PETROLEUM TRADING LAO PUBLIC COMPANY

INTERIM FINANCIAL INFORMATION
(UNAUDITED)

FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2022

PETROLEUM TRADING LAO PUBLIC COMPANY
NTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2022

Contents **Page(s)**

Interim statement of financial position	1 - 2
Interim statement of income	3
Interim statement of changes in equity	4
Interim statement of cash flows	5 - 6
Condensed notes to the interim financial information	7 - 18

PETROLEUM TRADING LAO PUBLIC COMPANY

INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Notes	Unaudited 31 March 2022 LAK	Audited 31 December 2021 LAK
Assets			
Current assets			
Cash and cash equivalents	4	2,520,352,165	941,053,632
Trade accounts receivable, net	5	20,678,523,067	18,988,933,700
Inventories, net	6	298,480,735	306,011,089
Short-term loan to related parties	20.5	110,767,820,147	107,662,386,845
Other current assets	7	232,861,445,681	202,111,694,030
Total current assets		**367,126,621,795**	**330,010,079,296**
Non-current assets			
Property, plant and equipment, net	8	175,535,308,298	173,632,730,617
Intangible assets, net	9	3,298,135,015	3,489,545,272
Investment properties, net	10	83,718,008,682	83,901,249,041
Investment in subsidiaries		198,000,000,000	198,000,000,000
Other non-current assets	11	43,240,286,777	46,192,090,655
Total non-current assets		**503,791,738,772**	**505,215,615,585**
Total assets		**870,918,360,567**	**835,225,694,881**

Khamsone Sitthixay
Vice Chief Executive Officer

Date: 19 May 2022

Chanthadom Meksavanh
Chief Finance Officer

Date: 19 May 2022

The accompanying condensed notes on pages 7 to 18 are an integral part of these interim financial information.

PETROLEUM TRADING LAO PUBLIC COMPANY

INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

	Notes	Unaudited 31 March 2022 LAK	Audited 31 December 2021 LAK
Liabilities and equity			
Liabilities			
Current liabilities			
Trade accounts payable	12	3,641,294,391	3,346,119,393
Tax payables	13	7,153,274,451	7,723,853,028
Short-term borrowings	14	124,779,804,000	121,816,492,000
Other current liabilities	15	237,336,779,813	215,147,964,697
Total current liabilities		**372,911,152,655**	**348,034,429,118**
Non-current liabilities			
Long-term borrowings	14	361,780,780,000	334,723,420,000
Total non-current liabilities		**361,780,780,000**	**334,723,420,000**
Total liabilities		**734,691,932,655**	**682,757,849,118**
Equity			
Share capital	16	470,000,000,000	470,000,000,000
Share premium		27,638,932,340	27,638,932,340
Accumulated loss			
Appropriated-legal reserve	17	3,708,530,711	3,708,530,711
Other reserve		1,977,267,979	1,977,267,979
Unappropriated		(367,098,303,118)	(350,856,885,267)
Total equity		**136,226,427,912**	**152,467,845,763**
Total liabilities and equity		**870,918,360,567**	**835,225,694,881**

Khamsone Sitthixay
Vice Chief Executive Officer

Date: 19 May 2022

Chanthadom Meksavanh
Chief Finance Officer

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PETROLEUM TRADING LAO PUBLIC COMPANY

INTERIMM STATEMENT OF INCOME
FOR THE THREE-MONTHS PERIOD ENDED 31 MARCH 2021

	Notes	Unaudited 31 March 2022 LAK	Unaudited 31 March 2021 LAK
Sales		366,446,862	308,790,088
Cost of sales		(17,733,697)	(11,680,894)
Gross profit		**348,713,165**	**297,109,194**
Other income		2,770,875,948	2,145,080,278
Other gain(loss), net		(3,875,936,891)	2,826,529,361
Selling expenses		(110,183,000)	(111,390,000)
Administrative expenses		(5,627,159,022)	(4,134,086,298)
Operating loss		**(6,493,689,800)**	**1,023,242,535**
Finance expense		(9,747,728,051)	(8,834,841,465)
Net loss before income tax expenses		**(16,241,417,851)**	**(7,811,598,930)**
Income tax expenses	18	-	-
Net loss for the period		**(16,241,417,851)**	**(7,811,598,930)**
Earnings (loss) per share			
Basic earnings (loss) per share	19	(69)	(33)

Khamsone Sitthixay
Vice Chief Executive Officer

Date: 19 May 2022

Chanthadom Meksavanh
Chief Finance Officer

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PETROLEUM TRADING LAO PUBLIC COMPANY

INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE THREE-MONTHS PERIOD ENDED 31 MARCH 2021

			Accumulated loss			
	Share capital (Note 16) LAK	Share premium LAK	Appropriated legal reserve LAK	Other reserve LAK	Unappropriated Restated LAK	Total LAK
Opening balance at 1 January 2021 - Audited	**470,000,000,000**	**27,638,932,340**	**3,708,530,711**	**1,977,267,979**	**(307,698,691,321)**	**195,626,039,709**
Net loss for the period	-	-	-	-	(7,811,598,930)	(7,811,598,930)
Closing balance at 31 March 2021 - Unaudited	**470,000,000,000**	**27,638,932,340**	**3,708,530,711**	**1,977,267,979**	**(352,367,197,742)**	**187,814,440,779**
Opening balance at 1 January 2022 - Audited	**470,000,000,000**	**27,638,932,340**	**3,708,530,711**	**1,977,267,979**	**(350,856,885,267)**	**152,467,845,763**
Net loss for the period	-	-	-	-	(16,241,417,851)	(16,241,417,851)
Closing balance at 31 March 2022 - Unaudited	**470,000,000,000**	**27,638,932,340**	**3,708,530,711**	**1,977,267,979**	**(367,098,303,118)**	**136,226,427,912**

Khamsone Sitthixay
Vice Chief Executive Officer

Date: 19 May 2022

Chanthadom Meksavanh
Chief Finance Officer

Date: 19 May 2022

The accompanying condensed notes on pages 7 to 18 are an integral part of these interim financial information.

INTERIM STATEMENT OF CASH FLOWS
FOR THE THREE-MONTHS PERIOD ENDED 31 MARCH 2021

	Notes	Unaudited 31 March 2022 LAK	Unaudited 31 March 2021 LAK
Cash flow from operating activities:			
Net loss before income tax for the period		(16,241,417,851)	(7,811,598,930)
Adjustments to reconcile net profit to net cash			
Depreciation and amortisation		1,467,411,247	1,138,132,056
Interest income		(1,982,173,708)	(1,743,229,355)
Interest expenses		9,747,728,051	8,834,841,465
Operating loss before working capital changes		**(7,008,452,261)**	**418,145,236**
Changes in working capital:			
Trade accounts receivable		(1,689,589,367)	(965,314,339)
Inventories		7,530,354	68,101,325
Trade accounts payable		(374,272,338)	569,742,275
Tax payables		392,837,295	452,230,130
Other current asset		(27,671,505,746)	2,466,705,401
Other current liabilities		43,054,302,292	8,031,195,195
Cash generated from operation		**6,710,850,228**	**11,040,805,223**
Interest received		55,726,366	73,055,440
Interest paid		(1,697,297,375)	(5,289,292,564)
Other tax and statutory tax paid		(963,415,872)	(867,198,182)
Net cash generated from/(used in) operating activities		**4,105,863,347**	**4,957,369,917**
Cash flows from investing activities:			
Acquisitions of fixed assets	8	(2,512,815,105)	(3,154,140,484)
Loans received durig the period	20.5	-	1,500,000,000
Net cash from/(used in) investing activities		**(2,512,815,105)**	**(1,654,140,484)**

Khamsone Sitthixay
Vice Chief Executive Officer

Date: 19 May 2022

Chanthadom Meksavanh
Chief Finance Officer

Date: 19 May 2022

INTERIM STATEMENT OF CASH FLOWS
FOR THE THREE-MONTHS PERIOD ENDED 31 MARCH 2021

	Notes	Unaudited 31 March 2022 LAK	Unaudited 31 March 2021 LAK
Net (decrease)/increase in cash and cash equivalents		1,593,048,242	3,303,229,433
Cash and cash equivalents at the beginning of the period	4	941,053,632	1,316,436,972
Exchange gains/(losses) on cash and cash equivalents		(13,749,709)	2,355,311
Cash and cash equivalents at the end of the period		**2,520,352,165**	**4,622,021,716**
		0	
Significant non cash items;			
Accounts payable for fixed assets	8	482,523,208	603,323,305

Khamsone Sitthixay
Vice Chief Executive Officer

Date: 19 May 2022

Chanthadom Meksavanh
Chief Finance Officer

Date: 19 May 2022

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 Import-Export Company Limited and Petrotrade Distribution Company Limited as the same.

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

This interim financial information was authorised by the Board of Directors on 19 May 2022.

2. Basis of preparation and accounting policies

The condensed interim financial information was 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 2021. The interim financial information (i.e. statements of financial position, statements of income, statements of changes in shareholder's equity and 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 no. 47/NA issued on 26 December 2013, Public Interest Enterprises (PIEs) are required to apply International Financial Reporting Standards (IFRS). However, Ministry of Finance has issued announcement No. 1137/MoF issued on 27 April 2020 and from Lao Securities and Exchange Commission Office (LSCO) dated 25 May 2020, which provided options for PIEs to prepare action plan for adoption IFRS within four-year period. The management is presently preparing action plan for implementation IFRS in accordance with the announcement.

Therefore, the accounting principles applied may differ from IFRS. The accompanying financial statements are not intended to present the financial position and financial performance in accordance with other jurisdictions. Consequently, these financial statements are addressed only to those who are informed on the Company's accounting policy.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2021.

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.

3. Estimates

The preparation of condensed interim 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 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 financial statements for the year ended 31 December 2021.

4. Cash and cash equivalents

	Unaudited 31 March 2022 LAK	Audited 31 December 2021 LAK
Cash on hand	36,533,748	11,135,500
Cash at banks	2,483,818,417	929,918,132
	2,520,352,165	**941,053,632**

5. Trade account receivables, net

	Unaudited 31 March 2022 LAK	Audited 31 December 2021 LAK
Trade accounts receivable - related parties (Note 20.3)	11,391,327,082	11,253,119,062
Trade accounts receivable - third parties	16,205,982,692	14,654,601,345
	27,597,309,774	**25,907,720,407**
Less: Allowance for doubtful accounts	(6,918,786,707)	(6,918,786,707)
Trade account receivables – Net	**20,678,523,067**	**18,988,933,700**

6. Inventories, net

	Unaudited 31 March 2022 LAK	Audited 31 December 2021 LAK
Office supply	196,766,524	195,203,563
Plus Card	101,714,211	110,807,526
	298,480,735	**306,011,089**
Less: Allowance for impairment based on net realisable value	-	-
Inventories – Net	**298,480,735**	**306,011,089**

7. Other current assets

	Unaudited 31 March 2022 LAK	Audited 31 December 2021 LAK
Other receivable - related parties*	76,083,158,102	73,379,718,170
Advance to suppliers	7,258,543,394	6,694,219,500
Deposit to suppliers	2,305,890,683	2,127,369,421
Advance to employees	77,500,000	81,000,000
Advance profit tax payment	1,146,854,492	1,146,854,492
Other receivable	427,472,641	-
Interest receivable (Note 20.3)	16,252,358,173	15,990,219,106
Share subscription receivables (Note 20.3)	36,368,330104	36,368,330,104
Deferred loss from un-realisation	92,941,338,092	66,323,983,237
	232,861,445,680	**202,111,694,030**

*This consists of receivables from management amount of LAK 38,647,656,202 (2021: LAK 38,647,656,202); advance to other related parties amount of LAK 24,202,131,490 (2021: LAK 21,568,572,129) and other receivable from other related parties amount of 13,233,370,410 (2021: LAK 13,163,489,839) (Note 20.3).

8. Property, plant and equipment, net

	LAK
Opening net book amount as at 1 January 2022 - Audited	173,632,730,617
Addition	2,995,338,313
Less: Depreciation charge	(1,092,760,632)
Closing net book amount as at 31 March 2022 - Unaudited	**175,535,308,298**

9. Intangible assets, net

	LAK
Opening net book amount as at 1 January 2022 - Audited	3,489,545,272
Less: Amortisation charge	(191,410,257)
Closing net book amount as at 31 March 2022 - Unaudited	**3,298,135,015**

10. Investment properties, net

	LAK
Opening net book amount as at 1 January 2022 - Audited	83,901,249,041
Less: Depreciation charge	(183,240,359)
Closing net book amount as at 31 March 2022 - Unaudited	**83,718,008,682**

11. Other non-current assets

	Unaudited 31 March 2022 LAK	Audited 31 December 2021 LAK
Prepaid land rental*	36,823,048,777	39,774,852,655
Advance for gas stations and others	6,417,238,000	6,417,238,000
	43,240,286,777	**46,192,090,655**

*This mainly represents outstanding prepayment of land rental from related parties amount to LAK 34,419,839,505 (2021: LAK 34,419,839,505) (Note 20.3).

12. Trade accounts payable

	Unaudited 31 March 2022 LAK	Audited 31 December 2021 LAK
Trade payables - third parties	2,784,752,401	3,028,302,701
Trade payables – related parties (Note 20.3)	856,541,990	317,816,692
	3,641,294,391	**3,346,119,393**

13. Tax payables

	Unaudited 31 March 2022 LAK	Audited 31 December 2021 LAK
Value Added Tax payables	375,948,627	575,963,008
Personnel income tax payables	113,741,653	134,587,452
Other taxes and statutory payables*	6,663,584,171	7,013,302,568
	7,153,274,451	**7,723,853,028**

*This mainly 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 finalised 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 of the year ended 31 December 2019, and the outstanding payables as at 31 March 2022 is LAK 6,650,000,000 (2021: LAK 7,000,000,000).

The Company received the memo from the Tax Authorities per reference no.0210 dated 28 January 2020, a portion of obligation for the penalty payables for the year 2014 to 2017 amount of LAK 964,759,679 allowed for exemption. Thus, as of 31 March 2022, the Company has such obligation for penalty payables which is not yet finalised and need to seek a final opinion from the Ministry of Finance amount of LAK6,452,725,282 (2021: LAK 6,452,725,282)

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 6,452,725,282 (2021: LAK6,452,725,282) to the financial statements.

As of the reporting date, it is in the process of reviewing by the Tax Authorities.

14. Borrowings

	Unaudited 31 March 2022 LAK	Audited 31 December 2021 LAK
Current		
Current portion of long-term borrowings from banks	66,324,000,000	66,324,000,000
Borrowing from related parties (Note 20.4)	58,455,804,000	55,492,492,000
	124,779,804,000	**121,816,492,000**
Non-current		
Borrowings from banks	-	-
Borrowing from related parties (Note 20.4)	361,780,780,000	334,723,420,000
	361,780,780,000	**334,723,420,000**
	486,560,584,000	**456,539,912,000**

The movements borrowings for the three-month period ended 31 March 2022 as follows:

	LAK
As at 1 January 2022 - Audited	456,539,912,000
Un-realisation loss on exchange	30,020,672,000
As at 31 March 2022 - Unaudited	**486,560,584,000**

15. Other current liabilities

	Unaudited 31 March 2022 LAK	Audited 31 December 2021 LAK
Advance from customers	4,463,857,511	3,931,836,109
Other accrued and payables	44,545,114,786	5,978,516,048
Other payables – related parties (Note 20.3)	184,990,648,679	199,363,673,534
Deferred gain from un-realisation	3,337,158,837	5,873,939,006
	237,336,779,813	**215,147,964,697**

16. 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 31 March 2022 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 three-month period ended 31 March 2022.

17. 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 31 March 2022 is LAK 3,708,530,711 (2021: LAK 3,708,530,711)

18. Income taxes

According to the tax privileges given to the listed companies, The Company is entitled to a further reduction profit tax from 24% to 19% during the initial four years period. This rate is to be applied from 2015 to 2018. For 2019 accordance to Tax Law, the Company applied profit tax rate 24%.

According to the Tax Law No. 259 effective on 1 January 2020, the Company calculated Profit Tax on its net taxable income at the rate of 20% (2021: 20%) after considering the non-deductible income and expenses was in accordance with the Lao Tax Law.

19. Basic earnings (loss) per share

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

	Unaudited 31 March 2022	Unaudited 31 March 2021
Net profit (loss) attributable to ordinary share (LAK)	(16,241,417,851)	(7,811,598,930)
Weighted average number of ordinary share in issue (share)	235,000,000	235,000,000
Basic earnings (loss) per share (LAK)	(69)	(33)

20. 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:

20.1 Sales of goods and services

	Unaudited 31 March 2022 LAK	Unaudited 31 March 2021 LAK
Sales of services to:		
Subsidiaries	1,987,616,687	1,737,446,848
Other related parties	770,609,576	393,996,727
	2,758,226,263	**2,131,443,575**

20. 2 Purchases of goods and services

	Unaudited 31 March 2022 LAK	Unaudited 31 March 2021 LAK
Purchase of services from:		
Other related parties	8,068,072,751	7,155,186,165

20. Related party transactions (continued)

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

	Unaudited 31 March 2022 LAK	Audited 31 December 2021 LAK
Receivables from:		
Trade account receivable		
Other related parties (Note 5)	11,391,327,082	11,253,119,062
	11,391,327,082	**11,253,119,062**
Other current assets		
Subsidiaries		
Share subscription (Note 7)	36,368,330,104	36,368,330,104
Other receivable	-	-
	36,368,330,104	**36,368,330,104**
Key management (Note 7)		
Other receivable from share premium	22,497,682,340	22,497,682,340
Other receivable from sale vehicle	16,149,973,862	16,149,973,862
	38,647,656,202	**38,647,656,202**
Other related parties (Note 7)		
Interest receivable	16,252,358,173	15,990,219,106
Advance to related parties	24,202,131,490	21,568,572,129
Other receivables from rental service	13,233,370,410	13,163,489,839
	53,687,860,073	**50,722,281,074**
	140,095,173,461	**125,738,267,380**
Other non-current assets		
Key management (Note 11)		
Prepayment of land rental	34,419,839,505	34,419,839,505
	34,419,839,505	**34,419,839,505**
Total receivable	**175,942,891,535**	**171,411,225,947**

20. Related party transactions (continued)

20.3 Outstanding balances arising from sales/purchases of goods/services (continues)

	Unaudited 31 March 2022 LAK	Audited 31 December 2021 LAK
Payable to:		
Trade accounts payable		
Other related parties (Note 12)	856,541,990	317,816,692
	856,541,990	**317,816,692**
Other current liabilities		
Subsidiaries		
Share subscription (Note 15)	56,306,694,922	56,306,694,922
Others	98,889,940,559	89,429,649,903
	155,196,635,481	**145,736,344,825**
Other related parties (Note 15)		
Accrued interest expenses	29,794,013,198	53,627,328,709
	29,794,013,198	**53,627,328,709**
Total payable	**185,847,190,669**	**199,681,490,226**

20.4 Borrowings from related parties

	Unaudited 31 March 2022 LAK	Audited 31 December 2021 LAK
At 1 January	390,215,912,000	352,929,504,000
Loans received during the period	-	-
Loans repayment during the period	-	-
Un-realisation loss on exchange	30,020,672,000	37,286,408,000
	420,236,584,000	**390,215,912,000**

The loans from related parties were provided with specified repayment term and interest rate at 8% (2021: 8%) per annum (Note 14).

20. Related party transactions (continued)

20.5 Loan to related parties

	Unaudited 31 March 2022 LAK	Audited 31 December 2021 LAK
Opening balance at 1 January	107,662,386,845	99,551,633,098
Loans repayment during the period	-	(1,500,000,000)
Un-realisation gain on exchange	3,105,433,302	9,610,753,747
	110,767,820,147	**107,662,386,845**

20.6 Key management compensation

The compensations paid to key management are as follows:

	Unaudited 31 March 2022 Million LAK	Unaudited 31 March 2021 Million LAK
Salaries and others	702	569

21. Commitments and contingencies

Operating lease commitments - where the Company is the lessee.

The Company 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 31 March 2022 LAK	Audited 31 December 2021 LAK
Not later than 1 year	-	-
Later than 1 year but not later than 5 years	7,690,953,600	6,887,040,000
Later than 5 years	3,165,113,400	2,910,660,000
	10,856,067,000	**9,797,700,000**

21. Commitments and contingencies (continued)

Operating lease commitment where the Company is the lessor

The Company 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 31 March 2022 LAK	Audited 31 December 2021 LAK
Not later than 1 year	982,080,000	843,120,000
Later than 1 year but not later than 5 years	3,809,520,000	3,253,680,000
Later than 5 years	13,654,828,346	11,641,549,606
	18,446,428,346	**15,738,349,606**

22. Events after the reporting period

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