PETROLEUM TRADING LAO PUBLIC COMPANY AND ITS SUBSIDIARIES

INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2019

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Petroleum Trading Lao Public Company and its subsidiaries
Condensed consolidated statement of financial position
As at 30 September 2019

	Notes	Unaudited 30 September 2019 LAK	Audited 31 December 2018 LAK
Assets			
Current assets			
Cash and cash equivalents	4	6,966,930,627	12,515,355,962
Trade receivables, net	5	110,469,337,088	113,542,704,386
Inventories, net	6	25,865,843,856	16,522,614,854
Short-term loan to related parties	20.5	18,146,442,946	19,094,118,588
Other current assets	7	90,258,991,572	56,999,775,130
Non-current assets classified as held-for-sale	11	812,279,788	-
Total current assets		**252,519,825,877**	**218,674,568,920**
Non-current assets			
Property, plant and equipment, net	8	332,073,051,954	345,402,928,369
Intangible assets, net	9	6,535,485,658	7,336,408,537
Investment properties, net	10	86,770,765,174	87,547,072,916
Long-term loans to related parties	20.5	16,391,573,359	17,312,564,683
Other non-current assets	12	51,453,966,512	45,996,195,879
Total non-current assets		**493,224,842,657**	**503,595,170,384**
Total assets		**745,744,668,534**	**722,269,739,304**

Chanthone Sitthixay
Chief Executive Officer

Date: 15 November 2019

Chanthadom Meksavanh
Acting Chief Finance Officer

Date: 15 November 2019

Petroleum Trading Lao Public Company and its subsidiaries
Condensed consolidated statement of financial position
As at 30 September 2019

	Notes	Unaudited 30 September 2019 LAK	Audited 31 December 2018 LAK
Liabilities and equity			
Liabilities			
Current liabilities			
Trade payables	13	83,957,125,861	66,682,803,047
Tax payables	14	5,446,310,093	4,287,040,765
Short-term borrowings	15	245,395,890,000	272,970,740,000
Other current liabilities	16	29,969,918,744	32,357,726,680
Total current liabilities		**364,769,244,698**	**376,298,310,492**
Non-current liabilities			
Long-term borrowings	15	114,088,640,000	33,480,000,000
Total non-current liabilities		**114,088,640,000**	**33,480,000,000**
Total liabilities		**478,857,884,698**	**409,778,310,492**
Equity			
Share capital	17	470,000,000,000	470,000,000,000
Share premium		27,638,932,340	27,638,932,340
Common control reserve		(898,908,935)	(898,908,935)
Translation		598,652,322	544,522,558
Accumulated loss			
Appropriated-legal reserve		3,708,530,711	3,708,530,711
Other reserve		1,977,267,979	1,977,267,979
Unappropriated		(238,237,823,046)	(192,505,936,248)
Equity attributble to owners of the parent		**264,786,651,371**	**310,464,408,405**
Non-controlling interest		2,100,132,465	2,027,020,407
Total equity		**266,886,783,836**	**312,491,428,812**
Total liabilities and equity		**745,744,668,534**	**722,269,739,304**

Chanthone Sitthixay
Chief Executive Officer

Date: 15 November 2019

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Acting Chief Finance Officer

Date: 15 November 2019

The accompanying notes on page 11 to 21 are an integral part of these condensed consolidated financial information.

Petroleum Trading Lao Public Company and its subsidiaries
Condensed consolidated statement of income
For the three-month period ended 30 September 2019

	Notes	Unaudited 30 September 2019 LAK	Unaudited 30 September 2018 LAK
Sales		272,481,812,539	246,756,527,477
Cost of sales		(256,492,805,659)	(237,832,733,158)
Gross profit		**15,989,006,880**	**8,923,794,319**
Other incomes		2,784,966,297	2,121,559,165
Other gain(loss), net		(4,786,040,902)	(6,708,120,880)
Selling expenses		(3,314,735,074)	(4,082,486,887)
Administrative expenses		(15,400,426,008)	(16,220,321,004)
Operating loss		**(4,727,228,807)**	**(15,965,575,287)**
Finance expense		(7,935,078,150)	(6,511,831,713)
Net loss before income tax expenses		**(12,662,306,957)**	**(22,477,407,000)**
Income tax expenses	18	(470,747,850)	-
Net loss for the period		**(13,133,054,807)**	**(22,477,407,000)**
Loss attributable to :			
Owners of the parent		(13,149,945,429)	(22,396,856,322)
Non-Controlling interest		16,890,623	(80,550,678)
		(13,133,054,806)	**(22,477,407,000)**
Earnings (loss) per share			
Basic earnings (loss) per share		(56)	(95)

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Petroleum Trading Lao Public Company and its subsidiaries
Condensed consolidated statement of income
For the nine-month period ended 30 September 2019

	Notes	Unaudited 30 September 2019 LAK	Unaudited 30 September 2018 LAK
Sales		906,958,124,755	834,933,882,782
Cost of sales		(849,773,434,577)	(804,648,940,484)
Gross profit		**57,184,690,178**	**30,284,942,298**
Other incomes		5,544,449,063	7,010,521,273
Other gain(loss), net		(21,152,097,609)	(11,560,986,126)
Selling expenses		(13,904,176,483)	(15,218,230,714)
Administrative expenses		(48,720,059,939)	(45,211,151,688)
Operating loss		**(21,047,194,790)**	**(34,694,904,957)**
Finance expense		(22,277,871,701)	(19,602,575,299)
Net loss before income tax expenses		**(43,325,066,491)**	**(54,297,480,256)**
Income tax expenses	18	(2,333,708,249)	-
Net loss for the period		**(45,658,774,740)**	**(54,297,480,256)**
Loss attributable to :			
Owners of the parent		(45,731,886,798)	(54,212,210,068)
Non- Controlling interest		73,112,058	(85,270,188)
		(45,658,774,740)	**(54,297,480,256)**
Earnings (loss) per share			
Basic earnings (loss) per share	19	(195)	(231)

Chanthone Sitthixay
Chief Executive Officer

Date: 15 November 2019

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Acting Chief Finance Officer

Date: 15 November 2019

Petroleum Trading Lao Public Company and its subsidiaries
Condensed consolidated statement of changes in equity
For the three-month period ended 30 September 2019

	Share capital (Note 17) LAK	Share premium LAK	Common control reserve LAK	Translation LAK	Accumulated loss: Appropriated legal reserve LAK	Accumulated loss: Other reserve LAK	Accumulated loss: Unappropriated LAK	Non-controlling Interest LAK	Total LAK
Opening balance at 1 July 2019 - Unaudited	**470,000,000,000**	**27,638,932,340**	**(898,908,935)**	**613,187,941**	**3,708,530,711**	**1,977,267,979**	**(225,087,877,617)**	**2,083,241,842**	**280,034,374,261**
Translation of foreign operation	-	-	-	(14,535,619)	-	-	-	-	(14,535,619)
Changes in parent's ownership interests in subsidiaries	-	-		-	-	-	-	-	-
Net loss for the period	-	-	-	-	-	-	(13,149,945,429)	16,890,623	(13,133,054,806)
Closing balance at 30 September 2019 - Unaudited	**470,000,000,000**	**27,638,932,340**	**(898,908,935)**	**598,652,322**	**3,708,530,711**	**1,977,267,979**	**(238,237,823,046)**	**2,100,132,465**	**266,886,783,836**
Opening balance at 1 July 2018 - Unaudited	**470,000,000,000**	**27,638,932,340**	**(898,908,935)**	**214,720,406**	**3,708,530,711**	**1,977,267,979**	**(158,734,509,173)**	**(90,022)**	**343,905,943,306**
Translation of foreign operation	-	-	-	(22,402,277)	-	-	-	-	(22,402,277)
Changes in parent's ownership interests in subsidiaries	-	-	-	-	-	-	-	2,090,634,614	2,090,634,614
Net loss for the period	-	-	-	-	-	-	(22,396,856,322)	(80,550,678)	(22,477,407,000)
Closing balance at 30 September 2018 - Unaudited	**470,000,000,000**	**27,638,932,340**	**(898,908,935)**	**192,318,129**	**3,708,530,711**	**1,977,267,979**	**(181,131,365,495)**	**2,009,993,914**	**323,496,768,643**

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Petroleum Trading Lao Public Company and its subsidiaries
Condensed Consolidated statement of changes in equity
For the nine-month period ended 30 September 2019

	Share capital (Note 17) LAK	Share premium LAK	Common control reserve LAK	Translation LAK	Accumulated loss: Appropriated legal reserve LAK	Accumulated loss: Other reserve LAK	Accumulated loss: Unappropriated LAK	Non-controlling Interest LAK	Total LAK
Opening balance at 1 January 2019 - Audited	**470,000,000,000**	**27,638,932,340**	**(898,908,935)**	**544,522,558**	**3,708,530,711**	**1,977,267,979**	**(192,505,936,248)**	**2,027,020,407**	**312,491,428,812**
Translation of foreign operation	-	-	-	54,129,764	-	-	-	-	54,129,764
Changes in parent's ownership interests in subsidiaries	-	-		-	-	-	-	-	-
Net loss for the period	-	-	-	-	-	-	(45,731,886,798)	73,112,058	(45,658,774,740)
Closing balance at 30 September 2019 - Unaudited	**470,000,000,000**	**27,638,932,340**	**(898,908,935)**	**598,652,322**	**3,708,530,711**	**1,977,267,979**	**(238,237,823,046)**	**2,100,132,465**	**266,886,783,836**
Opening balance at 1 January 2018 - Audited	**470,000,000,000**	**27,638,932,340**	**(898,908,935)**	**114,046,477**	**3,708,530,711**	**1,977,267,979**	**(126,914,435,917)**	**(90,022)**	**375,625,342,633**
Translation of foreign operation	-	-	-	78,271,652	-	-	-	-	78,271,652
Changes in parent's ownership interests in subsidiaries	-	-	-	-	-	-	-	2,090,634,614	2,090,634,614
Net loss for the period	-	-	-	-	-	-	(54,212,210,068)	(85,270,188)	(54,297,480,256)
Closing balance at 30 September 2018 - Unaudited	**470,000,000,000**	**27,638,932,340**	**(898,908,935)**	**192,318,129**	**3,708,530,711**	**1,977,267,979**	**(181,126,645,985)**	**2,005,274,404**	**323,496,768,643**

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Chief Executive Officer

Date: 15 November 2019

Chanthadom Meksavanh
Acting Chief Finance Officer

Date: 15 November 2019

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Petroleum Trading Lao Public Company and its subsidiaries
Condensed consolidated statement of cash flows
For the three-month period ended 30 September 2019

	Notes	Unaudited 30 September 2019 LAK	Unaudited 30 September 2018 LAK
Cash flow from operating activities:			
Net loss before income tax for the period		(12,662,306,957)	(22,477,407,000)
Adjustments to reconcile net profit to net cash			
Depreciation and amortisation		5,866,787,113	7,499,368,852
Interest income		(600,991,426)	(669,813,464)
Interest expenses		8,497,754,881	6,511,831,713
Income tax expenses		(470,747,850)	-
Unrealised from exchanged loss		5,885,770,478	6,382,247,776
Operating profit (loss) before working capital changes		6,516,266,239	(2,753,772,123)
Changes in operating assets and liabilities			
Trade receivables		(4,919,002,891)	19,894,061,586
Inventories		4,984,808,027	(238,730,849)
Trade payables		21,160,186,432	(23,121,046,369)
Accrued tax payables		103,616,325,810	3,215,057,176
Other current asset		(5,974,271,719)	373,636,499
Other current liabilities		(10,380,280,081)	21,263,201,573
Assets classified as held-for-sale		(812,279,788)	-
Cash generated from operation		114,191,752,029	18,632,407,493
Interest received		45,544,512	-
Interest paid		(7,537,864,410)	(5,301,239,492)
Other tax and statutory tax paid		(104,941,709,737)	(3,450,666,263)
Net cash generate from (used in) operating activities		1,757,722,394	9,880,501,738
Cash flows from investing activities:			
Acquisitions of fixed assets		(946,517,441)	(3,021,774,161)
Loans to related parties		(132,227)	-
Net cash (used in) /from investing activities		(946,649,668)	(3,021,774,161)

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Petroleum Trading Lao Public Company and its subsidiaries
Consolidated statement of cash flows
For the three-month period ended 30 September 2019

	Notes	Unaudited 30 September 2019 LAK	Unaudited 30 September 2018 LAK
Cash flows from financing activities:			
Proceeds from borrowings		93,662,868,000	-
Repayment of borrowings		(93,637,044,000)	2,100,000,000
Net cash from (used in) financing activities		25,824,000	2,100,000,000
Net decrease in cash and cash equivalents		836,896,726	8,958,727,577
Cash and cash equivalents at the beginning of the period		6,024,485,940	3,328,324,600
Exchange gains/(losses) on cash and cash equivalents		105,547,961	161,612,168
Cash and cash equivalents at the end of the period		6,966,930,627	12,448,664,345
Significant non cash items;			
Accounts payable for fixed assets		168,676,491	470,348,927

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Date: 15 November 2019

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Petroleum Trading Lao Public Company and its subsidiaries
Condensed consolidated statement of cash flows
For the nine-month period ended 30 September 2019

	Notes	Unaudited 30 September 2019 LAK	Unaudited 30 September 2018 LAK
Cash flow from operating activities:			
Net loss before income tax for the period		(43,325,066,491)	(54,297,480,256)
Adjustments to reconcile net profit to net cash			
Depreciation and amortization	8,9,10	17,384,547,240	18,487,296,073
Reversal provision for inventory		-	(156,790,254)
Reversal provision for doubtful debts		(370,950,000)	-
Provision for doubtful debts		1,288,240,915	765,827,870
Interest income		(2,191,516,686)	(1,987,598,650)
Interest expenses		22,277,871,701	19,602,575,299
Income tax expenses		(2,333,708,249)	-
Unrealized from exchanged loss		20,415,178,792	9,782,512,476
Operating profit (loss) before working capital changes		13,144,597,222	(7,803,657,442)
Changes in operating assets and liabilities			
Trade receivables		2,235,948,933	19,157,650,552
Inventories		(9,343,229,002)	(4,020,622,007)
Trade payables		16,956,699,109	8,659,150,448
Accrued tax payables		357,558,181,334	11,073,013,474
Other current asset		(36,688,175,302)	(253,050,925)
Other current liabilities		(6,799,454,640)	21,542,634,235
Assets classified as held-for-sale		(812,279,788)	-
Cash generated from operation		336,252,287,866	48,355,118,335
Interest received		84,012,652	-
Interest paid		(19,342,042,343)	(19,964,487,120)
Other tax and statutory tax paid		(356,398,912,006)	(11,743,191,564)
Net cash generate from (used in) operating activities		(39,404,653,831)	16,647,439,651
Cash flows from investing activities:			
Acquisitions of fixed assets		(2,342,111,296)	(2,490,861,147)
Loans to related parties	20.5	(1,130,408,623)	-
Loans paid from related parties	20.5	3,416,800,000	-
Net cash (used in) /from investing activities		(55,719,919)	(2,490,861,147)

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Petroleum Trading Lao Public Company and its subsidiaries
Condensed consolidated statement of cash flows
For the nine-month period ended 30 September 2019

	Notes	Unaudited 30 September 2019 LAK	Unaudited 30 September 2018 LAK
Cash flows from financing activities:			
Proceeds from borrowings	15	234,436,368,000	-
Repayment of borrowings	15	(200,613,004,000)	(10,150,000,000)
Net cash from (used in) financing activities		33,823,364,000	(10,150,000,000)
Net decrease in cash and cash equivalents		(5,637,009,750)	4,006,578,504
Cash and cash equivalents at the beginning of the period		12,515,355,962	8,281,373,673
Exchange gains/(losses) on cash and cash equivalents		88,584,416	161,612,168
Cash and cash equivalents at the end of the period		6,966,930,627	12,449,564,345
Significant non cash items;			
Accounts payable for fixed assets		135,328,908	3,128,801,734

Chanthone Sitthixay
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Date: 15 November 2019

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Acting Chief Finance Officer

Date: 15 November 2019

The accompanying notes on page 11 to 21 are an integral part of these condensed consolidated financial information.

1. General information

Petroleum Trading Lao Public Company (the Company) and its subsidiaries which are Petrotrade Puma Energy Import and Export Co., Ltd, Petrotrade Puma Energy Distribution Co., Ltd incorporated and resident in Lao PDR and Petroleum Trading Lao Company Limited incorporated in Thailand (together, "the Group") are respectively listed and limited companies. The Company was incorporated and registered with the Ministry of Industry and Commerce on 3 October 2008.

The Company's head office is located at Kamphaeng Mueang Street, Phonthan village, Xaysettha district, Vientiane capital, Lao PDR.

The Company invested 99% of interest in Petroleum Trading Lao Company Limited which is incorporated in Thailand in June 2016 and invested 99% of interest in Petrotrade Puma Energy Import and Export Co., Ltd and Petrotrade Puma Energy Distribution Co., Ltd which are incorporated in Lao PDR respectively.

The principle activities of the Group are import and export and to distribute fuel and petroleum products.

The Group also has 5 depot branches which are located in Vientiane capital, Bolikhamxay, Savannakhet, Sayyabouly and Champasack provinces, Lao PDR.

This interim consolidated financial information was authorised by the Board of Directors on 15 November 2019.

2. Basis of preparation and accounting policies

The condensed interim consolidated financial information was prepared in accordance with the Group's accounting policies as described in more details in the annual financial statements for the year ended 31 December 2018. The primary financial information (i.e. consolidated statement of financial position, consolidated statement of income, consolidated statement of changes in shareholder's equity and consolidated statements of cash flows) are in accordance with the reporting and disclosure regulation issued by Lao Securities and Exchange Commission Office.

According to the Accounting Law and Regulation on accounting and auditing in securities sector under Securities Commission Office in Lao P.D.R., all listed companies are required to prepare its financial statements in accordance with International Financial Reporting Standards (IFRSs) as generally accepted accounting principles. At present, Securities Commission Office is still flexible and allows listed companies to apply their own significant accounting policies, but they also encourage listed companies to fully adopt the IFRSs as it will be enforced in the future. In Lao PDR, there are significant differences between the companies' own accounting policies and the IFRSs, in many areas such as investment in property, borrowing, leases, employee benefit, current and deferred income tax, financial instruments, consolidated financial statements, business combinations and pre-operation costs. Hence, users of the financial statements should therefore be aware and understand these differences and how these will affect their interpretation and decision making.

The interim consolidated financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2018.

Costs that are incurred unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year

2. Basis of preparation and accounting policies (continued)

The interim consolidated financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2018, except new accounting policy of non-current assets classified as held-for-sale which disclosed as below.

2.1. Significant accounting policy

Non-current assets held-for-sale

Non-current assets are classified as assets held-for-sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of the carrying amount and fair value less cost to sell (note 11).

3. Estimates

The preparation of condensed interim consolidated 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 consolidated financial information, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2018.

4. Cash and cash equivalents

	Unaudited 30 September 2019 LAK	Audited 31 December 2018 LAK
Cash on hand	678,406,244	1,829,033,121
Cash at bank	6,288,524,383	10,686,322,841
	6,966,930,627	**12,515,355,962**

5. Trade receivables, net

	Unaudited 30 September 2019 LAK	Audited 31 December2018 LAK
Trade receivables from related parties (Note 20.3)	18,488,457,487	51,735,886,671
Trade receivables - third parties	100,869,898,186	69,407,595,385
	119,358,355,673	**121,143,482,056**
Less: Allowance doubtful accounts	(8,889,018,585)	(7,600,777,670)
Trade receivables, net	**110,469,337,088**	**113,542,704,386**

6. Inventories, net

	Unaudited 30 September 2019 LAK	Audited 31 December 2018 LAK
Fuel	23,473,058,898	13,932,743,776
Lubricant	1,205,287,358	1,354,198,249
Office supply	964,611,372	1,069,379,540
Plus Card	111,944,103	188,748,312
Oil color	133,397,148	-
	25,888,298,879	**16,545,069,877**
Less: Allowance for impairment based on net realisable value	(22,455,023)	(22,455,023)
	25,685,843,856	**16,522,614,854**

7. Other current assets

	Unaudited 30 September 2019 LAK	Audited 31 December 2018 LAK
Other receivables*	65,114,388,953	23,250,826,501
Advance to suppliers	5,052,432,321	12,770,662,857
Deposits to suppliers	1,508,510,287	6,017,455,586
Advance to employees	36,000,000	65,519,880
Advance profit tax payment	2,103,868,781	1,749,769,915
Advance to investment	62,954,175	62,954,175
VAT receivables	519,584,382	517,456,420
Other receivables	635,060,784	49,948,053
Interest receivables	13,514,845,115	11,605,504,325
Prepayment warehouse rental	1,711,346,774	909,677,418
	90,258,991,572	**56,999,775,130**

*This mainly consist of receivables from management amount of LAK 22,497,682,340 (2018: LAK 22,497,682,340) (Note 20.3).

8. Property, plant and equipment, net

	LAK
Opening net book value as at 1 January 2019 - Audited	345,402,928,371
Additions	2,477,440,205
Less: Transfer - out	(848,375,662)
Depreciation charge	(14,958,940,960)
Closing net book value as at 30 September 2019 – Unaudited	**332,073,051,954**

9. Intangible assets, net

	LAK
Opening net book value as at 1 January 2019 - Audited	7,336,408,539
Less: Amortisation charge	(800,922,881)
Closing net book value as at 30 September 2019 – Unaudited	**6,535,485,658**

10. Investment properties, net

	LAK
Opening net book value as at 1 January 2019 - Audited	87,547,072,917
Less: Depreciation charge	(776,307,743)
Closing net book value as at 30 September 2019 – Unaudited	**86,770,765,174**

11. Non-current assets classified as held-for-sale

In July 2019, the board of director decided to cease operation of a subsidiary company incorporated in Thailand because a change in its business strategy. Assets of this subsidiary will be sold to related party in Thailand. The sale will be complete within a year.

	Unaudited 30 September 2019 LAK
Assets	
Property, plant and equipment	812,279,788
Total assets	**812,279,788**

12. Other non-current assets

	Unaudited 30 September 2019 LAK	Audited 31 December 2018 LAK
Prepayment land rental*	44,444,444,512	38,978,957,879
Advance to gas stations and others	7,009,522,000	7,017,238,000
	51,453,966,512	**45,996,195,879**

*This mainly represents prepayment of land rental from related parties amount to LAK 34,794,924,800 (2018: LAK 34,419,839,505) (Note 20.3)

13. Trade payable

	Unaudited 30 September 2019 LAK	Audited 31 December 2018 LAK
Trade payables - third parties	70,707,675,423	60,817,496,643
Trade payables – related parties*	13,249,450,438	5,865,306,404
	83,957,125,861	**66,682,803,047**

*This mainly represents outstanding payable from a key management amount to LAK 5,125,122,420 (2018: LAK 3,245,724,530) (Note 20.3) and other.

14. Tax payables

	Unaudited 30 September 2019 LAK	Audited 31 December 2018 LAK
Value Added Tax payable	3,056,097,272	3,331,720,026
Personal income tax payables	103,988,112	121,533,083
Income tax payables	2,276,055,739	828,167,783
Other taxes and statutory payables	10,168,970	5,619,873
	5,446,310,093	**4,287,040,765**

15. Borrowings

	Unaudited 30 September 2019 LAK	Audited 31 December 2018 LAK
Current		
Current portion of borrowings from banks	38,540,000,000	15,050,000,000
Borrowing from related parties (Note 20.6)	206,855,890,000	257,920,740,000
Total short - term borrowings	**245,395,890,000**	**272,970,740,000**
Non-current		
Borrowings from banks	-	33,480,000,000
Borrowing from related parties (Note 20.6)	114,088,640,000	-
Total long - term borrowings	**114,088,640,000**	**33,480,000,000**
Total borrowings	**359,484,530,000**	**306,450,740,000**

Movements in borrowings are analysed as follows:

	LAK
Opening balance at 1 January – Audited	306,450,740,000
Borrowing received during the period	234,436,368,000
Borrowing repayment during the period	(200,613,004,000)
Un-realisation loss on exchange	19,210,426,000
As at 30 September - Unaudited	**359,484,530,000**

In April 2019, the Company entered into borrowing agreements with a local financial institution amount of USD 5 million with interest rate 8% per annum and maturity date is in April 2020. This borrowing is secured by mortgages over a Company's land, supply of petrol agreement to third parties of their subsidiary and personnel guarantee by a shareholder. The purpose of borrowing is for support operation of the Group.

16. Other current liabilities

	Unaudited 30 September 2019 LAK	Audited 31 December 2018 LAK
Advance from customers	3,615,232,760	3,215,252,507
Other accrued and payables	14,045,062,214	6,447,383,823
Other payables – related parties*	12,309,623,769	22,695,090,350
	29,969,918,743	**32,357,726,680**

*This mainly represents outstanding payable from management to LAK 11,664,172,000 (2018: LAK 22,697,780,000) (Note 20.3) and other.

17. Share capital

Shares of the Company (under the ticker "PTL") have been officially listed in Lao Securities Exchange since 10 December 2014, in accordance with Listing License No. 005 dated 26 November 2014. The total share as of 30 September 2019 is 235,000,000 shares with the par value of LAK 2,000 per share.

There was no additional share issued or decreased during the nine-month period ended 30 September 2019.

18. Income taxes

Loss before income tax expense for the nine-month period ended 30 September 2019, after the adjustments of non-deductible income and expense is in accordance with Lao Tax Law, the statutory applicable Profit Tax rate for the Company during the year is 24% of taxable profit

Profit Tax applied to subsidiaries is based on local regulation in their registration.

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.

19. Basic earnings (loss) per share

Basic earnings (loss) per share are calculated by dividing the net profit (loss) attributable to shareholder by the weighted average number of ordinary shares in issue during the period.

	Unaudited 30 September 2019 LAK	Unaudited 30 September 2018 LAK
Net loss attributable to ordinary share (LAK)	(45,658,774,740)	(54,297,480,256)
Weighted average number of ordinary shares in issue (shares)	235,000,000	235,000,000
Basic earnings (loss) per share (LAK)	(195)	(231)

20. Related party transactions

Individuals and entities that directly or indirectly control or are controlled by or are under common control with the Group, including investment entities and individuals or entities having significant influence over the Group, key management personnel, including directors and officers of the Group 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:

20.1 Sales of goods and services

	Unaudited 30 September 2019 LAK	Unaudited 30 September 2018 LAK
Sales of goods to:		
Other related parties	200,456,425,485	207,157,139,858
Sales of services to:		
Other related parties	3,427,251,587	-

20.2 Purchases of goods and services

	Unaudited 30 September 2019 LAK	Unaudited 30 September 2018 LAK
Purchase of services from:		
Other related parties	13,592,773,692	11,860,772,122

20. Related party transactions

20.3 Outstanding balances arising from sales/purchases of goods/services

	Unaudited 30 September 2019 LAK	Audited 31 December 2018 LAK
Receivables from:		
Key management (Note 7)	22,497,682,340	22,497,682,340
Other related parties*	74,620,009,215	97,180,086,971
	97,117,691,555	**119,677,769,311**

*This mainly consists of outstanding prepayment of land rental to related parties amount to LAK 34,794,924,800 (2018: LAK 34,419,839,505) (Note 12), trade receivables from related partied amount LAK 18,488,457,487 (2018: LAK 51,735,886,671) (Note 5), interest receivable from related parties amount LAK 13,514,845,115 (2018: LAK 11,605,504,328) (Note 7) and others.

	Unaudited 30 September 2019 LAK	Audited 31 December 2018 LAK
Payables to:		
Key management (Note 13,16)	16,739,892,420	3,245,724,530
Other related parties (Note 13,16)*	9,692,085,109	2,619,581,874
	26,431,977,529	**5,865,306,404**

*This mainly consists of outstanding payable to transportation service amount to LAK 7,642,517,269 and others.

20.4 Borrowing from related parties

	Unaudited 30 September 2019 LAK	Audited 31 December 2018 LAK
Short-term borrowings	206,855,890,000	257,920,740,000
Long-term borrowings	114,088,640,000	-
	320,944,530,000	**257,920,740,000**

20. Related party transactions (continued)

20.5 Loan to related parties

	Unaudited 30 September 2019 LAK	Audited 31 December 2018 LAK
Short-term loan to related parties	18,146,442,946	19,094,118,588
Long-term to related parties	16,391,573,359	56,999,775,130
	34,538,016,305	**36,406,683,271**

Movements in loan to related parties as follows:

	2019 LAK
Opening balance at 1 January – Audited	36,406,683,271
Loans increase during the period	1,130,408,623
Loans decrease during the period	(3,416,800,000)
Unrealisation loss on exchange	417,724,411
As at 30 September – Unaudited	**34,538,016,305**

Loan to key management and other related parties has no interest fee but with a specified repayment date.

20.6 Key management compensation

The compensations paid to key management are as follows:

	Unaudited 30 September 2019 Million LAK	Unaudited 30 September 2018 Million LAK
Salaries and others	1,888	1,962

21. Commitments and contingencies

Operating lease commitments – where the Group is the lessee

The Group lease land under non-cancellable operating lease agreements. The minimum lease commitment as at the balance sheet dates under the operating lease agreements is as follows:

	Unaudited 30 September 2019 LAK	Audited 31 December 2018 LAK
Less than 1 year	16,491,302,226	13,208,329,000
From 1-5 years	15,315,876,103	8,296,615,420
More than 5 years	914,055,830,513	24,603,638,708
	945,863,088,842	**46,108,583,128**

Operating lease commitment where the Group is the lessor

The Group leases out gas stations and office under operating lease arrangements. The minimum future rental receivables as at the balance sheet dates under these operating lease agreements are as below:

	Unaudited 30 September 2019 LAK	Audited 31 December 2018 LAK
Less than 1 year	2,264,856,000	1,886,736,000
From 1-5 years	9,059,424,000	9,433,680,000
More than 5 years	5,493,680,000	1,186,584,000
	16,817,960,000	**12,507,000,000**

22. Events occurring after the reporting date

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