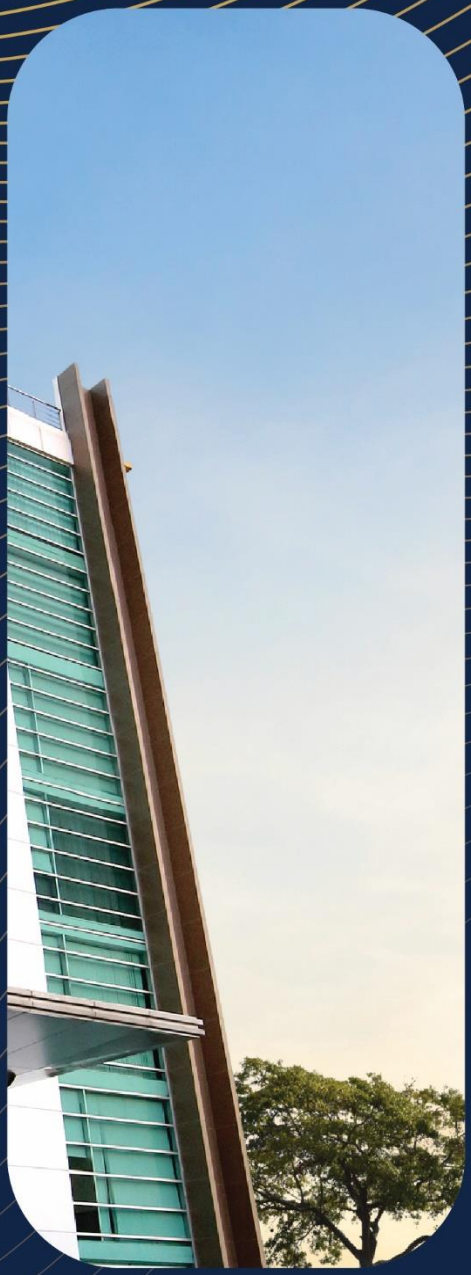






ANNUAL REPORT 2020

PetroTrade

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Slogan

ພລັສ ພະລັງງານເພື່ອຊາດ ພະລັງງານເພື່ອການພັດທະນາ

Plus Energy for The Nation, Energy for The Development

Vision

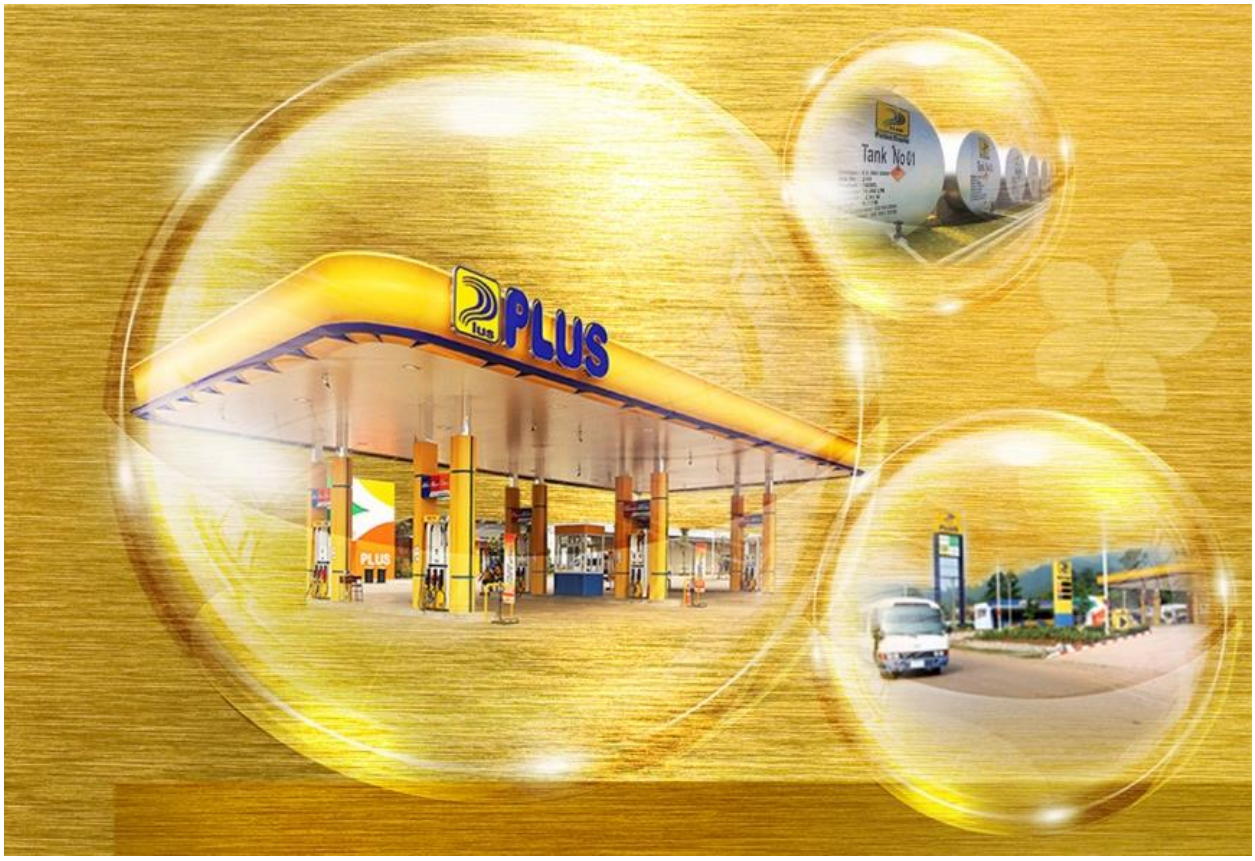
ເປັນບໍລິສັດຊັ້ນນຳ ທາງດ້ານພະລັງງານເຊື້ອໄຟ ທີ່ຄົບວົງຈອນດ້ານຜະລິດຕະພັນປິໂຕຣລ້ຽມ ໃນສປປ ລາວ ແລະ ເຊື່ອມໂຍງການຄ້າໃນລະດັບອາຊຽນ ພາຍໃນ 5 ປີ.

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

Mission

ສ້າງທຸລະກິດພະລັງງານເຊື້ອໄຟຂອງເອກະຊົນລາວທີ່ຄົບວົງຈອນເປັນທີ່ຍອມຮັບແລະເຊື່ອໝັ້ນຂອງສັງຄົມ ສາມາດເຊື່ອມໂຍງການຄ້າໃນ

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.



1. Message from Chairman of the Board of Directors

During the course of 2020, the overall price of crude oil in worldwide market has risen dramatically after Saudi Arabia announced the decision to reduce the production of oil which effect to the price of crude oil rise to the highest peak in 11 months. Opposite to the analyst's concept estimated that the Covid-19 pandemic will lead to the situation of oil prices decline together with the demand for fuel has been historically fallen in recent years, effecting to the several of oil refineries in the North America and Asia region have shut down or slowdown its production significantly such as: many oil refineries in Asia – Pacific which led to the heavily impact to the traders in our country on oil Imports as its imports leaned on neighbor countries.

Besides that, the situation and crisis of Covid-19 pandemic is the main factors for the large construction projects as well as industries who are the major clients of PTL have become inactive and slowdown its production during the first 6 months led to our sale plan figures declined from the projected plans in which the sale from gas stations also fell due to lock down. After the last 6 months of the year, Lao government has decided to lenient lock down which the company enables to recover the sales such as highway Vientiane – Vungvieng, Phu Bia mining, hydro power project and other clients including from gas stations. However, the sales cannot reach as per the targets which show in the financial statement of 2020.

In 2021, the global oil situation will have to keep an eye on rising crude oil prices as OPEC and the United States reduced its production, with crude oil prices of West Texas moving at 57-62 dollar per barrel whereas the crude oil of Brent moving at 60-65 dollar per barrel with the steady trend according to the first quarter reports of 2021. In addition, crude oil production continues to decline due to the uncertainty of the recovery on oil demand and OPEC with its allies.

According to the statistics of U.S Energy Information Administration (EIA), the demand of oil in 2021 is predicted increasing with a small number whereas much slower than the predicted number of 5.7 million barrel per day by the reason of the global lockdown and outbreak of covid-19 pandemic. The number of oil demand decreased continuously from 2019 at 80% and matching with the data of S&P Platts, together with the economic forecast of many countries including the developed countries and developing countries under recession. The International Mutual Fund (IMF) reported that the world economic situation of 2020 at the recession of 4.4% (report of October 2020) is lower than the great depression in 1930 indicated at 4.3% of the recession number, as economic recession effects to the world demand of oil which is reactionary to the decrement of oil supply whereas increase in price.

PTL is one of the eleven companies holding the business license of importing oil for supplying to the society and customers, attempting to adjust the sale strategy in 2021 as expanding new stations with approximately of 10 stations in order to increase the corporate customers (B2B), and developing the service of oil, chemical and none-oil to be One Stop Service in the future, together with being a part of leading and developing country economy.

2. Petroleum Trading Lao Public Profile

Symbol	:	PTL or ปทล or PetroTrade
Head Office	:	Phonthun village, Xaysettha district, Vientiane capital
Enterprise Registration Certificate	:	No.508/ຈທວ, date 05 December 2014
Tax ID	:	722101761-9-00
Register Capital	:	470,000,000,000 kip
Number of share	:	235,000,000 shares
Website	:	www.petrotradelaos.com
Tel	:	(856) 21 264834-5
Fax	:	(856) 21 264836





3. 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).

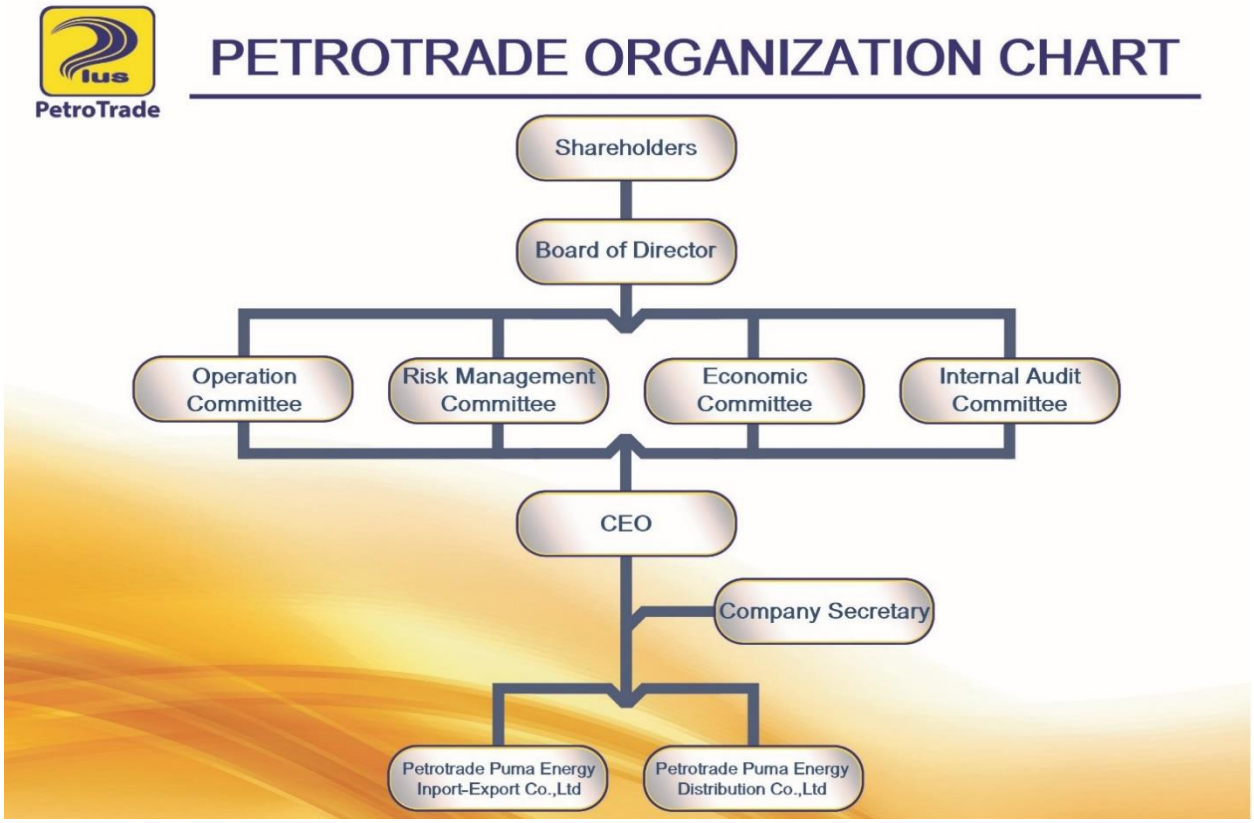
Year		Summary of highlighted events
2008	:	➢ Petroleum Trading Lao Public Company Limited (PTL) was established with registered capital: LAK 28.80 billion, 75% of shares were held by Mr. ChanthoneSitthixay and 25% were held by his wife Mrs. SavanhthongPhongsavanh. The business objectives are import and 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



4. Petrotrade Organization Chart





5. PTL of the Board of Directors



Mr. Chanthone Sitthixay

Chairman of the Board of Directors

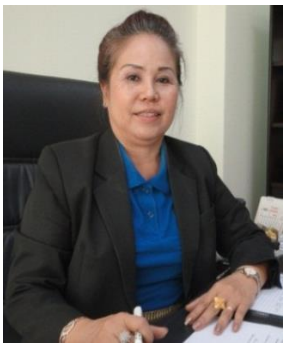
Personal Information	Date of Birth: 27 July 1977 Age: 43 years old Nationality: Lao Place of Birth: Sounantha Village, Kaisonephomvihan District, Savanhnaket Province Place of Work: Petroleum Trading Lao Public Company
Education and Training	Bachelor Degree: Business Management, Faculty of Economics and Business Management, National University of lao PDR
Working Histories	- 2001 – 2007: Phongsavanh Wood Industry Co.,Ltd, CEO - 2001 – 2007: Sitthi Inter Trading Import-Export Co.,Ltd, CEO - 2001 – Present: Khouanchay Trading Import-Export Co.,Ltd, CEO - 2008 - Present: Petroleum Trading Lao Public Company , CEO - 2010 - Present: Soudaphone Trading Import-Export Co.,Ltd, CEO - 2010 - Present: Well Tech Lao Co.,Ltd, CEO - 2010 - Present: Sitthi Logistics Lao Co.,Ltd, CEO - 2012 - Present: Lao Daily Mart Import-Export Co.,Ltd, CEO



Mrs. SavanhthongPhongsavanh

Vice Chairman of the Board of Directors

Personal Information	Date of Birth: 19 February 180 Age: 41 years old Nationality: Lao Place of Birth: Sounantha Village, Kaisonephomvihan District, Savanhnaket Province Place of Work: Petroleum Trading Lao Public Company
Education and Training	Bachelor Degree: Business Management, Faculty of Economics and Business Management, National University of lao PDR
Working Histories	- 2001 – 2007: Phongsavanh Wood Industry Co.,Ltd, Chief of Financial and Accounting Officer - 2001 – 2007: Sitthi Inter Trading Import-Export Co.,Ltd, Chairman and Shareholder - 2001 – Present: Khouanchay Trading Import-Export Co.,Ltd , CEO - 2008 - Present: Petroleum Trading Lao Public Company , Deputy of CEO - 2010 - Present: Soudaphone Trading Import-Export Co.,Ltd, Chairman and Shareholder - 2010 - Present: Well Tech Lao Co.,Ltd, Chairman and Shareholder - 2010 - Present: Sitthi Logistics Lao Co.,Ltd, Chairman and Shareholder - 2012 - Present: Lao Daily Mart Import-Export Co.,Ltd, Chairman and Shareholder



Mrs Chanthadom Meksavanh

Vice Chairman of the Board of Directors

Chief of Financial Officer

Personal Information	Date of Birth: 26 August 1965 Age: 55 years old Nationality: Lao Place of Birth: Meuagvatha Village, Sikhottabong District, Vientiane capital Place of Work: Petroleum Trading Lao Public Company
Education and Training	Bachelor Degree: Business Management, Faculty of Economics and Business Management, National University of lao PDR Course: Accounting consultant, Serie 3, 1998 Course: Professional of Accounting, 2016-2019 Course: " Mini MBA in Retail Management", 1/1/2013 -1/8/2013, Sipathoum University, Thailand Training: Banking to Professional of Investment, Generation 1, Lao Securities Exchange, 26/04/2014-01/06/2014 Training: Financial Statement, Chart of Account and Account System for Enterprise, Accounting Department, 22-26/06/2020
Working Histories	2008 - Present: Petroleum Trading Lao Public Company



Mr. Bounthanh Chittavong

Board of Directors Member

Personal Information	Date of Birth: 02 June 1959 Age: 61 years old Nationality: Lao Place of Birth: Tanpiew Village, Thulakhom District, Vientiane Province Place of Work: Petroleum Trading Lao Public Company
Education and Training	Bachelor Degree: Trade Economics, Russia
Working Histories	2008 - Present: Petroleum Trading Lao Public Company



Mrs. Daly Pholsena

Independent Director

Personal Information	Date of Birth: 13 October 1955 Age: 65 years old Nationality: Lao Place of Birth: Loungkhone Village, Namtha District, Louangnamtha Province Place of Work: Phongsavanh Bank
Education and Training	Diploma: Banking , Hanoi, Vietnam, 1971-1974 Diploma: Theory of Politics and Administration, National Institute of Politics and Administration Bachelor Degree: The Fine Art, National University of Lao PDR Master Degree: Master of Public Administration Chaingmai University Thailand, 2005-2006 Training: Banking, Bank of Thailand, 02-04/1992 Training: Banking Management, ADB, Vientiane, 1993-1994 Training: Banking Management, Bank of Thailand, 09/1994 Training: Marketing, IMF, Austria, 03/1995 Training: Business Management, Bank of Thailand, 08-12/1995 Training: Foreign Exchange Management ,IMF, Austria, 07/1996 Training: Foreign Exchange Strategy IMF, Japan, 10/1996 Training: Private Banking Management , Singapore, 09/1997 Training: English, New Zealand, 1997-1998 Training: Standard of Accounting, IMF, Austria, 04/1997

	Training: Marco Economic, IMF & JCIF, Japan, 10/1999 Training: FOREX Management, Bank of Vietnam, Vietnam, 12/1999 Training: Marco Economic, IMF, Singapore, 05/2001 Training: Marco Economic, IMF, Japan, 02/2002 Training: Economic Management, Bank of Luxemburg, Luxemburg, 03/2003 Training: Standard of Accounting, ADB, Vietnam, 07/2004 Training: Auditor Management, IMF, Singapore, 01/2005 Training: Marco Economic, IMF, Japan, 03/2005 Training: FOREX Strategy, BOL and JCIF, China, 08/2007 Training: Securities Exchange Management, Bank of Vietnam, Vietnam, 09/2007 Training: Securities Exchange Management, Korea Securities Exchange, South Korea, 09/2007 Training: Securities Exchange Management, Securities Exchange of Thailand, Thailand, 10/2007 Training: Economy Management, China Development Bank, China, 11/2008 Training: Policy Governing, ADB, Japan, 04/2009 Training: Professional Stock Market Management, Securities Exchange of Thailand, Thailand, 07/2009
Working Histories	- 1976-1979: Bank of Lao PDR, Director of Accounting - 1980-1983: Special bank, Vientiane, Director - 1984-1989: Bank of Lao PDR, Director of Auditor - 1989-1997: Bank of Lao PDR, Director of Banking Service - 1998-2004: Bank of Lao PDR, Director of Accounting - 2007-2010: Bank of Lao PDR, Director of FOREX - 2010-2011: Bank of Lao PDR, Assistant to president



Mr. Nouphan Mahaphon

Independent Director

Personal Information	Date of Birth: 11 October 1950 Age: 70 years old Nationality: Lao Place of Birth: Donpuey Village, Mounlapamouk District, Champasak Province Place of Work: Retiree and consultant at Ministry of Natural Resources and Environment.
Education and Training	Bachelor Degree: Law, Institute of Law and Administration. Master Degree : Law, Kiev University, Soviet Union.
Working Histories	- 1975-1978: Ministry of Justice; - 1984-1987: Ministry of Justice; - 1987-1993: The People's Court, Champasak Province; 1993-2007: President of Court, Ministry of Justice, Vientiane Capital; 2007-2013: National Land Authority, Ministry of Natural Resources and Environment
Teaching Histories	- 1994: Law, Faculty of Law and Administration, Donnokkhoum Campus; - 1995: Law, National Academy of Political and Public Administration; - Until 2016: Law, Other Institutes.



Mr. Phoxay Chanthavongsa

Independent Director

Personal Information	Date of Birth: 11 Dec 1971 Age: 49 years old Nationality: Lao Place of Birth: Phonxaiy Village, Kaisonephomviharn District, Savanhnaket Province Place of Work: Khouanchay Trading Import-Export Co., Ltd
Education and Training	Diploma: Accounting, Parkpasack Technical College Diploma: Political theory, National Political Institute (Thangon), Bachelor Degree: Accounting, Savanh Business Administration Collage, Savanhnaket Master Degree: Accounting, National University of Lao PDR Certificate: Modern Investment Professional, Lao Securities Exchange, 2014 Certificate: Laos CPA, II , 1997 Training: The Lecturer (Train the trainers " Certificate of Accomplishment"), 2014, Lao and Thai Securities Exchange, 09/2014 Training: The accountant accepted from the CPA of Australia, Major in Financial Report, Management Account, Ethics and Governance and Strategic Management, CPA Australia, 07-11/2010 Training: English Course (500 Hours), Ministry of Foreign Affairs, 2005 Training: Training of Business Accounting Inspections , Laos and Vietnam Tax Department, 09/2011 Training: Training of the Information System , Bangkok, Thailand, 07/2006 Training: Training of International Financial Report Standard (IFRSs), Indonesian Professional Association, 05/2006 Training: Training of Lao Auditor Standard, Ministry of Finance, 02/2006

Working Histories	- 1993-1999: Ministry of Finance, Staff of Accounting Department - 2000-2002: Ministry of Finance, Head of Accounting Department - 2003-2005: Ministry of Finance, Deputy Manager of Tax Department - 2006-2007: Ministry of Finance, Head of Accounting Department - 2007-2012: Ministry of Finance, Deputy Manager of Accounting Department - 2012: Offering to the remuneration policy - 2012-2014: Director of Accounting and Finance - 2014-2017: Deputy Manager of Accounting - 2018-Present: Director of Accounting and Finance
Teaching Histories	- 2014-2015: Tax Accounting, Faculty of Economics and Business Administration, National University of Laos - 2009-2012: General Accounting (Master Teacher), Comcenter Collage - 1998-2012: General Accounting, Lao CPA - 2009-2011: General Accounting, Research Accounting, a preliminary understanding of financial management and a preliminary understanding of auditor. (Bachelor and Diploma Teacher), Parkpasak Technical Collage

6. Business Operation in general

In 2020, PTL has been signed the contract the MOUs a lots of project and joined a business activities to continue business development and national development as below:

1. PetroTrade, National Consulting Group to conduct ESIA for Laos-Vietnam Railway ProjectPetroleum Trading Lao Public Company (PetroTrade) has signed an agreement with the National Consulting Group Sole Co Ltd to conduct an environmental and social impact assessment to ensure the Laos-Vietnam Railway Project is developed in compliance with international environmental and social standards. The agreement is meant to take forward the development of the Laos-Vietnam Railway Project, a statement said. After signing a Memorandum of Understanding (MoU) for the detailed design of the project with the Lao government in October last year, PetroTrade cooperated with its partners such as the state enterprises of Indonesian Railway Development Consortium and Transportation Engineering Design Incorporation Vietnam in order to further design and complete the works assigned by the Lao government.



2. PTL has organized the signing ceremony of the Memorandum of Understanding (MOU) on Cooperation and Feasibility Investment in the construction of fuel terminal in the Vientiane Capital Logistics Area between the Petroleum Trading Lao Public Company and MUHIBBAH ENGINEERING (M) BHD.





In this B2B corporation, the parties will begin a feasibility study in order to invest in the construction of fuel terminal in the land area of 20 hectares, which will be located in the Vientiane Capital Logistics Park or in the Special Economic Zone in Vientiane. According to the plan this terminal aiming to storage oil up to 150 million liters. The ceremony was held at the Petroleum Trading Lao Public Company Headquarters.

3. Petroleum Trading Lao Public Company (PetroTrade) organised ceremony on Tuesday 22nd December 2020 in Vientiane to announce the executive board and board of directors of theLao-Vietnam Vung Ang Port Development State Enterprise (VDS).



The Lao-Vietnam Port Development State Enterprise (VDS) has its own structure as the joint ventures between the government sector and in the private sector holding is Laos- 51 percent-49 percent of the shares as the Finance Ministry on behalf of government holds 51 percent while the private sector PetroTrade holds 49 percent of the shares. The term is 50 years and renewable as agreed by both parties. Mr Chanthone Sitthixay said rhe Vung Ang port project is the most important deep seaport to connect regional trade and respond to the government policy, making Laos accessibleto the sea, becoming an interconnecting hub for international transport and for the overall regional of benefit in general, particularly for Laos.

7. Sales in 2020

7.1 Project Customer

1) Compare between Plan 2020 and Actual Sale 2020

No.	Costomer	Plan 2020	Actual 2020	Diff Plan-Actual 2020	
		Litre	Litre	Litre	%
B2B		**114,140,000**	**84,575,000**	**-29,565,000**	**-25.90**

2) Compare between Sale 2020 with Actual Sale 2019

No.	Costomer	Actual Sale 2020	Actual Sale 2019	Diff Sales 2019-2020	
		Litre	Litre	Litre	%
B2B		**84,575,000**	**102,357,000**	**-17,782,000**	**-17.37**



7.2 Gas Station Customer

1) Compare between Plan 2020 with Actual Sale 2020

No.	Costomer	Plan 2020	Actiual 2020	Diff Plan-Sale 2020	
		Litre	Litre	Litre	%
1	Gold Gas Station	16,113,000	12,991,000	-3,122,000	-19
2	Platinum Gas Station	23,036,000	21,576,000	-1,460,000	-6
3	Standard Gas Station	22,553,000	18,443,000	-4,110,000	-18
4	Thongthin Gas Station	11,597,000	11,137,000	-460,000	-4
	Total	**73,299,000**	**64,147,000**	**-9,152,000**	**-12.49**

2) Compare between Sale 2020 with Actual Sale 2019

No.	Costomer	Sales 2020	Sales 2019	Diff Sale 2019-2020	
		Litre	Litre	Litre	%
1	Gold Gas Station	12,991,000	14,518,000	-1,527,000	-10.52
2	Platinum Gas Station	21,576,000	24,036,000	-2,460,000	-10.23
3	Standard Gas Station	18,443,000	17,747,000	+696,000	+3.92
4	Thongthin Gas Station	11,137,000	10,675,000	+462,000	+4.33
	Total	**64,147,000**	**66,976,000**	**-2,829,000**	**-4.22**

7.3 Medium LS Fuel Oil, Asphalt Petroleum **and** Lubricant Sales

1) Compare between Plan 2020 with Actual Sale 2020

No.	Costomer	Plan 2020	Sale 2020	Diff Plan-Sale 2020	
		Litre	Litre	Litre	%
1	Medium LS Fuel Oil	According to Cutomer orders	6,759,375	N/A	N/A
2	Road Asphalt	According to Cutomer orders	19,003,187	N/A	N/A
3	Lubricant	120,000	12,298	-107,702	-89.75
Total		**120,000**	**25,774,860**	N/A	N/A

2) Compare between Actual Sale 2020 with 2019

No.	Costomer	Sale 2020	Sale 2019	Diff Sale 2019-2020	
		Litre	Litre	Litre	%
1	Medium LS Fuel Oil	6,759,375	N/A	N/A	N/A
2	Road Petroleum Customer	19,003,187	N/A	N/A	N/A
3	Lubricant	12,298	10,335	+1,963	+18.99
Total		**25,774,860**	**10,335**	**25,764,525**	N/A



7.4 All Customers

1) Compare between Plan 2020 with Actual Sale 2020

No.	Costomer	Plan 2020	Actual 2020	Diff Sale 2019-2020	
		Litre	Litre	Litre	%
1	Project Customer	114,140,000	84,575,000	-29,565,000	-25.90
2	Gas Station Customer	73,299,000	64,147,000	-9,152,000	-12.49
3	Medium LS Fuel Oil and Road Petroleum Customer	According to Cutomer orders	25,762,562	25,762,562	100
4	Lubricant Customer	120,000	12,298	-107,702	-89.75
	Total	**187,559,000**	**174,496,860**	**-13,062,140**	**-6.96**

2) Compare between Sale 2020 with Sale 2019

No.	Costomer	Sale 2020	Sale 2019	Diff Sale 2019-2020	
		Litre	Litre	Litre	%
1	Project Customer	84,575,000	102,357,000	-17,782,000	-17.37
2	Gas Station Customer	64,147,000	66,976,000	-2,829,000	-4.22
3	Medium LS Fuel Oil and Road Petroleum Customer	25,762,562	N/A	N/A	N/A
4	Lubricant Customer	12,298	10,335	+1,963	+18.99
	Total	**174,496,860**	**169,343,335**	**+20,612,963**	**+40.59**

8. Shared Service Centers

As part of our 2020 Business Plan, we have created 3 shared service centers in order to:

- Streamline and centralize processes.
- Generate additional revenues for PTL Public.
- Have a better control and more transparency of expenses of all affiliated companies.
- Provide uniformed and professional services to all affiliated companies.

No.	list	Plan	Actual	Diff
1	IT	279,834 US$	234,735 US$	84%
2	Admin	260,258 US$	196,130 US$	75%
3	Procurement	21,240 US$	20,400 US$	96%
	Total	**561,332 US$**	**451,265 US$**	**82%**



“Energy for the nation. Energy for the development”

9. Depot Operation in 2020

9.1 Received and Withdrawal of Product

No.	List	2019	2020	Diff 2019-2020	
		Litre	Litre	Litre	Kip
1	Received	169,849,456	147,872,662	21,976,794	12.94
2	Withdrawal	168,635,877	147,903,581	20,732,296	12.29
3	Lublicants	10,458	11,584	-1,126	-10.77
Total		**338,495,791**	**295,787,827**	**42,707,964**	**14.47**

9.2 Average volatility of each type of Product

- Average volatility of Gasoline Super 95 in the depots are -1,250 liters, of all received 478,163 Liters and it's beyond our lose control - 0.12 %;
- Average volatility of Gasoline Super 91 in the depots are -20,389 liters, of all received 12,196,158 liters Liters and it's beyond our lose control - 0.08 %;
- Average volatility of Diesel in the depots are -10,345 Liters of all reeived 45,919,913 Liters and it's beyond our lose control 0.01%.



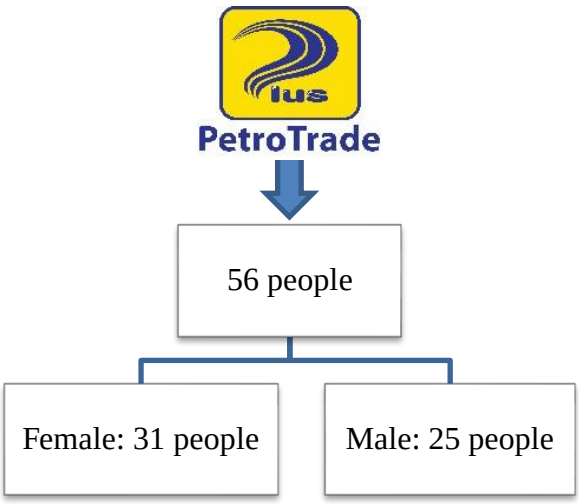
10. Human Resource

In 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.

Employee of Petroleum Trading Lao Public Company in 2020 as below:



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
3	Royal Melbourne Institute of Technology (RMIT)	4	1	Head office
		Total	**9**	

11. Social Responsibilities

No.	Description	Total (LAK)
1	Supported Nation Plantation Day 10 years on 1st June 2020, Boualapha District, Khammouane Province	28,186,000
2	Face Mask for 103 hotpital and Mittaphab (Friendship) hospital	17,000,000
3	Supported Vientiane Rescue 1623 and Lao Red Cross	40,115,960
4	Contributed the center of blind, deaf and charity to army unit 790 (diabled army) for the year 2020	73,393,000
5	Lao National Chamber of Commerce and Industry's meeting No.VIII	36,472,000
7	Contributed the flooding in Savannakhed province	25,000,000
8	Supported Members of Constituency's meeting No.VII	25,000,000
9	Supported Savannakhed province festival for the year 2020	50,000,000
10	Medical instruments to The Laos Ministy of National Defence	10,000,000
11	Supported to Restoration and Repair The Donnoun Traffic circle	78,010,262
12	Other of contribute	12,912,820
	Total	**396,090,042**

12. Tax Paid to the Tax Authority and other in 2020

No.	List	2019	2020	Diff 2019-2020	
		Kip	Kip	Kip	%
1	Import Tax	43,299,752,000	30,770,033,800	12,529,718,200	28.94
2	Excise Tax	174,210,011,500	104,651,811,900	69,558,199,600	39.93
3	Value Added Tax	162,358,934,899	56,457,764,899	105,901,170,000	65.23
4	Road Tax	88,338,640,000	76,018,280,000	12,320,360,000	13.95
5	Statutory Fuel-price Stabilizing Reserve Fund	80,734,800,000	195,899,410,000	-115,164,610,000	-58.79
6	E-Meter	1,019,292,000	877,134,000	142,158,000	13.95
7	Quality Fee	2,717,812,000	2,339,024,000	378,788,000	13.94
8	Value Added Tax During a Year	15,826,873,767	61,466,531,998	-45,639,658,231	-74.25
9	Profit Tax	800,000,000	2,870,718,065	-2,070,718,065	-72.13
10	Income Tax	1,251,753,473	880,770,879	370,982,594	29.637
Grand Total		**570,557,869,639**	**532,231,479,541**	**38,326,390,098**	**6.72**

13. The Audited Financial Statement for the year 2020

The Audited Financial Statement for the year 2020 is the attached in annex.

14. The PTL's business plan for the year 2021

2021 will be a big challenge for the Company as we will need to recover from the 2020 losses and also compensate of lost sales from the project customers which has been successfully. Therefore, the Company has decided to adopt a more aggressive and resilient strategy in the market but also internally.

1) Growth - Offset 2020 Volume Loss

i) Projects/B2B

- Capture incremental volumes, leveraging on our supply and logistics advantage (vs other importers) along with our compliance with the government regulations.
- Capture Key B2B Accounts (Mining).
- Capitalize Spot Market opportunities and consolidate 45M liters.

ii) Retail

- Capture Full potential of existing and newly acquired COCO sites
- Redesign and expand our Retail value proposition with additional fuel and non-fuel businesses to capture additional margin and volume:
  - Take over fuel card business (Plus Card)
  - Develop Lubricant bays (10)
  - Develop Coffee Shops (5)

iii) Marketing & Promotions

- Optimize margins by improving mapping real cost to serve.
- Continue to monitor and collaborate with industry to maintain/increase CIF margins.

2) Operational Efficiency

i) Continue to efficiently manage Opex and Capex by adjusting our structures and investments to only the highest returns on short time.

ii) Re-design our operations capacity, divest low volume depots and expand higher ones and leverage on other storage available to reduce the investment of capacity expansion.

3) Financial Discipline

i) Reduce our 2020 AR to 0.

ii) Reduce our OD risk with Suppliers.

iii) Manage Spot market credit risk.

iv) Manage FX losses to 0.

4) Culture

i) Progress high performance individuals into more challenging roles.

ii) Develop our workforce capabilities – promote cross functional changes and trainings.

iii) Foster process innovations.

5) Sales in 2021

i) Project Customer/B2B

Costomer	Plan 2021 (Litre)
B2B	**114,140,000**

ii) Gas Station Costomer

No.	Costomer	Plan 2021 (Litre)
1	Platinum Gas Stattion	12,882,000
2	Gold Gas Stattion	26,300,000
3	Standard Gas Stattion	24,291,000
4	Thongthin Gas Stattion	10,972,000
	Total	**74,445,000**

In addition to expanding sales, there are also 9 gas stations as follows:

- Gold Gas Stattion 4 Gas Stattion; and
- Standard Gas Stattion 5 Gas Stattion.

iii) Medium LS Fuel Oil, Road Petroleum Customer and Lubricant

No.	Costomer	Plan 2021 (Litre)
1	Medium LS Fuel Oil	According to Customer orders
2	Road Petroleum Customer	According to Customer orders
3	Lubricant	46,000
	Total	**46,000**

Chairman of the Board of Directors

Mr. Chanthone Sitthixay