



Petroleum Trading Lao Public Company

Interim financial statements

As at and for the period three months ended 31 March 2016

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, Sayyabouly 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 Sitthixay	Vice Chairman
Mrs. Daly Pholsena	Director (*)
Mr. Noupah Mahaphone	Director (*)
Mrs. Chanthadom Meksavanh	Director
Mr. Bounthanh Chittavong	Director
Mr. Phoxay Chanthavongsa	Director
Mr. Viengkhone Sitthixay	Director

(*) Independent Directors.

MANAGEMENT

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

Mr. Chanthone Sitthixay	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 Duangsone	Director of Administration
Mrs. Sengduean Kiosouvath	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 Rattanaavong
Mrs. Daly Pholsena
Mr. Noupnan Mahaphone

Chairman
Vice Chairman
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 three-month period ended 31 March 2016.

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 three-month period ended 31 March 2016, 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 Sitthixay
Chief Executive Officer

Vientiane Capital, Lao PDR

10 May 2016

Petroleum Trading Lao Public Company

INTERIM BALANCE SHEET
as at 31 March 2016

Currency: LAK

	Notes	31 March 2016	31 December 2015
Assets			
Current assets			
Cash	4	59,546,123,215	74,657,189,719
Short-term investments	5	11,727,093,359	11,727,093,359
Trade receivables	6	105,429,868,837	98,642,692,232
Advance to suppliers		3,754,727,018	4,953,370,656
Other receivables	7	45,228,983,902	40,194,690,016
Inventories	8	11,320,309,284	11,317,649,677
Other current assets	9	33,294,168,602	21,144,186,338
		270,301,274,217	262,636,871,997
Non-current assets			
Tangible fixed assets	10	113,705,998,789	113,459,945,114
Intangible fixed assets	11	132,432,332,926	132,661,107,070
Investment properties	12	157,477,535,396	152,575,976,414
Construction in progress	13	23,524,549,061	16,261,139,486
Long-term investments	14	16,749,572,212	16,749,572,212
Other non-current assets	15	22,763,448,559	20,355,129,514
		466,653,436,943	452,062,869,810
Total assets		736,954,711,160	714,699,741,807
Liabilities and equity			
Current liabilities			
Short term loans and borrowings	16	124,154,603,357	119,244,814,122
Trade payables	17	24,503,742,981	16,901,236,157
Advance from customers		702,203,558	555,256,210
Tax payables	18	10,480,153,059	7,814,428,781
Accruals		5,700,000	2,920,001
Other payables	19	1,063,788,942	210,063,091
		160,910,191,897	144,728,718,362
Non-current liabilities			
Long-term loans	20	56,000,000,000	56,000,000,000
		56,000,000,000	56,000,000,000
Owners' equity			
Registered charter capital	21	470,000,000,000	470,000,000,000
Share premium reserve		27,638,932,340	27,638,932,340
Undistributed earnings		22,405,586,923	16,332,091,105
		520,044,519,263	513,971,023,445
Total liabilities and equity		736,954,711,160	714,699,741,807


Chanthadom Meksavanh
Acting Chief Finance Officer




Chanthone Sitthixay
Chief Executive Officer

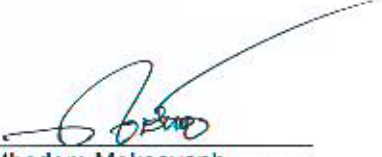
10 May 2016

Petroleum Trading Lao Public Company

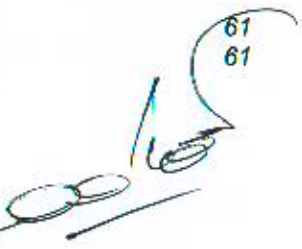
INTERIM INCOME STATEMENT

for the three-month period ended 31 March 2016

			Currency: LAK
		For the three-month period 31 March 2016	For the three-month period 31 March 2015
	Notes		
Revenue	22	201,695,920,543	195,174,892,409
Cost of sales	23	(174,468,567,173)	(165,737,012,002)
Gross profit		27,227,353,370	29,437,880,407
Other income	24	-	18,880,152,194
Administrative expenses		(11,241,260,640)	(24,902,467,975)
Selling expenses		(5,841,007,953)	(4,504,262,078)
Other expenses	25	(310,000)	(617,762)
Operating profit		10,144,774,777	18,910,684,786
Finance income	26	1,954,668,429	2,454,609,877
Finance expenses	27	(4,601,300,221)	(3,539,860,859)
Profit before income tax		7,498,142,985	17,825,433,804
Corporate income tax expense	28	(1,424,647,167)	(3,386,832,422)
Profit after tax		6,073,495,818	14,438,601,382
Earnings per share			
Basic	30		26
Diluted	30		26


Chanthadom Meksavanh
Acting Chief Finance Officer




Chanthone Siththixay
Chief Executive Officer

10 May 2016

Petroleum Trading Lao Public Company

INTERIM STATEMENT OF CHANGES IN EQUITY
as at and for the three-month period ended 31 March 2015

Currency: LAK

	Registered, contributed charter capital	Registered, un- contributed charter capital	Share premium reserve	Undistributed earnings	Total
For the year ended 31 December 2015 - Audited					
Beginning balance	470,000,000,000	-	27,638,932,340	19,772,679,791	517,411,612,131
Profit for the period	-	-	-	22,644,411,314	22,644,411,314
Dividends	-	-	-	(26,085,000,000)	(26,085,000,000)
Ending balance	470,000,000,000	-	27,638,932,340	16,332,091,105	513,971,023,445
For the three-month period ended 31 March 2016 - unaudited					
Beginning balance	470,000,000,000	-	27,638,932,340	16,332,091,105	513,971,023,445
Profit for the period	-	-	-	6,073,495,818	6,073,495,818
Dividends	-	-	-	-	-
Ending balance	470,000,000,000	-	27,638,932,340	22,405,586,923	520,044,519,263


Chanthadom Meksavanh
Acting Chief Finance Officer



Chanthone Sithixay
Chief Executive Officer

10 May 2016

Petroleum Trading Lao Public Company

INTERIM STATEMENT OF CASH FLOWS for the three-month period ended 31 March 2016

		For the three-month period 31 March 2016	Currency: LAK For the three-month period 31 March 2015
	Notes		
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		7,498,142,985	28,356,163,355
Adjustments for:			
Depreciation of fixed assets	10,11,12	8,018,951,328	14,989,124,453
Provision for doubtful debts		-	1,705,689,492
Profits from investing activities		(635,481,617)	(4,479,495,740)
Interest expenses	27	3,936,094,145	13,370,684,565
Operating profit before changes in working capital		18,817,706,841	53,942,166,125
(Increase)/decrease in trade and other receivables		(29,357,204,532)	(40,411,704,339)
(Increase)/decrease in inventories		(2,659,607)	464,647,738
Increase in prepaid expenses		(2,408,319,045)	(13,924,812,829)
Interest received		6,312,603,552	6,312,603,552
Interest paid		(3,855,256,172)	(14,482,535,147)
Corporate income tax paid	28	-	(7,644,097,833)
Decrease/(increase) in trade and other payables		4,214,900,409	(2,305,150,971)
Net cash flows (used in)/from operating activities		(6,278,228,554)	(18,048,883,704)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisitions of fixed assets		(13,742,627,185)	(54,390,780,402)
Proceeds from disposal of fixed assets		-	-
Loans to the related parties		(23,783,093,784)	(19,156,346,972)
Collection of loans to the related parties		23,783,093,784	23,783,093,784
Net cash flows used in investing activities		(13,742,627,185)	(49,764,033,590)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		375,776,491,213	375,776,491,212
Repayment of borrowings		(370,866,701,977)	(339,503,503,965)
Payment of finance lease liabilities		-	(5,840,775,389)
Dividend paid		-	26,085,000,000)
Net cash flows (used in)/from financing activities		4,909,789,235	181,486,919,942
Net (decrease)/increase in cash		(15,111,066,504)	128,699,196,419
Cash at the beginning of the year		74,657,189,719	9,423,698,736
Cash at the end of the year	4	59,546,123,214	138,122,895,155


Chanthadom Meksavanh
Acting Chief Finance Officer




Chanthone Sithixay
Chief Executive Officer

10 May 2016

Petroleum Trading Lao Public Company

NOTES TO THE INTERIM FINANCIAL STATEMENTS as at and for the three-month period ended 31 March 2016

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, 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.

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 the three-month period ended 31 March 2016

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 the three-month period ended 31 March 2016

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 the three-month period ended 31 March 2016

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 liter 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 the three-month period ended 31 March 2016

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 the three-month period ended 31 March 2016

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	
	31 March 2016	31 December 2015
Cash on hand	59,954,100	51,530,000
Cash in transit (*)	59,486,169,115	74,557,339,108
Cash at banks (**)	-	48,320,611
	<u>59,546,123,215</u>	<u>74,657,189,719</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 16 and 20 for details.

Petroleum Trading Lao Public Company

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for the three-month period ended 31 March 2016

5. SHORT-TERM INVESTMENTS

Currency: LAK

	31 March 2016	31 December 2015
Unsecured loan receivables from related parties	11,727,093,359	11,727,093,359
	11,727,093,359	11,727,093,359

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

Borrower	Contract date	Ending balance (LAK)	Term/Maturity date	Interest rate (% p.a.)
Sithi Logistics Lao Co., Ltd.	15 March 2015	11,727,093,359	31 October 2016	6.5%
		11,727,093,359		

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

	31 March 2016	31 December 2015
Trade receivables from related parties	33,267,728,833	33,267,728,833
Trade receivables	74,876,840,688	68,089,664,083
Provision for doubtful debts	(2,714,700,684)	(2,714,700,684)
	105,429,868,837	98,642,692,232

Petroleum Trading Lao Public Company

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for the three-month period ended 31 March 2016

7. OTHER RECEIVABLES

	Currency: LAK	
	31 March 2016	31 December 2015
Other receivables from the related parties	40,100,022,946	40,194,690,016
Other receivables	5,128,960,956	-
	45,228,983,902	40,194,690,016

8. INVENTORIES

	Currency: LAK	
	31 March 2016	31 December 2015
Fuel	9,961,564,740	9,975,652,919
Lubricant	1,358,744,544	1,341,996,758
	11,320,309,284	11,317,649,677

9. OTHER CURRENT ASSETS

	Currency: LAK	
	31 March 2016	31 December 2015
Deposits to fuel suppliers	19,799,083,772	11,056,165,621
Prepaid related to operating expenses	3,987,701,987	1,235,264,594
Advance to employees	2,971,070,208	1,548,708,470
Prepaid annual bank fee	638,896,191	1,138,183,440
Advance to gas station customers for using Plus Smart Card	990,000,000	990,000,000
Overpaid excise tax receivables	966,600,000	966,600,000
Smart card material	419,845,679	419,845,678
Others	3,520,970,765	3,789,418,535
	33,294,168,602	21,144,186,338

Petroleum Trading Lao Public Company

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the three-month period ended 31 March 2016

10. TANGIBLE FIXED ASSETS

	Buildings and structures	Machineries and equipment	Means of transportation	Office equipment	Total
Currency: LAK					
Cost:					
Balance as at 1 January 2016	99,041,806,835	38,937,157,923	9,842,579,977	15,889,601,747	163,711,146,482
- New purchase	-	1,026,663,900	22,800,000	400,302,158	1,449,766,058
- Transfer from construction in progress	2,429,445,080	-	-	-	2,429,445,080
- Disposal	-	-	-	-	-
Balance as at 31 March 2016	101,471,251,915	39,963,821,823	9,865,379,977	16,289,903,905	167,590,357,620
Accumulated depreciation:					
Balance as at 1 January 2016	19,666,151,802	18,222,070,559	5,858,340,328	6,504,638,679	50,251,201,368
- Depreciation for the period	1,507,782,217	1,107,572,155	391,474,985	626,328,106	3,633,157,463
- Disposal	-	-	-	-	-
Balance as at 31 March 2016	21,173,934,019	19,329,642,714	6,249,815,313	7,130,966,785	53,884,358,831
Net book value:					
Balance as at 1 January 2016	79,375,655,033	20,715,087,364	3,984,239,649	9,384,963,068	113,459,945,114
Balance as at 31 March 2016	80,297,317,896	20,634,179,109	3,615,564,664	9,158,937,120	113,705,998,789

Certain tangible fixed assets are pledged as collaterals for the Company's borrowings. See Note 16 and 20 for details.

Petroleum Trading Lao Public Company

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the three-month period ended 31 March 2016

11. INTANGIBLE FIXED ASSETS

	Currency: LAK		
	<i>Unaudited Land use rights with infinite term</i>	<i>Unaudited Computer software</i>	<i>Unaudited Total</i>
Cost:			
Balance as at 1 January 2016	123,892,263,841	8,995,006,300	132,887,270,141
Balance as at 31 March 2016	123,892,263,841	8,995,006,300	132,887,270,141
Accumulated amortisation:			
Balance as at 1 January 2015	-	226,163,071	226,163,071
Amortisation for the period	-	228,774,144	228,774,144
Balance as at 31 March 2016	-	454,937,215	454,937,215
Net carrying amount:			
Balance as at 1 January 2016	123,892,263,841	8,768,843,229	132,661,107,070
Balance as at 31 March 2016	123,892,263,841	8,540,069,085	132,432,332,926

Certain land use rights in Vientiane, Savanakheth, Luangprabang and Champasak province are pledged as collaterals for the Company's borrowings. See Note 16 and 20 for details.

12. INVESTMENT PROPERTIES

	Currency: LAK		
	<i>Land used rights with infinite term</i>	<i>Buildings</i>	<i>Total</i>
Cost:			
Balance as at 1 January 2016	123,983,600,703	31,492,915,293	155,476,515,996
Addition	868,976,000	4,549,022,338	5,417,998,338
Balance as at 31 March 2016	124,852,576,703	36,041,937,631	160,894,514,334
Accumulated depreciation:			
Balance as at 1 January 2016	-	2,900,539,582	2,900,539,582
Depreciation for the period	-	516,439,356	516,439,356
Balance as at 31 March 2016	-	3,416,978,938	3,416,978,938
Net carrying amount:			
Balance as at 1 January 2016	123,983,600,703	28,592,375,711	152,575,976,414
Balance as at 31 March 2016	124,852,576,703	32,624,958,693	157,477,535,396

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 16 and 20 for details.

Petroleum Trading Lao Public Company

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the three-month period ended 31 March 2016

13. CONSTRUCTION IN PROGRESS

	Currency: LAK	
	31 March 2016	31 December 2015
Black Canyon and Daily Mart project	599,526,208	599,526,208
New ERP system	2,132,799,419	1,904,024,305
Houameung Plus Gas Station (PLUS 5)	5,351,390,424	3,317,451,711
Sampana gas station	-	2,644,792,612
Kauloung gas station	4,679,715,773	3,493,013,333
Mueangngern gas station	1,141,472,500	-
Depot at 450 years road	3,043,331,346	-
Others	6,576,313,391	4,302,331,317
	23,524,549,061	16,261,139,486

14. LONG-TERM INVESTMENTS

	Currency: LAK	
	31 March 2016	31 December 2015
Unsecured loan receivables from related parties	16,749,572,212	16,749,572,212
	16,749,572,212	16,749,572,212

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	16,749,572,212	60 months, due on 1 February 2017	10%-11%
		16,749,572,212		

15. OTHER NON-CURRENT ASSETS

	Currency: LAK	
	31 March 2016	31 December 2015
Prepaid land rental	22,763,448,559	20,355,129,514
	22,763,448,559	20,355,129,514

16. SHORT-TERM LOANS AND BORROWINGS

	Currency: LAK	
	31 March 2016	31 December 2015
Short-term loans from banks	109,859,113,623	103,284,814,122
Current portion of long-term loans (Note 20)	14,295,489,735	15,960,000,000
	124,154,603,358	119,244,814,122

Petroleum Trading Lao Public Company

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
for the three-month period ended 31 March 2016

16. SHORT-TERM LOANS AND BORROWINGS (continued)

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

Lender	Contract	Ending balance		Interest rate (p.a.)	Maturity date	Collateral
		LAK equivalent	Original currency			
ANZ Bank Lao Limited	No. 019/2015	15,087,113,623	1,862,863,760 USD	6.5%	1 year, the last instalment is due on 25 May 2016	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	29,980,000,000	29,980,000,000 LAK	10.5%	1 year, the last instalment is due on 6 April 2016	Land lots, houses, building and petro tanks in Savannakhet, Champasak and Vientiane provinces along with two bank accounts balances (Note 4).
Phongsavanh Bank	No. 0385.15, Date 13/01/2015	64,792,000,000	8,000,000 USD	8%	1 year, the last instalment is due on 20 October 2016	Land lot in Vientiane Capital owned by Company with total area of 22,244 m ² and Land lot in Pakse District, Champasak Province owned by Mr Chanthone Siithixay with total area of 2,249 m ² .
		109,859,113,623				

Petroleum Trading Lao Public Company

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
for the three-month period ended 31 March 2016

17. TRADE PAYABLES

	Currency: LAK	
	31 March 2016	31 December 2015
Trade payables	20,935,433,643	14,152,671,311
Trade payable to the related parties	3,568,309,338	2,748,564,846
	<u>24,503,742,981</u>	<u>16,901,236,157</u>

18. TAX PAYABLES

	Currency: LAK	
	31 March 2016	31 December 2015
Corporate income tax (Note 28)	2,499,738,547	1,075,091,380
Value added tax	1,026,905,714	724,053,738
Personal income tax	140,055,129	66,682,726
Other taxes and statutory payables (*)	6,813,453,669	5,948,600,937
	<u>10,480,153,059</u>	<u>7,814,428,781</u>

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

19. OTHER PAYABLES

	Currency: LAK	
	31 March 2016	31 December 2015
Interest payable	80,837,973	-
Payable to employees	902,849,908	-
Social security payable	38,180,000	55,962,097
Other payables	41,921,061	154,100,994
	<u>1,063,788,942</u>	<u>210,063,091</u>

20. LONG-TERM LOANS AND BORROWINGS

	Currency: LAK	
	31 March 2016	31 December 2015
Loans from banks	70,295,489,735	71,960,000,000
	<u>70,295,489,735</u>	<u>71,960,000,000</u>
In which:		
Current portion of long-term loan (Note 16)	14,295,489,735	15,960,000,000
Non-current portion	56,000,000,000	56,000,000,000

Petroleum Trading Lao Public Company

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
for the three-month period ended 31 March 2016

20. LONG-TERM LOAN AND BORROWING (continued)

Details of the long-term loan from bank as at 31 March 2016 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 <i>In which: current portion</i>	295,489,735	31 May 2016	6.5%	Land lots in Vientiane, Savanakhet and Luangprabang provinces with total area of 31,029 sqm
Lao Development Bank	No. 063/04/2015, Date 6 April 2015 <i>In which: current portion</i>	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.
		14,000,000,000			
		70,295,489,735			

Petroleum Trading Lao Public Company

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
for the three-month period ended 31 March 2016

21. OWNER'S EQUITY

21.1 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.

22. REVENUE

	<i>Currency: LAK</i>	
	<i>For the three-month period ended 31 March 2016</i>	<i>For the three-month period ended 31 March 2015</i>
Sales of fuel	199,350,261,171	177,392,495,148
Revenue from leasing activities	649,038,338	-
Revenue from Plus card service fee	126,698,180	-
Sales of lubricant	1,573,202,894	17,782,811,360
Less: Sales deduction	(3,280,040)	(414,099)
	201,695,920,543	195,174,892,409

23. COST OF SALES

	<i>Currency: LAK</i>	
	<i>For the three-month period ended 31 March 2016</i>	<i>For the three-month period ended 31 March 2015</i>
Cost of fuel sold	173,432,240,820	108,088,394,699
Cost of leasing activities	516,439,356	-
Cost of Plus card service	24,282,182	-
Cost of lubricant sold	495,604,815	57,648,617,303
	174,468,567,173	165,737,012,002

Petroleum Trading Lao Public Company

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
for the three-month period ended 31 March 2016

24. OTHER INCOME

	Currency: LAK	
	For the three-month period ended 31 March 2016	For the three-month period ended 31 March 2015
Net book value of disposed vehicles	-	16,085,642,483
Others	-	7,462,772
	<u>-</u>	<u>16,093,105,255</u>

25. OTHER EXPENSES

	Currency: LAK	
	For the three-month period ended 31 March 2016	For the three-month period ended 31 March 2015
Others	310,000	617,762
	<u>310,000</u>	<u>617,762</u>

26. FINANCE INCOME

	Currency: LAK	
	For the three-month period ended 31 March 2016	For the three-month period ended 31 March 2015
Interest income on loans to the related parties	635,481,617	1,012,441,872
Early payment discount from suppliers	346,497,763	242,190,805
Realised foreign exchange gain	722,285,490	125,365,177
Value added tax adjustments	-	1,074,612,023
Others	250,403,559	-
	<u>1,954,668,429</u>	<u>2,454,609,877</u>

27. FINANCE EXPENSES

	Currency: LAK	
	For the three-month period ended 31 March 2016	For the three-month period ended 31 March 2015
Interest expenses	3,936,094,145	3,131,528,992
Realised foreign exchange losses	665,206,076	408,331,867
	<u>4,601,300,221</u>	<u>3,539,860,859</u>

Petroleum Trading Lao Public Company

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
for the three-month period ended 31 March 2016

28. 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 the three-month period ended 31 March 2016	For the three-month period ended 31 March 2015
Profit before tax	7,498,142,985	17,825,433,804
Adjustment to increase accounting profit		
Provision for doubtful debts	-	-
Taxable profit	7,498,142,985	17,825,433,804
Estimated current CIT expenses	1,424,647,167	3,386,832,422
CIT payable at beginning of the period	1,075,091,380	3,007,437,172
CIT paid during the period	-	-
CIT payables at the end of the period (Note 18)	2,499,738,547	6,394,269,594

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)
for the three-month period ended 31 March 2016

29. TRANSACTION WITH RELATED PARTIES

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

			Currency: LAK
Related parties	Relationship	Transactions	Amount
Mr. Chanthone Siththixay	Chief Executive Officer and founding shareholder	Payment on behalf	11,339,877,700
Lao Daily Mart Import – Export Co. Ltd	Common owner	Loan to related party Payment on behalf Loan interest income Rental income	6,000,000,000 2,770,867,413 354,739,656 68,321,916
Sithi Logistics Lao Co., Ltd.	Common owner	Loan to related party Payment on behalf Loan interest income Sales of fuel	15,373,493,359 523,444,213 332,021,702 741,948,000
Phonethan Plus Gas Station (PLUS 1)	Common owner	Sales of fuel Rental Income	606,275,000 81,000,000
Nongheo Plus Gas Station (PLUS 2)	Common owner	Sales of fuel Rental Income	2,494,130,000 51,000,000
Phakhao Gas Station (PLUS 3)	Common owner	Sales of fuel Rental Income	7,332,570,000 168,000,000
Phadaeng Gas Station (PLUS 4)	Common owner	Sales of fuel Rental Income	2,367,850,000 123,000,000
Nongpaya Plus Gas Station (PLUS 7)	Common owner	Sales of fuel Rental Income	612,520,000 45,000,000
Donekoy Plus Gas Station (PLUS 8)	Common owner	Sales of fuel Rental Income	5,665,199,999 112,500,000
Phonhong Plus Gas Station	Common owner	Sales of fuel	1,423,730,000
Vangvieng Plus Gas Station	Common owner	Sales of fuel	2,393,150,000
Mueangngern Plus Gas Station	Common owner	Sales of fuel	167,900,000
Samphanna Plus Gas Station	Common owner	Sales of fuel	572,680,000
Khualuang Plus Gas Station	Common owner	Sales of fuel	716,440,000

Petroleum Trading Lao Public Company

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
for the three-month period ended 31 March 2016

31. COMMITMENTS (continued)

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 31 March 2016 under these operating lease agreements are as below:

Currency: LAK

	31 March 2016	31 December 2015
Less than 1 year	2,405,930,000	2,405,930,000
From 1- 5 years	14,971,460,000	14,971,460,000
More than 5 years	13,256,520,000	13,256,520,000
	30,633,910,000	30,633,910,000

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 LAK8.7 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.

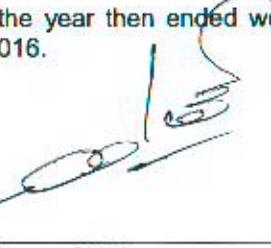
32. EVENTS AFTER THE BALANCE SHEET DATE

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.

33. APPROVAL FOR ISSUE

The interim financial statements as at 31 March 2016 and for the year then ended were authorised for issue by the Company's management on 10 May 2016.


 Chanthadom Meksavanh
 Acting Chief Finance Officer



 Chanthone Sitthixay
 Chief Executive Officer

10 May 2016