Lao ASEAN Leasing Public Company

Financial Statements

For the period from 1 January 2020 to 31 March 2020

Lao ASEAN Leasing Public Company

CONTENTS

	Pages
General information	1
Report of Management	3
Statement of profit or loss and other comprehensive income	4
Statement of financial position	5
Statement of changes in equity	6
Statement of cash flows	7

THE COMPANY

The company incorporated in Lao PDR in accordance with Enterprise Registration No.081/ELSD issued by the Enterprise Licensing and Supervision Department, Ministry of Industry and Commerce on 5 February 2015 and the previous Enterprise Registration was No. 1191/ELSD, dated 17 December 2018. The Company was granted approval from the Bank of Lao PDR (the "BOL") on 2 February 2015 and the company later obtained an amendment on 14 September 2017 for conducting its leasing activities. On 09 August 2019, the Company obtained new operating license from the BOL, No. 12/BOL, for conducting business under a listed company.

Lao Securities Commission Office approved the company for Initial Public Offering in amount of 60,300,000 shares in Lao Securities Exchange in accordance with Listing Certificate No.0010/LSCO, dated 09 September 2019. The issued shares resulted the Company's recapitalization in amount of LAK 162,810,000,000. The Company received the new Business License No. 0222/ELSD, dated 19 February 2019 issued by the Enterprise Licensing and Supervision Department, Ministry of Industry and Commerce.

The principal business operation of the Company is to provide hire-purchase services through providing credit line for individual and corporate customers to buy motorcycles and cars.

Paid-up capital

The Company's registered paid-up capital as at 31 March 2020 is LAK 30,440,000,000.

Location

The Company's head office is located at 2nd Floor, NNN building, Phonsinuan Village, Sisattanak District, Vientiane Capital, Lao PDR.

THE BOARD OF DIRECTORS

Members of the Board of Directors during the period from 1 January 2020 to 31 March 2020 and at the date of this report are as follows:

Name	*Position*	*Date of appointment*
Mrs. Yuki Scott	Chairwoman	Appointed on 19 December 2019
Ms. Makiko Oikawa	Vice-chairman	Appointed on 19 December 2019
Mr. Tomofumi Suematsu	Member	Appointed on 19 December 2019
Mr. Tomohiro Yoshida	Member	Appointed on 19 December 2019
Mrs. Harumi Ide	Member	Appointed on 19 December 2019

THE BOARD OF MANAGEMENT

Members of the Management of during the year and at the date of this report are as follows:

Name	*Position*	*Date of appointment*
Mr. Risa Yamaguchi	General Director	Appointed on 9 January 2020

LEGAL REPRESENTATIVE

The legal representative of the Company during the period from 1 January 2020 to 31 March 2020 and at the date of this report is Mr. Tomofumi Suematsu, General Director and Member of the Board of Directors.

AUDITORS

The auditors of the Company are Ernst & Young Lao Co., Ltd.

The Management of Lao ASEAN Leasing Public Company ("the Company") is pleased to present its report and the Company's financial statements as at and for the period from 1 January 2020 to 31 March 2020.

MANAGEMENT' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

Management is responsible for the financial statements of each financial year which give a true and fair view of the financial position of the Company and of the Company's operational results and cash flows for the year. In preparing those financial statements, management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 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 financial position of the Company and to ensure that the accounting records comply with International Financial Reporting Standards. It is also responsible for safeguarding the assets of the Company and hence 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 financial statements.

APPROVAL OF THE FINANCIAL STATEMENTS

We hereby approve the accompanying financial statements as at and for the period from 1 January 2020 to 31 March 2020 which are prepared in accordance with International Financial Reporting Standards.

For and on behalf of Management:



Ms. Risa Yamaguchi
Management Director

Vientiane, Lao PDR

15 May 2020

Lao ASEAN Leasing Public Company

STATEMENT OF COMPREHENSIVE INCOME
for the period from 1 January 2020 to 31 March 2020

	For the period from 1 January 2020 to 31 March 2020 LAK	*For the period from 1 January 2019 to 31 March 2019 LAK*
Interest and similar income	41,337,757,163	45,212,966,646
Interest and similar expense	(7,625,695,293)	(9,851,563,553)
Net interest income	**33,712,061,870**	**35,361,403,093**
Fees and commission income	-	-
Fees and commission expense	(2,686,187,135)	(3,118,667,252)
Net fees and commission income	**(2,686,187,135)**	**(3,118,667,252)**
Other operating income	353,065,232	164,939,778
Total operating income	**31,378,939,967**	**32,407,675,619**
NET OPERATING INCOME	**31,378,939,967**	**32,407,675,619**
Personnel expenses	(5,654,301,333)	(7,310,749,202)
Depreciation of property and equipment	(266,937,523)	(281,372,141)
Other operating expenses	(6,200,810,539)	(5,304,402,099)
TOTAL OPERATING EXPENSES	**(12,122,049,395)**	**(12,896,523,442)**
NET PROFIT FOR THE YEAR	**19,256,890,572**	**19,511,152,177**
Other comprehensive income	-	-
TOTAL COMPREHENSIVE PROFIT FOR THE YEAR	**19,256,890,572**	**19,511,152,177**

Ms. Risa Yamaguchi
Management Director

Mr. Kazutaka Morikawa
Accounting-Finance Manager

Vientiane Capital, Lao P.D.R

15 May 2020

Lao ASEAN Leasing Public Company

STATEMENT OF FINANCIAL POSITION
for the period from 1 January 2020 to 31 March 2020

	31 March 2020 LAK	*31 December 2019 LAK*
ASSETS		
Current assets		
Cash and cash equivalents	254,929,326,541	336,866,272,315
Deposit with the Bank of Lao	2,170,049,000	1,667,400,000
Hire purchase receivables – current portion	294,477,461,757	296,845,940,995
Other assets	22,974,672,093	19,815,434,179
Total current assets	**574,551,509,391**	**655,195,047,489**
Non-current assets		
Hire purchase receivables – non-current portion	352,484,882,875	327,489,564,398
Property and equipment	2,745,980,501	2,713,928,693
Other non current assets	292,466,163	292,466,164
Total non-current assets	**355,523,329,539**	**330,495,959,255**
TOTAL ASSETS	**930,074,838,930**	**985,691,006,744**
LIABILITIES		
Current liabilities		
Statutory obligations	75,855,488,988	75,855,488,988
Short-term borowings	5,812,911,034	5,812,911,034
Other liabilities	73,562,137,102	2,844,791,336
Total current liabilities	**155,230,537,124**	**84,513,191,358**
Non-current liabilities		
Long-term borrowings	355,578,353,020	501,168,757,172
Due to related parties	6,356,857,967	6,356,857,967
Total non-current liabilities	**361,935,210,987**	**507,525,615,139**
TOTAL LIABILITIES	**517,165,748,111**	**592,038,806,497**
EQUITY		
Paid up capital	30,150,000,000	30,150,000,000
Share premium	155,497,646,314	155,497,646,314
Other capital	290,000,000	290,000,000
Retained earnings	226,971,444,505	207,714,553,933
TOTAL EQUITY	**412,909,090,819**	**393,652,200,247**
TOTAL LIABILITIES AND EQUITY	**930,074,838,930**	**985,691,006,744**

Ms. Risa Yamaguchi
Management Director

Mr. Kazutaka Morikawa
Accounting-Finance Manager

Vientiane Capital, Lao P.D.R

15 May 2020

Lao ASEAN Leasing Public Company

STATEMENT OF CHANGES IN EQUITY
for the period from 1 January 2020 to 31 March 2020

	Registered paid-up capital LAK	*Share premium LAK*	*Other capital LAK*	*Retained earnings LAK*	*Total LAK*
Balances as at 31 December 2018	**24,120,000,000**	**-**	**290,000,000**	**119,521,818,229**	**143,931,818,229**
Profit for the period	-	-	-	19,511,152,177	19,511,152,177
Balances as at 31 March 2019	**24,120,000,000**	**-**	**290,000,000**	**139,032,970,406**	**163,442,970,406**
Balances as at 31 December 2019	**30,150,000,000**	**155,497,646,314**	**290,000,000**	**207,714,553,933**	**393,652,200,247**
Profit for the period	-	-	-	19,256,890,572	19,256,890,572
Balances as at 31 March 2020	**30,150,000,000**	**155,497,646,314**	**290,000,000**	**226,971,444,505**	**412,909,090,819**

Ms. Risa Yamaguchi
Management Director

Mr. Kazutaka Morikawa
Accounting-Finance Manager

Vientiane Capital, Lao P.D.R

15 May 2020

Lao ASEAN Leasing Public Company

STATEMENT OF CASH FLOWS
for the period from 1 January 2020 to 31 March 2020

	For the period from 1 January 2020 to 31 March 2020 LAK	*For the period from 1 January 2019 to 31 March 2019 LAK*
OPERATING ACTIVITIES		
Profit before tax	**19,256,890,572**	**19,511,152,177**
Adjustments for:		
Depreciation and amortization charges	266,937,523	281,372,141
Change in operating assets		
Net change in hire purchase receivable	(22,626,839,239)	24,360,326,253
Net change in other assets	(3,661,886,913)	(8,228,464,945)
Change in operating liabilities		
Net change in other liabilities	70,717,345,766	12,001,342,603
Net cash flows from operating activities	**63,952,447,709**	**47,925,728,229**
INVESTING ACTIVITIES		
Acquisitions of property and equipment	(298,989,331)	(504,236,000)
Net cash flows used in investing activities	**(298,989,331)**	**(504,236,000)**
FINANCING ACTIVITIES		
Borrowing repayment	(145,590,404,152)	8,758,267,447
Net cash flows (used in)/from financing activities	**(145,590,404,152)**	**8,758,267,447**
Net (decrease)/ increase in cash and cash equivalents	**(81,936,945,774)**	**56,179,759,676**
Cash and cash equivalents at the beginning of the period	**336,866,272,315**	**113,027,100,359**
Cash and cash equivalents at the end of the period	**254,929,326,541**	**169,206,860,035**

Ms. Risa Yamaguchi
Management Director

Mr. Kazutaka Morikawa
Accounting-Finance Manager

Vientiane Capital, Lao P.D.R

15 May 2020