LAO AGROTECH PUBLIC COMPANY AND ITS SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025



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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS AND BOARD OF DIRECTORS OF LAO AGROTECH PUBLIC COMPANY

Our opinion

In our opinion, the financial statements of Lao Agrotech Public Company (the Company) for the year ended 31 December 2025 are prepared, in all material respects, in accordance with accounting policies described in Note 2 to the financial statements.

What we have audited

The Company's financial statements comprise:

- the statement of financial position as at 31 December 2025;
- the statement of income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) as applicable to audit of financial statements of public interest entities. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Emphasis of matter - Basis of preparation

We draw attention to Note 2 to the financial statements, which describes the basis of preparation. The financial statements have been prepared in accordance with the Company's accounting policies which may differ from IFRS Accounting Standards. The readers should therefore be aware that the accompanying financial statements are not intended to present the financial position and its financial performance and cash flows in accordance with IFRS Accounting Standards. Our opinion is not modified in respect to this matter.

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PO Box 7003, Vientiane Capital, Lao PDR,
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Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. We determine one key audit matter: Revenues recognition. The matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on the matter.

Key audit matter	How our audit addressed the key audit matter
Revenues recognition **Refer to Note 2.14 'Significant accounting policies – Revenue recognition' and Note 19 'Revenue from sales' to the financial statements.** Revenue from sales of goods is typically recognized upon the delivery of goods to customers. However, there is a concern that revenue could be prematurely recognized if invoices and delivery notes are issued at or near year-end without the actual delivery of goods to the customer. This risk is heightened when goods are destined for customers located at significant distances or when customers temporarily halt operations, such as during holiday shutdowns. Thus, there is a likelihood of a risk of misstatement of the financial statements related to transactions occurring close to the year end, as transactions could be recorded in the wrong financial period.	We performed the following procedures: • Assessing and testing the design and operating effectiveness of controls for revenue recognition, particularly focus on controls around the timely and complete recording of sales transactions. • Testing end-to-end reconciliations from sale report to the general ledger of revenue account, including testing adjustment transaction records against the underlying documents related to revenue. • Selecting revenue samples prior to and after year end to test whether they are recorded in appropriate timing, based on terms and conditions set out in sales invoices. • Examining the revenue transactions for goods sold during the period on a sample basis by agreeing the revenue transactions with goods delivery note which signed by customer. • Challenging management how they ensure the completeness and cut off for revenue recognition. From these procedures performed, we found that revenue recognition was in accordance with the accounting policy and the available evidence.

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Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report (but does not include the financial statements and our auditor's report thereon), which is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the audit committee.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of the financial statements in accordance with accounting policies described in Note 2 to the financial statements, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For PricewaterhouseCoopers (Lao) Sole Company Limited

By Pongphan Domerongphanudom
Partner

Vientiane Capital, Lao PDR
Date: 7 April 2026

PricewaterhouseCoopers (Lao) Sole Company Limited
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LAO AGROTECH PUBLIC COMPANY AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Notes	2025 LAK	2024 LAK
ASSET			
Current assets			
Cash and cash equivalents	3	305,106,388	3,556,622,752
Trade and other receivables, net	4	6,535,192,685	7,745,187,515
Inventories, net	5	747,790,383	210,538,164
Factory supplies, net	6	4,669,439,509	1,321,893,384
Deferred plantation costs - Palm sapling for sale	7	994,145,783	799,422,815
Other current assets		6,742,603,464	6,413,200,610
Total current assets		**19,994,278,212**	**20,046,865,240**
Non-current assets			
Property, plants and equipment, net	8	19,495,483,733	19,820,758,071
Deferred plantation costs - Palm tree, net	9	22,267,821,509	22,802,068,802
Deferred plantation costs - Pongamia tree	10	24,623,473,784	9,158,137,050
Deferred plantation costs – Acacia trees	11	3,541,497,838	2,860,608,812
Total non-current assets		**69,928,276,864**	**54,641,572,735**
TOTAL ASSETS		**89,922,555,076**	**74,688,437,975**
LIABILITIES AND EQUITY			
Liabilities			
Current Liabilities			
Trade and other payable	12	30,928,473,490	10,710,564,109
Other current liabilities	13	259,064,127	55,847,258
Borrowings	14	2,000,000,000	2,000,000,000
Finance leases liability-current portion	15	910,475,125	840,316,500
Total current liabilities		**34,098,012,742**	**13,606,727,867**
Non-Current Liabilities			
Other non-current liabilities	16	18,223,424,449	18,223,424,449
Total non-current liabilities		**18,223,424,449**	**18,223,424,449**
Total liabilities		**52,321,437,191**	**31,830,152,316**
Equity			
Share capital	17	50,000,000,000	50,000,000,000
Share premium	17	3,269,466,406	3,269,466,406
Retained earnings/(Deficits)			
Appropriated - legal reserved	18	932,158,245	932,158,245
Un-appropriated		(16,600,506,766)	(11,343,338,992)
Total equity		**37,601,117,885**	**42,858,285,659**
TOTAL LIABILITIES AND EQUITY		**89,922,555,076**	**74,688,437,975**

Mr. Phongtarn Pichjumnong
Deputy Director
Date: 7 April 2026

Mr. Vanhsalerm Sisukhammang
Chief Accountant
Date: 7 April 2026

The accompanying notes on page 11 to 27 are an integral part of these consolidated financial statement.

LAO AGROTECH PUBLIC COMPANY AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 LAK	2024 LAK
Revenue from sales	19	37,761,303,177	39,810,705,595
Cost of sale	20	(31,847,103,059)	(31,755,152,281)
Gross profit		**5,914,200,118**	**8,055,553,314**
Selling and administrative expenses		(12,281,965,192)	(13,853,798,285)
Other income		3,092,732,446	3,947,894,712
(Loss)/Gain on exchange rate		(1,705,368,644)	311,249,455
Operating Loss		**(4,980,401,272)**	**(1,539,100,804)**
Finance costs		(276,766,502)	(217,300,153)
Loss before income tax expense		**(5,257,167,774)**	**(1,756,400,957)**
Income tax expense	21	(-)	(-)
Loss for the year		**(5,257,167,774)**	**(1,756,400,957)**
Loss per share			
Basic loss per share	22	(52.57)	(17.56)

Mr. Phongtarn Pichjumnong
Deputy Director
Date: 7 April 2026

Mr. Vanhsalerm Sisukhammang
Chief Accountant
Date: 7 April 2026

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LAO AGROTECH PUBLIC COMPANY AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Paid-up share capital LAK	Share Premium LAK	Retained earnings/(Deficits) Legal reserved LAK	Retained earnings/(Deficits) Un-appropriated LAK	Total LAK
Opening balance at 1 January 2024	17	**50,000,000,000**	**3,269,466,406**	**932,158,245**	**(9,586,938,035)**	**44,614,686,616**
Loss for the year		(-)	(-)	(-)	(1,756,400,957)	(1,756,400,957)
Closing balance at 31 December 2024		**50,000,000,000**	**3,269,466,406**	**932,158,245**	**(11,343,338,992)**	**42,858,285,659**
Opening balance at 1 January 2025	17	50,000,000,000	3,269,466,406	932,158,245	(11,343,338,992)	42,858,285,659
Loss for the year		(-)	(-)	(-)	(5,257,167,774)	(5,257,167,774)
Closing balance at 31 December 2025		**50,000,000,000**	**3,269,466,406**	**932,158,245**	**(16,600,506,766)**	**37,601,117,885**

Mr. Phongtarn Pichjumnong
Deputy Director
Date: 7 April 2026

Mr. Vanhsaierm Sisukhammang
Chief Accountant
Date: 7 April 2026

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LAO AGROTECH PUBLIC COMPANY AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 LAK	2024 LAK
Loss before income tax		**(5,257,167,774)**	**(1,756,400,957)**
Adjustments for:			
Depreciation charge	8	2,177,254,049	2,120,109,270
Amortization charge	9	970,062,538	942,879,795
Gain from disposal of property, plant, and equipment		(60,000,000)	(-)
Write-off inventories and factory supplies	6	(-)	77,184
Write-off deferred plantation costs	7,10	549,073,997	236,706,224
Foreign exchange loss		526,735,343	75,667,878
Interest expenses		276,766,502	217,300,153
Allowance for doubtful debts	4	(-)	675,211,200
Reversed for allowance for doubtful debts	4	(509,401,651)	(467,270,746)
Changes in working capital:			
Trade and other receivables		1,719,396,482	936,023,054
Inventories, net		(537,252,219)	1,370,974,688
Factory supplies, net		(3,347,546,125)	1,346,449,111
Deferred Plantation costs - Palm sapling for sale		(480,158,765)	(286,116,002)
Other current assets		(329,402,854)	(2,247,016,782)
Trade and other payables		9,901,862,557	(1,200,248,466)
Other current liabilities		254,476,969	(20,235,592)
Cash flows from operating activities		**5,854,699,049**	**1,944,110,012**
Interest paid		(276,766,502)	(217,300,153)
Income tax paid		(-)	(-)
Net cash generated from operating activities		**5,577,932,547**	**1,726,809,859**
Cash flows from investing activities			
Purchases of property, plant and equipment	8	(1,760,749,582)	(4,098,493,646)
Proceed from disposal of property, plant and equipment		60,000,000	(-)
Plantation costs paid – Palm tree	9	(435,815,245)	(594,286,195)
Plantation costs paid - Pongamia trees	10	(5,633,008,977)	(6,620,389,346)
Purchases of deferred plantation costs – Acacia trees	11	(1,064,879,529)	(1,540,625,985)
Net cash used in investing activities		**(8,834,453,333)**	**(12,853,795,172)**

Mr. Phongtarn Pichjumnong
Deputy Director
Date: 7 April 2026

Mr. Vanhsaierm Sisukhammang
Chief Accountant
Date: 7 April 2026

The accompanying notes on page 11 to 27 are an integral part of these consolidated financial statement.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 LAK	2024 LAK
Cash flow from financing activities			
Proceeds from borrowings	14	4,000,000,000	4,000,000,000
Repayments of borrowings	14	(4,000,000,000)	(4,000,000,000)
Finance leases principal repayments		(-)	(246,819,682)
Net cash used in financing activities		**(-)**	**(246,819,682)**
Net decrease in cash and cash equivalents		**(3,256,520,786)**	**(11,373,804,995)**
Cash and cash equivalents at the beginning of the year	3	3,556,622,752	14,386,401,761
Effect of exchange rate changes on cash and cash equivalents		5,004,422	544,025,986
Cash and cash equivalents at the end of the year	**3**	**305,106,388**	**3,556,622,752**
Significant non-cash items:			
Outstanding lease liability for previously acquired vehicle and palm machine		1,828,408,490	1,687,516,530
Acquisitions of property, plant and equipment which have not been paid for the year	8	312,770,000	(-)
Acquisitions of Pongamia tree which have not been paid	10	9,490,435,583	570,589,200

Mr. Phongtarn Pichjumnong
Deputy Director
Date: 7 April 2026

Mr. Vanhsalerm Sisukhammang
Chief Accountant
Date: 7 April 2026

The accompanying notes on page 11 to 27 are an integral part of these consolidated financial statement.

1. General information

LAO AGROTECH PUBLIC COMPANY (the Company) and its subsidiary which is Lao Dee Green Sole Co.,Ltd (together, "the Group") are respectively listed and limited companies incorporated and domiciled in the Lao PDR. The address of its registered office is Nongkhankhu village, Naxaythong district, Vientiane Lao People Democratic Republic.

The Parent's shares were firstly traded at Lao Securities Exchange on 25 September 2017.

The principal activity of the group is to carry on the palm oil industry which starting from palm sapling cultivation, palm plantation, palm product processing and sell by the Group itself. The Group also provides the financial supports and palm saplings to the farmers for planting and buyback the palm seed.

In addition, the Group also imports finished goods such as CPO, cooking oil and monosodium glutamate from Thailand to sell in Lao PDR.

The Group invested 100% in Lao Dee Green Sole Co.,Ltd, which total share capital of amount LAK 240,422,000,000. As at 31 December 2025, The Group was paid up share at 10.29% of total share capital in subsidiary or equivalent to LAK 24,745,926,658 (the value of paid are classify to in kind is LAK 12,089,534,643 and in cash is LAK 12,656,392,015).

Regarding to share certificate number 00001/LDG, dated 31 December 2023, as of the date of this certificate, the registered capital of the Company is LAK 240,422,000,000.

The principal activity of the subsidiary is to establish high quality tree plantations, primarily of acacia, and to process this wood, together with sustainably produced plantation acacia, into high value ready-made products for the export market.

During the financial year ended 31 December 2025, the Group undertook additional planting of Pongamia trees at subsidiary. Such activities are considered ancillary to the Group's principal operations relating to Acacia plantations. The Pongamia planting activities were undertaken for the purposes of carbon sequestration and oxygen generation, as well as to support the potential use of Pongamia seeds for biodiesel oil production. As at the reporting date, these activities remained at an early stage and did not constitute the Group's principal revenue-generating operations.

The Company's project located at Taoi and Samoi district, Salavan province, Lao PDR.

The consolidated financial statements were authorised for issued by the director on 7 April 2026.

2. Significant accounting policies

The principal accounting policies adopted in the preparation of the consolidated financial statements are set out below:

2.1 Basis of preparation

The accompanying consolidated financial statements have been prepared in accordance with the Group's principal accounting policies as described below and have been prepared generally under the historical cost convention.

According to the Accounting Law no. 47/NA issued on 26 December 2013, Public Interest Enterprises (PIEs) are required to apply IFRS. However, Ministry of Finance has issued announcement No. 1137/MoF issued on 27 April 2020 and from Lao Securities and Exchange Commission Office (LSCO) dated 25 May 2020, which provided options for PIEs to prepare action plan for adoption IFRS until 31 December 2025 and 1 January 2026 onward, all listed companies must fully adopt IFRS.

The management is presently preparing action plan for implementation of IFRS in accordance with the announcement. Therefore, the accounting principles applied may materially differ from International Financial Reporting Standards (IFRS).

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the revenues and expenses in the reported periods. Although these estimates are based on management's knowledge of current events and actions, actual results may materially differ from those estimates.

Financial Position

As at 31 December 2025, the Group's current liabilities exceeded its current assets by LAK 14,103,734,530. The Group has also reported recurring net losses for the financial years ending 31 December 2024 and 31 December 2025.

For the year ended 31 December 2025, the Group generated positive cash flows from operating activities, consistent with the year ended 31 December 2024, and maintained positive equity as at 31 December 2025.

Management has undertaken actions to manage liquidity and maintain adequate levels of cash and cash equivalents, including negotiations with third parties to support short-term cash flow requirements to subordinate in favour of all other creditors and address the Company's liquidity management plan. The financial statements have been prepared on a going concern basis, as management considers that these measures will provide sufficient liquidity for the Group to continue its operations in the foreseeable future at least the next twelve months from the date of this report.

2. Significant accounting policies (Continued)

2.2 Group accounting - investments in a subsidiary

Subsidiary is an entity (including structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns though its power over the entity. Subsidiary is fully consolidated from the date on which control is transferred to the Group. It is deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiary have been changed where necessary to ensure consistency with the policies adopted by the Group.

Transferred assets in different financial line items among group companies are not considered for the consolidation

2.3 Foreign currency translation

Transactions denominated in currencies other than Lao Kip (LAK) are translated into LAK at the rates of exchange prevailing on the transaction dates.

Monetary assets and liabilities at the statement of financial position date denominated in currencies other than LAK are translated into LAK at the exchange rate prevailing at the statement of financial position date.

Gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of income.

2.4 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less. In the statement of financial position, bank overdrafts are shown within borrowings in current liabilities, if any.

2.5 Trade and other receivables

Trade and other receivables are carried at original invoice amount and subsequently measured at the remaining amount less allowance for impairment based on a review of all outstanding amounts at year end, except receivable from contract farming. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written off during the year in which they are identified and recognised in the statement of income within selling and administrative costs. Allowance for doubtful account and reversal of doubtful account are recognised as a separate line in selling and administrative expenses and other income in the statement of income respectively.

Management consider provision for allowance for doubtful account when the outstanding balance is over 3 years.

2. Significant accounting policies (Continued)

2.6 Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined by actual average cost of production incurred in each production year using weighted average cost method. The cost of finished goods comprises with direct raw material, direct labour cost and other direct production overheads. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, allowances or rebates.

Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories. Write-off of inventories was recognised in statement of income.

2.7 Factory supplies

Factory supplies are stated at the cost and determined by weighted average cost method. The factory supplies mainly comprise crude palm oil (CPO), chemical, bio-diesel B100, fertilizer, potassium nitrate and palm seeds. These factory supplies may be sold to customers and recognised as revenue of the Group, as they are acquired and partly produced for dual purposes: (i) sale to external customers, and (ii) use as a key raw material in the production of biodiesel for internal consumption. The costs of purchase comprise both the purchase price and costs directly attributable to the acquisition of the supplies, such as import duties and transportation charges, less all attributable discounts, allowances or rebates. Allowance is made, where necessary, for obsolete, slow-moving and defective items. Write-off of factory supplies was recognised in statement of income.

2.8 Deferred plantation costs – Acacia trees

Deferred plantation cost - acacia is an accumulated cost of palm plantation which covers cost of land clearance, fertilizer, labor and other expenses which are directly related. Acacia which are ready for harvested normally is 5- 6 years from the initial planting date. All revenues related to acacia harvesting are taken to statement of income when sold and the related capitalised costs written off to statement of income when harvest is sold or depleted.

2.9 Property, Plant and Equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the property, plant and equipment items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Land is not depreciated. Depreciation on other assets is calculated so as to write off the cost less residual value of each item of plant and equipment on a straight-line basis over their expected useful life.

2. Significant accounting policies (Continued)

2.9 Property, Plant and Equipment (Continued)

The estimated useful life for each category of property and equipment is as follows:

	Years
Buildings and infrastructure	5 - 40
Furniture and equipment	3 - 5
Machinery and equipment	5 - 20
Vehicles	3 - 5

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Repairs and maintenance are charged to the statement of income during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group. Major renovations are depreciated over the remaining useful life of the related asset.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in the statement of income.

2.10 Deferred plantation costs – Palm trees

Deferred plantation cost - Palm trees is an accumulated cost of Palm tree plantation which covers cost of land clearance, fertilizer, labor and other expenses which are directly related. All are measured at cost less accumulated amortization and allowance for impairment. Palm trees, which are ready for harvested (generally 4 years from planting), will be amortised to be cost of raw materials over the period 26 years of its expected economic useful life.

2.11 Deferred plantation costs – Saplings

Deferred plantation cost - Saplings is presented in the statement of financial position at cost deducted accumulated allowance for impairment. The costs comprise both direct purchase price of sapling and costs directly attributable to the acquisition of the palm saplings such as import duties and transportation charges.

2.12 Deferred plantation costs – Pongamia tree

Pongamia costs comprise both direct purchase price of Pongamia trees and costs directly attributable to the acquisition of the Pongamia trees such as labor cost and fertilizer, labor and other expenses which are directly related. Pongamia which are ready for harvested normally is 5- 6 years from the initial planting date.

2.13 Trade and other account payables

Trade and other account payables are carried at the original invoice amount and subsequently measured at the remaining amount less any.

2. Significant accounting policies (Continued)

2.14 Leases

Leases – where the Group is the lessee

Leases not transferring a significant portion of the risks and rewards of ownership to the lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of income on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

Leases of property, plant or equipment (PPE) which has lease agreement with leasing company are classified as finance leases. The cost of PPEs is consisted of purchase, and installation and other direct cost relating to those PPE.

Lease payable is included cost of PPE and deferred interest expenses. Deferred interest expense is recorded as asset and will recognise in statement of income on a straight-line basis over the period of lease agreement.

2.15 Revenue recognition

Revenue from sales of goods is recognised when significant risks and rewards of ownership of the goods are transferred to the buyer which is generally at the time that the Group delivers products to its customers based on agreed trading and delivery terms and conditions.

Other revenues are recognised on the following basis:

- Revenue from sales of palm residue is recognized when palm residue is transfer to buyer based on agreed trading and delivery term

2.16 Income tax

The Group records income tax on an accrual basis. The Group does not recognise corporate income tax payable or receivable in future periods in respect of temporary differences. Income tax expense is recognised based on the operating result for the year after adjusted non-deductible expenses and other transactions under the related Lao Tax Law and tax rate. Under Lao Tax Law, Lao Accounting Law and related privileges as listed Company, tax expenses for the year are determined based on the taxable profit as calculated in accordance with the applicable Lao Tax Law (Note 21).

In Lao PDR, income tax returns are regularly reviewed in detail by the relevant authorities. In addition, tax issues raised in the reviews may require substantive judgments and interpretation by the parties concerned. The reviews could therefore potentially result in additional tax payments or refunds being necessary which may be significant. This would result in the payment or refund being recognised as income tax expense in the year in which the reviews are completed.

3. Cash and cash equivalents

	2025 LAK	2024 LAK
Cash on hand	9,069,350	5,248,000
Deposits held at call with bank[(i)]	296,037,038	3,551,374,752
	305,106,388	**3,556,622,752**

(i) Deposits held at call with banks represent cash deposited in three different currencies being LAK, US Dollar, and Thai Baht in current accounts with local reputable banks and foreign bank branches.

4. Trade and other receivables, net

	2025 LAK	2024 LAK
Trade receivable[(i)]	7,570,360,885	9,289,757,366
Other receivable	339,600,000	339,600,000
Less: Allowance doubtful debts[(ii)]	(1,374,768,200)	(1,884,169,851)
	6,535,192,685	**7,745,187,515**

(i) Trade receivables mainly consist of receivables from sales of palm sapling, biodiesel, and crude palm oil during the year

(ii) The movement for allowance doubtful debts are summarised below:

	2025 LAK	2024 LAK
Opening balance	1,884,169,851	1,676,229,397
Addition	(-)	675,211,200
Reversed for allowance doubtful[(i)]	(509,401,651)	(467,270,746)
Ending balance	**1,374,768,200**	**1,884,169,851**

(i) The Company successfully collected amounts previously deemed doubtful, leading to a reversal of the allowance for doubtful accounts.

5. Inventories, net

	2025 LAK	2024 LAK
Finished goods[(i)]	740,819,083	155,623,245
Work in progress (WIP)	6,971,300	54,914,919
Less: Allowance for obsolete and slow moving inventories	(-)	(-)
	747,790,383	**210,538,164**

(i) Finished goods primarily comprise palm waste products and fertilizer, as well as cooking oil and B5 biodiesel held for sale. For the year ended 31 December 2025, the Group did not recognize any inventory write-offs.

6. Factory supplies, net

	2025 LAK	2024 LAK
Fertilizer	208,883,414	520,696,279
Crude palm oil (CPO)	4,196,253,337	474,693,590
Diesel	27,962,687	100,955,542
Other factory supplies[(i)]	236,340,071	225,547,973
Less: Allowance for obsolete and slow moving factory supplies	(-)	(-)
	4,669,439,509	**1,321,893,384**

(i) Other factory supplies primarily consist of biodiesel B100, potassium nitrate, chemicals and palm seeds. For the year ended 31 December 2025, the Group did not recognize any write-offs while the fiscal year 2024 the Company has write-off of factory supplies amounting of LAK 77,184 and recognised in the statement of income.

7. Deferred plantation costs – palm sapling for sale

Palm sapling costs comprise both direct purchase price of palm seed and costs directly attributable to the acquisition of the palm saplings such as labor cost and fertilizer.

For the year ended 31 December 2025, The Group recognized a write-off of deferred plantation costs amounting LAK 285,435,797 in the statement of income, due to the death of palm trees.

The movement for deferred plantation costs – palm sapling for sale are summarised below:

	2025 LAK	2024 LAK
Opening	**799,422,815**	**750,013,038**
Addition	480,158,765	286,116,001
Write-off	(285,435,797)	(236,706,224)
Ending balance	**994,145,783**	**799,422,815**

8. Property, Plants and Equipment, net

	Land LAK	Buildings LAK	Machineries and equipment LAK	Vehicles LAK	Furniture and office equipment LAK	Asset under construction and installation LAK	Total LAK
Year ended 31 December 2025							
Opening net book amount	6,233,000,900	3,219,180,944	4,763,666,315	2,462,582,181	400,136,498	2,742,191,233	19,820,758,071
Addition	(-)	(-)	64,103,688	340,315,315	68,938,629	1,600,161,950	2,073,519,582
Disposals cost	(-)	(-)	(-)	(147,899,600)	(-)	(-)	(147,899,600)
Disposal accumulated depreciation	(-)	(-)	(-)	147,899,600	(-)	(-)	147,899,600
Transfer out to Deferred Plantation costs - Pongamia tree (Note 10)	(-)	(-)	(-)	(-)	(-)	(221,539,871)	(221,539,871)
Transferred in/(out) to buildings	(-)	209,498,622	(-)	(-)	(-)	(209,498,622)	(-)
Transferred in/(out) to vehicles	(-)	(-)	(-)	1,300,726,790	(-)	(1,300,726,790)	(-)
Transferred in/(out) to Furniture and office equipment	(-)	(-)	(-)	(-)	421,172,163	(421,172,163)	(-)
Depreciation charge	(-)	(260,786,293)	(960,896,067)	(827,324,014)	(128,247,675)		(2,177,254,049)
Closing net book amount	**6,233,000,900**	**3,167,893,273**	**3,866,873,936**	**3,276,300,272**	**761,999,615**	**2,189,415,737**	**19,495,483,733**
At 31 December 2025							
Cost	6,233,000,900	6,079,866,490	13,166,813,176	12,034,780,822	1,981,335,137	2,189,415,737	41,685,212,262
Less: Accumulated depreciation	(-)	(2,911,973,217)	(9,299,939,240)	(8,758,480,550)	(1,219,335,522)	(-)	(22,189,728,529)
Net book amount	**6,233,000,900**	**3,167,893,273**	**3,866,873,936**	**3,276,300,272**	**761,999,615**	**2,189,415,737**	**19,495,483,733**

The Group brought its four land deeds title no. 362, 473, 427 and 474 to guarantee the loan from the bank, the value of the land taken as guarantee is 2,712,654,900 kip (Note 14).

8. Property, Plants and Equipment, net (Continued)

	Land LAK	Buildings LAK	Machineries and equipment LAK	Vehicles LAK	Furniture and office equipment LAK	Asset under construction and installation LAK	Total LAK
Year ended 31 December 2024							
Opening net book amount	6,233,000,900	2,704,179,898	5,701,319,359	1,329,522,370	79,752,001	1,794,599,167	17,842,373,695
Addition	(-)	294,893,728	110,922,546	1,885,439,529	398,486,992	2,327,251,098	5,016,993,893
Transfer out to Deferred Plantation costs - Pongamia tree (Note 10)	(-)	(-)	(-)	(-)	(-)	(918,500,247)	(918,500,247)
Transferred in/(out) to buildings	(-)	461,158,785	(-)	(-)	(-)	(461,158,785)	(-)
Depreciation charge	(-)	(241,051,467)	(1,048,575,590)	(752,379,718)	(78,102,495)	(-)	(2,120,109,270)
Closing net book amount	**6,233,000,900**	**3,219,180,944**	**4,763,666,315**	**2,462,582,181**	**400,136,498**	**2,742,191,233**	**19,820,758,071**
At 31 December 2024							
Cost	6,233,000,900	5,870,367,868	13,102,709,488	10,393,738,717	1,491,224,345	2,742,191,233	39,833,232,551
Less: Accumulated depreciation	(-)	(2,651,186,924)	(8,339,043,173)	(7,931,156,536)	(1,091,087,847)	(-)	(20,012,474,480)
Net book amount	**6,233,000,900**	**3,219,180,944**	**4,763,666,315**	**2,462,582,181**	**400,136,498**	**2,742,191,233**	**19,820,758,071**

The Group brought its four land deeds title no. 362, 473, 427 and 474 to guarantee the loan from the bank, the value of the land taken as guarantee is 2,712,654,900 kip (Note 14).

9. Deferred plantation costs - Palm tree, net

	2025 LAK	2024 LAK
Opening balance	22,802,068,802	23,150,662,402
Addition	435,815,245	594,286,195
Less: Amortization	(970,062,538)	(942,879,795)
Ending balance	**22,267,821,509**	**22,802,068,802**
As at 31 December		
Deferred plantation cost	29,889,705,454	29,453,890,209
Less: Accumulated amortization	(7,621,883,945)	(6,651,821,407)
	22,267,821,509	**22,802,068,802**

10. Deferred Plantation costs - Pongamia tree

Pongamia costs comprise both direct purchase price of Pongamia trees and costs directly attributable to the acquisition of the Pongamia trees such as labor cost and fertilizer.

Below are the movement for deferred Plantation costs - Pongamia tree:

	2025 LAK	2024 LAK
Opening balance	9,158,137,050	1,967,158,504
Addition	15,123,444,560	6,272,478,299
Transferred from Property, plants and Equipment (Note 8)	221,539,871	918,500,247
Transfer in from deferred plantation costs – Acacia trees (Note 11)	383,990,503	(-)
Write-off (i)	(263,638,200)	(-)
Ending balance	**24,623,473,784**	**9,158,137,050**

(i) During the year ended 31 December 2025, the Group recognised the write-off of Pongamia trees that were no longer viable due to death. The related carrying amount was written off and charged to the statement of income.

11. Deferred plantation costs – Acacia trees

Deferred plantation costs – Acacia trees represented the cost of land clearance, nursery costs, plant preparation costs, an appropriate portion of relevant overheads.

11. Deferred plantation costs – Acacia trees (Continued)

The movement for deferred plantation costs – Acacia trees are summarised below:

	2025 LAK	2024 LAK
Opening balance	2,860,608,812	1,319,982,827
Addition incuured in LDG	1,064,879,529	1,540,625,985
Transfer out to deferred plantation costs – Pongamia trees (Note 10)	(383,990,503)	(-)
Ending balance	**3,541,497,838**	**2,860,608,812**

12. Trade and other payable

	2025 LAK	2024 LAK
Trade payable[(i)]	29,381,042,345	9,398,887,632
Other payable[(ii)]	1,547,431,145	1,311,676,477
	30,928,473,490	**10,710,564,109**

(i) Trade payable mainly consists of payable to purchase of Pongamia tree, crude palm oil and cooking oil from overseas during the year.

(ii) Other payable mainly represented the unpaid of purchasing palm fruit machine, professional fee and accrual of salary.

13. Other current liabilities

	2025 LAK	2024 LAK
Accrued payroll cost	64,130,127	55,847,258
Advance payment from customer[(i)]	194,934,000	(-)
	259,064,127	**55,847,258**

(i) Advance payments from customers represent deposits received from customers during the year for palm waste products, for which delivery had not yet occurred as at the reporting date.

14. Borrowings

As at 31 December 2025, The Group has outstanding balance, short term borrowing from SAI GON - HA NOI BANK LAO LIMITED (SHB).

As at 31 December 2025, the outstanding balance of borrowings is listed in table below:

Carrying amount (LAK)	Drawdown (LAK)	Repayment (LAK)	Outstanding balance (LAK)	Maturity and repayment term	interest rate per annum	Collaterals
2,000,000,000	4,000,000,000	(4,000,000,000)	2,000,000,000	12 Months, principal and interest are payable on monthly basis.	12.7%	1. Land lots no. 474, amount LAK 971,520,000. 2. Land lots no. 473, amount LAK 1,140,301,400. 3. Land lots no. 362, amount LAK 325,983,500. 4. Land lots no. 427, amount LAK 274,850,000.

15. Finance leases liability

	2025 LAK	2024 LAK
Current		
Current portion of finance leases	910,475,125	840,316,500
	910,475,125	**840,316,500**

The Group signed two leasing agreements in Baht and LAK currency for lease vehicles.

16. Other non-current liabilities

Regarding to the Agreement for pilot plantation of Pongamia trees for the carbon oxygen project dated 16 October 2023, by and between FOUR PRIDE PTE. LTD or (FP) and LAO AGROTECH PUBLIC COMPANY or (LAT) are stated the term and condition as followings:

- Period of the project: 4 years from the date of plantation commencement which is November 2023.
- Location of plantation: In Vientiane and Salavan Province, Lao PDR
- Land Area for Plantation: 300 hectares
- Number of Pongamia trees per hectares: 160-220 trees per hectare once agreed with FP and LAT
- The cost of plantation service: USD 2,946.20 per hectare for four years, total cost amount of USD 883,859.95 or equivalent to LAK 18,223,424,449.

Throughout the four-year period under this agreement, LAT shall provide and be responsible for all required services related to the ordinary course of the Pongamia plantation business. This includes, but is not limited to, creating afforestation land, irrigation systems, supplying and inspecting seedlings, afforestation, plantation management, beekeeping, pruning, harvesting, maintenance of the plantation, labor arrangement, and other related activities. LAT shall be responsible for the preparation of devices, equipment, tools, instruments, or other necessities required for the provision of these services.

During the year ending 31 December 2025, there were no changes in the terms or conditions stated above. LAT recognized this balance as an advance payment from FP, categorized as non-current liabilities, which will be settled after receiving income from the carbon-oxygen project upon the completion of the four-year term.

17. Share capital

	Number of Shares Shares	Ordinary Shares LAK	Share premium LAK	Total LAK
At 1 January 2024	100,000,000	50,000,000,000	3,269,466,406	53,269,466,406
As at 31 December 2024	**100,000,000**	**50,000,000,000**	**3,269,466,406**	**53,269,466,406**
At 1 January 2025	100,000,000	50,000,000,000	3,269,466,406	53,269,466,406
As at 31 December 2025	**100,000,000**	**50,000,000,000**	**3,269,466,406**	**53,269,466,406**

As at 31 December 2025, the total number of authorised ordinary shares is 100,000,000 shares with a par value of LAK 500 per share (2024: 100,000,000 shares with a par value of LAK 500 per share). All issued shares are paid.

18. Legal reserve

	2025 LAK	2024 LAK
At 1 January	932,158,245	932,158,245
At 31 December	**932,158,245**	**932,158,245**

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

19. Revenue from sales

	2025 LAK	2024 LAK
Sale revenue - Trading[(i)]	36,897,727,177	37,939,829,555
Sale revenue - Palm sapling	172,150,000	567,355,040
Sale revenue - Fertilizer	691,426,000	1,303,521,000
	37,761,303,177	**39,810,705,595**

(i) The sale revenue-trading are mainly from sale of palm oil product, biodiesel B5 and cooking oil.

20. Expenses by natures

The following expenditures are mainly items which have been charged to statement of income for the year:

	2025 LAK	2024 LAK
Cost of finished goods sold	31,847,103,059	31,755,152,281
Salaries/Payroll expenses	4,039,615,262	4,303,727,226
Administration expenses	4,559,155,951	5,514,563,899
Depreciation and amortization charges (Note 8 and 9)	3,147,316,585	3,062,989,065
Professional fees	432,080,640	743,093,100

21. Income tax expense

In accordance with Lao tax laws, the Group has an obligation to pay income tax in the form of Tax on Profit at the rate of 20% on taxable profit.

During the year ended 31 December 2025, The Group did not recognise income tax expense in statement of income due to the operation taxable loss. (2024: the Group did not recognise income tax expense in statement of income due to the operation taxable loss).

22. Loss per share

Basic loss per share are calculated by dividing the loss attributable to shareholders by the weighted average number of ordinary shares.

	2025	2024
Loss attributable to ordinary shareholders (LAK)	(5,257,167,774)	(1,756,400,957)
Weighted average number of ordinary shares outstanding (Shares)	100,000,000	100,000,000
Basic loss per share (LAK per share)	(52.57)	(17.56)

23. Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Group, including holding companies, subsidiary and fellow subsidiary are related parties of the Group. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Group and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

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

During the year there is no any outstanding balances arising from purchases of goods and other transactions.

24. Commitments

As at 31 December, The Group had significant operating lease commitments for the land concession at Vientiane and Salavan provinces for 30 years and house rental contract for 10 years.

	2025 LAK	2024 LAK
Less than one year	1,120,015,231	59,743,256
More than one year and less than five years	769,854,808	306,263,612
More than five years	952,381,557	2,557,795,700
	2,842,251,596	**2,923,802,568**

25. Events after the reporting date

There are no significant events occurring after the balance sheet date which required adjustments to or disclosure to be made in the financial statements for the year ended 31 December 2025.