Mahathuen Leasing Public Company

The Three - Month Report

As at for the three-month period ended March 31,2022

The first three months Report
31 March 2022

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1. Mahathuen Leasing Public Company

1.1 General Information of Company

Company Name	:	Mahathuen Leasing Public Company
Business type	:	Financial Leasing
Symbol	:	MHTL
Registered Office	:	House number 628, (kilometer 5) Kaison Road, Phonphanao Village, Xaysettha District, Vientiane Capital
Foreign Investment License	:	Foreign Investment License, No: 196-11/MPI/IPD3 date 10 August 2011
Enterprise registration certificate	:	0930/ERO date 24 June 2021
Enterprise tax certificate	:	725714405-9-00
Register capital	:	40.000.000.000 Kip
Number of share	:	400.000.000 shares
Email	:	info@mahathuen.com
Website	:	www.mahathuen.com
Tel	:	(856) 21 418065
Fax	:	(856) 21 418066

2. Company Background

Mahathuen Leasing Public Company (hereinafter "the Company" or "MHTL"). The Company was established as a limited company on 02 September 2011 with a registered capital of USD 300,000 and enterprise registration certificate No. 3151/RO with the business category of financial leasing (non-real estate). MHTL has been established by two experienced individuals who have more than 20 years of experience in doing business in Lao PDR; Mrs. Inthavilay Oudom, a Lao investor, which held 12% in the Company and Mr Chakrit Naksorn, a Thai investor held 88%.

To establish a Leasing business in Lao PDR a business license from the Bank of Lao PDR is required therefore the Company is under the supervision of Financial Institution Supervision Department of the Bank of Lao PDR.

MHTL is engaged in the leasing business in Lao PDR, particularly retail finance (non-real estate) since the establishment of the company. In the early stage, the Company mainly focused on Japanese made motorcycle financing such as HONDA, SUZUKI, YAMAHA and others to build client base, obtain knowledge, gain experience for the organization, develop capacity building and appropriate working system, as well as learning about consuming behaviors and business operation in Lao PRD before expanding its investment in other retail financial products.

During the first three years of business operations and Company's short-term plan, MHTL was focusing on the development of the organization culture and capacity building. Therefore, the business policy was more conservative in terms of marketing with a concrete action plan for financial leasing evaluation and approval. A proper plan for small size leasing with low capital investment by professional approach was established, which led to the internal working policy, regulations as well as other requirements for the consideration of leasing approvals, however the process can be flexible according to the market situation and business competition.

From 2014 – 2016, the Company focused on expanding customer base by strengthening customer relationships and build market leadership, by increasing the proportion of market share in order to expand more branches and service units in Vientiane capital in the future. In addition, the Company also planned to broaden its products such as: financing of used motorcycles including refinancing for existing customers base on payments history to build customer base for expansion to other products.

Since 2017, the Company plans to expand its branches and service units to other provinces in Lao PDR including other products by having the Company listed in Lao Securities Exchange to raise capital fund. In preparation for the Company to be listed in Lao Securities Exchange, an increase of aggressive business strategy will need to be implemented including a strong internal control and risk management as well as good corporate governance to strengthen the business operations by creating a balance between the stakeholders such as customers, partners, investors and shareholders of the Company.

The Company converted into a public Company on 20 November 2017, with a registered capital of LAK 27,760,000,000, and has been operating as financial leasing (non-real estate) under the Law of Lao PDR (hereinafter "Conversion date") with the Company's shares held by MAHATHUEN Holding Company Limited Thailand totaling 97.5792507204611%, Mrs. Inthavilay Oudom, Lao individual 2.420432276571% and 11 other shareholders at approximately 0.0003170028818%.

Before IPO of MHTL, the Company had increased its registered capital 6 times. On the date of establishment, the registered capital was USD 300,000 and in 2012 it was converted in to Lao kip currency at around LAK 5.6 billion. In 2014 the Company raised additional capital twice, to LAK 12.8 and LAK 17.76 billion. In 2015 the Capital was raised up to LAK 23.36 billion and in 2016, the Capital also increased to LAK 25.6 billion and LAK 27.76 billion.

In 2018, the company had increased its registered capital 12.240.000 Shares with a par value of LAK 1,000 per share for Initial Public Officering and Approval by Lao Securities Commission Office on 13 June 2018, after the company completed IPO 40.000.000 Shares or Capital LAK 40.000.000.000 which the company is list company in Lao Security Exchange on 18 September 2019 and the and MHTL was the eighth company to list. Please see the details of capital increasing on the table below:

In 2019, the company has established a Service Center in Savannakhet province. Donghen Service Center located at 254/ 259 Donghen village, Road 9, Artsaphangthong District, Savannakhet Province Page 3 of 22

In June 2019, the company has started the financial service for Agricultural Equipment, which focused on the hand tractor as a trial project and expected to expand the financial service to cover more kinds of Agricultural Equipment further.

In 2020, the company has started the new financial service, which has provided the refinance for Used car since September 2020.

On December 4, 2020, the Extra-ordinary General Shareholders meeting no.1 of the year 2020 has approved with special resolution as below.

1. to amend the proportion of the Promoters' share and change the proportion of floating shares in the Lao Security Exchange, which as much as possible with be allowed by the related Laws and the Regulations. And authorize the Executive Director of the company to have the authority in any activity such as the decision making, the signing in any documents, etc. to process.
2. change the par value from LAK 1,000 per share to LAK 100 per share by increase the number of total shares to 400,000,000 shares from 40,000,000 shares with the registered and paid-up capital is equal to LAK 40,000,000,000, which remains unchanged. And to authorize the Executive Director of the company to have the authority in any activity such as the decision making, the signing in any documents, etc. to process.

In 2021, the company had completed stock split since June 24th, 2021 which the par value is equal LAK 100 a share and the number of total shares is equal 400,000,000 shares.

On October 25, 2021, the company launched the M HUK Mobile application, which is an application that facilitates the retrieval of customer credit information and is also a channel for introducing the company's products via smartphone, as well as for faster communication between customers and the company.

On August 13, 2021, the Board of Directors approved the company has expanded the additional service area in Khammouane province to provide financial services for customers. Khammouane office located at No. 190, Unit 13, Viengvilai Village, Thakhek District, Khammouane Province.

3. Philosophy and the core business operation

3.1 Company Philosophy

(Slogan)

"All Financial is possible here"

(Vision)

"We will be a good governance company on Lao Securities Exchange and the leader of Leasing business in Lao PDR"

(Mission)

"All Financial is possible here" a commitment in our business operation for stakeholders with this mission below:

For client	:	To win customer's heart with excellent customer service by a professional team with financial innovations
For staff	:	To promote professional development and stability on work – life balance
For shareholder's	:	To be a good governance company on Lao securities Exchange and give good returns.
For partner	:	To build trust with business partners who are ready to grow and succeed together.
For society	:	To be an alternative investment for Lao people

3.2 The core business operation

The Company has 3 types of leasing service such as:

1. New motorcycle and others
2. Used motorcycle and others
3. Refinance

3.2.1 New motorcycle and others leasing service

The Company provides motorcycle leasing service by focusing on well-know Japanese brands including HONDA, YAMAHA, SUSUKI, and other. Approximately, 90 percent of all motorcycle leases are HONDA that includes the target group of customer that fall under the low to medium income.

For the motorcycle leases service, customer may not have enough money to purchase a new motorcycle of the shop and require installment payment, in such case customers will need to pay initial payment or down payment (minimum amount) and the remaining amount will be in the leases contact with installment payment period. Once the contract is signed, customers can utilize the motorbike but maintenance lies under the responsibility of the customers and the ownership of the motorbike will be under the company until the customers made payment in full and the ownership will be transferred to customers. If the installment left unpaid for three months, then contract will be canceled automatically and the motorbike must be returned to the Company.

3.2.2 Second- hand Motorcycle and others leasing service

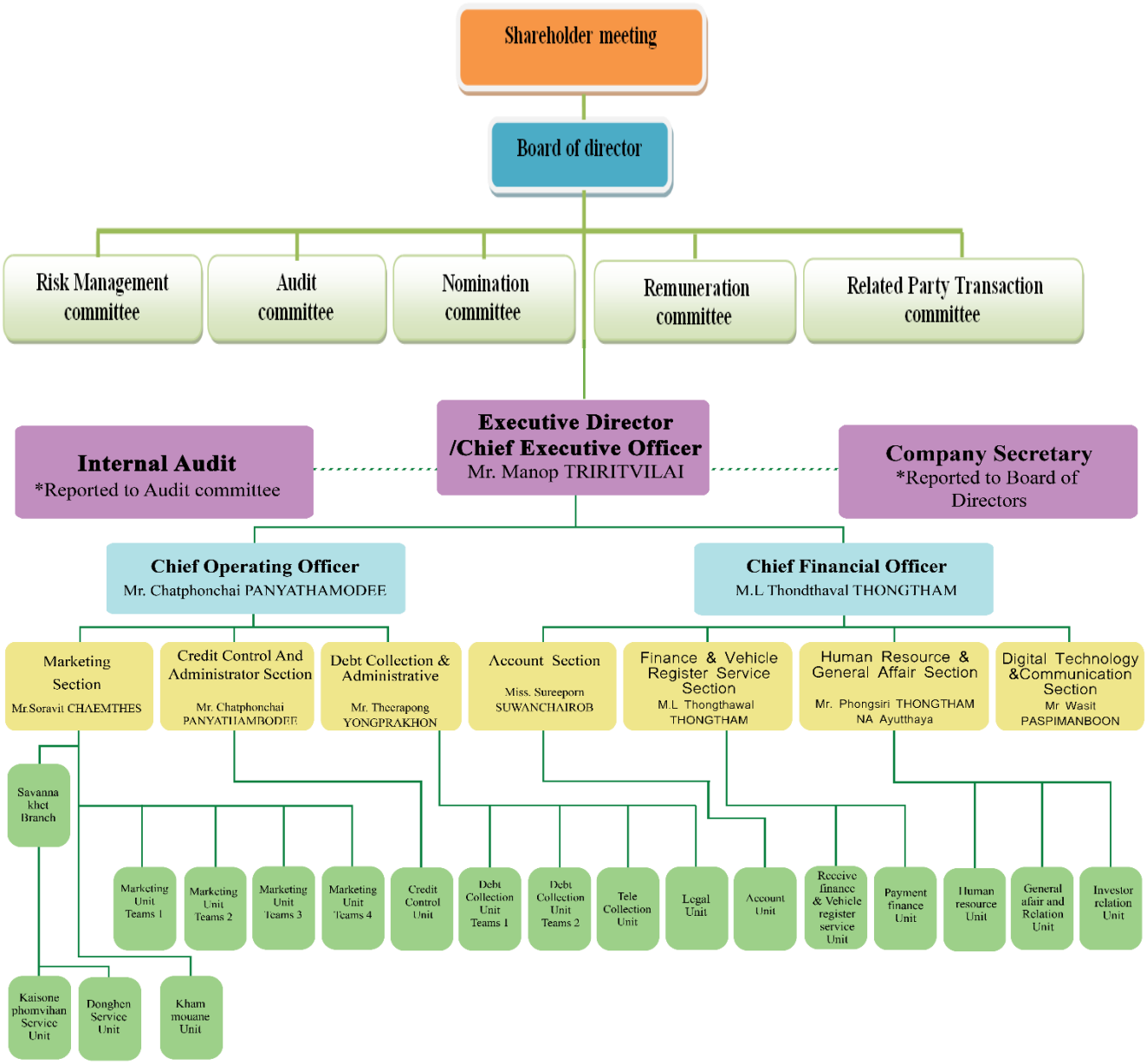
The Company provides second-motorcycle leasing from the confiscated motorcycle and the process of credit evaluation is similar to the first- hand motorcycle leasing. Second- hand motorcycle leasing gave the Company the opportunity to expands its customer base also provides the opportunity to customer who want Japanese made motorcycle but do not have enough fund to purchase first-hand.

3.2.3 Refinance

The Company provides refinancing service to customer with the existing loan either with the company or other financing companies by using the motorcycle under the loan contract as a collateral or the customer' own motorcycle. The applicant must be specific on the objective of refinance; the Company will evaluate the cost of motorcycle base on the Company's policy to calculation the interest late and fees will be different form motorcycle leasing, but the procedures will be the same.

4. Management and Corporate Governance

4.1 Organization chart



4.2 Committee

- **Board of Director**

Table: Name list of Board of Directors

No.	Photo	(Board of Directors)	Nationality	Position
1		Mr. Chakrit Naksorn	Thai	Chairman
2		Mrs. Inthavilay Oudom	Lao	Vice Chairwoman
3		Mr. Manop Tririthvilai	Thai	Member of BOARD OF DIRECTORS/CEO
4		Mrs. Prathana Naksorn	Thai	Member of BOARD OF DIRECTORS
5		Miss Sutida Naksorn	Thai	Member of BOARD OF DIRECTORS
6		Mr. Kriengkrai Nissyan	Thai	Member of BOARD OF DIRECTORS
7		Mr. Winyou Jeeraprapakan	Thai	Member of BOARD OF DIRECTORS (Independent)
8		Mr. Nantapat Ngamplung	Thai	Member of BOARD OF DIRECTORS (Independent)
9		Mr. Theeramate Vuttipadhpibul	Thai	Member of BOARD OF DIRECTORS (Independent)

- **Committee of the Board of Directors**

The Committee of the Board of Directors consist as following;

1. Audit Committee
2. Risk Management Committee
3. Nomination Committee
4. Remuneration Committee
5. Related party Transaction Committee

4.2.1 Audit Committee

Table: Name list Audit Committee

No.	Audit Committee	Nationality	Position
1	Mr. Kriengkrai Nissyan	Thai	Chairman
2	Mr. Nantapat Ngamplung	Thai	Audit Committee / Independent
3	Mr. Theeramate Vuttipadhpibul	Thai	Audit Committee / Independent
4	Mr. Winyou Jeeraprapakan	Thai	Audit Committee / Independent

4.2.2 Risk Management Committee

Table: Name list Risk Management Committee

No.	Name list	Nationality	Position
1	Mr. Chakrit Naksorn	Thai	Chairman of Risk management committee
2	Mr. Manop Tririthvilai	Thai	Risk management committee
3	Mr. Theeramate Vuttipadhpibul	Thai	Risk management committee/ Independent
4	Mr. Winyou Jeeraprapakan	Thai	Risk management committee/ Independent

4.2.3 Remuneration Committee

Table: Name list Remuneration Committee

No.	Name list	Nationality	Position
1	Mr. Chakrit Naksorn	Thai	Chairman of Remuneration Committee
2	Mr. Kriengkrai Nissyan	Thai	Remuneration Committee
3	Mr. Theeramate Vuttipadhpibul	Thai	Remuneration Committee/ Independent member

4.2.4 Nomination Committee

Table: Name list Nomination Committee

No.	Name list	Nationality	Position
1	Mr. Chakrit Naksorn	Thai	Chairman of nominating committee
2	Mr. Kriengkrai Nissyan	Thai	Nominating committee
3	Mr. Nantapat Ngamplung	Thai	Nominating committee / Independent member

2.4.5 Related party Transaction Committee

Table: Name list Related party Transaction Committee

No.	Name list	Nationality	Position
1	Mr. Theeramate Vuttipadhpibul	Thai	Chairman of Related Party Transaction Committee/ Independent director
2	Mr. Kriengkrai Nissyan	Thai	Related party transaction committee
3	Mr. Nantapat Ngamplung	Thai	Related party transaction Committee/ Independent director

5. Business Performance

5.1 Marketing Performance

In the first three-months of 2022 the company has the number of new booking of motorcycle leasing business equal to 1.921 Unit or LAK 26.522,9 million. which it's increased 23,8 percent in term of the loan amount when compared with the first Three-months of 2021.

Table: New loan of motorcycle lease

The new loan of motorcycle lease for first three-months of 2021 and 2022 comparison				
	for first three-months 2021	for first three-months 2022	Change	percent
Number of contract (unit)	1.744	1.921	+177	+10,1
Loan Amount (Million Kip)	21.420,1	26.522,9	+2.102,8	+23,8

5.2 Revenues

In the first three-months of 2021 and the first three-months of 2022 the Company had total revenues of LAK 6.790.9 million, LAK 7.759,1 million respectively, Increased at about 14,3 percent

Table: Revenues

REVENUES	first three-months of 2021		first three-months of 2022		Change	
	LAK: Million	%	LAK: Million	%	LAK: Million	%
Interest income	6.420,8	94,6	7.433,7	95,8	+1.012,9	+15,8
Other incomes	370,1	5,4	325,3	4,2	-44,8	-12,1
Total Revenues	**6.790,9**	**100,0**	**7.759,1**	**100,0**	**+968,2**	**+14,3**

5.3 Expanses

In the first three-months of 2021 and the first three-months of 2022 the Company had total expenses including financial expenses of LAK 4.375,7 million and LAK 5.347,4 million respectively.

Table: Expenses

Expanses	Three - months of 2021		Three - months of 2022		Changed	
	LAK:million	%	LAK:million	%	LAK:million	%
Administrative expense	3.227,7	73,8	3.815,7	71,4	+588,0	+18,2
Doubtful account expense	-60,8	-1,4	338,4	6,3	+399,2	+656,6
Net loss on change rate	787,5	18,0	566,4	10,6	-221,1	-28,1
Finance cost	421,3	9,6	626,9	11,7	+205,6	+48,8
Total Expenses	**4.375,7**	**100,0**	**5.347,4**	**100,0**	**+971,7**	**+22,2**

5.4 Net profit and Net profit Margin

In the first three-months of 2021 and the first three-months of 2022, the Company had net profit equal to LAK 2.064,1 million and LAK 1.898,2 million respectively, or 30,4 Percent and 24,5 percent comparing to total revenues respectively, net profit before income tax expense equal to LAK 2.415,3 million and LAK 2.411,7 million kip, which isn't much difference, but the net profit after income tax expense was decreased because of the percent of income tax has been changed from 13% to 20% due to completed the 4 years tax benefit for the new listed company in LSX.

5.5 Taxes

MHTL is a public company and lists in LSX, and operates its business under Lao PDR law. MHTL obligates to pay tax to the Government of Laos including Dividend Tax, VAT, Personal income tax. In the first Three - months of 2022 was paid 400,1 million kip and represents as below:

Table: Taxes

NO.	Details	Million
1	VAT	104,6
2	Personal Income Tax	295,5
3	Corporate Income Tax	0,0
Total Taxes		400,1

Chief Executive Officer

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Mr. Manop Triritvilai

MAHATHUEN LEASING PUBLIC COMPANY
ບໍລິສັດ ມະຫະທຶນ ເຊົ່າສິນເຊື່ອ ມະຫາຊົນ

INTERIM FINANCIAL INFORMATION
(UNAUDITED)
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2022

ເອກະສານລາຍງານການເງິນ
(ທົບທວນຄືນ)
ສຳລັບໄລຍະສາມເດືອນ ສິ້ນສຸດ ວັນທີ 31 ມີນາ 2022

MAHATHUEN LEASING PUBLIC COMPANY

GENERAL INFORMATION

The management of Mahathuen Leasing Public Company ("the Company") presents its report and the Company's interim financial statement for the three-month period ended March 31,2022.

STATEMENT OF THE MANAGEMENT' RESPONSIBILITY IN RESPECT OF THE INTERIM FINANCIAL STATEMENTS

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

- Select suitable accounting policies and then apply them consistently;
- Make judgments 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 financial statements; and
- Prepare the interim financial statement on the going concern basis unless it is inappropriate to presume that the Company will continue its business.

The Company's management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Company and for ensuring that the interim financial statements comply with the selected accounting policies. It is also responsible for safeguarding the assents of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Company's management has confirmed that the Company has complied with the above requirements in preparing the accompanying interim financial statements.

APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

We hereby approve the accompanying interim financial statements for the three-month period ended March 31,2022, which are prepared in accordance with the accounting policies as described in the interim financial statements.

On behalf of the Company's management

MAHATHUEN LEASING PUBLIC

Manop Trirthvilai

Chief Executive Officer

April 27,2022

MAHATHUEN LEASING PUBLIC COMPANY

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Notes	Unaudited 31 March 2022 LAK	Audited 31 December 2021 LAK
Assets			
Current assets			
Cash and cash equivalents	4	2,540,152,421	13,057,187,126
Current portion of finance lease receivables and instalment loan receivables, net	5	52,434,513,969	47,696,091,192
Asset held for sale, net	6	214,602,779	262,786,334
Other current assets	7	715,356,304	503,095,189
Total current assets		**55,904,625,473**	**61,519,159,841**
Non- current assets			
Cash deposit at Bank of Lao PDR		2,000,002,700	2,000,002,700
Finance lease receivables and instalment loan receivables, net	5	37,966,748,354	32,091,186,121
Property plant and equipment, net	8	852,166,678	939,382,351
Intangible assets, net	9	186,922,037	205,780,698
Other non-current asset		141,968,556	174,497,244
Total non-current assets		**41,147,808,325**	**35,410,849,114**
Total assets		**97,052,433,798**	**96,930,008,955**

Mr. Manop Tririthvilai
Chief Executive Officer

Date: 27 April 2022

M.L. Thongthawal Thongtham
Chief Financial Officer

Date: 27 April 2022

The accompanying notes on pages 7 to 14 from part of these financial information

MAHATHUEN LEASING PUBLIC COMPANY

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Notes	Unaudited 31 March 2022 LAK	Audited 31 December 2021 LAK
Liabilities and equity			
Current liabilities			
Trade and other payables	10	2,484,876,194	4,580,752,344
Income tax payable		1,438,852,277	2,041,935,197
Other current liabilities		42,317,780	44,011,600
Total current liabilities		**3,966,046,251**	**6,666,699,141**
Non-current liabilities			
Borrowings	11	18,811,200,000	17,894,400,000
Other non-current liabilites		225,325,000	217,250,000
Total non-current liabilities		**19,036,525,000**	**18,111,650,000**
Total liabilities		**23,002,571,251**	**24,778,349,141**
Equity			
Share capital		40,000,000,000	40,000,000,000
Share premium		12,832,667,550	12,832,667,550
Retained earnings			
Appropriated Legal Reserve	12	4,785,832,107	4,785,832,107
Unappropriated		16,431,362,890	14,533,160,157
Total equity		**74,049,862,547**	**72,151,659,814**
Total liabilities and equity		**97,052,433,798**	**96,930,008,955**

Mr. Manop Tirithvilai
Chief Executive Officer

Date: 27 April 2022

M.L. Thongthawal Thongtham
Chief Financial Officer

Date: 27 April 2022

The accompanying notes on pages 7 to 14 from part of these financial information

MAHATHUEN LEASING PUBLIC COMPANY

STATEMENT OF INCOME
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2022

	Notes	Unaudited 31 March 2022 LAK	Unaudited 31 March 2021 LAK
Revenue from interest - finance lease and installment loans		7,433,735,555	6,420,828,106
		7,433,735,555	**6,420,828,106**
Other income	15	325,342,531	370,125,726
Administrative expenses	16	(3,815,706,704)	(3,227,698,324)
Doubtful accounts and bad debt expenses		(338,378,024)	60,784,859
Net loss on foreign exchange rate		(566,427,858)	(787,488,868)
Operating profit		**3,038,565,500**	**2,836,551,499**
Finance expense		(626,860,641)	(421,261,917)
Profit before income tax expenses		**2,411,704,859**	**2,415,289,582**
Income tax expenses	17	(513,502,126)	(350,674,067)
Net profit for the year		**1,898,202,733**	**2,064,615,515**
Earnings (loss) per share			
Basic earnings (loss) per share	13	4.75	5.16

Mr. Manop Tririthvilai
Chief Executive Officer

Date: 27 April 2022

M.L. Thongthawal Thongtham
Chief Financial Officer

Date: 27 April 2022

The accompanying notes on pages 7 to 14 from part of these financial information

MAHATHUEN LEASING PUBLIC COMPANY

STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2022

	Note	Share capital LAK	Share Premium LAK	Retained earnings: Appropriated Legal Reserve LAK	Retained earnings: Unappropriated LAK	Total LAK
As at 1 January 2021		40,000,000,000	12,832,667,550	4,026,672,320	13,900,722,075	70,760,061,945
Profit for the period	13	-	-	-	2,064,615,515	2,064,615,515
As at 31 March 2021		**40,000,000,000**	**12,832,667,550**	**4,026,672,320**	**15,965,337,590**	**72,824,677,460**
As at 1 January 2022		40,000,000,000	12,832,667,550	4,785,832,107	14,533,160,157	72,151,659,814
Profit for the period	13	-	-	-	1,898,202,733	1,898,202,733
As at 31 March 2022		**40,000,000,000**	**12,832,667,550**	**4,785,832,107**	**16,431,362,890**	**74,049,862,547**

Mr. Manop Tririthvilai
Chief Executive Officer

Date: 27 April 2022

M.L. Thongthawal Thongtham
Chief Financial Officer

Date: 27 April 2022

The accompanying notes on pages 7 to 14 from part of these financial information

MAHATHUEN LEASING PUBLIC COMPANY

STATEMENT OF CASH FLOWS
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2022

	Notes	Unaudited 31 March 2022 LAK	Unaudited 31 March 2021 LAK
Cash flow from operating activities:			
Profit before income tax expense		2,411,704,859	2,415,289,582
Adjustments to reconcile net profit to net cash			
Bad debts and doubtful accounts		338,378,024	(60,784,859)
Amortisation of deferred commission expenses		1,003,977,686	974,342,237
Impairment loss of asset held for sale		(6,250,000)	5,000,000
Depreciation and amortisation	8,9	137,016,286	132,350,651
Finance expense		626,860,641	421,261,917
Unrealisation loss on exchange rate		750,527,526	638,464,606
Operating gain before working capital changes		**5,262,215,022**	**4,525,924,134**
Changes in working capital:			
Finance lease receivables		(10,485,996,982)	(5,517,875,156)
Asset held for sale		54,433,555	(37,367,096)
Other current and non-current assets		(179,732,429)	(223,467,178)
Trade and other payables		(2,095,876,150)	(484,417,462)
Other current liabilities		(1,890,632)	(687,862)
Other non-current liabilites		8,075,000	36,125,000
Cash generated from operation		**(7,438,772,616)**	**(1,701,765,620)**
Commission expense paid		(1,440,750,000)	(1,279,500,000)
Interest paid		(626,860,641)	(788,811,221)
Income tax paid		(1,116,585,046)	(290,000,000)
Net cash generated from operating activities		**(10,622,968,303)**	**(4,060,076,841)**

Mr. Manop Tririthvilai
Chief Executive Officer

Date: 27 April 2022

M.L. Thongthawal Thongtham
Chief Financial Officer

Date: 27 April 2022

The accompanying notes on pages 7 to 14 from part of these financial information

MAHATHUEN LEASING PUBLIC COMPANY

STATEMENT OF CASH FLOWS
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2022

	Notes	Unaudited 31 March 2022 LAK	Unaudited 31 March 2021 LAK
Cash flows from investing activities:			
Acquisitions of property plant and equipment	8	(30,941,950)	(60,791,560)
Acquisitions of intangible asset		-	(39,480,000)
Net cash used in investing activities		**(30,941,950)**	**(100,271,560)**
Cash flows from financing activities:			
Repayment of liability under a finance lease agreement		-	(78,339,545)
Net cash used in financing activities		**-**	**(78,339,545)**
Net increase in cash and cash equivalents		**(10,653,910,253)**	**(4,238,687,946)**
Cash and cash equivalents at the beginning of the period		13,057,187,126	12,404,353,323
Exchange gains on cash and cash equivalents		136,875,548	8,441,488
Cash and cash equivalents at the end of the period	4	**2,540,152,421**	**8,174,106,865**

Mr. Manop Tririthvilai
Chief Executive Officer

Date: 27 April 2022

M.L. Thongthawal Thongtham
Chief Financial Officer

Date: 27 April 2022

The accompanying notes on pages 7 to 14 from part of these financial information

1 General information

Mahathuen Leasing Public Company (the Company) is a listed company in the Lao Securities Exchange and incorporated and resident in Lao PDR. The Company was incorporate and registered with the Ministry of Industry and Commerce on 2 September 2011. The Company commenced the operations after obtaining a license from Bank of the Lao PDR (BOL) on 11 June 2012.

On 13 June 2018 the Company was approved for offering its shares for initial public offering by Lao Securities and Commission Office.

The Company's head office is located at 628, Phonphanao Village, KM5, Kaisonphomvihan Road, Xaysettha District, Vientiane capital, Lao PDR.

The principle activities of the Company are to retail finance business through providing credit lines for individual customers to buy motorcycle and tractors.

The interim financial information was authorised by the Board of Directors on 27 April 2022.

2 Basis of preparation and accounting policies

The interim financial information has been prepared in accordance with the Company's accounting policies as described in more details in the annual financial statements for the year ended 31 December 2021. The primary financial information (i.e. statement of financial position, statement of income, statement of changes in equity and statement of cash flows) is presented in a format consistent with the annual financial statements complying with the reporting and disclosure regulation issued by Lao Securities and Exchange Commission Office.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2021.

The accounting principles applied may materially differ from International Financial Reporting Standards (IFRS). These areas of significant differences are, for example, leases, employee benefit, the effects of changes in foreign exchange rate, income tax and deferred income tax, financial instrument and pre-operation cost.

The preparation of financial statements requires management to make estimates and assumptions that affect the reported assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the revenues and expenses in the reported periods. Although these estimates are based on management's knowledge of current events and actions, actual results may materially differ from those estimates.

3 Estimates

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, incomes and expenses. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2021.

4 Cash and cash equivalents

	Unaudited 31 March 2022 LAK	Audited 31 December 2021 LAK
Cash on hand	17,898,619	41,035,623
Cash at banks	2,522,253,802	13,016,151,503
Total	**2,540,152,421**	**13,057,187,126**

5 Finance lease and installment loan receivables, net

	Unaudited 31 March 2022 LAK	Audited 31 December 2021 LAK
Current		
Current portion of finance lease receivables	1,179,888,374	1,142,390,791
Current portion of installment loan receivables	54,217,582,412	49,443,374,420
	55,397,470,786	**50,585,765,211**
Add Initial direct cost	1,575,276,031	1,366,237,006
Less allowance for doubtful accounts	(4,538,232,848)	(4,255,911,025)
	52,434,513,969	**47,696,091,192**
Non-current		
Finance lease receivables	464,005,836	323,369,606
Installment loan receivables	36,584,275,727	31,017,898,812
	37,048,281,563	**31,341,268,418**
Add Initial direct cost	1,521,449,899	1,293,716,612
Less allowance for doubtful accounts	(602,983,108)	(543,798,909)
	37,966,748,354	**32,091,186,121**
Total	**90,401,262,323**	**79,787,277,313**

As at 31 March 2022, financial lease and installment loan receivables, can analyse aging as follows:

	Unaudited 31 March 2022 LAK	Audited 31 December 2021 LAK
Not yet due	70,584,351,002	59,043,910,017
1 – 3 months	15,555,586,159	16,691,343,418
4 – 6 months	1,421,689,433	1,812,386,831
7 – 12 months	1,617,092,723	1,394,089,145
Over 12 months	3,267,033,032	2,985,304,218
	92,445,752,349	**81,927,033,629**
Add Initial direct cost	3,096,725,930	2,659,953,618
Less allowance for doubtful accounts	(5,141,215,956)	(4,799,709,934)
Total	**90,401,262,323**	**79,787,277,313**

6 Asset held for sale, net

	Unaudited 31 March 2022 LAK	Audited 31 December 2021 LAK
Motorcycles	237,102,779	291,536,334
Less allowance for diminution in value of assets	(22,500,000)	(28,750,000)
Total	**214,602,779**	**262,786,334**

7 Other current assets

	Unaudited 31 March 2022 LAK	Audited 31 December 2021 LAK
Prepaid expenses	437,101,114	449,969,869
Advance payments	253,891,650	42,757,320
Value-added tax receivable	4,117,540	-
Others	20,246,000	10,368,000
Total	**715,356,304**	**503,095,189**

8 Property and equipment, net

	LAK
As at 1 January 2022 – Audited	939,382,352
Additions	30,941,950
Less: depreciation	(118,157,624)
Net book amount as at 31 March 2022 – Unaudited	**852,166,678**

9 Intangible assets, net

	LAK
As at 1 January 2022 – Audited	205,780,698
Additions	-
Less: amortisation	(18,858,661)
Net book amount as at 31 March 2022 – Unaudited	**186,922,037**

10 Trade and other payables

	Unaudited 31 March 2022 LAK	Audited 31 December 2021 LAK
Trade payables – related parties (Note 18)	201,333,000	313,206,000
Trade payables	1,331,362,000	2,727,309,000
Other payables – related parties (Note 18)	67,750,000	38,750,000
Tax payable	60,467,614	49,788,674
Accrued expenses	823,963,580	1,451,698,670
Total	**2,484,876,194**	**4,580,752,344**

11 Borrowings

The movements of borrowings for the three-month period ended 31 March 2022 is as follows:

	Unaudited 31 March 2022 LAK	Audited 31 December 2021 LAK
Opening balance	17,894,400,000	11,936,400,000
Addition	-	4,083,200,000
Repayment	-	-
Loss on exchange rate	916,800,000	1,874,800,000
Ending balance	**18,811,200,000**	**17,894,400,000**

12. Legal reserved

Legal reserve is set-up in accordance with the Enterprise Law of the Lao PDR under article 156 which requires the appropriation of profit as a legal reserve of at least 10% of the annual net profit until such reserve reaches 50% of authorized share capital.

13. Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares in issue during the period, adjusted by the impact from change in par value of shares for comparative purpose as follows:

	Unaudited 31 March 2022	Unaudited 31 March 2021	
		After split share	Before split share
Net profit attributable to ordinary shareholders (LAK)	1,898,202,733	2,064,615,515	2,064,615,515
Weighted average number of ordinary shares in issue (shares)	400,000,000	400,000,000	40,000,000
Basic earnings per share (LAK)	4.75	5.16	51.62

The Company presented the basic earnings per share as of 31 March 2021, if the change of par value and number of share effective on that period for the comparative purpose

14. Dividends

At the Annual General Shareholder's Meeting for the year 2020 on 27 April 2021, shareholders approved the payment of annual dividend from net profit 12 months period ended 31 December 2020 at LAK 155 per share, totalling LAK 6,200 million and appropriate its net income to legal reserve amounting LAK 774,478,318.

15. Other income

Other income consists of the following:

	Unaudited 31 March 2022 LAK	Unaudited 31 March 2021 LAK
Penalty - customers	293,001,697	307,125,420
Others	32,340,834	63,000,306
Total	**325,342,531**	**370,125,726**

16. Administrative expenses

	Unaudited 31 March 2022 LAK	Unaudited 31 March 2021 LAK
Staff costs	2,394,599,127	2,032,236,024
Remuneration of managements	217,250,000	220,250,000
Utility expenses	165,888,709	135,651,982
Net loss on sale of assets held for sale	127,567,103	135,541,179
Depreciation and amortization	137,016,286	132,350,651
Other expenses	773,385,479	571,668,488
Total	**3,815,706,704**	**3,227,698,324**

17. Income tax expenses

According to the tax law no. 259 effective on 1 January 2020, the Company has been granted the privileges under the Tax Law of Lao PDR by reducing 5% of the profit tax rate from the normal rate for four years from the date of registration on the Lao Securities Exchange until 2021.(The date of registration of the Company is 13 June 2018).

Then since 2022, the Company calculated Profit taxes on its net taxable income at the rate of 20% after considering the non-deductible income and expenses was in accordance with the Lao Tax Law.Income tax expenses (continued)

In Lao PDR, income tax returns are regularly reviewed in detail by the relevant authorities. In addition, tax issues raised in the reviews may require substantive judgements and interpretation by the parties concerned.

18. Related-party transactions

a) Transactions with related parties

Transactions with related parties for the three-month ended 31 March, are as follows:

	Unaudited 31 March 2022 LAK	Unaudited 31 March 2021 LAK
Purchases of goods and services from:		
Mahathun Holding Co., Ltd.		
Guarantee expense	570,753,568	384,543,936
	570,753,568	**384,543,936**
Other related parties*		
Purchase of leasing assets	3,960,724,000	1,543,029,000
Commission expense	203,500,000	91,000,000
Other expense	68,250,000	13,968,000
	4,232,474,000	**1,647,997,000**
Total	**4,803,227,568**	**2,032,540,936**

b) Outstanding balances arising from sales/purchases of goods/services

	Unaudited 31 March 2022 LAK	Audited 31 December 2021 LAK
Payables:		
Other related parties*		
Trade payable	201,333,000	313,206,000
Other payable	67,750,000	38,750,000
Total	**269,083,000**	**351,956,000**

* The director of the Company is the shareholder of the entity.

c) Key management compensation

Compensation paid to key management are as follow:

	Unaudited 31 March 2022 LAK	Unaudited 31 March 2021 LAK
Salaries and others	217,250,000	220,250,000

19. Commitments

Operating lease commitments

The Company has commitment under long-term lease for office space

As at 31 March 2022 and 31 December 2021, operating lease commitment contracted but not recognised as liabilities is as follow:

	Unaudited 31 March 2022 LAK	Audited 31 December 2021 LAK
Within one year	233,469,059	126,981,858
Over 1 year but not over 5 years	1,370,858,052	1,340,322,412
Over 5 years	15,138,733	31,006,070
Total	**1,619,465,844**	**1,498,310,340**

20. Subsequent events

There have been no significant post balance sheet events that would significantly impact the figures in the Company's interim financial information.