



PetroTrade

Semi-Annual Reports of 2017

As of 30th June 2017



PetroTrade

ບໍລິສັດ ປີໂຕຣາດຣ໌ມເທຣດດຶງລາວ ມະຫາຊີນ

ຖະໜົນກຳແພງເມືອງ, ບ້ານໂພນທັນ, ເມືອງໄຊເສດຖາ, ນະຄອນຫຼວງວຽງຈັນ
ໂທ: (856) 21 264 834, ແຟັກ: (856) 21 264 836

www.petrotradelaos.com www.facebook.com/petrotradelaos



1122
Call Center



www.facebook.com/petrotradelao
+856 20 5552 9722

ວິໄສທັດ/ Vision

ເປັນບໍລິສັດຊັ້ນນຳ ທາງດ້ານພະລັງງານເຊື້ອໄຟ ທີ່ຄົບວົງຈອນດ້ານຜະລິດຕະພັນປີໂຕຣລ້ຽມ ໃນສປປ ລາວ ແລະ ເຊື່ອມໂຍງການຄ້າໃນລະດັບອາຊຽນ ພາຍໃນ 5 ປີ.

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

ພາລະກິດ / Mission

ສ້າງທຸລະກິດພະລັງງານເຊື້ອໄຟຂອງເອກະຊົນລາວທີ່ຄົບວົງຈອນເປັນທີ່ຍອມຮັບແລະເຊື່ອໝັ້ນຂອງສັງຄົມ ສາມາດເຊື່ອມໂຍງການຄ້າໃນລະດັບພູມມິພາກ, ສ້າງ ແລະ ແບ່ງປັນຜົນປະໂຫຍດຕໍ່ຜູ້ທີ່ມີສ່ວນກ່ຽວພັນ ແລະ ສັງຄົມ.

Create Lao private sector's petroleum business fully integration with accepted and confidence for the end users, linked commercial in the region, create and sharing profitibilities of those involved and to the societies.





Petroleum Trading Lao Public Company in Brief

Petroleum Trading Lao Public Company (“Company” or “PTL”), was established by Mr. ChanthoneSiththixay and his wife Mrs. SavanhthongPhongsavanh whose are well-known businessperson in Lao PDR. They both have high experiences in many kinds of business, such as import/export business of various products in Lao PDR.

They have been to many area of the country, both urban area and remote area. Therefore, they have found the obstacle to access the source of energy or petroleum, especially in remote area. And the petroleum sold in the remote area would often be more expensive than the price that was set by government’s organization causing them to realize the great level of consumption needed parallel with the growth of the economy which petroleum is an important factor in the country’s development. With an intention of creating a gas station where it offers a good quality at a fair price, hence, PTL was founded by Mr. Chanthone on 3rd October 2008 with registered capital of LAK 28.8 billion to operate the business of importing petroleum and sell it through retail gas station, construction project, and Infrastructure project with head office at Ban Soununtha, Kaisonepomvihan district, Savannakhet province.

The Company has been importing the petroleum from well-known suppliers, such as, Chevron (Thailand) Limited (Chevron), ESSO (Thailand) Public Company Limited (ESSO), IRPC Public Company Limited (IRPC) and The Shell Company of Thailand Limited (Shell).

Year	Summary of highlighted events
2008	: ➤ Petroleum Trading Lao Public Company Limited (PTL) was established with registered capital: LAK 28.80 billion, 75% of shares were held by Mr. ChanthoneSiththixay and 25% were held by his wife Mrs. SavanhthongPhongsavanh. The business objectives are import and distribute petroleum products through the gas stations in Lao PDR.
2009	: ➤ Launched the first high standard gas station at Phon Than that is called the gas station "PLUS 1" ➤ Launched the first depot which is able to store the oil up to 700,000 liters in Savannakhet province
2010	: ➤ The Company has received the certificates of the international standard from United Kingdom Accreditation Service (UKAS), three types: ISO 9001:2008 Quality Management System, ISO 14001:2004 Environmental Management Systems, and OHSAS 18001:2007 Occupational Health and Safety Management Systems. ➤ Launched a depot at Vientiane Capital City, oil capacity: 1,120,000 liters and another depot at MeungNgeun, Sayaboury Province, and oil capacity: 700,000 liters.
2011	: ➤ The Company has increased registered capital to LAK 75.60 billion in order to support the expansion of gas station coverall area of Lao PDR ➤ Launched the first PLUS Gold Gas Station in Vientiane Capital city ➤ Launched the Paksan depot in Bolikhamxay province, oil capacity: 350,000 liters. ➤ The Company took the position into the second largest fuel distributor in Lao PDR by market share
2012	: ➤ Launched the first PLUS Platinum Gas Station (PTN) in Vientiane Capital city, namely: PLUS Done Koy gas station at Done Koy village, Sisattanak District, Vientiane Capital city. ➤ The Company can maintain the position of the second largest fuel distributor in the Lao PDR by market shares. ➤ The Company applied the modern technology to enhance and manage the sale division by using Electronic Data Capture (EDC) and store data from the center to every branches throughout the country by developing ERP System. ➤ The Company invested in developing fuel sale system by using electronic card instead of cash payment (Fleet Card) which became the first company in Lao PDR that initiated to bring the high technology to control and manage the cost in business operation. The card is able to use for gas payment in the Company stations.
2013	: ➤ The Company has increased the registered capital to LAK 350.00 billion in order to support the Company's growth, and the expansion of investment to be the top of gas station service in Lao PDR. And to support the growth

	in demand for fuel consumption in Laos and the ASEAN Economic Community (AEC). ➢ The Company has received the extension of certificates of the international standard from United Kingdom Accreditation Service (UKAS), three types are: ISO 9001:2008, ISO 14001:2004, OHSAS 18001:2007. ➢ The Company has clearly restructured the Company and the related companies in order to meet the growth in long term. ➢ The Company can maintain the position of the second largest fuel distributor in the Lao PDR by market shares.
2014	: ➢ The Company became a member of Lao Petroleum and Gas Association ➢ According to Annual General Shareholders' Meeting in 2014 on 18th June 2014 has agreed in the important issues such as: – Reduce par value per that is stated from LAK 350,000,000 per share to LAK 2,000 per share that is made the number of share increase from 1,000 shares to 175,000,000 shares. – The shares are distributed from two shareholders to 9 shareholders to meet the requirements of public company establishment. ➢ According to Extraordinary General Shareholders' Meeting 1/2014, on 9th October 2014, the shareholders have agreed on the issues as follows: – Approved to increase registered capital LAK 470 billion by issuing common shares: 60,000,000 shares, par: LAK 2,000, distribution: Initial Public Offering (IPO). – To establish Petroleum Trading Lao Public Company and submitting to be listed in the Lao Securities Exchange

ດີກວ່າ ແຮງກວ່າ
ເພື່ອປະສິດທິພາບໃຫ້ກັບລົດທ່ານ



Organization Chart



PTL Board of Director



Mr. Vang Rattana Vong Chairman of Board of Director



Mr. Chanthone Sitthixay,
Vice Chairman/CEO



Mrs. Savanhthong Phongsavanh
Vice Chairman



Mrs. Daly Pholsena
Director



Mr. Noophan Mahaphon
Director



Mr. Phoxay Chanthavong
Director



Mr. Bounthanh Chittavong
Director



Mrs. Chanthadom Meksavanh
Director



Mr. Viengkhone Sitthixay
Director

Sale

Summary of sales in the half year of 2017

No.	Type of Sales	Amount (Liters)	Remark
1	Gas Stations	40,117,607	
2	Project + Construction	8,025,000	
3	Ind + Tra	16,063,570	
4	Other	4,783,000	
5	Lubricants	40,522	
	Total	69,029,699	

Comparison of Sale Half Year 2016- 2017

6 Months Target Sale of 2017	6 Months Actual Sale of 2017	Difference (+, -, %)	6 Months Actual Sale of 2016	Difference of 2016-2017 (+, -, %)
148,940,000	80,594,820	-54.11%	85,578,728	-4.87%

- Half year of 2017 we've launched 8 new service gas stations including 1 Gold station type, 4 Standard stations type and 3 Thongthin Patthana station type which according to the plan and the sales revenue of new opening gas stations are well achieved the target.
- Our sale project is not growing according to the plan due to some of the signed contract projects were on hold from the investor, our currently 15 projects/customers signed contract with 2 new construction projects and 3 new industried – transportation customers.
- The re-export sale were on hold and reviews because of the negative impacted from the lost from the reginal oil and gas crisis.

Marketing

In the priod 6 month of 2017, we've implement on the renovation of the branding and image of the Plus gas stations especially changing the signs and re-imamge of the gas stations together with providing new services such as cleaning windshield during customer refilling gas, smile member card reward cliam, refilling gas get free drinking water champenge which very postitive feedback from our customers.





We've launched Smile Member Card Champenge with co-promotion with total of 50 outlet of café, restaurant, shop to the smile member card holder to entitle the discount and privileges in Vientiane capital which is well manage and cooperation from those outlet to providing this privileges to the card holders.



Our CSR project continue on the year of 6th "Gving Warm to Society" in January 2017 our caravan were travell to donated blankets to the people in the village rural area of Viengthing, Ngommalath and Bualapha district of Bolikhamxay Province the 2,000 blankets and other living material has been reached more than 600 families.





“Giving Green Back to Nature” the 6th years carry on social responsibilities program of Petrotrade. This year 2017 PTL have plant young Ptercarpus Indicus, Afzelia Xylocarpa, Tectona Grandis of total 5,000 young seeding in 5 hectares the forest protection area which located in Sisavath village, Naxaythong district, Vientiane capital with cooperation of the department of agriculture and forest and the Ministry of Aggriulture and Forest.



In June 2017, PTL has launched a restaurant and café named “Jungle Café” loated in Plus gas station loated in the 13th South road of Phakao village, Vientiane Capital to provide the new life style of traveler and customer who using our service at gas station to enjoy coffee, bakery and meals prior their journey.

Depot & Maintenance

Depot Operation

- Received **73,332,800** Liters;
- Withdrawal **72,767,990** Liters;

- Average volatility of Gasoline Super 95 in the depots are -1,429 Liters, of all received 716,120 Liters and it's beyond our lose control @0.25%;
- Average volatility of Gasoline Super 91 in the depots are -25,610 Liters, of all received 17,363,661 Liters and it's beyond our lose control @0.20%;
- Average volatility of Diesel in the depots are -33,521 Liters of all received 55,253,019 Liters and it's beyond our lose control @0.15%;
- Lubricants received & withdrawal total of 40,552 Liters.

Maintenance Department

- Installationa Pipes and Dispensors 23 projects;
- Installation of tankers and dispensors for 3 projects construction;
- Calibration for 8 new gas stations;
- Maintenance job 92 times.

Human Resource

In the past 6 months of 2017, our Human resource department were growthing up as the movment of company business strategies. We've organized effecience training and recure staff with support employee wealthfare according to the labor law and ompany policy.

We've organized training for our employee as below:

- Training on the updated company procedure and policy;
- Safety Driving Training;
- Organize an event on the Listened to a speech on the Memorial Day of the 2nd Battalion and the PhonKheng Prison Escape of the Party's Leader and the National Front;
- Training on the energy saving project.

Total Employee of PTL in the half year 2017

Location	Permanance Staff			Contractor		
	Female	Male	Total	Female	Male	Total
Head Quarter	65	80	145	8	6	14
Savahnakheth Office	6	12	18	1	-	1
MuengNgen (Xayabury) Office	2	8	10	2	-	2
Bolikhamxay Office	-	6	6	-	-	-
Pakse Office	-	4	4	-	-	-
Grand Total	73	110	183	10	6	17

Contributed to Social Charities and Donation

No	Description	Amount (KIP)
1	Sponsor for sport activitis of Tax Department at the border of Xayabury	1,000,000
2	Caravan "Giving Warm to Society" in Bolikhamxay province	206,520,000
3	Sponsor of decoration of National Symbol at Lao-Thai Friendship Bridge I	1,000,000
4	Sponsor sport equipment to the Public Security of Vientiane Capital	3,000,000
5	Sponsor sport event of Domestic Commerce of MOIC	2,000,000
6	Sponsor sports equipment to Phonthan Village	1,000,000
7	Sponsor to the Nongheo Village for the seawage pipline project	1,000,000
8	Sponsor sport event of Tax Department of Savahnakheth	1,000,000
9	Donated computer and printer to Public Security of Saysettha District	6,000,000
10	Sponsor sport event of Tax Department of all Boders	9,000,000
11	Donate feul 200 liters per month to the emergency rescure 1623	18,648,000
12	Donate feul 100 liters per month to the emergency rescure 1624	9,324,000
13	Donate feul 200 liters per month to Lao Red Cross	18,648,000
	Grand Total	278,140,000

Summary of Tax Paid to the Tax Authority and other in the 6 months of 2017

• Import Tax	18,184,101,231 KIP
• Excise Tax	58,900,855,500 KIP
• Value Added Tax	31,802,020,100 KIP
• Road Tax	34,506,680,000 KIP
• Statutory Fuel-price Stabilizing Reserve Fund Fee	33,009,100,000 KIP
• E-Meter	1,459,898,000 KIP
• Quality Fee	2,123,488,000 KIP
• Value Added During A Year	6,579,394,668 KIP
• Income Tax	640,656,718 KIP

Grand Total: 187,206,194,217 KIP

** The Audited Financial Report separated from this report.*

Vice Chairman of Board's Director



Chanthone SITTHIXAY