Lao Culture Tourism Public Group Company

Interim separate financial statements

For the six-month period ended 30 June 2024



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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 6 December 1999, the Company received the first Business Licence No.1154/BLO issued by the Ministry of Industry and Commerce, which allowed the Company to operate in cement and other related cement products for domestic consumption and export.

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 20 February 2018, Ministry of Industry and Commerce issued Business Licence No.0160/BLO in which the Company's name was changed from Lao Cement Co., Ltd to Lao Cement Public Company.

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 were changed 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.

The shareholding structure of the Company as at 30 June 2024 is as follows:

Shareholders	*Number of shares*	*Percentage*
Yunnan Hengshi Chengrui Holdings Co., Ltd ("Yunnan Hengshi") (Previously known as Yunnan Qianhan Technology Network Limited ("Yunnan 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)

BOARD OF DIRECTORS

Members of the Board of Directors during the six-month period ended 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. Zhang Jing Hua	Member	Appointed on 09 March 2023
Mrs. Cai Ling Ling	Member	Appointed on 09 March 2023
Mr. Ding Zhen Xu	Member	Appointed on 09 March 2023
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. Vongvichit Keovongkot	Independent member	Appointed on 23 June 2020
Mr. Vichit Souvannalad	Member	Appointed on 23 June 2020 Resigned on 15 February 2024
Mr. Lyu Lin	Member	Appointed on 09 March 2023 Resigned on 03 April 2024

MANAGEMENT

Members of the Company's management during the six-month period-ended 30 June 2024 and as at the date of this report are:

Name	*Position*	*Date of appointment/resignation*
Mr. Nie Lei	General Director	Appointed on 09 March 2023
Mr. Zhang Jing Hua	Director	Appointed on 09 March 2023
Mr. Khambon Xaylaovong	Director	Appointed on 23 June 2020
Mr. Vongvichit Keovongkot	Director	Appointed on 23 June 2020
Mr. Vichit Souvannalad	Deputy Director	Appointed on 23 June 2020 Resigned on 15 February 2024
Mr. Lyu Lin	Deputy Director	Appointed on 09 March 2023 Resigned on 03 April 2024
Mr. Xie Liang Wu	Director	Appointed on 09 March 2023 Resigned on 03 April 2024

AUDIT COMMITTEE

Members of the Company's audit committee during the six-month period-ended 30 June 2024 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. Ding Zhun Xu	Member	Appointed on 09 March 2023
Mr. Vongvichit Keovongkot	Member	Appointed on 23 June 2020
Mr. Liu Hao	Member	Appointed on 09 March 2023

GENERAL INFORMATION (continued)

LEGAL REPRESENTATIVE

The legal representative of the Company during the period and at the date of this report is Mr. Nie Lei, General Director cum 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 Company's interim separate financial statements for the six-month period ended 30 June 2024.

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

Management is responsible for the preparation of the interim separate financial statements which have been prepared in accordance with the accounting policies as described in Note 3 to the interim separate financial statements. These accounting policies are not intended to present the interim separate financial position, the interim results of operations and interim cash flows of the Company in accordance with international generally accepted accounting principles. In preparing those interim separate 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 policies have been followed, subject to any material departures disclosed and explained in the interim separate financial statements; and
- prepare the interim separate financial statements on the going concern basis unless it is inappropriate to presume that the Company 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 separate financial position of the Company and for ensuring that the interim separate financial statements comply with the accounting policies applied. It is also responsible for safeguarding the assets of the Company and thus for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

STATEMENT BY MANAGEMENT

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

On behalf of the Board of Management:

Mr. Nie Lei
General Director

Vientiane, Lao PDR

05 September 2024

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Reference: 11728747/E-6849455-LR-Separate

REPORT ON REVIEW OF INTERIM SEPARATE FINANCIAL STATEMENTS

To: The shareholders of Lao Culture Tourism Public Group Company

Introduction

We have reviewed the Company's interim separate financial statements which comprise the interim separate of financial position as at 30 June 2024, the interim separate income statement, interim separate statement of changes in equity and cash flows for the six-month period then ended, and notes to the interim separate financial statements, including a summary of significant accounting policies (collectively being referred to as "the interim separate financial statements")

Management's responsibilities

Management is responsible for the preparation and presentation of these interim separate financial statements in accordance with the accounting policies as described in Note 3 and the statutory requirements relevant to the preparation and preparation of the interim separate financial statements, and for such internal control as management determines is necessary to enable the preparation and presentation of the interim separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express a conclusion on the interim financial statements based on our review. We conducted our review in accordance with International Standard 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim separate financial statements are not prepared, in all material respects, in accordance with the accounting policies as described in Note 3 to the interim separate financial statements.

Emphasis of Matters – Accounting Policies

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

Our conclusion is not modified in respect of this matter.

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Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the separate financial statements, which indicates that the Company incurred a net loss before tax LAK 7.68 billion for the six-month period ended 30 June 2024. As of that date, the Company has accumulated losses of LAK 82 billion exceeded contributed charter capital by LAK 62 billion, and the Company's current liabilities also exceeded its current assets by LAK 41 billion. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

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

ERNST & YOUNG LAO CO.,LTD

Van Le
Partner

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

Vientiane, Lao PDR

05 September 2024

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Lao Culture Tourism Public Group Company

INTERIM SEPARATE BALANCE SHEET
as at 30 June 2024

	Notes	30 June 2024 LAK	31 December 2023 LAK
ASSETS			
Non-current assets			
Property, plant and equipment	4	974,812,511	569,628,666
Construction in progress	6	16,656,871,197	33,848,808,652
Intangible assets	5	3,685,229,795	3,689,043,755
Investment in subsidiaries	7	2,101,913,716	1,189,235,074
Total non-current assets		**23,418,827,219**	**39,296,716,147**
Current assets			
Other current assets	8	4,065,014,026	1,705,010,743
Inventories	9	29,804,230,334	6,880,835,715
Amounts due from related parties	21	1,809,600,121	224,362,213
Trade receivables	10	1,838,906,826	2,464,105,715
Cash	11	320,277,503	1,606,207,716
Total current assets		**37,838,028,810**	**12,880,522,102**
TOTAL ASSETS		**61,256,856,029**	**52,177,238,249**
LIABILITIES AND EQUITY			
Current liabilities			
Trade payables		1,846,252,457	1,441,398,721
Advances from customers	12	27,464,925,772	20,274,717,670
Amounts due to related parties	21	11,689,809,060	8,389,384,462
Statutory obligations	13	6,157,633,357	6,109,246,395
Payables to employees		8,823,486,378	8,019,276,919
Other payables	14	23,380,781,571	18,364,896,342
Total current liabilities		**79,362,888,595**	**62,598,920,509**
TOTAL LIABILITIES		**79,362,888,595**	**62,598,920,509**
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		(82,747,526,219)	(75,063,175,913)
Total equity		**(18,106,032,566)**	**(10,421,682,260)**
TOTAL LIABILITIES AND EQUITY		**61,256,856,029**	**52,177,238,249**

Mr. Nie Lei
General Director

Mr. Zhang Jing Hua
Head of Accounting & Finance

Vientiane, Lao PDR

05 September 2024

Lao Culture Tourism Public Group Company

INTERIM SEPARATE INCOME STATEMENT
for the six-month period ended 30 June 2024

	Notes	*For the six-month period ended 30 June 2024 LAK*	*For the six-month period ended 30 June 2023 LAK*
Revenue from sale of goods		-	-
Cost of goods sold		-	-
Gross margin		-	-
Other operating income	16	1,298,133,934	7,617,058,156
Other operating expenses	17	(1,078,066,880)	(3,872,766,798)
Administrative expenses	18	(7,216,752,766)	(5,103,433,005)
Operating loss		**(6,996,685,712)**	**(1,359,141,647)**
Finance income		68,262	1,265,879
Finance cost	19	(687,732,856)	(1,402,707,150)
Loss before tax		**(7,684,350,306)**	**(2,760,582,918)**
Profit tax expenses	20	-	-
Net loss after tax		**(7,684,350,306)**	**(2,760,582,918)**

Mr. Nie Lei
General Director

Mr. Zhang Jing Hua
Head of Accounting & Finance

Vientiane, Lao PDR

05 September 2024

Lao Culture Tourism Public Group Company

INTERIM SEPARATE STATEMENT OF CHANGES IN EQUITY
for the six-month period ended 30 June 2024

	Contributed capital LAK	*Share premium LAK*	*Legal reserve LAK*	*Plant expansion reserve LAK*	*Accumulated losses LAK*	*Total LAK*
As at 1 January 2023	20,002,000,000	18,385,975,511	7,704,052,546	18,549,465,596	(76,881,483,050)	(12,239,989,397)
Net loss for the period	-	-	-	-	(2,760,582,918)	(2,760,582,918)
As at 30 June 2023	**20,002,000,000**	**18,385,975,511**	**7,704,052,546**	**18,549,465,596**	**(79,642,065,968)**	**(15,000,572,315)**
As at 1 January 2024	20,002,000,000	18,385,975,511	7,704,052,546	18,549,465,596	(75,063,175,913)	(10,421,682,260)
Net loss for the period	-	-	-	-	(7,684,350,306)	(7,684,350,306)
As at 30 June 2024	**20,002,000,000**	**18,385,975,511**	**7,704,052,546**	**18,549,465,596**	**(82,747,526,219)**	**(18,106,032,566)**

Mr. Nie Lei
General Director

Vientiane, Lao PDR

05 September 2024

Mr. Zhang Jing Hua
Head of Accounting & Finance

Lao Culture Tourism Public Group Company

INTERIM SEPARATE STATEMENT OF CASH FLOWS
for the six-month period ended 30 June 2024

	Notes	*For the six-month period ended 30 June 2024 LAK*	*For the six-month period ended 30 June 2023 LAK*
OPERATING ACTIVITIES			
Loss before tax		**(7,684,350,306)**	**(2,760,582,918)**
Adjustments for:			
Depreciation of property, plant and equipment	4,5	185,887,051	417,799,425
Reversal of provision for inventories	16	(5,474,210)	(435,810,382)
Reversal of provision for doubtful account	16	(8,066,000)	(4,891,700,850)
Net foreign exchange loss		898,676,742	1,392,752,128
Profit from selling fixed assets		(523,364,486)	(780,504,879)
Working capital adjustments:			
(Increase)/decrease in trade and other receivables, Including amount due from related parties		(979,057,111)	3,521,214,158
Increase in other current assets		(2,175,654,706)	-
(Increase)/decrease in inventories		(22,917,920,409)	1,059,957,777
Increase in trade and other payables, including amount due to related parties		14,368,117,053	1,254,905,298
Interest income		68,262	1,265,879
Net cash flows used in operating activities		**(18,841,138,120)**	**(1,220,704,364)**
INVESTING ACTIVITIES			
Acquisitions of property, plant and equipment		(587,256,936)	(22,420,000)
Proceeds from disposals of fixed assets		523,364,486	1,386,039,600
Acquisitions of Intangible asset		-	(38,139,600)
Investments in subsidiaries		(912,678,642)	-
Construction in progress		18,511,937,455	(461,681,997)
Net cash flows from investing activities		**17,535,366,363**	**863,798,003**
FINANCING ACTIVITIES			
Repayment of bank borrowings		-	-
Net cash flows used in financing activities		**-**	**-**
Net decreased in cash		(1,305,771,757)	(356,906,361)
Cash at the beginning of the period		1,606,207,716	643,463,066
Impact of foreign exchange rate fluctuation		19,841,544	9,955,022
Cash at the end of the period	**11**	**320,277,503**	**296,511,727**

Mr. Nie Lei
General Director

Mr. Zhang Jing Hua
Head of Accounting & Finance

Vientiane, Lao PDR

05 September 2024

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 6 December 1999, the Company received the first Business Licence No.1154/BLO issued by the Ministry of Industry and Commerce, which allowed the Company to operate in cement and other related cement products for domestic consumption and export.

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 20 February 2018, Ministry of Industry and Commerce issued Business Licence No.0160/BLO in which the Company's was changed from Lao Cement Co., Ltd to Lao Cement Public Company.

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 service on tourism (inbound-outbound) and construction of condominium for sale.

On 30 October 2023, the Company obtained its latest Business Licence No.3330/BLO 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.

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 2024, the Company had 53 employees (31 December 2023: 52 employees).

1. CORPORATE INFORMATION (continued)

Subsidiaries

As at 30 June 2024, the Company has eight (8) subsidiaries with summarized financial information 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 2024, the Company has prepared its interim separate financial statements in accordance with the accounting policies as set out in Note 3 to the interim separate financial statements. These accounting policies are not intended to present the interim separate financial position, interim separate results of operations and interim separate cash flows of the Company in accordance with international generally accepted accounting principles.

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

Going concern assumption

The Company incurred a net loss of LAK 7.68 billion for the year ended 30 June 2024. As at this date, the Company's accumulated losses of LAK 82 billion exceeded contributed charter capital by LAK 62 billion, and the Company's current liabilities also exceeded its current assets by LAK 41 billion. On 25 August 2020, the Company published Announcement No.202/LCC about temporarily ceasing all production until further notice. The Company 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 principle 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. These conditions indicate that a material uncertainty exists that may cast significant doubt about the Company's ability to continue as a going concern. In view thereof, the Company's ability to continue in business is dependent on the cash flow from future operating activities and/or the continuing financial support from its owner.

The Company's management has prepared appropriate business and finance plans to the operations of the Company. In addition, Yunnan Hengshi – its majority shareholder, also has confirmed its willingness and ability to provide adequate funds to the Company to enable it to continue operations for thought the next 12 months and for the coming year, if necessary. On this basis, the Company's management considers it is as appropriate to prepare the Company's financial statements on the going concern basis.

Fiscal year

The Company's fiscal year starts on 1 January and ends 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 Company 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 the interim separate income statement.

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

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 Company as a lessee

Leases, where all the risks and benefits of ownership of the leased items are not transferred substantially to the Company 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 and 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 Company develops and intends to sell before, or on completion of development.

Cost incurred in bringing each properly 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

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 estimate 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 bases on the relative size of the property sold.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 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 interim separate income statement.

Investments in subsidiaries

Subsidiaries are all entities (including structured entities) over which the Company has control. The Company controls an entity when the company is exposed to, or has rights to, variable returns though its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the company. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains or loss on transactions between the Company and its subsidiaries are eliminated. A list of the company's subsidiaries is shown in note 7.

In the interim separate financial statements, investments in subsidiaries are accounted at cost.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Trade receivables and provision for doubtful accounts

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

The Company 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 separate financial statements.

Cash

Cash comprises cash on hand and cash in banks.

Borrowing costs

Borrowing costs consist of interest and other costs that the Company 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.

Contributed capital

Contributed capital is recognized in the interim separate 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 the interim separate 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).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Reserves

Under the requirement of Enterprise Law no. 46/NA dated 20 November 2023, 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 Company 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 Company dated 15 December 1998. The appropriation amount is determined by the Company's Board of Directors on an annual basis.

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

Foreign currencies

The interim separate financial statements are presented in LAK which is the Company'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 the interim separate balance sheet date. All gains and losses are taken to the finance income and finance costs accounts, respectively, in the interim separate income statement.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company 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 separate 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 Company 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 Company'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 Company's risks and returns are not impacted by the Company's services that the Company is providing or the locations where the Company is doing the business. As a result, the Company'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	*Others* LAK	*Total* LAK
Cost							
As at 1 January 2024	134,382,315,687	211,980,181,962	15,407,671,171	1,855,693,263	2,111,009,576	436,983,816	366,173,855,475
Additions	-	-	505,369,500	12,989,000	68,898,436	-	587,256,936
Disposal	-	-	(523,085,400)	-	-	-	(523,085,400)
Written off	-	-	(273,406,531)	(1,839,516,960)	(1,934,503,117)	(400,446,575)	(4,447,873,183)
Other adjustment	-	-	651,809,131	-	514,170,351	-	1,165,979,482
As at 30 June 2024	134,382,315,687	211,980,181,962	15,768,357,871	29,165,303	759,575,246	36,537,241	362,956,133,310
Accumulated depreciation							
As at 1 January 2024	134,382,315,687	211,980,181,962	14,857,671,171	1,855,693,263	2,091,380,910	436,983,816	365,604,226,809
Charge for the period	-	-	174,501,808	649,450	6,921,833	-	182,073,091
Disposal	-	-	(523,085,400)	-	-	-	(523,085,400)
Written off	-	-	(273,406,531)	(1,839,516,960)	(1,934,503,117)	(400,446,575)	(4,447,873,183)
Other adjustment	-	-	651,809,131	-	514,170,351	-	1,165,979,482
As at 30 June 2024	134,382,315,687	211,980,181,962	14,887,490,179	16,825,753	677,969,977	36,537,241	361,981,320,799
Net book value							
As at 1 January 2024	-	-	550,000,000	-	19,628,666	-	569,628,666
As at 30 June 2024	-	-	880,867,692	12,339,550	81,605,269	-	974,812,511

5. INTANGIBLE ASSETS

	Software *LAK*	*Indefinite land use right* *LAK*	*Total* *LAK*
Cost			
As at 1 January 2024	38,139,600	3,655,353,775	3,693,493,375
Addition	-	-	-
As at 30 June 2024	38,139,600	3,655,353,775	3,693,493,375
Accumulated depreciation			
As at 1 January 2024	4,449,620	-	4,449,620
Charge for the period	3,813,960	-	3,813,960
As at 30 June 2024	8,263,580	-	8,263,580
Net book value			
As at 1 January 2024	33,689,980	3,655,353,775	3,689,043,755
As at 30 June 2024	29,876,020	3,655,353,775	3,685,229,795

6. CONSTRUCTION IN PROGRESS

	30 June 2024 *LAK*	*31 December 2023* *LAK*
Konpook mining project	5,966,361,212	5,966,361,212
Building 21	10,213,093,456	27,518,092,056
Grand house project	382,813,145	269,752,000
Nongbone project	52,484,784	52,484,784
Resort Hotel project	42,118,600	42,118,600
	16,656,871,197	**33,848,808,652**

7. INVESTMENT IN SUBSIDIARIES

Contributed capital and Percentage of ownership in the subsidiaries are as follows

		Investment amount	
		30 June 2024	*31 December 2023*
		LAK	*LAK*
Subsidiary			
Lao Agricultural Science and Technology Development Sole Co., Ltd	(i)	558,564,000	558,564,000
Lao City Construction Development Group Sole Co., LTD	(ii)	1,543,349,716	630,671,074
Lao New Building Materials Sole Co., LTD		-	-
Lao National Tourism Planning and Design Institute Sole Co., Ltd		-	-
Lao International Exhibition Services Sole Co., Ltd	(iii)	-	-
Lao Mineral Resources Development Sole Co., Ltd	(iv)	-	-
Lao National Survey and Designed Institute Sole Co., Ltd	(v)	-	-
Laos Education and Training Center Company Sole Co., Ltd	(vi)	-	-
		2,101,913,716	**1,189,235,074**

(i) On 14 March 2023, the Company established Zhongke Herb (Lao) Sole Co., LTD, a company incorporated in Lao PDR, with registered capital at LAKm 1,000. The principal activity of Zhongke Herb (Lao) Sole Co., LTD is growing and importing herbal plants. On 17 June 2024, it was changed the name to be Lao Agriculture Science and Technology Development Sole Co., Ltd. The business license no. 2118/BLO date 17 Jun 2024 issued by the Ministry of Industry and commerce. The principal activity is to purchase herbs to export, Plant to sale domestic and export.

(ii) On 14 June 2023, the Company established Lao City Construction Development Sole Co., LTD, a company incorporated in Lao PDR, with registered capital at LAKm 5,000. The principal activity of Lao City Construction Development Sole Co., LTD is construction service. On 05 July 2024, it was changed the name to be Lao City Construction Development Group Sole Co., Ltd. This company will establish furniture factory to sale domestic and export, survey, design, and construct building, real estate activities, provide service in management to other entity, construction consultant service.

7. INVESTMENT IN SUBSIDIARIES (continued)

(iii) On 1 February 2024, the Company established Lao International Exhibition Services Sole Co., Ltd, a company incorporated in Lao PDR in which LCTC have 100% of equity interest in this company and its registered capital is of LAKm 500 in accordance with the business license No. 0414/BLO dated 01 February 2024 issued by the Ministry of Industry and Commerce. The principal activities of this company are entertainment production, cinematic and advertisement. Up to the date of these interim separate financial statements, the Company has not completed the capital contribution into this company.

(iv) On 29 February 2024, the Company established Lao Mineral Resources Development Sole Co., Ltd, a company incorporated in Lao PDR in which LCTC have 100% of equity interest in this company and its registered capital is of LAKm 500 in accordance with the business license No. 0767/BLO dated 29 February 2024 issued by the Ministry of Industry and Commerce. The principal activities of this company are Explore and survey mining site, coordinate with Ministry of Energy and Mine for legal documents process. Up to the date of these interim separate financial statements, the Company has not completed the capital contribution into this company.

(v) On 6 May 2024, the Company established Laos National Survey and Design Institute Sole Co., Ltd, a company incorporated in Lao PDR in which LCTC have 100% of equity interest in this company and its registered capital is of LAKm 10,000 in accordance with the business license No. 1495/BLO dated 06 May 2024 issued by the Ministry of Industry and Commerce. The principal activities of this company are explore, survey and design building. Up to the date of these interim separate financial statements, the Company has not completed the capital contribution into this company.

(vi) On 6 May 2024, the Company established Laos Education and Training Center Company Sole Co., Ltd, a company incorporated in Lao PDR in which LCTC have 100% of equity interest in this company and its registered capital is of LAKm 1,000 in accordance with the business license No. 1485/BLO dated 06 May 2024 issued by the Ministry of Industry and Commerce. The principal activities of this company are providing education consulting service. Up to the date of these interim separate financial statements, the Company has not completed the capital contribution into this company.

8. OTHER CURRENT ASSETS

	30 June 2024 *LAK*	*31 December 2023* *LAK*
Advances to employees	923,040,993	1,045,274,299
Advance guarantee deposit (*)	2,206,950,000	-
Others	935,023,033	659,736,444
	4,065,014,026	**1,705,010,743**

(*) This advance payment represents a guarantee deposit made to the Rural Development State Own Company related to investment on exploration and mining at Hua Phan province in accordance with the MOU No. 224 date 26 March 2024.

9. INVENTORIES

	30 June 2024 *LAK*	*31 December 2023* *LAK*
Raw materials and consumables	1,245,170,150	1,250,456,423
Tools and supplies	6,762,737,260	6,771,477,945
Work in progress	9,139,216,605	9,139,216,605
Finished goods	773,052,367	773,052,367
Work in progress (*)	22,931,947,367	-
	40,852,123,749	**17,934,203,340**
Provision for inventories	(11,047,893,415)	(11,053,367,625)
	29,804,230,334	**6,880,835,715**

(*) Work in progress 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.

10. TRADE RECEIVABLES

	30 June 2024 *LAK*	*31 December 2023* *LAK*
Trade receivables	2,274,460,783	2,907,725,672
Provision for doubtful accounts	(435,553,957)	(443,619,957)
	1,838,906,826	**2,464,105,715**

Details of provision for doubtful accounts as at 30 June 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	(435,553,957)	(435,553,957)
Total	**(435,553,957)**	**(435,553,957)**

Details of provision for doubtful accounts as at 31 December 2023 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	(443,619,957)	(443,619,957)
Total	**(443,619,957)**	**(443,619,957)**

11. CASH

	30 June 2024 LAK	*31 December 2023* LAK
Cash on hand	108,284,415	51,939,545
Cash in banks	211,993,088	1,554,268,171
	320,277,503	**1,606,207,716**

12. ADVANCES FROM CUSTOMERS

	30 June 2024 LAK	*31 December 2023* LAK
Advance from a purchaser according to the asset's disposal contract	22,543,024,988	18,537,768,000
Advance from customers for reservation condominium	4,901,900,784	1,716,949,670
Other advance from customers	20,000,000	20,000,000
	27,464,925,772	**20,274,717,670**

13. STATUTORY OBLIGATIONS

	30 June 2024 LAK	*31 December 2023* LAK
Foreign contractor tax payables	3,058,050,485	3,058,050,485
Output value added tax	1,285,625,029	1,240,616,125
Profit tax payable (Note 21)	479,656,526	479,656,526
Other taxes	1,334,301,317	1,330,923,259
	6,157,633,357	**6,109,246,395**

14. OTHER PAYABLES

	30 June 2024 LAK	*31 December 2023* LAK
Dividends payable to related parties (Note 22) (*)	13,581,363,960	13,581,363,960
SSO payable	26,075,256	27,920,661
Fee interest borrowings from individuals	3,641,467,500	-
Others	6,131,874,855	4,755,611,721
	23,380,781,571	**18,364,896,342**

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

	30 June 2024 LAK	*31 December 2023* 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 2024		*31 December 2023*	
	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 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.

The shareholding structure of the Company as at 30 June 2024 and 31 December 2023 is as follows:

	30 June 2024		*31 December 2023*	
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 2024 LAK	*For the six-month period ended 30 June 2023 LAK*
Income from disposal of raw material, scrap and fixed assets	523,364,486	2,228,496,924
Reversal of provision doubtful debts	8,066,000	4,891,700,850
Reversal of provision for Inventories	5,474,210	435,810,382
Others	761,229,238	61,050,000
	1,298,133,934	**7,617,058,156**

17. OTHER OPERATING EXPENSES

These mainly comprise expenses relating to the suspended plants with detail is as follows:

	For the six-month period ended 30 June 2024 LAK	*For the six-month period ended 30 June 2023 LAK*
Depreciation expenses of suspended plants	4,876,916	1,801,627,390
Personnel expenses	881,092,446	752,655,404
Utility and fuel	59,834,436	85,096,021
Cost of raw material disposed	23,518,489	1,056,098,340
Value added tax expenses	-	81,417,654
Others	108,744,593	95,871,989
	1,078,066,880	**3,872,766,798**

18. ADMINISTRATIVE EXPENSES

	For the six-month period ended 30 June 2024 LAK	*For the six-month period ended 30 June 2023 LAK*
Personnel expenses	3,681,911,946	2,982,704,985
Legal consultant fee & Technical fee	375,993,000	8,000,000
Written off account receivable	497,227,177	-
Depreciation expenses	181,010,135	2,211,635
Utility and fuel expenses	209,203,563	207,747,626
Rental fee	163,718,424	121,952,240
Maintenance expenses	232,365,152	204,445,771
Travelling expenses	120,930,715	289,997,187
Guest welcoming and entertainment	396,252,016	174,351,050
Rebate expense	-	207,381,850
Audit fee	339,870,300	-
Other administrative expenses	1,018,270,338	904,640,661
	7,216,752,766	**5,103,433,005**

19. FINANCE COSTS

	For the six-month period ended 30 June 2024 LAK	*For the six-month Period ended 30 June 2023 LAK*
Foreign exchange losses	687,732,856	1,402,707,150
	687,732,856	**1,402,707,150**

20. PROFIT TAX

Under the new Income Tax Law No.67/NA dated 18 June 2019, which is effective on or after 1 January 2020, the normal profit tax ("PT") rate is 20%. In addition, the companies which are registered on Lao Stock Exchange shall be granted incentive rate at 13% for four years from the date of registration. According, the tax rate applicable for the Company in 2024 is 20%. (2023: 20%)

The tax returns filed by the Company 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 separate 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 Company's liability for current tax is calculated using tax rates that have been enacted at the interim separate balance sheet date.

20. PROFIT TAX (continued)

The estimation of profit tax is presented below:

	For the six-month period ended 30 June 2024 LAK	*For the six-month period ended 30 June 2023 LAK*
Gain/(loss) before tax	**(7,684,350,306)**	**(2,760,582,918)**
Adjustments to loss before tax:		
Reversal of provision for inventories (Note 16)	(5,474,210)	(435,810,382)
Reversal of provision for doubtful accounts (Note 16)	(8,066,000)	(4,891,700,850)
Other non-deductible expenses	1,886,194,050	616,727,179
Estimated current taxable losses	**(5,811,696,466)**	**(7,471,366,971)**
Estimated current PT expenses at rate 20% (2023: 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**

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 the interim separate balance sheet date, the Company 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 2024*	*Forfeited*	*Unutilized at 30 June 2024*
2019	2022	22,074,986,857	-	(22,074,986,857)	-
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	1,945,914,383	-	-	1,945,914,383
2024	2029	5,811,696,466	-	-	5,811,696,466
TOTAL		**90,154,456,110**	**-**	**(22,074,986,857)**	**68,079,469,253**

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

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 2024 LAK*	*For the six-month period ended 30 June 2023 LAK*
Lao Agricultural Science and Technology Development Sole Co., Ltd	Subsidiary	Payment on behalf	8,761,816	16,509,801
Lao City Construction Development Sole Co., LTD	Subsidiary	Payment on behalf	3,183,592	140,185,912
Lao New Building Materials Sole Co., LTD	Subsidiary	Payment on behalf	430,000	13,986,500
Lao National Tourism Planning and Design Institution Sole	Subsidiary	Payment on behalf	4,320,000	3,680,000
Laos International Exhibition Services Sole Co., Ltd	Subsidiary	Payment on behalf	2,110,000	-
Laos Mineral Resources Development Sole Co., Ltd	Subsidiary	Payment on behalf	1,611,073,500	-
Laos National Survey and Design Institute Sole Co., Ltd	Subsidiary	Payment on behalf	3,480,000	-
Laos Education and Training Center Company Sole Co., Ltd	Subsidiary	Payment on behalf	1,880,000	-

21. RELATED PARTY TRANSACTIONS (continued)

Balances due from related parties as at 30 June 2024 and 31 December 2023 were as follows:

Related parties	*Relationship*	*Nature of transaction*	*30 June 2024 LAK*	*31 December 2023 LAK*
Amounts due from related parties				
Lao Agricultural Science and Technology Development Sole Co., Ltd	Subsidiary	Advance	25,271,617	16,509,801
Lao City Construction Development Sole Co., LTD	Subsidiary	Advance	143,368,504	140,185,912
Lao New Building Materials Sole Co., LTD	Subsidiary	Advance	14,416,500	63,986,500
Lao National Tourism Planning and Design Institution Sole	Subsidiary	Advance	8,000,000	3,680,000
Laos International Exhibition Services Sole Co., Ltd	Subsidiary	Advance	2,110,000	-
Laos Mineral Resources Development Sole Co., Ltd	Subsidiary	Advance	1,611,073,500	-
Laos National Survey and Design Institute Sole Co., Ltd	Subsidiary	Advance	3,480,000	-
Laos Education and Training Center Company Sole Co., Ltd	Subsidiary	Advance	1,880,000	-
			1,809,600,121	**224,362,213**

21. RELATED PARTY TRANSACTIONS (continued)

Balances due to related parties as at 30 June 2024 and 31 December 2023 were as follows:

Related parties	*Relationship*	*Nature of transaction*	*30 June 2024 LAK*	*31 December 2023 LAK*
Amounts due to related parties				
Yunnan Hengshi Chengrui Holdings Co., Ltd ("Yunnan Qianhan")	Shareholder	Net debt transfer from CYC	3,499,748,615	3,220,310,863
		Borrowing (*)	619,334,405	794,255,059
Lao Agriculture-Forestry Development and Service Company (DAI)	Shareholder	Purchase of materials	4,374,818,540	4,374,818,540
Lao City Construction Development Group Sole Co., Ltd	Subsidiary	Payable	1,320,000,000	-
Mr. Nie Lei	General Director	Borrowing (*)	1,875,907,500	-
			11,689,809,060	**8,389,384,462**
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**

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

Other transactions with related parties

Remuneration to management during the period were as follows:

	For the six-month period ended 30 June 2024 LAK	*For the six-month period ended 30 June 2023 LAK*
Salaries	1,362,011,558	1,691,969,253
	1,362,011,558	**1,691,969,253**

22. COMMITMENTS

At 30 June 2024, the Company has commitments of 174 billion LAK (2023: 180 billion LAK) related to the construction contracts with the Yunnan Jiantou No.6 Construction Co., Ltd. related to completion of Building 21 of LCTC.

The Company has established 8 subsidiaries with a total registered capital of 43 billion LAK. as at 30 June 2024, the Company had invested 2.1 billion LAK to its subsidiaries and the total remaining uncontributed capital to the capital commitments of the subsidiaries is 40.8 billion LAK.

23. SUBSEQUENT EVENTS

There has not been any significant event that has arisen since 30 June 2024 that requires adjustments or disclosures to be made in the interim separate financial statements.

24. APPROVAL FOR ISSUE

The interim separate financial statements as at and for the six-month period ended 30 June 2024 were authorised for issue by the Company's management on 05 September 2024.

Mr. Nie Lei
General Director

Mr. Zhang Jing Hua
Head of Accounting & Finance

Vientiane, Lao PDR

05 September 2024