



INDEPENDENT AUDITOR'S REPORT

To: The Owners of Joint Development Bank Limited

Opinion

In our opinion, the financial statements of Joint Development Bank Limited ("the Bank") for the year ended 31 December 2022 are prepared, in all material respects, in accordance with the relevant regulations and notifications of the Bank of Lao People's Democratic Republic and the accounting policies described in Note 2 to the financial statements.

What we have audited

The Bank's financial statements comprise:

- the statement of income for the year then ended;
- the statement of financial position as at 31 December 2022;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Bank in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Emphasis of Matter - Basis of accounting and restriction on distribution and use

We draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the Bank's accounting policies described in Note 2 to the financial statements. As a result, the financial statements may not be suitable for another purpose.

Our report is intended solely for the Bank and the Bank of Lao People's Democratic Republic and should not be distributed to or used by parties other than the Bank and the Bank of Lao People's Democratic Republic. Our opinion is not modified in respect to this matter.



Responsibilities of the directors of the Bank for the financial statements

The directors are responsible for the preparation and presentation of the financial statements in accordance with the relevant accounting regulations and notifications of the Bank of Lao People's Democratic Republic and the accounting policies described in Note 2 to the financial statements, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We are also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.



We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For PricewaterhouseCoopers (Lao) Sole Company Limited



By : Apisit Thientrongpinyo
Partner

Vientiane Capital, Lao PDR
Date: 25 April 2023

JOINT DEVELOPMENT BANK LIMITED

STATEMENT OF INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 LAK	2021 LAK	
A. OPERATING INCOME AND EXPENSES				
1	Interest and similar income	4	942,752,964,851	524,715,359,547
2	Interest and similar expenses	4	(656,205,141,486)	(385,379,538,559)
I. NET INTEREST AND SIMILAR INCOME			286,547,823,365	139,335,820,988
3	Fee and commission income	5	204,449,374,336	156,402,282,832
4	Fee and commission expenses	5	(36,695,384,932)	(15,388,848,120)
5	Net (loss)/gain from securities investment	6	16,296,498,384	7,947,669,420
6	Net gain from dealing in foreign currencies	9	134,784,608,373	32,134,036,671
II. NET OPERATING INCOME			605,382,919,526	320,430,961,791
B. OTHER INCOME AND EXPENSES				
7	Other operating income	7	10,371,889,344	5,106,808,165
8	Administration expenses		(155,613,334,452)	(106,585,915,934)
8.1	Payroll and other staff costs	8	(81,313,820,393)	(54,317,781,282)
8.2	Other administrative expenses	10	(74,299,514,059)	(52,268,134,652)
9	Depreciation and amortization charges	19, 20	(25,865,510,621)	(27,932,538,925)
10	Other operating expenses	11	(37,386,273,502)	(21,942,013,015)
11	Net provision for non-performing loans charged to expense		(55,450,301,272)	292,064,730
III. TOTAL PROFIT BEFORE TAX			341,439,389,023	169,369,366,812
12	Current profit tax	27	(60,010,136,269)	(35,178,995,109)
IV. PROFIT AFTER TAX			281,429,252,754	134,190,371,703

Prepared by:



Ms. Khonesavanh Vixathep
Head of Finance and Accounting department

Approved by:



Mr. Vilay Siphaphone
General Director

Vientiane Capital, Lao PDR
Date: 25 April 2023

The accompanying notes on pages 14 to 36 form an integral part of these financial statements.

JOINT DEVELOPMENT BANK LIMITED

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Notes	2022 LAK	2021 LAK
ASSETS			
I Cash and accounts with the BOL		3,147,021,869,172	1,912,677,709,346
1. Cash on hand	12	1,106,076,479,743	759,710,458,567
2. Balance with BOL	13	2,040,945,389,429	1,152,967,250,779
II Due from other banks	14	688,765,638,262	285,315,864,177
1. Demand deposits		429,199,784,152	158,612,081,247
2. Term deposits		101,537,000,000	80,000,000,000
3. Saving deposits		158,028,854,110	46,703,782,930
III Investment in securities	15	518,080,056,658	382,368,143,544
1. Available-for-sale securities		2,350,000,000	2,350,000,000
2. Held-to-maturity securities		515,730,056,658	380,018,143,544
IV Loans to customers, net of specific provision for credit activities	16	11,977,807,909,462	7,566,038,980,897
V Investments in associates and joint ventures	17	1,697,780,000	1,187,780,000
VI Fixed assets		306,731,718,801	261,166,854,777
1. Construction in progress and fixed assets in transit	18	11,743,465,031	8,094,624,961
2. Intangible fixed assets	19	170,380,621,749	150,445,255,563
3. Tangible fixed assets	20	124,607,632,021	102,626,974,253
VII Other assets		1,009,759,518,267	561,495,521,483
1. Accrued interest receivable		217,707,249,956	107,858,827,015
2. Other assets	21	792,052,268,311	453,636,694,468
TOTAL ASSETS		17,649,864,490,622	10,970,250,854,224

Prepared by:



Ms. Khonesavanh Vixathep
Head of Finance and Accounting department

Approved by:



Mr. Vilay Siphaphone
General Director

Vientiane Capital, Lao PDR
Date: 25 April 2023

The accompanying notes on pages 14 to 36 form an integral part of these financial statements.

JOINT DEVELOPMENT BANK LIMITED

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Notes	2022 LAK	2021 LAK
LIABILITIES AND EQUITY			
I Due to other banks and financial institutions	22	1,958,725,721,976	1,166,258,757,310
1. Demand and saving deposits		20,492,571,486	8,622,475,359
2. Term deposits		620,041,760,000	255,587,360,000
3. Borrowings		1,317,435,000,000	901,576,436,804
4. Other payables		756,390,490	472,485,147
II Due to customers	23	14,140,149,338,476	8,727,580,548,918
1. Demand and saving deposits		3,177,008,105,459	2,022,939,282,416
2. Term deposits		10,963,141,233,017	6,704,639,766,502
3. Other payables		-	1,500,000
III Other liabilities		667,699,389,694	402,539,492,652
1. Accrued interests payable		496,645,269,321	291,125,871,465
2. Other liabilities		171,054,120,373	111,413,621,187
TOTAL LIABILITIES		16,766,574,450,146	10,296,378,798,880
IV Equity and reserves			
1. Share capital	24	444,666,100,000	424,666,100,000
2. Regulatory reserve fund	25	31,030,555,696	17,351,998,475
3. General reserve fund	25	16,879,660,872	9,030,673,961
4. General provision for credit activities	16	58,237,986,413	37,906,011,116
5. Provision for unrecoverable assets		94,029,775,080	94,029,775,080
6. Retained earnings		238,445,962,415	90,887,496,712
TOTAL EQUITY		883,290,040,476	673,872,055,344
TOTAL LIABILITIES AND EQUITY		17,649,864,490,622	10,970,250,854,224

Prepared by:



Ms. Khonesavanh Vixathep
Head of Finance and Accounting department

Approved by:



Mr. Vilay Siphaphone
General Director

Vientiane Capital, Lao PDR
Date: 25 April 2023

JOINT DEVELOPMENT BANK LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Share capital LAK	Revaluation reserve LAK	General provision for credit activities LAK	Appropriated legal reserve LAK	Accumulated profit		Total LAK
						General reserve LAK	Unappropriated LAK	
Opening balance at 1 January 2022		424,666,100,000	94,029,775,080	37,906,011,116	17,351,998,475	9,030,673,961	90,887,496,712	673,872,055,344
Paid up	24	20,000,000,000	-	-	-	-	-	20,000,000,000
Appropriated-legal reserve	25	-	-	-	13,678,557,221	-	(13,678,557,221)	-
General reserve fund	25	-	-	-	-	13,678,557,221	(13,678,557,221)	-
Dividend paid	26	-	-	-	-	-	(109,428,457,764)	(109,428,457,764)
Net general provision for credit activities during the year	16	-	-	20,331,975,297	-	-	-	20,331,975,297
Reverse for tax penalty paid	25	-	-	-	-	(2,914,785,155)	-	(2,914,785,155)
Net profit for the year		-	-	-	-	-	281,429,252,754	281,429,252,754
Closing balance at 31 December 2022		444,666,100,000	94,029,775,080	58,237,986,413	31,030,555,696	19,794,446,027	235,531,177,260	883,290,040,476

The accompanying notes on pages 14 to 36 form an integral part of these financial statements.

JOINT DEVELOPMENT BANK LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

Note	Share capital LAK	Revaluation reserve LAK	General provision for credit activities LAK	Accumulated profit			Total LAK
				Appropriated legal reserve LAK	General reserve LAK	Unappropriated LAK	
Opening balance at 1 January 2021	404,666,100,000	94,029,775,080	22,695,329,628	8,960,056,385	4,834,702,916	31,616,545,904	566,802,509,913
Paid up	20,000,000,000	-	-	-	-	-	20,000,000,000
Appropriated-legal reserve	25	-	-	8,391,942,090	-	(8,391,942,090)	-
General reserve fund	25	-	-	-	4,195,971,045	(4,195,971,045)	-
Dividend paid	26	-	-	-	-	(62,331,507,760)	(62,331,507,760)
Net general provision for credit activities during the year	16	-	15,210,681,488	-	-	-	15,210,681,488
Net profit for the year	-	-	-	-	-	134,190,371,703	134,190,371,703
Closing balance at 31 December 2021	424,666,100,000	94,029,775,080	37,906,011,116	17,351,998,475	9,030,673,961	90,887,496,712	673,872,055,344

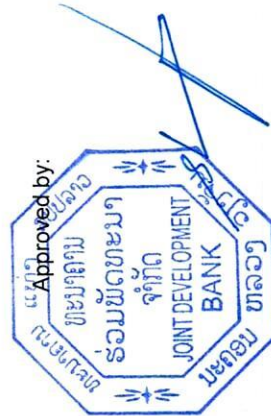
Date: 25 April 2023

Prepared by:



Ms. Khonesavanh Vixathep
Head of Finance and Accounting department

Vientiane Capital, Lao PDR
Date: 25 April 2023



Mr. Vilay Siphaphone
General Director

JOINT DEVELOPMENT BANK LIMITED

STATEMENT OF CASHFLOW
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 LAK	2021 LAK
OPERATING ACTIVITIES			
Net profit/(loss) before tax		341,439,389,023	134,190,371,703
Adjustments for:			
Depreciation and amortization expenses	19, 20	25,865,510,621	28,035,385,843
Net provision expense	16	5,977,802,868	12,269,623,486
Interest income	4	(942,752,964,851)	(524,715,359,547)
Interest expense	4	656,205,141,486	385,379,538,559
Cash flows from operating profit before changes in operating assets and liabilities		86,734,879,147	35,159,560,044
(Increase)/Decrease in operating assets			
Balances with other banks		(163,714,471,994)	(65,151,928,394)
Loans to customers		(4,397,414,756,136)	(2,973,042,892,280)
Accrued interest income		-	(74,135,023,185)
Other assets		(338,415,573,843)	(479,145,690,120)
Increase/(Decrease) in operating liabilities			
Amounts due to BOL and other banks		792,466,964,666	222,678,245,215
Due to customers		5,412,568,789,558	2,797,266,000,063
Other liabilities		45,782,868,255	203,612,690,686
Cash generated from (used in) operations		1,438,008,699,653	(332,759,037,971)
Interest Paid		(450,685,743,630)	(282,723,482,658)
Interest Received		832,904,541,910	450,580,336,362
Profit tax paid		(60,010,136,269)	(38,210,627,529)
Net cash flows from/ (used in) operating activities		1,760,217,361,664	(203,112,811,796)
INVESTING ACTIVITIES			
Payment for construction in progress and tangible assets	18, 20	(52,114,050,357)	(34,768,801,195)
Payment for intangible assets	19	(20,074,572,942)	(21,022,442,948)
Proceed from disposals of assets	20	758,248,654	58,123,013
Payment from investment in financial investment - hold to maturity		(150,711,913,114)	-
Proceed from investment in financial investment - hold to maturity		15,000,000,000	-
Payment for associates and joint ventures investments		(510,000,000)	(333,340,000)
Net cash flows from/ (used in) investing activities		(207,652,287,759)	(56,066,461,130)

The accompanying notes on pages 14 to 36 form an integral part of these financial statements.

JOINT DEVELOPMENT BANK LIMITED

STATEMENT OF CASHFLOW
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 LAK	2021 LAK
FINANCING ACTIVITIES			
Payment of dividend	26	(78,485,611,988)	(50,215,616,962)
Proceeds from issuance of share capital	24	-	20,000,000,000
Net cash flows used in financing activities		(78,485,611,988)	(30,215,616,962)
Net change in cash and cash equivalents		1,474,079,461,917	(289,394,889,888)
Cash and cash equivalents at the beginning of the year		1,898,620,275,199	2,188,015,165,087
Cash and cash equivalents at the end of the year	28	3,372,699,737,116	1,898,620,275,199
Non-cash investing activities			
Paid dividend by offsetting against receivable of shareholders and income tax for dividends	26	30,942,845,776	12,115,890,798

Prepared by:



Ms. Khonesavanh Vixathep
Head of Finance and Accounting department

Approved by:



Mr. Vilay Siphaphone
General Director

Vientiane Capital, Lao PDR
Date: 25 April 2023