PETROLEUM TRADING LAO PUBLIC COMPANY AND ITS SUBSIDIARIES

INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2020

Petroleum Trading Lao Public Company and its subsidiaries
Condensed consolidated statement of financial position
As at 30 September 2020

	Notes	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
Assets			
Current assets			
Cash and cash equivalents	5	18,939,606,538	7,436,128,462
Trade receivables, net	6	110,765,641,441	124,854,782,269
Inventories, net	7	16,298,929,991	24,695,863,078
Short-term loan to related parties		39,263,196,859	34,433,275,626
Other current assets	8	109,475,217,137	92,766,304,739
Total current assets		**294,742,591,966**	**284,186,354,174**
Non-current assets			
Property, plant and equipment, net	9	320,915,886,286	327,777,992,137
Intangible assets, net	10	5,361,865,971	6,258,728,410
Investment properties, net	11	83,972,198,316	86,509,152,307
Other non-current assets	12	58,006,747,160	46,916,366,910
Total non-current assets		**468,256,697,733**	**467,462,239,764**
Total assets		**762,999,289,699**	**751,648,593,938**

Chanthone Sitthixay
Chief Executive Officer

Date: 13 November 2020

Chanthadom Meksavanh
Acting Chief Finance Officer

Date: 13 November 2020

Petroleum Trading Lao Public Company and its subsidiaries
Condensed consolidated statement of financial position
As at 30 September 2020

	Notes	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
Liabilities and equity			
Liabilities			
Current liabilities			
Trade payables	13	81,782,892,099	116,317,493,425
Tax payables	14	24,675,870,011	16,605,309,860
Short-term borrowings	15	60,723,321,421	34,700,000,000
Other current liabilities	16	33,361,809,928	26,685,191,743
Total current liabilities		**200,543,893,459**	**194,307,995,028**
Non-current liabilities			
Long-term borrowings	15	362,989,120,000	326,255,600,000
Total non-current liabilities		**362,989,120,000**	**326,255,600,000**
Total liabilities		**563,533,013,459**	**520,563,595,028**
Equity			
Share capital	17	470,000,000,000	470,000,000,000
Share premium		27,638,932,340	27,638,932,340
Common control reserve		0	(898,908,935)
Accumulated loss			
Appropriated-legal reserve		4,172,052,092	4,172,052,092
Other reserve		1,977,267,980	1,977,267,979
Un-appropriated		(306,493,193,450)	(273,795,565,835)
Equity attributble to owners of the parent		**197,295,058,962**	**229,093,777,641**
Non-controlling interest		2,171,217,278	1,991,221,269
Total equity		**199,466,276,240**	**231,084,998,910**
Total liabilities and equity		**762,999,289,699**	**751,648,593,938**

Chanthone Sitthixay
Chief Executive Officer

Date: 13 November 2020

Chanthadom Meksavanh
Acting Chief Finance Officer

Date: 13 November 2020

Petroleum Trading Lao Public Company and its subsidiaries
Condensed consolidated statement of income
For the three-month period ended 30 September 2020

	Notes	Unaudited 30 September 2020 LAK	Unaudited 30 September 2019 LAK
Sales		266,597,593,775	272,481,812,539
Cost of sales		(240,864,539,657)	(256,492,805,659)
Gross profit		**25,733,054,118**	**15,989,006,880**
Other incomes		(1,603,930,272)	2,784,966,297
Other gain(loss), net		(1,286,679,899)	(4,786,040,902)
Selling expenses		1,965,185,664	(3,314,735,074)
Administrative expenses		(22,187,580,488)	(15,400,426,008)
Operating loss		**2,620,049,123**	**(4,727,228,807)**
Finance expense		(8,901,471,055)	(7,935,078,150)
Net loss before income tax expenses		**(6,281,421,932)**	**(12,662,306,957)**
Income tax expenses	18	(1,367,699,948)	(470,747,850.00)
Net loss for the period		**(7,649,121,880)**	**(13,133,054,807)**
Loss attributable to :			
Owners of the parent		(7,719,064,572)	(13,149,945,429)
Non-Controlling interest		69,942,692	16,890,623
		(7,649,121,880)	**(13,133,054,806)**
Earnings (loss) per share			
Basic earnings (loss) per share		(33)	(56)

Chanthone Sitthixay
Chief Executive Officer

Date: 13 November 2020

Chanthadom Meksavanh
Acting Chief Finance Officer

Date: 13 November 2020

Petroleum Trading Lao Public Company and its subsidiaries
Condensed consolidated statement of income
For the nine-month period ended 30 September 2020

	Notes	Unaudited 30 September 2020 LAK	Unaudited 30 September 2019 LAK
Sales		834,193,291,938	906,958,124,755
Cost of sales		(763,225,630,315)	(849,773,434,577)
Gross profit		**70,967,661,623**	**57,184,690,178**
Other incomes		4,107,946,803	5,544,449,063
Other gain(loss), net		(16,362,291,113)	(21,152,097,609)
Selling expenses		(9,663,790,734)	(13,904,176,483)
Administrative expenses		(51,667,677,445)	(48,720,059,939)
Operating loss		**(2,618,150,866)**	**(21,047,194,790)**
Finance expense		(25,380,670,347)	(2,333,708,249)
Net loss before income tax expenses		**(27,998,821,213)**	**(23,380,903,039)**
Income tax expenses	18	(3,783,358,637)	-
Net loss for the period		**(31,782,179,850)**	**(23,380,903,039)**
Loss attributable to :			
Owners of the parent		(31,953,397,128)	(45,731,886,798)
Non- Controlling interest		171,217,278	73,112,058
		(31,782,179,850)	**(45,658,774,740)**
Earnings (loss) per share			
Basic earnings (loss) per share	19	(136)	(195)

Chanthone Sitthixay
Chief Executive Officer

Date: 13 November 2020

Chanthadom Meksavanh
Acting Chief Finance Officer

Date: 13 November 2020

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

					Accumulated loss				
	Share capital (Note 17) LAK	Share premium LAK	Common control reserve LAK	Translation LAK	Appropriated legal reserve LAK	Other reserve LAK	Unappropriated LAK	Non-controlling Interest LAK	Total LAK
Opening balance at 1 July 2020 - Unaudited	**470,000,000,000**	**27,638,932,340**	**0**	**0**	**4,172,052,092**	**1,977,267,979**	**(298,765,350,146)**	**2,092,495,855**	**207,115,398,120**
Changes in parent's ownership interests in subsidiaries	-	-	-	-	-	-	-	-	-
Net loss for the period	-	-	-	-	-	-	(7,719,064,572)	69,942,692	(7,649,121,880)
Closing balance at 30 September 2020 - Unaudited	**470,000,000,000**	**27,638,932,340**	**0**	**0**	**4,172,052,092**	**1,977,267,979**	**(306,484,414,718)**	**2,162,438,547**	**199,466,276,240**
Opening balance at 1 July 2019 - Unaudited	**470,000,000,000**	**27,638,932,340**	**(898,908,935)**	**613,187,941**	**3,708,530,711**	**1,977,267,979**	**(225,087,877,617)**	**2,083,241,842**	**280,034,374,261**
Translation of foreign operation	-	-	-	(14,535,619)	-	-	-	-	(14,535,619)
Changes in parent's ownership interests in subsidiaries	-	-		-	-	-	-	-	-
Net loss for the period	-	-	-	-	-	-	(13,149,945,429)	16,890,623	(13,133,054,806)
Closing balance at 30 September 2019 - Unaudited	**470,000,000,000**	**27,638,932,340**	**(898,908,935)**	**192,318,129**	**3,708,530,711**	**1,977,267,979**	**(238,237,823,046)**	**2,100,132,465**	**266,886,783,836**

Chanthone Sitthixay
Chief Executive Officer

Date: 13 November 2020

Chanthadom Meksavanh
Acting Chief Finance Officer

Date: 13 November 2020

The accompanying notes on page 11 to 22 are an integral part of these condensed consolidated financial information.

Petroleum Trading Lao Public Company and its subsidiaries
Condensed Consolidated statement of changes in equity
For the nine-month period ended 30 September 2020

	Share capital (Note 17) LAK	Share premium LAK	Common control reserve LAK	Translation LAK	Accumulated loss: Appropriated legal reserve LAK	Accumulated loss: Other reserve LAK	Accumulated loss: Unappropriated LAK	Non-controlling Interest LAK	Total LAK
Opening balance at 1 January 2020 - Audited	**470,000,000,000**	**27,638,932,340**	**(898,908,935)**	**-**	**4,172,052,092**	**1,977,267,979**	**(273,632,108,656)**	**1,991,221,269**	231,248,456,089
Reclassify control reserve	-	-	898,908,935	-	-	-	(898,908,935)	-	-
Net loss for the period	-	-	-	-	-	-	(31,953,397,128)	171,217,278	(31,782,179,850)
Closing balance at 30 September 2020 - Unaudited	**470,000,000,000**	**27,638,932,340**	**-**	**-**	**4,172,052,092**	**1,977,267,979**	**(306,484,414,719)**	**2,162,438,547**	**199,466,276,240**
Opening balance at 1 January 2019 - Audited	**470,000,000,000**	**27,638,932,340**	**(898,908,935)**	**544,522,558**	**3,708,530,711**	**1,977,267,979**	**(192,505,936,248)**	**2,027,020,407**	**312,491,428,812**
Translation of foreign operation	-	-	-	54,129,764	-	-	-	-	54,129,764
Changes in parent's ownership interests in subsidiaries	-	-		-	-	-	-	-	-
Net loss for the period	-	-	-	-	-	-	(45,731,886,798)	73,112,058	(45,658,774,740)
Closing balance at 30 September 2019 - Unaudited	**470,000,000,000**	**27,638,932,340**	**(898,908,935)**	**598,652,322**	**3,708,530,711**	**1,977,267,979**	**(238,237,823,046)**	**2,100,132,465**	**266,886,783,836**

Chanthone Sitthixay
Chief Executive Officer

Date: 13 November 2020

Chanthadom Meksavanh
Acting Chief Finance Officer

Date: 13 November 2020

The accompanying notes on page 11 to 22 are an integral part of these condensed consolidated financial information.

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

	Notes	Unaudited 30 September 2020 LAK	Unaudited 30 September 2019 LAK
Cash flow from operating activities:			
Net loss before income tax for the period		(6,281,421,932)	(12,662,306,957)
Adjustments to reconcile net profit to net cash			
Depreciation and amortisation		5,275,055,925	5,866,787,113
Interest income		(267,964,379)	(600,991,426)
Interest expenses		8,890,874,025	8,497,754,881
Income tax expenses		-	(470,747,850)
Unrealised from exchanged loss		-	5,885,770,478
Operating profit (loss) before working capital changes		7,616,543,639	6,516,266,239
Changes in operating assets and liabilities			
Trade receivables		24,435,472,400	(4,919,002,891)
Inventories		5,530,004,171	4,984,808,027
Trade payables		(16,745,198,445)	21,160,186,432
Accrued tax payables		116,571,688,952	103,616,325,810
Other current asset		(10,810,240,655)	(5,974,271,719)
Other current liabilities		5,695,067,409	(10,380,280,081)
Assets classified as held-for-sale		-	(812,279,788)
Cash generated from operation		132,293,337,471	114,191,752,029
Interest received		-	45,544,512
Interest paid		(6,488,659,534)	(7,537,864,410)
Other tax and statutory tax paid		(125,172,305,882)	(104,941,709,737)
Net cash generate from (used in) operating activities		632,372,054	1,757,722,394
Cash flows from investing activities:			
Acquisitions of fixed assets		(222,807,800)	(946,517,441)
Loans paid during the period	19.5	(24,392,410,259)	(132,227)
Loans received durig the period		24,075,024,095	-
Net cash (used in) /from investing activities		(540,193,964)	(946,649,668)

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Chanthone Sitthixay
Chief Executive Officer

Date: 13 November 2020

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Acting Chief Finance Officer

Date: 13 November 2020

Petroleum Trading Lao Public Company and its subsidiaries
Consolidated statement of cash flows
For the three-month period ended 30 September 2020

	Notes	Unaudited 30 September 2020 LAK	Unaudited 30 September 2019 LAK
Cash flows from financing activities:			
Proceeds from borrowings		46,324,000,000	93,662,868,000
Repayment of borrowings		(34,727,696,000)	(93,637,044,000)
Net cash from (used in) financing activities		11,596,304,000	25,824,000
Net decrease in cash and cash equivalents		11,688,482,090	836,896,726
Cash and cash equivalents at the beginning of the period		7,251,124,449	6,024,485,940
Exchange gains/(losses) on cash and cash equivalents			105,547,961
Cash and cash equivalents at the end of the period		18,939,606,539	6,966,930,627
Significant non cash items;			
Accounts payable for fixed assets		79,993,459	168,676,491

Chanthone Sitthixay
Chief Executive Officer

Date: 13 November 2020

Chanthadom Meksavanh
Acting Chief Finance Officer

Date: 13 November 2020

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

	Notes	Unaudited 30 September 2020 LAK	Unaudited 30 September 2019 LAK
Cash flow from operating activities:			
Net loss before income tax for the period		(27,998,821,213)	(43,325,066,491)
Adjustments to reconcile net profit to net cash			
Depreciation and amortisation	8,9,10	14,004,757,034	17,384,547,240
Reversal provision for doubtful debts		-	(370,950,000)
Bad debts		140,321,104	o
Provision for doubtful debts		-	1,288,240,915
Gain on disposal fixed assets		(365,907)	-
Interest income		(1,047,413,058)	(2,191,516,686)
Interest expenses		25,370,073,317	22,277,871,701
Income tax expenses		(2,415,658,689)	(2,333,708,249)
Unrealised from exchanged loss		12,295,584,819	20,415,178,792
Operating profit (loss) before working capital changes		20,348,477,407	13,144,597,222
Changes in operating assets and liabilities			
Trade accounts receivable		14,343,443,727	2,235,948,933
Inventories		8,396,933,087	(9,343,229,002)
Trade accounts payable		(34,802,175,943)	16,956,699,109
Tax payables		360,971,618,550	357,558,181,334
Other current asset		(24,132,765,580)	(36,688,175,302)
Other current liabilities		(5,639,295,764)	(6,799,454,640)
Assets classified as held-for-sale		-	(812,279,788)
Cash generated from operation		**339,486,235,484**	**336,252,287,866**
Interest received		75,057,694	84,012,652
Interest paid		(10,889,540,411)	(19,342,042,343)
Other tax and statutory tax paid		(340,320,662,377)	(356,398,912,006)
Net cash generate from (used in) operating activities		(11,648,909,610)	(39,404,653,831)
Cash flows from investing activities:			
Acquisitions of fixed assets		(1,846,632,326)	(2,342,111,296)
Disposal of fixed asset	20.5	2,090,090	-
Loans paid from related parties	20.5	(21,448,887,498)	(1,130,408,623)
Loans received durig the period		21,561,631,933	3,416,800,000
Net cash (used in) /from investing activities		(23,293,429,734)	(55,719,919)

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Chief Executive Officer

Date: 13 November 2020

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Date: 13 November 2020

The accompanying notes on page 11 to 22 are an integral part of these condensed consolidated financial information.

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

	Notes	Unaudited 30 September 2020 LAK	Unaudited 30 September 2019 LAK
Cash flows from financing activities:			
Proceeds from borrowings	15	81,173,513,421	234,436,368,000
Repayment of borrowings	15	(34,727,696,000)	(200,613,004,000)
Net cash from (used in) financing activities		46,445,817,421	33,823,364,000
Net decrease in cash and cash equivalents		11,503,478,077	(5,637,009,750)
Cash and cash equivalents at the beginning of the period		7,436,128,462	12,515,355,962
Exchange gains/(losses) on cash and cash equivalents		-	88,584,416
Cash and cash equivalents at the end of the period		18,939,606,539	6,966,930,627
Significant non cash items;			
Accounts payable for fixed assets		79,993,459	135,328,908

Chanthone Sitthixay
Chief Executive Officer

Date: 13 November 2020

Chanthadom Meksavanh
Acting Chief Finance Officer

Date: 13 November 2020

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1 General information

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

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

The Group invested 99% of interest in Petrotrade Puma Energy Import and Export Co., Ltd and Petrotrade Puma Energy Distribution Co., Ltd which are incorporated in Lao PDR respectively.

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

The Group has 7 depot branches which are located in Vientiane capital, Bolikhamxay, Savannakhet, Sayyabouly and Champasack provinces, Lao PDR.

The Group also has 21 gas stations which are located in Vientiane Capital 11 stations, Vientiane Province 5 stations, Khammouane 3 stations, Sayyabouly 1 station, Bolikhamxay 1 station, Lao PDR.

These consolidated financial statements were authorised by the board of directors on 13 November 2020.

2 Basis of preparation and accounting policies

The interim consolidated financial information has been prepared in accordance with the Group's accounting policies as described in more details in the annual financial statements for the year ended 31 December 2019. The primary financial information (i.e. statement of financial position, statement of income, statement of changes in equity and statement of cash flows) is presented in a format consistent with the annual financial statements complying with the reporting and disclosure regulation No.004/SECO, dated 28 January 2019 issued by Lao Securities and Exchange Commission Office.

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

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

2 Basis of preparation and accounting policies (continued)

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

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

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

3 Significant events during the current period

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

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

As explained above, the COVID-19 outbreak and resulting measures taken by various governments to contain the virus have already significantly affected our business in the first fourth months of 2020. The Group have experienced a decline in revenues for the nine-month period ended 30 September 2020 compared to the same period in September 2019 at 9%.

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

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

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

4 Estimates

The preparation of condensed interim consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, incomes and expenses. Actual results may differ from these estimates.

In preparing this interim consolidated financial information, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2019.

5 Cash and cash equivalents

	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
Cash on hand	191,878,975	1,394,978,528
Cash at banks	18,747,727,563	6,041,149,934
	18,939,606,538	**7,436,128,462**

6 Trade accounts receivable, net

	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
Trade accounts receivable - related parties (Note 21.3)	11,848,947,380	13,258,851,920
Trade accounts receivable - third parties	107,805,712,647	120,484,948,933
	119,654,660,027	**133,743,800,853**
Less: Allowance for doubtful accounts	(8,889,018,584)	(8,889,018,584)
Trade accounts receivable – Net	**110,765,641,441**	**124,854,782,269**

7 Inventories, net

	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
Fuel	13,957,536,753	22,557,622,553
Lubricant	1,303,818,860	1,150,725,521
Office supply	207,443,963	250,217,912
Plus card	88,527,099	101,595,496
Oil color	103,897,707	87,478,080
Spare part	732,991,199	643,509,107
Goods in transit	-	-
	16,394,215,581	**24,791,148,669**
Less: Allowance for impairment based on net realisable value	(95,285,591)	(95,285,591)
Inventories – Net	**16,298,929,991**	**24,695,863,078**

8 Other current assets

	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
Other receivables – related parties	62,057,435,349	60,005,594,663
Advance to suppliers	23,170,477,884	13,108,227,243
Deposit to suppliers	4,436,629,130	1,531,483,451
Advance to employees	38,000,000	30,000,000
Advance profit tax payment	2,803,829,025	2,127,538,318
VAT receivable	165,330,604	154,800,014
Other receivable	1,787,018,191	576,371,922
Interest receivable from related parties (Note 21.3)	14,659,135,179	13,861,067,354
Prepayment warehouse rental	357,721,774	1,371,221,774
	109,475,577,137	**92,766,304,739**

9 Property, plant and equipment, net

	LAK
As at 1 January 2020 – Audited	327,777,992,137
Additions	3,063,150,504
Disposal	(1,724,183)
Transfer-in (out)	1,258,050,234
Less: depreciation	(11,181,582,406)
Net book amount as at 30 September 2020 – Unaudited	**320,915,886,286**

10 Intangible assets, net

	LAK
As at 1 January 2020 – Audited	6,258,728,410
Less: amortisation	(896,862,439)
Net book amount as at 30 September 2020 – Unaudited	**5,361,865,971**

11 Investment properties, net

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

12 Other non-current assets

	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
Prepaid land rental*	51,439,509,160	40,349,128,910
Advance for gas stations and others	6,567,238,000	6,567,238,000
	58,006,747,160	**46,916,366,910**

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

13 Trade accounts payable

	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
Trade payables - third parties	70,601,013,221	109,333,108,117
Trade payables - related parties (Note 21.3)	11,181,878,878	6,984,385,308
	81,782,892,099	**116,317,493,425**

14 Tax payables

	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
Value Added Tax payables	8,121,118,599	4,482,816,490
Personnel income tax payables	70,739,205	108,764,761
Income tax payables	5,661,547,987	1,193,820,793
Other taxes and statutory payables*	10,822,824,220	10,819,907,816
	24,676,230,011	**16,605,309,860**

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

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

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

For the year 2018, 2019 and nine-month period ended 30 Sep 2020 is in the process of reviewing by Tax Authorities.

15 Borrowings

	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
Current		
Current portion of long-term borrowings from banks	0	34,700,000,000
Borrowings from related parties (Note 21.4)	60,723,321,421	-
	60,723,321,421	**34,700,000,000**
Non-current		
Borrowings from banks	66,324,000,000	-
Borrowings from related parties (Note 21.4)	296,665,120,000	326,255,600,000
	362,989,120,000	**326,255,600,000**
	423,712,441,421	**360,955,600,000**

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

	LAK
At 1 January 2020 – Audited	360,955,600,000
Borrowings received during the period	81,173,513,421
Borrowings repayment for the period	34,727,696,000
Un-realisation loss on exchange	16,311,024,000
At 30 Sep 2020 – Unaudited	**423,712,441,421**

During the period the Group signed new borrowing agreements with two local banks as below:

Outstanding balance	Maturity and repayment term	Interest rate	Collaterals
LAK 66,324,000,000	36 months, principal and interest are payable on monthly basis. The last instalment is due on 23 March 2023	10.13% per annum	Land lots, houses, buildings and petroleum tanks in Savannakhet, Champasack provinces and Vientiane Capital.
LAK 14,849,513,421	12 months, principal and interest are payable on monthly basis. The last instalment is due on 26 December 2020	10% per annum	Right of use in operation of three gas station (COCO pump) at Vientiane Capital and Bolikhamxay province.

16 Other current liabilities

	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
Advance from customers	14,217,270,313	4,838,206,836
Other accrued and payables	2,564,940,309	8,863,161,978
Other payables - related parties	16,579,599,306	12,983,822,929
	33,361,809,928	**26,685,191,743**

17 Share capital and premium on 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 the Listing License No. 005 dated 26 November 2014. The total share as of 30 September 2020 is 235,000,000 shares with the par value of LAK 2,000 per share.

There was no additional share issued or decreased during the nine-month period ended 30 September 2020.

18 Legal reserve

Legal reserve is set-up in accordance with the Enterprise Law of Lao PDR which requires the appropriation of profit as a legal reserve of at least 10% of the annual profit until such reserve reaches 50% of authorised share capital.

During the period there is no movement, the balance as of 30 September 2020 is LAK 4,172,052,092 (2019: LAK 4,172,052,092)

19 Income tax expenses

According to the tax law no. 259 effective on 1 January 2020, the Group calculated Profit taxes on its net taxable income at the rate of 20% after considering the non-deductible income and expenses was in accordance with the Lao Tax Law.

In Lao PDR, income tax returns are regularly reviewed in detail by the relevant authorities. In addition, tax issues raised in the reviews may require substantive judgements and interpretation by the parties concerned.

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

20 Basic earnings (loss) per share

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

	Unaudited 30 September 2020	Unaudited 30 September 2019
Net profit/(loss) attributable to ordinary shareholders (LAK)	(31,782,179,850)	(45,658,774,740)
Weighted average number of ordinary shares in issue (shares)	235,000,000	235,000,000
Basic earnings (loss) per share (LAK)	(136)	(195)

Basic earnings (loss) per share of non-controlling interest which is 0.1% was immateriality therefore did not present in these consolidated financial statements.

21 Related-party transactions

Individuals and entities that directly or indirectly control or are controlled by or are under common control with the Group, including investment entities and individuals or entities having significant influence over the Group, key management personnel, including directors and officers of the Group and close members of the family of these individuals and entities associated with these individuals also constitute related parties.

In considering each possible related-party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The following significant transactions were carried out with related parties:

21.1 Sales of goods and services

	Unaudited 30 September 2020 LAK	Unaudited 30 September 2019 LAK
Sales of goods to:		
Other related parties	179,243,564,069	138,096,685,043
Sales of services to:		
Other related parties	2,563,465,179	2,341,972,303

21.2 Purchases of goods and services

	Unaudited 30 September 2020 LAK	Unaudited 30 September 2019 LAK
Purchases of services from:		
Other related parties	32,004,455,517	9,344,643,164

21. Related-party transactions (continued)

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

	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
Receivables from:		
Key management	75,023,232,691	75,002,738,962
Other related parties	49,093,774,018	46,542,614,480
	124,117,006,709	**121,545,353,442**

	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
Payable to:		
Key management (Note 16)	507,348,214	3,622,653,284
Other related parties (Note 13,16)*	25,495,700,047	16,345,554,953
	26,003,048,261	**19,968,208,237**

21.4 Borrowings from related parties

	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
At 1 January	326,255,600,000	257,920,740,000
Loans received during the period	14,849,513,421	558,201,182,000
Loans repayment during the period	(27,696,000)	(515,360,265,000)
Un-realisation loss on exchange	16,311,024,000	25,493,943,000
	357,388,441,421	**326,255,600,000**

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

21. Related-party transactions (continued)

21.5 Short-term loans to related parties

	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
At 1 January	34,433,275,626	36,406,683,271
Loans paid during the period	25,818,713,629	1,305,862,565
Loans received during the period	(21,561,631,933)	(3,417,940,000)
Un-realisation loss on exchange	572,839,537	138,669,790
	39,263,196,859	**34,433,275,626**

21.6 Key management compensation

Compensation paid to key management are as follow:

	Unaudited 30 September 2020 Million LAK	Unaudited 30 September 2019 Million LAK
Salaries and others	2,030	1,888

22 Commitments

a) Capital expenditure commitment

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

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

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

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

	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
Not later than 1 year	6,016,310,129	16,521,767,840
Later than 1 year but not later than 5 years	18,953,146,592	14,369,255,308
Later than 5 years	54,804,542,724	38,904,540,379
	79,773,999,445	**69,795,563,527**

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

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

	Unaudited 30 September 2020 LAK	Audited 31 December 2019 LAK
Not later than 1 year	3,473,154,000	3,447,424,000
Later than 1 year but not later than 5 years	9,943,944,000	13,680,163,000
Later than 5 years	4,947,887,850	7,012,111,600
	18,364,985,850	**24,139,698,600**

22 Events after the reporting period

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