Semi-Annual

Reports of 2020

As of 30th June 2020

PetroTrade
ບໍລິສັດ ປີໂຕຣລັ້ມເທຣດດິ້ງລາວ ມະຫາຊົນ
ຖະໜົນກຳແພງເມືອງ, ບ້ານໂພນທັນ,ເມືອງໄຊເສດຖາ,ນະຄອນຫຼວງວຽງຈັນ
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ວິໄສທັດ/ Vision

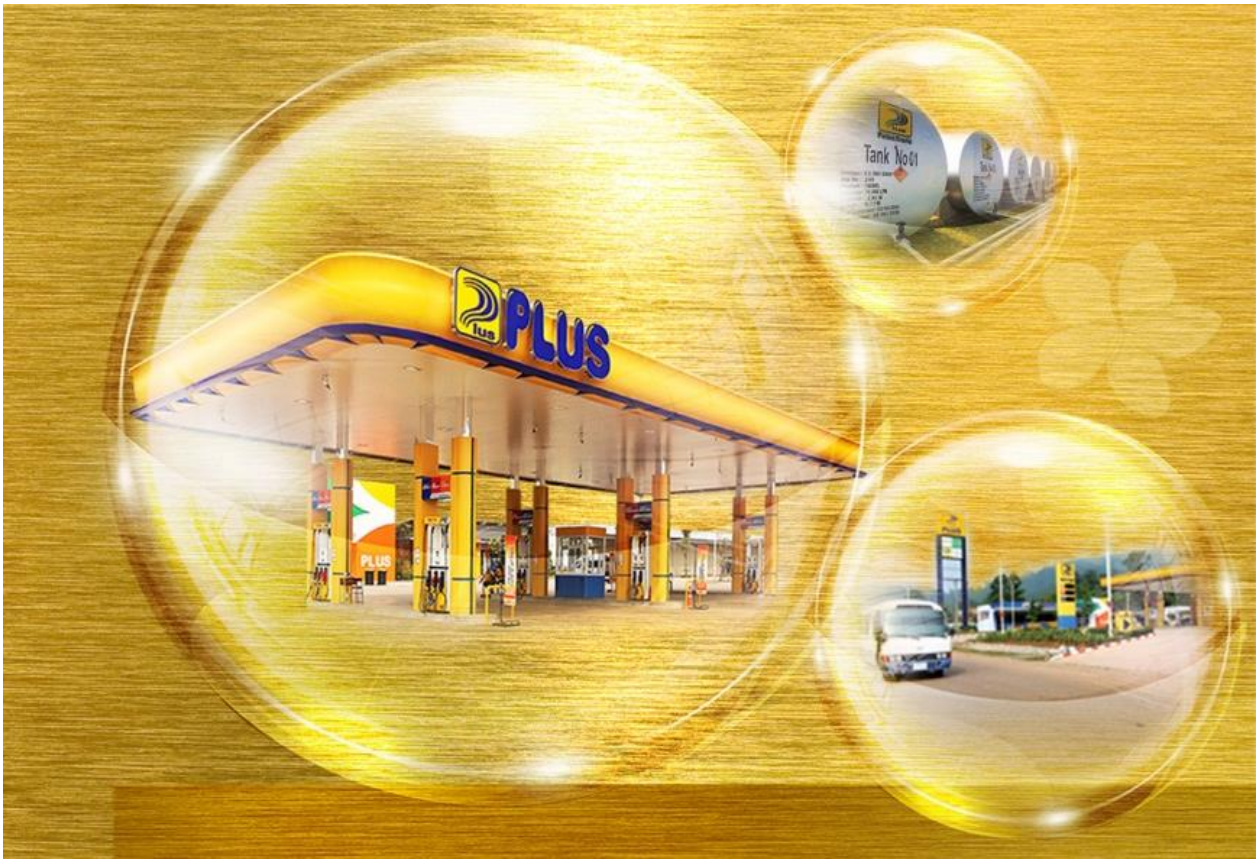
ເປັນບໍລິສັດຊັ້ນນຳ ທາງດ້ານພະລັງງານເຊື້ອໄຟ ທີ່ຄົບວົງຈອນດ້ານຜະລິດຕະພັນປິໂຕຣລ້ຽມ ໃນສປປ ລາວ ແລະ ເຊື່ອມໂຍງການຄ້າໃນລະດັບອາຊຽນ ພາຍໃນ 5 ປີ.

Be a leader of Petroleum business in Lao PDR andlink the commcercial with ASEAN within 5 years.

ພາລະກິດ / Mission

ສ້າງທຸລະກິດພະລັງງານເຊື້ອໄຟຂອງເອກະຊົນລາວທີ່ຄົບວົງຈອນເປັນທີ່ຍອມຮັບແລະເຊື່ອໝັ້ນຂອງສັງຄົມ ສາມາດເຊື່ອມໂຍງການຄ້າໃນລະດັບພູມມິພາກ, ສ້າງ ແລະ ແບ່ງປັນຜົນປະໂຫຍດຕໍ່ຜູ້ທີ່ມີສ່ວນກ່ຽວພັນ ແລະ ສັງຄົມ.

Create Lao private sector's petroleum business fully integration with accpepted and confidence for the end users, linked commercial in the region, create and sharing profitibilities of those involved and to the societies.





Petroleum Trading Lao Public Company in Brief

Petroleum Trading Lao Public Company ("Company" or "PTL"), was established by Mr. ChanthoneSitthixay and his wife Mrs. SavanhthongPhongsavanh whose are well-known businessperson in Lao PDR. They both have high experiences in many kinds of business, such as import/export business of various products in Lao PDR.

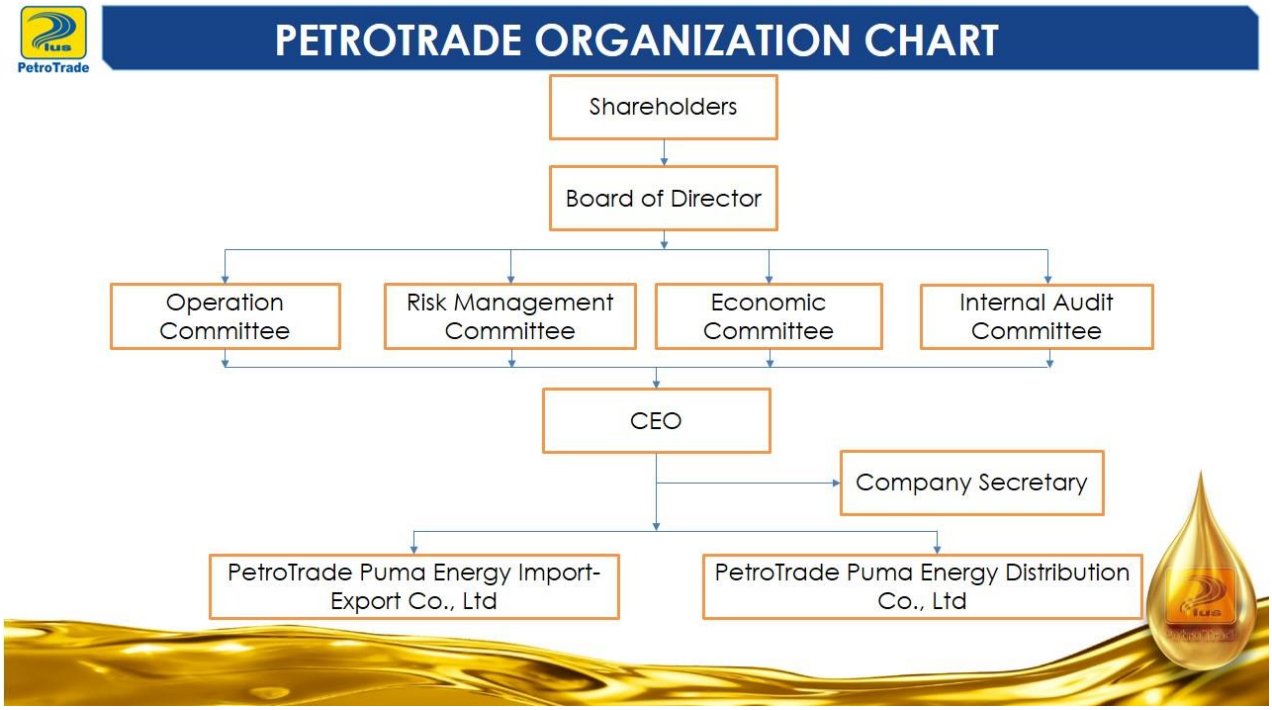
They have been to many area of the country, both urban area and remote area. Therefore, they have found the obstacle to access the source of energy or petroleum, especially in remote area. And the petroleum sold in the remote area would often be more expensive than the price that was set by government's organization causing them to realize the great level of consumption needed parallel with the growth of the economy which petroleum is an important factor in the country's development. With an intention of creating a gas station where it offers a good quality at a fair price, hence, PTL was founded by Mr. Chanthone on 3rd October 2008 with registered capital of LAK 28.8 billion to operate the business of importing petroleum and sell it through retail gas station, construction project, and Infrastructure project with head office at Ban Soununtha, Kaisonepomvihan district, Savannakhet province.

The Company has been importing the petroleum from well-known suppliers, such as, Chevron (Thailand) Limited (Chevron), ESSO (Thailand) Public Company Limited (ESSO), IRPC Public Company Limited (IRPC) and The Shell Company of Thailand Limited (Shell).

Year		Summary of highlighted events
2008	:	➢ Petroleum Trading Lao Public Company Limited (PTL) was established with registered capital: LAK 28.80 billion, 75% of shares were held by Mr. ChanthoneSitthixay and 25% were held by his wife Mrs. SavanhthongPhongsavanh. The business objectives are import and distribute petroleum products through the gas stations in Lao PDR.
2009	:	➢ Launched the first high standard gas station at Phon Than that is called the gas station "PLUS 1" ➢ Launched the first depotwhich is able to store the oil up to 700,000 liters in Savannakhet province
2010	:	➢ The Company has received the certificates of the international standard from United Kingdom Accreditation Service (UKAS), three types: ISO 9001:2008 Quality Management System,ISO 14001:2004Environmental Management Systems,and OHSAS 18001:2007Occupational Health and Safety Management Systems. ➢ Launched a depot at Vientiane Capital City, oil capacity: 1,120,000 liters and another depot at MeungNgeun, Sayaboury Province, and oil capacity: 700,000 liters.
2011	:	➢ The Company has increased registered capital to LAK 75.60 billion in order to support the expansion of gas station coverall area of Lao PDR ➢ Launched the first PLUS Gold Gas Stationin Vientiane Capital city ➢ Launched the Paksan depot in Bolikhamxay province, oil capacity: 350,000 liters. ➢ The Company took the position into the second largest fuel distributor in Lao PDR by market share
2012	:	➢ Launched the first PLUS Platinum Gas Station (PTN) in Vientiane Capital city, namely: PLUS Done Koy gas station at Done Koy village, Sisattanak District,Vientiane Capital city. ➢ The Company can maintain the position of the second largest fuel distributor in the Lao PDR by market shares. ➢ The Company applied the modern technology to enhance and manage the sale division by using Electronic Data Capture (EDC) and store data from the center to every branches throughout the country by developing ERP System. ➢ The Company invested in developing fuel sale system by using electronic card instead of cash payment (Fleet Card) which became the first company in Lao PDR that initiated to bring the high technology to control and manage the cost in business operation. The card is able to use for gas paymentin the Company stations.
2013	:	➢ The Company has increased the registered capital to LAK 350.00 billion in order to support the Company's growth, and the expansion of investment

		to be the top of gas station service in Lao PDR. And to support the growth in demand for fuel consumption in Laos and the ASEAN Economic Community (AEC). ➢ The Company has received the extension of certificates of the international standard from United Kingdom Accreditation Service (UKAS), three types are: ISO 9001:2008,ISO 14001:2004, OHSAS 18001:2007. ➢ The Company has clearly restructured the Company and the related companies in order to meet the growth in long term. ➢ The Company can maintain the position of the second largest fuel distributor in the Lao PDR by market shares.
2014	:	➢ The Company became a member of Lao Petroleum and Gas Association ➢ According to Annual General Shareholders' Meeting in 2014 on18th June 2014 has agreed in the important issues such as: – Reduce par value per that is stated fromLAK 350,000,000 per share to LAK 2,000 per share that is made the number of share increasefrom 1,000 shares to 175,000,000 shares. – The shares are distributed from two shareholders to 9 shareholders to meet the requirements of public company establishment. ➢ According to Extraordinary General Shareholders' Meeting 1/2014, on 9th October 2014,the shareholders have agreed on the issues as follows: – Approved to increase registered capital LAK 470 billion by issuing common shares: 60,000,000 shares, par: LAK 2,000, distribution: Initial Public Offering (IPO). – To establish Petroleum Trading Lao Public Company and submitting to be listed in the Lao Securities Exchange




PETROTRADE ORGANIZATION CHART
PetroTrade
Shareholders
Board of Director
Operation Committee
Risk Management Committee
Economic Committee
Internal Audit Committee
CEO
Company Secretary
PetroTrade Puma Energy Import-Export Co., Ltd
PetroTrade Puma Energy Distribution Co., Ltd


PetroTrade



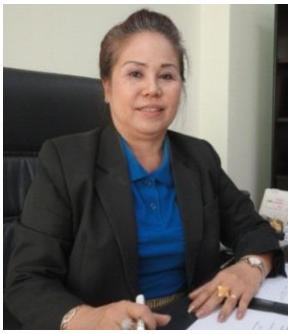
PTL Board of Directors



Mr. Chanthone Sitthixay / Chairman of Board of Directors



Mrs. SavanhthongPhongsavanh
Vice Chairman



Mrs Chanthadom Meksavanh
Vice Chairman



Mr. NoophanMahaphon
Independent Director



Mr. Phoxay Chanthavongsa
Independent Director



Mr. Bounthanh Chittavong
Director



Mrs. Daly Pholsena
Independent Director

Sales

Summary of Project Customer in the half year of 2020

No	Costomer	Litre
1	B2B (Project Customer)	**45,108,000 Litres**

Summary of Medium LS Fuel Oil and Road Petroleum Customer in the half year of 2020

No	Costomer	Litre
1	Medium LS Fuel Oil	**3,460,368 Litres**
2	Road Petroleum Customer	**9,948,630.49 Litres**
	Total	**13,408,998.49 Litres**

Summary of Gas Station Customer in the half year of 2020

No	Costomer	Litre
	COCO/ Company 's gas station	
1	Gold	7,407,000 Litres
2	Platinum	4,819,000 Litres
3	Standard	3,068,000 Litres
	DODO/ Customer 's gas station	
1	Gold	3,147,000 Litres

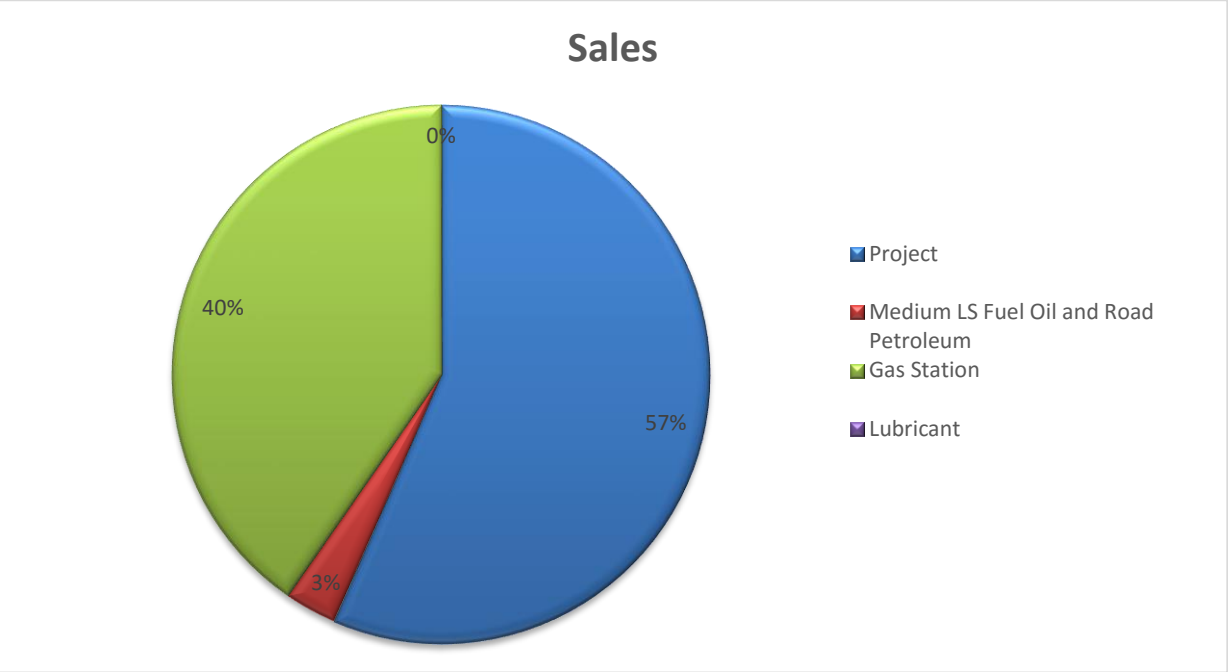
2	Platinum	1,577,000 Litres
3	Standard	6,144,000 Litres
4	Thongthin	6,043,000 Litres
	Total	**32,205,000 Litres**

Summary of Lubricant Customer in the half year of 2020

No	Costomer	Litre
1	Lubricant	**6,994 Litres**

Summary of All Customer in the half year of 2020

No	Costomer	Litre
1	Project	45,108,000 Litres
2	Medium LS Fuel Oil and Road Petroleum	13,408,998.49 Litres
3	Gas Station	32,205,000 Litres
4	Lubricant	6,994 Litres
	Grand Total	**90,806,312.49 Liters**



Comparation of Sale Half Year 2019-2020

6 Months Actual Sale of 2019	6 Months Actual Sale of 2020	Difference of 2019-2020 (+, -, %)
86,228,872 Liters	**90,806,312.49 Liters**	**5 %**

Depot Operation

- Received **57,743,572** Liters;
- Withdrawal **58,594,234** Liters;

- Average volatility of Gasoline Super 95 in the depots are -1,409 liters, of all received 478,163 Liters and it's beyond our lose control -0.29 %;
- Average volatility of Gasoline Super 91 in the depots are -10,485 liters, of all received 12,196,158 liters Liters and it's beyond our lose control -0.09 %;
- Average volatility of Diesel in the depots are -2,093 Liters of all reeived 45,919,913 Liters and it's beyond our lose control 0.02%; and
- Lublicants received & withdrawal total of 7,018 liters.

Human Resource

In the past 6 months of 2020, our human resource department were works to make sure that our employee are enough and capable and skills to works in their roles and responsibilities, update and make sure our wealthfare and employee benefit are complying with labor law and company policy.

We've organized in-house training for our employee as below subjects:

- Company Policy and ISO Qualifying of 2018.
- Company Policy and Compliant for new employee.
- Health & Safety and Environment knowledge.
- Online Evaluation System;
- AX System How-to purchase online;
- ACE Online Platform Purchasing System;
- Delegation of Authorization
- Basic and Intermidate English Course.

Total of Employee of PTL for the year 2019

Office	Female	Male	Total
Head Office	24	29	53

We're internship from the university and colleges studied with us in differences department as below:

No	Description	Period (month)	Total of Student	Venue
1	Dongkhamxang College (Agriculture-Forestry)	4	4	Head office
2	Faculty of Economics and Business Administration, National University of Laos	1,5	4	Head office
		Total	**8**	

Social Responsibilities

On 6th April 2020 at The Prime Minister, Petroleum Trading Lao Public and subsidiary Phongsavanh brought the medical devices and consumer goods for combat bacterial transmission to develop new strains: COVID-19 to The Government for protection, control and Correction Commission to develop a new strain (Novel Corona Virus: NCoV). The device consists as bllow:

- 250,000 Face Mask
- 90 boxes of 90 alcohol
- 50 boxes of medical glove
- 240 boxes of cans fish
- 400 boxes of noodle

Total value: 1,100,000,000 kip (1,1 billion kip).



Represented by Mr. Bounthanh Chittavong, Member of Board of Directors, Petroleum Trading Lao Public and the delegation with the honor of Mr. Somdee Duangdee, Deputy Prime Minister, Minister of Finance and Head of the Group on Prevention for protection, control and Correction Commission to develop a new strain.

During 12 years of business operation of Petroleum Trading Lao Public Company has always been on Corporate Social Responsibility (CSR). By this time, as the COVID-19 epidemic is widespread and spread rapidly to many countries around the world, it has suffered greatly in the economic health of people around the world, including life and death. Ethnographic assets that have contributed to the worries and confusion of society this year, electronic trading has been reluctant to prioritize all efforts and ability to prevent and suppress the spread of disease within the organization itself since. And cooperate with the Ministry of Health to disseminate fundamental knowledge to disseminate the basic knowledge of how COVID-19 dissemination is worse.

Petrotrade is proud to contribute and support the government in the prevention, control and response of the COVID-19 outbreak. We would like to encourage and stand with the Lao government and society in working together to fight this disease to the best of our ability to get through this crisis as quickly as possible.

On 4th June 2020, the Nation Plantation Day 10 years on 1st June 2020 organized by Agriculture and Forestry Office of Boualapha District supported by Petroluem Trading Lao Public Company and Boualapha Power Co., Ltd of total 2,050 young seeing in 3 hectars the area which located at Lungkang secondary school Boualapha District Khammouane Province under Mr. Bounkuang Keobounyong, Governor of Boualapha District, Khammouane Province attended as the chief office, vice chief office, officer, employee, young students and Agriculture and Forestry Department of Khammouane Province together with Petroluem Trading Lao Public Company and Boualapha Power Co., Ltd. This project Petroluem Trading Lao Public Company support fund and other in total value of 28,186,000 Kip.





Summary of contributed to social 6 months of 2020

No	Description	Total (LAK)
1	Lao Red Cross	13,937,180 Kip
2	Support Nation Plantation Day 10 years on 1st June 2020, Boualapha District, Khammouane Province	28,186,000 Kip
3	Face Mask for 103 hotpital and Mittaphab (Friendship) hospital	17,000,000 Kip
	Grand Total	**59,123,180 Kip**

Summary of Tax Piad to the Tax Authority and other in the 6 months of 2020

• Import Tax	15,208,215,700 Kip
• Excise Tax	54,806,695,000 Kip
• Value Added Tax	28,411,332,300 Kip
• Road Tax	39,085,800,000 Kip
• Statutory Fuel-price Stabilizing Reserve Fund	90,341,100,000 Kip
• E-Meter	450,990,000 Kip
• Quality Fee	1,202,640,000 Kip
• Value Added Tax During a Year	287,300,027 Kip
• Value Added Tax	12,068,087,338 Kip
• Income Tax	265,970,053 Kip

Total: 242,128,130,418 Kip

** The Audited Financial Report sparated from this report*

Chairman Board of Directors

ບໍລິສັດ ປິໂຕຣລ້ຳເທຣດດິ້ງ ລາວ ມະຫາຊົນ
Petroleum Trading Lao Public Company

Chanthone SITTHIXAY