

ບົດລາຍງານ 6 ເດືອນຕົ້ນປີ 2015

ສິ້ນສຸດວັນທີ 30 ມິຖຸນາ 2015

The First 6 Months Report of 2015 As of 30 June 2015



ພລັສ ພະລັງງານເພື່ອຊາດ ພະລັງງານເພື່ອການພັດທະນາ
PLUS ENERGY FOR THE NATION, ENERGY FOR THE DEVELOPMENT

ບໍລິສັດ ປີໂຕຣາ໌ຟຽມເທຣດດິ້ງລາວ ມະຫາຊົນ ຖະໜົນ ກຳແພງເມືອງ, ບ້ານ ໂພນທັນ, ເມືອງ ໄຊເສດຖາ, ນະຄອນຫລວງວຽງຈັນ

Petroleum Trading Lao Public Company, Khamphengmouang Road, Phonthan Village, Saysettha District, Vientiane Capital, Lao PDR

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ວິໄສທັດ/ Vision

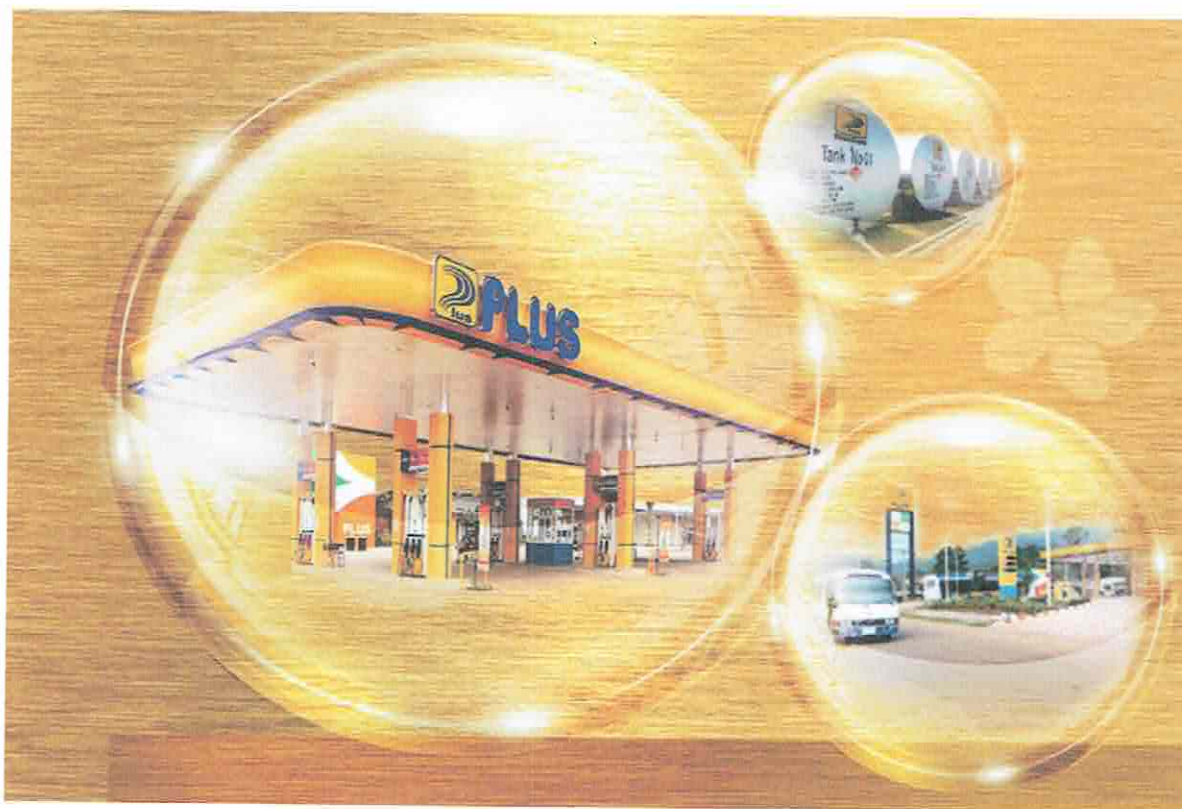
ເປັນບໍລິສັດຊັ້ນນຳ ທາງດ້ານພະລັງງານເຊື້ອໄຟ ທີ່ຄົບວົງຈອນດ້ານຜະລິດຕະພັນປີໂຕຣລັງມ ໃນສປປ ລາວ ແລະ ເຊື່ອມໂຍງການຄ້າໃນລະດັບອາຊຽນ ພາຍໃນ 5 ປີ.

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. ChanthoneSithixay 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 cover all 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

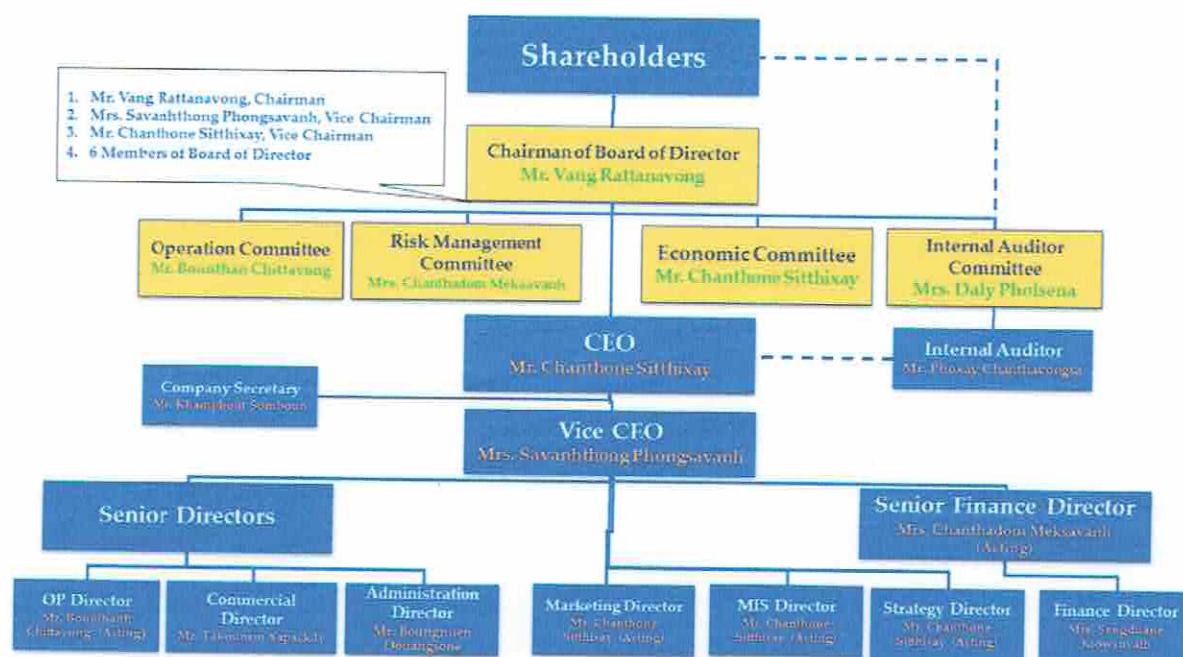
2014	in demand for fuel consumption in Laos and the ASEAN Economic Community (AEC). ➤ The Company has received the extension of certificates of the international standard from United Kingdom Accreditation Service (UKAS), three types are: ISO 9001:2008, ISO 14001:2004, OHSAS 18001:2007. ➤ The Company 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. ➤ 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
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ເພື່ອປະສິດທິພາບໃຫ້ກັບລົດທ່ານ



Business Operation and Reports of as of 30th June 2015

Organization Chart



PTL Board of Director



Mr. Vang Rattanavong 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

Sales

In the past half year of 6 months sales revenue was not achieved the target it's due to volatility of the global oil and gas market siking down with supply over demand and it's cured to government 10 times announcement for the decreased fuel prices and it's effected to our slaes target plan of wholesaler and re-export.

Summary of sales in the half year of 2015

No	Type of Sales	Total Sales (Liter)	Remark
1	Gas Stations	34,500,500	
2	Project + Construction	17,609,000	
3	Industry + Transport	8,247,000	
4	Ohter	3,486,000	
5	Plus Super 95	370,000	
6	Other Oil Products	32,000	
7	Lubricants	67,485	
Total (Liter)		64,311,985	

- From 6 months of 2015 we've opened new 4 gas stations there are: Xiengda Standard Gas Station of Xaysettha District Vientiane Capital, FahsaiThongthinpatthana Gas Station in Savannakhet Province and KaithongnumxokThongthinpatthana Gas Station in Khammouane Province and Ban JeangThongthinpatthana Gas Station according to the plan and the sales revenue of new opening gas stations are well achieved the target.
- Our sale project is growing with customers baseacrossthecountryand there are 15 projects has been signed contract with 7 construction projects and industried-transportation 6 customers with likely consuming of the diesel 1.6 Million liters per month.

Marketing

The 6 months our marketing team has contribute the direct marketing activities in the Plus gas stations such as: launching smile member card champagne, promotion refill oil free drinking water, promotion Lao New Year refill oil get premium, promotion Thongthinpatthana gas station refill oil free T-shirt and all of our marketing activities get well feedback from our customers, it's approch and increasing customers in the Plus gas station.



Lao New Year
Promotion
April 2015

Smile Member Card
March 2015



Free Drinking water
Promotion
May-June 2015

ThongthinPatthana
Promotion
May-July 2015



"Avoiding Cheating of
Service Staff"
March 2015

“Giving Warm to Cold Victims Project” is continually, we’ve a caravan group brought our blanket to the people in the rural and remote area in January 2015 there’re Viengthong and Xaychamphone district of Bolikhamxay province and village’s group in Gnommalarth and Boualapha of Khammouane province. March 2015 we’ve a caravan group to Kaluem district of Xekhong province. Our activities is well supported from relevant government and the Lao Offroad the total of 3,000 blankets has been handed to the people in the village where we’ve been to more than 600 families.



“Giving Green Back to Nature” the 4th years carry on social responsibilities program of Petrotrade. This year 2015 we’ve plant young Ptercarpus Indicus, Afzelia Xylocarpa, Tectona Grandis of total 2,500 young seeding in the protection forest area with cooperation of the department of agriculture and forest of Nongphet village, Muengfueng District, Vientiane province.



Sales Revenue from Marketing Activities 6 months of 2015

Category	January	February	March	April	May	June
1. Platinum	125,000	70,000	212,000	186,000	221,000	126,000
2. Gold	51,000	30,000	60,000	27,000	31,000	22,000
3. Standard	192,000	86,000	210,000	83,000	110,000	26,000
4. Thongthin Patthana	113,000	33,000	92,000	54,000	71,000	63,000
Total (Liter)	481,000	219,000	574,000	350,000	433,000	237,000

Depots, Engineering and Maintenance

Depot Operation

- Received 55,177,289Liters;
- Withdrawal 53,760,500Liters;
- Exempt Tax 6,384,000Liters;
- Direct Drop 7,554,000Liters;
- Average volatility of Gasoline Super 95 in the depot is -4,142 liters of all received 449,070 liters;
- Average volatility of Gasoline 91 in depot is -23,299 liters, of all received 13,446,690 liters;
- Average volatility of Diesel in depot is -14,884liters of all received 41,281,529 liters.
- Lubricants sales
 - Total loading of 67,485Liters.

Engineering and Construction

- Designed and follow up construction of 6 Platinum gas stations;
- Designed and follow up construction of 10 Gold gas stations;
- Designed and follow up construction of 10 Standard gas stations;
- Designed and follow up construction of 14 ThongthinPatthana gas stations;
- Follow up gas stations renovating and other construction works.

Maintenance

- Installation oil pipeline and dispensers 18 projects;
- Installation of fuel tank and dispensers for project customers 16 cases;
- Calibration works for new 5gas stations;
- Installation of electricity system for 2 depots.

Human Resource

In the past 6 months of 2015, our employees were growing up as the movement of company business strategies. We've organized efficiency training for our staff as below:

- 30 employees conducted to the Inheritance Management Project with expected to finish this project by ending of 2015.
- 8 potential post-graduate students from capital's colleges were attended the High Performance & Potential System (HiPP). We've selected 6 of confidential students working as contractor in our company.

- 25 employee of Accountant and Financing staff were joined International Accounting System (IAS) and International Financial Report System (IFRS) Training Project has been implementing in order to get ready of our employee and company to changing accounting system complying to the international standard with expecting to success by ending of 2015.

Total of Employee in the half year of 2015

Description	Permanance			Contractor		
	Female	Male	Female	Male	Female	Male
Head Quarter	53	48	101	6	3	9
Vientiane Depot	0	16	16	1	1	2
Savannakhet Branch	6	11	17	1	0	1
Muang-Gnuen Branch	2	9	11	2	0	2
Paksan Branch	0	4	4	0	0	0
Total	61	94	155	10	4	14

Summary of Tax Paid to the Tax Authority in the 6 months of 2015

- Import Tax 17,290,889,057KIP
- Excise Tax 30,138,057,200KIP
- Value Added Tax 33,640,137,664KIP
- Road Tax 27,897,860,000KIP
- Statutory Fuel-price Stabilizing Reserve Fund Fee 16,506,700,000KIP
- Corporate Income Tax 1,500,000,000 KIP

Grand Total: 126,973,643,901KIP

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

Conclusion:

Strength Points.

- After listed in the Lao Securities Exchange, our company name was rapidly talk of the town especially for our gas station's customers with more confident of our services and fuel quality in the Plus gas stations.
- Company has strategic and efficiency working system together with the transparency and proactive employees in every departments and the

management working closely to driving business operation success according to the plan.

- Created marketing champagnes and promotion each period to strengthen our branding awareness and activities approach customers with royalty program that increasing sales revenue for the gas stations and beneficial to our customers.

Weakness Points.

- Due to the volatility of the global oil and gas market still not stable and likely decreasing and it's affected with slowdown the general economic in the country and also effected to our sales revenue and profit.
- Tool on the operation basic is not completely suited and we're short of professional employee.

Chairman of Board's Director




Mr. Vang Rattanavong

Petroleum Trading Lao Public Company

Interim financial statements

for the six-month period ended 30 June 2015

Petroleum Trading Lao Public Company

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Petroleum Trading Lao Public Company

GENERAL INFORMATION

THE COMPANY

Petroleum Trading Lao Public Company ("the Company"), formerly known as Petroleum Trading Lao Company Limited, is a company incorporated in Lao PDR in accordance with the Enterprise Registration No. 0458 issued by the Enterprise Registration Office, Domestic Trade Department of the Ministry of Industry and Commerce on 3 October 2008 and the subsequent amendments, with the latest is the Registration No. 508 dated 5 December 2014 issued by the Enterprise Registration Office, Department of Enterprise Registration and Management of the Ministry of Industry and Commerce.

In accordance with Amended Enterprise Registration No. 508 dated 5 December 2014 of Department of Enterprise Registration and Management of the Ministry of Industry and Commerce and the Listing License No. 005 dated 26 November 2014 of Lao Securities Commission, the Company was approved to increase its share capital from LAK 350 billion to LAK 470 billion and to list all of its ordinary shares in Lao Securities Exchange.

The Company's head office is located at Kamphaeng Mueang street, Phonthan village, Xaysettha district, Vientiane capital, Lao PDR.

The Company also has 5 depot branches which are located in Vientiane Capital, Bolikhamxay province, Savanakheth province, Sayabouly province and Champasack province, Lao PDR.

The principal activities of the Company are to distribute fuel and petroleum products.

BOARD OF DIRECTORS

Members of the Board of Directors during the period and at the date of this report are:

Mr. Vang Rattanavong	Chairman (*)
Mrs. Savanhthong Phongsavanh	Vice Chairman
Mr. Chanthone Sithixay	Vice Chairman
Mrs. Daly Pholsena	Director (*)
Mr. Noupahan Mahaphone	Director (*)
Mrs. Chanthadom Meksavanh	Director
Mr. Bounthanh Chittavong	Director
Mr. Phoxay Chanthavongsa	Director
Mr. Viengkhone Sithixay	Director

(*) Independent Directors.

MANAGEMENT

Members of the management of the Company during the period and at the date of this report are:

Mr. Chanthone Sithixay	Chief Executive Officer
Mrs. Chanthadom Meksavanh	Acting Chief Financial Officer
Mr. Phoxay Chanthavongsa	Internal Auditor
Mr. Bounthanh Chittavong	Acting Chief Operating Officer
Mr. Takounsine Xaphackdy	Director of Commercial
Mr. Bounyuen Duangson	Director of Administration
Mrs. Sengduean Kiosouvat	Director of Accounting

Petroleum Trading Lao Public Company

GENERAL INFORMATION (continued)

AUDIT COMMITTEE

Members of the audit committee during the year and at the date of this report are:

Mr. Vang Rattanavong	Chairman
Mrs. Daly Pholsena	Vice Chairman
Mr. Noupnan Mahaphone	Member

LEGAL REPRESENTATIVE

The legal representative of the Company during the period and at the date of this report is Mr. Chanthone Sithixay, Vice Chairman and Chief Executive Officer.

AUDITOR

The auditor of the Company is Ernst & Young Lao Limited.

Petroleum Trading Lao Public Company

REPORT OF MANAGEMENT

The management of Petroleum Trading Lao Public Company ("the Company") presents its report and the Company's interim financial statements for the six-month period ended 30 June 2015.

STATEMENT OF THE MANAGEMENT' RESPONSIBILITY IN RESPECT OF THE INTERIM FINANCIAL STATEMENTS

The Company's management is responsible for the preparation of the interim financial statements which have been prepared in accordance with the accounting policies as described in Note 3 to the interim financial statements. These accounting policies are not intended to present the financial position, the results of operations and the cash flows of the Company in accordance with international generally accepted accounting principles. In preparing those interim financial statements, the Company's management is required to:

- ▶ select suitable accounting policies and then apply them consistently;
- ▶ make judgments and estimates that are reasonable and prudent;
- ▶ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ▶ prepare the interim financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue its business.

The Company's management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Company and for ensuring that the interim financial statements comply with the selected accounting policies. It is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Company's management has confirmed that the Company has complied with the above requirements in preparing the accompanying interim financial statements.

APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

We hereby approve the accompanying interim financial statements for the six-month period ended 30 June 2015, which are prepared in accordance with the accounting policies as described in Note 3 to the interim financial statements.

On behalf of the Company's management:



Chanthone Siththixay
Chief Executive Officer

Vientiane Capital, Lao PDR

19 August 2015

Reference: 61101883/17910983/LR

REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

To: The shareholders of Petroleum Trading Lao Public Company

We have reviewed the accompanying interim balance sheet of Petroleum Trading Lao Public Company ("the Company") as of 30 June 2015 and the related interim income statement, interim statement of changes in equity and interim statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes ("the interim financial statements"). Management is responsible for the preparation of these interim financial statements in accordance with the accounting policies as described in Note 3 to the interim financial statements. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

The Company was unable to resolve the differences between accounting book and confirmation replies of certain other receivables from related parties and loan receivables from related parties which were collectively reported at LAK 52.4 billion at 31 December 2013. In addition, during 2014, the Company adjusted opening balance of certain loan receivables from related parties at 1 January 2014 to be LAK 27.6 billion which was different from those reported at LAK 34 billion and agreed with confirmation replies as at 31 December 2013, without proper basis for such adjustment. Besides, we were also unable to verify the interest receivables on loans to related parties, which were reported at LAK 4.3 billion in other receivable from related parties as at 31 December 2013, since there is no proper accounting records to support the calculation of such interest income. Consequently, we unable to determine whether any adjustments to corresponding figures for the six-month period ended 30 June 2014, as presented in the interim financial statements for the six-month period ended 30 June 2015, were necessary.

Before 2014, the Company declared corporate income tax ("CIT") with the local tax authorities based on the deemed tax method and these CIT returns were inspected by the local tax authorities. However, this CIT determination method is not consistent with the method regulated under the prevailing CIT regulations and the tax inspection minutes did not indicate the finalized balance of tax payables at 31 December 2013. Consequently, we are unable to determine whether the method adopted by the Company would be challenged by another tax authority, and whether any adjustments to the CIT payable balances at 31 December 2014 and 30 June 2015, were necessary.

The Company is unable to resolve the differences between the statutory value added tax ("VAT") declarations and the accounting books for the years prior to 2014 and although these VAT declarations were inspected by the local tax authorities, the tax inspection minutes did not indicate the finalized balance of tax payables at 31 December 2013. Owing to the nature of the Company's accounting records, we were unable to determine whether any adjustments to the VAT payable balances at 31 December 2014 and 30 June 2015, were necessary.



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Qualified conclusion

Except for the adjustments to the interim financial statements that we might have become aware of had it not been for the situations described above, based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting policies as described in Note 3 to the interim financial statements.

Basis of accounting

Without further modifying our conclusion, we draw attention to Note 3 to the interim financial statements, which describes the accounting policies adopted by the Company. These accounting policies are not intended to present the financial position, the results of operations and the cash flows of the Company in accordance with international generally accepted accounting principles.

Ernst & Young Lao

Vientiane, Lao PDR

19 August 2015



Petroleum Trading Lao Public Company

INTERIM BALANCE SHEET as at 30 June 2015

Currency: LAK

	Notes	30 June 2015	31 December 2014
Assets			
Current assets			
Cash	4	57,000,902,254	138,122,895,155
Short-term investments	5	38,415,093,784	13,783,093,784
Trade receivables	6	94,114,488,909	63,621,358,154
Advance to suppliers		-	1,631,779,863
Other receivables	7	49,896,501,930	47,070,637,972
Inventories	8	15,112,399,199	11,782,297,415
Other current assets	9	16,593,427,530	8,911,995,995
		271,132,813,606	284,924,058,338
Non-current assets			
Tangible fixed assets	10	102,058,311,178	73,450,473,026
Intangible fixed assets	11	121,683,188,686	121,714,167,166
Finance lease assets	12	-	8,591,769,652
Investment properties	13	144,804,386,898	141,768,513,783
Construction in progress	14	10,262,394,342	31,306,549,985
Long-term investments	15	19,656,833,099	19,320,318,599
Other non-current assets	16	20,749,450,371	6,430,316,685
		419,214,564,574	402,582,108,896
Total assets		690,347,378,180	687,506,167,234
Liabilities and equity			
Current liabilities			
Short term loans and borrowings	17	88,903,347,793	134,650,119,374
Trade payables	18	21,208,571,006	12,544,046,268
Advance from customers		1,481,957,411	1,824,173,420
Tax payables	19	6,774,584,214	9,665,443,662
Accruals		14,442,371	13,498,451
Other payables	20	755,436,854	1,234,791,038
		119,138,339,649	159,932,072,213
Non-current liabilities			
Long-term loans	21	56,000,000,000	10,162,482,890
		56,000,000,000	10,162,482,890
Owners' equity			
Registered charter capital	22	470,000,000,000	470,000,000,000
Share premium reserve		27,638,932,340	27,638,932,340
Undistributed earnings		17,570,106,191	19,772,679,791
		515,209,038,531	517,411,612,131
Total liabilities and equity		690,347,378,180	687,506,167,234


Chanthadom Meksavanh
Acting Chief Finance Officer




Chanthone Siththixay
Chief Executive Officer

Petroleum Trading Lao Public Company

INTERIM INCOME STATEMENT

for the six-month period ended 30 June 2015

Currency: LAK

	Notes	For the six-month period ended 30 June 2015	For the six-month period ended 30 June 2014
Revenue	23	421,944,820,305	559,295,774,587
Cost of sales	24	(371,174,278,656)	(519,452,533,735)
Gross profit		50,770,541,649	39,843,240,852
Other income	25	16,567,439,555	246,104,244
Administrative expenses		(20,107,180,330)	(15,447,822,405)
Selling expenses		(10,348,307,606)	(10,590,241,685)
Other expenses	26	(16,093,105,255)	-
Operating profit		20,789,388,013	14,051,281,006
Finance income	27	2,955,827,443	3,973,845,505
Finance expenses	28	(6,967,856,398)	(8,397,338,023)
Profit before income tax		16,777,359,058	9,627,788,488
Corporate income tax expense	29	(3,469,932,658)	(2,617,474,571)
Profit after tax		13,307,426,400	7,010,313,917
Earnings per share			
Basic	31	57	Not applicable
Diluted	31	57	Not applicable

Chanthadom Meksavanh
Acting Chief Finance Officer

Chanthone Sithixay
Chief Executive Officer

19 August 2015

Petroleum Trading Lao Public Company

INTERIM STATEMENT OF CHANGES IN EQUITY
as at and for the six-month period ended 30 June 2015

Currency: LAK

	Registered, contributed charter capital	Registered, un- contributed charter capital	Share premium reserve	Undistributed earnings	Total
For the six-month period ended 30 June 2014					
Beginning balance	98,221,031,378	251,778,968,622	-	19,133,255,068	369,133,255,068
Profit for the period	-	-	-	7,010,313,917	7,010,313,917
Ending balance	98,221,031,378	251,778,968,622	-	26,143,568,985	376,143,568,985
For the six-month period ended 30 June 2015					
Beginning balance	470,000,000,000	-	27,638,932,340	19,772,679,791	517,411,612,131
Profit for the period	-	-	-	13,307,426,400	13,307,426,400
Dividends	-	-	-	(15,510,000,000)	(15,510,000,000)
Ending balance	470,000,000,000	-	27,638,932,340	17,570,106,191	515,209,038,531



Chanthadom Meksavanh
Acting Chief Finance Officer



Chanthone Sittixay
Chief Executive Officer

19 August 2015

Petroleum Trading Lao Public Company

INTERIM STATEMENT OF CASH FLOWS
for the six-month period ended 30 June 2015

Currency: LAK

	Notes	For the six-month period ended 30 June 2015	For the six-month period ended 30 June 2014
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		16,777,359,058	9,627,788,488
<i>Adjustments for:</i>			
Depreciation of fixed assets	10,11, 12,13	7,188,698,695	7,579,263,018
Provision for doubtful debts		1,485,454,402	1,278,355,557
Profits from investing activities	27	(2,266,808,392)	(2,563,244,148)
Interest expenses	28	6,301,191,321	6,862,832,106
Operating profit before changes in working capital		29,485,895,084	22,784,995,021
(Increase)/decrease in trade and other receivables		(22,501,649,912)	29,292,900,099
(Increase)/decrease in inventories		(3,330,101,784)	1,625,218,685
Increase in prepaid expenses		(14,319,133,686)	(6,821,004,573)
Interest paid		(7,413,041,903)	(6,695,796,198)
Corporate income tax paid	29	(3,957,827,451)	(1,650,423,696)
Decrease/(increase) in trade and other payables		6,552,784,394	(3,019,426,907)
Net cash flows (used in)/from operating activities		(15,483,075,258)	35,516,462,431
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisitions of fixed assets		(25,251,148,672)	(31,010,781,243)
Loans to the related parties		(24,968,514,500)	(18,264,204,942)
Collection of loans to the related parties		-	6,007,560,086
Net cash flows used in investing activities		(50,219,663,172)	(43,267,426,099)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		171,675,667,722	11,238,484,703
Repayment of borrowings		(165,744,146,804)	-
Payment of finance lease liabilities		(5,840,775,389)	(2,887,963,278)
Dividend paid		(15,510,000,000)	-
Net cash flows (used in)/from financing activities		(15,419,254,471)	8,350,521,425
Net (decrease)/increase in cash		(81,121,992,901)	599,557,757
Cash at the beginning of the year		138,122,895,155	9,423,698,736
Cash at the end of the year	4	57,000,902,254	10,023,256,493


Chanthadom Meksavanh
Acting Chief Finance Officer


Chanthone Sitthixay
Chief Executive Officer

19 August 2015

Petroleum Trading Lao Public Company

NOTES TO THE INTERIM FINANCIAL STATEMENTS
as at and for six-month period ended 30 June 2015

1. CORPORATE INFORMATION

Petroleum Trading Lao Public Company ("the Company"), formerly known as Petroleum Trading Lao Company Limited before 14 October 2014, is a company incorporated in Lao PDR in accordance with the Enterprise Registration No. 0458 issued by the Enterprise Registration Office, Domestic Trade Department of the Ministry of Industry and Commerce on 3 October 2008 and the subsequent amendments, with the latest is the Registration No. 0508 dated 5 December 2014.

In accordance with Amended Enterprise Registration No. 508 dated 5 December 2014 of Department of Enterprise Registration and Management, Ministry of Industry and Commerce and Listing License No. 005 dated 26 November 2014 of Lao Securities Commission, the Company was approved to increase its share capital from LAK 350 billion to LAK 470 billion and to list all of its ordinary shares in Lao Securities Exchange.

The Company's head office is located at Kamphaeng Mueang street, Phonthan village, Xaysetha district, Vientiane capital, Lao PDR.

The Company also has 5 depot branches which are located in Vientiane capital, Bolikhamxay province, Savanakheth province, Sayyabouly province and Champasack province, Lao PDR.

The principal activities of the Company are to distribute fuel and petroleum products.

2. BASIS OF PREPARATION

The interim financial statements of the Company have been prepared using the historical cost convention. The financial statements are expressed in Lao Kip ("LAK").

The Company's interim financial statements have been prepared in accordance with the accounting policies as set out in Note 3. These accounting policies are not intended to present the financial position, results of operation and cash flows of the Company in accordance with international generally accepted accounting principles.

The accompanying interim financial statements, including their utilisation, are not designed for those who are not informed about the Company's accounting policies as described in Note 3.

Fiscal year

The Company's fiscal year starts on 1 January and ends on 31 December.

Petroleum Trading Lao Public Company

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for six-month period ended 30 June 2015

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash

Cash comprises cash on hand and cash at banks.

Receivables

Receivables are presented in the interim financial statements at the carrying amounts due from customers and other debtors, after provision for doubtful debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified. Amounts for doubtful of collection and bad debts are included in the operating expense account in the interim income statement.

The following policy on the provision rates is applied in creating provision for doubtful debts:

<i>Age of receivables</i>	<i>Rate of provision (%)</i>
From 6 months to 1 year	30
From 1 to 2 years	50
Above 2 years	100

Prepaid expenses

Prepaid expenses are recognized when paid. Prepayments are amortized over the period for which the amounts are paid or the period in which economic benefits is generated in relation to these expenses.

Inventories

Inventories are stated at the lower of cost incurred in bringing each product to its present location and condition, and net realizable value.

Net realizable value represents the estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make the sale.

The perpetual method is used to record inventory which are valued based on cost of purchase on first-in, first-out basis.

Provision for decline in value of inventories

An inventory provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of inventories owned by the Company, based on appropriate evidence of impairment available at the reporting date.

Increases and decreases to the provision balance are recorded into the cost of goods sold in the interim income statement.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset consists of purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. Expenditures for additions, improvements and renewals are capitalized while expenditures for maintenance and repairs are charged to the income statement. When an item of tangible fixed asset is sold or retired, their cost and accumulated depreciation are removed from the interim balance sheet and any gain or loss resulting from their disposal is included in the interim income statement.

Petroleum Trading Lao Public Company

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for six-month period ended 30 June 2015

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortisation.

The cost of an intangible fixed asset comprises of its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use. Expenditures for additions, improvements are added to the carrying amount of the assets and other expenditures are charged to the interim income statement as incurred. When intangible fixed assets are sold or retired, their costs and accumulated amortisation are removed from the interim balance sheet and any gain or loss resulting from their disposal is included in the interim income statement.

Land use rights

Land use rights are recorded as intangible assets at acquisition cost and upon the transfer of legal title on land use rights certificate. Land use rights with infinite term are not amortised.

Leased assets

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

A lease is classified as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the asset to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are capitalised in the reporting date at the inception of the lease at the fair value of the leased assets or, if lower, at the net present value of the minimum lease payments. The principal amount included in future lease payments under finance leases are recorded as a liability. The interest amounts included in lease payments are charged to the income statement over the lease term to achieve a constant rate on interest on the remaining balance of the finance lease liability.

Capitalised financial leased assets are depreciated using straight-line basis over the shorter of the estimated useful lives of the asset and the lease term, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term.

Depreciation and amortisation

Depreciation of tangible fixed assets and intangible assets are calculated on a straight-line basis over their estimated useful life of each asset as follows:

Building and renovation	10 - 20 years
Plant and machinery	5 years
Transportation vehicles	5 - 10 years
Furniture, fittings and office equipment	5 years
Software	5 years
Land use rights with infinite term	No amortization

No depreciation is recorded for assets under construction until the construction and installation is completed at which time the related costs are transferred to fixed assets.

Petroleum Trading Lao Public Company

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for six-month period ended 30 June 2015

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment properties

Investment properties are stated at cost including transaction costs less accumulated depreciation and/or amortisation.

Subsequent expenditure relating to an investment property that has already been recognized is added to the net book value of the investment property when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing investment property, will flow to the Company.

Depreciation and amortisation of investment properties are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Buildings	10 years
Infinite land use rights	No amortisation

Investment properties are derecognised when either they have been disposed of or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the assets is recognised in the interim income statement in the year of retirement or disposal.

Transfers are made to investment properties when, and only when, there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment properties when, and only when, there is change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale. The transfer from investment property to owner-occupied property or inventories does not change the cost or the carrying value of the property for subsequent accounting at the date of change in use.

Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs are recorded as expense during the year in which they are incurred, except to the extent that they are capitalized as explained in the following paragraph.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily take a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset.

Payables and accruals

Trade and other payables are recognized for amounts to be paid in the future for goods and services received, whether or not billed to the Company.

Statutory fuel-price stabilizing reserve fund

The Company is under an obligation to pay a fixed amount per litter of fuel imported to the fuel-price stabilizing reserve to the Government.

Petroleum Trading Lao Public Company

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for six-month period ended 30 June 2015

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation

Value added tax

Value added tax is the tax liability determined on revenue for the year computed using the applicable tax rate for the year after netting deductible value added tax input.

Corporate income tax

Corporate income tax is the expected tax payable which is computed on the following basis:

- ▶ Before 2014: using the deemed tax method, i.e. based on volume of fuel sold, multiplied with the deemed profit tax amount per liter of fuel sold, and any adjustments to tax payable in respect of previous years; and
- ▶ Since 2014: estimated taxable income for the year, using tax rate enacted at the reporting date and applicable to the reporting period, and any adjustments to tax payable in respect of previous years.

Personal income tax

Personal income tax is the tax payable on salaries paid to employees for the period determined using applicable tax rate for the period.

Charter capital

Charter capital is recognized at the registered amount in the Company's Business License. Charter capital includes contributed and the un-contributed capital which is also recognised as other receivables from owners at the reporting date.

Charter capital contribution in form of land use rights and buildings is made at an amount agreed between the Company and its shareholders in the capital contribution minutes.

Retained earnings are capitalized into contributed charter capital under approval of shareholders.

Share premium reserve

The share premium is recognized upon issuance of additional shares, at a surplus between the offering price of additional share issuance and the par value, after deduction of share issuance cost (such as underwriting fees and other relevant valuation, consulting costs).

In accordance with guidance under the Letter No. 056/LSCO issued by Lao Securities Commission Office on 28 April 2015, the Company was allowed to distribute 75% of share premium from the Company's initial public offering, after deduction of relevant share issuance costs, to the founding shareholders of the Company.

Appropriation of net profits

Net profit after tax is available for appropriation to shareholders after approval by the shareholders in the annual general meeting, and after making appropriation to reserve funds in accordance with the Company's Charter and Lao's regulatory requirements.

Petroleum Trading Lao Public Company

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for six-month period ended 30 June 2015

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currency transaction

The financial statements are presented in Lao kip ("LAK"). Transactions in currencies other than LAK are initially recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rate ruling at the reporting date. All differences are taken to interim income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of transactions.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable. The following specific recognition criteria must also be met before revenue is recognised:

Revenue from sale of fuel and lubricant

Revenue from fuel and lubricant is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually upon the delivery of the goods.

Interest

Revenue is recognised on an accrual basis using the effective interest method, unless collectability is in doubt.

Rental income

Rental income arising from operating leases is accounted for on a straight line basis over the terms of the lease.

4. CASH

Currency: LAK

30 June 2015 31 December 2014

Cash on hand	69,882,000	53,329,000
Cash in transit (*)	900,000,000	1,909,400,000
Cash at banks (**)	56,031,020,254	136,160,166,155
	<u>57,000,902,254</u>	<u>138,122,895,155</u>

(*) Cash in transit represents cash in transfer between different banks at the reporting date.

(**) Certain balances of cash at Lao Development bank amounting of LAK 4,157,625,120 are pledged as collaterals for the Company's borrowings. See Note 17 and 21 for details.

Petroleum Trading Lao Public Company

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for six-month period ended 30 June 2015

5. SHORT-TERM INVESTMENTS

	Currency: LAK	
	30 June 2015	31 December 2014
Unsecured loan receivables from related parties (Note 30)	38,415,093,784	13,783,093,784
	38,415,093,784	13,783,093,784

Details of unsecured loan receivables from related parties are as follows:

Borrower	Contract date	Ending balance (LAK)	Term/Maturity date	Interest rate (% p.a.)
Khouanchay Trading Import – Export Ltd.	1 January 2011	10,914,716,849	48 months, due on 1 January 2015	10%-11%
Khouanchay Trading Import – Export Ltd.	4 February 2015	8,000,000,000	5 months, due on 30 June 2015	6.5%
Sudaphone Import- Export and Service Co., Ltd. (Moly Care)	1 January 2012	1,353,398,494	36 months, due on 1 January 2015	10%-11%
Back Canyon Coffee	1 May 2011	1,514,978,441	48 months, due on 1 May 2015	10%-11%
Lao Daily Mart Import – Export Co., Ltd.	15 March 2015	6,000,000,000	6 months, due on 15 November 2015	6.5%
Sithi Logistics Lao Co., Ltd.	15 March 2015	10,632,000,000	8 months, due on 15 November 2015	6.5%
		38,415,093,784		

As at the reporting date, the Company and the related parties are still in the process of extending the payment term and maturity date.

6. TRADE RECEIVABLES

	Currency: LAK	
	30 June 2015	31 December 2014
Trade receivables from related parties (Note 30)	30,645,076,828	13,773,952,500
Trade receivables	65,963,877,675	50,856,416,846
Provision for doubtful debts	(2,494,465,594)	(1,009,011,192)
	94,114,488,909	63,621,358,154

Petroleum Trading Lao Public Company

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for six-month period ended 30 June 2015

7. OTHER RECEIVABLES

	Currency: LAK	
	30 June 2015	31 December 2014
Other receivables from the related parties (Note 30)	49,822,777,426	46,997,365,135
Other receivables	73,724,504	73,272,837
	<u>49,896,501,930</u>	<u>47,070,637,972</u>

8. INVENTORIES

	Currency: LAK	
	30 June 2015	31 December 2014
Fuel	14,018,784,282	10,905,373,863
Lubricant	1,093,614,917	876,923,552
	<u>15,112,399,199</u>	<u>11,782,297,415</u>

9. OTHER CURRENT ASSETS

	Currency: LAK	
	30 June 2015	31 December 2014
Deposits to fuel suppliers	11,056,981,712	2,927,003,322
Advance to employees	2,031,438,955	1,854,791,689
Prepaid annual bank fee	1,265,057,938	922,861,117
Prepaid warehouse rental and related operating expenses	1,087,201,161	83,601,980
Overpaid excise tax receivables	966,600,000	966,600,000
Advance to employees to purchase ordinary shares	-	1,027,750,000
Others	186,147,764	1,129,387,887
	<u>16,593,427,530</u>	<u>8,911,995,995</u>

Petroleum Trading Lao Public Company

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for six-month period ended 30 June 2015

10. TANGIBLE FIXED ASSETS

Cost:	Buildings and structures	Machineries and equipment	Means of transportation	Office equipment	Currency: LAK	
					Total	
Balance as at 1 January 2015	49,156,330,049	34,946,960,058	22,080,544,469	9,892,051,039	116,075,885,615	
- New purchase	-	1,094,304,400	-	1,227,260,615	2,321,565,015	
- Transfer from construction in progress	35,356,687,264	2,784,600,887	-	2,030,539,861	40,171,828,012	
- Disposal	-	-	(13,124,792,592)	-	(13,124,792,592)	
Balance as at 30 June 2015	84,513,017,313	38,825,865,345	8,955,751,877	13,149,851,515	145,444,486,050	
Accumulated depreciation:						
Balance as at 1 January 2015	14,597,123,088	13,762,302,517	9,820,695,453	4,445,291,531	42,625,412,589	
- Depreciation for the period	2,408,179,719	2,205,251,547	816,295,561	961,955,216	6,391,682,043	
- Disposal	-	-	(5,630,919,760)	-	(5,630,919,760)	
Balance as at 30 June 2015	17,005,302,807	15,967,554,064	5,006,071,254	5,407,246,747	43,386,174,872	
Net book value:						
Balance as at 1 January 2015	34,559,206,961	21,184,657,541	12,259,849,016	5,446,759,508	73,450,473,026	
Balance as at 30 June 2015	67,507,714,506	22,858,311,281	3,949,680,623	7,742,604,768	102,058,311,178	

Certain tangible fixed assets are pledged as collaterals for the Company's borrowings. See Note 17 and 21 for details.

Petroleum Trading Lao Public Company

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for six-month period ended 30 June 2015

11. INTANGIBLE FIXED ASSETS

	Currency: LAK		
	<i>Land use rights with infinite term</i>	<i>Computer software</i>	<i>Total</i>
Cost:			
Balance as at 1 January 2015	121,533,943,841	348,336,300	121,882,280,141
Balance as at 30 June 2015	121,533,943,841	348,336,300	121,882,280,141
Accumulated amortisation:			
Balance as at 1 January 2015	-	168,112,975	168,112,975
Amortisation for the period	-	30,978,480	30,978,480
Balance as at 30 June 2015	-	199,091,455	199,091,455
Net carrying amount:			
Balance as at 1 January 2015	121,533,943,841	180,223,325	121,714,167,166
Balance as at 30 June 2015	121,533,943,841	149,244,845	121,683,188,686

Certain land use rights in Vientiane, Savanakheth, Luangprabang and Champasak province are pledged as collaterals for the Company's borrowings. See Note 17 and 21 for details.

12. FINANCE LEASED ASSETS

	Currency: LAK	
	<i>Means of transportations</i>	
Cost:		
Balance as at 1 January 2015	12,232,350,016	
Disposal	(12,232,350,016)	
Balance as at 30 June 2015	-	
Accumulated depreciation:		
Balance as at 1 January 2015	3,640,580,364	
Depreciation for the period	-	
Disposal	(3,640,580,364)	
Balance as at 30 June 2015	-	
Net carrying amount:		
Balance as at 1 January 2015	8,591,769,652	
Balance as at 30 June 2015	-	

In 2015, the Company has fully settled the finance lease obligation of the contract No. LS_010_018/12/BLC dated 13 July 2012 with BCEL Leasing Company Limited and sold these trucks to Sithi Logistics Lao Co., Ltd - a company under common control.

Petroleum Trading Lao Public Company

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for six-month period ended 30 June 2015

13. INVESTMENT PROPERTIES

Currency: LAK

	Land used rights with infinite term	Buildings	Total
Cost:			
Balance as at 1 January 2015	118,874,247,703	24,293,625,834	143,167,873,537
Addition	2,867,008,000	934,903,287	3,801,911,287
Balance as at 30 June 2015	121,741,255,703	25,228,529,121	146,969,784,824
Accumulated depreciation:			
Balance as at 1 January 2015	-	1,399,359,754	1,399,359,754
Depreciation for the period	-	766,038,172	766,038,172
Balance as at 30 June 2015	-	2,165,397,926	2,165,397,926
Net carrying amount:			
Balance as at 1 January 2015	118,874,247,703	22,894,266,080	141,768,513,783
Balance as at 30 June 2015	121,741,255,703	23,063,131,195	144,804,386,898

These investment properties represent the lands, buildings and gas stations in Vientiane Capital which are leased to Phonthan Plus Gas Station (PLUS 1), Nongheo Plus Gas Station (PLUS 2), Phakhao Gas Station (PLUS 3), Phadaeng Gas Station (PLUS 4), Donekoy Plus Gas Station (PLUS 8), Sithi Logistics Lao Co., Ltd., Lao Daily Mart Import – Export Co. Ltd. and Well Tech Lao Co., Ltd.; and other land lots in Savanakheth province where the Company planned to construct gas stations for lease.

Certain land use rights in Savanakheth province are pledged as collaterals for the Company's borrowings. See Note 17 and 21 for details.

14. CONSTRUCTION IN PROGRESS

Currency: LAK

30 June 2015 31 December 2014

Construction of office building	-	30,016,031,873
Decoration of office building's first floor	1,186,232,676	-
Black Canyon and Daily Mart project	1,377,500,060	-
New ERP system	1,543,048,626	-
Phonethan Plus Gas Station (PLUS 1)	1,354,787,173	-
Houameung Plus Gas Station (PLUS 5)	1,136,875,864	-
Vangvieng gas station	794,409,689	-
Others	2,869,540,254	1,290,518,112
	10,262,394,342	31,306,549,985

Petroleum Trading Lao Public Company

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for six-month period ended 30 June 2015

15. LONG-TERM INVESTMENTS

	Currency: LAK	
	30 June 2015	31 December 2014
Unsecured loan receivables from related parties (Note 30)	19,656,833,099	19,320,318,599
	19,656,833,099	19,320,318,599

Details of unsecured loan receivables from related parties are as follows:

Borrower	Contract date	Ending balance (LAK)	Term and maturity date	Interest rate (% p.a.)
Lao Daily Mart Import – Export Co., Ltd.	1 February 2012	10,749,572,212	60 months, due on 1 February 2017	10%-11%
Well Tech Lao Co., Ltd.	1 June 2013	7,812,167,528	60 months, due on 1 June 2018	10%-11%
Sithi Logistics Lao Co., Ltd.	1 September 2013	1,095,093,359	36 months, due on 31 October 2016	10%-11%
		19,656,833,099		

16. OTHER NON-CURRENT ASSETS

	Currency: LAK	
	30 June 2015	31 December 2014
Prepaid land rental	20,608,562,515	6,430,316,685
Prepaid office rental	140,887,856	-
	20,749,450,371	6,430,316,685

17. SHORT-TERM LOANS AND BORROWINGS

	Currency: LAK	
	30 June 2015	31 December 2014
Short-term loans from banks	69,583,347,793	132,321,826,875
Current portion of long-term loans (Note 21)	19,320,000,000	2,328,292,499
	88,903,347,793	134,650,119,374

Petroleum Trading Lao Public Company

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for six-month period ended 30 June 2015

17. SHORT-TERM LOANS AND BORROWINGS (continued)

Details of short-term loans from banks are as follows:

<i>Lender</i>	<i>Contract</i>	<i>Ending balance</i>		<i>Maturity date</i>	<i>Interest rate (p.a.)</i>	<i>Collateral</i>
		<i>LAK equivalent</i>	<i>Original currency (US\$)</i>			
ANZ Bank Lao Limited	No. 019/2015	39,583,347,793	4,898,214	1 year, the last instalment is due on 25 May 2016	6.5%	Land lots in Vientiane, Savanakheth and Luangprabang provinces with total area of 31,029 m ²
Laos Development Bank	No. 062/04/2015, Date 6 April 2015	30,000,000,000	-	1 year, the last instalment is due on 6 April 2016	10.5%	Land lots, houses, building and petro tanks in Savannakhet, Champasak and Vientiane provinces along with two bank accounts balances (Note 4).
		69,583,347,793				

Petroleum Trading Lao Public Company

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for six-month period ended 30 June 2015

18. TRADE PAYABLES

	Currency: LAK	
	30 June 2015	31 December 2014
Trade payables	19,525,193,224	11,598,060,176
Trade payable to the related parties (Note 30)	1,683,377,782	945,986,092
	21,208,571,006	12,544,046,268

19. TAX PAYABLES

	Currency: LAK	
	30 June 2015	31 December 2014
Corporate income tax (Note 29)	2,519,542,379	3,007,437,172
Value added tax	1,810,799,925	1,090,143,495
Personal income tax	114,518,210	38,007,917
Other taxes and statutory payables (*)	2,329,723,700	5,529,855,078
	6,774,584,214	9,665,443,662

(*) Other taxes represent road tax, excise tax, import tax and statutory fuel-price stabilizing reserve fund fee at the reporting date.

20. OTHER PAYABLES

	Currency: LAK	
	30 June 2015	31 December 2014
Interest payable	-	1,111,850,582
Payable to employees	721,409,275	91,205,000
Social security payable	28,977,579	21,846,683
Other payables	5,050,000	9,888,773
	755,436,854	1,234,791,038

21. LONG-TERM LOANS AND BORROWINGS

	Currency: LAK	
	30 June 2015	31 December 2014
Finance lease liabilities	-	5,840,775,389
Loans from banks	75,320,000,000	6,650,000,000
	75,320,000,000	12,490,775,389
In which:		
Current portion of long-term loan (Note 17)	19,320,000,000	2,328,292,499
Non-current portion	56,000,000,000	10,162,482,890

Petroleum Trading Lao Public Company

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for six-month period ended 30 June 2015

21. LONG-TERM LOAN AND BORROWING (continued)

Details of the long-term loan from bank as at 30 June 2015 are as follows:

<i>Lender</i>	<i>Contract</i>	<i>Ending balance LAK</i>	<i>Term/maturity date</i>	<i>Interest rate (p.a.)</i>	<i>Collaterals</i>
ANZ Bank (Lao) Limited	No. 019/2015	5,320,000,000	31 May 2016	6.5%	Land lots in Vientiane, Savanakheth and Luangprabang provinces with total area of 31,029 sqm
	<i>In which: current portion</i>	5,320,000,000			
Lao Development Bank	No. 063/04/2015, Date 6 April 2015	70,000,000,000	The first payment for the principle is 6 April 2016 and the last payment is 6 April 2020	10.5%	Land lots, houses, building and petro tanks in Savannakhet, Champasak and Vientiane provinces along with two bank accounts balances. See note 4.
	<i>In which: current portion</i>	14,000,000,000			
		75,320,000,000			

Petroleum Trading Lao Public Company

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for six-month period ended 30 June 2015

22. OWNER'S EQUITY

22.1 Shares

	<i>Quantity</i>
Authorized shares	235,000,000
Issued and paid-up shares	
Ordinary shares	235,000,000
Preference shares	-
Shares in circulation	
Ordinary shares	235,000,000
Preference shares	-

Shares of the Company (under the ticker "PTL") have been officially listed on Lao Securities Exchange since 10 December 2014 in accordance with Listing License No. 005 dated 26 November 2014. The par value of the share is LAK 2,000.

23. REVENUE

	<i>Currency: LAK</i>	
	<i>For the six-month period ended 30 June 2015</i>	<i>For the six-month period ended 30 June 2014</i>
Sales of fuel	419,181,064,755	553,335,293,975
Revenue from leasing activities	1,657,288,618	5,703,100,000
Sales of lubricant	1,175,626,364	270,497,274
Less: Sales deduction	(69,159,432)	(13,116,662)
	<u>421,944,820,305</u>	<u>559,295,774,587</u>

24. COST OF SALES

	<i>Currency: LAK</i>	
	<i>For the six-month period ended 30 June 2015</i>	<i>For the six-month period ended 30 June 2014</i>
Cost of fuel sold	369,401,280,727	516,782,036,089
Cost of leasing activities	791,649,122	2,423,747,704
Cost of lubricant sold	981,348,807	246,749,942
	<u>371,174,278,656</u>	<u>519,452,533,735</u>

Petroleum Trading Lao Public Company

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for six-month period ended 30 June 2015

25. OTHER INCOME

	Currency: LAK	
	For the six-month period ended 30 June 2015	For the six-month period ended 30 June 2014
Proceeds from disposal of fixed assets	16,085,642,483	-
Others	481,797,072	246,104,244
	16,567,439,555	246,104,244

26. OTHER EXPENSES

	Currency: LAK	
	For the six-month period ended 30 June 2015	For the six-month period ended 30 June 2014
Net book value of disposed vehicles (Note 10 and Note 12)	16,085,642,483	-
Others	7,462,772	-
	16,093,105,255	-

27. FINANCE INCOME

	Currency: LAK	
	For the six-month period ended 30 June 2015	For the six-month period ended 30 June 2014
Interest income on loans to the related parties	2,266,808,392	2,563,244,148
Early payment discount from suppliers	384,955,007	598,433,835
Realised foreign exchange gain	300,262,875	462,167,522
Value added tax adjustments	-	350,000,000
Others	3,801,169	-
	2,955,827,443	3,973,845,505

28. FINANCE EXPENSES

	Currency: LAK	
	For the six-month period ended 30 June 2015	For the six-month period ended 30 June 2014
Interest expenses	6,301,191,321	6,862,832,106
Realised foreign exchange losses	666,665,077	1,534,505,917
	6,967,856,398	8,397,338,023

Petroleum Trading Lao Public Company

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for six-month period ended 30 June 2015

29. CORPORATE INCOME TAX

Statutory corporate income tax ("CIT") rates applicable to the Company

Under the Revised Tax Law No. 05/NA dated 20 December 2011, which is effective on or after 1 January 2013, the Company is subject to corporate income tax ("CIT") at the rate of 24% of its estimated taxable profit recorded under the Lao Accounting System. Furthermore, as a company listed in the Stock exchange, the Company are also entitled to a 5% deduction from the normal CIT rate for 4 years commencing from the listing date according to Tax Law issued by National Assembly of Lao PDR. As a result, the statutory applicable CIT rate for the Company during this period is 19% of taxable profit.

CIT determination method applied by the Company before 2014

In the years before 2014, the Company determined the CIT obligations using the deemed tax method, i.e. based on volume of fuel sold, multiplied with the deemed profit tax amount per litre of fuel sold. The Company's CIT returns, as prepared under the deemed tax method, have also been inspected by the local tax authorities up to the year ended 31 December 2013.

CIT determination method applied by the Company since 2014

Since 2014, the current tax payable is based on taxable profit for the year. The taxable profit of the Company for the period differs from the profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted at the reporting date.

The reconciliation between the profit before tax and taxable profit is presented below:

	Currency: LAK	
	For six-month period ended 30 June 2015	For six-month period ended 30 June 2014
Profit before tax	16,777,359,058	9,627,788,488
Adjustment to increase accounting profit		
Provision for doubtful debts	1,485,454,402	1,278,355,557
Taxable profit	18,262,813,460	10,906,144,045
Estimated current CIT expenses	3,469,932,658	2,617,474,571
CIT payable at beginning of the period	3,007,437,172	1,199,343,969
CIT paid during the period	(3,957,827,451)	(1,650,423,696)
CIT payables at the end of the period (Note 19)	2,519,542,379	2,166,394,844

As the tax returns filed by the Company are subject to examination by the tax authorities and since the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the financial statements could change at a later date upon final determination by the tax authorities.

Petroleum Trading Lao Public Company

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for six-month period ended 30 June 2015

30. TRANSACTION WITH RELATED PARTIES

Significant transactions with the related parties during the year were as follows:

			Currency: LAK
<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Amount</i>
Mr. Chanthone Sitthixay	Chief Executive Officer and founding shareholder	Payment on behalf	1,625,000,000
		Collect of payment on behalf	1,645,593,496
Khouanchay Trading Import – Export Ltd.	Common owner	Loan to related party	8,000,000,000
Lao Daily Mart Import – Export Co. Ltd	Common owner	Loan to related party	6,000,000,000
Sithi Logistics Lao Co., Ltd.	Common owner	Loan to related party	10,632,000,000
		Sales of fuel	1,858,100,000
		Disposal of vehicles	16,085,642,483
		Transportation charge	8,869,337,248
Phonethan Plus Gas Station (PLUS 1)	Common owner	Sales of fuel	1,858,100,000
Nongheo Plus Gas Station (PLUS 2)	Common owner	Sales of fuel	3,373,372,727
Phakhao Gas Station (PLUS 3)	Common owner	Sales of fuel	13,233,454,545
Phadaeng Gas Station (PLUS 4)	Common owner	Sales of fuel	5,453,390,909
Nongbua Thong Plus Gas Station (PLUS 6)	Common owner	Sales of fuel	4,412,572,727
Nongphaya Plus Gas Station (PLUS 7)	Common owner	Sales of fuel	1,661,700,000
Donekoy Plus Gas Station (PLUS 8)	Common owner	Sales of fuel	12,446,690,909
Salakham Plus Gas Station (PLUS 9)	Common owner	Sales of fuel	7,499,772,727

Terms and conditions

Transactions with related parties are made on the basis of contract negotiations. Except for unsecured interest-bearing loan receivables, other outstanding balances at the reporting date are unsecured, interest-free and will be settled in cash. Payments of operating expenses on behalf of the Company are interest-free, reimbursed at actual cost incurred.

For the six-month period ended 30 June 2015, the Company has not made any provision for doubtful debts relating to amounts owed by related parties (30 June 2014: nil). This assessment is undertaken each financial period through the examination of the financial position of the related party and the market in which the related party operates.

Petroleum Trading Lao Public Company

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for six-month period ended 30 June 2015

30. TRANSACTION WITH RELATED PARTIES (continued)

Amounts due to and due from related companies at the reporting date were as follows:

			Currency: LAK
<i>Related parties</i>	<i>Relationship</i>	<i>Transaction</i>	<i>Ending balance</i>
Short-term investment (Note 5)			
Khouanchay Trading Import – Export Ltd.	Common owner	Loan receivable	18,914,716,849
Sudaphone Import-Export and Service Co., Ltd. (Moly Care)	Common owner	Loan receivable	1,353,398,494
Back Canyon Coffee	Common owner	Loan receivable	1,514,978,441
Lao Daily Mart Import – Export Co., Ltd.	Common owner	Loan receivable	6,000,000,000
Sithi Logistics Lao Co., Ltd.	Common owner	Loan receivable	10,632,000,000
			38,415,093,784
Trade receivables (Note 6)			
Sithi Logistics Lao Co., Ltd.	Common owner	Rental fee	7,365,592,608
		Disposal of vehicles	16,085,642,483
Lao Daily Mart Import - Export Co., Ltd.	Common owner	Rental fee	142,831,080
Well Tech Lao Co., Ltd.	Common owner	Rental fee	94,464,930
Khouanchay Trading Import – Export Ltd.	Common owner	Sales of lubricants	1,421,000
Phonechan Plus Gas Station (PLUS1)	Common owner	Rental fee	17,111,227
		Sales of fuel	1,802,616,500
Nonghao Plus Gas Station (PLUS 2)	Common owner	Rental fee	40,380,000
		Sales of fuel	1,125,825,000
Phakhao Gas Station (PLUS 3)	Common owner	Rental fee	56,000,000
		Sales of fuel	705,389,000
Phadaeng Gas Station (PLUS 4)	Common owner	Rental fee	103,000,000
		Sales of fuel	1,121,591,500
Nongbua Thong Plus Gas Station (PLUS 6)	Common owner	Rental fee	16,500,000
		Sales of fuel	493,932,000
Nongphaya Plus Gas Station (PLUS 7)	Common owner	Rental fee	51,400,000
		Sales of fuel	315,405,000
Donekoy Plus Gas Station (PLUS 8)	Common owner	Rental fee	37,500,000
		Sales of fuel	387,972,000
Salakham Plus Gas Station (PLUS 9)	Common owner	Rental fee	16,000,000
		Sales of fuel	664,502,500
			30,645,076,828

Petroleum Trading Lao Public Company

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for six-month period ended 30 June 2015

30. TRANSACTION WITH RELATED PARTIES (continued)

Amounts due to and due from related companies at the reporting date were as follows:
(continued)

			Currency: LAK
<i>Related parties</i>	<i>Relationship</i>	<i>Transaction</i>	<i>Ending balance</i>
Other receivables (Note 7)			
Mr Chanthone Sithixay	Chief Executive Officer	Payment on behalf Interest-free loan receivables	5,864,677,700 27,638,932,340
Khouanchay Trading Import – Export Ltd.	Common owner	Payment on behalf Interest receivable	463,024,436 4,843,814,272
Lao Daily Mart Import – Export Co., Ltd	Common owner	Payment on behalf Interest receivable	2,793,717,930 1,822,858,694
Back Canyon Coffee	Common owner	Interest receivable	552,511,291
Sudaphone Import-Export and Service Co., Ltd. (Moly Care)	Common owner	Payment on behalf Interest receivable	723,704,292 408,337,175
Well Tech Lao Co., Ltd.	Common owner	Payment on behalf Interest receivable	1,689,471,648 1,443,108,094
Sithi Logistics Lao Co., Ltd.	Common owner	Payment on behalf Interest receivable	296,463,490 558,009,298
Malacop Co., Ltd	Common owner	Payment on behalf	724,146,766
			49,822,777,426
Long-term investments (Note 15)			
Lao Daily Mart Import – Export Co., Ltd.	Common owner	Loan receivable	10,749,572,212
Sithi Logistics Lao Co., Ltd.	Common owner	Loan receivable	1,095,093,359
Well Tech Lao Co., Ltd.	Common owner	Loan receivable	7,812,167,528
			19,656,833,099
Trade payables (Note 18)			
Sithi Logistics Lao Co., Ltd.	Common owner	Transportation charges	1,683,377,782
			1,683,377,782

Other transactions with related parties

Remuneration to management during the year is as below:

		Currency: LAK
	For six-month period ended 30 June 2015	For six-month period ended 30 June 2014
Salaries and bonus	1,448,679,426	601,552,445
	1,448,679,426	601,552,445

Petroleum Trading Lao Public Company

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for six-month period ended 30 June 2015

31. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing net profit after tax for the year attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	<i>For the six-month period ended 30 June 2015</i>
Net profit after tax attributable to ordinary equity holders for basic earnings (LAK)	13,307,426,400
Weighted average number of ordinary shares (excluding treasury shares) for basic earnings per share	235,000,000
Basic earnings per share (LAK)	57

There has been no transaction involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these financial statements.

32. COMMITMENTS

Operating lease commitment where the Company is the lessee

The Company leases offices and lands under operating lease arrangements. The minimum lease commitment as at 30 June 2015 under the operating lease agreements is as follows:

	<i>Currency: LAK</i>	
	<i>30 June 2015</i>	<i>31 December 2014</i>
Less than 1 year	1,133,580,000	1,874,560,000
From 1 - 5 years	4,025,031,000	4,017,840,000
More than 5 years	22,434,459,000	10,704,560,000
	27,593,070,000	16,596,960,000

Operating lease commitment where the Company is the lessor

The Company lets out gas stations and office under operating lease arrangements. The minimum future rental receivables as at 30 June 2015 under these operating lease agreements are as below:

	<i>Currency: LAK</i>	
	<i>30 June 2015</i>	<i>31 December 2014</i>
Less than 1 year	1,257,000,000	7,876,220,000
From 1- 5 years	13,821,660,000	19,499,680,000
More than 5 years	16,863,480,000	16,863,480,000
	31,942,140,000	44,239,380,000

Petroleum Trading Lao Public Company

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for six-month period ended 30 June 2015

32. COMMITMENTS (continued)

Capital expenditure commitments

As at 30 June 2015, the Company has contractual commitment for the construction of gas stations and for implementation of an ERP system which amount to approximately LAK8.8 billion.

Regulated selling price

The selling price of the petrol was determined by the Company's management but not higher than the ceiling price regulated and announced by the Ministry of Finance of Lao PDR.

33. EVENTS AFTER THE BALANCE SHEET DATE

There has not been any matter or circumstance that has arisen since the balance date that has affected or may significantly affect the operations of the Company, the results of those operations or the financial position of the Company.

34. RECLASSIFICATION OF CORRESPONDING FIGURES

Certain corresponding figures as at 31 December 2014 and for six-month period ended 30 June 2015 have been reclassified to be consistent to the presentation of the current year's financial statements, details as below:

	<i>As previously presented</i> LAK	<i>Reclassification</i> LAK	<i>Restated</i> LAK
Balance sheet as at 31 December 2014			
Other current assets	15,342,312,680	(6,430,316,685)	8,911,995,995
Other non-current assets	-	6,430,316,685	6,430,316,685
Statement of Cash flows for the six-month period ended 30 June 2014			
(Increase)/decrease in trade and other receivables	22,471,895,526	6,821,004,573	29,292,900,099
Increase in prepaid expenses	-	(6,821,004,573)	(6,821,004,573)

The reclassification is attributed to the prepaid land rental, warehouse and office rental fee which should have been presented as other non-current assets.

35. APPROVAL FOR ISSUE

The interim financial statements as at 30 June 2015 and for the year then ended were authorised for issue by the Company's management on 19 August 2015.


Chanthadom Meksavanh
Acting Chief Finance Officer



Chanthone Siththixay
Chief Executive Officer

19 August 2015

Plus Card
Daily Mart
Sitthi
Moly Care

PETROTRADE

Sun Oil
Morgan
Black Canyon
Phongsavanh Bank

PLUS **ดีเซล**
DIESEL

บัตรสมาชิก บำรุงรักษาระบบเครื่องยนต์

PLUS **แก๊สโซลีน**
REGULAR 91

บัตรสมาชิก บำรุงรักษาระบบเครื่องยนต์

PLUS **แก๊สโซลีน** **พรีเมียม**
SUPER 95

บัตรสมาชิก บำรุงรักษาระบบเครื่องยนต์

