Business Performance
Report for First 6 Month of the Year
2026

PHOUSY CONSTRUCTION
AND DEVELOPMENT
PUBLIC COMPANY
2026





I. About Phousy Construction and Development Public Company 1
II. Address 2
III. Core Business Operations 3
IV. Management and Corporate governance 5
4.1. Organization 6
4.2. Share Holders 7
4.3. Board of Directors 7
4.4. Audit Committee (The member of Audit Committee) 7
4.5. Risk Management Committee 7
4.6. Compensation Committee (Member of Compensation Committee) 8
V. Summary of Business Performance Report for First 6 Month of the Year 2026 8
❖ Marketing 9
❖ The project plan continues to be implemented 9
❖ Projects in the plan for the year 2026-2030 9
❖ Organizational Strategy 11

Business Performance Report for First 6 Month of the Year 2026

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 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 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 209,9 billion, 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 million to LAK 700 billion 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 billion 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 billion 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 2,000 Kip per share to 1000 Kip per share which resulted in the reduction of the registered capital amount from 700 billion Kip to 500 billion 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 billion Kip right after its closing of the IPO resulting in the new registered capital of 582 billion 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 1,000 Kip per share. The opening trade price per share was 1,300 kip per share and closing trade price was at 1,350 Kip per share. On June 17, 2025, the new share value (par value) was changed from 1,000 kip/share to 200 kip/share, increasing the total number of shares from 582,000,000 shares to 2,910,000,000 shares.

II. Address

- 3 floor, Continentalplaza Vientiane, Nongbouathong Tai village, Sikhottabong District, Vientiane Lao PDR.
- Tel: +856 21 229696

- Fax: +856 21 265394
- E-Mail: info@pcdlao.co
- Website: www.pcdlao.com

III. 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

IV. Management and Corporate governance

4.1.Organization

Board of Directors of PCD



Ph.D Sithong PHOMMACHITH, **President of BoD of PCD , President of Phousy Group**



Mr. Sitha PHOMMACHITH, **Vice President of BoD of PCD, Chief Executive Officer of Phousy Group**



Mr. Pheng Douangngeun, **Member BoD of PCD, Chief Executive Officer of PCD**



Mr. Nanthalath THILAKUN **Member BoD / Independent Member**



Mrs. Haithong Phommachith **Member BoD, CFO of PCD**

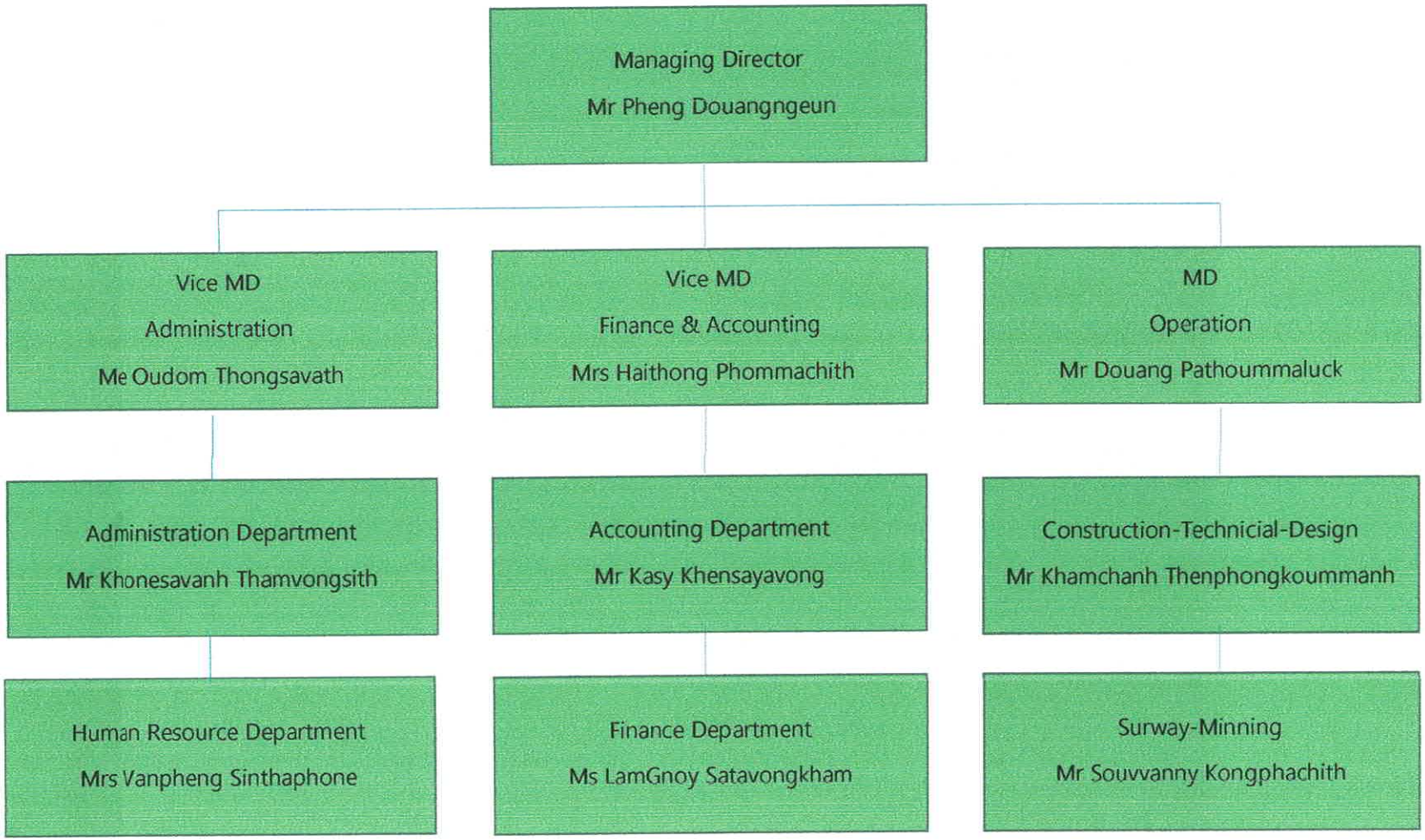


Mr. Phoutthasane Phommyxay **Member BoD/ Independent Member**



Mr. Phoumsavanh Sounanthong **Member BoD**, Deputy CEO, Business Development of Phousy Group

Organization of Phousy Construction and Public Company



4.2.Share Holders

Shareholders	Before IPO		After IPO	
	No of Shares	%	No of Shares	%
I. Existing Shareholders	2,500,000,000	100%	2,500,000,000	100%
1.1 Ph.D Sithong Phommachith	2,075,000,000	83.00%	2,075,000,000	71.305%
1.2 Ms Pienkham Phommachith	250,000,000	10.00%	250,000,000	8.591%
1.3 Mr Siphone Outhoumphone	25,000,000	1.00%	25,000,000	0.859%
1.4 Ms Bouaphanh Outhoumphone	25,000,000	1.00%	25,000,000	0.59%
1.5 Mr Sitha Phommachith	25,000,000	1.00%	25,000,000	0.859%
1.6 Ms Haithong Phommachith	25,000,000	1.00%	25,000,000	0.859%
1.7 Ms Amphone Phommachith	25,000,000	1.00%	25,000,000	0.859%
1.8 Ms Touybouasy Phommachith	25,000,000	1.00%	25,000,000	0.859%
1.9 Ms Phetmany Outhoumphone	25,000,000	1.00%	25,000,000	0.859%
II. Investors from IPO			410,000,000	14.089%
	2,500,000,000		**2,910,000,000**	

4.3.Bord of Directors

PCD Bord of Directors, there are 7 members

No	Name and Surname	Position
1	PhD. Sithong Phommachith	Chairman of BoD
2	Mr. Sitha Phommachith	Vice Chairman of BoD
3	Mr Nanthalath Thilakoun	Member of BoD/Independent Member
4	Mr. Pheng Doungngeun	Member of BoD/Managing Director
5	Mrs.Haithong Phommachith	Member of BoD
6	Mr. Phouthasane Phommeexay	Member of BoD/Independent Member
7	Mr.Phoumsavanh Sounanthong	Member of BoD

4.4. Audit Committee (The member of Audit Committee)

No	Name and Surname	Position
1	Mr Nanthalath Thilakoun	Chairman of Audit Committee
2	Mr. Phouthasane Phommeexay	Audit Committee
3	Mr. Pheng Doungngeun	Audit Committee

4.5. Risk Management Committee

No	Name and Surname	Position
1	Mr Nanthalath Thilakoun	Chairman of Risk Management Committee
2	Mr. Phouthasane Phommeexay	Risk Management Committee

3	Mr. Pheng Doungngeun	Risk Management Committee

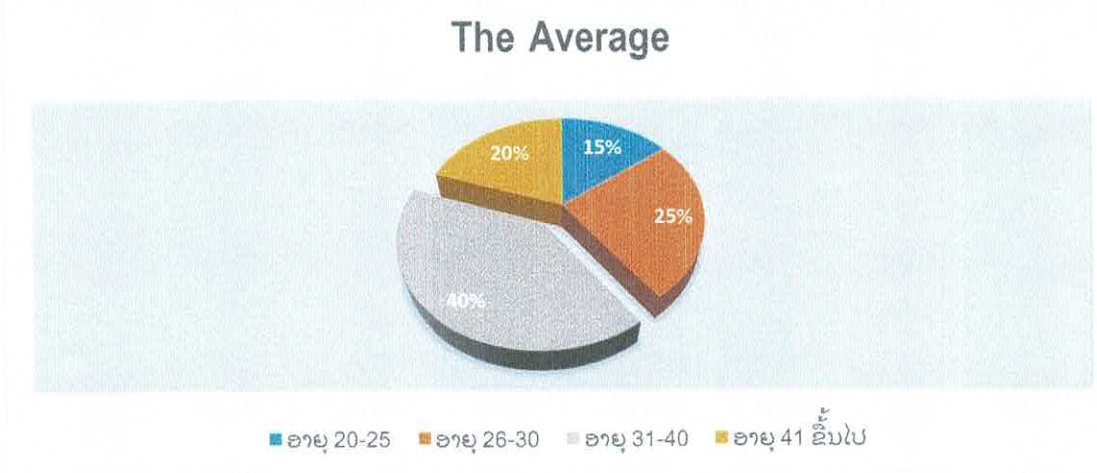
4.6. Compensation Committee (Member of Compensation Committee)

No	Name and Surname	Position
1	Mr. Phouthasane Phommeexay	Chairman of Compensation Committee
2	PhD. Sithong Phommachith	Compensation Committee
3	Mr. Pheng Doungngeun	Compensation Committee

V. Summary of Business Performance Report for First 6 Month of theYear 2026

Human resource work in First 6 Month of the year 2026 is focused on training staff, improving the organizational structure of the organization to conform to the structure and conditions of the Lao stock market. In terms of social welfare, taking better care of the living conditions of employees within the organization, the company has conducted a survey to prepare to provide social insurance to all employees, with annual health check-ups, working days and annual holidays according to the Lao Labor Law.

- Total number of employees: 30/6/2026, there are 149 people
- Resigned 0 people
- New recruitment 0 people
- Promotion: 0 people



- Salary and Social welfare
  - The average salary increases yearly 0.00 %
- Organize activities to create unity among employees
- Promotion to build capacity for employees - Participate in seminars on various topics with the Lao Stock Market
  - Participating in training courses to upgrade knowledge both domestically and internationally

❖ **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 project plan continues to be implemented**

1. 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 to endorse. (Only Phousy Construction and Development Public Company is responsible for the 4th phase from Xeno, Savannakhet to Napong, Saravane Province, the total length is 135.2 km, the initial estimated value is US $ 1,235.82)
2. 2. Phousy Construction and Development Public Company Limited, with a 25% joint investment, is the main contractor for the coal mining in Vieng Phoukha District, Luang Namtha Province. Estimated investment value is $5 per ton, revenue is $12 per ton (dividend profit and investment of approximately $75 million)
3. Modern Villages, Condominiums, Villas and Residences that are suitable for general up to 200,000 houses in the country, are still looking for foreign capital partners. Currently, it starts from 50,000 houses in Luang Prabang province
4. Phousy Construction and Development Public Company is the main contractor in the development of Luang Prabang Special Economic Zone infrastructure construction project initially worth 20,000,000 US dollars
5. Phousy Construction and Development Public Company leased 500 hectares of land in Luang Prabang Special Economic Zone for real estate development such as land lease and warehouse lease

❖ **Projects in the plan for the year 2026-2030**

1- Phousy Construction and Development Public Company invests in surveying, designing and constructing a bypass expressway from Km 21, Xaythany District to Ban Nakha, Naxaythong District, 33.15 km long, worth 172,258,237.00 dollars

2- Survey-design and improvement project for a concrete road from 3 Nakhuai intersection to km 21 Southern 13 Road. 13.9 km long

3- Survey-design and improvement project from That Luang swamp to the Lao-Thai Khamsavat railway station, 2.5 km long.

4. Road Rehabilisation 4 projects:
   - Road No. 4 from Xieng Nguyen District to the end of the Mekong River Bridge, Luang Prabang Province, 60 km long. Initial cost 2,242 billion kip
   - From the 3rd intersection of Ban Kok Ngiw to the end of the Nam Khan Bridge, Ban Phanom and from the end of the bridge of Ban Vang Nguyeun to the 3rd intersection of Ban Phonexay, Louangprabang District, 16 km long, initial cost about 706 billion kip

- From Na Seng Wei Village to the end of the Nam Khan Bridge, Louangprabang District, 4.6 km long, initial cost 226 billion kip.
- Road No. 13 North from the 3rd intersection of Ban Kok Nguyiw to the 3rd intersection of Ban Don, 19.4 km long, initial cost 810 billion kip.

5- Phousy Construction and Development Public Company invests in 1000 megawatts of solar power. Estimated investment value of 800 million dollars with an interests return rate of 12.8%

6- Phousy Construction and Development Public Company, investment study plan, hydropower project totaling 1150 megawatts

7- Phousy Construction and Development Public Company is preparing the tender for the project

   a. Land construction project in Luang Prabang province with EDCF funding (Korea)
   b. The project to build garbage fields and alleys in the city of Luang Prabang province with funding from the World Bank

- **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 30 years by ensuring quality, standards, timely delivery and honesty with details oriented.

Internal Audit of Company

Mr. Vilaxay Phanphila

Managing Director
Phousy Construction and Development Public

Mr. Pheng Douangngeun

Lao People's Democratic Republic

Peace, Independence, Democracy, Unity, Prosperity

Phousy Construction and Development Public Company Limited

Located: Office, 3rd floor, Continental Plaza Hotel, Vientiane

Nong Bua Thong Road, Nong Bua Thong South Village

District: Sikhottabong, Vientiane Capital.

Financial statement audit report

For the period January to June 2026

Lao People's Democratic Republic

Peace, Independence, Democracy, Unity, Prosperity

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Auditor's Report for the first half of 2026

Of

Phousy Construction and Development Public Company Limited

To: Chairman of the Shareholders and Board of Directors of Phousy Construction and Development Public Company Limited

In accordance with the duties assigned to me by Phousy Construction and Development Public Company Limited, I would like to present a report on the financial statements for the first 6 months of 2026 of Phousy Construction and Development Public Company Limited as follows:

We have audited the statement of financial position as of June 30, 2026 and the statement of income for the first 6 months of 2026 of Phousy Construction and Development Public Company Limited in accordance with auditing standards approved by the Ministry of Finance and generally accepted auditing standards, and have tested certain items and examined other documents as deemed necessary.

We have found that the financial statements of Phousy Construction and Development Public Company Limited for the first six months of 2026 have been properly prepared in accordance with the Accounting and Auditing Laws of Laos. We have noted that Phousy Construction and Development Public Company Limited has a net deficit of - 4.8 billion kip and total assets of 1,021 trillion kip, and we have found that the financial statements of Phousy Construction and Development Public Company Limited for the first six months of 2026 have been properly prepared. We therefore issue this letter as evidence to the shareholders and the Board of Directors of Phousy Construction and Development Public Company Limited.

Vientiane Capital, Date: 20/08/2026

Auditor

TC Accounting Services Co., Ltd.



ບຸນທອມ ສຸວັນນະພິໆ

Bounhom SOUVANNAPHONG

I. Based on the information in the Trial Balance and the separate accounts provided by the company (data as of June 30, 2026), we have included the information in the Balance Sheet, which is detailed as follows:

1. Financial Position Summary or statement of assets for the first 6 months of the year as follows:

1.1 Asset account types: (Account Categories)	Total value (LAK)
All assets (TOTAL ASSETS)	**1,021,575,615,117.87**
• Current assets (cash, bank deposits, accounts receivable, merchandise, WIP)	619,103,450,123.46
• Non-current assets (land use rights, vehicles, accumulated depreciation)	402,472,164,994.41
Total debt (TOTAL LIABILITIES)	**326,513,146,342.64**
• Revolving liabilities (creditors, advances, taxes payable)	129,961,881,305.57
• Non-current liabilities (STB/BCEL long-term loans, interest payable)	196,551,265,037.07
All of the owner's share (TOTAL EQUITY)	**695,062,468,775.23**
• Registered capital and reserves	699,370,082,540.82
• Lack of funds this year *(Net Loss for the period)*	-4,807,613,765.59
1.2Total liabilities and owner's equity (TOTAL LIABILITIES & EQUITY)	**1,021,575,615,117.87**

2. Balance check (Accounting Equation Check)

- **All assets:** 1,021,575,615,117.87 LAK
- **Debt + Owner's Equity:** 326,513,146,342.64 + 695,062,468,775.23 = **1,021,575,615,117.87 LAK**

• Note: The figures are 100% balanced according to generally accepted accounting principles.

3. Key points found from the analysis (Key Financial Insights)

• Asset structure: The business has assets of over 1 billion LAK, mainly land use rights (Land use rights - Account 15180) worth over 512 billion LAK and trade/internal receivables (Trade & Intercompany Receivables) of very high value.

• Operating results: In this quarter, the business had a net loss of 4.8 billion LAK (revenue of 4.58 billion LAK but expenses of up to 9.38 billion LAK, the main expense of which came from interest payments - Account 82010 of up to 7.99 billion LAK).

• Financial risks: There are long-term bank loans (STB, BCEL) and high accumulated interest payments, but compared to the owner's capital (D/E Ratio = 0.47), it is considered that the financial position is still stable and has strong collateral.

II. Based on the trial balance information you provided (as of June 30, 2026), we have grouped and summarized the income statement or profit and loss statement that is balanced and correct in accordance with accounting principles as detailed below:

1. Income Statement Summary Table

List (Financial Item)	Account code (Account Code)	Total value (LAK)
1.1 Total revenue (TOTAL REVENUE)		4,581,666,174.87
• Income from land rental (Land rental income)	78002	4,580,250,000.00
• Interest income (Interest Income)	78001	1,416,174.87
1.2 Total expenses (TOTAL EXPENSES)		9,389,279,940.46
• Cost/task cost (Site Expenses)	Category 5 (50xxx)	5,880,000.00
• Administrative and operational costs (Operating Expenses)	Category 6 (6xxxx)	1,388,438,241.40
• Interest expense and finance expense (Financial Expenses)	Category 7/8 (82xxx, 77000)	7,994,961,699.06
1.3 Net loss (NET LOSS FOR THE PERIOD)		-4,807,613,765.59

2. Key revenue and expense analysis (Key Highlights)

- Revenue structure: Almost 99.9% of the main revenue comes from land rental income of 4.58 billion LAK.
- High financial costs: The main reason why the business is profitable
- The net deficit of 4.8 billion LAK is due to interest expenses (Interest Expenses - Account 82010) of 7.99 billion LAK, which is due to the long-term loan balance in the system.

Administrative Expenses: The top 3 Operating Expenses are:

2.1 Salary / Wages (Account 61001): 630.96 million LAK

2.2 Survey and Design (Account 62009): 212.82 million LAK

2.3 Fuel (Gasoline, Diesel - Account 64006): 184.17 million LAKIII

Based on the trial balance data as of June 30, 2026, we have grouped and analyzed the Statement of Changes in Equity to show the movement of equity during this accounting period as follows:

1 Capital changes table (Statement of Changes in Equity Table)

Type of capital (Equity Component)	Principal amount (LAK)	Changes in the schedule (LAK)	End of quarter balance (LAK)
1.1 Owner's equity (Equity Capital)	500,000,000,000.00		500,000,000,000.00
1.2 Share capital (Share Capital)	82,000,000,000.00		82,000,000,000.00
1.3 Share premium (Share Premiums)	12,538,931,560.00		12,538,931,560.00
1.4 Legal Reserves (Legal Reserves)	24,800,800,000.00		24,800,800,000.00

1.5 Accumulated profit (Retained Earnings)	80,530,350,980.82	-4,807,613,765.59 *(lack of funds)*	75,722,737,215.23
Including the owner's share ທັງໝົດ (TOTAL EQUITY)	700,032,470,540.82	-4,807,613,765.59 =	695,224,856,775.23

2. Key points and changes (Key Notes)

• No capital increase or decrease: There were no movements in the registered capital, share premium or legal reserves in this quarter.

• Impact of capital loss: Total accumulated profit decreased from 80.53 billion LAK to 75.72 billion LAK, which is a direct impact of the net loss in this fiscal year of 4.8 billion LAK.

• Capital strength: Despite the loss in this quarter, the business still has a very strong capital structure with total owners' equity of almost 695.2 billion LAK, which helps to absorb financial risks well.

3 Cash flow statement summary table (Cash Flow Statement Summary)

Main activities (Core Activities)	Total value (LAK)
3.1 Cash flow from operating activities (Operating Cash Flow)	+27,812,733.36
• Adjusted loss with depreciation (plus)	+35,360,930,186.46
• Changes in accounts receivable, merchandise and WIP (deducted)	-160,835,921,227.08
• Changes in accounts payable and other current liabilities (plus)	+129,961,881,305.57
3.2 Cash flow from investing activities (Investing Cash Flow)	-553,075,642,280.53

• Payment for purchase of fixed assets and land use rights (Land rights & Assets)	-553,123,840,325.53
• Project deposit/guarantee and scrapping costs for obsolete vehicles	+48,198,045.00
3.3 Cash flow from fundraising activities (Financing Cash Flow)	+195,515,452,533.07
• Proceeds from long-term loans (STB / BCEL)	+154,595,863,102.48
• Accumulated interest payments increase	+40,919,589,430.59
Summary of end-of-quarter cash balance (Net Cash Position)	
• Cash and bank balance at the end of the quarter (Cash at End of Period)	2,270,546,101.88

4. Important points of analysis regarding cash flow (Key Cash Insights)

• Liquidity from operations: Despite the accounting loss of 4.8 billion LAK, the actual cash flow from operations was still positive (+27.8 million LAK) due to the addition of depreciation expense of 35 billion LAK.

• Large investments: The company used most of its cash in investment activities of 553 billion LAK, mainly the acquisition of land use rights.

• Reliance on loans: The funds used to invest in land and property were mainly raised through bank financing, with long-term loans increasing by more than 154 billion LAK and accrued interest of more than 40 billion LAK.

IV. Based on the Trial Balance as of June 30, 2026, we have identified and classified all cash and cash equivalents of the business, with the following summary details:

1. Summary table of cash and bank deposits (Cash Balance Details)

Account number and name (Account Code & Name)	Value (LAK)
1.1 Cash on hand and petty cash categories (Cash on hand & Petty Cash)	21,121,451.00

- 10000 · LPB - Petty Cash - LAK	1,934,000.00
- 10200 · LPB - Cash on hand - THB	1,557,451.00
- 10300 · LPB - Cash on hand - USD	17,630,000.00
1.2 Categories of bank deposits (Cash at Banks)	2,249,424,650.88
- 10101 · LPB - Cash Bank 0561224235127	348,163,224.07
- 11005 · LPB-LDB 0300600010000413 LAK	1,858,817,979.00
- 11205 · LPB-BCEL 050110101303678001 USD	12,320,325.09
- 11206 · VTE-BCEL 010110101333463001 USD	8,585,568.00
- 11208 · VTE-BIC 000010100156801 USD	7,004,111.20
- Other bank savings accounts with balances (LAK, THB, USD, CNY)	14,533,443.52
Total cash and cash equivalents (TOTAL)	2,270,546,101.88

2. Important notes (Key Observations)

• Main source of funds: Most of the business's cash, 99%, is held in the form of bank deposits.

• Most liquid accounts: The bank account with the highest balance is LPB-LDB 0300600010000413 LAK (Account 11005) with a value of up to 1.85 billion LAK (covering approximately 81.8% of total cash).

• Multi-currency: The business manages cash in multiple currencies (LAK, THB, USD, CNY), which facilitates the settlement of debts with foreign partners, but requires close monitoring of exchange rate risks.

• We have analyzed the data and provided reports for all 5 main accounts.

V. Based on the Trial Balance data as of June 30, 2026, we have divided and classified all Trade and Other Receivables accounts of the business with the following summary details:

1. Summary table of accounts receivable (Receivables Summary Table)

Accounts receivable category (Receivable Category)	Total net worth (LAK)
1.1 Trade receivables (Net Trade Receivables)	22,243,180,999.79

• 12010 · Trade Receivable - LAK	222,752,150,210.94
• 12105 · AR- MR LUNGKON (BUY LAND)-USD	22,188,820,000.00
• *Broken: 12089 · Bad Debts written off (Debt zero deductions)*	-222,697,789,211.15
1.2. Total internal receivables of the company (Total Intercompany Receivables)	**479,513,819,058.15**
• 12050 · Intercompany A/R PHG - LAK	158,252,173,485.34
• 12057 · Inter A/R Land&Home Development	110,566,600,000.00
• 12058 · Inter A/R Development Group	17,557,625,000.00
• 12059 · Inter A/R L&K Group Co.,LTD	83,182,150,000.00
• 12070 · Intercompany A/R PHG - USD	109,126,780,200.00
• Accounts within other groups (THB, Sinthana)	828,490,372.81
1.3. Other receivables and advances (Other Receivables & Prepayments)	**748,528,860.00**
• 12302 · STL- Tuibouasy 01 (Short-term loan)	500,000,000.00
• 13017 · Servey and Design Express Way (Advance payment)	199,950,960.00
• 132xx · Employee advance loan (Employee Advances)	38,270,000.00
• Deposit accounts and other advances	10,307,900.00
Total amount of receivables (TOTAL RECEIVABLES)	**502,505,528,917.94**

2. Important observations and analysis points (Key Insights)

• Large-scale write-off of debts: The business had a large trade receivable balance, but it was adjusted to write off bad debts (Bad Debts written off - Account 12089) to 222.69 billion LAK, bringing the actual trade receivable balance to 22.24 billion LAK.

• Reliance on intra-group funds: Almost all (95.4%) of the receivable balance is inter-company AR, which is worth up to 479.51 billion LAK. This shows that there is a circulation of funds or lending within the business group as a main activity.

• Short-term loans: There are short-term loans to external/internal parties, such as account Tuibouasy 01, amounting to 500 million LAK, which are classified as other receivables.

VI. Based on the Trial Balance data as of June 30, 2026, we have classified, grouped and calculated the book value of all Fixed Assets & Investment Property of the business with the following summary details:

1. Summary table of fixed assets and investment assets (Fixed Assets Summary)

Asset list (Asset Description)	Original capital value (Cost)	Accumulated depreciation (Accum. Depr.)	Book value (Net Book Value)
1.1 Investment property (Investment Property)	**512,175,992,749.53**	**0.00**	**512,175,992,749.53**
• 15180 · Land use rights (Land use rights)	512,175,992,749.53	0.00	512,175,992,749.53
1.2. Tangible fixed assets (Tangible Fixed Assets)	**36,182,565,371.00**	**-34,876,613,458.56**	**1,305,951,912.44**
• 15140 · Light Vehicles (Light vehicle)	30,583,510,250.00	-29,281,408,336.64	1,302,101,913.36
• 15150 · Heavy Vehicles (Heavy vehicle)	4,068,595,322.00	-4,068,595,321.92	0.08
• 15130 · Tool & Equipments (Tools and equipment)	534,970,799.00	-531,120,799.02	3,850,000.00
• Buildings, equipment, computers and other assets	995,489,000.00	-995,489,001.12	-1.12
1.3. Other assets and improvements (Other Long-term Items)	**1,256,296,088.00**	**-1,304,495,133.00**	**-48,199,045.00**

• 15000.1 · Project Guarantee (Project guarantee)	1,190,400,000.00	0.00	1,190,400,000.00
• 16102 · Security deposit paid (Deposit)	60,471,430.00	0.00	60,471,430.00
• 15210 · Softwares (Anonymous property)	5,424,658.00	-5,425,658.00	-1,000.00
• *ยังว่า: 15990 · Impairment Vehicle (Disused vehicle)*	0.00	-1,299,069,475.00	-1,299,069,475.00
Total net fixed assets (TOTAL NET FIXED ASSETS)	549,614,854,208.53	-36,181,108,591.56	513,433,745,616.97

2. Analysis points and accounting observations (Key Financial Insights)

• Main income-generating asset: Land use rights (Account 15180) worth 512.17 billion LAK is the largest asset of the company (accounting for 93.3% of total fixed assets). This asset is classified as an investment property because it is directly related to Land rental income in the income category.

• High vehicle depreciation rate: Both Light & Heavy Vehicles have accumulated almost full depreciation (95% - 99%), indicating that these vehicles have been in use for a long time or are nearing the end of their useful life.

• Impairment provision: Impairment Vehicle stop using (Account 15990) worth 1.29 billion LAK has been recorded to reduce the value of unused vehicles to the true value.

VII. Based on the Trial Balance as of June 30, 2026, we have classified, grouped, and calculated the net value of Property, Plant, and Equipment (Net PPE) of the business, with the following summary details:

1. Net PPE Value Summary Table (PPE Net Value Table)

Asset list (Asset Item)	Original value (Cost)	Accumulated depreciation (Accum. Depr.)	Book value (Net PPE)
• 15180 · Land use rights (Land use rights)	512,175,992,749.53	0.00	512,175,992,749.53
• 15140 · Light Vehicles (Light vehicle)	30,583,510,250.00	-29,281,408,336.64	1,302,101,913.36
• 15130 · Tool & Equipments (Tools and equipment)	534,970,799.00	-531,120,799.02	3,850,000.00
• 15190 · Other Fixed Assets (Other fixed assets)	695,000.00	0.00	695,000.00
• Buildings, machinery and equipment (fully depreciated or fully depreciated)/	5,064,084,322.00	-5,064,084,322.90	0.00
Total net PPE assets (TOTAL NET PPE)	548,359,253,120.53	-34,876,613,458.56	513,482,639,661.97

2. Key PPE Insights

• Non-depreciable assets: Land use rights worth LAK 512.17 billion are non-depreciable assets and account for 99.7% of the total net fixed assets, which makes the company's asset structure highly stable.

• Fully depreciated assets: Building (15170), Heavy Vehicles (15150), and Furniture & Fixtures (15110) have been fully depreciated to 100% of their original cost. They have a book value of 0 but may still be in use.

• Light Vehicles: With a book value of LAK 30.58 billion, they have been depreciated by 95%, leaving a current net value of LAK 1.3 billion.

VIII. Based on the Trial Balance as of June 30, 2026, we have classified, grouped and calculated the value of the Trade and Other Payables of the business, with the following summary details:

1. Debt summary table must be submitted. (Payables Summary Table)

Categories of debts to be sent (Payable Category)	Total value (LAK)
1.1 Trade debt (Trade Payables)	**11,735,940,395.07**
• 20010 · Accounts Payable - LAK	9,265,472,589.68
• 20012 · Accounts Payable - USD	1,888,838,241.29
• 20011 · Accounts Payable - THB	581,629,564.10
1.2. Debt must be sent to the relevant department. (Related Party Payables)	**63,098,924,181.75**
• 20091.9 · Inter A/P PHG - BUY LAND (Land purchase debt)	55,836,658,756.00
• 20096 · AP Mr Sithong (Touyvankung)	5,540,422,692.00
• 20094 · AP Mr Sitha Phommachit	1,060,023,333.75
• ບັນຊີພາຍໃນກຸ່ມອື່ນໆ (THB, USD)	661,819,400.00
1.3. Other payables and accrued expenses (Other Payables & Accruals)	**28,561,237,301.00**
• 21005 · Advances Received NTD Of LPB (Project advance payment)	24,690,908,460.00
• 21003.1 · Accrued Office Rental (Office rent outstanding)	1,905,000,000.00
• 281xx · Performance guarantee/deposit (Retention & Deposits)	1,823,580,841.00
• 23100 · Salary Payable (Salary arrears, etc.)	141,748,000.00
1.4. Tax due (Taxes Payable)	**27,601,591,921.75**
• 24000 · V.A.T Output 10% (Value Added Tax)	20,262,394,586.27
• 25000 · P.T Payable (Profit tax)	6,074,391,150.48
• Other taxes, deduction of advance salary tax (PIT/Other Taxes)	1,264,806,185.00

The total amount owed must be remitted. (TOTAL TRADE & OTHER PAYABLES) 130,997,693,809.57

2Key Payables Insights

• Intragroup/major counterparty payables: Almost half of the total payables are related party payables, amounting to LAK 63.09 billion, with the main item arising from intragroup land purchases (Account 20091.9) amounting to LAK 55.8 billion.

• High tax liabilities: The company has accumulated tax arrears of up to 27.6 billion LAK, mainly consisting of more than 20.2 billion LAK in value-added tax (V.A.T Output) and another 6 billion LAK in corporate income tax (C.I.T) that require a cash flow management plan to pay to the government. However, these liabilities are budget debts that the government has not yet paid, which makes the tax amount calculated in the accounts high. However, these debts do not affect cash flow like other debts such as interest on bank loans. The company must find a source of funds to pay them. Tax liabilities can only be paid when the government disburses the budget. Various types of taxes will be deducted, such as: VAT and withholding tax.

• Advances Received from Projects: There are advances received from projects such as the Kokngiew and Pakvat-Pakkhon projects totaling over 24.6 billion LAK, which will be recognized as revenue upon completion of the project.

Now, all 9 important reports and sub-reports have been organized and analyzed in a systematic and balanced manner!

To summarize all this work, a total of 9 reports have been compiled, such as: (Financial Statement, Income Statement, Cash Flow, Equity, Cash, Accounts Receivable, PPE Assets, and Accounts Payable) into a PDF file, a complete quarterly financial report.

IX. Based on the trial balance data as of June 30, 2026, we have classified, grouped and calculated the book value of loans and accrued interest of the business with the following summary details:

1. Summary table of loan amount and outstanding interest (Loans & Interest Summary)

Types of loans (Loan & Interest Categories)	Cost/Amount of money (LAK)
1.1 Long-term loans from financial institutions (Financial Loans)	154,595,863,102.48
• 29118 · BCEL PCD 300B-LAK (Lao Foreign Trade Bank loan)	138,500,000,000.00
• 29111 · STB 36 Billion (ST Bank loan)	16,095,863,102.48
1.2. Accumulated interest on outstanding loans (Accrued Interest on Loans)	40,919,589,430.59
• 29218 · AP Interest BCEL-PCD 300B-LAK (Interest due BCEL)	34,269,333,333.22
• 29210 · A/P Interest - STB 36 billion (STB interest outstanding)	6,650,256,097.37
Total net loan commitments (TOTAL NET LOANS & INTEREST)	195,515,452,533.07

2. Debt structure observations and analysis points (Key Loan Insights)

• Main source of borrowing: The business relies mainly on borrowing from the Bank for Foreign Trade of Laos (BCEL) with a total loan amount of 138.5 billion LAK (accounting for 89.6% of total loans).

• High accumulated interest burden: The total accrued interest that has not been paid is 40.91 billion LAK, which is approximately 26.4% of the total loan amount. This reflects the cash flow pressure in managing financial costs.

• Financial costs in the period: Interest paid in this accounting year (Account 82010) is 7.99 billion LAK, which is the main reason why the company's income statement shows a net loss.

X. Based on the Trial Balance as of June 30, 2026, we have classified and summarized the balance of Corporate Income Tax (C.I.T) and other tax liabilities of the business with the following summary details:

1. Summary table of outstanding tax liabilities (Tax Obligations Summary Table)

Tax account list (Tax Item)	Account code	Book value (LAK)	Type of obligation
• Outstanding profit tax (C.I.T Payable)	25000	6,074,391,150.48	Revolving debt
• Value Added Tax (V.A.T Output 10%)	24000	20,262,394,586.27	Revolving debt
• Other taxes due (Other Tax Payable)	26000	1,271,060,544.00	Revolving debt
• Salary tax (P.I.T Payable)	23200	-6,255,000.00 (Debit Balance)	Assets (Prepaid)
Total tax liability (TOTAL TAX LIABILITY)		27,601,591,280.75	

2. Important tax observations and analysis points (Key Tax Insights)

Accumulated Corporate Income Tax (C.I.T): The business has a total corporate income tax liability (Account 25000) of 6.07 billion LAK. Although the company will show a net accounting loss of 4.8 billion LAK for the current quarter (as of June 2026), this amount is an accumulated liability from previous years that is still outstanding for the tax authorities.

• Pressure from Value Added Tax (V.A.T): The majority of the company's tax liability is Output VAT, which amounts to 20.26 billion LAK. This indicates that there are high amounts of invoices or sales/management accounts receivable, which require tight cash flow planning to cover the payment. However, in reality, the actual liability is a tax payable, so it does not affect cash flow.

• Payroll Tax (P.I.T): The Payroll Tax Account (Account 23200) has a balance on the Debit side of 6.25 million LAK, which may result from the advance payment of tax in excess of the actual obligation in this period and can be deducted in the next period.

XI. Based on the Trial Balance as of June 30, 2026, we have classified, grouped and calculated the value of the Other Current Liabilities account of the business with the following summary details:

1. Other revolving debt summary table (Other Current Liabilities Table)

Account code (Account Code)	Account name (Account Name)	Total value (LAK)
• 21005	Project advance payment (Advances Received NTD Of LPB) • *Received NTD (Proj kokngeiw): 1.76 billion LAK* • *Received NTD (Pakvat-Pakkhon): 7.05 billion LAK* • *Main balance: 15.87 billion LAK*	24,690,908,460.00
• 21003.1	Outstanding office rent (Accrued Office Rental)	1,905,000,000.00
• 28100	Performance guarantee/deposit (Security Deposit / Retainer) • *Shino-Hydro: 588.44 Million LAK* • *Anoulak Design: 329.83 Million LAK* • *Project Phonthong 9: 893.29 Million LAK*	1,823,580,841.00
• 23100	**	Salary arrears (Salary Payable)**
• 21003	Other accrued expenses (Accrued Expenses)	15,000,000.00
• 21000	Other revolving liabilities (Other Current Liability)	240,000.00

Total other revolving liabilities (TOTAL OTHER CURRENT LIABILITIES)	28,561,242,301.00

2. Important observations and analysis points (Key Insights)

• Prepayments: The total amount of prepayments from various projects (Account 21005) is the largest item in this category (accounting for 86.4%). This amount is not a cash payment, but an obligation that the company must complete the construction work in order to recognize it as future revenue.

• High accumulated rent arrears: There is a total of office rent arrears (Account 21003.1) of up to 1.9 billion LAK, which reflects the accumulated arrears in fixed administrative costs.

• Retention: The total amount of deposits and guarantees (Account 28100) of 1.82 billion LAK is money that the company retains from sub-contractors to guarantee the quality of work and will be repaid upon the expiration of the guarantee agreement.

•

XII. Based on the trial balance data as of June 30, 2026, we have separated and summarized the Legal and Statutory Reserves account balance in the Equity category with the following details:

1. Summary table of reserve balances according to regulations (Legal Reserves Table)

Account code (Account Code)	Account name (Account Name)	Book value (LAK)	Main categories (Section)
• 32000	Legal reserve (Legal Reserves)	24,800,800,000.00	Owner's share (Equity)
Total reserves (TOTAL RESERVES)		24,800,800,000.00	

2. Key Legal Reserve Insights

• Corporate Legal Obligations: The legal reserve (Account 32000) is worth up to 24.8 billion LAK. According to the Lao PDR Enterprise Law, limited companies and public

companies are required to set aside a portion (usually 10%) of their annual net profit into this reserve until the reserve reaches the percentage specified by law or the company's articles of association.

• No activity in the quarter: In the current quarter, the reserve account balance remained unchanged, with no increase or decrease. Since the business had a net loss of 4.8 billion LAK, there was no net profit to allocate to the reserve.

• Capital Stability: Having a reserve of 24.8 billion LAK is considered a good thing because this reserve is available to cover risks and protect the business's capital in the event that the company experiences a capital shortfall so that it does not directly affect the registered capital.

XIII. Based on the Trial Balance as of June 30, 2026, we have grouped and summarized the Registered Capital and Share Premiums in the Equity category with the following summary details:

1. Summary table of registered capital and share premium (Capital & Premiums Table)

Account code (Account Code)	Account name (Account Name)	Book value (LAK)	Main categories (Section)
• 30200	Equity capital (Equity Capital)	500,000,000,000.00	Owner's share (Equity)
• 30500	Share capital (Share Capital)	82,000,000,000.00	Owner's share (Equity)
• 30400	Share premium (Share Premiums)	12,538,931,560.00	Owner's share (Equity)
Total capital and share premium (TOTAL)		594,538,931,560.00	

2. Key Capital Structure Insights and Observations

• Strong Capital Base: The company has a very strong capital structure with a combined core capital (share capital and equity capital) of 582 billion LAK. This large

capital base reflects the company's ability and credibility to raise capital or borrow large amounts from financial institutions.

• Share Premiums: The Share Premium Account (Account 30400) has a balance of 12.53 billion LAK, reflecting that the company has previously issued shares at a price higher than the par value. This balance is considered a non-dividend-paying portion of the company's capital, but it helps to increase the company's liquidity.

• No Change in Quarter: The total capital account balance in this category has not increased or decreased in the current quarter, indicating that there has been no call for additional shares or capital reductions in this fiscal year.

XIV. Based on the Trial Balance as of June 30, 2026, we have classified and verified the balance of the Dividends Payable account of all activities with the following summary details:

1. Dividend balance summary table (Dividends Payable Summary)

Account code (Code)	Account name (Account Name)	Book value (LAK)	Status (Status)
• 21003.6	Total outstanding dividends (Accrued Dividends Payable)	0.00	No outstanding balance
• 29310	Dividend Payable - SITHONG 01	0.00	No outstanding balance
• 29311	Dividend Payable - PIENKHAM 01	0.00	No outstanding balance
• 29312	Dividend Payable - SIPHONE 01	0.00	No outstanding balance
• 29313	Dividend Payable - BUOAPHAN 01	0.00	No outstanding balance
• 29314	Dividend Payable - SITHA 01	0.00	No outstanding balance

• 29315	Dividend Payable - HAITHONG 01	0.00	No outstanding balance
• 29316	Dividend Payable - AMPHONE 01	0.00	No outstanding balance
• 29317	Dividend Payable - TOUYBOUASY01	0.00	No outstanding balance
• 29318	Dividend Payable - PHETMANY 01	0.00	No outstanding balance
• 29319	Dividend Payable - 82.000.000sh	0.00	No outstanding balance
Total outstanding dividends (TOTAL)		0.00	Balance

2. Key Dividend Insights

• No Dividend Obligation: The total outstanding dividend accounts of each shareholder (codes 293xx and 21003.6) are equal to 0.00 LAK. This indicates that the Company has no outstanding dividend obligations to its shareholders in the system.

• Consistent with operating results: The non-declaration of dividend payment in this quarter is reasonable since the Company's Income Statement for the year showed a net loss of 4.8 billion LAK. According to accounting principles and laws, the Company cannot declare a dividend if there is no net profit in the quarter or sufficient retained earnings after deducting losses.

XV. Based on the Trial Balance as of June 30, 2026, we have separated, analyzed and summarized the Company's Corporate Income Tax Expenses account balance as follows:

1. Summary table of income tax expenses and related obligations (Income Tax Expenses Table)

Account code (Account Code)	Account name (Account Name)	Book value (LAK)	Item type (Category)
• -	Income tax expense this year (Current Income Tax Expense)	0.00	Tax expenses (Income Statement)
• 64020	Taxes and other charges (Tax / Other Fees)	1,679,000.00	Administrative expenses (Operating Expense)
• 25000	Accumulated deferred profit tax (C.I.T Payable)	6,074,391,150.48	Revolving debt (Balance Sheet)
• -	Net accounting loss before tax (Net Loss Before Tax)	- 4,807,613,765.59	Performance (Net Income block)

2. ຂໍ້ Key Income Tax Insights

• No Income Tax Expenses Recorded This Year: In the current quarter, the business recorded no income tax expenses (0.00 LAK) due to the operating results having a net accounting loss of 4.8 billion LAK. According to the Tax Law, if the business has a tax loss, it will not be liable to pay income tax this year and can carry forward the loss to offset the profit in the next year (according to the law).

• Taxes and Other Taxes (Account 64020): There was a payment of fees, land tax or other taxes other than income tax in the amount of 1.67 million LAK, which was properly recognized as a quarterly administrative expense.

• Old outstanding balance remains: Despite the current deficit and no additional tax expense, the company still has accumulated outstanding profit tax liabilities (Account 25000) from previous years that are still outstanding in the accounting system in the amount of 6.07 billion LAK.

XVI. Based on the Trial Balance as of June 30, 2026, we have analyzed and calculated

the Basic Loss Per Share (LPS) of the business based on the net loss and the total number of common shares as detailed below:

1. Summary table of basic capital loss per share calculation (Basic Loss Per Share Table)

Financial items (Financial Item)	Value (Value)	Unit (Unit)	Source of information (Source)
1.1 Net loss (Net Loss)	-4,807,613,765.59	LAK (Kip)	Result Statement (Category 5, 6, 7, 8)
1.2 Number of common shares (Total Shares)	82,000,000.00	Shares (Stock)	Account 30500 & Account Details 29319
1.3 Basic capital deficit per share (LPS)	-58.63	LAK/Share (Kip/share)	Calculation result (Item 1 ÷ Item 2)

2. Key Insights

• Number of Common Shares: Based on the Share Capital (Account 30500) of 82 billion kip and the information in Account 29319 (82,000,000sh), the company has a total of 82 million common shares issued and paid up (par value 1,000 kip per share).

• Impact on Shareholders: In this fiscal year, the business had a basic loss per share of -58.63 kip per share. This figure reflects that for every 1 share held by shareholders, they will contribute to the accounting loss of approximately 58.63 kip, which is a direct result of the high interest expense in this quarter.

• Purpose of Use: This figure is an important indicator that investors or shareholders use to assess the return and risk of a business. However, the business still has more assets than liabilities.

XVII. Based on the Trial Balance as of June 30, 2026 [source: 10], we have separated, grouped and summarized the related party transactions and balances of the business as follows:

1. Balance summary table with related parties (Related Party Balances)

Account code	Account name and activity details (Account & Transactions)	Leftovers Debit (LAK)	Leftovers Credit (LAK)
1.1 Accounts receivable category (Receivables)	Total receivables within the group of companies	479,513,819,058.15	
12050	Intercompany A/R PHG - LAK (Phousy Group)	158,252,173,485.34	
12057	Inter A/R Land&Home Development	110,566,600,000.00	
12058	Inter A/R Development Group	17,557,625,000.00	
12059	Inter A/R L&K Group Co.,LTD	83,182,150,000.00	
12060	Intercompany A/R PHG - THB	825,990,372.81	
12070	Intercompany A/R PHG - USD	109,126,780,200.00	
12906	Inter. A/R Sinthana (Other stakeholders)	2,500,000.00	
1.2 Debt category to be submitted (Payables)	The total amount owed must be sent to the relevant department.		63,098,924,181.75
20091.9	Inter A/P PHG - BUY LAND (Debts owed for land purchase)		55,836,658,756.00
20094	AP Mr Sitha Phommachit (Related parties/shareholders)		1,060,023,333.75

20096	AP Mr Sithong (Touyvankung) (Related parties/shareholders)		5,540,422,692.00
20092	Intercompany A/P PHG - THB		18,891,068.00
20093	Intercompany A/P PHG - USD		642,924,000.00
Net total (Net)	Net debt within the group (Net Intercompany Receivable)	416,414,894,876.40	

2. ខ្ញុំ Key Intercompany Insights and Risk Analysis

• Major Group Financier: The business has an Intercompany AR of 479.5 billion kip. This indicates that the business acts as a liquidity provider or lends capital to its subsidiaries (e.g. Phou Si Group, Land&Home, L&K Group) to a significant extent.

• Intragroup Asset Purchase Obligations: In terms of liabilities, the company has an intragroup liability of 63.09 billion kip [source: 10], the main item being the outstanding land purchase debt (Account 20091.9) of 55.8 billion kip. This item may be directly linked to the land use rights of 512 billion kip held by the company.

• Net Assets and Liquidity: After deducting all of these, the business has a net intergroup liability of 416.4 billion kip. From a financial perspective, the Company's risk will depend on the ability of these subsidiaries to repay the money if the Company needs to recover cash for working capital.

XVIII. Based on the Trial Balance as of June 30, 2026, we have classified, grouped and summarized the balances reflecting the Commitments and Contingent Liabilities of the business as follows:

1. Summary table of liabilities and guarantees (Commitments Summary Table) ✍

Account code	Account name and list of liabilities (Account & Commitments)	Book value (LAK)	Item type (Type)
1.1 Asset category (Asset Commitments)			
15000.1	Project Km21-Nakha 50.000$ (Project guarantee)	1,190,400,000.00	ເງິນຝາກຄ້ຳປະກັນ ສັນຍາ
16102	Security deposit paid (ເງິນ ມັດຈຳ/ເງິນປະກັນ)	60,471,430.00	ເງິນມັດຈຳໄລຍະ ຍາວ
1.2 ໜອດໜີ້ສິນຜູກພັນ (Liability Commitments)			
21005	Advances Received NTD Of LPB (ເງິນຮັບລ່ວງໜ້າສັນຍາ NTD)	24,690,908,460.00	Construction work obligations
28100	Security Deposit / Retainer (Performance guarantee withheld)	1,823,580,841.00	Obligations towards subcontractors
21003.1	Accrued Office Rental (Accumulated office rent)	1,905,000,000.00	Obligations under the lease agreement

2. Key Financial Insights and Risk Analysis

• Large Construction Project Commitments: The project has Advances Received of up to 24.69 billion kip. This figure is the legal and contractual obligation that the company must manage and complete the construction of projects (such as the Kokngiew and Pakvat-Pakkhon projects) on time in order to convert these advances into revenue for the company [source: 10].

• Retention Money: The 1.82 billion kip [source: 10] retention money that the company has retained from subcontractors (such as Shino-Hydro, Anoulak Design) [source: 10]

is considered a contingent liability that must be paid back to the contractor when the construction project has completed its quality assurance period and no damage has occurred.

• Project Guarantee: The Company has deposited a cash guarantee of Km21-Nakha Project of 1.19 billion kip (or 50,000 USD) [source: 10] with the project owner/public sector, which is a pledged asset and will be returned upon successful completion of the contract.

XIX. Based on the Trial Balance as of June 30, 2026, we have classified, classified and analyzed the items at risk or required to be disclosed as Events After the Reporting Period of the activity, with the following summary details:1. ຕາຕະລາງເປີດເຜີຍເຫດການຫຼັງມື້ລາຍງານ (Subsequent Events Disclosure Table)

Account item/title (Topic)	Relevant value (LAK)	Details and impact after the reporting date (Subsequent Disclosures & Impact)
• Interest and loan burden	7,991,047,799.06	Interest payments due after June 30, 2026 from BCEL and STB loans continue to put pressure on retained earnings. Debt restructuring negotiations may be required in the future.
• Advance payment NTD ຂອງ LPB	24,690,908,460.00	The balance of advance payments from the project (Account 21005) will be recognized as actual revenue upon delivery of the construction work for the Kokngiew and Pakvat-Pakkhon projects after the reporting date.
• Exchange rate risk	2,270,546,101.88	Cash and bank deposits held in multiple currencies (USD, THB, CNY) will fluctuate in value and be affected by FX revaluation in the market after the accounting period.
• Accumulated tax liabilities	26,336,785,736.75	The total accumulated corporate income tax (C.I.T) and value-added tax (V.A.T Output) arrears must be planned for actual cash flow

to be paid to the tax sector after June 30, 2026.

2. Key Financial Insights

• Non-adjusting Events: The events after the reporting date in this category are mostly ongoing business events that do not result in a change in the accounting figures until June 30, 2026, but are information that needs to be disclosed so that management and shareholders understand the risks and future direction of the business.

• Liquidity Management: The company has high liabilities (interest, creditors, taxes) compared to its cash balance of 2.27 billion kip. Therefore, a key post-reporting measure is to accelerate the collection of intercompany receivables (AR) of more than 479.5 billion kip to cover these liabilities.

Phousy Construction and Development Public Company Limited

ແພງ ດວງເງິນ

TC Accounting Services Company Limited

ບຸນທອມ ສຸວັນນະພົງ
Bounhom SOUVANNAPHONG