Lao Culture Tourism Public Group Company

Interim consolidated financial statements

For the six-month period ended 30 June 2025

Building a better working world

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Lao Culture Tourism Public Group Company

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Lao Culture Tourism Public Group Company

GENERAL INFORMATION

THE COMPANY

Lao Culture Tourism Public Group Company ("the Company"), previously known as Lao Cement Public Company and Lao Cement Co., Ltd, was established in accordance with the Article of Association signed in Vientiane Laos on 15 December 1998 by Lao Agriculture-Forestry Development and Service Company and China Yunnan Corporation for International Techno-Economic Cooperation.

On 14 February 2018, the Company received the Certificate of Initial Public Offering (IPO) completion No.0008/LSX issued by Lao Securities Commission Office, according to which the Company had completed IPO process with the total 40,004,000 shares of the Company (under the ticker "LCC") have been officially listed on Lao Securities Exchange.

On 2 May 2023, the Company obtained the new Investment License No. 119.2023/MPI, issued by the Ministry of Planning and Investment, which modified the principal business activities of the Company. According to which the principal activities of the Company changes from production, wholesale and retail of cement and other related cement products to provide service on tourism (inbound-outbound) and construction of condominium for sale.

On 30 October 2023, the Company obtained the latest Business License No.3330/BLO from Ministry of Industry and Commerce, in which the Company's name was changed from Lao Cement Public Company to Lao Culture Tourism Public Group Company.

On 24 June 2025, the Company obtained the Condominium Business License from the Ministry of Natural Resources and Environment, which allowed the company to operate activities related to the condominium.

The shareholding structure of the Company as at 30 June 2025 is as follows:

Shareholders	*Number of shares*	*Percentage*
Yunnan Hengshi Chengrui Holdings Co., Ltd ("Yunnan Hengshi") (Previously known as Yunna Qianhan Technology Network Limited ("Yunna Qianhan"))	14,280,000	35.696%
Lao Agriculture-Forestry Development and Service Company (DAI)	13,720,000	34.297%
Lao-China Securities Co., Ltd (LCS)	7,547,800	18.868%
Other public corporation and individual investors	4,456,200	11.139%
	40,004,000	

The Company's registered head office is at Phonphanao Village, Xaysettha District, Vientiane Capital, Lao PDR. The Company also has Vangvieng Cement Plant No.II which is located in Vangvieng province, Lao PDR.

GENERAL INFORMATION (continued)

THE BOARD OF DIRECTORS

Members of the Board of Directors during the six-month period ended 30 June 2025 and as at the date of this report are:

Name	*Position*	*Date of appointment/resignation*
Mr. Nie Lei	Chairman	Appointed on 09 March 2023
Mr. Vanthong Sitthikoun	Vice chairman	Appointed on 23 June 2020
Mr. Sinthanou Somfongboudtakhan	Vice chairman	Appointed on 28 August 2024
Mr. Zhang Jing Hua	Member	Appointed on 09 March 2023
Mrs. Cai Ling Ling	Member	Appointed on 09 March 2023
Mr. Ding Yu Dong	Member	Appointed on 05 November 2024
Mrs. Xi Yu Hong	Member	Appointed on 28 August 2024
Mr. Khambon Xaylaovong	Member	Appointed on 23 June 2020
Mr. Dai Rong Hua	Independent member	Appointed on 09 March 2023
Mr. Liu Hao	Independent member	Appointed on 09 March 2023
Mr. Vikhamdeng Inthasy	Member	Appointed on 28 August 2024

MANAGEMENT

Members of the Company's management during the six-month period ended 30 June 2025 and at the date of this report are:

Name	*Position*	*Date of appointment/resignation*
Mr. Nie Lei	General Director	Appointed on 09 March 2023
Mr. Ding Yu Dong	Director	Appointed on 05 November 2024
Mr. Zhang Jing Hua	Director	Appointed on 09 March 2023
Mr. Khambon Xaylaovong	Director	Appointed on 23 June 2020

AUDIT COMMITTEE

Members of the Company's audit committee during the six-month period ended 30 June 2025 and at the date of this report are:

Name	*Position*	*Date of appointment/resignation*
Mr. Dai Rong Hua	Chairman	Appointed on 09 March 2023
Mr. Liu Hao	Member	Appointed on 09 March 2023

LEGAL REPRESENTATIVE

The legal representative of the Company during the six-month period ended 30 June 2025 and at the date of this report is Mr. Nie Lei, General Director and Chairman

AUDITOR

The auditor of the Company is Ernst & Young Lao Co., Ltd.

Lao Culture Tourism Public Group Company

REPORT OF MANAGEMENT

Management of Lao Culture Tourism Public Group Company ("the Company") is pleased to present its report and the interim consolidated financial statements of the Company and its subsidiary (collectively referred to as the "Group") for the six-month period ended 30 June 2025 ("the interim consolidated financial statements").

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation of the interim consolidated financial statements which have been prepared in accordance with the accounting policies as described in Note 3 to the interim consolidated financial statements. These accounting policies are not intended to present the interim consolidated financial position, the interim results of operations and interim cash flows of the Group in accordance with international generally accepted accounting principles. In preparing those interim consolidated financial statements, management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgement and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the interim consolidated financial statements; and,
- Prepare the interim consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue its business.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the interim consolidated financial position of the Group and for ensuring that the accounting records comply with the accounting policies applied. It is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Management has confirmed that it has complied with the above requirements in preparing the accompanying interim consolidated financial statements.

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying interim consolidated financial statements are prepared, in all material respects, in accordance with the accounting policies as described in Note 3 to the interim consolidated financial statements.

On behalf of the Board of management:

Mr. Nie Lei
General Director

Vientiane, Lao PDR

29 August 2025

Ernst & Young Lao Co., Ltd
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Nongbone Village, Saysettha District
Vientiane Capital, Lao P.D.R.

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Reference: 11728747/E-69207199-LR-Consolidated

REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS

To: The Shareholders of Lao Culture Tourism Public Group Company

We have reviewed the accompanying interim consolidated statement of financial position of Lao Culture Tourism Public Group Company ("the Company") and its subsidiary (collectively referred to as "the Group") as of 30 June 2025 and the related interim consolidated statement of profit or loss, changes in equity and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 6 to 31.

Management is responsible for the preparation of these interim consolidated financial statements in accordance with the accounting policies as described in Note 3 to the interim consolidated financial statements. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

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

Basis for Disclaimer Conclusion

As disclosed in Note 2 to the consolidated financial statements, the Group incurred a net loss of LAK 14.62 billion for the six-month period ended 30 June 2025, and as of that date, the Group had accumulated losses of LAK 98.69 billion and its current liabilities of LAK 99.56 billion also exceeded its current assets by LAK 53.43 billion. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. The consolidated financial statements for the six-month period ended 30 June 2025 are prepared on going concern basis based on the assumption that the Group has sufficient resources for the settlement of its liabilities to third parties and for the operations to continue in the following year without curtailment. The Group's management has prepared a cashflow forecast to support the settlement and operation plan, primarily on the basis of their expectation of financial support to be received from its shareholders and related parties and proceeds from disposal of its current available assets. Based on current available information, we are unable to obtain sufficient appropriate evidence to verify assumptions made by the Group's management in preparation of the above cashflow forecast. Accordingly, we are unable to satisfy ourselves as to the appropriateness of the use of going concern assumption in the preparation of these consolidated financial statements for the six-month period ended 30 June 2025.

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Disclaimer Conclusion

Our review indicates that, because of the significance of the matter discussed in the Basis for Disclaimer Conclusion paragraph, these interim consolidated financial statements are not prepared, in all material respects, in accordance with the accounting policies as described in Note 3 to the interim consolidated financial statements.

Emphasis of Matter- Accounting policies

We draw attention to note 3 to the interim consolidated financial statements, which describes the accounting policies adopted by the Company. These accounting policies are not intended to present the interim consolidated financial position, the interim consolidated results of operations and the interim consolidated cash flows of the Company in accordance with international generally accepted accounting principles.

Our conclusion is not modified in respect of this matters.

For and on behalf of Ernst & Young Lao Co., Ltd

Van Le
Partner

Audit Practicing Registration
Certificate No. 018/LCPAA-APT-2019

Vientiane, Lao PDR

29 August 2025

A member firm of Ernst & Young Global Limited

Lao Culture Tourism Public Group Company

INTERIM CONSOLIDATED BALANCE SHEET
as at 30 June 2025

	Notes	30 June 2025 LAK	31 December 2024 LAK
ASSETS			
Non-current assets			
Property, plant and equipment	4	1,192,407,989	1,181,534,317
Construction in progress	6	14,461,421,500	33,099,471,597
Intangible assets	5	3,726,500,875	3,698,058,835
Total non-current assets		**19,380,330,364**	**37,979,064,749**
Current assets			
Other current assets	7	6,883,086,342	4,755,554,770
Inventories	8	32,315,956,200	12,324,012,453
Amount due from related parties	21	1,000,000,000	1,000,000,000
Trade receivables	9	1,548,047,116	1,656,111,790
Cash	10	4,381,808,267	644,185,612
Total current assets		**46,128,897,925**	**20,379,864,625**
TOTAL ASSETS		**65,509,228,289**	**58,358,929,374**
LIABILITIES AND EQUITY			
Current liabilities			
Trade payables	11	7,340,987,971	8,025,747,856
Advances from customers	12	27,077,227,314	12,440,807,689
Amounts due to related parties	21	10,648,699,772	11,567,018,084
Statutory obligations	13	8,676,473,836	8,327,444,701
Payables to employees		13,266,587,499	12,131,161,070
Other payables	14	32,555,018,522	25,297,650,701
Total current liabilities		**99,564,994,914**	**77,789,830,101**
TOTAL LIABILITIES		**99,564,994,914**	**77,789,830,101**
Equity			
Contributed capital	15	20,002,000,000	20,002,000,000
Share premium		18,385,975,511	18,385,975,511
Legal reserve		7,704,052,546	7,704,052,546
Plant expansion reserve		18,549,465,596	18,549,465,596
Accumulated losses		(98,697,260,278)	(84,072,394,380)
Total equity		**(34,055,766,625)**	**(19,430,900,727)**
TOTAL LIABILITIES AND EQUITY		**65,509,228,289**	**58,358,929,374**

Mr. Nie Lei
General Director

Mr. Zhang Jing Hua
Head of Accounting & Finance

Vientiane, Lao PDR

29 August 2025

Lao Culture Tourism Public Group Company

INTERIM CONSOLIDATED INCOME STATEMENT
for the six-month period ended 30 June 2025

	Notes	*For the six-month period ended 30 June 2025 LAK*	*For the six-month period ended 30 June 2024 LAK*
Revenue from sale of goods		-	-
Cost of goods sold		-	-
Gross margin		-	-
Other operating income	16	33,250,200	1,298,133,934
Other operating expenses	17	(6,028,996,767)	(1,078,066,880)
Administrative expenses	18	(7,755,172,241)	(9,426,164,276)
Operating loss		**(13,750,918,808)**	**(8,339,157,967)**
Finance income		64,296	68,262
Finance costs	19	(874,011,386)	(734,038,888)
Loss before tax		**(14,624,865,898)**	**(9,940,067,848)**
Profit tax expenses	20	-	-
Net loss after tax		**(14,624,865,898)**	**(9,940,067,848)**

Mr. Nie Lei
General Director

Mr. Zhang Jing Hua
Head of Accounting & Finance

Vientiane, Lao PDR

29 August 2025

Lao Culture Tourism Public Group Company

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the six-month period ended 30 June 2025

	Contributed capital LAK	*Share premium LAK*	*Legal reserve LAK*	*Plant expansion reserve LAK*	*Accumulated losses LAK*	*Total LAK*
As at 1 January 2024	20,002,000,000	18,385,975,511	7,704,052,546	18,549,465,596	(76,126,474,211)	(11,484,980,558)
Net loss for the period	-	-	-	-	(9,940,067,848)	(9,940,067,848)
As at 30 June 2024	**20,002,000,000**	**18,385,975,511**	**7,704,052,546**	**18,549,465,596**	**(86,066,542,059)**	**(21,425,048,406)**
As at 1 January 2025	20,002,000,000	18,385,975,511	7,704,052,546	18,549,465,596	(84,072,394,380)	(19,430,900,727)
Net loss for the period	-	-	-	-	(14,624,865,898)	(14,624,865,898)
As at 30 June 2025	**20,002,000,000**	**18,385,975,511**	**7,704,052,546**	**18,549,465,596**	**(98,697,260,278)**	**(34,055,766,625)**

Mr. Nie Lei
General Director

Mr. Zhang Jing Hua
Head of Accounting & Finance

Vientiane, Lao PDR

29 August 2025

Lao Culture Tourism Public Group Company

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
for the six-month period ended 30 June 2025

	Notes	*For the six-month Period ended 30 June 2025 LAK*	*For the six-month Period ended 30 June 2024 LAK*
OPERATING ACTIVITIES			
Loss before tax		**(14,624,865,898)**	**(9,940,067,848)**
Adjustments for:			
Depreciation of property, plant and equipment	4,5	269,654,669	244,624,191
Written off PPE		-	27,260,000
Provision/(reversal of provision) for inventories		4,214,300,610	(5,474,210)
Reversal of provision for doubtful account		(27,286,200)	(8,066,000)
Foreign exchange (gains)/losses arising from revaluation of monetary accounts denominated in foreign currency		(229,206,288)	943,280,687
Profit from selling fixed assets		-	(523,364,486)
Interest expenses	19	549,650,963	-
Working capital adjustments:			
Decrease in trade and other receivables, including amount due from related parties		98,817,869	673,847,297
Increase in other current assets		(2,091,584,549)	(2,172,654,707)
Increase in inventories		(1,759,622,643)	(3,965,476,916)
Increase in trade and other payables, including amount due to related parties		15,338,120,895	13,532,019,938
Interest income		64,296	68,262
Net cash flows from/(used in) operating activities		**1,738,043,724**	**(1,194,003,792)**
INVESTING ACTIVITIES			
Acquisitions of property, plant and equipment		(272,970,381)	(614,004,037)
Proceeds from disposals of fixed assets		-	523,364,486
Acquisitions of intangible fixed asset		(36,000,000)	(12,840,000)
Construction in progress		(3,808,571,616)	-
Net cash flows from investing activities		**(4,117,541,997)**	**(103,479,551)**
FINANCING ACTIVITIES			
Drawdown of borrowings		7,643,255,000	5,796,812,752
Repayment of borrowings		(1,474,417,968)	(561,389,949)
Net cash flows from financing activities		**6,168,837,032**	**5,235,422,803**

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS (continued)
for the six-month period ended 30 June 2025

	Notes	*For the six-month Period ended 30 June 2025 LAK*	*For the six-month Period ended 30 June 2024 LAK*
Net increase/(decrease) in cash		3,789,338,759	(1,297,483,343)
Cash at the beginning of the period		644,185,612	1,626,190,316
Impact of foreign exchange rate fluctuation		(51,716,104)	21,069,506
Cash at the end of the period	**10**	**4,381,808,267**	**349,776,479**

Mr. Nie Lei
General Director

Mr. Zhang Jing Hua
Head of Accounting & Finance

Vientiane, Lao PDR

29 August 2025

1. CORPORATE INFORMATION

Lao Culture Tourism Public Group company ("the Company"), previously known as Lao Cement Public Company and Lao Cement Co., Ltd, was established in accordance with the Article of Association signed in Vientiane Laos on 15 December 1998 by Lao Agriculture-Forestry Development and Service Company and China Yunnan Corporation for International Techno-Economic Cooperation.

On 14 February 2018, the Company received the Certificate of Initial Public Offering (IPO) completion No.0008/LSX issued by Lao Securities Commission Office, according to which the Company had completed IPO process with the total 40,004,000 shares of the Company (under the ticker "LCC") have been officially listed on Lao Securities Exchange.

On 2 May 2023, the Company obtained the new Investment License No. 119.2023/MPI, which is issued by the Ministry of Planning and Investment, which modified the principal business activities of the Company. The principal activities of the Company changes from production, wholesale and retail of cement and other related cement products to provide service on tourism (inbound-outbound) and construction of condominium for sale.

On 30 October 2023, the Company obtained the latest Business License No.3330/BLO from Ministry of Industry and Commerce, In which the Company's name was changed from Lao Cement Public Company to Lao Culture Tourism Public Group Company.

On 24 June 2025, the Company obtained the Condominium Business License from the Ministry of Natural Resources and Environment, which allowed the company to operate activities related to the condominium.

The Company's registered head office is at Phonphanao Village, Xaysettha District, Vientiane Capita, Lao PDR. The Company also has Vangvieng Cement Plant No. II which is located in Vangvieng province, Lao PDR.

As at 30 June 2025, the Company had 69 employees (31 December 2024: 72 employees).

1. CORPORATE INFORMATION (continued)

Corporate structure

As at 30 June 2025, the Company has eight (8) subsidiaries with details are as follows:

Name	*Business License No.*	*Business sector*	*% owned by LCTC*
Lao Agriculture Science and Technology Development Sole Co., Ltd	2118/BLO dated 17 June 2024 issued by the Ministry of Industry and commerce.	Purchase herbs to export, Plant to sale domestic and export	100%
Lao City Construction Development Group Sole Co., Ltd	2434/BLO dated 05 July 2024 issued by the Ministry of Industry and commerce.	Construction consultant service	100%
Lao New Building Materials Sole Co., Ltd	2422/BLO dated 10 August 2023 issued by the Ministry of Industry and commerce.	Construction material and supply tools	100%
Lao National Tourism Planning and Design Institute Sole Co., Ltd	3113/BLO dated 26 September 2023 issued by the Ministry of Industry and commerce.	Building design, tourism design and construct public works	100%
Lao International Exhibition Services Sole Co., Ltd	0414/BLO dated 01 February 2024 issued by the Ministry of Industry and commerce.	Entertainment production, cinematic and advertisement	100%
Lao Mineral Resources Development Sole Co., Ltd	0767/BLO dated 29 February 2024 issued by the Ministry of Industry and commerce.	Explore and survey mining site	100%
Lao National Survey and Designed Institute Sole Co., Ltd	1495/BLO dated 06 May 2024 issued by the Ministry of Industry and commerce.	Explore, survey and design building	100%
Laos Education and Training Center Company Sole Co., Ltd	1485/BLO dated 06 May 2024 issued by the Ministry of Industry and commerce.	Education consulting service	100%

2. BASIS OF PREPARATION

According to the Accounting Law No.46/NA dated 20 November 2023, public interest entities, including listed companies should apply International Financial Reporting Standards ("IFRS") in preparing their annual financial statements, starting from 2017. In accordance with the Official Letter No. 1137/MOF dated 27 April 2020 by the Ministry of Finance, public interest entities are allowed to delay the application of IFRS until 1 January 2026.

For the six-month period ended 30 June 2025, the Group has prepared its interim consolidated financial statements in accordance with the accounting policies as set out in Note 3 to the interim consolidated financial statements. These accounting policies are not intended to present interim consolidated financial position, interim consolidated results of operations and interim consolidated cash flows of the Group in accordance with international generally accepted accounting principles.

The interim consolidated financial statements of the Group have been prepared using the historical cost convention. These interim consolidated financial statements are expressed in Lao Kip ("LAK") as it is the currency in which the majority of the Group's transaction are denominated and settled.

As at 31 December 2024, the cumulative inflation rate in Lao PDR over the past 36 months has exceeded 100%, categorizing the country as a hyperinflationary economy, according to the BOL report (https://www.bol.gov.la/en/inflation). As of 30 June 2025, the cumulative inflation rate over the past 36 months declined to 74%, however, to determine whether a currency **ceases to be** hyperinflationary required trends and subsequent review up to the end of 2025. As a consequence, the Company has not implemented any accounting policies to address the effects of hyperinflation due to the absence of specific guidance from Lao Financial Reporting Standards ("FRS") and the Ministry of Finance ("MOF") on this matter.

Basis of consolidation

The interim consolidated financial statements comprise the interim financial statements of the Company and its subsidiary for the six-month period ended 30 June 2025.

Subsidiary is fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continued to be consolidated until the date that such control ceases.

The financial statements of the subsidiary are prepared for the same reporting year as the parent company, using consistent accounting policies.

All intra-group balances which are contributed from the statement of financial position of the Group and its fellow subsidiary, income and expenses and unrealised gains or losses resulting from intra-group transactions are eliminated in full.

Non-controlling interests represent the portion of profit or loss and net assets not held by the Company and are presented separately in the consolidated statements of income and within equity in the interim consolidated statement of financial position, separately from shareholders' equity.

Impacts of change in the ownership rate without loss of control are accounted for in the accumulated undistributed profit.

2. BASIS OF PREPARATION (continued)

Going concern assumption

The Group incurred a net loss of LAK 14.62 billion for the six-month period ended 30 June 2025. As at this date, the Group's accumulated losses of LAK 98.69 billion exceeded contributed charter capital by LAK 78.70 billion, and the Group's current liabilities also exceeded its current assets by LAK 53.43 billion. On 25 August 2020, the Group published Announcement No.202/LCC about temporarily ceasing all production until further notice. The Group has modified the principal business activities in accordance with the new investment license No. 119.2023/MPI dated on 02 May 2023, which is issued by the Ministry of Planning and Investment. The principal activities of the Group change from production, wholesale and retail of cement and other related cement products to provide service on tourism (inbound-outbound) and construction of condominium for sale. These conditions indicate that a material uncertainty exists that may cast significant doubt about the Group's ability to continue as a going concern.

The Group's management has prepared a cash flow forecast to support the settlement and operation plan for the next 12 months, which was made primarily on the basis of their expectation of (i) financial support to be received from its shareholders and related parties; and (ii) proceeds from disposal of its current available fixed assets i.e. being cement production factory and real estate property. Particularly, the Group's management obtained financial support letter from Yunnan Hengshi Chengrui Holdings Co., Ltd., the major shareholder of the Group, which stipulated its agreement to provide all necessary financial support to ensure that the Group will have sufficient resources to settle its liabilities when they fall due in the following financial year without curtailment. On this basis, the management considers it as appropriate to prepare the Group's consolidated financial statements on the going concern basis.

Accordingly, the consolidated financial statements do not include any adjustments that may be necessary if the Group is unable to continue as a going concern.

Fiscal year

The Group's fiscal year starts on 1 January and end on 31 December.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation.

The cost of a property, plant and equipment purchased by the Group consists of its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. Expenditures for additions, improvements and renewals are capitalized while expenditures for maintenance and repairs are charged to interim consolidated income statement.

When an item of property, plant and equipment is sold or retired, their cost and accumulated depreciation are removed from interim consolidated balance sheet and any gain or loss resulting from their disposal is included in the other operating income or expense accounts, respectively, in interim consolidated income statement.

Construction in progress represents assets under construction. This includes the costs of construction and other directly attributable costs.

Fully depreciated assets are retained in the accounts until they are no longer in use and no further depreciation are recognized in the interim consolidated income statement.

Depreciation

Depreciation of property, plant and equipment is calculated on a straight-line basis over the expected useful life of the assets as follows:

Buildings and structures	5 to 20 years
Machinery and equipment	5 years
Means of transportation	5 years
Leasehold improvement	5 to 10 years
Office equipment	5 to 10 years
Others	10 years

The useful life of leasehold improvement is determined based on management estimates on expected usage and might be different with the lease term.

Depreciation on property, plant and equipment acquired or disposed of during the period is provided for on a pro-rata basis with reference to the month of acquisition or disposal. No depreciation is provided for assets under construction until such time that the relevant assets are completed and put into use.

Intangible assets

Intangible fix assets consist of computer software and land use right. The cost of the software comprises its purchase price plus any directly attributable costs of bringing the software to working condition for its intended use.

Land use rights with indefinite term of use and are stated at cost. The cost of land use rights, which comprise the purchase price and any directly attributable costs, is not amortized.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Construction in Progress

Construction in progress represents the costs of acquiring new assets that have not yet been fully installed or the costs of construction that have not yet been fully completed. Construction in progress is stated at cost, which includes all necessary costs to construct, repair, renovate, expand, or re-equip the projects with technologies, such as construction costs, tools and equipment costs, project management costs, construction consulting costs, and borrowing costs that are eligible for capitalization.

Construction in progress will be transferred to the appropriate fixed asset account when these assets are fully installed or the construction project is fully completed, and depreciation of these assets will commence when they are ready for their intended use.

Construction costs are recognized as expenses when such costs do not meet the conditions to be recognized as fixed assets.

Leases

The determination of whether an arrangement is a lease, or contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

The Group as a lessee

Leases, where all the risks and benefits of ownership of the leased items are not transferred substantially to the Group are operating leases. Operating lease payments are recognized as an expense in the profit or loss on a straight-line basis over the lease term. Contingent rental payable is recognized as an expense in the period in which they are incurred.

Inventories

Inventories are stated at the lower of cost incurred in bringing each product to its present location and condition, and net realisable value.

Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make the sale.

The periodic method is used to record inventories, which are valued as follows:

Raw materials, consumables, tools and supplies	-	Cost of purchase on a weighted average cost basis.
Work-in-progress and Finished goods	-	Cost of direct materials and labour plus attributable manufacturing overheads based on the normal operating capacity on a weighted average cost basis.

Inventory property

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory property and is measured at the lower of cost and net realisable value (NRV).

Principally, this is residential property that the Group develops and intends to sell before, or on completion of, development.

Cost incurred in bringing each property to its present location and condition includes:

- Amounts paid to contractors for development
- Planning and design costs, costs of site preparation, professional fees for legal services, development overheads and other related costs

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Inventory property (continued)

NRV is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date, less estimated costs of completion and the estimated costs necessary to make the sale.

When an inventory property is sold, the carrying amount of the property is recognised as an expense in the period in which the related revenue is recognised. The carrying amount of inventory property recognised in profit or loss is determined with reference to the directly attributable costs incurred on the property sold and an allocation of any other related costs based on the relative size of the property sold.

Provision for obsolete inventories

Provision for obsolete inventories is the estimated loss arising due to the impairment in value (through diminution, damage, obsolescence, etc.) of inventories based on appropriate evidence of impairment available at the interim consolidated balance sheet date.

Increases and decreases to the provision balance are recorded into the other operating expenses for additional provision and in the other operating income for reversal of provision in the interim consolidated income statement.

Trade receivables and provision for doubtful accounts

Trade receivables are stated net of total gross trade receivables and provision for doubtful accounts.

The Group provides allowance for doubtful accounts for trade receivables based on consideration of historical data and the overdue age of the receivables as follows:

Overdue period	*Provision rate*
6 months to 1 year	30%
From 1 year to 2 years	50%
More than 2 years	100%

Increases or decreases to the provision balance are recorded as "Other operating expenses" or "Other operating income" respectively in the interim consolidated financial statements.

Cash

Cash comprises cash on hand and cash in banks.

Borrowing costs

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Borrowing costs are recorded as expenses during the year in which they are incurred.

Trade payables, accrued expenses and other payables

Payables and accruals are recognized for amounts to be paid in the future for goods and services received, whether or not billed to the Company.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributed capital

Contributed capital is recognized in the interim consolidated balance sheet when cash is collected from the shareholders in the case of cash contribution or when there is approval from shareholders in the case of contribution in-kind, and share certificate is issued. Any unpaid capital based on Article of Association, enterprise and tax licenses is not recognized in interim consolidated balance sheet.

Share premium reserve

The share premium is recognized upon issuance of additional shares, at a surplus between the offering price of additional share issuance and the par value, after deduction of share issuance cost (such as underwriting fees and other relevant valuation, consulting costs).

Reserves

Under the requirement of Enterprise Law No. 33/NA dated 29 December 2022, public companies are required to appropriate net profit to legal reserve fund.

The legal reserve fund is a fund to secure against risks, which is ten percent (10%) of its net profit into the reserve fund, after deducting its accumulated losses. When the legal reserve reaches one-half of the contributed charter capital, the Group may suspend the conversion of profit to such fund, unless otherwise approved by the Company's owners.

Other reserve funds including welfare fund reserve and plant expansion reserve which are appropriated from retained earnings in accordance with the Article of Incorporation of the Group dated 15 December 1998. The appropriation amount is determined by the Group's Board of Directors on an annual basis.

Reserve funds of current period are appropriated from net profit of prior year upon the approval of the Annual General Meeting of Shareholders.

Foreign currencies

The Interim consolidated financial statements are presented in LAK which is the Group's functional and presentation currency. Transactions in currencies other than LAK are initially translated using the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rate ruling at interim Group balance sheet date. All gains and losses are taken to the finance income and finance costs accounts, respectively, in interim consolidated income statement.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually upon the delivery of the goods.

Interest

Revenue is recognised as the interest accrues (taking into account the effective yield on the asset) unless collectability is in doubt.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation

Profit tax is the expected tax payable on the taxable profit for the year, using tax rate enacted at interim consolidated balance sheet date and applicable to the reporting period, and any adjustment to tax payable in respect of previous years.

Other taxes payable include value added tax and employees' personal income tax.

Value added tax is the tax liability determined on revenue for the period computed using the applicable tax rate for the year.

Personal income tax is the tax payable on salary paid to staff for the period determined using applicable tax rate for the years.

Any adjustments to the amount of tax payable of prior years as a result of Tax inspection are recorded directly into retained earnings.

Related party transactions

Parties are considered to be related if they have the ability to control or exercise significant influence over each other in making financial and operational decisions or are subject to common control or common significant influence.

Transactions with related parties are conducted based on market prices or, where no market prices exist, at contractually agreed prices.

Other operating expenses

Expenses relating to the suspended plants are recognised as other operating expenses.

Segment information

A segment is a component determined separately by the Group which is engaged in providing products or related services (business segment) or providing products or services in a particular economic environment (geographical segment), that is subject to risks and returns that are different from those of other segments.

The Group's principal activities per Business License are to provide service on tourism (inbound-outbound) and construction of condominium for sale. In addition, these activities are only taking place within Lao PDR. Therefore, the Group's risks and returns are not impacted by the Group's services that the Group is providing or the locations where the Group is doing the business. As a result, the Group's management is of the view that there is only one segment for business and geography and therefore presentation of segmental information is not required .

4. PROPERTY, PLANT AND EQUIPMENT

	Buildings and structures LAK	*Machinery and equipment LAK*	*Means of transportation LAK*	*Leasehold improvement LAK*	*Office equipment LAK*	*Total LAK*
Cost						
As at 1 January 2025	134,382,315,687	-	11,554,540,831	59,911,004	797,694,746	146,794,462,268
Additions	-	172,492,000	-	-	100,478,381	272,970,381
As at 30 June 2025	134,382,315,687	172,492,000	11,554,540,831	59,911,004	898,173,127	147,067,432,649
Accumulated depreciation						
As at 1 January 2025	134,382,315,687	-	10,509,453,589	19,382,720	701,775,955	145,612,927,951
Charge for the period	-	2,874,867	246,742,974	1,298,900	11,179,968	262,096,709
As at 30 June 2025	134,382,315,687	2,874,867	10,756,196,563	20,681,620	712,955,923	145,875,024,660
Net book value						
As at 1 January 2025	-	-	1,045,087,242	40,528,284	95,918,791	1,181,534,317
As at 30 June 2025	-	169,617,133	798,344,268	39,229,384	185,217,204	1,192,407,989

5. INTANGIBLE ASSETS

	Software *LAK*	*Indefinite Land use right* *LAK*	*Total* *LAK*
Cost			
As at 1 January 2025	57,579,600	3,655,353,775	3,712,933,375
Addition	36,000,000	-	36,000,000
As at 30 June 2025	93,579,600	3,655,353,775	3,748,933,375
Accumulated depreciation			
As at 1 January 2025	14,874,540	-	14,874,540
Charge for the period	7,557,960	-	7,557,960
As at 30 June 2025	22,432,500	-	22,432,500
Net book value			
As at 1 January 2025	42,705,060	3,655,353,775	3,698,058,835
As at 30 June 2025	71,147,100	3,655,353,775	3,726,500,875

6. CONSTRUCTION IN PROGRESS

	30 June 2025 *LAK*	*31 December 2024* *LAK*
Konpook mining project	5,966,361,212	5,966,361,212
Building 21 (*)	8,942,500,343	29,108,618,371
Grand house project	3,514,790,726	2,094,090,295
Nongbone project	52,484,784	52,484,784
Resort Hotel project	42,118,600	42,118,600
Office mining project	36,918,050	36,918,050
Apartment of employee project	1,765,241,497	1,765,241,497
VangVieng Project	107,367,500	-
	20,427,782,712	**39,065,832,809**
Impairment for Construction in Progress	(5,966,361,212)	(5,966,361,212)
	14,461,421,500	**33,099,471,597**

(*) This represents for the construction costs in connection with the development of condominium building ("Building 21") being located at Phonphanao village, Xaysettha district, Vientiane Capital, Laos PDR. During the six-month period ending 30 June 2025, the Group has revised its usage plan for the building. The 1st to 3rd floors will be designated for the Group's office, while the floors above the 4th floor will be allocated for sale. Accordingly, the allocation of building costs has been adjusted for construction in progress and inventories (see Note 8).

7. OTHER CURRENT ASSETS

	30 June 2025 LAK	*31 December 2024* LAK
Advance to employees	2,855,426,912	1,355,596,099
Guarantee deposit (*)	2,154,250,000	2,167,000,000
Advance to suppliers	1,870,107,408	1,229,656,649
Others	3,302,022	3,302,022
	6,883,086,342	**4,755,554,770**

(*) This advance payment represent a guarantee deposit made to the Rural Development State Own Company for the purpose on exploration and mining project at Hua Phan province in accordance with the MOU No. 224 dated 26 March 2024.

8. INVENTORIES

	30 June 2025 LAK	*31 December 2024* LAK
Raw materials and consumables	1,138,408,226	1,148,766,633
Tools and supplies	5,511,428,578	5,201,697,528
Work in progress	9,139,216,605	9,139,216,605
Finished goods	773,052,367	773,052,367
Work in progress (*)	29,552,545,081	7,105,923,367
Machinery, spare part and agricultural market project	1,460,250,000	-
	47,574,900,857	**23,368,656,500**
	(15,258,944,657)	(11,044,644,047)
Provision for inventories	**32,315,956,200**	**12,324,012,453**

(*) Work in progress represents for the construction costs in connection with the development of condominium building (Building 21 Project) being located at Phonphanao village, Xaysettha district, Vientiane Capital, Laos PDR. During the six-month period ended 30 June 2025, the Group has revised its usage plan for the Building. The 1st to 3rd floors will be designated for the Group's office, while the floors above the 4th will be allocated for sale. Accordingly, the allocation of building costs has been adjusted for construction in progress (see Note 6) and inventories.

9. TRADE RECEIVABLES

	30 June 2025 LAK	*31 December 2024 LAK*
Trade receivables	1,914,964,873	2,050,315,747
Provision for doubtful accounts	(366,917,757)	(394,203,957)
	1,548,047,116	**1,656,111,790**

Details of provision for doubtful accounts as at 30 June 2025 are as follows:

Overdue status	*Receivable balance*	*Provision*
6 months to 1 year past due	-	-
From 1 year to 2 years past due	-	-
More than 2 years past due	(366,917,757)	(366,917,757)
Total	**(366,917,757)**	**(366,917,757)**

Details of provision for doubtful accounts as at 31 December 2024 are as follows:

Overdue status	*Receivable balance*	*Provision*
6 months to 1 year past due	-	-
From 1 year to 2 years past due	-	-
More than 2 years past due	(394,203,957)	(394,203,957)
Total	**(394,203,957)**	**(394,203,957)**

10. CASH

	30 June 2025 LAK	*31 December 2024 LAK*
Cash on hand	139,490,762	69,298,207
Cash in banks	4,242,317,505	574,887,405
	4,381,808,267	**644,185,612**

11. TRADE PAYABLE

	30 June 2025 LAK	*31 December 2024 LAK*
Trade payables to suppliers	**6,926,294,846**	**6,411,332,856**
Ang Concrete Company	*5,909,734,486*	*5,653,183,546*
Others	*1,016,560,360*	*758,149,310*
Audit fee	414,693,125	1,614,415,000
	7,340,987,971	**8,025,747,856**

12. ADVANCES FROM CUSTOMERS

	30 June 2025 LAK	*31 December 2024* LAK
Advance from a purchaser according to the asset's disposal contract	7,672,908,400	8,015,587,600
Advance from customers for reservation condominium	3,227,443,914	4,405,220,089
Advance for machinery, spare part and agricultural market project	16,156,875,000	-
Other advance from customers	20,000,000	20,000,000
	27,077,227,314	**12,440,807,689**

13. STATUTORY OBLIGATIONS

	30 June 2025 LAK	*31 December 2024* LAK
Foreign contractor tax payables	3,058,050,485	3,058,050,485
Output value added tax	2,916,472,079	3,039,472,079
Profit tax payable (Note 20)	479,656,526	479,656,526
Other taxes	2,222,294,746	1,750,265,611
	8,676,473,836	**8,327,444,701**

14. OTHER PAYABLES

	30 June 2025 LAK	*31 December 2024* LAK
Dividends payable to related parties (Note 21) (*)	13,581,363,960	13,581,363,960
Borrowings from related parties (Note 21)	18,565,423,948	11,230,409,810
SSO payable	37,604,881	28,473,581
Others	370,625,733	457,403,350
	32,555,018,522	**25,297,650,701**

(*) Details of dividends payable to related parties are as follows:

	30 June 2025 LAK	*31 December 2024* LAK
2016 dividends payable to related parties	3,395,146,565	3,395,146,565
2015 dividends payable to related parties	5,773,056,205	5,773,056,205
2014 dividends payable to related parties	4,413,161,190	4,413,161,190
	13,581,363,960	**13,581,363,960**

15. CONTRIBUTED CAPITAL

15.1 Shares

	30 June 2025		31 December 2024	
	Quantity (shares)	Amount (LAK)	Quantity (shares)	Amount (LAK)
Authorized shares				
Issued and paid-up shares				
Ordinary shares	40,004,000	20,002,000,000	40,004,000	20,002,000,000

On 14 February 2018, the Group received the Certificate of Initial Public Offering (IPO) completion No.0008/LSX issued by Lao Securities Commission Office, according to which the Group had completed IPO process with the total 40,004,000 shares of the Group (under the ticker "LCC") have been officially listed on Lao Securities Exchange.

The shareholding structure of the Group as at 30 June 2025 and 31 December 2024 is as follows:

	30 June 2025		31 December 2024	
Shareholders	Number of shares	Percentage	Number of shares	Percentage
Yunnan Hengshi Chengrui Holdings Co., Ltd ("Yunnan Qianhan")	14,280,000	35.696%	14,280,000	35.696%
Lao Agriculture-Forestry Development and Service Company (DAI)	13,720,000	34.297%	13,720,000	34.297%
Lao-China Securities Co., Ltd (LCS)	7,547,800	18.868%	7,547,800	18.868%
Other public corporation and individual investors	4,456,200	11.139%	4,456,200	11.139%
	40,004,000		**40,004,000**	

16. OTHER OPERATING INCOME

	For the six-month period ended 30 June 2025 LAK	For the six-month period ended 30 June 2024 LAK
Income from disposal of raw material, scrap and fixed assets	-	523,364,486
Reversal of provision doubtful debts	27,286,200	8,066,000
Reversal of provision for Inventories	-	5,474,210
Others	5,964,000	761,229,238
	33,250,200	**1,298,133,934**

17. OTHER OPERATING EXPENSES

These mainly comprise expenses relating to the suspended plants with details are as follows:

	For the six-month period ended 30 June 2025 LAK	*For the six-month period ended 30 June 2024 LAK*
Provision for inventories	4,214,300,610	-
Personnel expenses	886,845,957	881,092,446
Environmental assessment fee	709,318,500	-
Depreciation expenses of suspended plants	7,012,758	4,876,916
Utility and fuel	635,629	59,834,436
Others	210,883,313	132,263,082
	6,028,996,767	**1,078,066,880**

18. ADMINISTRATIVE EXPENSES

	For the six-month period ended 30 June 2025 LAK	*For the six-month period ended 30 June 2024 LAK*
Personnel expenses	4,989,823,164	4,056,418,804
Depreciation expenses	262,641,909	239,747,275
Utility and fuel expenses	249,434,842	252,712,563
Rental fee	186,896,024	163,718,424
Maintenance expenses	375,696,953	240,462,152
Travelling expenses	313,934,228	132,000,719
Guest welcoming and entertainment	363,744,520	402,060,856
Audit fee	414,693,125	339,870,300
Other administrative expenses	598,307,476	2,722,953,006
Legal consultant fee & Technical fee	-	378,993,000
Written off account receivable	-	497,227,177
	7,755,172,241	**9,426,164,276**

19. FINANCE COSTS

	For the six-month period ended 30 June 2025 LAK	*For the six-month period ended 30 June 2024 LAK*
Interest expenses	549,650,963	-
Foreign exchange losses	324,360,424	734,038,888
	874,011,386	**734,038,888**

20. PROFIT TAX

Under the new Income Tax Law No. 67/NA dated 18 Jun 2019, which is effective on or after 1 January 2020, the normal profit tax ("PT") rate is 20%.

The Group does not recognize corporate income tax payable or receivable in the future periods in respect to temporary difference. Income tax expenses recognized based on the result for the related period and the applicable tax Law of Lao PDR.

The tax returns filed by the Group are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the interim consolidated financial statements could change at a later date upon final determination by the tax authorities.

The current tax payable is based on taxable profit for the year. The Group's liability for current tax is calculated using tax rates that have been enacted at the interim consolidated balance sheet date.

The estimation of profit tax is presented below:

	For the six-month period ended 30 June 2025 LAK	*For the six-month period ended 30 June 2025 LAK*
Gain/(loss) before tax	**(14,624,865,898)**	**(9,940,067,848)**
Adjustments to loss before tax:		
Provision/(reversal of provision) for inventories	4,214,300,610	(5,474,210)
Reversal of Provision for doubtful accounts	(27,286,200)	(8,066,000)
Other non-deductible expenses	703,150,303	1,951,349,427
Estimated current taxable losses	**(9,734,701,185)**	**(8,002,258,631)**
Estimated current PT expenses at rate 20% (2025: 20%)		
PT payable at beginning of the year	479,656,526	479,656,526
PT paid during the year	-	-
PT payable at the end of the year (Note 13)	**479,656,526**	**479,656,526**

20. PROFIT TAX (continued)

Tax losses carried forward

For tax loss incurred from 2020 and afterwards, in accordance with the amended Tax Law No. 67/NA dated 18 June 2019, article 23, annual losses which are certified by the audit authority or an independent audit firm and acknowledged by the tax authorities, are eligible to be carried forward to offset with future taxable profits for a period of five years after the losses incurred.

At interim consolidated balance sheet date, the Group has aggregated accumulated tax losses available for offset against future taxable income. Details are as follows:

Currency: LAK

Originating year	*Can be utilized up to*	*Tax loss amount*	*Utilized up to 30 June 2025*	*Forfeited*	*Unutilized at 30 June 2025*
2020	2025	34,611,776,360	-	-	34,611,776,360
2021	2026	12,384,451,613	-	-	12,384,451,613
2022	2027	13,325,630,431	-	-	13,325,630,431
2023	2028	2,398,662,436	-	-	2,398,662,436
2024	2029	542,195,702	-	-	542,195,702
2025	2030	9,734,701,185	-	-	9,734,701,185
TOTAL		**72,997,417,727**	**-**		**72,997,417,727**

Estimated tax losses as per the Group's profit tax declarations which have not been audited by the local tax authorities as of the date of these interim consolidated financial statements.

No deferred tax assets were recognised in respect of the remaining LAK 72,997,417,727 because future taxable income cannot be ascertained at this stage.

21. RELATED PARTY TRANSACTIONS

Transactions with related parties are conducted at contractually agreed prices. Significant transactions with related parties during the years were as follows:

Related parties	*Relationship*	*Nature of transaction*	*For the six-month period ended 30 June 2025 LAK*	*For the six-month period ended 30 June 2024 LAK*
Mr. Nie Lei	General Director	Borrowing	-	1,875,907,500
		Repayment of Borrowing	448,062,500	-
HK XIANGHUA LIMIED NO4	Related party	Borrowing	7,501,625,000	6,501,000,000
		Borrowing interest	549,650,963	-
Yunnan Hengshi Chengrui Holdings Co., Ltd ("Yunnan Qianhan")	Shareholder	Borrowing	-	133,573,571
		Repayment of Borrowing	168,338,162	561,389,949
Mr. Li Xue Bing	Deputy of director	Borrowing	-	3,835,590,000
		Repayment of Borrowing	22,567,500	-
Mr. Wang Hui	Director	Borrowing	-	222,564,810
		Repayment of Borrowing	222,564,810	-
Mr. Ding Yu Dong	Director	Borrowing	141,630,000	58,370,000

Balances due from related parties as at 30 June 2025 and 31 December 2024 were as follows:

Related parties	*Relationship*	*Nature of transaction*	*30 June 2025 LAK*	*31 December 2024 LAK*
Amounts due from related parties				
Yunnan Hengshi Chengrui Holdings Co., Ltd ("Yunnan Qianhan")	Shareholder	Advance	1,000,000,000	1,000,000,000

21. RELATED PARTY TRANSACTIONS (continued)

Balances due to related parties as at 30 June 2025 and 31 December 2024 were as follows (continued):

Related parties	*Relationship*	*Nature of transaction*	*30 June 2025* LAK	*31 December 2024* LAK
Amounts due to related parties				
Yunnan Hengshi Chengrui Holdings Co., Ltd ("Yunnan Qianhan")	Shareholder	Net debt transfer from CYC	3,051,966,784	3,353,884,434
		Borrowing (*)	64,526,948	232,865,110
Lao Agriculture-Forestry Development and Service Company (DAI)	Shareholder	Purchase of materials	4,374,818,540	4,374,818,540
Mr. Nie Lei	General Director	Borrowing (*)	3,157,387,500	3,605,450,000
			10,648,699,772	**11,567,018,084**
Other payables (Note 14)				
Yunnan Hengshi Chengrui Holdings Co., Ltd ("Yunnan Qianhan")	Shareholder	Dividend payable	7,736,383,104	7,736,383,104
Lao Agriculture-Forestry Development and Service Company (DAI)	Shareholder	Dividend payable	5,844,980,856	5,844,980,856
			13,581,363,960	**13,581,363,960**
Other payables (Note 14)				
Mr. Li Xue Bing	Deputy Director	Borrowing (*)	3,813,022,500	3,835,590,000
Mr. Wang Hui	Director	Borrowing (*)	-	835,449,810
Mr. Ding Yu Dong	Director	Borrowing (*)	200,000,000	58,370,000
HK XIANGHUA LIMITED NO4	Related party	Borrowing (**)	14,002,625,000	6,501,000,000
		Borrowing interest	549,776,448	-
			18,565,423,948	**11,230,409,810**

(*) These represent unsecured interest-free with indefinite-term borrowings.

(**) From 1 January 2025, these represent unsecured borrowings with the interest 10% and maturity date on 30 December 2025.

21. RELATED PARTY TRANSACTIONS (continued)

Other transactions with related parties

Remuneration to management during the period were as follows:

	For the six-month period ended 30 June 2025 LAK	*For the six-month period ended 30 June 2024 LAK*
Salaries	1,146,565,652	1,362,011,558
	1,146,565,652	**1,362,011,558**

22. COMMITMENTS

As of June 30, 2025, the Group has entered into contractual commitments outlined in the joint investment agreement for the Building 21 Project under Contract No. LCTC-E25011 with the investor Laos Yao Xing Industrial Sole Co., Ltd ("LYX"). Consequently, in the coming years, the Group agrees to pay LYX USD 8 million upon the sale of the building, along with an additional contingent amount of USD 4 million based on the project's profitability.

23. SUBSEQUENT EVENTS

There has not been any significant event that has arisen since 30 June 2025 that requires adjustments or disclosures to be made in the interim consolidated financial statements.

24. APPROVAL FOR ISSUE

The interim consolidated financial statements as at and for the six-month period ended 30 June 2025 were authorised for issue by the Group's management on 29 August 2025.

Mr. Nie Lei
General Director

Mr. Zhang Jing Hua
Head of Accounting & Finance

Vientiane, Lao PDR

29 August 2025