PETROLEUM TRADING LAO PUBLIC COMPANY

INTERIM SEPARATE FINANCIAL INFORMATION (UNAUDITED)

FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2020

Petroleum Trading Lao Public Company
Condensed separate statement of financial position
As at 30 September 2020

	Notes	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
Assets			
Current assets			
Cash and cash equivalents	5	3,977,573,365	1,347,603,781
Trade receivables, net	6	16,473,538,404	18,936,683,704
Inventories, net	7	255,876,563	275,255,103
Short-term loan to related parties		99,071,115,995	78,836,473,353
Other current assets	8	138,612,548,901	137,111,793,742
Total current assets		**258,390,653,228**	**236,507,809,683**
Non-current assets			
Property, plant and equipment, net	9	167,432,273,700	168,456,654,057
Intangible assets, net	10	4,482,837,706	5,084,883,779
Investment properties, net	11	83,972,198,316	86,509,152,307
Investment in subsidiaries		198,000,000,000	198,000,000,000
Other non-current assets	12	50,032,321,995	45,146,302,892
Total non-current assets		**503,919,631,717**	**503,196,993,035**
Total assets		**762,310,284,945**	**739,704,802,718**

Chanthone Sitthixay
Chief Executive Officer

Date: 13 November 2020

Chanthadom Meksavanh
Acting Chief Finance Officer

Date: 13 November 2020

The accompanying notes on page 11 to 20 are an integral part of these condensed separate financial information.

Petroleum Trading Lao Public Company
Condensed separate statement of financial position
As at 30 September 2020

	Notes	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
Liabilities and equity			
Liabilities			
Current liabilities			
Trade payables	13	3,622,968,248	4,137,828,160
Tax payables	14	11,953,113,747	11,615,125,136
Short-term borrowings	15	45,873,808,000	34,700,000,000
Other current liabilities	16	158,350,539,450	134,695,526,386
Total current liabilities		**219,800,429,445**	**185,148,479,682**
Non-current liabilities			
Long-term borrowings	15	362,989,120,000	326,255,600,000
Total non-current liabilities		**362,989,120,000**	**326,255,600,000**
Total liabilities		**582,789,549,445**	**511,404,079,682**
Equity			
Share capital	17	470,000,000,000	470,000,000,000
Share premium		27,638,932,340	27,638,932,340
Accumulated loss			
Appropriated-legal reserve		3,708,530,711	3,708,530,711
Other reserve		1,977,267,980	1,977,267,979
Un-appropriated		(323,803,995,530)	(275,024,007,994)
Total equity		**179,520,735,501**	**228,300,723,036**
Total liabilities and equity		**762,310,284,946**	**739,704,802,718**

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Petroleum Trading Lao Public Company
Condensed separate statement of income
For the three-month period ended 30 September 2020

	Notes	Unaudited 30 September 2020 LAK	Unaudited 30 September 2019 LAK
Sales		261,795,110	317,988,406
Cost of sales		(7,639,960)	(19,495,676)
Gross profit		254,155,150	298,492,730
Other incomes		1,774,463,550	1,230,212,053
Other gain(loss), net		(3,413,608,821)	(4,728,531,927)
Selling expenses		(52,969,915)	(3,582,000)
Administrative expenses		(4,786,756,054)	(4,279,691,616)
Operating loss		(6,224,716,090)	(7,483,100,760)
Finance expense		(8,864,538,799)	(7,935,078,150)
Net loss before income tax expenses		(15,089,254,889)	(15,418,178,910)
Income tax expense	18	-	-
Net loss for the year		**(15,089,254,889)**	**(15,418,178,910)**
Earnings (loss) per share			
Basic earnings (loss) per share		(64)	(66)

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Acting Chief Finance Officer

Date: 13 November 2020

Petroleum Trading Lao Public Company
Condensed separate statement of income
For the nine-month period ended 30 September 2020

	Notes	Unaudited 30 September 2020 LAK	Unaudited 30 September 2019 LAK
Sales		659,818,798	2,003,056,955
Cost of sales		(31,618,753)	(830,737,997)
Gross profit		**628,200,045**	**1,172,318,958**
Other incomes		6,187,086,861	4,032,350,208
Other gain(loss), net		(16,265,594,484)	(18,784,618,405)
Selling expenses		(89,239,494)	(18,224,852)
Administrative expenses		(14,581,509,943)	(16,695,713,119)
Operating loss		**(24,121,057,015)**	**(30,293,887,210)**
Finance expense		(24,658,930,520)	(22,277,871,701)
Net loss before income tax expenses		**(48,779,987,535)**	**(52,571,758,911)**
Income tax expense	18	-	-
Net loss for the period		**(48,779,987,535)**	**(52,571,758,911)**
Earnings (loss) per share			
Basic earnings (loss) per share	19	(208)	(224)

Chanthone Sitthixay
Chief Executive Officer

Date: 13 November 2020

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Acting Chief Finance Officer

Date: 13 November 2020

Petroleum Trading Lao Public Company
Condensed separate statement of changes in equity
For the three-month period ended 30 September 2020

			Accumulated loss			
	Share capital (Note 17) LAK	Share premium LAK	Appropriated legal reserve LAK	Other reserve LAK	Unappropriated LAK	Total LAK
Opening balance at 1 July 2020 - Unaudited	**470,000,000,000**	**27,638,932,340**	**3,708,530,711**	**1,977,267,979**	**(308,714,740,640)**	**194,609,990,390**
Net loss for the period	-	-	-	-	(15,089,254,889)	(15,089,254,889)
Closing balance at 30 September 2020 - Unaudited	**470,000,000,000**	**27,638,932,340**	**3,708,530,711**	**1,977,267,979**	**(323,803,995,529)**	**179,520,735,501**
Opening balance at 1 July 2019 - Unaudited	**470,000,000,000**	**27,638,932,340**	**3,708,530,711**	**1,977,267,979**	**(215,068,764,634)**	**288,255,966,396**
Net loss for the period	-	-	-	-	(15,418,178,910)	(15,418,178,910)
Closing balance at 30 September 2019 - Unaudited	**470,000,000,000**	**27,638,932,340**	**3,708,530,711**	**1,977,267,979**	**(230,486,943,544)**	**272,837,787,486**

Chanthone Sitthixay
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Petroleum Trading Lao Public Company
Condensed separate statement of changes in equity
For the nine-month period ended 30 September 2020

			Accumulated loss			
	Share capital (Note 17) LAK	Share premium LAK	Appropriated legal reserve LAK	Other reserve LAK	Unappropriated LAK	Total LAK
Opening balance at 1 January 2020 - Audited	**470,000,000,000**	**27,638,932,340**	**3,708,530,711**	**1,977,267,979**	**(275,024,007,994)**	**228,300,723,036**
Net loss for the period	-	-	-	-	(48,779,987,535)	(48,779,987,535)
Closing balance at 30 September 2020 - Unaudited	**470,000,000,000**	**27,638,932,340**	**3,708,530,711**	**1,977,267,979**	**(323,803,995,529)**	**179,520,735,501**
Opening balance at 1 January 2019 - Audited	**470,000,000,000**	**27,638,932,340**	**3,708,530,711**	**1,977,267,979**	**(177,915,184,633)**	**325,409,546,397**
Net loss for the period	-	-	-	-	(52,571,758,911)	(52,571,758,911)
Closing balance at 30 September 2019 - Unaudited	**470,000,000,000**	**27,638,932,340**	**3,708,530,711**	**1,977,267,979**	**(230,486,943,544)**	**272,837,787,486**

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Date: 13 November 2020

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Petroleum Trading Lao Public Company
Condensed separate statement of cash flows
For the three-month period ended 30 September 2020

	Notes	Unaudited 30 September 2020 LAK	Unaudited 30 September 2019 LAK
Cash flow from operating activities:			
Net loss before income tax for the period		(15,089,254,889)	(15,418,178,910)
Adjustments to reconcile net profit to net cash			
Depreciation and amortisation		2,306,362,585	1,408,080,354
Interest income		(1,354,399,037)	(600,991,426)
Interest expenses		8,608,356,115	8,497,754,881
Income tax expenses		-	4,371,813,955
Operating loss before working capital changes		**(5,528,935,226)**	**(1,741,521,146)**
Changes in operating assets and liabilities			
Trade receivables		2,861,268	668,437,204
Inventories		28,257,681	38,285,593
Trade paybles		(905,791,464)	387,140,154
Accrued tax payables		3,482,309	202,934,277
Other current asset		(199,133,199)	776,163,684
Other current liabilities		11,639,629,491	6,240,413,426
Cash generated from operation		5,040,370,860	6,571,853,192
Interest received		-	45,544,512
Interest paid		(6,488,659,534)	(7,537,864,410)
Other tax and statutory tax paid		(272,314,246)	(195,045,340)
Net cash generated (used in) operating activities		**(1,720,602,920)**	**(1,115,512,046)**
Cash flows from investing activities:			
Acquisitions of fixed assets		(94,489,000)	(591,696,136)
Loans paid during the period		(6,814,897,536)	(117,478,860,675)
Loans received durig the period		11,600,000,000	120,120,944,000
Net cash generate investing activities		4,690,613,464	2,050,387,189

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Petroleum Trading Lao Public Company
Condensed separate statement of cash flows
For the three-month period ended 30 September 2020

	Notes	Unaudited 30 September 2020 LAK	Unaudited 30 September 2019 LAK
Cash flows from financing activities:			
Proceeds from borrowings		31,085,139,757	93,662,868,000
Repayment of borrowings		(34,700,000,000)	(93,637,044,000)
Net cash from (used in) financing activities		(3,614,860,243)	25,824,000
Net decrease in cash and cash equivalents		(644,849,699)	960,699,143
Cash and cash equivalents at the beginning of the period		4,622,423,064	2,597,546,946
Exchange gains/(losses) on cash and cash equivalents			19,515,496
Cash and cash equivalents at the end of the period		3,977,573,365	3,577,761,584
Significant non cash items;			
Accounts payable for fixed assets		79,993,459	97,562,891

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Petroleum Trading Lao Public Company
Condensed separate statement of cash flows
For the nine-month period ended 30 September 2020

	Notes	Unaudited 30 September 2020 LAK	Unaudited 30 September 2019 LAK
Cash flow from operating activities:			
Net loss before income tax for the period		(48,779,987,535.00)	(52,571,758,911.00)
Adjustments to reconcile net profit to net cash			
Depreciation and amortisation	9,10,11	4,994,020,732.93	5,610,636,151.00
Reversal provision for doubtful debts		-	(370,950,000.00)
Bad debts		140,321,104.00	1,288,240,915.00
Gain on disposal fixed assets		(365,907.00)	-
Interest income		(4,172,663,457.63)	(2,191,516,686.00)
Interest expenses		24,402,747,835.81	22,277,871,701.00
Income tax expenses		-	19,321,759,892.04
Unrealised from exchanged loss		11,813,398,906.00	-
Operating loss before working capital changes		**(11,602,528,320.89)**	**(6,635,716,937.96)**
Changes in operating assets and liabilities			
Trade receivables		2,322,964,902.00	70,445,334,869.00
Inventories		19,378,540.00	663,470,499.00
Trade paybles		(573,006,336.00)	(55,157,860,160.00)
Accrued tax payables		907,548,724.00	647,708,964.00
Other current asset		(1,601,492,476.00)	(32,029,303,343.95)
Other current liabilities		11,871,184,587.00	43,927,919,424.86
Cash generated from operation		1,344,049,620.11	21,861,553,314.95
Interest received		75,057,694.00	84,012,652.00
Interest paid		(10,736,818,311.35)	(19,342,042,343.00)
Other tax and statutory tax paid		(841,874,359.00)	(1,967,499,658.00)
Net cash generated (used in) operating activities		**(10,159,585,356.24)**	**636,023,965.95**
Cash flows from investing activities:			
Acquisitions of fixed assets	9	(124,365,000.00)	(708,009,043.00)
Disposal of fixed asset	20.5	2,090,090.00	
Loans paid during the period	20.5	10,084,966,534.00	(258,502,828,876.86)
Loans received durig the period		(28,113,392,162.00)	220,206,927,351.65
Net cash generate investing activities		(18,150,700,538.00)	(39,003,910,568.21)

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Petroleum Trading Lao Public Company
Condensed separate statement of cash flows
For the nine-month period ended 30 September 2020

	Notes	Unaudited 30 September 2020 LAK	Unaudited 30 September 2019 LAK
Cash flows from financing activities:			
Proceeds from borrowings	15	65,640,255,478.24	234,436,368,000.00
Repayment of borrowings	15	(34,700,000,000.00)	(200,613,004,000.00)
Net cash from (used in) financing activities		30,940,255,478.24	33,823,364,000.00
Net decrease in cash and cash equivalents		2,629,969,584.00	(4,544,522,602.26)
Cash and cash equivalents at the beginning of the period		1,347,603,781.00	8,060,819,014.00
Exchange gains/(losses) on cash and cash equivalents			61,465,172.00
Cash and cash equivalents at the end of the period		3,977,573,365.00	3,577,761,583.74
Significant non cash items;			
Accounts payable for fixed assets		79,993,459	68,725,308

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1 General information

Petroleum Trading 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 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 Petrotrade Puma Energy Import and Export Co., Ltd and Petrotrade Puma Energy Distribution Co., Ltd which respectively.

The principle activities of the Company are holding company and to provide service of Plus Card.

These interim separate financial information were authorised by the Board of Directors on 13 November 2020.

2 Basis of preparation and accounting policies Accounting policies

The interim separate 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 2019. 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 No.004/SECO, dated 28 January 2019 issued by Lao Securities and Exchange Commission Office.

The interim separate financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2019.

According to the Accounting Law and Regulation on accounting and auditing in securities sector under the Securities Commission Office in Lao P.D.R., all listed companies are required to prepare their financial statements in accordance with International Financial Reporting Standards (IFRSs) as generally accepted accounting principles. However, The Ministry of Finance has issued the announcement No. 697/MoF dated 20 March 2017 which provided options for PIEs to prepare action plan for adoption IFRS within four-year period and on 25 May 2020, the Securities Commission Office has issued the announcement No. 0009/LSC which states the extended time for listed companies to prepare action plan for IFRS up to 31 December 2025 and fully adopt the IFRS effective starting from 1 January 2026 onwards.

In Lao PDR, there are significant differences between a Company's own accounting policies and the IFRSs, in many areas such as property, plant and equipment, leases, current and deferred income tax, pre-operation costs and borrowings cost. Hence, users of the financial statements should be aware and understand these differences and how these will affect their interpretation and decision making.

The accounting policies used in the preparation of the interim separate financial information are consistent with those used in the annual financial statements for the year ended 31 December 2019, except for the following:

2.1) The Company changes the accounting policy on the inventory cost method from the first in, first-out to the weighted average methods. The effect from the changes policy was immaterial.

3 Significant events during the current period

The outbreak of Coronavirus Disease 2019 ("COVID-19") in early 2020, with a significant number of infections. Measures taken by various governments to contain the virus have affected economic activity. The Company have taken a number of measures to monitor and prevent the effects of the COVID-19 virus such safety and health measures for our people (like social distancing and working from home) and securing the supply of materials that are essential to our operating process.

At this stage, the impact on our business and results is limited. the Company will continue to follow the various national institutes policies and advice and in parallel will do our utmost to continue our operations in the best and safest way possible without risking the health of our people.

As explained above, the COVID-19 outbreak and resulting measures taken by various governments to contain the virus was not significantly affected to our business in this period. According to the Company split core business for import and distribute fuel to subsidiaries since 2018, the main operation of the Company in this period is share service fees and management fee with related parties. Net loss for the nine-month period ended 30 September 2020 of the Company decreased at 9% when compare with the same period in September 2019.

Whether revenues and profitability will improve in the remainder of 2020 is dependent on the period during which the regions in which The Company operate are exposed to COVID-19 and the extent to which government measures may be prolonged, expanded or scaled down.

From 4 May 2020, the Government implement the modified the lock down of the country, most of the business units are allowed to continue the operation especially the Projects which is the main customer of the Company. Thus, management believed that the revenue would be remain and profitability will improve in the remainder of 2020 and management also ensures that there is no significant impact to the interim financial statements of the Company for the period ended 30 September 2020.

The Company is now paying close attention to the development of the COVID-19 situation, evaluating its impact on the operation while strategizing effective solutions.

4 Estimates

The preparation of condensed interim separate 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 separate 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 interim separate financial statements for the year ended 31 December 2019.

5 Cash and cash equivalents

	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
Cash on hand	14,661,000	18,177,000
Cash at banks	3,962,912,365	1,329,426,781
	3,977,573,365	**1,347,603,781**

6 Trade accounts receivable, net

	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
Trade accounts receivable - related parties (Note 21.3)*	11,848,947,380	12,658,636,903
Trade accounts receivable - third parties	13,513,609,609	15,167,065,385
	25,362,556,988	**27,825,702,288**
Less: Allowance for doubtful accounts	(8,889,018,584)	(8,889,018,584)
Trade receivables – Net	**16,473,538,404**	**18,936,683,704**

7 Inventories, net

	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
Lubricant	95,285,591	95,285,591
Office supply	167,349,463	173,659,607
Plus Card	88,527,099	101,595,496
	351,162,153	**370,540,694**
Less: Allowance for impairment based on net realisable value	(95,285,591)	(95,285,591)
Inventories – Net	**255,876,563**	**275,255,103**

8 Other current assets

	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
Other receivable – Related parties	78,974,847,066	72,245,688,963
Advance to suppliers	3,147,280,796	10,330,324,946
Deposit to suppliers	1,571,703,422	934,403,451
Advance to employees	37,000,000	27,000,000
Advance profit tax payment	1,146,854,492	1,146,854,492
Other receivable	993,148,079	-
Interest receivable (Note 21.3)	16,373,384,942	16,059,191,786
Advance for share contribution to subsidiary (Note 21.3)	36,368,330,104	36,368,330,104
	138,612,548,901	**137,111,793,742**

9 Property, plant and equipment, net

	LAK
As at 1 January 2020 – Audited	168,456,654,057
Additions	204,358,459
Disposal	(1,724,183)
Transfer-in (out)	1,258,050,234
Less: depreciation	(2,485,064,867)
Net book amount as at 30 September 2020 – Unaudited	**167,432,273,700**

10 Intangible assets, net

	LAK
As at 1 January 2020 – Audited	5,084,883,779
Less: amortization	(602,046,073)
Net book amount as at 30 September 2020 – Unaudited	**4,482,837,706**

11 Investment properties, net

	LAK
As at 1 January 2020 – Audited	86,509,152,307
Transfer to property, plant and equipment,	(1,258,050,234)
Less: depreciation	(1,278,903,757)
Net book amount as at 30 September 2020 – Unaudited	**83,972,198,316**

12 Other non-current assets

	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
Prepaid land rental*	43,465,083,995	38,579,064,892
Advance for gas stations and others	6,567,238,000	6,567,238,000
	50,032,321,995	**45,146,302,892**

*This mainly represents outstanding prepayment of land rental from related parties amount to LAK 34,419,839,505 (2019: LAK 34,419,839,505) (Note 21.3).

13 Trade accounts payable

Trade accounts payable mainly came from supplier service third party amount to LAK 3,622,968,248 (2019: LAK 4,137,828,160).

14 Tax payables

	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
Value Added Tax payables	1,088,602,212	741,348,699
Personnel income tax payables	41,687,314	53,868,621
Other taxes and statutory payables*	10,822,824,222	10,819,907,816
	11,953,113,747	**11,615,125,136**

*This represents the outstanding accrual of tax payables according to the tax assessment by the Tax Authorities dated 27 December 2019.

Tax Authorities have reviewed and issued the memo on obligation of tax expenses for the year 2014 to 2017 amount of LAK 20,835,576,105. In addition, Tax Authorities mentioned in the memo that the Company may have obligation for penalty payables for the year 2014 to 2017 amount to LAK 7,417,484,961 which is not yet finalise and need to seek a final opinion from the Ministry of Finance.

Management recorded tax expenses amount of LAK 20,835,576,105 to the financial statements for the year ended 31 December 2019, and the outstanding payable as at 30 September 2020 amount to LAK 10,819,907,816 (2019: LAK10,819,907,816). In the meantime, management is requesting for the exemption on the penalty from Tax Authorities. Because of uncertainty of the amount of penalty, management considered not to record penalty payables amount to LAK 7,417,484,961 to the financial statements.

15 Borrowings

	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
Current		
Current portion of long-term borrowing from bank	0	34,700,000,000
Borrowing from related parties (Note 21.4)	45,873,808,000	-
	45,873,808,000	**34,700,000,000**
Non-current		
Borrowing from banks	66,324,000,000	-
Borrowing from related parties (Note 21.4)	296,665,120,000	326,255,600,000
	362,989,120,000	**326,255,600,000**
	408,862,928,000	**360,955,600,000**

The movements borrowings for the nine-month period ended 30 June 2020 as follows:

	LAK
As at 1 January 2020 - Audited	360,955,600,000
Borrowings received during the period	66,324,000,000
Borrowings repayment for the period	34,727,696,000
Un-realisation loss on exchange	16,310,024,000
As at 30 Sep 2020 - Unaudited	**408,862,928,000**

During the period the company signed new borrowing agreements with local bank as below:

Outstanding balance	Maturity and repayment term	Interest rate	Collaterals
LAK 66,324,000,000	36 months, principal and interest are payable on monthly basis. The last instalment is due on 23 March 2023	10.13% per annum	Land lots, houses, buildings and petroleum tanks in Savannakhet, Champasack Provinces and Vientiane Capital.

16 Other current liabilities

	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
Advance from customers	3,197,676,785	3,054,819,092
Other accrued and payables	5,873,809,255	5,153,378,865
Other payables – related parties*	149,279,053,410	126,487,328,429
	158,350,539,450	**134,695,526,386**

*This mainly consist of other payable from subsidaries amount to LAK 132,716,654,624 (2019: LAK 117,126,158,784) (Note 21.3) and other payable from related amount of LAK 17,954,251,091 (2019: LAK 9,361,169,645) (Note 21.3).

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 Sep 2020 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 2020.

18 Legal reserve

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 profit until such reserve reaches 50% of authorised share capital.

During the period there is no movement, the balance as of 30 September 2020 is LAK 3,708,530,711 (2019: LAK 3,708,530,711)

19 Income tax expenses

According to the tax law no. 259 effective on 1 January 2020, the Company calculated Profit taxes on its net taxable income at the rate of 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.

20 Basic earnings (loss) per share

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

	Unaudited 30 September 2020	Unaudited 30 Sep 2019
Net profit/(loss) attributable to ordinary shareholders (LAK)	(48,779,987,535)	(52,571,758,911)
Weighted average number of ordinary shares in issue (shares)	235,000,000	235,000,000
Basic earnings (loss) per share (LAK)	(208)	(224)

21 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:

21.1 Sales of goods and services

	Unaudited 30 September 2020 LAK	Unaudited 30 Sep 2019 LAK
Sales of goods to:		
Subsidiaries	-	743,644,226
Sales of services to:		
Subsidiaries	3,991,996,141	707,627,343
Other related parties	2,171,615,350	3,321,073,244

21.2 Purchases of goods and services

	Unaudited 30 September 2020 LAK	Unaudited 30 Sep 2019 LAK
Purchases of services from:		
Other related parties	22,126,837,533	1,309,023,156

21. Related-party transactions (continued)

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

	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
Receivables from:		
Subsidiaries (Note 8) (i)	58,341,971,249	53,565,903,389
Key Management (Note 8,12) (ii)	73,023,232,692	73,003,164,328
Other related parties (Note 6,8) (iii)	46,720,074,454	45,182,619,544
	178,085,278,395	**171,751,687,261**

(i) This mainly consist of advance for share contribution to subsidiary amount of LAK 36,368,330,104 (2019: 36,368,330,104) (Note 8).

(ii) This mainly consist of outstanding prepayment of land rental from key management amount of LAK 34,419,839,505 (2019: LAK 34,419,839,505) (Note 12), advance to key management amount of LAK 22,497,682,340 (2019: LAK 22,497,682,340) (Note 8) and other receivable from sale vehicle amount of LAK 16,373,384,942 (2019: LAK 16,059,191,786) (Note 8).

(iii) This mainly consist of trade accounts receivable amount of LAK 11,848,947,380 (2019: 12,658,636,903) (Note 6), interest receivable amount of LAK 14,659,135,178 (2019: 13,861,067,354) (Note 8) and other receivable of rental service amount of LAK 10,800,113,287 (2019: 10,197,928,549).

	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
Payables to:		
Subsidiaries (Note 16)	132,716,654,624	117,126,158,784
Other related parties (Note 16)	17,954,289,610	9,316,169,645
	150,670,944,234	**126,500,762,729**

21. Related-party transactions (continued)

21.4 Borrowings from related parties

	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
At 1 January	326,255,600,000	257,920,740,000
Loans received during the period	-	558,201,182,000
Loans repayment during the period	26,696,000	(515,360,265,000)
Un-realisation loss on exchange	16,310,024,000	25,493,943,000
	342,538,928,000	**326,255,600,000**

The loans from related parties were provided with specified repayment term and interest rate at 8% (2019: 8%) per annum (Note 15).

21.5 Loans to related parties

	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
Opening balance at 1 January	78,836,473,353	38,786,857,971
Loans addition during the period	28,113,392,162	324,078,394,064
Loans repayment during the period	(10,084,966,534)	(285,620,023,570)
Unrealisation loss on exchange	2,206,217,014	1,591,244,888
	99,071,115,995	**78,836,473,353**

21.6 Key management compensation

Compensation paid to key management are as follow:

	Unaudited 30 September 2020 Million LAK	Unaudited 30 September 2019 Million LAK
Salaries and others	1,920	1,488

22 Commitments

a) Capital expenditure commitment

As at 30 Sep 2020 the Company had no significant capital expenditure commitment.

b) Operating lease commitments - where a Company is the lessee

The Company leases land under non-cancellable operating lease agreements.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
Not later than 1 year	552,742,740	540,330,740
Later than 1 year but not later than 5 years	2,216,632,308	2,161,322,960
Later than 5 years	10,069,868,139	10,892,056,227
	12,839,243,187	**13,593,709,927**

c) Operating lease commitments - where a Company is the lessor

The Company let out gas stations and office under operating lease agreement. The minimum future rental receivable as at 30 September 2020 and 31 December 2019 under these operating lease agreements are as below:

	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
Not later than 1 year	39,600,000	39,600,000
Later than 1 year but not later than 5 years	79,200,000	118,800,000
Later than 5 years	-	-
	118,800,000	**158,400,000**

23 Subsequent events

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