
Total assets		29,738,116	118,982,202	34,591,763	138,816,746
Liabilities					
Current liabilities					
Trade and other payables	14	5,017,482	20,074,946	4,844,678	19,441,693
Amount due to related parties	22	7,999,839	32,007,356	12,030,963	48,280,255
Lease liability		270,474	1,082,166	240,336	964,468
Borrowings - short-term		475,000	1,900,475	475,000	1,906,175
Tax payable	21	387,557	1,550,616	387,473	1,554,929
		14,150,352	56,615,559	17,978,450	72,147,520
Non-current liabilities					
Lease liabilities		888,356	3,554,312	934,955	3,751,975
Borrowings - long-term	15	6,326,267	25,311,394	6,448,538	25,877,983
		7,214,623	28,865,706	7,383,493	29,629,958
Total liabilities		21,364,975	85,481,265	25,361,943	101,777,478
Equity					
Share capital	16	2,745,351	10,981,404	2,745,351	10,981,404
Share premium	16	5,643,071	22,572,284	5,643,071	22,572,284
Other capital	8	(750,504)	(3,010,272)	(750,504)	(3,010,272)
Retained earnings		735,223	3,616,709	1,591,902	7,059,703
Currency translation differences		-	(659,188)	-	(563,851)
Total equity		8,373,141	33,500,937	9,229,820	37,039,268
Total liabilities and equity		29,738,116	118,982,202	34,591,763	138,816,746

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

PICASSO CITY GARDEN DEVELOPMENT PLC.

CONDENSED SEPARATE INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

	Note	31 March 2026		31 March 2025	
		US\$	KHR'000	US\$	KHR'000
Revenue	17	-	-	750,000	3,012,750
Cost of sales	18	(91,399)	(367,333)	(526,224)	(2,113,842)
Gross profit		(91,399)	(367,333)	223,776	898,908
Other income		8,407	33,788	6,696	26,898
General and administrative expenses	19	(467,474)	(1,878,778)	(765,872)	(3,076,508)
Loss from operation		(550,466)	(2,212,323)	(535,400)	(2,150,702)
Finance cost	20	(213,305)	(857,273)	(167,618)	(673,322)
Share of loss from associates		(92,824)	(373,060)	(102,436)	(411,485)
Loss before tax		(856,595)	(3,442,656)	(805,454)	(3,235,509)
Tax expense	21	(84)	(338)	(42,332)	(170,048)
Loss for the period		(856,679)	(3,442,994)	(847,786)	(3,405,557)
Other comprehensive income					
Currency translation differences		-	(659,188)	-	(126,192)
Total comprehensive loss for the period		(856,679)	(4,102,182)	(847,786)	(3,531,749)

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

PICASSO CITY GARDEN DEVELOPMENT PLC.

CONDENSED SEPARATE INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

	Share capital		Share premium		Other capital		Retained earnings		Currency translation differences	Total	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	KHR'000	US\$	KHR'000
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026											
At 1 January 2026	2,745,351	10,981,404	5,643,071	22,572,284	(750,504)	(3,010,272)	1,591,902	7,059,703	(563,851)	9,229,820	37,039,268
Loss for the period	-	-	-	-	-	-	(856,679)	(3,442,994)	-	(856,679)	(3,442,994)
Currency translation differences	-	-	-	-	-	-	-	-	(95,337)	-	(95,337)
As at 31 March 2026	2,745,351	10,981,404	5,643,071	22,572,284	(750,504)	(3,010,272)	735,223	3,616,709	(659,188)	8,373,141	33,500,937
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025											
At 1 January 2025	2,350,500	9,402,000	-	-	-	-	3,273,751	13,805,599	(569,990)	5,624,251	22,637,609
Loss for the period	-	-	-	-	-	-	(847,786)	(3,405,557)	-	(847,786)	(3,405,557)
Currency translation differences	-	-	-	-	-	-	-	-	(126,192)	-	(126,192)
As at 31 March 2025	2,350,500	9,402,000	-	-	-	-	2,425,965	10,400,042	(696,182)	4,776,465	19,105,860

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

PICASSO CITY GARDEN DEVELOPMENT PLC.

CONDENSED SEPARATE INTERIM STATEMENT OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

	Note	31 March 2026		31 March 2025	
		US\$	KHR'000	US\$	KHR'000
Cash flows from operating activities					
Loss before tax		(856,595)	(3,442,656)	(805,454)	(3,235,509)
<i>Adjustment for:</i>					
Depreciation and amortisation	11	50,620	203,442	46,559	187,028
Depreciation of Investment property	10	81,371	327,030	81,371	326,867
Amortisation – ROU Asset	12	89,810	360,946	100,107	402,130
Finance cost		213,305	857,273	167,618	673,322
Shared of loss from Associate		92,824	373,060	102,436	411,485
Bad-debt write-off		-	-	200,160	804,043
		(328,665)	(1,320,905)	(107,203)	(430,634)
Changes in:					
Trade and other receivables		(95,263)	(382,862)	20,737	83,301
Amount due from related parties		-	-	812,737	3,264,765
Inventories		-	-	357,188	1,434,824
Amount due to related parties		(4,031,124)	(16,201,087)	(722,324)	(2,901,576)
Trade and other payables		172,804	694,499	(259,621)	(1,042,898)
Cash (used in)/generated from operation		(4,282,248)	(17,210,355)	101,514	407,782
Interest paid		(139,127)	(559,151)	(167,618)	(673,322)
Income tax paid		-	-	(51,313)	(206,124)
Net cash used in operating activities		(4,421,375)	(17,769,506)	(117,417)	(471,664)
Cash flows from investing activities					
Acquisition of property and equipment		(2,925)	(11,756)	(1,588)	(6,379)
Net cash used in investing activities		(2,925)	(11,756)	(1,588)	(6,379)
Cash flows from financing activities					
Proceed from borrowings		2,000,000	8,038,000	2,100,000	8,435,700
Repayment of borrowings		(2,165,000)	(8,701,135)	(2,228,913)	(8,953,544)
Payment of principal of lease liabilities		(47,910)	(192,550)	(5,935)	(23,841)
Net cash used in financing activities		(212,910)	(855,685)	(134,848)	(541,685)
Net changes in cash and cash equivalent		(4,637,210)	(18,636,947)	(253,853)	(1,019,728)
Cash and cash equivalents at beginning of the year		4,663,816	18,715,894	286,726	1,154,072
Currency transaction differences		-	27,504	-	(2,852)
Cash and cash equivalents at end of the year	6	26,606	106,451	32,873	131,492

The accompanying notes form an integral part of these condensed consolidated interim financial statements

PICASSO CITY GARDEN DEVELOPMENT PLC.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

1. COOPERATE INFORMATION

Picasso City Garden Development Plc. (“the Company”) is a public limited company incorporated in Kingdom of Cambodia and registered with the Ministry of Commerce (“MOC”) under Registration No. 00021493 issued on 22 November 2016. These condensed consolidated interim financial statements as at and for the three-month period ended 31 March 2026 comprise the Company and its subsidiary (together referred to as the “Group”).

The principal activity of the Group is real estate (housing development).

The Company received an approval from the Securities and Exchange Regulator of Cambodia (SERC) on 3 October 2025 to proceed with its Initial Public Offering (IPO) on the Growth Board of the Cambodia Securities Exchange (CSX). On 10 December 2025, the Company was successfully listed on the CSX.

The address of the Company is located at Floor 19-1, Street 322, Sangkat Khan Boeng Keng Kang 1, Khan Boeng Keng Kang, Phnom Penh, Kingdom of Cambodia.

The condensed consolidated interim financial statements for the three-month period ended 31 March 2026 were approved for issue by the Board of Directors on 26 May 2026.

2. BASIS OF PREPARATION

These condensed consolidated interim financial statements for the three-month period ended 31 March 2026 are prepared in accordance with Cambodian International Accounting Standard 34 *Interim Financial Reporting* (“CIAS 34”).

This interim financial report does not include all the information and disclosures normally required in the last annual consolidated financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the last annual consolidated financial statements. Accordingly, this interim financial report is to be read in conjunction with the Group’s last annual consolidated financial statements for the year ended 31 December 2025, which have been prepared in accordance with Cambodian International Financial Reporting Standards (CIFRS).

The accounting policies adopted and used in preparing these condensed consolidated interim financial statements are consistent with those of the previous financial year and the corresponding interim reporting period, unless otherwise stated.

The Group has prepared the condensed consolidated interim financial statements on the basis that it will continue to operate as a going concern.

3. USE OF SIGNIFICANT ESTIMATES AND JUDGEMENTS

In preparing these condensed consolidated interim financial statements, management has made estimates and judgements that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. These estimates may differ from related actual results. Revisions to accounting estimates are recognised prospectively.

The significant judgement made by management in applying the Group’s accounting policies and the key source of estimation uncertainty were the same as those described in the last annual consolidated financial statements for the year ended 31 December 2025.

PICASSO CITY GARDEN DEVELOPMENT PLC.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026**

4. NEW STANDARDS AND AMENDMENTS ADOPTED BY THE COMPANY

Certain amended standards became effective for the current reporting period starting 1 January 2026. These amendments do not have any impact on the Group's condensed consolidated interim financial statements, and no changes to the Group's accounting policies were required as a result of adopting these amended standards.

The Group has not early adopted any new standards or amendments that have been issued but are not yet effective. Management anticipates that the application of these forthcoming standards is not expected to have a significant impact on the Group's financial statements.

5. PRESENTATION IN KHMER RIEL (KHR)

The condensed consolidated interim financial statements are expressed in the US\$. The translations of US\$ amounts into the KHR are included to meet the presentation requirements pursuant to the Law on Accounting and Auditing. Assets and liabilities are translated at the closing exchange rates as at the reporting date. Share capital and other capital are translated at the historical rate. The statements of comprehensive income and cash flows are translated into KHR using the average exchange rates for the periods. Exchange differences arising from the translations are recognised in the other comprehensive income and as a separate component of equity.

The Group has used the following applicable exchange rates per US\$1:

	31 March 2026	31 March 2025	31 December 2025
Closing rate	4,001	4,000	4,013
Average rate	4,019	4,017	4,011

These translations are for compliance purposes only and should not be construed as representations that the KHR amounts have been, could be, or could in the future be, converted into US\$ at this or any other rate of exchange.

PICASSO CITY GARDEN DEVELOPMENT PLC.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025

6. CASH AND CASH EQUIVALENTS

	The Group				The Company			
	31 March 2026		31 December 2025		31 March 2026		31 December 2025	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Cash on hand	2,580	10,323	5,942	23,845	2,282	9,131	5,435	21,811
Cash at bank (*)	24,483	97,956	4,658,565	18,694,822	24,324	97,320	4,658,381	18,694,083
	<u>27,063</u>	<u>108,279</u>	<u>4,664,507</u>	<u>18,718,667</u>	<u>26,606</u>	<u>106,451</u>	<u>4,663,816</u>	<u>18,715,894</u>

(*) The decrease in cash at bank was primarily attributable to the settlement of payables relating to land held for development, together with payments for operating expenditures incurred during the period.

7. TRADE AND OTHER TRADE RECEIVABLES

	The Group				The Company			
	31 March 2026		31 December 2025		31 March 2026		31 December 2025	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Trade receivables								
Customers	1,601,114	6,406,057	1,618,710	6,495,883	1,601,114	6,406,057	1,618,710	6,495,883
	<u>1,601,114</u>	<u>6,406,057</u>	<u>1,618,710</u>	<u>6,495,883</u>	<u>1,601,114</u>	<u>6,406,057</u>	<u>1,618,710</u>	<u>6,495,883</u>
Other receivables								
Prepayment	389,996	1,560,374	275,671	1,106,268	389,996	1,560,374	275,671	1,106,268
Other deposits	15,050	60,215	15,050	60,396	15,050	60,215	15,050	60,396
Others	864,083	3,457,196	865,340	3,472,609	863,984	3,456,800	865,241	3,472,212
	<u>1,269,129</u>	<u>5,077,785</u>	<u>1,156,061</u>	<u>4,639,273</u>	<u>1,269,030</u>	<u>5,077,389</u>	<u>1,155,962</u>	<u>4,638,876</u>
	<u>2,870,243</u>	<u>11,483,842</u>	<u>2,774,771</u>	<u>11,135,156</u>	<u>2,870,144</u>	<u>11,483,446</u>	<u>2,774,672</u>	<u>11,134,759</u>

PICASSO CITY GARDEN DEVELOPMENT PLC.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025

8. PROJECT DEVELOPMENT TRANSFERRED FROM RELATED PARTIES

On 10 May 2025, the Group as the transferee, Mr. Chhun Sambath as the landowner, and Global Titan Stone Real Estate Company Limited as the transferor (collectively referred to as the “Parties”) entered into a three-party agreement. Under this agreement, the Parties agreed to transfer all rights and obligations under the Development Collaboration Agreement dated 23 June 2023, previously signed between the landowner and the transferor, to the Group. Accordingly, the Parties have agreed to novate the transferor’s rights and obligations under the Development Collaboration Agreement to the Group without consideration, whereby the Group effectively received the relevant assets and assumed the related liabilities at no cost.

Through this related-party transfer, the Group obtained control over the land designated for the PICASSO SKY GEMME Project, valued at US\$11,000,000, including the right to develop it and derive future economic benefits, and also received other assets totaling US\$1,307,078 and assumed total liabilities of US\$13,057,582 related to the collaboration agreement, resulting in a deficit of US\$750,504 which was treated as negative equity and recognised as other capital under equity.

9. INVENTORIES

	The Group				The Company			
	31 March 2026		31 December 2025		31 March 2026		31 December 2025	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Condominium units	928,351	3,714,332	928,351	3,725,473	928,351	3,714,332	928,351	3,725,473
Work-in-progress	641,078	2,564,953	641,078	2,572,646	641,078	2,564,953	641,078	2,572,646
	<u>1,569,429</u>	<u>6,279,285</u>	<u>1,569,429</u>	<u>6,298,119</u>	<u>1,569,429</u>	<u>6,279,285</u>	<u>1,569,429</u>	<u>6,298,119</u>

10. INVESTMENT PROPERTY

The Group recognised depreciation on investment property amounting to US\$81,371 for the current period.

11. PROPERTY AND EQUIPMENT

During the period, the Group acquired additional property amounting to US\$2,925 and recognised depreciation expenses of US\$50,620.

12. RIGHT-OF-USE ASSET

Right-of-use assets represent assets arising from long-term leases of condominium units from the unit owners for sub-lease to external tenant. The lease terms range from 2 to 6 years, and there have been no changes to these leases during the period. The Group recognised amortisation expenses of US\$89,810 as part of cost of sale during the current period.

PICASSO CITY GARDEN DEVELOPMENT PLC.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025

13. INVESTMENT IN ASSOCIATES AND SUBSIDIARY

Name of entity	Principal Activities	Acquisition date	Percentage of equity held	
			31 March 2026 %	31 December 2025 %
Titan Stone Investment Co., Ltd.	Real estate	1 June 2024	16.36%	16.36%
Titan Stone Life Insurance Plc.	Insurance	2 January 2020	27.76%	27.76%
Chibodia Construction Co., Ltd.	Construction	31 July 2019	70.00%	70.00%

	The Group				The Company			
	31 March 2026		31 December 2025		31 March 2026		31 December 2025	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Chibodia Construction Co., Ltd.	-	-	-	-	(113,039)	(452,269)	(104,834)	(420,699)
Titan Stone Investment Co., Ltd.	2,604,157	10,419,232	2,687,182	10,783,662	2,604,157	10,419,232	2,687,182	10,783,662
Titan Stone Life Insurance Plc.	1,396,973	5,589,289	1,398,567	5,612,449	1,396,973	5,589,289	1,398,567	5,612,449
	<u>4,001,130</u>	<u>16,008,521</u>	<u>4,085,749</u>	<u>16,396,111</u>	<u>3,888,091</u>	<u>15,556,252</u>	<u>3,980,915</u>	<u>15,975,412</u>

The movement of the investment in associates and subsidiary is as follows:

	31 March 2026			31 December 2025		
	Associate US\$	Subsidiary US\$	Total US\$	Associate US\$	Subsidiary US\$	Total US\$
Investment in associates - Cost	6,646,068	6,000	6,652,068	7,742,068	6,000	7,748,068
Disposal of Investment	-	-	-	(1,096,000)	-	(1,096,000)
Accumulated share of post-acquisition losses	<u>(2,644,938)</u>	<u>(119,039)</u>	<u>(2,763,977)</u>	<u>(2,560,319)</u>	<u>(110,834)</u>	<u>(2,671,153)</u>
	<u>4,001,130</u>	<u>(113,039)</u>	<u>3,888,091</u>	<u>4,085,749</u>	<u>(104,834)</u>	<u>3,980,915</u>

14. TRADE AND OTHER PAYABLES

The increase in trade and other payables during the period was primarily attributable to the increased payables associated with cash received on behalf of unit owner for escrow sale.

PICASSO CITY GARDEN DEVELOPMENT PLC.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025**

15. BORROWINGS

	The Group				The Company			
	31 March 2026		31 December 2025		31 March 2026		31 December 2025	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Loan from PPCB-US\$ (i)	3,247,354	12,992,663	3,412,354	13,693,777	3,247,354	12,992,663	3,412,354	13,693,777
Loan from PPCB-KHR (i)	1,490,918	5,965,163	1,490,918	5,983,054	1,490,918	5,965,163	1,490,918	5,983,054
Loan from related party (ii)								
Current portion	385,000	1,540,385	385,000	1,545,005	385,000	1,540,385	385,000	1,545,005
Non-current portion	1,587,995	6,353,568	1,545,266	6,201,152	1,587,995	6,353,568	1,545,266	6,201,152
	<u>6,711,267</u>	<u>26,851,779</u>	<u>6,833,538</u>	<u>27,422,988</u>	<u>6,711,267</u>	<u>26,851,779</u>	<u>6,833,538</u>	<u>27,422,988</u>

- (i) This represents two loans agreements entered into with Phnom Penh Commercial Bank Plc. (PPCB) to obtain financing for condominium development and a new project. The loans have maturity period of 12 months and bear interest at 10% and 11% per annum, respectively. All loans can be rolled over at the end of their maturity date.
- (ii) This represents an unsecured, interest-free loan obtained from a related party arising from the settlement of amounts due to Titan Edge Real Estate Plc. in August 2025. The loan has a maturity period of five (5) years and is repayable in accordance with the repayment schedule agreed between the Group and the related party as stipulated in the loan agreement. The loan, with a principal amount of US\$2,630,422, was initially recognised at its fair value of US\$2,072,982, determined by discounting the future cash flows using a market rate of 8.79% per annum. The Group made partial repayment amounting to US\$184,520 during 2025. During the current period, interest expense of US\$42,729 arising from the unwinding of the discount was capitalised, resulting in the carrying amount of the borrowing amounting to US\$1,972,995 as at 31 March 2026.

16. SHARE CAPITAL

According to the Company's Memorandum and Article of association, the Company is registered as a public limited company with a share capital of US\$2,500,000 represented by 50,000,000 shares, at a par value of US\$0.05 (200 Riels). All shares are fully paid up.

On 10 December 2025, the Company was successfully listed on the Cambodia Securities Exchange (CSX). In connection with the listing, the Company issued 4,907,018 new ordinary shares at an offer price of KHR4,800 (US\$1.20) per share, with a par value of KHR200 (US\$0.05) per share. The IPO raised US\$5,888,422 in gross proceeds, resulting in an increase in share capital of US\$245,351, with the excess over par value recognised as share premium of US\$5,643,071.

PICASSO CITY GARDEN DEVELOPMENT PLC.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025**

17. REVENUE

	The Group				The Company			
	31 March 2026		31 March 2025		31 March 2026		31 March 2025	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Sales of condominium units	-	-	750,000	3,012,750	-	-	750,000	3,012,750
	-	-	750,000	3,012,750	-	-	750,000	3,012,750

In the first quarter of 2026, the revenue from Condominium decreased by US\$750,000 or 100.00% compared to the first quarter of 2025. This decrease was mainly due to no condominium unit handovers being recognised during the quarter, whereas revenue in the first quarter of 2025 was generated from the handover of units under Project "Picasso City Garden I". In addition, Project "Picasso Sky Gemme" remains in the pre-sale stage with limited revenue recognition during the period.

18. COST OF SALES

	The Group				The Company			
	31 March 2026		31 March 2025		31 March 2026		31 March 2025	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Building cost	-	-	357,188	1,434,824	-	-	357,188	1,434,824
Amortisation expense (i)	89,810	360,946	100,107	402,130	89,810	360,946	100,107	402,130
Depreciation expense	81,371	327,030	81,371	326,867	81,371	327,030	81,371	326,867
Commission expense	-	-	70,970	285,087	-	-	70,970	285,087
JV variable consideration adjustment (ii)	(79,782)	(320,643)	(83,412)	(335,066)	(79,782)	(320,643)	(83,412)	(335,066)
	91,399	367,333	526,224	2,113,842	91,399	367,333	526,224	2,113,842

- (i) This represents the amortisation expense on right-of-use assets arising from long-term leases of condominium units from the unit owners for sub-lease to external tenant (note 12).

PICASSO CITY GARDEN DEVELOPMENT PLC.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025

18. COST OF SALES (continued)

- (ii) JV variable consideration adjustment represents adjustment for recognition of variable consideration to the JV partner (10% of JV project profit) (noted 17) recognised in the prior period based on the Project reported profit. The adjustment is made to reflect the project performance at the end of the reporting period and to the extent that the accumulated profit-share accounted for is not less than zero. The calculation and movement are as follows:

	<u>US\$</u>
Accumulated JV profit	627,058
Calculated Profit to be shared to land owner – (10%)	<u>62,706</u>
Profit share accounted for in prior periods	<u>142,488</u>
Current period adjustment	<u>(79,782)</u>

19. GENERAL AND ADMINISTRATIVE EXPENSES

The decrease in general and administrative expenses during the period was mainly attributable to lower travelling expenses and a reduction in bad debt written off compared to the corresponding period.

20. FINANCE COSTS

Finance costs represent interest expenses incurred on borrowings and lease liabilities during the period.

21. TAXATION

The Group has obtained approval to pay tax for the development and sale of the Picasso City Garden I project based on the package tax which has been assessed and provided by the General Department of Taxation since February 2019. The package tax liability is recognised in full when the General Department of Taxation (“GDT”) issued the approval of the package tax to the Group.

22. RELATED PARTIES DISCLOSURES

Holding Company	An entity that has significant ownership and control over the Group.
Fellow Subsidiary/Related Company	Entities that are members of the same group or controlled by the ultimate shareholder of the Group.
Key management personnel	Persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group.

PICASSO CITY GARDEN DEVELOPMENT PLC.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025

22. RELATED PARTIES DISCLOSURES (continued)

(a) Related party balances

	Relationship	The Group				The Company			
		31 March 2026		31 December 2025		31 March 2026		31 December 2025	
		US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Amount due from related parties									
Titan Stone Investment Co., Ltd.	Related company	79,639	318,636	79,639	319,591	79,639	318,636	79,639	319,591
Director	Key management	190,462	762,039	190,462	764,324	190,462	762,039	190,462	764,324
Titan Stone Capital (Asia) Limited	Holding company	205,601	822,610	205,601	825,077	205,601	822,610	205,601	825,077
TSG Assets Management	Related company	1,365	5,461	1,365	5,478	1,365	5,461	1,365	5,478
Titan Edge Real Estate Plc.	Related company	1,160	4,641	995	3,993	995	3,981	995	3,993
Chibodia Construction	Related company	-	-	-	-	27,418	109,699	27,418	110,028
Mrs. Ket Rady	Shareholder	2,142	8,570	2,142	8,596	-	-	-	-
Mr. Som Pheaktra	Shareholder	429	1,716	429	1,721	-	-	-	-
Global Titan Stone Real Estate Development Company Limited	Related company	5,040	20,165	5,040	20,226	5,040	20,165	5,040	20,226
		<u>485,838</u>	<u>1,943,838</u>	<u>485,673</u>	<u>1,949,006</u>	<u>510,520</u>	<u>2,042,591</u>	<u>510,520</u>	<u>2,048,717</u>
Amount due to related parties									
TSG Assets Management	Related company	629,428	2,518,341	629,428	2,525,895	629,428	2,518,341	629,428	2,525,895
Director	Key management	134,077	536,442	-	-	22,954	91,839	-	-
Global Titan Stone Real Estate Development Company Limited	Related company	297,957	1,192,126	452,899	1,817,483	297,957	1,192,126	352,035	1,412,716
Titan Stone Investment Co., Ltd.	Associate	199,500	798,200	199,500	800,594	199,500	798,200	199,500	800,594
Mr. Chhun Sambath	Land owner	6,850,000	27,406,850	10,850,000	43,541,050	6,850,000	27,406,850	10,850,000	43,541,050
		<u>8,110,962</u>	<u>32,451,959</u>	<u>12,131,827</u>	<u>48,685,022</u>	<u>7,999,839</u>	<u>32,007,356</u>	<u>12,030,963</u>	<u>48,280,255</u>

(a) Transactions with related parties

	The Group				The Company			
	31 March 2026		31 March 2025		31 March 2026		31 March 2025	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Key management remuneration	80,815	324,795	78,825	316,640	71,815	288,624	69,735	280,125

PICASSO CITY GARDEN DEVELOPMENT PLC.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025

23. TAXATION CONTINGENCIES

Taxes are subject to examination and assessment by tax authorities of the General Department of Taxation (GDT). Due to varying interpretations of tax laws and regulations, certain transactions may be subject to challenge by these tax authorities, potentially resulting in additional tax liabilities, retrospective tax assessments, and penalties.

Management believes that it has adequately provided for tax liabilities based on its interpretation of tax legislation. However, if a particular treatment is to be challenged by the tax authorities, the Group may be reassessed for additional taxes, penalties, and interest, whose effects could be significant. Tax years remain open for review by the GDT for three years, with a possible extension of up to ten years.

24. EVENTS AFTER REPORTING DATE

On 10 April 2026, the Group held a Shareholders' General Meeting at which the shareholders approved the following resolutions:

- (i) Restructuring and amendment of the Memorandum of Association (MoA), including:
 - Changes in the composition of the Board of Directors; and
 - Updates to the Company's share structure.
- (ii) Directors' remuneration, whereby the aggregate remuneration of US\$108,000 for all three (3) members of the Board of Directors for the year ending 31 December 2026 was approved, effective from 1 May 2026 onward.
- (iii) Payment arrangement for the acquisition of Picasso II land.
- (iv) Disposal of the Company's investment in Chibodia Construction Co., Ltd., a subsidiary that currently has no operational activities.

The Group has evaluated events after the end of the reporting period until the date of authorisation of these financial statements. Besides the event described above, no other material events require adjustments or disclosures in the condensed consolidated interim financial statements.