

# Phongsavanh Bank Limited



Annual Report, Year 2022  
(Audited)

PHONGSAVANH BANK LIMITED

STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2022

	Notes	2022 LAKm	2021 LAKm
<b>Assets</b>			
Cash on hand and balance with the BoL	11	612,562	597,711
Due from other banks	12	228,472	134,528
Investment in securities	13	109,048	87,069
Loan to customers, net of provision for non-performing loans	14	5,878,763	4,092,569
Property and equipment, net	15	191,107	134,973
Intangible assets	16	581,000	559,215
Right of used Assets	17	20,945	-
Other assets	18	1,141,057	771,724
<b>Total Assets</b>		<b>8,762,954</b>	<b>6,377,789</b>
<b>Liabilities and Equity</b>			
<b>Liabilities</b>			
Due to other banks	19	1,007,502	163,870
Due to customers	20	6,840,088	5,462,483
Lease Liability		2,195	-
Other liabilities	21	285,266	204,949
<b>Total Liabilities</b>		<b>8,135,051</b>	<b>5,831,302</b>
<b>Equity</b>			
Share capital	22	251,755	239,946
Statutory reserves		3,826	2,375
Fixed assets revaluation reserves		398,211	398,211
Accumulated losses		(25,889)	(94,045)
<b>Total Equity</b>		<b>627,903</b>	<b>546,487</b>
<b>Total Liabilities and Equity</b>		<b>8,762,954</b>	<b>6,377,789</b>

Mrs. Daly Pholsena  
Chief Financial Officer



Mr. Sivily PHOMMACHACK  
Managing Director

Vientiane Capital, Lao PDR  
Date: 25 April 2023

PHONGSAVANH BANK LIMITED

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 LAKm	2021 LAKm
Interest and similar income		535,756	378,180
Interest and similar expenses		(323,308)	(229,975)
<b>Net interest and similar income</b>	4	<b>212,448</b>	<b>148,205</b>
Fees and commission income		58,219	43,169
Fees and commission expenses		(14,572)	(8,214)
<b>Net fee and commission income</b>	5	<b>43,647</b>	<b>34,955</b>
Net gain from dealing in foreign currencies	6	11,455	16,695
<b>Net operating income</b>		<b>267,550</b>	<b>199,855</b>
Other operating income	7	138,260	24,582
Payroll and other staff cost		(85,087)	(68,326)
Other administrative expenses	8	(46,254)	(37,265)
Depreciation and amortization expense	15,16	(85,244)	(20,021)
Other operating expenses	9	(103,427)	(15,779)
Net (Provision charge)/reversal for non-performing loans		(2,654)	(13,168)
<b>Total profit before tax</b>		<b>83,144</b>	<b>69,878</b>
Current profit tax	10	(14,988)	(13,074)
<b>Profit after tax</b>		<b>68,156</b>	<b>56,804</b>
<b>Other comprehensive income (expenses), net of taxes</b>			
Revaluation of assets		-	-
<b>Total other comprehensive income, net of taxes</b>		<b>68,156</b>	<b>56,804</b>

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Chief Financial Officer



Mr. Sivilay PHOMMACHACK  
Managing Director

Vientiane Capital, Lao PDR  
Date: 25 April 2023

PHONGSAVANH BANK LIMITED

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

	Notes	Paid-up capital LAKm	Business Expansion fund LAKm	Revaluation reserves LAKm	Accumulated losses LAKm	Total LAKm
<b>Balance as at 1 January 2021</b>		234,476	574	398,211	(150,849)	482,412
Net profit for the year		-	-	-	56,804	56,804
Capital contribution in-kind during the year	22	5,470	-	-	-	5,470
Statutory reserves		-	1,801	-	-	1,801
<b>Balances as at 31 December 2021</b>		<b>239,946</b>	<b>2,375</b>	<b>398,211</b>	<b>(94,045)</b>	<b>546,487</b>
<b>Balance as at 1 January 2022</b>		239,946	2,375	398,211	(94,045)	546,487
Net profit for the year		-	-	-	68,156	68,156
Capital contribution during the year	22	11,809	-	-	-	11,809
Statutory reserves		-	1,451	-	-	1,451
<b>Balances as at 31 December 2022</b>		<b>251,755</b>	<b>3,826</b>	<b>398,211</b>	<b>(25,889)</b>	<b>627,903</b>



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Managing Director

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PHONGSAVANH BANK LIMITED

STATEMENT OF CASH FLOW  
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 LAKm	2021 LAKm
<b>Cash flows from operating activities</b>			
Net profit before income tax		83,144	69,878
<i>Adjustments to reconcile profit before taxes to cash receipts (payments) from operations</i>			
Depreciation and amortisation charges	15,16	17,770	20,020
Provision for credit losses		23,990	17,260
Interest income	4	(535,756)	(378,180)
Interest expense	4	323,308	229,975
Cash flow before changes in working capital		(87,544)	(41,047)
Changes in working capital:			
Balances with other banks		(73,393)	7,764
Loan to customers		(1,810,184)	(1,186,023)
Other assets		(231,967)	(88,751)
Amounts due to other banks		843,632	63,474
Customer deposits and other amounts due to customers		1,377,604	1,263,925
Other liabilities		5,657	21,413
Cash generated from (used in) operations		23,805	40,755
Profit tax paid		13,414	(7,506)
Interest received		384,977	211,698
Interest paid		(263,634)	(186,503)
<b>Net cash inflow from operating activities</b>		<b>158,562</b>	<b>58,444</b>
<b>Cash flows from investing activities</b>			
Cash payments for tangible and intangible Assets		(95,691)	(19,103)
Acquisition of PPE - RoU asset		(20,945)	-
Cash payments for purchase of investments in securities		(319,635)	(78,181)
Cash receipts from securities		297,656	84,769
Payment of lease liability		2,195	-
Capital contribution		11,809	-
Other reserve		1,451	-
<b>Net cash inflow/(outflow) from investing activities</b>		<b>(123,160)</b>	<b>(12,515)</b>
<b>Cash flows from financing activities</b>			
<b>Net cash Inflow/(outflow) from financing activities</b>		<b>-</b>	<b>-</b>
<b>Net Increase in cash and cash equivalents</b>		<b>35,402</b>	<b>45,929</b>
Cash and cash equivalents at the beginning of the year		616,909	570,980
<b>Cash and cash equivalents at the end of the period</b>	23	<b>652,311</b>	<b>616,909</b>
<b>Non-cash financing and investing activities</b>			
Capital contribution in-kind		-	5,471
Business expansion fund		-	1,801

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