







Business Performance Report for Q1 of the Year 2021

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I. About Phousy Construction and Development Public Company

Phousy Construction and Development Public Company (referred to as "the **Company**" or "**PCD**") is one of the service providers in Design and Engineering, Procurement and Construction (Design and EPC) management. These include: design engineering, prototype engineering, procurement of materials for engineering works, and constructions. The Company aims to provide construction services focusing in infrastructure projects, namely: road construction, erosion protection and other related infrastructure work.

The Company, **"Phousy Luang Prabang Road & Bridge Construction and Maintenance Sole Company Limited"**, was established by **Mr. Siphone Outhoumphone (Mr. Siphone)** in 1997 with registered capital of LAK 10,000 million, at that time, the Company targeted to be the construction service provider especially in infrastructure project in order to support and facilitate the transportation in northern part of Lao PDR. The Company has experienced the exponential growth which has made it to become the leader in construction engineering services firm of the northern part of Lao PDR. In 2009, **Mr. Sithong Phommachith (Mr. Sithong)**, a young businessman with a vision, became the Company's successor from Mr. Siphone which had achieved exceptional infrastructure projects, such as 2 levels asphalt paving in the northern areas, urban by-pass of Luang Prabang province, earthmoving project for building the road along Lao PDR-Viet Nam-Cambodia borders, conducted the road maintenance work damaged by natural disasters and others.The Company has the potential and therefore has become a leader in infrastructure development due to the fact the Company possesses number of personnel with high level of competency, state-of-the art in construction engineering and technology, maintain consistent quality and standards, on time for project hand over, as well as the ability to build trust to the customers who are the project owner. At present, the Company name has been changed to **Phousy Construction and Development Public Company** to enable the expansion of service scope in comprehensive construction engineering services and act as a project developer in the future.

Year		Summary Company Outstanding Events
1997	:	Phousy Luang Prabang Road & Bridge Construction and Maintenance Sole Company Limited were established by Mr. Siphone Outhoumphone (Mr. Siphone) with the registered capital LAK 10,000 million to operate the construction business by attend the bidding from the government or the Ministry of Public Works and Transportation (MPWT) or PWT division, Luang Prabang Province. Mr. Siphone saw the difficulty of the transportation, or ground logistic due to inconvenient and dangerous road and with his vision to expand construction business by focusing on infrastructure construction in northern part of the country.
2004 - 2005	:	From the country's economic growth and expansion spreading through small and large city, the in-land logistic has become more important. Mr. Siphone had expanded construction business to Xayaburi and Bokeo

		District but still focus on infrastructure construction such as Road and Bridge. At that time, Mr. Sithong was responsible for Administrative and Site Management.
2009	:	Mr. Sithong is a young business man with vision, he was successor to run the construction business by transferred from Mr. Siphone to Mr. Sithong and still use the same name as "Phousy Luang Prabang Road & Bridge Construction and Maintenance Sole Company Limited".
2011	:	Mr. Sithong saw the rapid growth of Luang Prabang Province in crowded area so he advised the Board of Directors to present a project to PWT division of Luang Prabang province to build the by-pass road No.13 North from Kokngiew Village to Phonexay Village and concrete bridge crossing Nam Khan river by total project cost of LAK 209,907 million, which Company used its own working capital to be an advance investment on the construction.
2016	:	According to Annual General Meeting of shareholders on 18th October 2016, the Company has approved to amend the par value to LAK 2,000 per share, increased the registered capital from LAK 10,000 million to LAK 700,000 million and transformed itself from Phousy Luang Prabang Road & Bridge Construction and Maintenance Sole Company Limited to **"Phousy Construction and Development Public Company"**. According to Extraordinary General Meeting on 18th November 2016, the Company has approved to increase registered capital in amount of LAK 300,000 million by issuing initial public offering in amount of 150 million shares with par value LAK 2,000 per share in order to initial public offering (IPO) to be listed in Lao Securities Exchange (LSX) which increased the Company's registered capital to LAK 1,000,000 million after IPO.
2017		On May 9, 2017, the Lao Securities Commission Office has issued a letter no. 220/LSCO to Phousy Construction and Development Public Company to reduce par value from 2000 Kip per share to 1000 Kip per share which resulted in the reduction of the registered capital amount from 700,000 million Kip to 582, 000 Kip. The altered registered capital amount was reflected in the business registration issued by Ministry of Industry and Commerce on June 27, 2017. On October 2, 2017, the company has completed its new registration capital with an additional amount of 82,000 million Kip right after its closing of the IPO resulting in the new registered capital of 582,000 million Kip. On October 10, 2017, the company had its first day trading and officially listed in the Lao Stock Exchange which has common shares of 82 million shares of par value 1000 Kip per share. The opening trade price per share was 1300 kip per share and closing trade price was at 1350 Kip per share

II CORE BUSINESS OPERATIONS

Vision

Phousy Construction and Development strives to pioneer the construction, technology and development in Lao PDR and expanded our business to ASEAN countries.

Mission

Our mission is to provide the best services with international standards in all areas such as high quality, timely delivery, attention to details, honesty and fairness to our partners and customers.

Values

P: Performance that is unrivalled

C: Comprehensive customer relations as the top priority

D: Delivery of on-time high quality work

III ORGANIZATIONAL STRUCTURES

Board of Directors of PCD



ท่าน สีทอง พิมมะจิด

ประธานสะพาบริหาน

Mr. Sithong PHOMMACHITH

Chairman



ท่าน บุนมี มะนิวง

ຮອງປະທານສະພາບໍລິຫານ / ສະມາຊິກອິດສະຫຼະ

Mr. Bounmy MANYVONG

Vice Chairman / Independent Member



ท่าน สีทา พิมมะจิด

ສະມາຊິກສະພາບໍລິຫານ / ຜູ້ອຳນວຍການໃຫຍ່

Mr. Sitha PHOMMACHITH

Member / Chief Executive Officer



ท่าน พูโขง อ้อมละมะนี สะมาชิก

สะมาชิกสะพาบริหาน

Mr. Phoukhong OUANLAMANY

Member



ท่าน นันทะลัด ทิละกุน

ສະມາຊິກອິດສະຫຼະ

Mr. Nanthalath THILAKUN

Member / Independent Member

Managing Directors of PCD



ທ່ານ ສີທາ ພົມມະຈິດ
ຜູ້ອຳນວຍການໃຫຍ່
Mr. Sitha PHOMMACHITH
Chief Executive Officer



ທ່ານ ອຳໄພວັນ ຈັນທະຜາລີ
ຜູ້ຊ່ວຍຜູ້ອຳນວຍການໃຫຍ່ຝ່າຍປະຕິບັດການ
Mr. Amphaivanh CHANHTHAPHALY
Chief Operations Officer



ທ່ານ ອານໄລ ສີທາຣາດ
ຜູ້ຊ່ວຍຜູ້ອຳນວຍການໃຫຍ່ຝ່າຍການເງິນ
Mr. Anolay SIHARATH
Chief Financial Officer



ທ່ານ ດວງ ປະທຸມລັກ
ພະແນກ ຈັດຕັ້ງ ບໍລິຫານ
Mr. Duang PATHOUMLACK
Head of HR and Administration Department



ທ່ານ ພຸດທະເສນ ພົມມິໄຊ
ພະແນກ ພັດທະນາທຸລະກິດ ແລະ ການຕະຫຼາດ
Mr. Phoutthasen PHOMMIXAY
Head of Business Development and Marketing Department



ທ່ານ ວິລະຄົມ ພິລາກຸນ
ພະແນກ ອອກແບບ ແລະ ສຳຫລວດ
Mr. Vilakhom PHILAKOUN
Head of Design and Survey Department



ທ່ານ ເກດສະໜາ ຈັນທະວົງ
ພະແນກ ກໍ່ສ້າງ ເຕົ້ານຶ່ງ
Mr. Kethsana CHANHTHAVONG
Head of Construction and Monitoring Deparment



ທ່ານ ນາງ ໄຮທອງ ພົມມະຈິດ
ພະແນກ ການບັນຊີ ການເງິນ
Mrs. Haithong PHOMMACHITH
Head of Finance and Accounting Deparment



ທ່ານ ບຸນທິດ ທອງສັກດີ
ພະແນກ ພະແນກສາງ
Mr. Bounthod THONGSACKDY
Head of Inventory Department



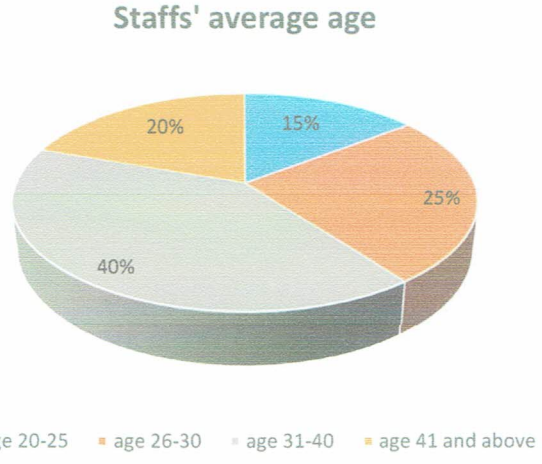
ທ່ານ ຄອນສະຫວັນ ທຳວົງສິດ
ພະແນກ ຈັດຊື້ຈັດຈ້າງ
Mr. Khonesavanh THAMVONGSITH
Head of Procurement Department

II. SUMMARY OF BUSINESS PERFORMANCE REPORT FOR Q1 OF THE YEAR 2021

Human Resource Management

In regard to the human resources management aspect, in the year 2021 PCD has focusing an organizational to be aligned with the structure and conditions of the Lao Securities Exchange. Social welfare provides better care for employees in the organization, works day by day and has annual leave according to Lao Labor Law. And implemented the order of No.06/ນຍ To combat and prevent the outbreak of COVID 19 strictly.

- Total number of staff as off 31/03/2021: 176 staffs
- - Resigned: 1
- Staff released off duty: 0
- Staff Promotion: 0 staffs



➢ ***Remuneration and Social Welfare***

- No Salary increases for staffs

➢ **Organize activities for unity of staffs**

- Not active in action due to outbreak COVID-19

Capacity building for staff

- In the Year 2020, there was no activities

Marketing

As a service provider of comprehensive engineering by emphasizing on infrastructure developments services which the majority of the project owners are the government sector. Therefore, our marketing strategy focus on the government sector by transferring the projects on a quality and on-time basis which is an important factor for the project owner that will trust on a quality provided by the Company which create an opportunity to get more jobs in the future. In addition, the Company has built good relationship with the government sector by provide and exchange the construction information along with the studies, exploration of addition areas for road project developments which creates a better chance of winning the bidding.

Currently, PCD is continuing to implement two unfinished projects: the construction of a two-story paved road from Ban Ou Village Luang Prabang District to Sibunheung village Nan district, Luang Prabang province, 50.2 km long, and an upgrade road from Kieu Cheia village to Muang Heub Village Phonethong district Laouang Prabang Province, 32.5 km in length.

The Vientiane-Pakse Expressway project, worth more than $ 4 billion, and we, Phousy Construction and Development Public Company, are among the four companies that have been shortlisted for the final round. The survey and design of the corridor is now underway, and the Ministry of Public Works and Transport is preparing to submit it to the government.

Modern resettlement villages for low-income guests of 200,000 across the country, are also looking for foreign partners.

The second phase of the 8.3-kilometer landslide protection project in Vientiane Capital (subcontracted by a Korean company) has already been submitted and is currently awaiting the opening of bids.

Construction of infrastructure project of Louang Prabang Special Economic Zone worth US $ 2.5 million is waiting for the owner of the project to demarcate the border and compensate for the environmental impact before it can be implemented.

- **Characteristics of Target Customers**

Our target customers are divided into the government and private sectors especially on the infrastructure development projects in the northern part of the country covering the whole country. In the future, the Company's Marketing plans have been focusing on private sectors and sector of construction development for small, medium and mega size projects consecutively.

- **Project Bidding**

The distribution channel of the Company is getting contracts from the government by submitting the bidding documents to quote the prices and negotiate the works with the project owner. The Company then receives the project bidding documents to evaluate the quotation. From time to time, the Company propose the project directly to the project owner to get an approval of the project. However, the project owner shall inspect the possibility of that road construction or project; the feasibility study is needed to mitigate the competition risk in the bidding.

- **Competitive Strategy**

The Company has a policy to increase the work in construction from the government and private sectors. To achieve our target to be a leader in construction and country's development, the Company has planned to expand the business in the ASEAN Community. In order to have a competitive advantage and achieve the target, the Company has developed competitive strategies as followed:

A. Comprehensive construction service company

The Company is a comprehensive construction provider which are prompt to submit the project proposal or enter the bidding competition of both government and private project that have put readiness to the Company to be a leading industrial developer of the country, the Company plans to invest in infrastructure development projects and property development projects with personnel with experienced in construction engineering, use of modern technology, and aim for bigger and more complex projects. The abundance of construction materials and experienced workers have contributed a success to the Company.

B. Quality and standard of the work

Maintaining the quality and standard of work is the reason that the Company has been successful. From the beginning history of the Company, the Company managed to complete the work on time, with reliability and quality of work based on the contract, serves the customers with sincerity, detailed, and honestly.

C. Submitting the work on time

The infrastructure development work, especially on the road construction is a time-consuming project. Therefore, the Company must hand over the works on time as planned. The Company is well known for the submitting the work on time which is an important factor for the Company's success that requires long-term responsibility.

The Company has a systematic management by planning in each phase with continuous personnel empowerment to ensure effective implementation of work to finish on time.

D. Pays attention on the detail of the project

The Company pays the attention on the details in all projects with high experienced managers and engineers, expert in the road, bridge and other construction projects in order to monitoring all project activities which have contributed to the improvement continuously and therefore the decrease the construction costs in various ways. Moreover, the Company aims to achieve that target by developing management concept, use of modern technology to improve the performance as well as to decrease the construction costs.

E. Being honest and fair to our colleagues

As being honest, sincere, and fair for all related stakeholders including the project owner, designer, and supervisor. Due to the fact that the designer knows the project in details. From the principles of being honest and sincere, these have led us to become a well-known company, with a good relationship among the supervisors, designers, and colleagues.

F. Being reliable and trusted by our customers

From the Company's previous success, the Company is reliable and trusted by the customers and the project owner. Since then, the Company has been regularly contacted by the government sector to attend the bidding competition.

Organizational Strategy

From the ambition to provide the best services to gain credibility and trust amongst customers, we are ready to move forward to the future:

- Increase customer base to private sector for small, medium and mega size infrastructure development projects.
- Initiate real estate development portfolio to accommodate the growth of the cities in the country.
- *Maintain trust and credibility of the existing customers who worked with us for 20 years by* ensuring quality, standards, timely delivery and honesty with details oriented.

TAX

Phousy Development and Construction Public Company was fully registered under the Laws of Lao PDR, especially Law of Taxation which is strictly implemented based on the following table on the payment of tax:

The State Tax in the Q1 of the Year 2021

Item	Details	Units	Total value (kip)
1	Value Added Tax		0
2	Payroll Tax		280,232,000
3	Profit Tax		0
	Total		**280,232,000**

Note: The Business Performance Figures are based on the financial statement report.

Managing Director

Phousy Construction and Development Public

Mr. Sitha PHOMMACHITH

Date: 12 May 2021

Internal Audit of company

Mr. Nanthalath Thilakun

Date: 12 May 2021

Summary of Business Operation for Q1 of the Year 2021

Phousy Construction and Development Public Company
Statement of financial position
As at 31 March 2021

Assets	Notes	Unaudited 31 March 2021 Million LAK	Audited 31 December 2020 Million LAK
Current assets			
Cash and cash equivalents	4	106	88
Trade and other receivables, net	5	138,888	138,017
Inventories		317	320
Other current assets	6	10,508	10,676
Short-term loan to related party		861	0
Total current assets		**150,680**	**149,101**
Non- current assets			
Property plant and equipment, net	7	468,979	470,366
Long-term loan to related party		-	861
Total Non-current assets		**468,979**	**471,227**
Total assets		**619,659**	**620,328**
Liabilities and equity			
Liabilities			
Current liabilities			
Trade and other payables	8	49,560	47,973
Current portion of long-term borrowings - financial instit	9	38,422	38,422
Current portion of long-term borrowings - related partie	9	0	8,000
Profit tax payable	10	12,971	12,971
Other current liabilities	11	54,727	52,834
Total current liabilities		**155,680**	**160,200**
Non- current liabilities			
Long-term borrowings – related parties	9	15,859	8,000
Total Non-current liabilities		**15,859**	**8,000**
Total liabilities		**171,539**	**168,200**
Equity			
Authorised share capital	12	582,000	582,000
Share premium		12,540	12,540
Retained earnings			
Appropriated legal reserve	13	11,572	11,572
Unappropriated		(157,992)	(153,984)
Total equity		**448,120**	**452,128**
Total liabilities and equity		**619,659**	**620,328**
		0	0

Mr. Sitha PHOMMACHITH
Managing Director
Date: 12 May 2021

Mr. Anolay SIHARATH
Chief Financial Officer
Date: 12 May 2021

Phousy Construction and Development Public Company

Phousy Construction and Development Public Company
Statement of income
For the three-month period ended 30 September 2020

	Notes	Unaudited 31 March 2021 Million LAK	Unaudited 31 March 2020 Million LAK
Revenue from construction		-	-
Cost of construction		-	(1,445)
Gross profit		**-**	**(1,445)**
Other income		0	(1,941)
Other income from impairment		0	1,941
Administrative expenses		(2,027)	(571)
Foreign exchange loss		0	(29)
Interest expenses		(1,982)	(1,313)
Loss before income tax expenses		**(4,009)**	**(3,358)**
Profit tax expenses	14	-	-
Loss for the period		**(4,009)**	**(3,358)**
Earnings per share			
Basic earnings (loss) per share	15	**(6.89)**	**(5.77)**

Mr. Sitha PHOMMACHITH
Managing Director
Date: 12 May 2021

Mr. Anolay SIHARATH
Chief Financial Officer
Date: 12 May 2021

Phousy Construction and Development Public Company
Statement of changes in equity
For the three-month period ended 30 September 2020

	Share capital (Note 12)	Share premium (Note 12)	Retained earnings/(deficit)		Total
			Legal reserve (Note 13)	Unappropriated	
	Million LAK	*Million LAK*	*Million LAK*	*Million LAK*	*Million LAK*
Opening balance 1 January 2020	**582,000**	**12,540**	**11,572**	**(96,042)**	**510,070**
Loss for the period	-	-	-	(3,358)	(3,358)
Ending balance 31 March 2020	**582,000**	**12,540**	**11,572**	**(99,400)**	**506,712**
Opening balance 1 January 2021	**582,000**	**12,540**	**11,572**	**(153,984)**	**452,128**
Loss for the period	-	-	-	(4,009)	(4,009)
Ending balance 31 March 2021	**582,000**	**12,540**	**11,572**	**(157,992)**	**448,120**

Mr. Sitha PHOMMACHITH
Managing Director
Date: 12 May 2021

Mr. Anolay SIHARATH
Chief Financial Officer
Date: 12 May 2021

Phousy Construction and Development Public Company
Statement of cash flows
For the three-month period ended 31 March 2021

	Notes	Unaudited 31 March 2021 Million LAK	Unaudited 31 March 2020 Million LAK
Cash flows from operating activities:			
Loss before income tax for the period		(4,009)	(3,358)
Adjustments:			
Unrealised (gain)/loss on exchange rate		0	0
Depreciation+Amortisation		1,387	942
Interest expense		-	1,313
Other income from impairment		-	-
Operating loss before working capital changes		**(2,622)**	**(1,103)**
Changes in working capital:			
- Trade and other receivables		(871)	1,685
- Inventories		3	1
- Other current assets		168	209
- Other non-current assets		861	-
- Trade and other accounts payable		1,587	1,074
- Other current liabilities		1,893	46
Cash generated from operations		1,019	1,913
Income tax paid		-	-
Net cash generate from operating activities		**1,019**	**1,913**
Cash flows from investing activities:			
Purchase of property plant and equipment		-	5.00
Purchase of intangible asset		-	-
Net cash used in investing activities		**-**	**5.00**
Cash flows from financing activities:			
Proceeds from borrowing		(141)	0
Repayments of borrowings		-	-
Interest paid		(860)	(2,076)
Net cash from financing activities		**(1,001)**	**(2,076)**
Net increase/(decrease) in cash and cash equivalents		18	(159)
Cash and cash equivalent at the beginning of the period	4	88	195
Effect of exchange rate changes on cash and cash equivalent		-	-
Cash and cash equivalent at the end of the period	4	**106**	**36**
		0	-

Mr. Sitha PHOMMACHITH
Managing Director
Date: 12 May 2021

Mr. Anolay SIHARATH
Chief Financial Officer
Date: 12 May 2021

Notes to the Financial Information (Unaudited)
For the three-month period ended 31 March 2021

1. General information

Phousy Construction and Development Public Company is a public company. The address of the Company's registered office is at Continental Plaza Hotel, Nongbuathong-Tai Village, Sikhottabong District, Vientiane Capital, Lao PDR.

The principal businesses of the Company are construct, repair and maintenance road, bridge and others. There is only one customer which is Government of Lao PDR (GoL).

The Company was listed on the Lao Securities Exchange (LSX) market on 10 October 2017.

This interim financial information was authorised for issue managing director on 26 October 2020.

This interim financial information has been reviewed, not audited.

2. Basis of preparation

The interim financial information has been prepared in accordance with the Company's accounting policies as described in more details in the annual financial statements for the year ended 31 March 2021. 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/LSC, dated 28 January 2019 issued by Lao Securities and Exchange Commission Office.

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

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, Ministry of Finance has issued announcement No. 697/MoF issued on 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.

In Lao PDR, there are significant differences between a company'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.

Going concern assumption

The Company incurred a net loss of LAK 4,009 million during the Q1 financial period 31 March 2021. There were delays on the payments from one customer, so the Company temporarily suspended most of the Company's business operations since 2018. The Company is still in negotiation process for a new payment schedule but there is still no solution as at reporting date.

2. Basis of preparation (continued)

Going concern assumption (continued)

The related party and the major shareholder issued a Letter of Support to the Company accepting responsibility of providing sufficient financial assistance to the Company when needed and postponing the payment by the Company due to the related party and major shareholder. This letter of support was issued to ensure that the Company will its operations and fulfil all of its financial obligations as of 31 March 2021 and thereafter until the Company has sufficient financial position. Therefore, these financial statements are prepared on a going concern basis.

3. Estimates

The preparation of Q01 interim financial information requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

In preparing this Q01 interim financial information, significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2021.

4. Cash and cash equivalents

	Unaudited 31 March 2021 Million LAK	Audited 31 December 2020 Million LAK
Cash on hand	17	18
Deposits held at call with financial institutions	89	70
Total	**106**	**88**

5. Trade and other receivables

	Unaudited 31 March 2021 Million LAK	Audited 31 December 2020 Million LAK
Trade account receivables	313,141	312,270
Less: Allowance for doubtful debt	(304,903)	(304,903)
Trade accounts receivable, net	8,238	7,367
Amount due from related parties	68,987	68,987
Short-term loan to Phousy Group	61,260	61,260
Other receivable	403	403
Total	**138,888**	**138,017**

6. Other current assets

	Unaudited 31 March 2021 Million LAK	Audited 31 December 2020 Million LAK
Interest receivable from related party*	10,228	10,411
Advances to staff	38	39
Prepayments	17	20
Advances to suppliers	225	206
Total	**10,508**	**10,676**

* Accrued interest income from Loan to Phousy Group with interest rate of 5 % per year since 28 December 2017.

7. Property, plant and equipment, net

	Unaudited 31 March 2021 Million LAK	Unaudited 31 March 2020 Million LAK
Opening net book value	470,366	471,303
Additions	-	5
Depreciation charge	(1,387)	(942)
Closing net book value	**468,979**	**470,366**

Land LAK 48,968 million are secured for borrowings (Note 9).

Depreciation expense of amount LAK 3,515 million has been charged to administrative expenses.

8. Trade and other payables

	Unaudited 31 March 2021 Million LAK	Audited 31 December 2020 Million LAK
Trade payable – third party	20,164	12,851
Other payable – related parties	29,396	35,122
Total	**49,560**	**47,973**

9. Borrowings, net

	Unaudited 31 March 2021 Million LAK	Audited 31 December 2020 Million LAK
Financial institution	38,422	38,422
Related parties	16,000	16,000
Total	**54,422**	**54,422**

	Unaudited 31 March 2021 Million LAK	Audited 31 December 2020 Million LAK
Current	46,422	46,422
Non-current	8,000	8,000
Total	**54,422**	**54,422**

Borrowing from financial institution:

The Company signed a borrowing agreement amount LAK 36,000 million and LAK 5,000 million with ST Bank Company Limited for working capital for road construction with interest rate of 17% and 13% respectively per annum since 29 May 2015. This borrowing is guaranteed by land of the Company (Note 7) and land of related parties. The Company is required to repay principal within 3 years after the first drawdown on annually, basis emceeing from 20 June 2015 to 20 June 2018 and 15 May 2016 to 15 June 2019 respectively and interest is payable on monthly.

As at reporting date, the Company is in the negotiation process for a new term and condition of payment and didn't get the solution yet from the lender regarding this default.

During the period, the Company took additional loan amount LAK 1,500 million from related parties (Note 17) interest rate of 9.00%-11.13% per annum respectively.

The aging analysis of these borrowings is as follows:

	Unaudited 31 March 2021 Million LAK	Audited 31 December 2020 Million LAK
Less than one year	46,422	46,422
More than one year but not over 5 years	8,000	8,000
Over 5 years	-	-
Total	**54,422**	**54,422**

10. Profit tax payable

According to the profit tax payment practice between tax authority and the Company, profit tax is calculated by assessed taxes at pre-determined profit rates multiplied by profit tax rate and revenue from construction. The profit tax will off-set when Government of Laos make payment to the Company.

As at 31 March 2021, profit tax payable presented profit tax payable from construction revenue but GoL do not make payment.

11. Other current liabilities

	Unaudited 31 March 2021 Million LAK	Audited 31 December 2020 Million LAK
VAT payable	29,991	29,991
Interest payable from related parties	567	567
Interest payable from financial institution	19,092	17,592
Dividend payable	1,863	1.863
Advance received from sub-contractor	875	875
Advance received from Government	893	893
Accrued salary	273	141
Others	1,173	912
Total	**54,727**	**52,834**

12. Share capital and premium on share capital

As at 31 March 2021, the Company has share 582,000,000 shares with a par value of LAK 1,000 per share and issued shares were fully paid.

The Company incurred premium on share LAK 12,540 million when list in Lao Securities Exchange in 2017.

13. Legal reserve

The legal reserve is set up in accordance with the requirement of the Enterprise Law of the Lao PDR, which requires that at least 10% of the annual net profit be set aside as a legal reserve until such reserve reaches 50% of the authorised share capital.

14. Profit tax expense

According to the profit tax payment practice between tax authority and the Company as described in (Note 10), profit tax expense presented profit tax from construction revenue during the period but GoL do not make payment.

Under the tax privileges given to the listed companies at the LSX, the Company is subject to a further reduction to the rate of 5% during an initial period of 4 years. The Company plan to utilise this benefit start from 2021.

15. Basic earnings per share

As at 31 March 2020, basic earnings per share are calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares in issue during the period.

	Unaudited 31 March 2021 Million LAK	Unaudited 31 March 2020 Million LAK
Weighted average number of ordinary shares (million shares)	582	582
Net loss for the period attributable to shareholders (million LAK)	(4,009)	(3,358)
Basic earnings (loss) per share (LAK)	**(6.89)**	**(5.77)**