VIENTIANE CENTER LAO PUBLIC COMPANY

INTERIM FINANCIAL INFORMATION

FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2024

VIENTIANE CENTER LAO PUBLIC COMPANY

INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2024

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VIENTIANE CENTER LAO PUBLIC COMPANY

INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

	Notes	Unaudited 31 March 2024 LAK	Audited 31 December 2023 LAK
Assets			
Current assets			
Cash and cash equivalents	4	7,976,279,209	2,632,929,235
Trade accounts receivable, net	5	4,183,710,452	3,431,734,945
Other current assets	6	2,906,029,006	4,213,358,946
Total current assets		**15,066,018,667**	**10,278,023,126**
Non-current assets			
Investment properties, net	7	304,154,480,000	304,154,480,000
Tangible fixed assets, net	8	144,491,455	161,997,976
Intangible assets, net	9	40,672,500	47,451,250
Total non-current assets		**304,339,643,955**	**304,363,929,226**
Total assets		**319,405,662,622**	**314,641,952,352**

Mr. Luo Xiao Dong
Chief Financial Officer

Date: 10 May 2024

Mr. Wang Wei Kun
Executive Director

Date: 10 May 2024

The accompanying condensed notes on pages 6 to 11 are an integral part of these financial information.

VIENTIANE CENTER LAO PUBLIC COMPANY

INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

	Notes	Unaudited 31 March 2024 LAK	Audited 31 December 2023 LAK
Liabilities and equity			
Liabilities			
Current liabilities			
Trade accounts payable	10	5,502,955,204	5,176,216,217
Deferred revenue from tenants		7,202,647,509	5,324,648,468
Tax payables	11	27,131,376,856	26,579,190,778
Other current liabilities	12	250,519,452	280,061,722
Total current liabilities		**40,087,499,021**	**37,360,117,185**
Non-current liabilities			
Deferred tax liabilities	13	7,611,631,316	7,611,631,316
Total non-current liabilities		**7,611,631,316**	**7,611,631,316**
Total liabilities		**47,699,130,337**	**44,971,748,501**
Equity			
Share capital	14	147,199,900,000	147,199,900,000
Share premium		2,559,995,000	2,559,995,000
Regulatory reserve fund	15	4,270,694,472	4,270,694,472
Business expansion fund	16	4,270,694,472	4,270,694,472
Retained earnings		113,405,248,341	111,368,919,907
Total equity		**271,706,532,285**	**269,670,203,851**
Total liabilities and equity		**319,405,662,622**	**314,641,952,352**

Mr. Luo Xiao Dong
Chief Financial Officer

Date: 10 May 2024

Mr. Wang Wei Kun
Executive Director

Date: 10 May 2024

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VIENTIANE CENTER LAO PUBLIC COMPANY

INTERIM STATEMENT OF INCOME
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2024

	Notes	Unaudited 31 March 2024 LAK	Unaudited 31 March 2023 LAK
Revenue		4,414,911,188	2,931,333,164
Other operating incomes		929,141,023	378,485,561
Gross revenue		**5,344,052,211**	**3,309,818,725**
Operating expenses		(3,022,006,584)	(1,355,231,511)
Foreign exchange gain/(loss), net		175,958,244	(173,285,053)
Operating gain		**2,498,003,871**	**1,781,302,161**
Finance income		3,417,111	5,447,408
Net profit before income tax expenses		**2,501,420,982**	**1,786,749,569**
Income tax expenses	17	(465,092,548)	(466,648,856)
Net profit for the period		**2,036,328,434**	**1,320,100,713**
Earnings per share			
Basic earnings per share	18	14	9

Mr. Luo Xiao Dong
Chief Financial Officer

Date: 10 May 2024

Mr. Wang Wei Kun
Executive Director

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VIENTIANE CENTER LAO PUBLIC COMPANY

INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2024

	Note	Paid up share capital LAK	share premium LAK	Regulatory reserve fund LAK	Business expansion fund LAK	Retained earning LAK	Total LAK
Opening balance 1 January 2023 – Audited	14,15,16	147,199,900,000	2,559,995,000	3,815,920,951	3,815,920,951	100,865,473,110	258,257,210,012
Net profit for the period		-	-	-	-	1,320,100,713	1,320,100,713
Closing balance as at 31 March 2023 – Unaudited		**147,199,900,000**	**2,559,995,000**	**3,815,920,951**	**3,815,920,951**	**102,185,573,823**	**259,577,310,725**
Opening balance 1 January 2024 – Audited	14,15,16	147,199,900,000	2,559,995,000	4,270,694,472	4,270,694,472	111,368,919,907	269,670,203,851
Net profit for the period		-	-	-	-	2,036,328,434	2,036,328,434
Closing balance as at 31 March 2024 – Unaudited		**147,199,900,000**	**2,559,995,000**	**4,270,694,472**	**4,270,694,472**	**113,405,248,341**	**271,706,532,285**

Mr. Luo Xiao Dong
Chief Financial Officer

Date: 10 May 2024

Mr. Wang Wei Kun
Executive Director

Date: 10 May 2024

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VIENTIANE CENTER LAO PUBLIC COMPANY

INTERIM STATEMENT OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2024

	Notes	Unaudited 31 March 2024 LAK	Unaudited 31 March 2023 LAK
Cash flow from operating activities:			
Net gain before income tax for the period		2,501,420,982	1,786,749,569
Adjustments to reconcile net gain to net cash:			
Depreciation and amortisation expenses	8,9	24,285,271	15,671,635
Interest income		(3,417,111)	(5,447,408)
Un-realisation exchange (gain)/loss, net		(175,958,244)	173,293,667
Operating gain before working capital changes		**2,346,330,898**	**1,970,267,463**
Changes in working capital:			
Trade accounts receivable		(724,621,365)	(9,738,493,536)
Other current assets		1,307,329,940	(427,914,850)
Trade accounts payable		326,738,987	152,225,123
Deferred revenue from tenants		1,877,999,042	2,003,927,855
Tax payables		87,093,530	(140,998,788)
Other current liabilities		(29,542,270)	(16,705,335)
Cash generated from/(used in) operation		**5,191,328,762**	**(6,197,692,068)**
Interest received		3,417,111	5,447,408
Net cash generated from/(used in) operating activities		**5,194,745,873**	**(6,192,244,660)**
Net increase/(decrease) in cash and cash equivalents		5,194,745,873	(6,192,244,660)
Cash and cash equivalents at the beginning of the period	4	2,632,929,235	8,134,710,182
Exchange gain/(loss) on cash and cash equivalents		148,604,101	(173,293,667)
Cash and cash equivalents at the end of the period		**7,976,279,209**	**1,769,171,855**

Mr. Luo Xiao Dong
Chief Financial Officer

Date: 10 May 2024

Mr. Wang Wei Kun
Executive Director

Date: 10 May 2024

The accompanying condensed notes on pages 6 to 11 are an integral part of these financial information.

1. General information

Vientiane Center Lao Public Company ("the Company") is a listed company in the Lao Securities Exchange and incorporated and resident in Lao PDR. The Company was incorporated and registered with the Ministry of Industry and Commerce of Lao PDR on 30 November 2017, and its business license was renewed 26 May 2022.

The Company's head office is located at Khouvieng Road, Nongchanh Village, Sisattanark District, Vientiane Capital, Lao PDR.

The principal activities of the Company are to develop and lease shopping malls and offices.

This interim financial information was authorised by the board of directors on 10 May 2024.

2. Basis of preparation

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 2023. 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 2023.

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 2023.

4. Cash and cash equivalents

	Unaudited 31 March 2024 LAK	Audited 31 December 2023 LAK
Cash on hand	831,000	-
Cash at banks	7,975,448,209	2,632,929,235
	7,976,279,209	**2,632,929,235**

5. Trade accounts receivable, net

	Unaudited 31 March 2024 LAK	Audited 31 December 2023 LAK
Trade account receivables – third parties	1,192,912,220	743,826,136
Trade account receivables – related parties (Note 19)	3,257,086,912	2,954,197,489
	4,449,999,132	**3,698,023,625**
Less: Provision for doubtful debt	(266,288,680)	(266,288,680)
	4,183,710,452	**3,431,734,945**

6. Other current assets

	Unaudited 31 March 2024 LAK	Audited 31 December 2023 LAK
Other asset and receivable - related parties (Note 19.2)	1,100,076,587	2,240,773,447
VAT receivable	1,797,493,079	1,964,126,158
Advance payment for profit tax	8,459,340	8,459,341
	2,906,029,006	**4,213,358,946**

7. Investment properties, net

	LAK
As at 1 January 2023 – Audited	304,154,480,000
Additions	-
Revaluation gain/(loss)	-
Net book amount as at 31 March 2024 - Unaudited	**304,154,480,000**

8. Tangible fixed assets, net

	LAK
As at 1 January 2023 – Audited	161,997,976
Depreciation charge	(17,506,521)
Net book amount as at 31 March 2024 - Unaudited	**144,491,455**

9. Intangible assets, net

	LAK
As at 1 January 2023 – Audited	47,451,250
Amortisation charge	(6,778,750)
Net book amount as at 31 March 2024 – Unaudited	**40,672,500**

10. Trade accounts payable

	Unaudited 31 March 2024 LAK	Audited 31 December 2023 LAK
Deposit from tenants	4,792,643,388	4,599,382,129
Other payables	710,311,816	576,834,088
	5,502,955,204	**5,176,216,217**

11. Tax payables

	Unaudited 31 March 2024 LAK	Audited 31 December 2023 LAK
Personnel income tax payables	157,761	157,761
Value added tax payables	2,008,317,025	1,921,223,495
Income tax payables	25,122,902,070	24,657,809,522
	27,131,376,856	**26,579,190,778**

12. Other current liabilities

	Unaudited 31 March 2024 LAK	Audited 31 December 2023 LAK
Other accrued and payable	931,640	36,303,910
Other payables - related parties (Note 19.2)	249,587,812	243,757,812
	250,519,452	**280,061,722**

13. Deferred tax liabilities

There was no additional deferred tax liabilities or decreased during the three-month period ended 31 March 2024.

14. Share capital

Shares of the Company (under the ticker "VCL") have been officially listed in Lao Securities Exchange since 31 May 2019, in accordance with the Listing License No.0006/LSCO dated 29 May 2019. The total share as of 31 March 2024 is 147,199,900 shares with the par value of LAK 1,000 per share.

There was no additional share issued or decreased during the three-month period ended 31 March 2024.

15. Regulatory reserve fund

Legal reserve is set up in accordance with the Enterprise Law of Lao PDR which requires the appropriation of profit as a legal reserve of at least 10% of the annual net profit, after deducted accumulated losses (if any) until such reserve reaches 50% of authorised share capital.

During the period there is no movement, the balance as of 31 March 2024 is LAK 4,270,694,472 (2023: LAK 4,270,694,472).

16. Business expansion fund

Business expansion fund is set up in accordance with the Article 16 of the Company's Articles of Association, which is for maintianing the rental area and expanding the bussiness.

During the period there is no movement, the balance as of 31 March 2024 is LAK 4,270,694,472 (2023: LAK 4,270,694,472).

17. Income tax expenses

According to the Tax Law No. 259 effective on 1 January 2020, the Company calculated Profit Tax on its net taxable income at the rate of 20% (2023: 20%) after considering the non-deductible income and expenses was in accordance with the Lao Tax Law.

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.

The reviews could therefore potentially result additional tax payments or refunds being necessary which may be significant. This would result in the payment or refund being recognised as income tax adjustment in the year in which the reviews are completed.

The income tax expenses for the period ended 31 March 2024 is LAK 465,092,548 (2023: LAK 466,648,856).

18. Basis 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.

	Unaudited 31 March 2024	Unaudited 31 March 2023
Net profit attributable to ordinary shareholders (LAK)	2,036,328,434	1,320,100,713
Weighted average number of ordinary shares in issue (shares)	147,199,900	147,199,900
Basic earnings per share (LAK)	14	9

19. Related party transactions

Individuals and entities that directly or indirectly control or are controlled by or are under common control with the Company, including investment entities and individuals or entities having significant influence over the Company, key management personnel, including directors and officers of the Company and close members of the family of these individuals and entities associated with these individuals also constitute related parties.

In considering each possible related-party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The following significant transactions were carried out with related parties:

19.1. Purchases of services

	Unaudited 31 March 2024 LAK	Unaudited 31 March 2023 LAK
Purchase service from:		
Parent Company		
- Management fees	1,237,500,000	-
- maintenance fees	837,776,299	673,354,810
	2,075,276,299	**673,354,810**

19.2. Outstanding balance arising from sale/purchases services

	Unaudited 31 March 2024 LAK	Audited 31 December 2023 LAK
Receivables from:		
Trade accounts receivable (Note 5)		
Parent Company		
- Amount received on behalf of the Company by the Parent Company	3,257,086,912	2,954,197,489
Other current assets (Note 6)		
Parent Company		
- Advance	145,011,802	447,932,363
- Prepayment	955,064,785	1,792,841,084
Total other current assets	**1,100,076,587**	**2,240,773,447**
Total receivable	**4,357,163,499**	**5,194,970,936**

	Unaudited 31 March 2024 LAK	Audited 31 December 2023 LAK
Payable to:		
Other current liabilities (Note 12)		
Parent Company		
- Amount paid on behalf of the Company by the Parent Company	249,587,812	243,757,812
Total payable	**249,587,812**	**243,757,812**

20. Commitments

Lessor

The Company leases out retail space and office space under operating lease arrangements. The future minimum rental receivables as at 31 March 2024 and 31 December 2023 under the operating lease agreements are as follows:

	Unaudited 31 March 2024 LAK	Audited 31 December 2023 LAK
Less than 1 year	9,106,735,348	13,389,903,815
From 1-5 years	9,505,914,095	10,899,704,329
Total	**18,612,649,443**	**24,289,608,144**

Commitments under business cooperation contract

The Company entered into a business cooperation contract in which the revenue from the cinema operation is fixed at a rate determined in the contract. The lessee shall pay shared revenue to the Company for the period from December 2017 to August 2035 as follows:

(i) Shared revenue of gross box office at 12% and,

(ii) Shared revenue of concession at 15%.

The Company shall not have the right to terminate this business cooperation contract prior to the expiration of the lease term, unless (i) there is a material breach by leasee; or (ii) there are force majeure circumstances; or (iii) either party files for bankruptcy or goes into liquidation.

21. Events after the reporting period

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