# PETROLEUM TRADING LAO PUBLIC COMPANY

FINANCIAL STATEMENTS

31 DECEMBER 2023



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**PETROLEUM TRADING LAO PUBLIC COMPANY**

**FINANCIAL STATEMENTS**
**31 DECEMBER 2023**

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# INDEPENDENT AUDITOR'S REPORT

## To the Board of Directors and Shareholders of Petroleum Trading Lao Public Company

### Our opinion

In our opinion, the financial statements of Petroleum Trading Lao Public Company (the Company) for the year ended 31 December 2023 are prepared, in all material respects, in accordance with accounting policies described in Note 2 to the financial statements.

### What we have audited

The Company's financial statements comprise:

- the statement of financial position as at 31 December 2023;
- the statement of income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

### Basis for opinion

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

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

### Independence

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

### Emphasis of matter - Basis of accounting

We draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements have been prepared in accordance with the Company's accounting policies which the accounting basis used in the preparation of these financial statements may differ from International Financial Reporting Standards (IFRS). The readers should therefore be aware that the accompanying financial statements are not intended to present the financial position and its financial performance and cash flows in accordance with IFRS. Our opinion is not modified in respect to this matter.

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## Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. We determine one key audit matter: Revenue recognition for wholesale income. The matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on the matter.

| Key audit matter | How our audit addressed the key audit matter |
|---|---|
| **Revenue recognition**<br><br>Refer to Note 2.14 'Accounting policies – Revenue recognition' and Note 18 'Sales'.<br><br>The revenue from the company's principal activities are revenue from plus card. Various lead times in generating data and processing reports on fuel sales from the subsidiary directly might affect the correctness of revenue recognition due to timing differences. Time gaps in processing data and billing lead to a risk for recognition completeness and cut-off.<br><br>We have focused on this area as billing cycle periods may not necessarily coincide with year-end closing, so revenue recognition may require management's estimation for the period end. | We performed the following procedures:<br><br>• Evaluated the relevant controls over the revenue and receivables processes to ensure billing and other relevant supporting systems were reliable and control procedures were in place around those systems.<br>• Tested samples of individual and corporate customer invoices to the authorisation of review and approval prior to record in the general ledger.<br>• Tested end-to-end reconciliations of the sales report and the general ledger, including testing adjustment transaction records against the underlying documents related to revenue.<br>• Performed substantive testing on revenue cut-off testing by selected revenue samples prior to and after year end to test whether they are completely recorded in appropriate timing, based on terms and conditions set out in sales invoices and delivery documents.<br>• Tested samples of revenue transactions for each type of income incurred during the year by agreeing the revenue transactions with invoices and other related supporting documents.<br><br>From these procedures, we found that Company's revenue recognition was in line with the accounting policy and available evidence. |

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## Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the audit committee.

## Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of the financial statements in accordance with accounting policies described in Note 2 to the financial statements, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The audit committee assists the directors in discharging their responsibilities for overseeing the Company's financial reporting process.

## Auditor's responsibilities for the audit of the financial statements

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

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

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

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

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For PricewaterhouseCoopers (Lao) Sole Company Limited




By Pongphan Domerongphanudom
Partner

Vientiane, Lao PDR
Date: 25 April 2024

**PETROLEUM TRADING LAO PUBLIC COMPANY**

**STATEMENT OF FINANCIAL POSITION**
**AS AT 31 DECEMBER 2023**

| | Notes | 2023 LAK | 2022 LAK |
|---|---|---|---|
| **Assets** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | 3 | 4,812,188,424 | 5,494,674,970 |
| Trade accounts receivable, net | 4 | 24,176,310,558 | 22,455,453,337 |
| Inventories, net | 5 | 800,980,532 | 399,335,819 |
| Short-term loan to related parties | 23.5 | 145,733,311,964 | 139,898,947,042 |
| Other current assets | 6 | 491,927,151,491 | 542,108,548,402 |
| **Total current assets** | | **667,449,942,969** | **710,356,959,570** |
| **Non-current assets** | | | |
| Property, plant and equipment, net | 7 | 371,951,926,724 | 372,037,173,827 |
| Intangible assets, net | 8 | 2,083,635,172 | 2,896,193,364 |
| Investment properties, net | 9 | 199,477,136,681 | 200,162,726,629 |
| Investment in subsidiaries | 10 | 198,000,000,000 | 198,000,000,000 |
| Other non-current assets | 11 | 45,304,018,757 | 46,561,690,945 |
| **Total non-current assets** | | **816,816,717,334** | **819,657,784,765** |
| **Total assets** | | **1,484,266,660,303** | **1,530,014,744,335** |

Khamsone Sitthixay
Vice Chief Executive Officer

Date: 25 April 2024

Chanthadom Meksavanh
Chief Finance Officer

Date: 25 April 2024

The accompanying notes on pages 12 to 33 are an integral part of these financial statements.

**PETROLEUM TRADING LAO PUBLIC COMPANY**

**STATEMENT OF FINANCIAL POSITION**
**AS AT 31 DECEMBER 2023**

| | Notes | 2023 LAK | 2022 LAK |
|---|---|---|---|
| **Liabilities and equity** | | | |
| **Liabilities** | | | |
| **Current liabilities** | | | |
| Trade accounts payable | 12 | 6,770,227,722 | 7,185,390,779 |
| Tax payables | 13 | 7,025,103,861 | 8,393,697,123 |
| Short-term borrowings | 14 | 293,799,915,008 | 191,355,503,214 |
| Other current liabilities | 15 | 244,650,352,617 | 279,178,512,954 |
| **Total current liabilities** | | **552,245,599,208** | **486,113,104,070** |
| **Non-current liabilities** | | | |
| Long-term borrowings | 14 | 514,855,649,756 | 584,370,984,000 |
| **Total non-current liabilities** | | **514,855,649,756** | **584,370,984,000** |
| **Total liabilities** | | **1,067,101,248,964** | **1,070,484,088,070** |
| **Equity** | | | |
| Share capital | 16 | 470,000,000,000 | 470,000,000,000 |
| Share premium | 16 | 27,638,932,340 | 27,638,932,340 |
| Revaluation surplus | | 313,029,203,069 | 313,029,203,069 |
| Retaining earnings/(Deficits) | | | |
| Appropriated-legal reserve | 17 | 3,708,530,711 | 3,708,530,711 |
| Other reserve | | 1,977,267,979 | 1,977,267,979 |
| Unappropriated | | (399,188,522,760) | (356,823,277,834) |
| **Total equity** | | **417,165,411,339** | **459,530,656,265** |
| **Total liabilities and equity** | | **1,484,266,660,303** | **1,530,014,744,335** |

Khamsone Sitthixay
Vice Chief Executive Officer

Date: 25 April 2024

Chanthadom Meksavanh
Chief Finance Officer

Date: 25 April 2024

The accompanying notes on pages 12 to 33 are an integral part of these financial statements.

## PETROLEUM TRADING LAO PUBLIC COMPANY

## STATEMENT OF INCOME
## FOR THE YEAR ENDED 31 DECEMBER 2023

| | Notes | 2023 LAK | 2022 LAK |
|---|---|---|---|
| Sales | 18 | 2,050,135,402 | 1,733,080,077 |
| Cost of sales | | (92,187,130) | (64,435,437) |
| **Gross profit** | | **1,957,948,272** | **1,668,644,640** |
| Other income | 19 | 56,890,513,436 | 66,795,925,396 |
| Foreign exchange (loss)/gain, net | | (8,438,580,016) | 190,454,943 |
| Selling expenses | | (104,096,340) | (276,727,000) |
| Administrative expenses | | (26,680,512,733) | (23,758,882,306) |
| **Operating profit** | | **23,625,272,619** | **44,619,415,673** |
| Finance expense | | (65,990,517,545) | (50,585,808,240) |
| **Net loss before income tax expenses** | | **(42,365,244,926)** | **(5,966,392,567)** |
| Income tax expenses | 21 | - | - |
| **Net loss for the year** | | **(42,365,244,926)** | **(5,966,392,567)** |
| **Loss per share** | | | |
| Basic loss per share | 22 | (180) | (25) |

Khamsone Sitthixay
Vice Chief Executive Officer

Date: 25 April 2024

Chanthadom Meksavanh
Chief Finance Officer

Date: 25 April 2024

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**PETROLEUM TRADING LAO PUBLIC COMPANY**

**STATEMENT OF CHANGES IN EQUITY**
**FOR THE YEAR ENDED 31 DECEMBER 2023**

| | Notes | Share capital LAK | Share premium LAK | Revaluation surplus LAK | Retaining earnings/(Deficits) | | | Total LAK |
|---|---|---|---|---|---|---|---|---|
| | | | | | Appropriated legal reserve LAK | Other reserve LAK | Unappropriated LAK | |
| **Opening balance at 1 January 2022** | 16,17 | **470,000,000,000** | **27,638,932,340** | - | **3,708,530,711** | **1,977,267,979** | **(350,856,885267)** | **152,467,845,763** |
| Addition | | - | - | 313,029,203,069 | - | - | | 313,029,203,069 |
| Net loss for the year | | - | - | - | - | - | (5,966,392,567) | (5,966,392,567) |
| **Closing balance at 31 December 2022** | | **470,000,000,000** | **27,638,932,340** | **313,029,203,069** | **3,708,530,711** | **1,977,267,979** | **(356,823,277,834)** | **459,530,656,265** |
| **Opening balance at 1 January 2023** | 16,17 | **470,000,000,000** | **27,638,932,340** | **313,029,203,069** | **3,708,530,711** | **1,977,267,979** | **(356,823,277,834)** | **459,530,656,265** |
| Net loss for the year | | - | - | - | - | - | (42,365,244,926) | (42,365,244,926) |
| **Closing balance at 31 December 2023** | | **470,000,000,000** | **27,638,932,340** | **313,029,203,069** | **3,708,530,711** | **1,977,267,979** | **(399,188,522,760)** | **417,165,411,339** |

Khamsone Sitthixay
Vice Chief Executive Officer

Date: 25 April 2024

Chanthadom Meksavanh
Chief Finance Officer

Date: 25 April 2024

The accompanying notes on pages 12 to 33 are an integral part of these financial statements.

## PETROLEUM TRADING LAO PUBLIC COMPANY

## STATEMENT OF CASH FLOWS
## FOR THE YEAR ENDED 31 DECEMBER 2023

| | Notes | 2023 LAK | 2022 LAK |
|---|---|---|---|
| **Cash flow from operating activities:** | | | |
| Net loss before income tax for the year | | (42,365,244,926) | (5,966,392,567) |
| Adjustments to reconcile net loss to net cash | | | |
| Depreciation and amortisation | 20 | 5,145,540,875 | 5,662,299,920 |
| Gain on disposal fixed assets | | - | (500,327,101) |
| (Reversal)/addition of provision for doubtful debts | | (129,583,727) | 189,667,097 |
| Interest income | 19 | (10,547,955,474) | (9,086,392,733) |
| Interest expense | | 65,990,517,545 | 50,585,808,240 |
| **Operating gain before working capital changes** | | **18,093,274,293** | **40,884,662,856** |
| **Changes in working capital:** | | | |
| Trade accounts receivable | | (1,850,440,949) | (3,276,852,540) |
| Inventories | | (401,644,713) | (93,324,730) |
| Trade accounts payable | | (565,250,597) | 2,469,944,735 |
| Tax payables | | (1,369,870,059) | 4,865,891,187 |
| Other non-current assets | | (1,257,672,189) | (369,600,290) |
| Other current assets | | 89,067,364,276 | (363,555,686,102) |
| Other current liabilities | | 85,322,588,769 | 310,016,730,598 |
| **Cash generated from/(used in) operations** | | **187,038,348,831** | **(9,058,234,286)** |
| Interest received | | 647,322,182 | 1,412,356,698 |
| Interest paid | | (63,576,680,002) | (87,049,499,263) |
| Other tax and statutory tax paid | | (2,100,000,000) | (3,490,270,359) |
| **Net cash generated from/(used in) operating activities** | | **122,008,991,011** | **(98,185,647,210)** |
| **Cash flows from investing activities:** | | | |
| Acquisitions of fixed assets | | (4,433,275,126) | (6,295,526,247) |
| Disposal of fixed assets | | - | 961,317,103 |
| Loans received during the year | 23.5 | 12,421,000,000 | 289,130,025 |
| **Net cash generated from/(used in) investing activities** | | **7,987,724,874** | **(5,045,079,119)** |

Khamsone Sitthixay
Vice Chief Executive Officer

Date: 25 April 2024

Chanthadom Meksavanh
Chief Finance Officer

Date: 25 April 2024

The accompanying notes on pages 12 to 33 are an integral part of these financial statements.

## PETROLEUM TRADING LAO PUBLIC COMPANY

## STATEMENT OF CASHF LOWS
## FOR THE YEAR ENDED 31 DECEMBER 2023

| | Notes | 2023 LAK | 2022 LAK |
|---|---|---|---|
| **Cash flows from financing activities:** | | | |
| Proceeds from borrowings | 14 | 663,206,782,957 | 686,779,240,463 |
| Repayment of borrowings | 14 | (794,034,232,000) | (579,193,592,000) |
| **Net cash (used in)/generated from financing activities** | | **(130,827,449,043)** | **107,585,648,463** |
| **Net (decrease)/increase in cash and cash equivalents** | | (830,733,158) | 4,354,922,134 |
| Cash and cash equivalents at the beginning of the year | 3 | 5,494,674,970 | 941,053,632 |
| Exchange gain on cash and cash equivalents | | 148,246,612 | 198,699,204 |
| **Cash and cash equivalents at the end of the year** | | **4,812,188,424** | **5,494,674,970** |
| **Significant non-cash items;** | | | |
| Accounts payable for fixed assets | | - | (871,129,494) |

Khamsone Sitthixay
Vice Chief Executive Officer

Date: 25 April 2024

Chanthadom Meksavanh
Chief Finance Officer

Date: 25 April 2024

The accompanying notes on pages 12 to 33 are an integral part of these financial statements.

## 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 principal activities of the Company are being a holding company and to provide services of Plus Card.

These financial statements were authorised by the board of directors on 25 April 2024.

## 2. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below:

### 2.1 Basis of preparation

The accompanying financial statements have been prepared in accordance with the Company's principal accounting policies as described below and have been prepared generally of the historical cost convention.

According to the Accounting Law no. 47/NA issued on 26 December 2013, Public Interest Enterprises (PIEs) are required to apply IFRS. However, the 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 until 31 December 2025 and 1 January 2026 onward, all listed companies must fully adopt IFRS.

The management is presently preparing an action plan for implementation of IFRS in accordance with the announcement. Therefore, the accounting principles applied may materially differ from International Financial Reporting Standards (IFRS).

The preparation of financial statements requires management to make estimates and assumptions that affect the reported assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the revenues and expenses in the reported periods. Although these estimates are based on management's knowledge of current events and actions, actual results may materially differ from those estimates.

The Company presents the separate financial statements for the year ended 31 December 2023 and 2022, this is in accordance with the reporting and disclosure regulation No.007/SECO, dated 3 April 2014 issued by Lao Securities and Exchange Commission Office.

## 2. Accounting policies (continued)

### 2.2 Investment in subsidiaries

Subsidiaries are all entities (including structured entities) over which the Company has control.

The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns though its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases.

In the financial statements, investments in subsidiaries is accounted for at cost less impairment.

### 2.3 Foreign currency translation

Items included in the financial statements are presented in Lao Kip (LAK).

Foreign currency transactions are translated into LAK using the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currency are translated into LAK at the prevailing at the reporting dates. All resulting foreign exchange gains and losses differences unrealised from the translation of monetary assets and liabilities denominated in foreign currency are recognised in the statements of financial position and will be reversed in the next fiscal year.

The realised gains and losses from the settlement of foreign currency transaction is recognised into the statement of income when payment.

The exchange rated used are from local reputation bank in Lao PDR.

### 2.4 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held at call with banks or other short-term highly liquid investments with original maturities of three months or less.

## 2. Accounting policies (continued)

### 2.5 Trade receivable

Trade receivable are carried at the original invoice amount and subsequently measured at the remaining amount less any allowance for doubtful receivables based on a review of all outstanding amounts at the year-end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written-off during the year in which they are identified and recognised in profit or loss within administrative expenses.

The following policy on the allowance for receivables impairment from third parties are applied as follow:

| | |
|---|---|
| From 6 months to 1 year | 30% |
| From 1 to 2 years | 50% |
| Above 2 years | 100% |

No provision made on outstanding balances of loan to related parties, trade receivables, other receivables from related parties and trade receivables from the company/service provider to the Government's Project.

### 2.6 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, allowances. The cost of finished goods comprises design costs, raw materials, direct labour, other direct costs and related production overheads based on normal operating capacity. It excludes borrowing costs. Net realisable value is the estimate of the selling price in the ordinary course of business, less applicable variable selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

### 2.7 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Land held and accounted for by the Company as investment property when the rest of the definition of investment property is met.

Investment property is measured initially at its cost, including related transaction costs except land. Land catagoried as investment property is recognised using the revaluation method (Note 2.8)

## 2. Accounting policies (continued)

### 2.7 Investment properties (continued)

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

After initial recognition, investment property is carried at cost less any accumulated depreciation and any accumulated impairment losses.

Land is not depreciated. Depreciation on other investment properties is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

| | |
|---|---|
| Buildings and renovation | 7 - 10 years |

### 2.8 Property, plant and equipment

All property, plant and equipment, excepted land*, are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

*Land is recognised at revaluation method based on periodic, but at least 2 years, valuations by external independent valuers. Increases/decreases in the carrying amounts arising on revaluation of land is recognised in 'revaluation surplus' in shareholders' equity. The Company transfers any amounts included in revaluation surplus in respect of disposed asset to retained earnings when the revalued assets are sold.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred. Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

| | |
|---|---|
| Buildings and renovation | 5 - 30 years |
| Machinery and equipment | 2 - 10 years |
| Vehicle | 5 years |
| Office equipment | 2 - 10 years |

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other gains/(losses) – net' in the statement of income.

## 2. Accounting policies (continued)

### 2.9 Intangible assets

Intangible assets consist of computer software. Acquired computer software licenses are capitalised in the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful life, which does not exceed 2-10 years. Cost associated with remaining computer software programs are recognised as expense as incurred.

### 2.10 Borrowings

Borrowings are recognised initially at the drawdown value. Borrowing cost consist of interest and other cost that the Company incurs in connection with the borrowing of funds. Borrowing cost for general purpose are recorded as expenses during the year in which they are incurred.

Borrowing cost that are directly attributable to the acquisition, construction or production of asset that necessarily take a substantial period of time to get ready for its intended use or sale are capitalised as cost of respective of asset.

Borrowing arrangement fee are recognise as pre-paid expenses and amortised into statements of income over the borrowing period.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of reporting date.

### 2.11 Lease

**Leases - where the Company is the lessee**

Leases not transferring a significant portion of the risks and rewards of ownership to the lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of income on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

Leases of property, plant or equipment where the lessee has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the book value of the leased property.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the liabilities balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to profit or loss over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant or equipment acquired under finance leases is depreciated over the shorter period of the useful life of the asset and the lease term.

2. **Accounting policies** (continued)

**2.11 Lease** (continued)

**Leases - where the Company is the lessor**

Assets leased out under operating leases are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

**2.12 Taxation**

The Company records income tax on an accrual basis. The Company does not recognise corporate income tax payable or receivable in future periods in respect of temporary differences. Income tax expense is recognised based on the operating result for the year after adjusted non-deductible expenses and other transactions under the related Lao Tax Law and tax rate. Under Lao Tax Law, Lao Accounting Law and related privileges as a listed Company, tax expenses for the year are determined on the basis of the profit the Company calculated (Note 21).

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 in additional tax payments or refunds being necessary which may be significant. This would result in the payment or refund being recognised as income tax expense in the year in which the reviews are completed.

**2.13 Share capital**

Ordinary shares and non-redeemable preference shares with discretionary dividends are classified as equity.

The share premium us recognise upon issuance od addition shares, at a surplus between the offering price of additional share issuance and the par value, after deduction of share issuance cost (such as underwriting fees and other relevant valuation, consulting costs).

In accordance with guidance under the Letter No.056/LSCO issued by LSCO on 28 April 2015, the Company was allowed to distribute 75% of share premium from the Company's initial offering after deduction of relevant share issuance costs, to the founding shareholders of the Company.

## 2. Accounting policies (continued)

### 2.14 Revenue recognition

Revenue comprises the invoice value of goods sold net of rebates and discounts. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods are transferred or delivered to the buyer.

Revenue from providing services is recognised in the accounting period in which the services are rendered.

Revenue from rental is recognised on a straight-line basis over the lease term.

Other income is recognised on the following basis:

- Interest income is recognised on a time-proportion basis, taking into account the principal outstanding and interest rate over the period to maturity, when it determined that such income will be accrued to maturity, when it is determined that such income will be accrued to the Company.

- Other income is recognised on an accrual basis.

## 3. Cash and cash equivalents

| | 2023<br>LAK | 2022<br>LAK |
|---|---|---|
| Cash on hand | 15,041,000 | 16,261,500 |
| Cash at banks | 4,797,147,424 | 5,478,413,470 |
| | **4,812,188,424** | **5,494,674,970** |

## 4. Trade accounts receivable, net

| | 2023<br>LAK | 2022<br>LAK |
|---|---|---|
| Trade accounts receivable - related parties (Note 23.3) | 5,770,070,800 | 11,908,699,209 |
| Trade accounts receivable - third parties | 25,005,775,640 | 17,275,873,737 |
| | **30,775,846,440** | **29,184,572,946** |
| Less: Allowance for doubtful accounts | (6,599,535,882) | (6,729,119,609) |
| Trade account receivables - Net | **24,176,310,558** | **22,455,453,337** |

## 5. Inventories, net

| | 2023 LAK | 2022 LAK |
|---|---|---|
| Office supply | 607,391,946 | 264,720,835 |
| Plus Card | 193,588,586 | 134,614,984 |
| | **800,980,532** | **399,335,819** |
| Less: Allowance for impairment based on net realisable value | - | - |
| Inventories – Net | **800,980,532** | **399,335,819** |

## 6. Other current assets

| | 2023 LAK | 2022 LAK |
|---|---|---|
| Other receivable - related parties (Note 23.3) | 98,317,939,886 | 135,792,298,997 |
| Advances to suppliers | 1,643,284,876 | 1,590,654,288 |
| Prepayments | 7,992,163,622 | 1,046,624,864 |
| Deposits to suppliers | 3,897,730,909 | 3,324,973,515 |
| Advances to employees | 65,000,000 | 85,000,000 |
| Advance profit tax payment | 1,146,854,492 | 1,146,854,492 |
| Interest receivable (Note 23.3) | 18,628,719,284 | 33,804,272,520 |
| Share subscription receivables (Note 23.3) | 36,368,330,104 | 36,368,330,104 |
| Deferred loss from un-realisation | 323,867,128,318 | 328,949,539,622 |
| | **491,927,151,491** | **542,108,548,402** |

## 7. Property, plant and equipment, net

| | Land LAK | Building and improvement LAK | Machinery and equipment LAK | Office equipment LAK | Vehicle LAK | Construction in progress LAK | Total LAK |
|---|---|---|---|---|---|---|---|
| **As at 1 January 2023** | | | | | | | |
| Cost | 313,679,870,278 | 67,588,903,626 | 5,939,493,233 | 19,733,466,754 | 3,941,507,344 | 7,954,205,432 | 418,837,446,667 |
| Less: Accumulated depreciation | - | (21,106,856,142) | (5,434,541,579) | (16,317,367,775) | (3,941,507,344) | - | (46,800,272,840) |
| **Net book amount** | **313,679,870,278** | **46,482,047,484** | **504,951,654** | **3,416,098,979** | **-** | **7,954,205,432** | **372,037,173,827** |
| **For the year ended 31 December 2023** | | | | | | | |
| Opening net book amount | 313,679,870,278 | 46,482,047,484 | 504,951,654 | 3,416,098,979 | - | 7,954,205,432 | 372,037,173,827 |
| Additions | - | - | - | 208,978,438 | 1,859,700,992 | 1,488,116,202 | 3,556,795,632 |
| Depreciation charge (Note 20) | - | (2,534,473,890) | (284,769,714) | (811,080,466) | (11,718,665) | - | (3,642,042,735) |
| **Closing net book amount** | **313,679,870,278** | **43,947,573,594** | **220,181,940** | **2,813,996,951** | **1,847,982,327** | **9,442,321,634** | **371,951,926,724** |
| **As at 31 December 2023** | | | | | | | |
| Cost | 313,679,870,278 | 67,588,903,626 | 5,939,493,233 | 19,942,445,192 | 5,801,208,336 | 9,442,321,634 | 422,394,242,299 |
| Less: Accumulated depreciation | - | (23,641,330,032) | (5,719,311,293) | (17,128,448,241) | (3,953,226,009) | - | (50,442,315,575) |
| **Net book amount** | **313,679,870,278** | **43,947,573,594** | **220,181,940** | **2,813,996,951** | **1,847,982,327** | **9,442,321,634** | **371,951,926,724** |

Certain property, plant and equipment are pledged as collaterals for the Company's borrowings (Note 14).

## 8. Intangible assets, net

| | Computer Software LAK |
|---|---|
| **As at 1 January 2023** | |
| Cost | 8,701,598,895 |
| Less: Accumulated amortization | (5,805,405,531) |
| Net book amount | **2,896,193,364** |
| **For the year ended 31 December 2023** | |
| Opening net book amount | 2,896,193,364 |
| Additions | 5,350,000 |
| Amortisation charge (Note 20) | (817,908,192) |
| Closing net book amount | **2,083,635,172** |
| **As at 31 December 2023** | |
| Cost | 8,706,948,895 |
| Less: Accumulated amortization | (6,623,313,723) |
| Net book amount | **2,083,635,172** |

## 9. Investment properties, net

| | Land LAK | Building LAK | Total LAK |
|---|---|---|---|
| **As at 1 January 2023** | | | |
| Cost | 194,059,035,920 | 10,637,379,752 | 204,696,415,672 |
| Less: Accumulated depreciation | - | (4,533,689,043) | (4,533,689,043) |
| Net book amount | **194,059,035,920** | **6,103,690,709** | **200,162,726,629** |
| **For the year ended 31 December 2023** | | | |
| Opening net book amount | 194,059,035,920 | 6,103,690,709 | 200,162,726,629 |
| Depreciation charge (Note 20) | - | (685,589,948) | (685,589,948) |
| Closing net book amount | **194,059,035,920** | **5,418,100,761** | **199,477,136,681** |
| **As at 31 December 2023** | | | |
| Cost | 194,059,035,920 | 10,637,379,752 | 204,696,415,672 |
| Less: Accumulated depreciation | - | (5,219,278,991) | (5,219,278,991) |
| Net book amount | **194,059,035,920** | **5,418,100,761** | **199,477,136,681** |

## 10. Investments in subsidiaries

| | 2023 LAK | 2022 LAK |
|---|---|---|
| **As at 1 January** | **198,000,000,000** | **198,000,000,000** |
| Additions | - | - |
| **As at 31 December** | **198,000,000,000** | **198,000,000,000** |

The amounts recognised in the statements of financial position are as follows:

| Entity name | Country of incorporation | Nature of business | Ownership interest held by Company | | Ownership interests held by non-controlling interests | | Investment in Cost method | |
|---|---|---|---|---|---|---|---|---|
| | | | 2023 (%) | 2022 (%) | 2023 (%) | 2022 (%) | 2023 LAK | 2022 LAK |
| Petrotrade Import-Export Company Limited | Lao PDR | Import and Export | 99% | 99% | 1% | 1% | 148,500,000,000 | 148,500,000,000 |
| Petrotrade Distribution Company Limited | Lao PDR | Retail and wholesale distribution | 99% | 99% | 1% | 1% | 49,500,000,000 | 49,500,000,000 |

## 11. Other non-current assets

| | 2023 LAK | 2022 LAK |
|---|---|---|
| Prepayment* | 39,166,780,757 | 40,354,452,945 |
| Advances for gas stations and others | 6,137,238,000 | 6,207,238,000 |
| | **45,304,018,757** | **46,561,690,945** |

*This mainly represents advanced prepayments to related parties amount to LAK 34,419,839,505 (2022: LAK 34,419,839,505) (Note 23.3) and other prepayments.

## 12. Trade accounts payable

| | 2023 LAK | 2022 LAK |
|---|---|---|
| Trade payables - third parties | 5,444,905,589 | 5,768,371,684 |
| Trade payables - related parties (Note 23.3) | 1,325,322,133 | 1,417,019,095 |
| | **6,770,227,722** | **7,185,390,779** |

## 13. Tax payables

| | 2023 LAK | 2022 LAK |
|---|---|---|
| Value Added Tax payables | 3,356,864,701 | 2,570,742,688 |
| Personnel income tax payables | 77,812,841 | 133,804,915 |
| Other taxes and statutory payables* | 3,590,426,319 | 5,689,149,520 |
| | **7,025,103,861** | **8,393,697,123** |

*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 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. The outstanding payables as at 31 December 2023 is LAK 3,500,000,000 (2022: LAK 5,600,000,000); during the year the Company paid amount LAK 2,100,000,000.

## 13. Tax payables (continued)

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 December 2023, 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 LAK 6,452,725,282 (2022: 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 (2022: LAK6,452,725,282) to the financial statements.

## 14. Borrowings

| | 2023<br>LAK | 2022<br>LAK |
|---|---|---|
| **Current** | | |
| Current portion of long-term borrowings from Banks | - | 66,324,000,000 |
| Borrowing from related parties (Note 23.4) | 293,799,915,008 | 125,031,503,214 |
| | **293,799,915,008** | **191,355,503,214** |
| **Non-current** | | |
| Borrowing from related parties (Note 23.4) | 514,855,649,756 | 584,370,984,000 |
| | **514,855,649,756** | **584,370,984,000** |
| | **808,655,564,764** | **775,726,487,214** |

The movement of borrowing can be analysed are as follows:

| | 2023<br>LAK | 2022<br>LAK |
|---|---|---|
| At 1 January | 775,726,487,214 | 456,539912,000 |
| Borrowings received during the year | 663,206,782,957 | 686,779,240,463 |
| Borrowings repayment during the year | (794,034,232,000) | (579,193,592,000) |
| Un-realisation loss on exchange | 163,756,526,593 | 211,600,926,751 |
| **At 31 December** | **808,655,564,764** | **775,726,487,214** |

## 14. Borrowings (continued)

| Lenders | Repayment terms | Initial terms | Extended terms during the year of 2023 | Credit limits | Interest rate per annum | Collaterals | Outstanding balances as 31 December 2023 |
|---|---|---|---|---|---|---|---|
| Burapha Co.,Ltd | Principals and Interests are repayable on lender's demand | 29 December 2019 onwards | N/A | USD 4,398,535 | 0% | None | USD 4,398,535 (Equivalent to LAK 90,605,422,465) |
| Petrotrade Import - Export Company Limited | Principals and Interests are repayable on lender's demand | 11 April 2023 onwards | N/A | LAK 66,697,256,733 | 10% | None | LAK 54,276,256,733 |
| Petrotrade Import-Export Company Limited | Principals and Interests are repayable on lender's demand | 25 December 2021 onwards | N/A | USD 1,302,300<br>THB 51,951,000 | 10% | None | USD 1,302,300<br>THB 51,951,000<br>(Equivalent to LAK 60,168,749,010) |
| Petrotrade Import-Export Company Limited | Principal: are repayable on "Loan Repayment Schedule"<br>Interest: are repayable on monthly | 25 December 2023 – 25 December 2028 | N/A | LAK 160,315,954,896 | 9% | None | LAK 160,315,954,896 |

## 14. Borrowings (continued)

| Lenders | Repayment terms | Initial terms | Extended terms during the year of 2023 | Credit limits | Interest rate per annum | Collaterals | Outstanding balances as 31 December 2023 |
|---|---|---|---|---|---|---|---|
| Phongsavanh Bank | Principal: are repayable 4 instalments per year as "Loan Repayment Schedule"<br>Interest: are repayable on monthly | 23 September 2019 – 26 December 2023 | 25 December 2023 – 25 December 2028 | THB 691,400,000 | 9% | - 11 Lands and buildings.<br>- Supply of goods agreements to Phubia Mining Limited, Yunnan Construction and Investment Holding (Lao) Sole Co., Ltd<br>- 7 Land and fuel station rental contracts of Petrotrade Distribution Company Limited<br>- 9 Land and fuel station rental contracts of Petroleum Trading Lao Public Company | THB 690,686,600 (Equivalent to LAK 443,289,181,660) |
| | | | | | | **Total** | **USD 5,700,835<br>THB 742,637,600<br>LAK 214,592,211,629<br>(Equivalent to LAK 808,655,564,764)** |

## 14. Borrowings (continued)

The interest rate exposure on the borrowings of the Company is as follows:

| | 2023 LAK | 2022 LAK |
|---|---|---|
| Borrowings | | |
| - at fixed rates | 808,655,564,764 | 775,726,487,214 |
| **Total borrowings** | **808,655,564,764** | **775,726,487,214** |

Maturity of borrowings is as follows:

| | 2023 LAK | 2022 LAK |
|---|---|---|
| Between 1 and 2 years | 205,050,428,208 | 775,726,487,214 |
| Between 2 years and 5 years | 603,605,136,556 | - |
| | **808,655,564,764** | **775,726,487,214** |

## 15. Other current liabilities

| | 2023 LAK | 2022 LAK |
|---|---|---|
| Advances from customers | 10,940,649,799 | 7,413,536,972 |
| Other accrued and payables | 8,798,805,215 | 8,556,195,782 |
| Other payables – related parties (Note 23.3) | 153,268,523,451 | 212,765,808,189 |
| Deferred gain from un-realisation | 71,642,374,152 | 50,442,972,011 |
| | **244,650,352,617** | **279,178,512,954** |

## 16. Share capital and premium on share capital

| | Number of Shares (Shares) | Ordinary Shares (LAK) | Share Premium (LAK) | Total (LAK) |
|---|---|---|---|---|
| At 1 January 2022 | 235,000,000 | 470,000,000,000 | 27,638,932,340 | 497,638,932,340 |
| Issue of shares | - | - | - | - |
| **At 31 December 2022** | **235,000,000** | **470,000,000,000** | **27,638,932,340** | **497,638,932,340** |
| Issue of shares | - | - | - | - |
| **At 31 December 2023** | **235,000,000** | **470,000,000,000** | **27,638,932,340** | **497,638,932,340** |

## 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 net profit, after deducted accumulated losses (if any) until such reserve reaches 50% of authorised share capital.

During the year there is no movement, the balance as of 31 December 2023 is LAK 3,708,530,711 (2022: LAK 3,708,530,711).

## 18. Sales

| | 2023 LAK | 2022 LAK |
|---|---|---|
| Revenue from plus card | 2,050,135,402 | 1,733,080,077 |

## 19. Other income

| | 2023 LAK | 2022 LAK |
|---|---|---|
| Rental income (Note 23.1) | 5,813,028,168 | 4,225,249,608 |
| Interest income (Note 23.1) | 10,547,955,474 | 9,086,392,733 |
| Management fees (Note 23.1) | 22,734,403,205 | 24,181,171,244 |
| IT services (Note 23.1) | 16,580,864,203 | 22,015,946,821 |
| Gain on disposals of fixed assets | - | 519,018,692 |
| Other income | 1,214,262,386 | 6,768,146,298 |
| | **56,890,513,436** | **66,795,925,396** |

## 20. Significant expenses by nature

| | 2023 LAK | 2022 LAK |
|---|---|---|
| Finished goods - fuel sold and service | 92,187,130 | 64,435,437 |
| Labor costs | 9,066,711,462 | 8,149,047,989 |
| Depreciation and amortisation expenses (Note 7,8,9) | 5,145,540,875 | 5,662,299,920 |
| Bank charges | 1,972,785,746 | 1,885,578,865 |
| Professional fees | 1,762,356,241 | 813,576,498 |
| Operating costs for representative offices | 5,735,817,287 | 4,000,204,799 |
| Rental expenses | 1,201,809,349 | 1,482,299,696 |
| Repair and maintenance expenses | 1,613,501,510 | 1,661,641,660 |
| Advertising expenses | 104,096,340 | 276,727,000 |

## 21. Income tax expenses

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% (2022: 20%) after considering the non-deductible income and expenses was in accordance with the Lao Tax Law.

## 22. Basic loss per share

Basic loss per share is calculated by dividing the net loss attributable to shareholders by the weighted average number of ordinary shares in issue.

| | 2023 | 2022 |
|---|---|---|
| Net loss attributable to ordinary shareholders (LAK) | (42,365,244,926) | (5,966,392,567) |
| Weighted average number of ordinary shares In issue (shares) | 235,000,000 | 235,000,000 |
| Basic loss per share (LAK) | (180) | (25) |

## 23. 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:

### 23.1 Sales of goods and services

| | 2023 LAK | 2022 LAK |
|---|---|---|
| **Sales of services to:** | | |
| Subsidiaries (Note 18) | | |
| Interest income | 9,011,988,390 | 8,000,204,492 |
| Management fee | 22,734,403,205 | 24,181,171,244 |
| IT service | 15,875,981,308 | 14,138,760,000 |
| Rental fees | 1,994,017,794 | 1,790,672,000 |
| Other related parties (Note 18) | | |
| Interest income | 1,535,967,084 | 1,086,188,241 |
| Rental fees | 3,819,010,374 | 2,434,577,608 |
| IT service and others | 704,882,895 | 7,877,186,821 |
| | **55,676,251,050** | **59,508,760,406** |

## 23. Related-party transactions (continued)

### 23.2 Purchases of goods and services

| | 2023 LAK | 2022 LAK |
|---|---|---|
| **Purchases of services from:** | | |
| Subsidiaries | | |
| Interest expenses | 9,167,046,433 | 4,446,625,617 |
| Other related parties | | |
| Other services | - | 93,921,736 |
| Interest expenses | 56,823,471,112 | 45,001,933,515 |
| | **65,990,517,545** | **49,542,480,868** |

### 23.3 Outstanding balances arising from sales/purchases of goods/services

| | 2023 LAK | 2022 LAK |
|---|---|---|
| **Receivables from:** | | |
| **Trade account receivable** | | |
| Other related parties (Note 4) | 5,770,070,800 | 11,908,699,209 |
| | **5,770,070,800** | **11,908,699,209** |
| **Other current assets** | | |
| Subsidiaries | | |
| Share subscription (Note 6) | 36,368,330,104 | 36,368,330,104 |
| Other receivable | 5,348,540,860 | 48,532,229,568 |
| Interest receivable | - | 16,750,933,866 |
| | **41,716,870,964** | **101,651,493,538** |
| Key management (Note 6) | | |
| Other receivable from share premium | 22,497,682,340 | 22,497,682,340 |
| Other receivable from sale vehicle | 16,149,973,862 | 17,146,313,862 |
| Interest receivable | 24,073,582 | - |
| | **38,671,729,784** | **39,643,996,202** |
| Other related parties (Note 6) | | |
| Interest receivable | 18,604,645,702 | 17,053,338,654 |
| Advance to related parties | 35,352,955,706 | 30,478,301,632 |
| Other receivables from rental service | 18,968,787,118 | 17,137,771,595 |
| | **72,926,388,526** | **64,669,411,881** |
| | **153,314,989,274** | **205,964,901,621** |
| **Other non-current assets** | | |
| Key management (Note 11) | | |
| Prepayment | 34,419,839,505 | 34,419,839,505 |
| | **34,419,839,505** | **34,419,839,505** |
| **Total receivable** | **193,504,899,579** | **252,293,440,335** |

## 23. Related-party transactions (continued)

### 23.3 Outstanding balances arising from sales/purchases of goods/services (continued)

| | 2023 LAK | 2022 LAK |
|---|---|---|
| **Payable to:** | | |
| **Trade accounts payable** | | |
| Other related parties (Note 12) | 1,325,322,133 | 1,417,019,095 |
| | **1,325,322,133** | **1,417,019,095** |
| **Other current liabilities** | | |
| Subsidiaries (Note 15) | | |
| Share subscription | 56,306,694,922 | 56,306,694,922 |
| Accrued interest and expenses | 13,265,445,143 | 4,446,625,617 |
| Others | 82,056,583,804 | 151,055,603,884 |
| | **151,628,723,869** | **211,808,924,423** |
| Other related parties (Note 15) | | |
| Accrued interest and expenses | 617,961,630 | 676,571,252 |
| Others | 1,021,837,952 | 280,312,514 |
| | **1,639,799,582** | **956,883,766** |
| **Total payable** | **154,593,845,584** | **214,182,827,284** |

### 23.4 Borrowings from related parties

| | 2023 LAK | 2022 LAK |
|---|---|---|
| At 1 January | 709,402,487,214 | 390,215,912,000 |
| Borrowings received during the year | 663,206,782,957 | 686,779,240,462 |
| Borrowings repayment during the year | (727,710,232,000) | (579,193,592,000) |
| Un-realisation loss on exchange | 163,756,526,593 | 211,600,926,752 |
| At 31 December | **808,655,564,764** | **709,402,487,214** |

The loans from related parties were provided with specified repayment terms and interest rate at 0%, 9-10% (2022: 9-10%) per annum (Note 14).

## 23. Related-party transactions (continued)

### 23.5 Loans to related parties

| | 2023 LAK | 2022 LAK |
|---|---|---|
| Opening balance at 1 January | 139,898,947,042 | 107,662,386,845 |
| Loans repayment during the year | (12,421,000,000) | (289,130,025) |
| Un-realisation gain on exchange | 18,255,364,922 | 32,525,690,222 |
| As at 31 December | **145,733,311,964** | **139,898,947,042** |

The loans to related parties were provided with specified repayment term and interest rate at 6.5-12% (2022: 6.5-12%) per annum

### 23.6 Key management compensation

Compensation paid to key management are as follow:

| | 2023 Million LAK | 2022 Million LAK |
|---|---|---|
| Salaries and others | 3,434 | 2,717 |

## 24. Commitments

### a) 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:

| | 2023 LAK | 2022 LAK |
|---|---|---|
| Not later than 1 year | 3,731,845,750 | 7,872,850,000 |
| Later than 1 year but not later than 5 years | 8,619,152,029 | 1,690,046,400 |
| Later than 5 years | 3,035,320,807 | 4,194,936,600 |
| | **15,386,318,586** | **13,757,833,000** |

## 24. Commitments (continued)

### b) 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 31 December under these operating lease agreements are as below:

| | 2023 LAK | 2022 LAK |
|---|---|---|
| Not later than 1 year | 1,168,835,419 | 1,249,272,000 |
| Later than 1 year but not later than 5 years | 5,844,177,096 | 4,997,088,000 |
| Later than 5 years | 12,194,872,098 | 18,099,688,819 |
| | **19,207,884,613** | **24,346,048,819** |

## 25. Events after the reporting period

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