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ABSTRACT

This study on petroleum group in Lao PDR has a purpose to measuring financial performance and comparing the company's financial ratios and industrial average by using the secondary data collected from the company's financial statement between 2012-2015. The analysis was conducted by using Common Size Analysis, Trend Analysis, and Finance Ratios.

Results show that when comparing the fixed assets percentage and total sales, it can be seen that Petroleum Trading Lao Public Company and Petro Vietnam Oil Lao Co., Ltd have and increase fixed asset percentage, but decrease of sale percentage this illustrates the inefficiency in utilizing their fixed assets, In addition, it found that PTT Lao Co., Ltd and Petrolimex (Lao) Co., Ltd have current liabilities percentage more than the current assets percentage. Moreover, Lao State Fuel Company and Petrolimex (Lao) Co., Ltd have liquidity level higher than the other companies and it means that they have the ability to pay short debt better than PTT Lao Co., Ltd, Petroleum Trading Lao Public Company, Petro Vietnam Oil Lao Co., Ltd and industrial average.

On the other hand, a comparison of leverage ratios found that Lao State Fuel Company, Petroleum Lao Public Company, and Petro Vietnam Oil Lao Co., Ltd have debtability, lower financial risk comparing to Petrolimex Lao Co., Ltd and industrial average. Finally, It is found that PTT Lao Co., Ltd and Petroleum Trading Lao Public Company have higher profits than the other companies. However, despite the fact that they have lower gross profit, they managed to gain higher net profit in comparison to the competitors.

CHAPTER I

INTRODUCTION

1.1 Background and Significance of the research

In 2015, there was a discovery of a slowdown in the global economy at 3.1% to emerging market economies and slowing economies the economy of China combined with oil, Gold, the prices of food, price interest rate tall and exchange rate fluctuation, for only Lao PDR we continue growing steadily and stable due to the party and the government of Lao has turned the direction of development-economic society since 1986 and with the new policy by opening its door to international development cooperation to attract investment from domestic and overseas more, including those that focus on one task, gaining the right is expanding telecommunication network and transportation.

Along with expanding the road network in the Lao PDR are also open to direct investment from abroad in the field of electric power, construction, service, programs developed economic zone and special economic for which it has shown in the rate of growth of the Gross Domestic Product (GDP) on average increased 7.9% in the sector to be the sort of encouraging economic growth is the main sector industries grow 9.7%, followed by the services sector accounted for 9.1% and agriculture accounted for 3.3% is emerging over the 2012 Laos became a member of the World Trade Organization (WTO), the last also participated in the Asean Economic Community (AEC) with and this year, the average per capita income reached 1.787 US Dollars. (Bank of the Lao PDR 2015).

Fuel is considered as one of the most important resources in the use of fuel in industry, agriculture, services and trade. In addition, it is an important threat to the daily lives of ordinary people because now most people use cars as a means of transportation. Therefore, the purpose of using more oil, which can be seen from the amount of fuel stored in the world is likely to increase, such as in 2014, the amount of fuel was 58,18 million barrels/day, in 2015 there were 61,22 million barrels/day, an increase of 5,2% due to the use of fossil fuels, resulting in the price of fuel fluctuates frequently, for example, in 2011 Dubai crude oil prices rose from 106,18 dollar per barrels to 100,08 dollar per barrel, in 2012 and have risen steadily over the years, by 2014, it had dropped to 97,07 dollar per barrel, and by 2015 it had dropped to 51,20 dollar per barrel.

Because of lack of raw materials in Lao PDR and the lack of its own oil refinery, a large number of foreign oil imports such as from 2011- 2014, Lao PDR imported a total of 2.45 billion dollar worth of fuel, an increase of 6% compared to 2013 because of that Lao PDR's economy at the time was booming, with government investment in infrastructure and vehicles also growing, with more vehicles being imported, we can see that the number of vehicles in Lao tends to increase each year on average 11% per year, resulting in an increase in demand for fuel to meet the demand for fuel, thus increasing investment in this type of business. In 2014 there were a total of 20 fuel companies, increasing to 27 fuel companies in 2015, but in 2016 the number of oil companies will be reduced by 24 nationwide.

It was found that there are 5 large companies with more market share than the company. If you look at the overall fuel import statistics from 2011-2014 of the 5 companies found that accounted for 77.4 of the total number of companies, which includes PTT Lao Co. Ltd, Lao State Fuel Company (LSFC), Petroleum Trading Lao Public Company, Petro Vietnam Oil Lao Co., Ltd, and Petrolimex (Lao) Co., Ltd. However, because investing in the oil business in the past does not pay off in the long run and at the same time invests a lot of money, plus there are many operational risks, such as price risk, because the oil business operator cannot determine the exchange rate, and the exchange rate is the same. There is also the risk of business competition because having multiple oil companies makes it highly competitive, requiring each company to build its own unique strengths in order to gain market share and aspire to be in the fuel business.

If any company is lack effective management of technical or administrative finance will affect the company's profit or loss is such that in 2012 the Petrolimex (Lao) Co., Ltd's loss from operations of 0.58 billion, and in 2013 the company PTT Lao Co., Ld, Lao State Fuel Company, Petroleum Trading Lao Public Company and Petro Vietnam Oil Lao Co., Ltd had net profit drop of 9.03 billion, 0.21 billion, 19.13 billion and 14.81 billion respective, for the reason mentioned above, this is interested to study the performance of the Petroleum Group in Lao PDR.

1.2 Scope of the study

This research will study the performance and compare the financial ratio with the industrial average of the petroleum group in Lao PDR by selecting the companies that import more fuel than the five companies: Lao State Fuel Company (LSFC), Petroleum Trading Lao Public Company, PTT Lao Co., Ltd., Petro Vietnam Oil Lao Co., ltd, and Petrolimex (Lao)

Co., Ltd this study will use secondary data by collecting data from the company's financial statement for the four years from 2012-2015.

1.3 Expected benefits

- To identify the effect of leverage, size, liquidity, management competence index on the financial performance of petroleum group in Lao PDR.
- To provide some conclusions and recommendations for petroleum group in Lao PDR to deal with variables that affect financial performance in order to enhance their company financial performance.
- To measuring financial performance and comparing the company's financial ratios and industrial average using the secondary data collected from the company's financial statement between 2012-2015.
- To provide an overview of the petroleum group's financial position.
- Recognize the financial position and stability of the oil group.
- Recognize the results of the analysis of the financial situation, the different financial management capabilities of the Fuel Group.
- Able to see the differences, growth trends, and business environment of the Fuel Group.
- Recognize changes in the financial structure and operating patterns of the Fuel Group in Lao PDR.

1.4 Definitions of terms

- Financial performance: refers to the study of financial ratios, which shows the liquidity, efficiency in the management of assets, liabilities, and the ability to generate profits.
- Comparison of financial performance: refers to the comparison of the financial performance of one company with another company during the same year.
- Financial Analysis: Describes the process of fact-finding on the financial position and results of operations of a business's cash flow, using factual analysis of the information gathered to make business management planning decisions.
- Financial Statements: Refers to the accounting statements prepared at the end of each accounting year so that shareholders are aware of the Company's position and performance in the past.

- Statement of position: Refers to the budget that shows the financial position of the business at a certain time to indicate what the financial position of the company is.
- Income statement: A document that shows the results of operations of a company that shows a profit or loss, unable to provide information on changes in assets, liabilities, and equity that occur during the reporting period.
- Industrial Average: A comparative average of all companies in a single industry and averaging them into a single-digit

CHAPTER 2

THEORY AND LITERATURE REVIEW

2.1 Theory

2.1.1 Meaning of financial analysis

Phetsari Koumsab (2012) Said, Financial analysis is the process of finding out the truth about the financial status and performance of any company from the financial statements of that company as well as the facts from the analysis to be included in the decision. Which the analyst can use a variety of tools to perform analysis such as Financial ratios, Fund flow, Vertical analysis, Trend analysis, etc.

Dr. Krisda Sektrakul (2013) Wrote, corporate financial analysis refers to the audit of a company's financial health, examining the financial strength within the company, comparing financial statements, and The performance of other companies in the same industry which allows administrators to find the weaknesses and strengths from conducting quantitative work to finding strategies that will be useful and improve the further work process. Financial analysis should have at least 2 years of financial statements in order to compare and study the changing trends, once the information has been collected, it is possible to analyze the financial statements.

2.1.2 Objective financial analysis

Phetsari Koumsab (2012) Said, the objectives of the financial analysis are as follows:

1. Use as a pre-screening tool to select an investment or joint venture.
2. Use as a tool to predict future financial status and outcome.
3. To evaluate management and operational problems to find solutions to problems that will arise.
4. Used as a tool to evaluate company management.

2.1.3 Theory of Financial Ratio Analysis

Phetsari Koumsab (2001) Said, financial ratios are a useful tool for assessing the financial position, efficiency, and profitability of a business to analyze its performance. The Company's financial statements are a summary of operating results and financial status over a period of time. The analysis and interpretation of the document allow the administrator to consider the strengths and weaknesses of the business which is an important factor in setting goals and future action plans. In addition, the analysis of the financial statements also helps to determine whether the performance for that period goes according to plan. If it goes according to the plan, it will be further considered which of the main causes will be addressed.

2.1.4 Financial statements analysis

2.1.4.1 Vertical common - size analysis

Bounheng (2007) joint venture financial statement is a financial statement in the form of a percentage of the common database, a joint venture statement analysis is a tool that enhances the analysis of financial ratios so that analysts can see the details of the various components of the financial statements more clearly and guide decisions.

Phetsari Koumsab (2012) the vertical ratio analysis is to calculate each item included in the balance sheet and income statement in the form of percentages, the vertical analysis will highlight changes in the structure of the financial statements. Vertical analysis using one-year data will tell the analyst only the structure of the financial statements for that year, but if analyzed with a comparison of two or more years, it will help the analyst to know the changes in the financial statements of that company. Comparing two companies or competitors will give you an idea of the nature of the investment, fundraising, and profitability of competitors.

Souphaphone (2016) The principle of vertical analysis is to compare the figures of each item in the financial statements with the sum of those items to determine what percentage of the total items, such as assets in the balance sheet, consisting of cash, goods, inventory, land, and buildings, etc. as a percentage of total assets.

Dr. Krisda Sektrakul (2013) vertical analysis converts the numerical values of the items into the percentage of the key items in the financial statements to make it easier

to compare the financial structure over the years to see if the financial structure has changed.

2.1.4.2 Trend analysis

Horizontal analysis or Trend analysis is the comparison of the figures in the financial statements in an account with one account over another to see if the items are trending higher or lower. This method considers the relationship between the items in the financial statement structure by giving the first year as the base year and then multiplying the variables in the other years by the base.

Trend analysis is the analysis of the performance in each quarter and the position of the business on a given day, compare with other companies in the same industry or compare past data in each quarter of the same company to enable analysts to obtain more useful information from financial statements. Therefore, trend analysis is used to consider the performance and financial position of any company from the past to the present, to be able to predict future trends and also be able to compare trends with the industry average.

Phetsari Koumsab (2012) trend analysis using percentages to study the trends or directions of items that appear in the financial statements, this type of analysis requires financial statements for several years in a row, depending on which year is used based on the analysis method. Figures that indicate that the item is trending higher, the original characteristics are unchanged or are declining, and the results of this analysis can be summarized as an opinion as to whether the financial and operational trends of the business are satisfactory or not. Percentage analysis of trends depends on continuous financial data for many years, namely 10 years. Trends that are clearer and easier to interpret are also useful in predicting what will happen in the future.

Dr. Krisda Sektrakul (2013) trend analysis is a horizontal analysis, the purpose of which is to show the growth or increase or decrease of the items we are interested in. The calculation method may look at the change from year to year or use one year as the basis and see how the other years change.

2.1.4.3 Ratio analysis

Financial ratios help analysts gain insight into the liquidity, performance, profitability, and efficiency of their operations. This is a representation of the relationship between the two figures from the financial statements of the business, using the information from the statement of position, income statement.

- Types of financial ratios analysis

As a useful tool for assessing the financial position, efficiency, and profitability of a business, the raw data in the financial statements directly cannot be interpreted sufficiently, with financial ratios classified into four categories:

- A. Liquidity Ratios
- B. Asset Management Ratios
- C. Debt Management Ratios
- D. Profitability Ratios

A. Liquidity Ratios

The financial liquidity ratio is the ratio used to measure a company's short-term solvency, in other words, when short-term debt reaches maturity, the business has current assets, can repay or not. This ratio also indicates the efficiency of business turnover management efficiency, including two ratios:

- *Current ratios*

Current ratios are a measure used to measure the ability to make short-term payments. This ratio is an indicator of the short-term financial status of a business. If this ratio is high, indicating that the company is very flexible, short-term creditors will pay more attention to this ratio because of the chances of getting more or fewer payments at this ratio, which we have calculated as follows.

$$\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}} \text{ (Equal)} \quad (2.1)$$

- *Quick Ratios*

This ratio is used to measure the business's ability to repay current liabilities, the results indicate how much the business has the assets that can be easily converted into cash to repay the overdue debt. If this ratio is high, it indicates that the company is highly liquid, the formula is as follows:

$$\text{Quick Ratios} = \frac{\text{Current asset - inventory}}{\text{Current Liabilities}} \text{ (Equal) (2.2)}$$

B. Asset Management Ratio

The ratio in this group is the ratio between sales and investments in each asset item that needs to be analyzed, such as Commodity turnover rate, fixed asset pack turnover rate, etc. The calculations in this section will relate to the statement of assets and income statement, the measurable turnover of the measured assets will indicate the efficiency of the management of that asset.

- *Account Receivable Turnover ratio*

Account receivable turnover is the number of times that a company can collect debts from customers in one year from the sale of goods and services as credit, but in the financial statements, most do not show sales and cash sales, so it is not possible to know the sales credit, which has the following formula:

$$\text{Account Receivable Turnover ratios} = \frac{\text{Net sales}}{\text{Accounts Receivable}} \text{ (Cycle) (2.3)}$$

In addition to showing the liquidity of the business from the turnover of receivables into cash, it also shows the ability to manage the receivables that the sale of business credits in one business cycle can be charged from the turnovers how often.

$$\text{Debt Collection Period} = \frac{\text{Number of days in a year (360)}}{\text{Account Receivable Turnover rate}} \text{ (Days) (2.4)}$$

If this ratio is high, it indicates that the company has a poor collection capacity, on the other hand, if this ratio is low, it indicates that the company has a fast turnover.

- *Fixed Asset turnover Ratio*

It is a ratio that indicates the efficiency of using fixed assets in an operation to generate revenue, the greater the number of revolutions, the more profitable the business's ability to use the assets. On the other hand, if the turnover rate is low, it indicates that the business's ability to use assets is inefficient. To increase the efficiency of the use of assets by considering the fixed assets that do not benefit the business by determining the fixed assets for sale or rent to increase revenue for the business. The formula is as follows :

$$\text{Fixed Asset turnover} = \frac{\text{Net sales}}{\text{fixed assets}} \text{ (Cycle) (2.5)}$$

- *Total Asset Turnover*

It is an analysis to show the ability to use assets to generate income for the business, whether there is more or less, instead of considering fixed assets alone.

If the asset turnover ratio is high, it indicates that the overall asset utilization efficiency is good. But if the ratio is low, the business should consider the property that is not useful or profitable and should find a solution. The formula is as follows:

$$\text{Total Asset turnover Ratio} = \frac{\text{Net sales}}{\text{Total assets}} \quad (\text{Equal}) \quad (2.6)$$

C. Leverage Ratio.

Leverage Ratio is the ratio used to measure the ability to repay the business by the lender (creditors) will consider the operation of the business financially and determine the ratio of debt to capital structure whether the business has the ability to pay interest and long-term loans or not. Which can be measured as follows:

- *Debt to Equity Ratio*

A ratio that represents the financing structure of a business from the provision of capital from debt to the number of shareholders and determines whether the owner has the ability to repay or not. If the owner has a high ability to pay off debt, the business can pay off additional debt which has the following formula:

$$\text{Debt to Equity Ratio} = \frac{\text{Total liabilities}}{\text{Owner;s Equity}} \quad (\text{percentage}) \quad (2.7)$$

- *Debt to Asset ratios*

Is the ratio that represents the relationship between the debt and the total assets of the business, this is because the total capital of the business will be used to invest in all the assets, so it can be said that the investment in all assets comes from the source of debt. If this ratio is higher, it means that more debt is being used from sources than shareholders' equity, the financial risk is higher and the chances of increasing additional debt are lower. The formula is as follows:

$$\text{Debt to asset ratio} = \frac{\text{Total liabilities}}{\text{Total Assets}} \quad (\text{percentage}) \quad (2.8)$$

D. Profitability Ratios

The ratio used to measure the ability to earn income from operations and from investing in assets as an indicator of profitability, which is related to sales and investment, which can assess the profitability of the business as follows.

- Gross profit margin

The gross profit margin indicates how efficient the business is in terms of sales and procurement operations for production and sale, such as pricing, procurement, and product policies, which can be calculated according to the following formula:

$$\text{Gross profit margin} = \frac{\text{Gross profit}}{\text{Net sales}} \times 100\% \text{ (percentage)} \quad (2.9)$$

- Net profit margin

It is the ratio of net profit to sales, net profit is the business profit that arises after deducting various expenses including profit tax from the business income. The result of the net profit margin will tell you how efficient the management is. If this ratio is high, it means that the higher the profit margin, the more stable the business and the business owner, which can be calculated according to the following formula:

$$\text{Net profit margin} = \frac{\text{Net profit}}{\text{Net sales}} \times 100\% \text{ (percentage)} \quad (2.10)$$

- Return on asset (ROA)

ROA is a financial ratio used to measure the ability to generate investment returns on total assets, the higher the return on investment better than lower, With the following formula:

$$\text{ROA} = \frac{\text{Net profit}}{\text{Total Assets}} \times 100\% \text{ (percentage)} \quad (2.11)$$

- Return on equity (ROE)

ROE is a comparison of the net profit margin to the equity ratio, the results of the financial ratios indicate that the business capital from the business owner is the shareholder who invests and manages the capital for the benefit of the business. Therefore, this ratio helps to know how much shareholders' equity can make, which is calculated as follows:

$$\text{ROE} = \frac{\text{Net profit}}{\text{Owner;s Equity}} \times 100\% \text{ (percentage)} \quad (2.12)$$

2.1.4.4 Steps to analyze the financial statements

Orapin Laoprasert (2014) wrote, To analyze a financial statement of a business, it is necessary to have a financial statement of at least 2 years to compare and see the trends of change. Once you have compiled your financial statements, you can start analyzing your financial statements with the following steps:

- Set analytical goals: The analyst must determine the purpose of the analysis by considering who to analyze in which position because each person has a different purpose.
- Gather information: Once the purpose of the analysis has been determined, the next step is to gather relevant information, which is: financial statements and other relevant details, both quantitative and qualitative.
- Deploy information: Once the data is collected, the next step is to bring the information in the financial statements of the year into the same format, such as adjusting the cash statement to suit, analyzing the percentage, or finding the ratio.
- Select the tools to use in the analysis that included: Vertical ratio analysis, trend ratio analysis, and financial ratio analysis.
- Reading and interpreting: Once the data is in place, the next step is to take the results and translate the results by reading the values, comparing them with the past, comparing them with competitors, or comparing them to industry.
- Report generation and utilization: After the analysis data has been translated, the final step is to summarize the analysis in an easy-to-understand format.

Phetsari Koumsab (2012) wrote the financial analysis procedure consists of the following steps:

- Set analytical goals
- Gather information
- Organize data in the same format for easy analysis and comparison
- Select the appropriate analytical tools to use, such as Vertical analysis, Trend analysis, Fund flow, and cash flow and Ratios.

- Interpretation
- Reporting

Dr. Krisda Sektrakul (2013) wrote, the financial analysis includes the following analysis steps:

- Organize the data in the financial statements of the year in the same format for easy analysis and comparison
- Select the following analytical tools: Vertical analysis, Trend analysis, Fund flow analysis, and Ratio analysis
- Reading and interpreting
- Report generation and utilization

2.1.5 Standards, establishment conditions, importing business, and wholesale service of fuel distributors

2.1.5.1 Establishment conditions

Individuals or legal entities intending to establish and operate an import business and wholesale fuel service in Lao PDR must meet the following criteria and conditions:

- Have a registered capital of at least 10 billion kips or more to rehabilitate the technical infrastructure for this area.
- Qualified to build a warehouse system that can acquire base and can store up to 1 million liters of oil as its own, the warehousing system must be secured to meet the relevant departmental standards.
- Have a trademark (logo) or a representative of any brand of fuel that has been properly registered by the National Organization for Science and Technology.
- There are at least 5 fuel transport vehicles that have acquired the technical base of the relevant authorities. In addition, if you need more it can be rented but must be rented from a business unit or person who conducts business in the field of transportation services in accordance with the law.
- Have a gas station or fuel agent of its own brand that can support the amount of fuel and meet the technical standards that are available.
- Must be a member of the fuel group once established

- Those who want to set up and run such a business must have a sufficient level of knowledge or experience in the oil business in this area and in case of no experience must hire a number of technicians as consultants.

2.1.5.2 Requesting permission to establish

Those who intend to establish a fuel import business unit must first contact the Ministry of Industry and Commerce to consider and approve the conditions as agreed in the agreement. Then inspect the location to set up offices, warehouses, gas stations, or agents, together with the relevant parties, when it is found to be in accordance with the standards and then sent to the authorities to register the enterprise in accordance with the regulations.

2.1.5.3 Business operating conditions

Business units that conduct business in the import and import of wholesale fuel services must comply with the following conditions:

- There must be an import plan, a definite distribution and market plan, which is imported quarterly and annually, with the approval of the Ministry of Industry and Commerce (Department of Import and Export) based on certification from the Department of Internal Trade in terms of infrastructure and business operations.
- Have a bank account located in Lao PDR
- The fuel that the company imports each time must meet the quality standards in accordance with the regulations of the National Organization for Science and Technology.
- Imports are only allowed through checkpoints, border crossings, and have their own oil depots located in that province.
- Payment must be made through a bank located in Lao PDR
- Implement wholesale-retail prices as set by the government from time to time, as well as manage gas stations or their agents to implement retail prices and schedule in strict accordance with the guidance of the relevant agencies.
- Make sure to reserve fuel in case of emergency for at least 10-15 days to supply fuel to the gas stations or their distributors.
- Expand gas stations or their agents to remote areas.

- Comply with the relevant laws and regulations in conducting business.

2.2 Related literature

Performance is the function of the ability of an organization to gain and manage the resources in several different ways to develop competitive advantage (Iswatia, & Anshoria, 2007). There are two kinds of performance, financial performance and non-financial performance. Financial performance emphasizes on variables related directly to financial report. Company's performance is evaluated in three dimensions. The first dimension is company's productivity, or processing inputs into outputs efficiently. The second is profitability dimension, or the level of which company's earning are bigger than its costs. The third dimension is market premium, or the level of which company's market value is exceeding its book value (Walker, 2001).

Performance is a difficult concept, in terms of both definition and measurement. It has been defined as the result of activity, and the appropriate measure selected to assess corporate performance is considered to depend on the type of organization to be evaluated, and the objectives to be achieved through that evaluation. Researchers in the strategic management field have offered a variety of models for analyzing financial performance. However, little consensus has emerged on what constitutes a valid set of performance criteria. For instance, researchers have suggested that studies on financial performance should include multiple criteria analysis. This multidimensional view of performance implies that different models or patterns of relationship between corporate performance and its determinants will emerge to demonstrate the various sets of relationships between dependent and independent variables in the estimated models (Ostroff and Schmidt, 1993).

It has also been the primary concern of business practitioners in all types of organizations since financial performance has implications to organization's health and ultimately its survival. High performance reflects management effectiveness and efficiency in making use of company's resources and this in turn contributes to the country's economy at large. (Naser, and Mokhtar, 2004).

Financial analysis is the process of finding out the truth about the financial status and performance of any company from the financial statements of that company as well as the facts from the analysis to be included in the decision. Which the analyst can use a variety of tools to perform analysis such as Financial ratios, Fund flow, Vertical analysis, Trend analysis, etc. (Phetsari Koumsab 2012).

Corporate financial analysis refers to the audit of a company's financial health, examining the financial strength within the company, comparing financial statements, and The performance of other companies in the same industry which allows administrators to find the weaknesses and strengths from conducting quantitative work to finding strategies that will be useful and improve the further work process. Financial analysis should have at least 2 years of financial statements in order to compare and study the changing trends, once the information has been collected, it is possible to analyze the financial statements. (Dr. Krisda Sektrakul 2013).

Sudaphan Srisutham (2016) studied “Comparison of financial performance between Exim Co., Ltd. and Transport Joint Stock Company Limited.” The purpose is to study the financial performance and compare the performance of the two companies by using secondary data and joint venture financial statement analysis, trend analysis, and financial ratios. The study found that Transport Joint Stock Company Limited had higher operating expenses than Exim and had a lower liquidity ratio. But the Transport Joint Stock Company Limited has better asset management and collection systems than Exim. As for the profitability ratio, Exim has better profitability than Transport Joint Stock Company Limited.

Sumitra Biapat (2008) studied " Metropolitan Rapid Transit (MRT) Performance with Bangkok Transit System (BTS) by using Financial Ratio Analysis ", which aims to study the performance of both companies and compare them with the average value, by using Secondary information to analyze financial ratios, percentage analysis, The study found that the MRT had higher liquidity and average asset management ratio than the BTS. However, BTS has a higher profit margin, especially a higher gross margin than MRT.

Ouravanh Keophanthavong (2012) studied "Comparison of Financial Performance between Branches of Foreign Commercial Bank and State-Owned Commercial Bank in Lao PDR". The purpose is to study the financial condition of the banking business of both groups by using the secondary data obtained from the compilation of income statements and asset summary between 2006 and 2010 and then use the financial ratios to compare. The study found that the ratio of total revenue to total assets of foreign commercial bank branches was less than the industry average, while state-owned commercial banks have higher than average industry averages, the operating profit margins of foreign commercial banks' total assets are lower than the average of commercial banks. The return on total assets of foreign commercial bank branches is equal to the industry average, but the state-owned commercial banking group is less than the industry average.

Phanthip Xodvethy (2008) conducted "An analysis of the performance of the transport and logistics services industry listed on the stock exchange". The purpose is to analyze the performance of the transport and logistics services industry group using the financial ratio to the industry average. The data used in the study were secondary data. The study found that the financial ratio of the sample group was 0.75 times the working capital ratio.

Debt to property ratio 63.65%, Debt to equity ratio 9.48%, Operating profit margin 2.93%, Return on investment 1.54%, Return on equity ratio 4.37%, Ratio of earnings per share 30.92, Market price to book price ratio 1.11.

Somsawin Vongthed (2001) studied "Financial Ratio Analysis of RPCG Public Company Limited" with the aim of studying the history, evolution, nature of the business operation, and analysis of the Company's financial ratio compared to the industry average by collecting data between 1996 and 1999. The results show that the company has high agility, high asset utilization capacity, high debt generation capacity, and high profitability.

Yuvadeekhuesa Lathtikarn (2002) studied "Comparative analysis of the financial ratios of the pulp and paper industry listed on the Stock Exchange of Thailand". The purpose is to study the financial ratios of the pulp and paper industry, comparing the financial ratios of the two companies to the industry average. The study found that the financial ratios of both companies tend to improve at all rates. Comparing the financial ratios of the two companies with the industry average, it is found that the liquidity ratio, the operating efficiency ratio, and the market share of Siam Pulp & Paper Co Ltd outperform Phoenix Pulp & Paper Public Co., Ltd., and industry average.

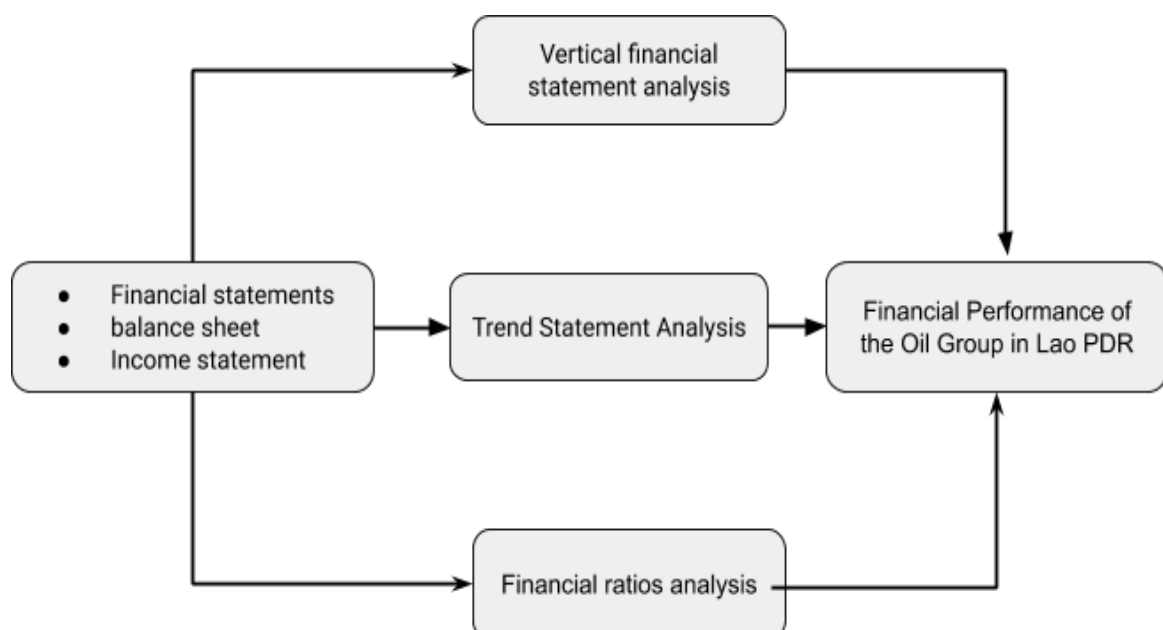
Malay Chaluenhounghuenagdee (2003) studied "Analysis of Comparative financial statements of companies listed on the stock exchange of Thailand in the seafood group for export". The purpose is to analyze the financial statements of Thai union frozen products plc. co. ltd, which the data used is secondary data by using the financial ratio compared to the cost of captivity in the seafood industry. The study found that Thai union frozen products plc. co. ltd, the liquidity tends to be higher than the average financial ratio, the efficiency of the asset management, the debt management ratio is close to the official ratio, indicating that the business has the appropriate management capacity. The ability to make a profit is reduced, but it is possible to make a profit close to the average financial ratio as well.

Vanhphod Phatteng (2008) studied "the performance of a group of electronic components companies listed on the Stock Exchange of Thailand " The purpose is to analyze the financial ratios of companies, compare the financial ratios between companies in the electronic components industry, the data used in the study are secondary data. To analyze the financial position of the company and compare it to the industry average. The results show that Electronic Industry Public Company Limited has the highest liquidity, while KCE electronics public company limited has the lowest liquidity in the industry, has the highest liquidity, and has the lowest overall net profit in the industry. Muramoto electron public company limited gives the largest return on equity in the industry.

From the summary of the previous scientific research above, my scientific research is similar to the previous research in the study method, but also different from the previous research in terms of population studies, tools used and the results of the data analysis. Because some of the previous scientific research articles have used only financial ratios as a tool to analyze performance and compare it to industry averages. For my scientific research, this version differs from other research in its use of analytical tools in terms of financial ratios, trend ratio analysis, and vertical ratio analysis.

2.3 Conceptual Framework

This study can be used as a conceptual framework for use in analyzing the following data:



CHAPTER 3

RESEARCH METHODOLOGY

3.1 Methodology

The purpose of this study was to study the financial performance of the Fuel Group of Companies and compare it to the industry average using financial ratios, Trend analysis, and Communize Analysis an analytical tool using data from the financial statements of 05 oil companies, from 2012-2015 to translate the figures from the analysis.

3.2 Data Collect Instruments

3.2.1 Source of Data

- Secondary Information

This study collected secondary data to analyze Financial Ratios, Common Size analysis, and Trend Analysis, by focusing on numerical data to explain the differences in operating results of each company and make investment decisions easier, the information to be used: Includes income statement and Statement of position from 2012-2015.

In addition, research has been conducted in magazines, newspapers, economic reports, decrees, laws, textbooks, scientific research papers, websites, and documents from various relevant sources.

3.2.2 Population and Sample

In this study, the study population is Petroleum Group in Lao PDR, will choose to study only the companies with the highest fuel import of companies, including Lao State Fuel Company (LSFC), Petroleum Trading Lao Public Company, PTT Lao Co., Ltd., Petro Vietnam Oil Lao Co., Ltd, and Petrolimex (Lao) Co., Ltd As shown in the table below:

Table 3.1: Fuel Import Statistics from 2011-2014 of Fuel Companies in Lao PDR.

No.		Name of Companies	Oil Imports from the year 2011-2014 (\$)	Compare %
		Total: I	1,894,850,124	77,45%
1	1	Lao State Fuel Company (LSFC)	954,585,404	39.02%
2	2	Petroleum Trading Lao Public Company	282,788,733	39.02%
3	3	PTT Lao Co., Ltd.	266,259,278	10,88%
4	4	Petro Vietnam Oil Lao Co., Ltd.	266,259,278	10,88%
5	5	Petrolimex (Lao) Co., Ltd	153,932,871	6.29%

Source: Summary of Trade Profits of Enterprises, Department of Revenue, Ministry of Finance

Table 3.1: Fuel Import Statistics from 2011-2014 of Fuel Companies in Lao PDR. (Continued)

No.		Name of Company	Oil Imports from the year 2011-2014 (\$)	Compare %
		Total: II	551,808,686	22,55%
6	1	Luang Fuel Co., Ltd.	118,185,115	4,83%
7	2	Darachaleun Fuel Co., Ltd.	97,231,220	3,97%
8	3	Lao Fuel Co., Ltd.	71,711,400	2,93%
9	4	Buasavanh Power Co., Ltd.	52,398,443	2,14%
10	5	Petroleum Co., Ltd	46,700,660	1,91%
11	1	Asia Petroleum Co., Ltd.	41,540,000	1,70%
12	2	Phetsamai Fuel Co., Ltd.	39,405,449	1,61%
13	3	Lane Xang Fuel Co., Ltd.	35,566,951	1,45%
14	4	Vientiane Petroleum Enterprise	25,842,440	1,06%
15	5	Imperial Petroleum Lao Co., Ltd.	8,114,880	0,33%
16	5	Daphe Petroleum Enterprise	7,160,132	0,29%
17	1	Phonesamai Fuel Export-Import Co., Ltd.	5,208,290	0,21%
18	2	LFAC Intertrade Company	1,330,515	0,05%
19	3	Lao Petro Co., Ltd	1,084,171	0,04%
20	4	Union Petroleum Co., Ltd.	129,020	0,01%
		Total : I+II	2,446,458,810	100%

Source: Summary of Trade Profits of Enterprises, Department of Revenue, Ministry of Finance.

3.3 Data Analysis

This data analysis is a quantitative analysis by collecting data from the annual financial statements of five fuel companies during 2012-2015, which will compare the financial ratio of two features: The analysis compares the trend ratio, the vertical ratio of each company in each year and the analysis of the financial ratio in 2012-2015 of each company compared to the average of the sample group.

Steps in analyzing financial statements

- Set clear analytical goals such as what the analysis is for, for whom, what is needed from the analysis, and how the results will be applied.
- Gather sufficient information from the operation and financial position of the business that needs to be analyzed.
- Arrange data in the same format for easy analysis and comparison.
- Select analysis tools and methods that are appropriate for the target audience. The analysis tools include three tools: Common Size Analysis, Trend Analysis, and Financial Analysis.
- Analyze and interpret the results of the analysis.
- Summarize information with comments and suggestions for decision making.

3.4 Data Analysis Methods

3.4.1 Vertical Analysis

Vertical analysis is an abbreviated vertical analysis that can analyze both the income statement and the statement of position. Vertical analysis is an analysis to find the key relationships of the items in each financial statement in one place.

Together in the form of comparisons, analysis can better understand the financial changes and performance of year-on-year activities. If a single year of data will make the analysis aware of the structure of the company's financial

statement. Using two or more years of data, the analyst will be aware of the changes in the structure of the company's financial statements if compared between companies, the analyst will be aware of the nature of financing, investment, and profitability.

3.4.2 Trend Analysis

Trend analysis is a look at the trends or directions of items displayed in a financial statement, which can be analyzed by comparing financial data over two years if only two years of data will make the analyst change information of each component in each item of the company's financial statements. If the data is used for three or more years, the analyst will be aware of the change in the nature or trend of the company's financial statements, but if the comparison between the company and the company, the analyst will be aware of the visible change trend of each calculated formula:

$$\text{Horizontal Analysis} = \frac{\text{Current Amount} - \text{Base Amount}}{\text{Base Amount}} \quad (3.1)$$

$$\text{Changing Trends} = \frac{\text{Annual Amount}}{\text{Base Amount}} \times 100 \quad (3.2)$$

3.4.3 Financial Ratios

In this study, financial ratios were used as an analysis tool, including the following:

Description	Formula	Explanation
Liquidity Ratios		
Current Ratio	$= \frac{\text{Current Assets}}{\text{Current Liabilities}}$	A value greater than 1 indicates that the entity has sufficient working capital to repay short-term debt. However, if the value is too high, it indicates that the company lacks the ability to use the assets.
Quick Ratio	$= \frac{\text{Current Assets} - \text{Inventory}}{\text{Current Liabilities}}$	
Asset Management Ratios		
Account Receivable turnover	$= \frac{\text{Net Sales}}{\text{Accounts Receivable}}$	These ratios are especially valuable because they indicate creative ability How much income? But if this ratio is low explain that the company has its needs, but the lower billing period is better.
Debt Collection Period	$= \frac{\text{Number of days in 1 year (360)}}{\text{Account Receivable Turnover rate}}$	
Fixed Assets Turnover Ratio	$= \frac{\text{Net Sales}}{\text{Fixed Assets}}$	

Total Assets Turnover	$= \frac{\text{Net Sales}}{\text{Total Assets}}$	
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Debt or Leverage Ratios		
Debt to Equity Ratio	$= \frac{\text{Total liabilities}}{\text{Own's Equity}}$	This ratio is less than 1, which is good for the business because the company has to pay the sugarcane, but if the value is very high, it will result in the company to have the opportunity to borrow more money.
Debt to asset ratio	$= \frac{\text{Total liabilities}}{\text{Total Assets}}$	
Profitability Ratio		
Gross Profit Margin	$= \frac{\text{Gross Profit}}{\text{sales}} \times 100\%$	These ratios with a value greater than 1 mean that the company's profitability is high, but a value below 1 means that the company is ineffective in generating profits and
Net Profit Margin	$= \frac{\text{Net Profit}}{\text{Sales}} \times 100\%$	
Return on Asset: ROA	$= \frac{\text{Net Profit}}{\text{Total Assets}} \times 100\%$	

Return on investment (Return on Equity: ROE)	$= \frac{\text{Net Profit}}{\text{Ownership Equity}} \times 100\%$	may result in bankruptcy.
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3.4.4 Comparative Financial Statement

The method of comparing financial performance is to compare each item show in the financial statements of the analysis as follows:

- Comparison using the common criteria will take the average values calculated from the asset summaries and earnings reports of 05 oil companies from 2012-2015 to compare the differences between each company in each period.
- Comparison by trend analysis will take the values calculated from the comparison of each item to the base year by setting 2012 as the base year, in comparing the change trend period from 2012-2015 to recognize the change of each item in the balance sheet.
- Comparison using the financial ratios will take the average of each calculated percentage to compare the differences between the companies from 2012-2015

CHAPTER 4

RESULTS AND INTERPRETATION

A study of the financial statements of the Petroleum Group in Lao PDR by using financial tools for analysis of data collection of the petroleum companies in Lao PDR which can be shown as follows.

4.1 Companies overall condition

Table 4.1: Statement of revenue, expenditure, and net profit of each company.

Unit: billion kip

PTT Lao Co., Ltd	2012	2013	2014	2015
Total Income	1,014.06	968.79	1,094.67	1,003.51
Total Expenses	996.57	957.36	1,084.90	959.47
Net profit	13.99	9.03	7.95	35.62
Lao State Fuel Company (LSFC)	2012	2013	2014	2015
Total Income	2,017.54	25.63	22.17	1,413.09
Total Expenses	2,002.18	25.63	22.17	1,378.74
Net profit	15.36	0.21	0.48	34.35
Petroleum Trading Lao Public Company	2012	2013	2014	2015
Total Income	1,028.22	1,098.80	952.39	813.27
Total Expenses	998.96	1,076.40	952.39	813.27
Net profit	26.50	19.13	19.77	22.64
Petro Vietnam Oil Lao Co., ltd	2012	2013	2014	2015
Total Income	809.68	779.76	756.49	777.19
Total Expenses	783.91	760.27	736.01	754.42
Net profit	18.55	14.81	15.03	16.39
Petrolimex (Lao) Co., Ltd	2012	2013	2014	2015
Total Income	337.25	494.70	657.43	927.96
Total Expenses	329.27	480.21	637.97	893.93
Net profit	(0.58)	1.82	2.90	3.44

Source of information: Financial statements of each company between 2012-2015

Table 4.1 shows that in 2015, in general, each company was able to generate a good net profit. When observing each company found that in 2014 PTT Lao Co., Ltd net profit decreased to 7.95 billion kip, due to the increase in sales and financial income of the company during the year, the company also had higher administrative costs and other administrative expenses. In 2013-2014, it was found that Lao State Fuel Company had total revenue decreased

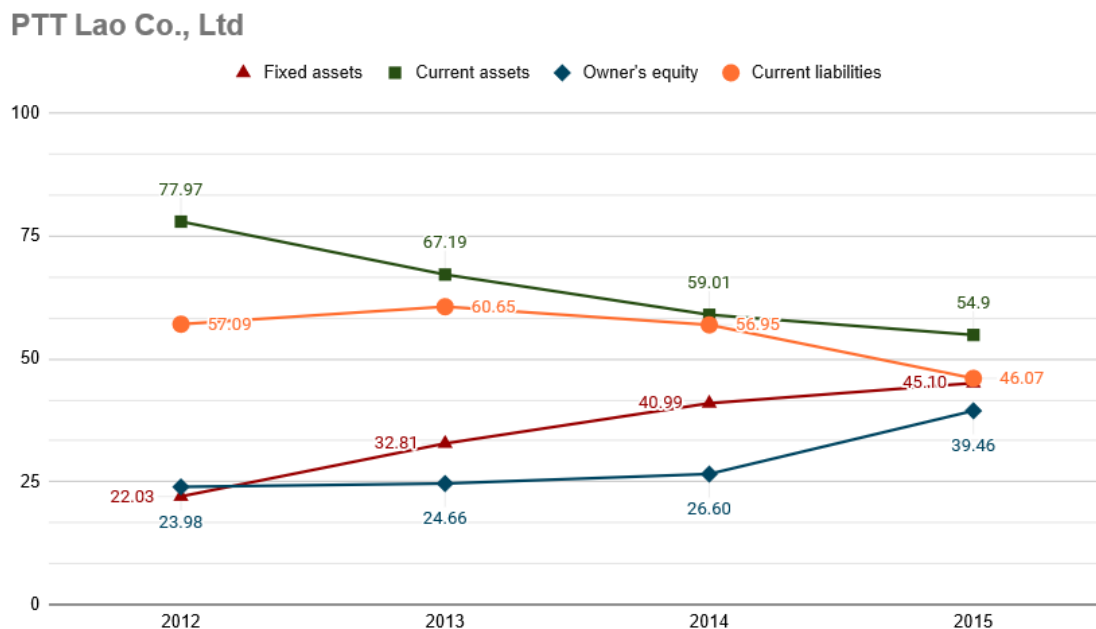
to 25.63 billion kips and 22.17 billion kips, respectively, resulting in a decrease in net profit of 0.21 billion kips and 0.48 billion kips since the company has no revenue from sales and cost of selling products. But there is a cost in purchasing the equipment. As for Petroleum Trading Lao Public Company, net profit increased in 2015 from 2013-2014 due to lower global oil prices, resulting in lower fuel import costs although sales revenue has declined this year. For Petrolimex (Lao) Co., Ltd, although the net profit is not high, but the performance is better every year as seen from 2012, the company lost 0.58 billion kips, but in 2013 there was a net profit of 1.82 billion kips and by 2015 the company had a net profit of 3.44 billion kips because, in 2012, the company had low sales revenue and high total expenses. For example, selling costs plus high operating expenses.

4.2 Vertical Analysis of Financial Statements

4.2.1 Results of vertical balance sheet analysis

Figure 4.1: Results of vertical balance sheet analysis of PTT Lao Co., Ltd

Unit: %

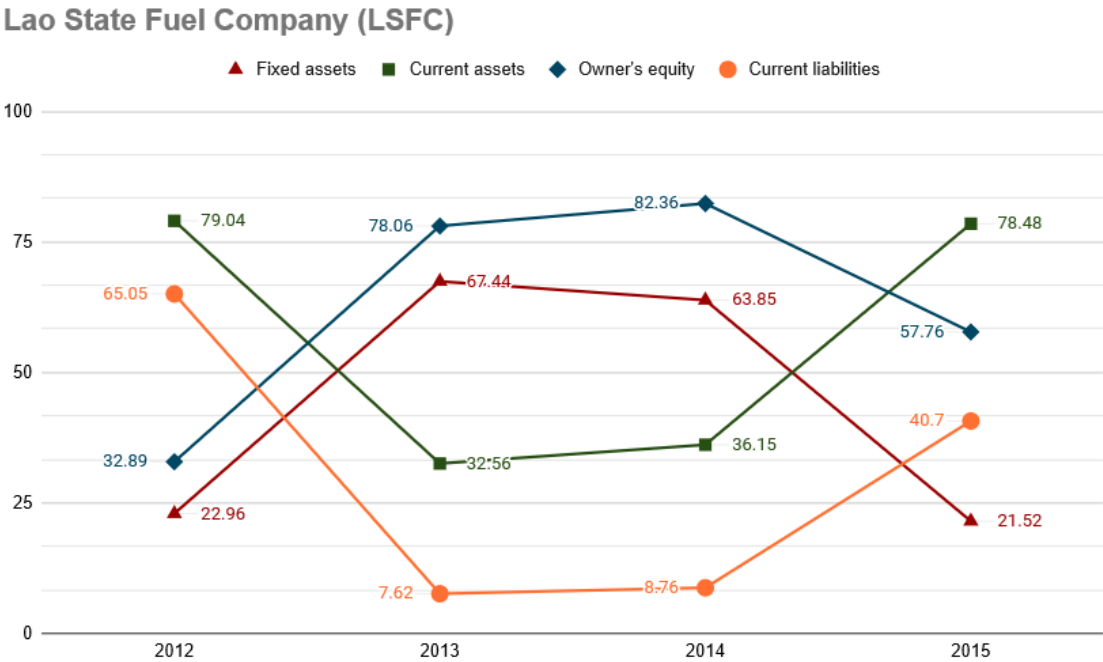


Source of information: PTT Lao's financial statement (2012-2015)

Figure 4.1 shows the changes in the structure of balance sheets of PTT Lao Co., Ltd, this shows that in 2012-2015, the company has increased its owner's equity structure to expand its activities, such as investing in the construction of integrated service stations in each province. As a result, the structure of fixed assets in 2012-2015 increased by 22.03%, 31.81%, 40.99%, 45.10%. In terms of maintaining the liquidity of the company, the cash and cash equivalents and structures decreased each year compared to 2012 covered 17.21%, decreased 3.30%, 5.58%, and 6.55% of the total asset value, respectively, from 2013-2015 because the company has invested money to current assets structure tends to decline each year as well which covered 77.97%, 67.19%, 59.01%, and 54.90% respectively. In terms of current liabilities structure, it decreased in 2014-2015 which was caused by account payable covered 55.86%, 45.91%, and other accounts payable covered 1.10% and 0.16% respectively.

Figure 4.2: Results of vertical balance sheet analysis of Lao State Fuel (LSFC).

Unit: %



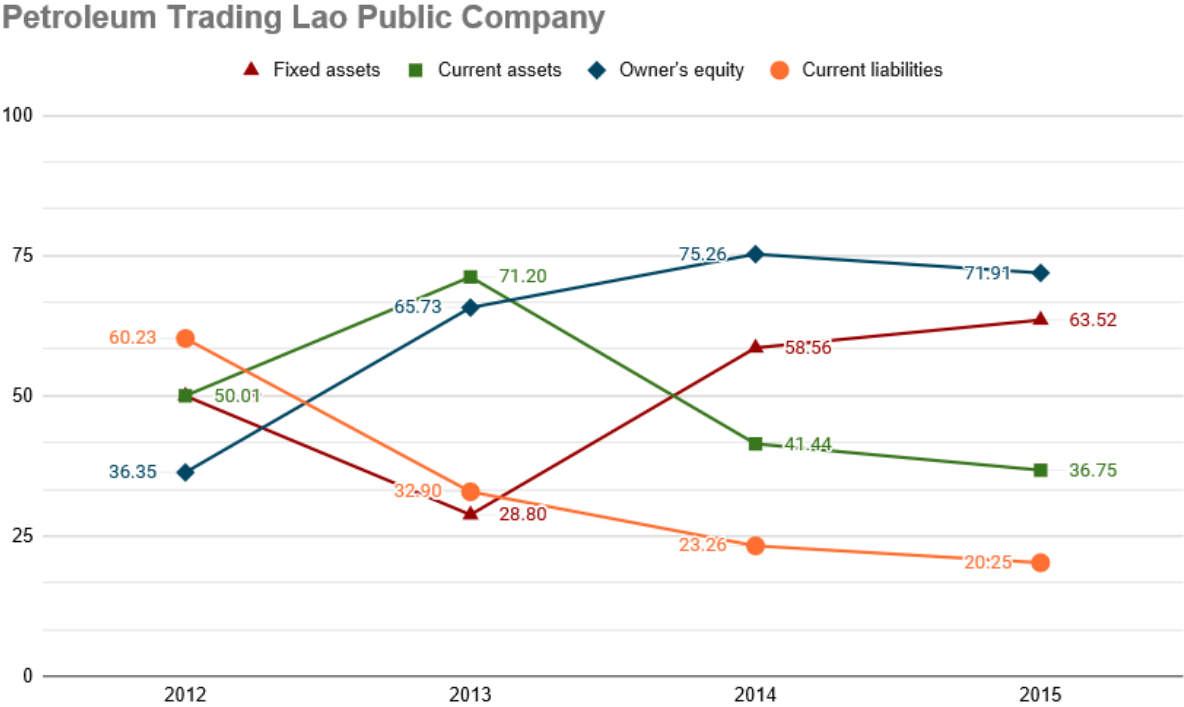
Source of information: Lao state fuel's financial statement (2012-2015)

Figure 4.2 demonstrated a change in the balance sheet structure of Lao state Fuel Company, this shows that in 2013-2014, the company has increased its investment structure in fixed assets by 67.44%, 63.85% of total assets because in 2013-2014, the

company increased its owner's equity by 78.06%, 82.36% due to the increase in owner's equity of 72.76% and 80.28%, total liabilities and owner's equity to invest in the purchase of transportation vehicles, build oil storage depots and so on. In terms of maintaining the liquidity of the company, cash and cash substitutes decreased in 2013 and 2014, accounting for 5.70% and 2.52% of total assets, and the company has used the money to invest in more fixed assets. The current liabilities structure of the company decreased compared to 2012, accounting for 7.62% in 2013 and accounting for 8.76% of Total liabilities and owner's equity due to credit of overseas supply. In 2015, the company reduced its own's equity but its current liabilities has increased by 40.70% This shows that this year the company was not efficient enough to pay, resulting in financial risk.

Figure 4.3: Results of vertical balance sheet analysis of Petroleum Trading Lao Public Company

Unit: %



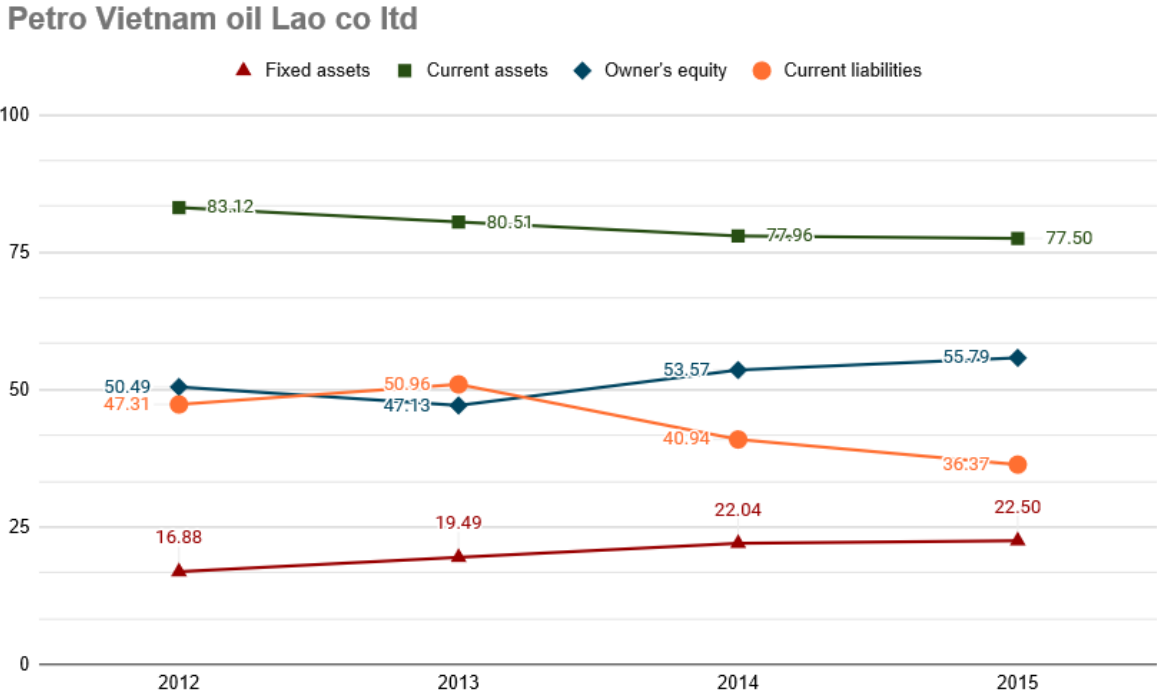
Source of information: Petroleum Trading Lao Public Company's financial statement (2012-2015)

Figure 4.3 shows a change in the balance sheet structure of Petroleum Trading Lao Public Company. In 2014, the company increased its equity by 75.26% by increasing owner's equity and Raising its equity by distributing new shares (IPO) to invest in the

expansion of 23 gas stations, purchase 11 more vehicles to transport fuel, expand fuel depot, etc. As a result, in 2014-2015, the company's fixed asset structure increased by 58.56%, 63.52%. In terms of maintaining liquidity, the company's total cash and cash substitutes increased in 2014 by 20.09% as the company increased its registered capital in the stock market. In 2013, the company had a current assets structure, accounting for 71.20% of total assets, resulting from the company having other receivables increased by 50.96%. Debt revolving saw an annual decrease of 60.23%, 32.90%, 32.60%, and 20.25%.

Figure 4.4: Results of vertical balance sheet analysis of Petro Vietnam Oil Lao Co., Ltd

Unit: %



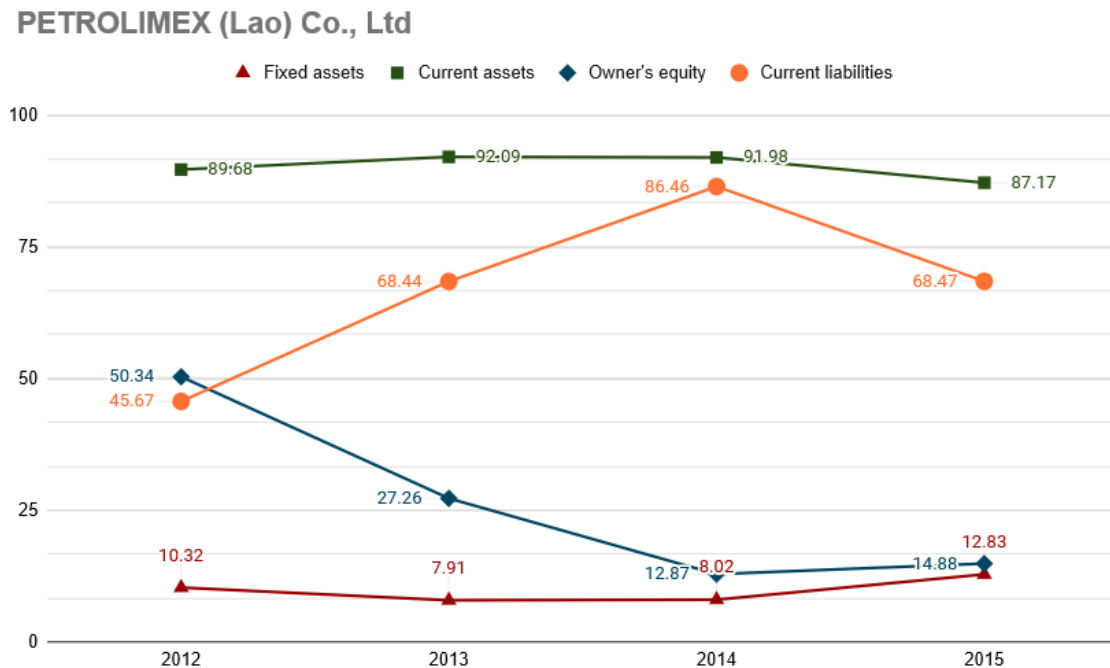
Source of information: Petrovietnam Oil Lao Co., Ltd's financial statement (2012-2015)

Figure 4.4 shows that in 2012-2015, the company invested in fixed assets increased by 16.88%, 19.49%, 22.04%, 22.50%, respectively, as well as the renovation of many gas stations. In terms of maintaining the liquidity of the company, it was seen that the proportion of cash in bank was constantly declining year by year, covered 45.08%, 37.29%, 35.58%, 29.59% due to the increase in the use of money to invest in fixed assets. In 2013, the company had a higher current liabilities structure than the capital, as in that year, the

current liabilities increased by 50.96% due to the fact that the company has to replay more to creditors by 44.36%, net profit covered 11.99%, and its owner's equity structure decreased, covered 47.13% of total liabilities and owner's equity.

Figure 4.5: Results of vertical balance sheet analysis of PETROLIMEX (Lao) Co., Ltd

Unit: %



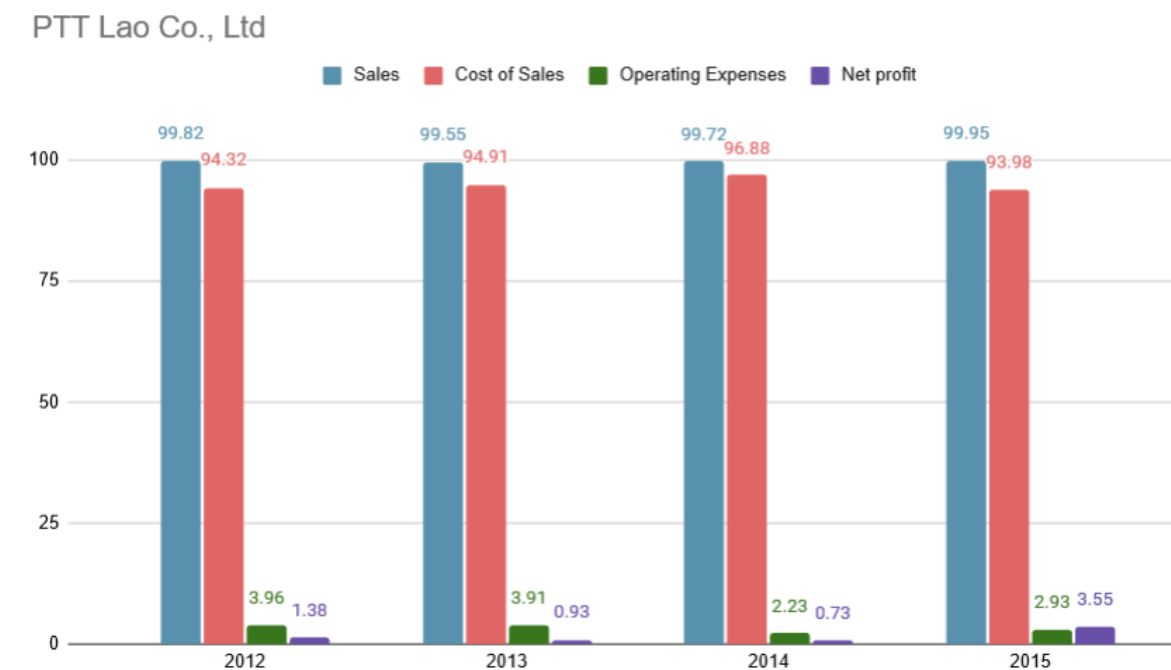
Source of information: Petrolimex (Lao) Co., Ltd's financial statement (2012-2015)

Figure 4.5 shows the change of balance sheet structure in 2013-2014, the company has owner's equity structure decreased by 27.26%, 12.87% of total liabilities and owner's equity because the company has a registered capital, decrease in net income and other equity resulted in a 7.91% and 8.02% decrease in fixed asset structure that means the company's investment in fixed assets decreased in that year. In terms of maintaining the company's liquidity, cash and cash equivalents fell steadily to 49.24%, 15.35%, and 5.89%, respectively. However, the company's debts must be received from customers and debtors increased by 55.96%, 62.36% in 2013-2014, increasing the company's current asset structure to 92.09%, 91.98%. In 2014, it was found that the company had a high increase in current liabilities of 86.46%, compared to its owner's equity, the company has a financial risk of not being able to repay its creditors.

4.2.2 Vertical financial statement analysis results.

Figure 4.6: Vertical financial statement analysis results of PTT Lao Co., Ltd

Unit: %

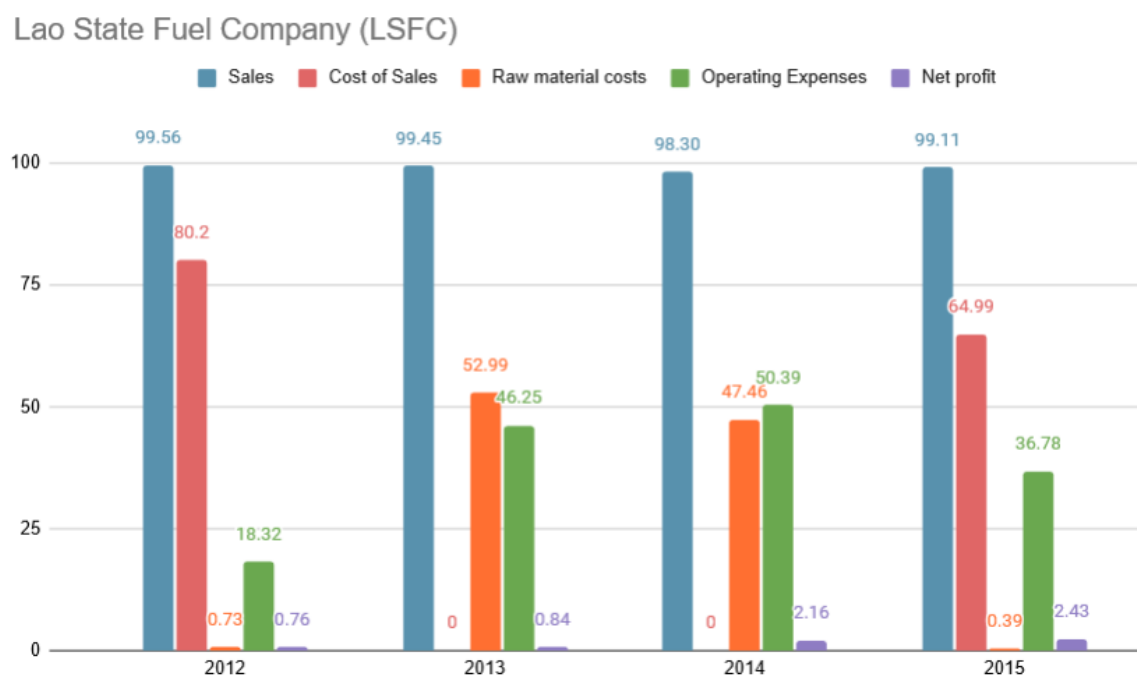


Source of information: PTT Lao Co., Ltd's financial statement (2012-2015)

Figure 4.6 shows that most of the company's sales of 99.82%, 99.55%, 99.72%, and 99.95%, respectively. In 2013, it was found that the company's sales decreased by 99.95% when compared to 2012. In 2013-2014 also noted that the company also had a decrease in net profit of 0.93% and 0.73%. Since the company has purchased a lot of equipment and supplies into the operation, resulting in cutting off depreciation according to the regulations which is expensive. Salary expenditures also increased, coupled with higher oil prices, resulting in higher import costs for the company covered 94.91%, 96.88% of total revenue. In 2015, the profit increased from last year by 3.55% because in this year the price of oil has dropped. Therefore, resulting in lower costs of import costs. In addition, the company has better efficiency in managing expenses, making it possible to reduce other expenses.

Figure 4.7: Vertical financial statement analysis results of Lao State Fuel Company

Unit: %

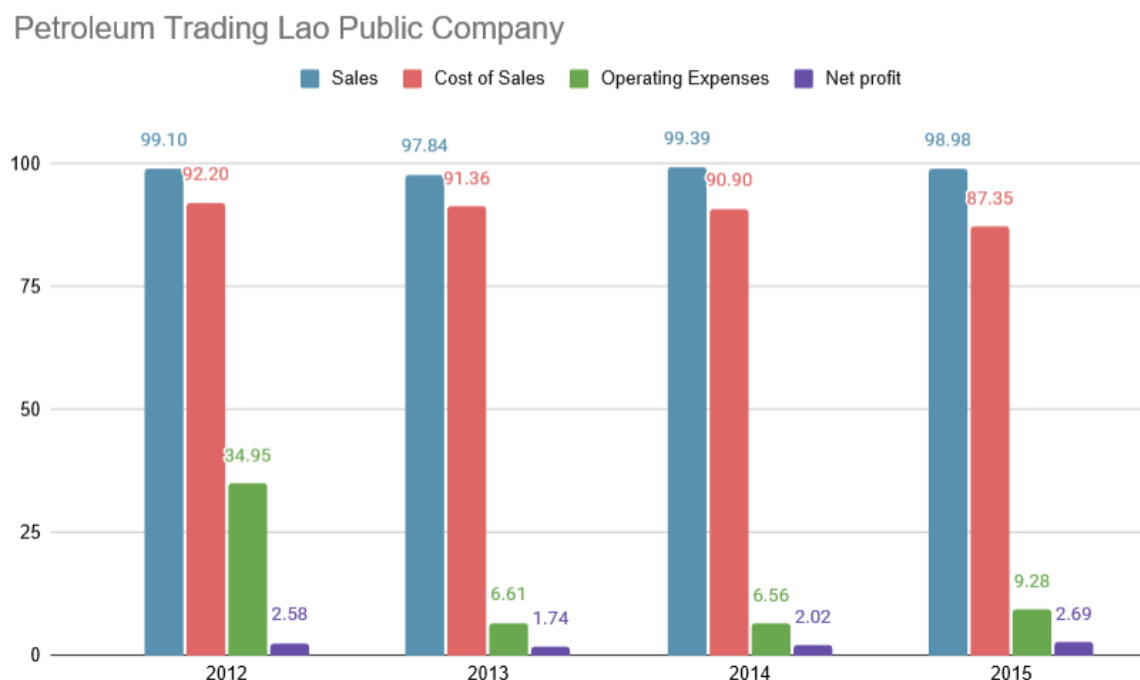


Source of information: Lao State Fuel Company's financial statement (2012-2015)

Figure 4.7 shows that the main revenue of the company was from sales of products covered 99.56%, 99.45%, 98.30% and 99.11%, respectively from 2012-2015. In 2013-2014, the company increased its expenditure on raw materials and consumables by 52.99%, 47.46%, respectively, which resulted in a significant increase in operating expenses covering 46.25%, 50.38% of total sales and the company also saw a decline in sales. However, because the company did not have import costs in that year, as a result, the company also has a net profit increase when compared to 2012, net profit covered 0.76% and increased to 0.84% in 2013. Overall, the company has good performance because the company can generate a net profit to increase more than 0.76%, 0.84%, 2.16%, and 2.43% of total sales, respectively since 2012-2015.

Figure 4.8: Vertical financial statement analysis results of Petroleum Trading Lao Public Company

Unit: %

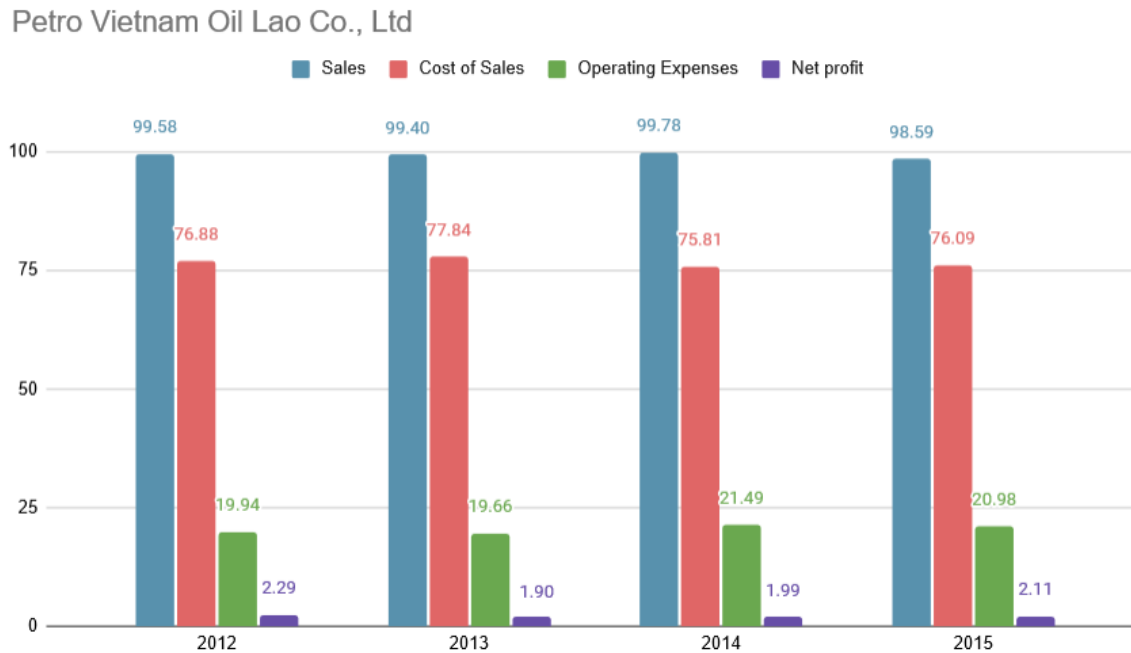


Source of information: Petroleum Trading Lao public company's financial statement (2012-2015)

From Figure 4.8, in 2013, the company's net profit decreased because the company's sales decreased by 97.84% and the company has increased operating expenses by 6.61% of total sales, such as the company has paid staff salaries and sales expenses, whether it is advertising, discounts, etc. As a result, the company's net profit decreased by 1.74% of total revenue. From 2014 to 2015, the company has improved its operating results, which can be seen from the net profit that increased 2.02%, 2.69% because in those two years, oil prices fell, resulting in a decrease in the cost of sales of 90.90%, 87.35%. Although the company has increased operating expenses, the company still has increased net profit.

Figure 4.9: Vertical financial statement analysis results of Petro Vietnam Oil Lao Co., Ltd

Unit: %

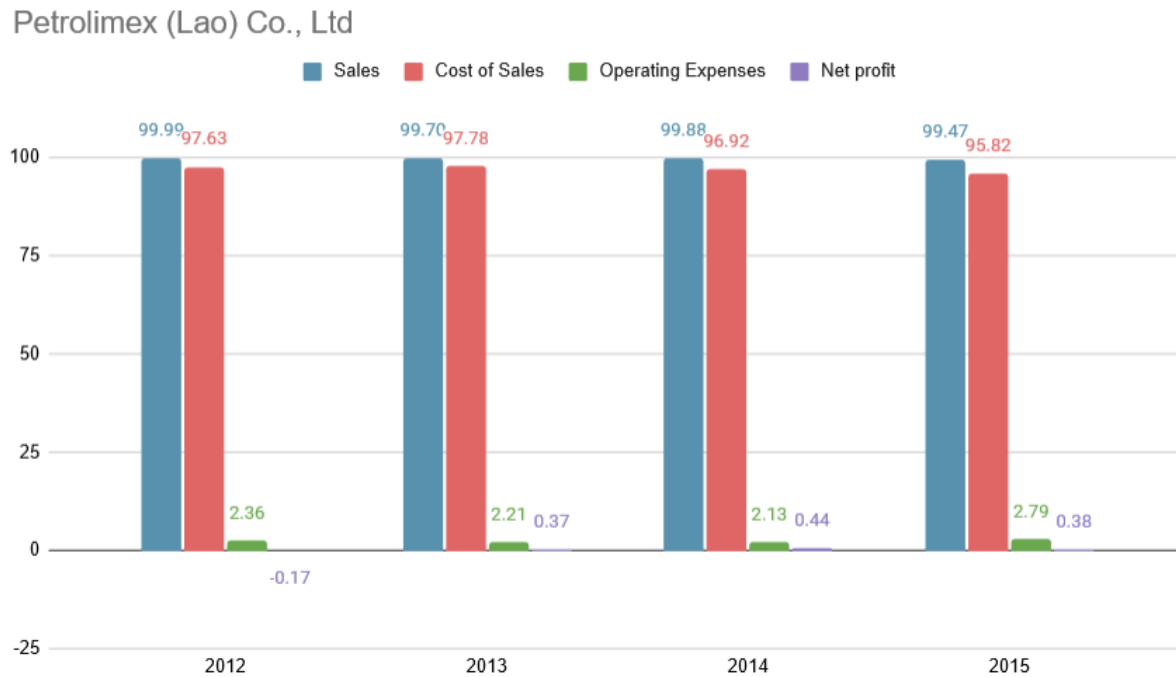


Source of information: Petro Vietnam Oil Lao Co., Ltd.'s financial statement (2012-2015)

Figure 4.9 shows that in 2013, the company's net profit decreased by 1.90% of total sales due to the increase in crude oil prices in 2013, which resulted in an increase in the cost of sales covered 77.84%. However, the year showed that operating expenses decreased by 19.66%, indicating that the company was able to control administrative expenses well that year. From 2014 to 2015, the company saw the better performance, with increasing sales by 99.78%, but due to lower oil prices causing the company to have lower import costs, Despite the increase in operating expenses, the company still had a net profit increase of 1.99%, 2.11% of total sales, respectively.

Figure 4.10: Vertical financial statement analysis results of Petrolimex (Lao) Co., Ltd

Unit: %



Source of information: Petrolimex (Lao) Co., Ltd's financial statement (2012-2015)

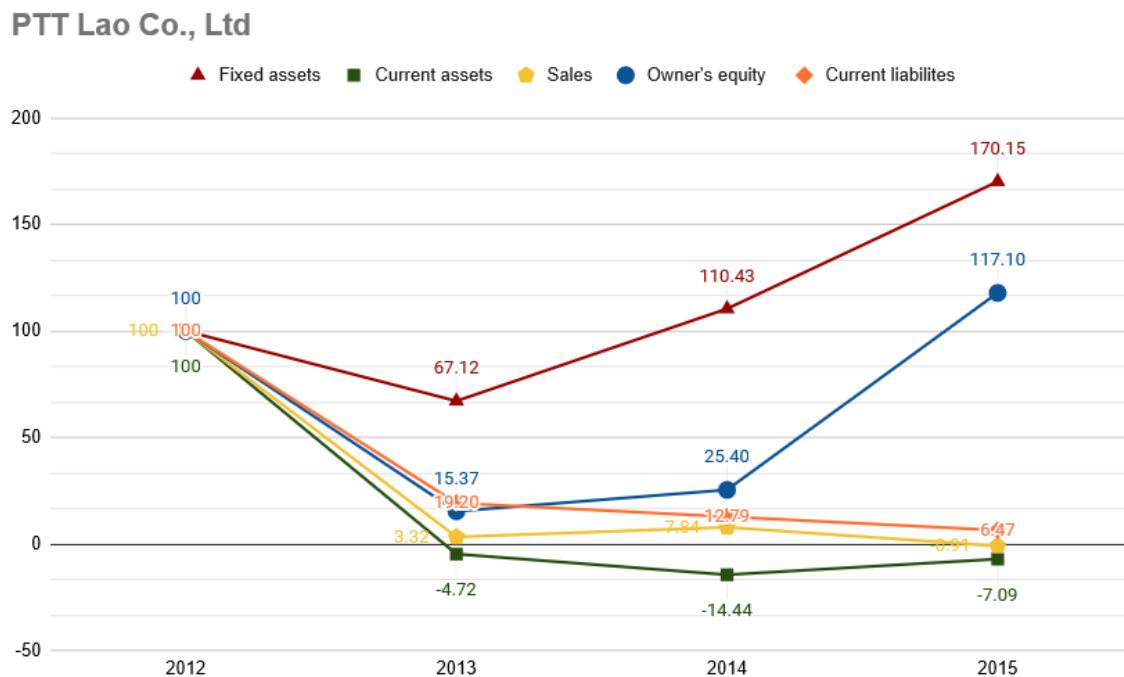
Figure 4.10, in 2012, the company lost 0.17% of its total revenue because this year the company used the money to invest in fixed assets, which resulted in higher costs and costs of purchasing goods and raw materials for operations. Cost of sales 97.63% and operating expenses covered 2.36% of total revenue. However, in 2013-2015, it was found that the company had better-operating results, which can be seen from the company's net profit increased by 0.37%, 0.44%, and 0.38% of total revenue because in 2013-2014, the company was able to control operating expenses well, such as administrative expenses decreased by 2.12%, 1.91% of total sale. For 2015, as oil prices tend to fall sharply compared to the previous year, there is still a low net profit margin compared to other companies.

4.3 Trend Analysis of Financial Statements

4.3.1 Trend financial statements analysis results

Figure 4.11: Trend financial statements analysis results of PTT Lao Co., Ltd

Unit: %

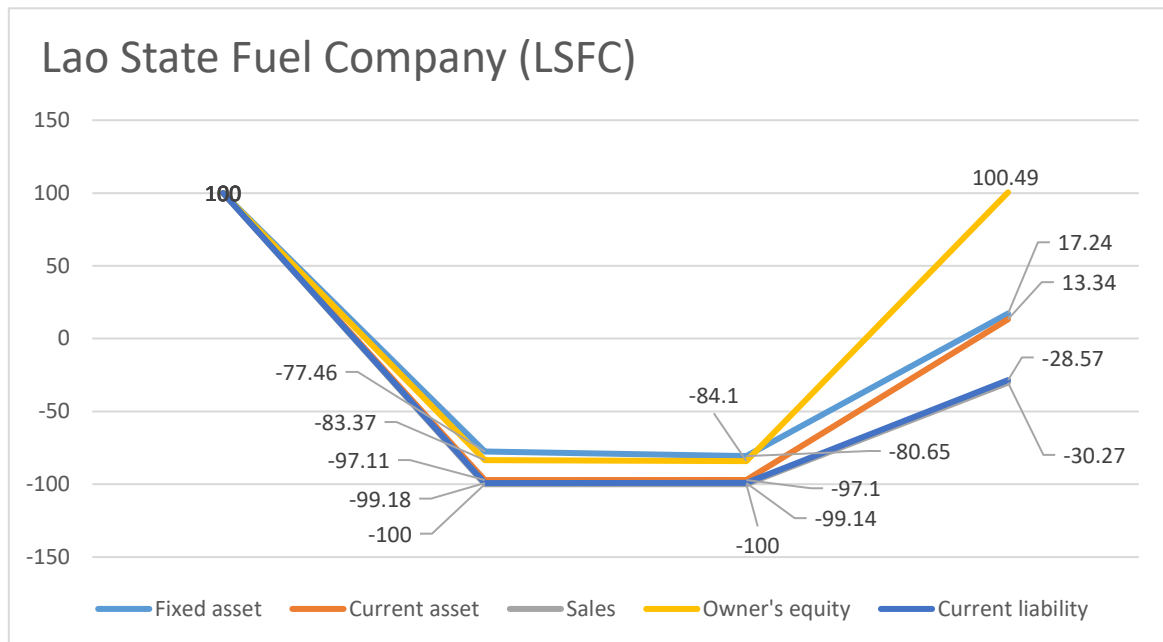


Source of information: PTT Lao Co., Ltd's financial statement (2012-2015)

Figure 4.11 shows the results of the trend analysis of financial statements of PTT Lao Co., Ltd, it can be seen that current assets tend to decrease more frequently each year, which shows that there was a tendency to decline more than sales indicates the efficiency of current assets, such as current assets in 2014 decreased by -14.44%, but sales increased by 7.84%, indicating that the company was using the current assets in the efficiency. When looking at the current liabilities and current assets of the company, the company has maintained a good condition. For example, in 2015, the company's current assets were likely to decrease and current liabilities were likely to decrease. Comparing the percentage of current assets that increase with sales that have been declining in some years, there was still insufficient efficiency in the use of fixed assets, such as in 2015, the company's fixed assets were likely to increase but sales were declining.

Figure 4.12: Trend financial statements analysis results of Lao State Fuel Company (LSFC)

Unit: %

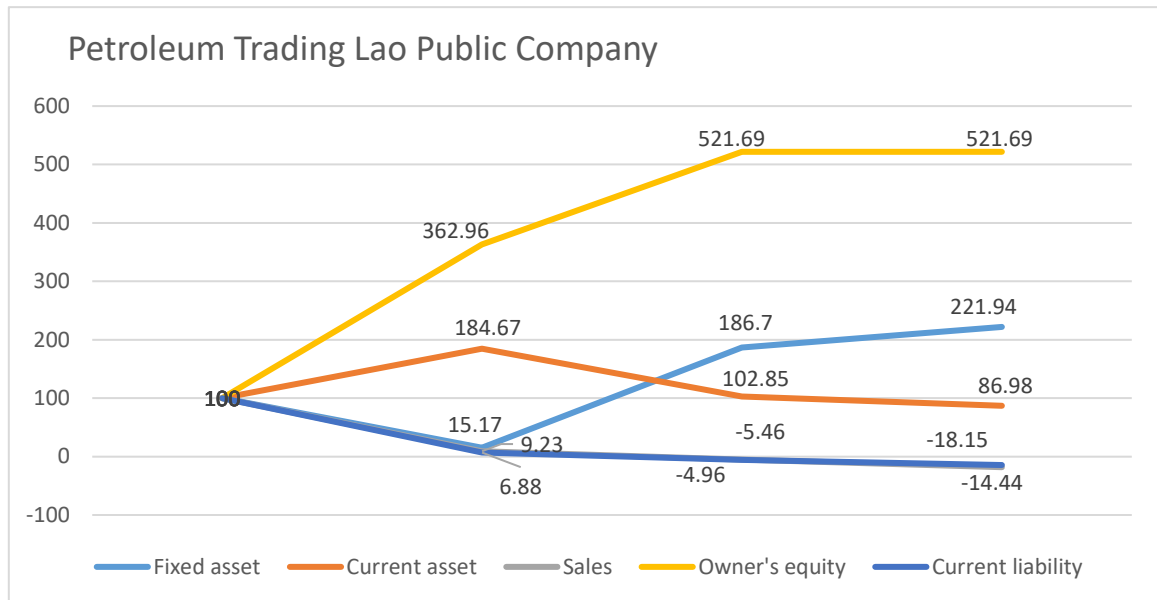


Source of information: Lao state fuel company's financial statement (2012-2015)

Figure 4.12 shows that the percentage of current assets tends to decrease in 2013-2014, which is less than the sales demonstrate the efficiency of current assets, such as in 2013-2014, the company had a decrease in current assets of -97.11%, -97.10%, but sales decreased by more than -100% in both years. That means the company has not been able to use the benefits of the current assets effectively enough. If looked at the current liabilities and the company's current assets are likely to decrease the frequency and go in the same direction. It can be said that the company maintains good liquidity, such as in 2015, the company's current assets are likely to increase by 13.34%, and current liabilities is likely to decrease by -28.57%. In 2015, the company increased its equity by 100.49%, and its investment in fixed assets increased by 17.24%. Compared to the declining sales, the company still has insufficient efficiency in using fixed assets.

Figure 4.13: Trend financial statements analysis results of Petroleum Trading Lao Public Company

Unit: %

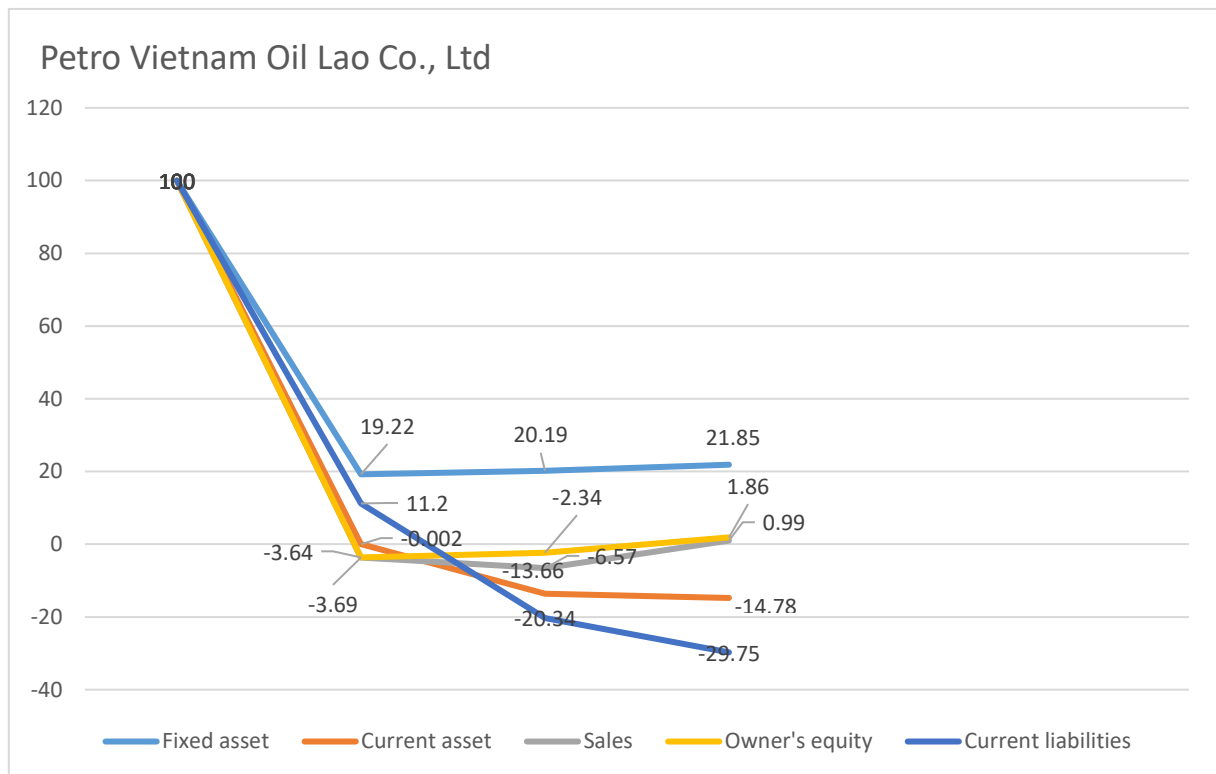


Source of information: Petroleum Trading Lao Public Company's financial statement (2012-2015)

Figure 4.13 shows the results of the trend analysis of financial statements of Petroleum trading Lao. In 2013, when current assets increased by 184.67%, but sales increased by only 6.88% indicates that the efficiency of the use of current assets is insufficient. The company's fixed assets saw a steady increase each year compared to declining sales, indicating that in those two years the company lacked efficiency in the use of fixed assets. In terms of percentage of current assets and current liabilities the company was in good condition as the percentage of current assets has increased slightly and the percentage of current liabilities has decreased. For example, in 2014-2015, the current assets of the company tended to increase slightly compared to the base year, each percentage of current liabilities decreased.

Figure 4.14 Trend financial statements analysis results of Petro Vietnam Oil Lao Co., Ltd

Unit: %



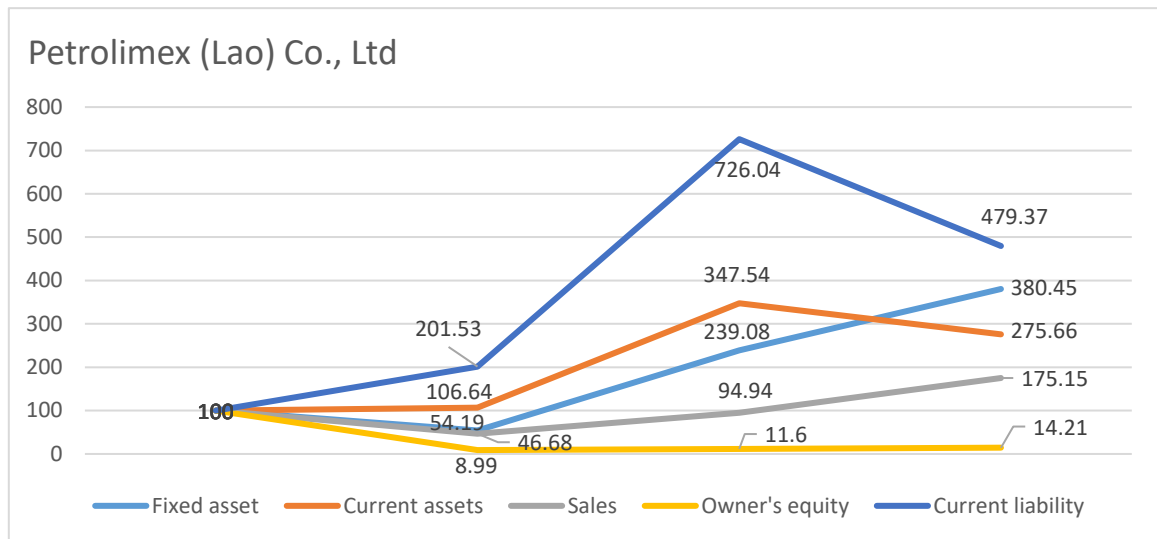
Source of information: Petro Vietnam Oil Lao Co., Ltd's financial statement (2012-2015)

Figure 4.14 shows the results of the analysis of the financial statements of the trend of Petro Vietnam Oil Lao Co., Ltd. As can be seen, the percentage of current assets tends to decrease each year compared to the declining trend of sales each year. This indicates that the company is not efficient enough to use current assets, for example, in 2015, the company had a decrease in current assets of -14.78% and a decrease in sales by -4.01%. In terms of liquidity, the percentage of current liabilities increased slightly in 2013 and tends to decrease. Compared to current assets, it is found that the company still has liquidity due to the decrease in current assets by more than the percentage of current liabilities. In terms of the company's fixed assets, there is a tendency to increase each year compared to the company's sales, and in 2013, the company's sales decreased that mean in the meantime, the company has been ineffective in using fixed assets.

Figure 4.15 Trend financial statements analysis results of Petrolimex (Lao) Co.,

Ltd

Unit: %



Source of information: Petrolimex (Lao) Co., Ltd's financial statement (2012-2015)

Figure 4.15 shows the percentage of current assets that are likely to increase each year compared to sales that are likely to increase each year as well. This indicates that the company is efficient enough to use current assets, such as in 2014, the company has 347.54% increase in current assets and 94.94% increase in sales. In terms of fixed assets, the company sees a tendency to increase each year, which compared to the company's sales, see that 2013-2015 is likely to increase as well. That means the company was effective in using fixed assets, such as in 2015, the company had a percentage of fixed assets increased by 380.45% and sales increased by 175.15%. In terms of liquidity, the company has insufficient liquidity. In 2014, the company had a percentage of current assets increased by 347.54% and a percentage of current liabilities of 762.04%.

4.4 Financial ratios analysis

4.4.1 Liquidity ratio analysis

Table 4.2: Results of the analysis of the current ratio of Petroleum Group in Lao PDR.

Unit: equation

Description	Current Ratio				Average 4 years
	2012	2013	2014	2015	
PTT Lao Co., Ltd	1.37	1.11	1.04	1.19	1.18
Lao State Fuel Company (LSFC)	1.22	4.27	4.13	1.93	2.89
Petroleum Trading Lao Public Company	0.83	2.16	1.82	1.81	1.66
Petro Vietnam Oil Lao Co., ltd	1.76	1.58	1.90	2.13	1.84
Petrolimex (Lao) Co., Ltd	1.96	1.35	1.06	1.27	1.41
Average industry value	1.43	2.09	1.99	1.67	1.79

Source of information: Petroleum Group in Lao PDR's financial statement (2012-2015)

Table 4.2 shows the Current Ratio of the Petroleum Group in Lao PDR, which shows that in 2012-2015 But the company has enough current assets for repayment because the ratio of working capital is higher than 1 Only Petroleum Trading Lao Public Company had insufficient current assets in 2012 due to the current Ratio of 0.83 times, which is less than 1. In addition, it was also found that in 2013-2014, the Lao State Fuel Company had the highest current Ratio at 4.27, 4.13, the highest in the group and the industry average. If it is very high, it is possible that the company has more current assets than necessary for example, cash, bank deposits, and owed a debt from customers.

Table 4.3: Results of the analysis of the liquid assets ratio of Petroleum Group in Lao PDR.

Unit: equation

Description	Liquidity ratio				Average 4 years
	2012	2013	2014	2015	
PTT Lao Co., Ltd	1.21	1.03	0.93	1.03	1.05
Lao State Fuel Company (LSFC)	0.91	2.43	2.27	2.1	1.05
Petroleum Trading Lao Public Company	0.79	2.1	1.75	1.96	1.58
Petro Vietnam Oil Lao Co., ltd	1.58	1.38	1.66	1.83	1.61
Petrolimex (Lao) Co., Ltd	6.1	1.95	0.54	0.86	2.36
Average industry value	2.12	1.78	1.43	1.5	1.71

Source of information: Petroleum Group in Lao PDR's financial statement (2012-2015)

Table 4,3 shows the annual liquidity ratio of the Petroleum Group in Lao PDR. which shows that the assets of each company were very flexible in 2012-2015 Because the ratio of liquid assets was higher than 1. In 2012 alone, Lao State Fuel Company and Petroleum Trading Lao Public Company had a liquidity ratio of 0.91 and 0.79, which was less than 1 and still below the industry average. This indicates that this year the two companies are less liquid than usual. It also saw that Petrolimex Lao Co., Ltd had a lower than normal Liquid assets ratio in 2014-2015. For 2013-2015, the Lao State Fuel Company has assets that can be converted into cash faster than other companies in the group.

4.2.2 Asset management ratio analysis

Table 4.4: Results of analysis of account receivable turnover ratio of Petroleum Group in Lao PDR.

Unit: equation

Description	Account Receivable Turnover Ratio				Average 4 years
	2012	2013	2014	2015	
PTT Lao Co., Ltd	7.99	5.92	8.37	7.63	7.48
Lao State Fuel Company (LSFC)	11.04	6.94	4.82	6.44	7.31
Petroleum Trading Lao Public Company	10.05	2.87	8.65	5.79	6.84
Petro Vietnam Oil Lao Co., ltd	19.37	16.37	18.06	16.35	17.54
Petrolimex (Lao) Co., Ltd	30.19	9.39	5.31	7.89	13.19
Average industry value	15.73	8.30	9.04	8.82	10.47

Source of information: Petroleum Group in Lao PDR's financial statement (2012-2015)

Table 4.5: Results of the analysis of the average debt collection period of the Petroleum Group in Lao PDR.

Unit: days

Description	Average debt collection period ratio				Average 4 years
	2012	2013	2014	2015	
PTT Lao Co., Ltd	45.00	61.00	43.00	47.00	49.00
Lao State Fuel Company (LSFC)	33.00	52.00	75.00	56.00	54.00
Petroleum Trading Lao Public	36.00	126.00	42.00	62.00	66.00
Petro Vietnam Oil Lao Co., ltd	19.00	22.00	20.00	22.00	21.00
Petrolimex (Lao) Co., Ltd	12.00	38.00	68.00	46.00	41.00
Average industry value	29.00	60.00	49.00	47.00	46.00

Source of information: Petroleum Group in Lao PDR's financial statement (2012-2015)

Tables 4.4 and 4.5 show the receivable turnover ratio and the average debt collection period of the Petroleum Group in Lao PDR each year, this shows that in 2013, PTT Lao Co., Ltd, Petroleum Trading Lao Public Company, Lao State Fuel Company, and Petro Vietnam Oil Lao Co., Ltd increased the average debt collection period, resulting in a lower rate of receivable turnover ratio which the company has the ability to charge for too long, meaning that the company is not efficient enough to charge, leading to risk. On the other hand, Petrolimex Lao Co., Ltd has seen the average debt collection period increase each year and the receivable turnover ratio decreases as well indicate that the company was not yet efficient in collecting enough debt because the company has current liabilities increased sharply compared to cover charge increasing debt makes the company vulnerable financial

Table 4.6: Results of the analysis of the average debt collection period of the Petroleum Group in Lao PDR

Unit: equation

Description	Fixed asset turnover ratio				Average 4 years
	2012	2013	2014	2015	
PTT Lao Co., Ltd	18.75	10.69	9.64	6.88	11.49
Lao State Fuel Company (LSFC)	23.44	1.32	1.32	13.94	10.00
Petroleum Trading Lao Public Company	7.32	6.65	2.45	1.84	4.57
Petro Vietnam Oil Lao Co., ltd	34.12	27.56	26.52	26.88	28.77
Petrolimex (Lao) Co., Ltd	81.45	77.49	46.83	46.65	63.10
Average industry value	32.02	24.74	17.35	19.24	23.59

Source of information: Petroleum Group in Lao PDR's financial statement (2012-2015)

Table 4.6 shows the fixed asset turnover ratio of Petroleum Group in Lao PDR each year. This shows that overall, each company is more efficient in using fixed assets due to the higher turnover ratio of fixed assets than 1. In addition, it was found that in 2013-2014, the Fixed asset turnover ratio of the Lao State Fuel Company decreased significantly and was less than 1.32 times, which is the same as two years. This shows that in the last two years, the company has been less efficient in using fixed assets compared to other companies. The year 2013-2015 saw the decline of Petroleum Trading Lao Public Company, Petro Vietnam Oil Lao Co., Ltd and Petrolimex Lao Co., Ltd each year, indicating that the efficiency of the use of fixed assets of those companies decreased.

Table 4.7: Results of Analysis of Total Assets Turnover Ratio of the Petroleum Group in Lao PDR

Unit: equation

Description	Total Assets Turnover Ratio				Average 4 years
	2012	2013	2014	2015	
PTT Lao Co., Ltd	3.68	3.94	3.95	3.10	3.67
Lao State Fuel Company (LSFC)	4.91	0.89	0.84	3.00	2.41
Petroleum Trading Lao Public Company	3.66	1.91	1.41	1.17	2.04
Petro Vietnam Oil Lao Co., ltd	5.76	5.37	5.85	6.05	5.76
Petrolimex (Lao) Co., Ltd	8.41	6.13	3.76	5.99	6.07
Average industry value	5.28	3.65	3.16	3.86	3.99

Source of information: Petroleum Group in Laos' financial statement (2012-2015)

Table 4.7 shows the annual increase in the total assets turnover ratio of the Petroleum Group in Lao PDR. This shows that in 2014-2015, as overall, each company was effective in managing assets due to the value of the total assets turnover ratio more than 1, only Lao State Fuel Company was ineffective in managing assets in 2013-2014 which total assets turnover ratio of Lao assets decreased by 0.89 times and 0.84 times indicates that the efficiency in the use of the company's assets in that year is still insufficient, In addition, in 2013-2015, the total assets turnover ratio of Petroleum trading Lao and Petrolimex Laos decreased, indicating that the utilization of the assets of these two companies decreased. As for the total assets turnover ratio to Petro Vietnam Oil Lao Co., ltd, in 2014-2015, the ratio of total assets turnover ratio increased, indicating that the company has better efficiency in managing assets.

4.4.3 Debt management ratio analysis

Table 4.8: Analysis of debt to equity ratio of Petroleum Group in Lao PDR

Unit: equation

Description	Debt to Equity Ratio				Average 4 years
	2012	2013	2014	2015	
PTT Lao Co., Ltd	2.38	2.46	2.14	1.17	2.04
Lao State Fuel Company (LSFC)	1.98	0.10	0.11	0.70	0.72
Petroleum Trading Lao Public Company	1.66	0.50	0.31	0.28	0.69
Petro Vietnam Oil Lao Co., ltd	0.94	1.08	0.76	0.65	0.86
Petrolimex (Lao) Co., Ltd	0.91	2.51	6.72	4.60	3.68
Average industry value	1.57	1.33	2.01	1.48	1.60

Source of information: Petroleum Group in Lao PDR's financial statement (2012-2015)

Table 4.8 shows the debt to equity ratio of the Petroleum Group in Lao PDR each year. In 2013, PTT Lao Co., Ltd increased its debt to equity ratio indicates that in that year the company's operations were financially risky, but in 2014 - 2015 saw that the ratio was declining. In 2013-2014, Lao State Fuel Company had a debt to equity ratio lower than other companies by 0.10 times and 0.11 times. This means that in that year the company has brought low debt and the risk management was not very high because the company has increased its capital that year as well. As for the debt to equity ratio of Petroleum Trading Lao Co., Ltd, there was a steady decline of 0.50 times, 0.31 times, and 0.28 times in 2013-2015. This indicates that the company has a reduced debt burden, plus the company has increased capital each year, making more capital than the company's debt and the administration was not very risky. In 2013-2014, it was found that the debt to equity ratio of Petrolimex Lao Co., Ltd increased its debt to equity ratio significantly. This shows that the company had a significant increase in debt burden in that year compared to the increase in capital, making the financial management risk.

Table 4.9: Analysis of debt to asset ratio of Petroleum Group in Lao PDR

Unit: equation

Description	Debt to Asset Ratio				Average 4 years
	2012	2013	2014	2015	
PTT Lao Co., Ltd	0.51	0.68	0.57	0.46	0.55
Lao State Fuel Company (LSFC)	0.65	0.08	0.09	0.41	0.31
Petroleum Trading Lao Public Company	0.60	0.33	0.23	0.20	0.34
Petro Vietnam Oil Lao Co., Ltd	0.47	0.51	0.41	0.36	0.44
Petrolimex (Lao) Co., Ltd	0.46	0.68	0.86	0.68	0.67
Average industry value	0.54	0.46	0.43	0.42	0.46

Source of information: Petroleum Group in Lao PDR's financial statement (2012-2015)

Table 4.9 shows the debt to asset ratio of the Petroleum Group in Lao PDR each year. In 2013-2014, PTT Lao Co., Ltd.'s debt to assets ratio increased significantly from 2012 to 0.68 times, and 0.57 times because the company still has insufficient assets and due debt has increased, the total liabilities have increased this may result in the company being exposed to financial risk. But in the last two years, Lao State Fuel Company has seen the lowest debt to asset ratio indicates that the company has debt ability due to the increase in the number of assets of the company, and the debt burden also decreased in that year. It was also found that in 2013-2015, the debt to asset ratio of Petroleum Trading Lao Public Company tended to decrease by 0.33 times, 0.23 times, 0.20 times each year. As the company increased its capital, raised funds by listing on the stock exchange, and the company's debt burden decreased. This indicates that the company has reduced financial risk and is able to loan more easily.

The debt to asset ratio of Petro Vietnam Oil Lao Co., Ltd increased by 0.51 times in 2013. This indicates that in that year the company has outstanding debts to creditors make it easier for the company to loans. Petrolimex (Lao) Co., Ltd has a debt to asset ratio that has risen sharply each year, from 0.46 times, 0.68 times, 0.86 times, respectively, from 2012 to 2015 which means the company has a lot of increased debt burden. For example, an account payable makes the company prone to financial risk and difficult to take a loan.

4.4.4 Profitability ratios analysis

Table 4.10: Analysis of gross profit margin of Petroleum Group in Lao PDR

Unit: %

Description	Gross profit margin				Average 4 years
	2012	2013	2014	2015	
PTT Lao Co., Ltd	5.51	4.66	3.21	6.02	4.83
Lao State Fuel Company (LSFC)	19.45	46.79	51.72	34.43	38.10
Petroleum Trading Lao Public Company	7.80	6.62	8.54	11.75	8.67
Petro Vietnam Oil Lao Co., ltd	23.21	22.16	24.19	23.91	23.35
Petrolimex (Lao) Co., Ltd	2.37	2.93	2.96	3.67	2.98
Average industry value	11.65	16.63	18.11	15.95	15.59

Source of information: Petroleum Group in Lao PDR's financial statement (2012-2015)

Table 4.10 shows the gross profit margins of the Petroleum Group in Lao PDR each year. In 2013-2014, PTT Lao Co., Ltd and Petroleum Trading Lao Public Company had lower gross margins than ever before by 4.66%, 6.62% and 3.12%, 8.54%. Because the company has lost sales and even increased some years, the cost of purchasing goods and services has increased as well. Between 2013-2015 saw Lao state fuel's gross profit margin increase steadily as the company did not have the cost of importing goods, only the cost of purchasing materials decreased. In 2014, Petro Vietnam Oil Lao Co., Ltd saw the highest gross profit margin of 24.19% this means that in that year, although the company's sales fell, the company has good operating costs management, resulting in lower costs and gross profit margin increased. Petrolimex Laos' gross profit margin tends to increase slightly each year but steadily increases by 2.37%, 2.93%, 2.96%, 3.67% respectively from 2012-2015. Due to the increase in sales of the company and the increase in operating costs, each year made the gross profit margin changes slightly.

Table 4.11: Analysis of Net profit margin of Petroleum Group in Lao PDR

Unit: %

Description	Net profit margin				Average 4 years
	2012	2013	2014	2015	
PTT Lao Co., Ltd	1.38	0.94	0.73	3.55	1.65
Lao State Fuel Company (LSFC)	0.76	0.84	2.20	2.45	1.56
Petroleum Trading Lao Public Company	2.58	1.78	2.04	2.72	2.28
Petro Vietnam Oil Lao Co., ltd	2.29	1.90	1.99	2.11	2.07
Petrolimex (Lao) Co., Ltd	(0.17)	0.37	0.44	0.37	0.25
Average industry value	1.37	1.16	1.48	2.24	1.56

Source of information: Petroleum Group in Lao PDR's financial statement (2012-2015)

Table 4.11 shows the annual net profit margin of Petroleum Group in Lao PDR. This shows that in 2013-2014 PTT Lao Co., Ltd's net profit decreased by 0.94%, 0.73% due to lower sales revenue and higher operating costs. In particular, the cost of importing goods that the company was not efficient enough to make a profit because the ratio was less than 1. For Petroleum Trading Lao Public Company and Petro Vietnam Oil Lao Co., Ltd found that in 2013 both companies had lower net profit margins due to the decrease in sales of these two companies with higher cost of sales, such as taxes, duties, and fees for the year. But between 2014-2015 saw the company's net profit and sales increased indicates that the company is still effective in generating profits as it has a net profit margin more than 1. In summary, each company has a good return on investment in just a few years. Companies that lacked profitability in operations, such as PTT Lao Co., Ltd, Lao State Fuel Company and Petrolimex (Lao) Co., Ltd, saw losses in 2012 and in 2013-2014, the company had a steady increase in net profit, but still not enough to make a profit.

Table 4.12: Analysis of return on asset of Petroleum Group in Lao PDR

Unit: %

Description	Return on Asset				Average 4 years
	2012	2013	2014	2015	
PTT Lao Co., Ltd	5.09	3.69	2.87	11.01	5.66
Lao State Fuel Company (LSFC)	3.76	0.75	1.84	7.36	3.43
Petroleum Trading Lao Public Company	9.44	3.41	2.88	3.17	4.72
Petro Vietnam Oil Lao Co., ltd	13.20	10.21	11.61	12.76	11.94
Petrolimex (Lao) Co., Ltd	(1.44)	2.25	1.66	2.22	1.17
Average industry value	6.01	4.06	4.17	7.30	5.39

Source of information: Petroleum Group in Lao PDR's financial statement (2012-2015)

Table 4.12 shows the annual return on assets of Petroleum Group in Lao PDR. This shows that in 2013-2014 PTT Lao Co., Ltd is still inefficient in generating insignificant profits. In 2013, Lao State Fuels Company was found to have a low return on assets and still be below 1 because the company had less net profit in that year, which shows that the company's assets are not effective enough to make a good profit. In 2014, the profitability of Petroleum Trading Lao Public Company and Petro Vietnam Oil Lao Co., Ltd decreased by 2.88% and 1.66%, respectively. In summary, each company has assets that are efficient enough to make a good profit, only Lao State Fuel Company that was ineffective in 2013 and Petrolimex (Lao) Co., Ltd, which have not been able to make a profit at all due to the company's loss that year, but tend to improve in subsequent years.

Table 4.13: Analysis of Return on equity of Petroleum Group in Lao PDR

Unit: %

Description	Return on equity ratio				Average 4 years
	2012	2013	2014	2015	
PTT Lao Co., Ltd	0.40	0.19	0.14	0.53	0.31
Lao State Fuel Company (LSFC)	0.20	0.16	3.88	0.25	1.12
Petroleum Trading Lao Public Company	0.35	0.05	0.04	0.05	0.12
Petro Vietnam Oil Lao Co., ltd	0.36	0.28	0.28	0.30	0.31
Petrolimex (Lao) Co., Ltd	(0.07)	0.22	0.52	0.61	0.32
Average industry value	0.25	0.18	0.97	0.35	0.44

Source of information: Petroleum Group in Lao PDR's financial statement (2012-2015)

Table 4.13 shows the annual return on equity of Petroleum Group in Lao PDR. This shows that, in general, each company is not able to earn much return on its funds because the return on equity was less than 1. In 2012, Petrolimex (Lao) Co., Ltd was not able to use the equity to earn a return. In that year, the company lost, resulting in a negative return of -0.07%. In 2014, Lao State Fuel Company had the highest return on equity ratio at 3.88%, which was better than other companies and the industrial average. This shows that the company could earn better returns than the peers and the industrial average.

4.3 Comparison of performance of the Petroleum Group in Lao PDR

4.1.1 Comparison of financial ratios analysis

Table 4.14: Comparison of the results of Petroleum Group in Lao PDR 4 years average liquidity analysis

Unit: %

Companies name	Liquidity ratio		Asset utilization ratio					Debt ability ratio			Profitability capability ratio				Overall ranking										
	Current ratio	Rank	Current ratio	Rank	Account receivable	Rank	Account receivable turnover	Rank	Fixed asset	Rank	Total asset	Rank	Debt Equity Ratio	Rank		Debt to asset ratio	Rank	Gross profit	Rank	Net profit margin	Rank	Return on investment	Rank	Return on equity	Rank
PTT Lao Co., Ltd	1.18	5	1.05	5	7.48	3	49	3	11.49	3	3.67	3	2.04	4	0.55	4	4.83	4	1.65	3	5.66	2	0.31	3	3
Lao State Fuel Company (LSFC)	2.89	1	1.93	2	7.31	4	54	4	10	4	2.41	4	0.72	2	0.31	1	38.1	11	1.56	4	3.43	4	1.12	1	1
Petroleum Trading Lao Public Company	1.66	4	1.58	4	6.84	5	66	5	4.57	5	2.04	5	0.69	1	0.34	2	8.67	3	2.28	1	4.72	3	0.12	5	4
Petro Vietnam Oil Lao Co., ltd	1.84	3	1.61	3	17.54	1	21	1	28.77	2	5.76	2	0.86	3	0.44	3	23.35	2	2.07	2	1194	1	0.3	4	2
Petrolimex (Lao) Co., Ltd	2.53	2	2.36	1	13.19	2	41	2	63.1	1	6.07	1	3.68	5	0.67	5	2.98	5	0.25	5	1.17	5	0.32	2	5
Average industry value	2.02		1.71		10.47		46		23.59		3.99		1.6		0.46		15.59		1.56		5.39		0.44		

Source of information: Petroleum Group in Laos' financial statement (2012-2015)

Table 4.14 shows the four-year average financial ratio of Petroleum Group in Lao PDR. This shows that Lao State Fuel Company and Petrolimex (Lao) Co., Ltd have better liquidity ratios due to higher current ratios and higher liquidity ratios. That means both companies have better short-term payment capabilities than PTT Lao Co., ltd, Petroleum Trading Lao Public Company, Petro Vietnam Oil Lao Co., Ltd, and industrial average. But overall, every company has the ability to make short-term payments due to the higher current ratio and liquidity ratio, it also shows that PTT Lao Co., Ltd, Lao State Fuel Company, Petroleum Trading Lao Public Company have an average storage period of 4 years higher than others, Indicates that the three companies were not efficient enough in

collecting debt compared to Petro Vietnam Oil Lao Co., Ltd, Petrolimex (Lao) Co., Ltd, and industrial average.

In terms of current assets and total assets, Petroleum trading Lao, Lao State Fuel Company, and PTT Lao Co., Ltd have lower turnover rates indicates that the three companies are inefficient in using fixed assets to generate revenue compared to Petro Vietnam Oil Lao Co., Ltd, Petrolimex (Lao) Co., Ltd, and the industrial average. It also shows that Lao State Fuel Company, Lao Petroleum trading Lao Public Company and Petro Vietnam Oil Lao Co. Ltd have the ability to repay debt, together with low financial risk, and can still take on loan due to the average debt to equity ratio and debt to equity ratio of 4 years is less than 1 and better than PTT Lao Co., ltd, Petrolimex (Lao) Co., Ltd, and the industrial average.

A comparison of the four-year average profitability analysis of the Petroleum Group in Lao PDR shows that PTT Lao Co., Ltd and Petroleum Trading Lao Public Company have better profitability although both companies have lower gross margins than their competitors, but their net profit margins were higher than their competitors. This demonstrates efficiency in managing operating expenditures, marketing, and financial expenditures better than Lao State Fuel Company.

Finally, a comparison of the four-year average profitability analysis of the Petroleum Group in Lao PDR, which shows that a total of five companies have a return on investment of more than 1 which mean the company could use assets effectively to generate revenue, only Petrolimex (Lao) Co., Ltd has a lower return on investment than competitors. In terms of return on equity, Lao State Fuel Company has a higher return on equity than competitors, indicating that the company could use capital more efficiently and better than PTT Lao Co., Ltd, Lao State Fuel Company, Petroleum Trading Lao Public Company, Petrolimex (Lao) Co., Ltd and the industrial average due to a lower return on equity.

Summary The comparison of the financial ratio to the industry average of Petroleum Group in Lao PDR shows that Lao State Fuel Company has better performance than its competitors due to its good financial liquidity including debt ability and profitability. Followed by Petro Vietnam Oil Lao Co., Ltd, which could use assets, no financial risk, and the ability to reduce debt. However, the company has higher operating expenses than its competitors, resulting in a lower net profit margin compared to the gross profit margin. Next up is PTT Lao Co., Ltd, Petroleum trading Lao Public Company and lastly Petrolimex (Lao) Co., Ltd.

CHAPTER 5

CONCLUSION AND SUGGESTION

The study entitled “A Study of the Financial Performance of the Petroleum Group in Lao PDR” aims to study the financial performance and compare the financial ratio to the industrial average of Petroleum Group in Lao PDR. In this study, the secondary data obtained from the collection of information in the financial statements and documents related to the company were used to analyze the joint financial statements, trend analysis, and financial rates, which can be summarized as follows:

5.1 Conclusion of the Research

5.1.1 Summary of Performance of the Petroleum Group in Lao PDR

A study of the financial statement of the Petroleum Group in Lao PDR shows a change in the structure of the financial statements of each company it is depending on the economic trend. Petroleum Trading Lao Public Company increased their capital by issuing (IPO), and in the same year, the current debt of Petroleum Vietnam Oil Lao Co., Ltd and Petrolimex (Lao) Co., Ltd tends to increase steadily compared to last year. In addition, it also shows the structure of the statement of results of the Petroleum group has changed, such as the cycle. 2012 show the loss of Petrolimex (Lao) Co., Ltd due to its high operating expenses. However, but there is a good performance in the following years, in 2013-2014, also show that the company that PTT Lao Co., Ltd and Petro Vietnam Oil Lao Co., Ltd had lower net profit compared to total revenue.

The results of financial analysis to The Petroleum Group in Lao PDR is shown that in 2012-2015 the company who has current assets in enough to repay the short term due to the ratio of working capital ratio and asset liquidity have more than 1 only Petroleum Trading Lao Public Company in 2012, The company has current assets is not enough because a ratio is less than 1. Another is that each company has debt collection period increased. It is alleged that the collection was delayed and the efficiency of the collection was insufficient and the efficiency of the company's fixed assets was reduced,

such as Petroleum Trading Lao Public Company, Petro Vietnam Oil Lao Co., Ltd, and Petrolimex (Lao) Co., Ltd.

An analysis of the debt to equity ratio shows that the Lao State Fuel Company, Petroleum Trading Lao Public Company has a lower debt to equity ratio, while PTT Lao Co., Ltd, Petrol Vietnam Lao Oil Co., Ltd, and Petrolimex (Lao) Co., Ltd have increased their debt to equity ratios. This shows that the company has a lot of debt increase this year, making the operation risky and difficult to borrow capital. In terms of profitability ratio analysis, it is seen that overall, each company has a good operating result, only in some years, the company still lacks profitability, such as PTT Laos Co., Ltd, which in 2013-2014, The Lao State Fuel Company in 2013-2014 and Petrolimex (Lao) Co., Ltd saw a loss in 2012 as well. It can also be seen that each company has assets that are efficient enough to make a good profit and the use of equity is not efficient enough to make a profit.

5.1.2 Summary of Comparison of the Performance of Petroleum Group in Lao PDR

Comparison of the performance of the Petroleum Group in Lao PDR by a brief analysis, Trend analysis, and the financial ratio analysis, which show that: Lao State Fuel Company and Petrolimex (Lao) Co., Ltd have higher working capital ratios than apparently fixed assets to generate revenue compared to the declining current debt, both companies have better short-term liquidity than PTT Lao Co., Ltd, Petroleum Trading Lao Public Company, Petro Vietnam Oil Lao Co., Ltd, and the industrial average, in terms of capital utilization. Petro Vietnam Oil Lao Co., Ltd and Petrolimex (Lao) Co., Ltd have been able to use their fixed assets to generate better revenue due to their high turnover. There is a fast turnover and a low average debt collection period. In addition, the gross margin of fixed assets and the gross margin of aggregate assets were higher than those in the group.

Comparison of the results of the analysis of the ratio of investment capacity shows that the Lao State Fuel Company, Petroleum Trading Lao Public Company, and Petro Vietnam Oil Lao Co., Ltd have the ability to pay their debts, have no financial risk, and still be able to borrow better than the existing. Comparison of the results of the profitability analysis of the Petroleum Group in Lao PDR, which shows that PTT Lao Co., Ltd and Petroleum Trading Lao Public Company have the ability to generate better profits although

both companies have lower margins than the group, they have the highest margins in the group.

5.2 Suggestion

5.2.1 Suggestion for the Petroleum Companies

In order to make the performance of the fuel company more efficient, profitable, continuous, and competitive in the fuel service business, I made recommendations to a number of oil companies that may be beneficial to the future business operations of the five companies as follows:

- The company should pay more attention to the management of financial liquidity, especially the need to send the applicant, and should pay attention to the collection of debt on time to be more efficient by increasing the measures to store debt more tightly.
- Companies should pay more attention to investing in fixed assets and choose to invest in less expensive assets with a detailed technical plan each year.
- Companies should manage operating costs appropriately to reduce operating costs by narrowing down all operating expenses and choosing to cover only the necessary expenses.

5.2.2 Suggestion for the next researcher

- Should choose to study more not more companies to clarify the average fuel industry clearly.
- More analytical tools that demonstrate the efficiency and effectiveness of the Petroleum Group should be added.
- Performance should be compared between two similar industry groups.

5.2.3 Limitation of the Research

- In this study, time constraints were collected due to the inability of some companies to provide financial statements for the current year.
- This study selected only a large group of large companies with limited revenues, resulting in limited results, which may not be able to fully explain the performance of the entire fuel company.

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Appendix: <https://issuu.com/natphoo/docs/6>.

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Supporting Documents

Vertical Analysis

PTT Lao Co., Ltd

Description	Profit and loss Statement								Average 4 Year
	2012		2013		2014		2015		
	Amount	%	Amount	%	Amount	%	Amount	%	
Total Income	1,014,056,039,166.00	100.00	968,791,549,568.00	100	1,094,666,467,200.00	100	1,003,505,961,596.00	100.00	100.00
Sales	1,012,225,728,057.00	99.82	964,431,345,212.00	99.55	1,091,590,637,098.00	99.72	1,002,997,400,213.00	99.95	99.76
Products and Services	-	-	-	-	-	-	-	-	-
Other Income	147,580,470.00	0.01	553,211,242.00	0.06	-	-	-	-	0.02
Income from management	1,336,503,905.00	0.13	3,227,305,236.00	0.33	2,073,800,967.00	0.19	(1,848,449.00)	(0.00)	0.16
Finance Income	346,226,734.00	0.03	579,687,878.00	0.06	1,002,029,135.00	0.09	510,409,832.00	0.05	0.06
Total Expense	996,574,474,158.00	98.28	957,362,282,800.00	98.82	1,084,898,804,151.00	99.11	959,167,732,281.00	95.58	97.95
Cost of sales	956,410,327,561.00	94.32	919,525,496,802.00	94.91	1,060,518,896,059.00	96.88	943,050,496,319.00	93.98	95.02
Administrative expenses	20,418,636,104.00	2.01	24,816,497,600.00	2.56	-	-	-	-	1.14
Taxes and other fee	699,910,208.00	0.07	1,443,846,930.00	0.15	1,645,964,704.00	0.15	873,256,264.00	0.09	0.11
Salary	3,593,736,200.00	0.35	6,028,998,306.00	0.62	9,431,397,733.00	0.86	11,479,957,910.00	1.14	0.75
Depreciation and Amortization	5,189,666,062.00	0.51	8,175,625,257.00	0.84	9,944,503,014.00	0.91	18,739,384,408.00	1.87	1.03
Other expenses	716,992,998.00	0.07	1,203,191,625.00	0.12	1,165,002,918.00	0.11	488,712,743.00	0.05	0.09
Finance cost	9,098,465,182.00	0.90	(3,976,273,421.00)	(0.41)	2,193,039,723.00	0.20	(15,464,075,363.00)	(1.54)	(0.21)
Finance reserve	446,739,843.00	0.04	144,899,701.00	0.01	-	-	-	-	0.01
Profit before income taxes	17,481,565,008.00	1.72	11,429,266,768.00	1.18	9,767,663,049.00	0.89	44,338,229,315.00	4.42	2.05
Income tax expenses	3,496,313,000.00	0.34	2,398,160,000.00	0.25	1,821,000,000.00	0.17	8,414,138,068.00	0.84	0.40
Net profit	13,985,252,008.00	1.38	9,031,106,768.00	0.93	7,946,663,049.00	0.73	35,924,091,247.00	3.58	1.65

Vertical Analysis

PTT Lao Co., Ltd

Description	Statement of position								Average 4 Year
	Asset								
	2012		2013		2014		2015		
Amount	%	Amount	%	Amount	%	Amount	%	Year	
Total Asset	245,057,412,026.00	100.00	274,946,223,647.00	100.00	277,071,142,182.00	100.00	323,350,687,257.00	100.00	100.00
Non Current Asset	53,976,344,011.00	22.03	90,204,333,639.00	32.81	113,580,956,958.00	40.99	145,815,872,839.00	45.10	35.23
Movement buy-sell business	-	-	-	-	-	-	-	-	-
Intangible Assets	1,125,481,085.00	0.46	1,111,009,553.00	0.40	303,391,171.00	0.11	363,289,841.00	0.11	0.27
Other Non Current Asset	47,365,744,810.00	19.33	75,729,895,207.00	27.54	81,732,298,601.00	29.50	143,406,546,698.00	44.35	30.18
Assets in progress	5,473,964,331.00	2.23	13,352,275,094.00	4.86	27,332,743,531.00	9.86	-	-	4.24
Derivative financial assets	11,153,785.00	0.00	11,153,785.00	0.00	4,212,523,655.00	1.52	2,046,036,300.00	0.63	0.54
Current Assets	191,081,068,015.00	77.97	184,741,890,008.00	67.19	163,490,185,224.00	59.01	177,534,814,418.00	54.90	64.77
Inventory	22,263,206,897.00	9.08	12,739,940,711.00	4.63	17,199,828,108.00	6.21	24,830,420,739.00	7.68	6.90
Account receivable	114,468,852,755.00	46.71	149,626,864,850.00	54.42	130,840,706,354.00	47.22	100,336,349,691.00	31.03	44.85
Taxes	(15,086,538.00)	(0.01)	(4,670,988,183.00)	(1.70)	-	-	(3,899,642,835.00)	(1.21)	(0.73)
Other	12,200,102,544.00	4.98	17,971,328,969.00	6.54	-	-	35,094,304,140.00	10.85	5.59
Cash and cash equivalents	42,163,992,357.00	17.21	9,074,743,661.00	3.30	15,449,650,762.00	5.58	21,173,382,683.00	6.55	8.16

Vertical Analysis

PTT Lao Co., Ltd

Description	Statement of position								Average 4 Year
	Liabilities and Owner's equity								
	2012		2013		2014		2015		
Amount	%	Amount	%	Amount	%	Amount	%	Year	
Total liabilities and owner's equity	245,057,412,024.00	100.00	274,946,223,646.00	100.00	277,071,142,182.00	100.00	323,350,687,256.00	100.00	100.00
Owner's equity	58,774,005,702.00	23.98	67,805,112,469.00	24.66	73,701,931,166.00	26.60	127,600,551,389.00	39.46	28.68
Common stock	10,000,000,000.00	4.08	10,000,000,000.00	3.64	10,000,000,000.00	3.61	24,611,300,000.00	7.61	4.73
Cumulative adjustment	499,175,932.00	0.20	499,175,932.00	0.18	499,175,932.00	0.18	499,175,932.00	0.15	0.18
Retained earnings	13,985,252,007.00	5.71	9,031,106,767.00	3.28	7,946,663,049.00	2.87	35,606,954,496.00	11.01	5.72
Other Capital	34,289,577,763.00	13.99	48,274,829,770.00	17.56	55,256,092,185.00	19.94	66,883,120,961.00	20.68	18.04
Non current liabilities	46,380,020,000.00	18.93	40,382,640,000.00	14.69	45,575,160,000.00	16.45	46,792,350,000.00	14.47	16.58
Lease Liability	-	-	-	-	-	-	46,792,350,000.00	14.47	3.62
Long-term debt	46,380,020,000.00	18.93	40,382,640,000.00	14.69	45,575,160,000.00	16.45	-	-	12.52
Current liabilities	139,903,386,322.00	57.09	166,758,471,177.00	60.65	157,794,051,016.00	56.95	148,957,785,867.00	46.07	55.19
Account payable	130,430,189,962.00	53.22	157,151,124,487.00	57.16	154,759,689,307.00	55.86	148,446,522,766.00	45.91	53.04
Other current liabilities	9,473,196,360.00	3.87	9,607,346,690.00	3.49	3,034,361,709.00	1.10	511,263,101.00	0.16	2.15

Trend Analysis

PTT Lao Co., Ltd

Description	Statement of position							
	Asset							
	2012		2013		2014		2015	
	Amount	%	Amount	%	Amount	%	Amount	%
Total Asset	245,057,412,026.00	100.00	274,946,223,647.00	12.20	277,071,142,182.00	13.06	323,350,687,257.00	31.95
Non Current Asset	53,976,344,011.00	100.00	90,204,333,639.00	67.12	113,580,956,958.00	110.43	145,815,872,839.00	170.15
Movement buy-sell business	-	100.00	-	-	-	-	-	-
Intangible Assets	1,125,481,085.00	100.00	1,111,009,553.00	(1.29)	303,391,171.00	(73.04)	363,289,841.00	(67.72)
Other Non Current Asset	47,365,744,810.00	100.00	75,729,895,207.00	59.88	81,732,298,601.00	72.56	143,406,546,698.00	202.76
Assets in progress	5,473,964,331.00	100.00	13,352,275,094.00	143.92	27,332,743,531.00	399.32	-	(100.00)
Derivative financial assets	11,153,785.00	100.00	11,153,785.00	-	4,212,523,655.00	37,667.66	2,046,036,300.00	18,243.87
Current Assets	191,081,068,015.00	100.00	184,741,890,008.00	(3.32)	163,490,185,224.00	(14.44)	177,534,814,418.00	(7.09)
Inventory	22,263,206,897.00	100.00	12,739,940,711.00	(42.78)	17,199,828,108.00	(22.74)	24,830,420,739.00	11.53
Account receivable	114,468,852,755.00	100.00	149,626,864,850.00	30.71	130,840,706,354.00	14.30	100,336,349,691.00	(12.35)
Taxes	(15,086,538.00)	100.00	(4,670,988,183.00)	30,861.30	-	(100.00)	(3,899,642,835.00)	25,748.49
Other	12,200,102,544.00	100.00	17,971,328,969.00	47.30	-	(100.00)	35,094,304,140.00	187.66
Cash and cash equivalents	42,163,992,357.00	100.00	9,074,743,661.00	(78.48)	15,449,650,762.00	(63.36)	21,173,382,683.00	(49.78)

Trend Analysis

PTT Lao Co., Ltd

Description	Statement of position							
	Liabilities and Owner's equity							
	2012		2013		2014		2015	
	Amount	%	Amount	%	Amount	%	Amount	%
Total liabilities and owner's equity	245,057,412,024.00	100.00	274,946,223,646.00	12.20	277,071,142,182.00	13.06	323,350,687,256.00	31.95
Owner's equity	58,774,005,702.00	100.00	67,805,112,469.00	15.37	73,701,931,166.00	25.40	127,600,551,389.00	117.10
Common stock	10,000,000,000.00	100.00	10,000,000,000.00	-	10,000,000,000.00	-	24,611,300,000.00	146.11
Cumulative adjustment	499,175,932.00	100.00	499,175,932.00	-	499,175,932.00	-	499,175,932.00	-
Retained earnings	13,985,252,007.00	100.00	9,031,106,767.00	(35.42)	7,946,663,049.00	(43.18)	35,606,954,496.00	154.60
Other Capital	34,289,577,763.00	100.00	48,274,829,770.00	40.79	55,256,092,185.00	61.15	66,883,120,961.00	95.05
Non current liabilities	46,380,020,000.00	100.00	40,382,640,000.00	(12.93)	45,575,160,000.00	(1.74)	46,792,350,000.00	0.89
Lease Liability	-	100.00	-	-	-	-	46,792,350,000.00	-
Long-term debt	46,380,020,000.00	100.00	40,382,640,000.00	(12.93)	45,575,160,000.00	(1.74)	-	(100.00)
Current liabilities	139,903,386,322.00	100.00	166,758,471,177.00	19.20	157,794,051,016.00	12.79	148,957,785,867.00	6.47
Account payable	130,430,189,962.00	100.00	157,151,124,487.00	20.49	154,759,689,307.00	18.65	148,446,522,766.00	13.81
Other current liabilities	9,473,196,360.00	100.00	9,607,346,690.00	1.42	3,034,361,709.00	(67.97)	511,263,101.00	(94.60)

Vertical Analysis

Lao State Fuel Company (LSFC)

Description	Profit and loss Statement								Average 4 Year
	2012		2013		2014		2015		
	Amount	%	Amount	%	Amount	%	Amount	%	
Total Income	2,017,540,331,781.00	100.00	25,634,399,622.00	100	22,165,501,663.00	100	1,413,090,730,565.00	100.00	100.00
Sale	2,008,601,598,453.00	99.56	-	-	-	-	1,400,566,627,500.00	99.11	49.67
Products and Services	50,276,858.00	0.00	25,494,091,546.00	99.45	21,788,596,855.00	98.30	35,361,833.00	0.00	49.44
Other Income	1,703,212,749.00	0.08	-	-	-	-	340,754,650.00	0.02	0.03
Income from management	3,221,910,090.00	0.16	84,907,888.00	0.33	157,307,350.00	0.71	9,657,825,941.00	0.68	0.47
Finance Income	3,963,333,631.00	0.20	55,400,188.00	0.22	219,597,458.00	0.99	2,490,160,641.00	0.18	0.39
Total Expense	2,002,175,830,099.00	99.24	25,420,294,797.00	99.16	21,686,768,957.00	97.84	1,378,740,010,821.00	97.57	98.45
Cost of sales	1,617,971,092,436.00	80.20	-	-	-	-	918,419,058,734.00	64.99	36.30
Raw material and consumtable	14,655,038,200.00	0.73	13,565,225,588.00	52.92	10,518,796,023.00	47.46	5,476,870,086.00	0.39	25.37
Administrative expenses	50,031,162,333.00	2.48	1,803,430,063.00	7.04	1,933,468,068.00	8.72	97,736,485,933.00	6.92	6.29
Taxes and other fee	298,698,930,838.00	14.81	535,314,743.00	2.09	536,132,742.00	2.42	294,199,621,403.00	20.82	10.03
Salary	20,740,562,486.00	1.03	6,472,503,898.00	25.25	5,870,414,191.00	26.48	26,842,310,313.00	1.90	13.67
Depreciation and Amortization	10,730,510,408.00	0.53	2,758,994,976.00	10.76	2,775,873,894.00	12.52	10,696,901,326.00	0.76	6.14
Other expenses	11,498,140,148.00	0.57	593,548,708.00	2.32	425,427,368.00	1.92	13,729,041,270.00	0.97	1.44
Finance cost	8,346,538,110.00	0.41	82,678,963.00	0.32	223,131,023.00	1.01	13,596,057,084.00	0.96	0.68
Stock movement	(30,496,144,860.00)	(1.51)	(391,402,142.00)	(1.53)	(596,474,352.00)	(2.69)	(1,956,335,328.00)	(0.14)	(1.47)
Profit before income taxes	15,364,501,682.00	0.76	214,104,825.00	0.84	478,732,706.00	2.16	34,350,719,744.00	2.43	1.55
Income tax expenses	-	-	-	-	-	-	-	-	-
Net profit	15,364,501,682.00	0.76	214,104,825.00	0.84	478,732,706.00	2.16	34,350,719,744.00	2.43	1.55

Vertical Analysis

Lao State Fuel Company (LSFC)

Description	Statement of Position								Average 4 Year
	Asset								
	2012		2013		2014		2015		
	Amount	%	Amount	%	Amount	%	Amount	%	
Total Asset	408,877,760,157.00	100.00	28,644,471,900.00	100.00	25,963,053,838.00	100.00	466,772,371,051.00	100.00	100.00
Non Current Assets	85,690,351,527.00	20.96	19,316,856,074.00	67.44	16,577,362,831.00	63.85	100,463,288,695.00	21.52	43.44
Movement buy-sell business	-	-	-	-	-	-	-	-	-
Intangible Assets	9,163,968,955.00	2.24	-	-	-	-	10,522,859,540.00	2.25	1.12
Other Non Current Asset In Business	72,897,381,127.00	17.83	19,282,737,962.00	67.32	16,543,244,719.00	63.72	89,940,429,155.00	19.27	42.03
Other Non Current Asset	3,629,001,445.00	0.89	34,118,112.00	0.12	34,118,112.00	0.13	-	-	0.28
Current Assets	323,187,408,630.00	79.04	9,327,615,826.00	32.56	9,385,691,007.00	36.15	366,309,082,356.00	78.48	56.56
Inventory	81,894,833,562.00	20.03	4,018,899,594.00	14.03	4,211,052,115.00	16.22	54,180,666,591.00	11.61	15.47
Account receivable	2,849,189,101.00	0.70	-	-	-	-	19,094,668,550.00	4.09	1.20
Taxes	166,607,609,373.00	40.75	4,845,614,458.00	16.92	5,499,967,839.00	21.18	193,113,605,332.00	41.37	30.05
Other	15,361,718,257.00	3.76	(1,169,803,660.00)	(4.08)	(980,159,938.00)	(3.78)	24,293,003,865.00	5.20	0.28
Cash and cash equivalents	56,474,058,337.00	13.81	1,632,905,434.00	5.70	654,830,991.00	2.52	75,627,138,018.00	16.20	9.56

Vertical Analysis

Lao State Fuel Company (LSFC)

Description	Statement of Position									Average 4 Year
	Liabilities and Owner's equity									
	2012		2013		2014		2015			
	Amount	%	Amount	%	Amount	%	Amount	%		
Total liabilities and owner's equity	408,877,760,157.00	100.00	28,644,471,900.00	100.00	25,963,052,826.00	100.00	466,822,371,051.00	100.01	100.00	
Owner's equity	134,483,857,644.00	32.89	22,358,950,391.00	78.06	21,384,179,215.00	82.36	269,623,593,309.00	57.76	62.77	
Common stock	41,461,088,729.00	10.14	20,842,820,939.00	72.76	20,842,820,939.00	80.28	99,573,475,341.00	21.33	46.13	
Cumulative adjustment	4,253,039,753.00	1.04	36,753,657.00	0.13	60,348,009.00	0.23	2,538,107,873.00	0.54	0.49	
Capaitl for expand business	45,087,397,574.00	11.03	1,202,170,239.00	4.20	-	-	16,661,933,972.00	3.57	4.70	
Revalue Adjustmnet	22,926,125,373.00	5.61	63,100,731.00	0.22	63,100,731.00	0.24	22,926,125,373.00	4.91	2.75	
Government Capital	4,373,418,282.00	1.07	-	-	-	-	4,373,418,282.00	0.94	0.50	
Retained earnings	15,364,501,682.00	3.76	214,104,825.00	0.75	417,909,536.00	1.61	34,350,719,744.00	7.36	3.37	
Emergency Capital	233,636,251.00	0.06	-	-	-	-	233,636,251.00	0.05	0.03	
Loan for Capital	784,650,000.00	0.19	-	-	-	-	88,966,176,473.00	19.06	4.81	
Current liabilities	265,974,995,721.00	65.05	2,182,756,362.00	0.53	2,275,140,189.00	8.76	189,993,045,107.00	40.70	28.76	
Oversea Supply	235,927,318,518.00	57.70	-	-	-	-	118,561,129,216.00	25.40	20.77	
Internal Supply	24,750,000.00	0.01	1,403,755,505.00	4.90	1,458,570,112.00	5.62	26,180,203,271.00	5.61	4.03	
Salary	-	-	-	-	-	-	-	-	-	
Account Payable	14,110,263,916.00	3.45	763,079,103.00	2.66	816,570,077.00	3.15	24,855,632,244.00	5.32	3.65	
Government	15,657,654,891.00	3.83	15,921,754.00	0.06	-	-	14,999,850,153.00	3.21	1.77	
Other	255,008,396.00	0.06	-	-	-	-	5,396,230,223.00	1.16	0.30	
Non current liabilities	8,418,906,792.00	2.06	4,102,765,147.00	14.32	2,303,733,422.00	8.87	7,205,732,635.00	1.54	6.70	
Provision	-	-	-	-	(216,263,952.00)	(0.83)	-	-	(0.21)	
Other payable	8,418,906,792.00	2.06	4,102,765,147.00	14.32	2,519,997,374.00	9.71	7,205,732,635.00	1.54	6.91	

Trend Analysis

Lao State Fuel Company (LSFC)

Description	Statement of Position								
	Asset								
	2012		2013		2014		2015		
	Amount	%	Amount	%	Amount	%	Amount	%	
Total Asset	408,877,760,157.00	100.00	28,644,471,900.00	(92.99)	25,963,053,838.00	(93.65)	466,772,371,051.00	14.16	
Non Cerrent Assets	85,690,351,527.00	100.00	19,316,856,074.00	(77.46)	16,577,362,831.00	(80.65)	100,463,288,695.00	17.24	
Movement buy-sell busines	-	100.00	-	-	-	-	-	-	
Intangible Assets	9,163,968,955.00	100.00	-	(100.00)	-	(100.00)	10,522,859,540.00	14.83	
Other Non Current Asset In Business	72,897,381,127.00	100.00	19,282,737,962.00	(73.55)	16,543,244,719.00	(77.31)	89,940,429,155.00	23.38	
Other Non Current Asset	3,629,001,445.00	100.00	34,118,112.00	(99.06)	34,118,112.00	(99.06)	-	(100.00)	
Current Assets	323,187,408,630.00	100.00	9,327,615,826.00	(97.11)	9,385,691,007.00	(97.10)	366,309,082,356.00	13.34	
Inventory	81,894,833,562.00	100.00	4,018,899,594.00	(95.09)	4,211,052,115.00	(94.86)	54,180,666,591.00	(33.84)	
Account receiveable	2,849,189,101.00	100.00	-	(100.00)	-	(100.00)	19,094,668,550.00	570.18	
Taxes	166,607,609,373.00	100.00	4,845,614,458.00	(97.09)	5,499,967,839.00	(96.70)	193,113,605,332.00	15.91	
Other	15,361,718,257.00	100.00	(1,169,803,660.00)	(107.62)	(980,159,938.00)	(106.38)	24,293,003,865.00	58.14	
Cash and cash equivalents	56,474,058,337.00	100.00	1,632,905,434.00	(97.11)	654,830,991.00	(98.84)	75,627,138,018.00	33.91	

Trend Analysis

Lao State Fuel Company (LSFC)

Description	Statement of Position								
	Liabilities and Owner's equity								
	2012		2013		2014		2015		
	Amount	%	Amount	%	Amount	%	Amount	%	
Total liabilities and owner's equity	408,877,760,157.00	100.00	28,644,471,900.00	(92.99)	25,963,052,826.00	(93.65)	466,822,371,051.00	14.17	
Owner's equity	134,483,857,644.00	100.00	22,358,950,391.00	(83.37)	21,384,179,215.00	(84.10)	269,623,593,309.00	100.49	
Common stock	41,461,088,729.00	100.00	20,842,820,939.00	(49.73)	20,842,820,939.00	(49.73)	99,573,475,341.00	140.16	
Cumulative adjustment	4,253,039,753.00	100.00	36,753,657.00	(99.14)	60,348,009.00	(98.58)	2,538,107,873.00	(40.32)	
Capaitl for expand business	45,087,397,574.00	100.00	1,202,170,239.00	(97.33)	-	(100.00)	16,661,933,972.00	(63.05)	
Revalue Adjustmnet	22,926,125,373.00	100.00	63,100,731.00	(99.72)	63,100,731.00	(99.72)	22,926,125,373.00	-	
Government Capital	4,373,418,282.00	100.00	-	(100.00)	-	(100.00)	4,373,418,282.00	-	
Retained earnings	15,364,501,682.00	100.00	214,104,825.00	(98.61)	417,909,536.00	(97.28)	34,350,719,744.00	123.57	
Emergency Capital	233,636,251.00	100.00	-	(100.00)	-	(100.00)	233,636,251.00	-	
Loan for Capital	784,650,000.00	100.00	-	(100.00)	-	(100.00)	88,966,176,473.00	11,238.33	
Current liabilities	265,974,995,721.00	100.00	2,182,756,362.00	(99.18)	2,275,140,189.00	(99.14)	189,993,045,107.00	(28.57)	
Oversea Supply	235,927,318,518.00	100.00	-	(100.00)	-	(100.00)	118,561,129,216.00	(49.75)	
Internal Supply	24,750,000.00	100.00	1,403,755,505.00	5,571.74	1,458,570,112.00	5,793.21	26,180,203,271.00	105,678.60	
Account Payable	14,110,263,916.00	100.00	763,079,103.00	(94.59)	816,570,077.00	(94.21)	24,855,632,244.00	76.15	
Government	15,657,654,891.00	100.00	15,921,754.00	(99.90)	-	(100.00)	14,999,850,153.00	(4.20)	
Other	255,008,396.00	100.00	-	(100.00)	-	(100.00)	5,396,230,223.00	2,016.10	
Non current liabilities	8,418,906,792.00	100.00	4,102,765,147.00	(51.27)	2,303,733,422.00	(72.64)	7,205,732,635.00	(14.41)	
Other payable	8,418,906,792.00	100.00	4,102,765,147.00	(51.27)	2,519,997,374.00	(70.07)	7,205,732,635.00	(14.41)	

Vertical Analysis

Petroleum Trading Lao Public Company

Description	Profit and loss Statement								Average 4 Year
	2012		2013		2014		2015		
	Amount	%	Amount	%	Amount	%	Amount	%	
Total Income	1,028,224,000,000.00	100.00	1,098,806,102,243.00	100	977,224,412,471.00	100	841,625,516,431.00	100.00	100.00
Sale	1,019,012,000,000.00	99.10	1,075,040,438,467.00	97.84	971,229,063,543.00	99.39	833,060,610,906.00	98.98	98.83
Other Income	-	-	5,166,527,720.00	0.47	348,065,665.00	0.04	1,408,113,689.00	0.17	0.17
Finance Income	9,212,000,000.00	0.90	18,599,136,056.00	1.69	5,647,283,263.00	0.58	7,156,791,836.00	0.85	1.00
Total Expenses	998,958,000,000.00	97.15	1,076,538,110,239.00	97.97	952,394,295,273.00	97.46	813,269,353,075.00	96.63	97.30
Cost of sales	948,046,000,000.00	92.20	1,003,917,386,276.00	91.36	888,319,098,154.00	90.90	735,200,764,960.00	87.35	90.46
Administrative expenses	23,955,000,000.00	2.33	31,020,789,043.00	2.82	26,458,755,703.00	2.71	42,174,055,315.00	5.01	3.22
Marketing expense	14,676,000,000.00	1.43	16,328,650,581.00	1.49	18,734,793,305.00	1.92	19,826,409,780.00	2.36	1.80
Other expenses	-	-	4,499,612,632.00	0.41	95,164,403.00	0.01	24,095,979.00	0.00	0.11
Finance cost	12,281,000,000.00	1.19	20,771,671,707.00	1.89	18,786,483,708.00	1.92	16,044,027,041.00	1.91	1.73
Profit before income taxes	29,266,000,000.00	2.85	22,267,992,004.00	2.03	24,830,117,198.00	2.54	28,356,163,356.00	3.37	2.70
Income tax expenses	2,767,000,000.00	0.27	3,134,736,936.00	0.29	5,057,437,172.00	0.52	5,711,572,041.00	0.68	0.44
Net profit	26,499,000,000.00	2.58	19,133,255,068.00	1.74	19,772,680,026.00	2.02	22,644,411,315.00	2.69	2.26

Vertical Analysis

Petroleum Trading Lao Public Company

Description	Statement of Position								Average 4 Year
	Asset								
	2012		2013		2014		2015		
Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Total Asset	280,882,000,000.00	100.00	561,572,961,603.00	100.00	687,506,167,234.00	100.00	714,699,741,807.00	100.00	100.00
Non Current Asset	140,420,000,000.00	49.99	161,720,957,232.00	28.80	402,582,108,896.00	58.56	452,062,869,810.00	63.25	50.15
Intangible Assets	588,000,000.00	0.21	506,246,793.00	0.09	121,714,167,166.00	17.70	113,459,945,114.00	15.88	8.47
Other Non Current Asset	69,007,000,000.00	24.57	67,636,620,527.00	12.04	73,450,473,026.00	10.68	132,661,107,070.00	18.56	16.46
Financial Asset	21,686,000,000.00	7.72	18,275,810,858.00	3.25	8,591,769,652.00	1.25	-	-	3.06
Investment Asset	434,000,000.00	0.15	407,517,451.00	0.07	141,768,513,783.00	20.62	152,575,976,414.00	21.35	10.55
Assets in progress	2,639,000,000.00	0.94	17,248,474,305.00	3.07	31,306,549,985.00	4.55	16,261,139,486.00	2.28	2.71
Long-term investments-Deposits at banks and financial institutions	19,391,000,000.00	6.90	21,172,519,791.00	3.77	19,320,318,599.00	2.81	16,749,572,212.00	2.34	2.84
Short-term Investments	26,675,000,000.00	9.50	36,473,767,507.00	6.49	6,430,316,685.00	0.94	20,355,129,514.00	2.85	3.35
Current Assets	140,462,000,000.00	50.01	399,852,004,371.00	71.20	284,924,058,338.00	41.44	262,636,871,997.00	36.75	49.85
Cash and cash equivalents	8,316,000,000.00	2.96	9,423,698,736.00	1.68	138,122,895,155.00	20.09	74,657,189,719.00	10.45	8.79
Investment Asset	-	-	-	-	13,783,093,784.00	2.00	11,727,093,359.00	1.64	0.91
Account receivable	72,424,000,000.00	25.78	88,465,856,385.00	15.75	63,621,358,154.00	9.25	98,642,692,232.00	13.80	16.15
Other current assets	10,781,000,000.00	3.84	526,103,322.00	0.09	1,631,779,863.00	0.24	4,953,370,656.00	0.69	1.22
Advance to Customers	19,113,000,000.00	6.80	286,202,201,379.00	50.96	47,070,637,972.00	6.85	40,194,690,016.00	5.62	17.56
Inventory	7,587,000,000.00	2.70	12,291,357,719.00	2.19	11,782,297,415.00	1.71	11,317,649,677.00	1.58	2.05
Other current assets	22,241,000,000.00	7.92	2,942,786,830.00	0.52	8,911,995,995.00	1.30	21,144,186,338.00	2.96	3.17

Vertical Analysis

Petroleum Trading Lao Public Company

Description	Statement of Position								Average 4 Year
	Liabilities and Owner's equity								
	2012		2013		2014		2015		
Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Total liabilities and Owner's equity	280,882,000,000.00	100.00	561,572,961,603.00	100.00	687,506,167,234.00	100.00	714,699,741,807.00	100.00	100.00
V. current liabilities	169,162,000,000.00	60.23	184,768,931,146.00	32.90	159,932,072,213.00	23.26	144,728,718,362.00	20.25	34.16
Short term Loan	134,272,000,000.00	47.80	158,198,955,588.00	28.17	134,650,119,374.00	19.59	119,244,814,122.00	16.68	28.06
Account payable	14,563,000,000.00	5.19	17,575,864,971.00	3.13	12,544,046,268.00	1.81	16,901,236,157.00	2.36	2.89
Advance to suppliers	696,000,000.00	0.25	547,036,227.00	0.10	1,824,173,420.00	0.27	555,256,210.00	0.08	0.17
Accrued tax Payable	15,040,000,000.00	5.35	7,331,032,058.00	1.31	9,665,443,652.00	1.41	7,814,428,781.00	1.09	2.29
Other liabilities	28,000,000.00	0.01	17,761,267.00	0.00	13,498,451.00	0.00	2,920,001.00	0.00	0.00
Other Payable	4,563,000,000.00	1.62	1,098,281,035.00	0.20	1,234,791,038.00	0.18	210,063,091.00	0.03	0.51
IV. non current liabilities	9,606,000,000.00	3.42	7,670,775,389.00	1.37	10,162,482,890.00	1.48	56,000,000,000.00	7.84	3.87
Long-term debt	9,606,000,000.00	3.42	7,670,775,389.00	1.37	10,162,482,890.00	1.48	56,000,000,000.00	7.84	3.52
III. share holders' equity	102,114,000,000.00	36.35	369,133,255,068.00	65.73	517,411,612,131.00	75.26	513,971,023,445.00	71.91	62.32
Common stock	75,600,000,000.00	26.92	350,000,000,000.00	62.32	470,000,000,000.00	68.36	470,000,000,000.00	65.76	55.84
Cumulative adjustment	-	-	-	-	27,638,932,340.00	4.02	27,638,932,340.00	3.87	1.97
Retained earnings	26,514,000,000.00	9.44	19,133,255,068.00	3.41	19,772,679,791.00	2.88	16,332,091,105.00	2.29	4.50

Trend Analysis

Petroleum Trading Lao Public Company

Description	Statement of Position							
	Asset							
	2012		2013		2014		2015	
Amount	%	Amount	%	Amount	%	Amount	%	
Total Asset	280,882,000,000.00	100.00	561,572,961,603.00	99.93	687,506,167,234.00	144.77	714,699,741,807.00	154.45
Non Current Asset	140,420,000,000.00	100.00	161,720,957,232.00	15.17	402,582,108,896.00	186.70	452,062,869,810.00	221.94
Intangible Assets	588,000,000.00	100.00	506,246,793.00	(13.90)	121,714,167,166.00	20,599.69	113,459,945,114.00	19,195.91
Other Non Current Asset	69,007,000,000.00	100.00	67,636,620,527.00	(1.99)	73,450,473,026.00	6.44	132,661,107,070.00	92.24
Financial Asset	21,686,000,000.00	100.00	18,275,810,858.00	(15.73)	8,591,769,652.00	(60.38)	-	(100.00)
Investment Asset	434,000,000.00	100.00	407,517,451.00	(6.10)	141,768,513,783.00	32,565.56	152,575,976,414.00	35,055.75
Assets in progress	2,639,000,000.00	100.00	17,248,474,305.00	553.60	31,306,549,985.00	1,086.30	16,261,139,486.00	516.19
Long-term investments-Deposits at banks and financial institutions	19,391,000,000.00	100.00	21,172,519,791.00	9.19	19,320,318,599.00	(0.36)	16,749,572,212.00	(13.62)
Short-term Investments	26,675,000,000.00	100.00	36,473,767,507.00	36.73	6,430,316,685.00	(75.89)	20,355,129,514.00	(23.69)
Current Assets	140,462,000,000.00	100.00	399,852,004,371.00	184.67	284,924,058,338.00	102.85	262,636,871,997.00	86.98
Cash and cash equivalents	8,316,000,000.00	100.00	9,423,698,736.00	13.32	138,122,895,155.00	1,560.93	74,657,189,719.00	797.75
Investment Asset	-	100.00	-	-	13,783,093,784.00	-	11,727,093,359.00	-
Account receivable	72,424,000,000.00	100.00	88,465,856,385.00	22.15	63,621,358,154.00	(12.15)	98,642,692,232.00	36.20
Other current assets	10,781,000,000.00	100.00	526,103,322.00	(95.12)	1,631,779,863.00	(84.86)	4,953,370,656.00	(54.05)
Advance to Customers	19,113,000,000.00	100.00	286,202,201,379.00	1,397.42	47,070,637,972.00	146.28	40,194,690,016.00	110.30
Inventory	7,587,000,000.00	100.00	12,291,357,719.00	62.01	11,782,297,415.00	55.30	11,317,649,677.00	49.17
Other current assets	22,241,000,000.00	100.00	2,942,786,830.00	(86.77)	8,911,995,995.00	(59.93)	21,144,186,338.00	(4.93)

Trend Analysis

Description	Petroleum Trading Lao Public Company							
	Statement of Position							
	Liabilities and Owner's equity							
	2012		2013		2014		2015	
Amount	%	Amount	%	Amount	%	Amount	%	
Total liabilities and Owner's equity	280,882,000,000.00	100.00	561,572,961,603.00	99.93	687,506,167,234.00	144.77	714,699,741,807.00	154.45
V. current liabilities	169,162,000,000.00	100.00	184,768,931,146.00	9.23	159,932,072,213.00	(5.46)	144,728,718,362.00	(14.44)
Short term Loan	134,272,000,000.00	100.00	158,198,955,588.00	17.82	134,650,119,374.00	0.28	119,244,814,122.00	(11.19)
Account payable	14,563,000,000.00	100.00	17,575,864,971.00	20.69	12,544,046,268.00	(13.86)	16,901,236,157.00	16.06
Advance to suppliers	696,000,000.00	100.00	547,036,227.00	(21.40)	1,824,173,420.00	162.09	555,256,210.00	(20.22)
Accrued tax Payable	15,040,000,000.00	100.00	7,331,032,058.00	(51.26)	9,665,443,662.00	(35.74)	7,814,428,781.00	(48.04)
Other liabilities	28,000,000.00	100.00	17,761,267.00	(36.57)	13,498,451.00	(51.79)	2,920,001.00	(89.57)
Other Payable	4,563,000,000.00	100.00	1,098,281,035.00	(75.93)	1,234,791,038.00	(72.94)	210,063,091.00	(95.40)
IV. non current liabilities	9,606,000,000.00	100.00	7,670,775,389.00	(20.15)	10,162,482,890.00	5.79	56,000,000,000.00	482.97
Long-term debt	9,606,000,000.00	100.00	7,670,775,389.00	(20.15)	10,162,482,890.00	5.79	56,000,000,000.00	482.97
III. shareholders' equity	102,114,000,000.00	100.00	369,133,255,068.00	261.49	517,411,612,131.00	406.70	513,971,023,445.00	403.33
Common stock	75,600,000,000.00	100.00	350,000,000,000.00	362.96	470,000,000,000.00	521.69	470,000,000,000.00	521.69
Cumulative adjustment	-	100.00	-	-	27,638,932,340.00	-	-	-
Retained earnings	26,514,000,000.00	100.00	19,133,255,068.00	(27.84)	19,772,679,791.00	(25.43)	16,332,091,105.00	(38.40)

Vertical Analysis

Description	Petro Vietnam Oil Lao Co., Ltd								
	Profit and loss Statement								
	2012		2013		2014		2015		Average 4 Year
	Amount	%	Amount	%	Amount	%	Amount	%	
Total Income	809,679,112,940.00	100.00	779,764,108,461.00	100	756,486,168,651.00	100	777,189,605,923.00	100.00	100.00
Sales	806,267,696,298.00	99.58	775,086,517,897.00	99.40	754,836,651,516.00	99.78	774,016,988,446.00	99.59	99.59
Products and Services	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-
Receive from service	-	-	-	-	-	-	-	-	-
Finance Income	3,411,416,642.00	0.42	4,677,590,564.00	0.60	1,649,517,135.00	0.22	3,172,617,477.00	0.41	0.41
Total Expenses	783,909,044,603.00	96.82	760,273,792,924.00	97.50	736,005,701,563.00	97.29	754,421,989,441.00	97.07	97.17
Cost of sales	622,491,906,653.00	76.88	606,979,536,294.00	77.84	573,456,990,674.00	75.81	591,367,311,320.00	76.09	76.65
Administrative expenses	31,131,969,282.00	3.84	31,018,531,994.00	3.98	31,145,141,710.00	4.12	33,622,526,825.00	4.33	4.07
Taxes and other fee	114,589,571,200.00	14.15	108,440,672,800.00	13.91	105,894,742,000.00	14.00	106,446,116,037.00	13.70	13.94
Salary	8,236,213,334.00	1.02	8,879,509,534.00	1.14	9,913,890,989.00	1.31	10,707,077,334.00	1.38	1.21
Depreciation and Amortization	3,251,344,679.00	0.40	4,036,124,333.00	0.52	5,403,687,003.00	0.71	6,502,689,358.00	0.84	0.62
Other expenses	53,076,472.00	0.01	352,012,500.00	0.05	1,428,583,000.00	0.19	1,563,321,769.00	0.20	0.11
Hedge	-	-	-	-	-	-	-	-	-
Inventory Movement	1,452,740,275.00	0.18	(3,693,732,758.00)	(0.47)	5,398,353,395.00	0.71	4,212,946,798.00	0.54	0.24
Profit before income taxes	25,770,068,337.00	3.18	19,490,315,537.00	2.50	20,480,467,088.00	2.71	22,767,616,482.00	2.93	2.83
Income tax expenses	7,215,619,134.00	0.89	4,677,675,729.00	0.60	5,449,402,530.00	0.72	6,374,932,615.00	0.82	0.76
Net profit	18,554,449,203.00	2.29	14,812,639,808.00	1.90	15,031,064,558.00	1.99	16,392,683,867.00	2.11	2.07

Vertical Analysis

Description	Petro Vietnam Oil Lao Co., Ltd								
	Statement of position								
	Asset								
	2012		2013		2014		2015		Average 4 Year
Amount	%	Amount	%	Amount	%	Amount	%		
Total Asset	140,584,107,371.00	100.00	145,142,076,793.00	100.00	129,417,234,003.00	100.00	128,496,358,935.00	100.00	100.00
Non Current Asset	23,731,819,712.00	16.88	28,302,283,760.00	19.50	28,524,330,374.00	22.04	28,916,986,693.00	22.50	20.23
Movement buy-sell business	-	-	-	-	-	-	-	-	-
Intangible Assets	53,482,620.00	0.04	51,769,726.00	0.04	31,311,926.00	0.02	29,415,441.00	0.02	0.03
Other Non Current Asset	23,678,337,092.00	16.84	28,250,514,034.00	19.46	28,493,018,448.00	22.02	28,887,571,252.00	22.48	20.20
Current Assets	116,852,287,659.00	83.12	116,849,793,033.00	80.50	100,892,903,629.00	77.96	99,579,372,242.00	77.50	79.77
Inventory	11,679,727,071.00	8.31	15,103,655,549.00	10.41	12,955,156,844.00	10.01	14,015,672,485.00	10.91	9.91
Account receivable	28,870,603,573.00	20.54	37,563,787,276.00	25.88	35,281,810,048.00	27.26	33,201,194,109.00	25.84	24.88
other receive	59,447,000.00	-	2,437,489,773.00	1.68	37,500,000.00	0.03	35,668,200.00	0.03	-
Taxes	7,889,661,250.00	5.61	7,633,136,036.00	5.26	-	-	8,678,627,375.00	6.75	4.41
Other	-	-	-	-	5,233,406,603.00	4.04	3,140,043,962.00	2.44	1.62
Advance	4,976,695,398.00	3.54	-	-	1,344,494,422.00	1.04	2,488,347,699.00	1.94	1.63
Petty cash	58,736,080.00	0.04	36,910,394.00	0.03	10,365,217.00	0.01	29,368,040.00	0.02	0.02
Cash and cash equivalents	63,317,417,287.00	45.04	54,074,814,005.00	37.25	46,030,170,495.00	35.57	37,990,450,372.00	29.57	36.86

Vertical Analysis

Description	Petro Vietnam Oil Lao Co., Ltd								
	Statement of position								
	Liabilities and Owner's equity								
	2012		2013		2014		2015		Average 4 Year
Amount	%	Amount	%	Amount	%	Amount	%		
Total liabilities and Owner's equity	140,584,107,369.00	100.00	145,142,076,792.00	99.99	129,417,234,032.00	100.00	128,496,358,935.00	100.00	100.00
Owner's equity	70,985,737,913.00	50.49	68,398,377,722.00	47.13	69,322,607,833.00	53.57	72,303,655,257.00	56.00	51.80
Common stock	1,365,300,001.00	0.97	1,365,300,001.00	0.94	1,365,300,001.00	1.05	1,365,300,001.00	1.06	1.01
Cumulative adjustment	66,549,138,710.00	47.34	68,937,787,913.00	47.50	66,543,593,274.00	51.42	67,603,951,389.00	52.36	49.65
Retained earning	18,554,449,202.00	-	14,812,639,808.00	-	15,031,064,558.00	11.61	16,392,683,867.00	12.70	6.08
- Dividend	(16,165,800,000.00)	-	(17,400,000,000.00)	-	(14,300,000,000.00)	(11.05)	(13,740,930,000.00)	(10.64)	(5.42)
Other Capital	682,650,000.00	0.49	682,650,000.00	0.47	682,650,000.00	0.53	682,650,000.00	0.53	0.50
Non current liabilities	66,513,531,774.00	47.31	73,963,880,948.00	52.61	52,981,525,824.00	40.94	46,728,832,001.00	36.19	44.26
Oversea Supply	51,375,551,772.00	36.54	64,391,774,123.00	44.36	40,464,247,144.00	31.27	45,724,241,077.00	35.41	36.90
Internal Supply	1,994,492,808.00	1.42	144,659,333.00	0.10	1,519,165,288.00	1.17	997,246,404.00	0.77	0.87
Salary	9,180,650.00	0.01	12,168,615.00	-	12,433,325.00	0.01	7,344,520.00	0.01	-
Government	13,134,306,544.00	9.34	9,415,278,877.00	6.49	10,985,680,067.00	8.49	11,820,875,890.00	9.16	8.37
Current liabilities	3,084,837,682.00	2.19	2,779,818,122.00	1.92	7,113,100,375.00	5.50	10,078,256,677.00	7.81	4.35
Provision	858,766,409.00	0.61	1,458,033,529.00	1.00	2,138,837,633.00	1.65	3,177,435,731.00	2.46	1.43
Account payable	2,226,071,273.00	1.58	1,321,784,593.00	0.91	4,974,262,742.00	3.84	6,900,820,946.00	5.34	2.92

Trend Analysis

Petro Vietnam Oil Lao Co., Ltd

Description	Statement of position							
	Asset							
	2012		2013		2014		2015	
	Amount	%	Amount	%	Amount	%	Amount	%
Total Asset	140,584,107,371.00	100.00	145,152,076,793.00	3.25	129,417,234,003.00	(7.94)	128,496,358,935.00	(8.60)
Non Current Asset	23,731,819,712.00	100.00	28,302,283,760.00	19.26	28,524,330,374.00	20.19	28,916,986,693.00	21.85
Intangible Assets	53,482,620.00	100.00	51,769,726.00	(3.20)	31,311,926.00	(41.45)	29,415,441.00	(45.00)
Other Non Current Asset	23,678,337,092.00	100.00	28,250,514,034.00	19.31	28,493,018,448.00	20.33	28,887,571,252.00	22.00
Current Assets	116,852,287,659.00	100.00	116,849,793,033.00	(0.00)	100,892,903,629.00	(13.66)	99,579,372,242.00	(14.78)
Inventory	11,679,727,071.00	100.00	15,103,655,549.00	29.32	12,955,156,844.00	10.92	14,015,672,485.00	20.00
Account receivable	28,870,603,573.00	100.00	37,563,787,276.00	30.11	35,281,810,048.00	22.21	33,201,194,109.00	15.00
other receive	59,447,000.00	100.00	2,437,489,773.00	4,000.27	37,500,000.00	(36.92)	35,668,200.00	(40.00)
Taxes	7,889,661,250.00	100.00	7,633,136,036.00	(3.25)	-	(100.00)	8,678,627,375.00	10.00
Other	-	100.00	-	-	5,233,406,603.00	-	3,140,043,962.00	-
Advance	4,976,695,398.00	100.00	-	(100.00)	1,344,494,422.00	(72.98)	2,488,347,699.00	(50.00)
Petty cash	58,736,080.00	100.00	36,910,394.00	(37.16)	10,365,217.00	(82.35)	29,368,040.00	(50.00)
Cash and cash equivalents	63,317,417,287.00	100.00	54,074,814,005.00	(14.60)	46,030,170,495.00	(27.30)	37,990,450,372.00	(40.00)

Trend Analysis

Petro Vietnam Oil Lao Co., Ltd

Description	Statement of position							
	Liabilities and Owner's equity							
	2012		2013		2014		2015	
	Amount	%	Amount	%	Amount	%	Amount	%
Total liabilities and Owner's equity	140,584,107,369.00	100.00	145,142,076,792.00	3.24	129,417,234,032.00	(7.94)	128,496,358,935.00	(8.60)
Owner's equity	70,985,737,913.00	100.00	68,398,377,722.00	(3.64)	69,322,607,833.00	(2.34)	72,303,655,257.00	1.86
Common stock	1,365,300,001.00	100.00	1,365,300,001.00	-	1,365,300,001.00	-	1,365,300,001.00	-
Cumulative adjustment	66,549,138,710.00	100.00	68,937,787,913.00	3.59	66,543,593,274.00	(0.01)	67,603,951,389.00	1.59
Retained earning	18,554,449,202.00	100.00	14,812,639,808.00	(20.17)	15,031,064,558.00	(18.99)	16,392,683,867.00	(11.65)
- Dividend	(16,165,800,000.00)	100.00	(17,400,000,000.00)	7.63	(14,300,000,000.00)	(11.54)	(13,740,930,000.00)	(15.00)
Other Capital	682,650,000.00	100.00	682,650,000.00	-	682,650,000.00	-	682,650,000.00	-
Non current liabilities	66,513,531,774.00	100.00	73,963,880,948.00	11.20	52,981,525,824.00	(20.34)	46,728,832,001.00	(29.75)
Oversea Supply	51,375,551,772.00	100.00	64,391,774,123.00	25.34	40,464,247,144.00	(21.24)	45,724,241,077.00	(11.00)
Internal Supply	1,994,492,808.00	100.00	144,659,333.00	(92.75)	1,519,165,288.00	(23.83)	997,246,404.00	(50.00)
Salary	9,180,650.00	100.00	12,168,615.00	32.55	12,433,325.00	35.43	7,344,520.00	(20.00)
Government	13,134,306,544.00	100.00	9,415,278,877.00	(28.32)	10,985,680,067.00	(16.36)	11,820,875,890.00	(10.00)
Current liabilities	3,084,837,682.00	100.00	2,779,818,122.00	(9.89)	7,113,100,375.00	130.58	10,078,256,677.00	226.70
Provision	858,766,409.00	100.00	1,458,033,529.00	69.78	2,138,837,633.00	149.06	3,177,435,731.00	270.00
Account payable	2,226,071,273.00	100.00	1,321,784,593.00	(40.62)	4,974,262,742.00	123.45	6,900,820,946.00	210.00

Vertical Analysis

Petrolimex Lao Co., Ltd

Description	Profit and loss Statement								Average 4 Year
	2012		2013		2014		2015		
	Amount	%	Amount	%	Amount	%	Amount	%	
Total Income	337,253,618,473.43	100.00	496,209,094,577.83	100	658,217,311,846.67	100	932,881,060,434.31	100.00	100.00
Sales	337,253,448,405.26	100.00	494,699,458,525.64	99.70	657,428,492,168.14	99.88	927,962,835,667.58	99.47	99.76
Cost of sales	329,269,121,602.94	97.63	480,213,019,959.11	96.78	637,970,931,506.24	96.92	893,928,016,160.27	95.82	96.79
Other Income	-	-	-	-	-	-	88,615,932.01	0.01	0.00
Total Expenses	7,984,326,802.32	2.37	14,486,438,566.53	2.92	19,457,560,661.90	2.96	34,123,405,439.32	3.66	2.98
Administrative expenses	7,587,631,696.59	2.25	10,484,409,616.28	2.11	12,582,992,572.54	1.91	24,973,355,096.89	2.68	2.24
Other aexpense	244,295,861.11	0.07	39,096,000.00	0.01	80,157,500.00	0.01	100,347,036.03	0.01	0.03
Gross Profit	152,399,244.62	0.05	3,962,932,950.25	0.80	6,794,410,589.36	1.03	9,049,703,036.40	0.97	0.71
Finance Income	170,068.17	0.00	1,509,636,052.19	0.30	788,819,678.53	0.12	4,829,608,834.72	0.52	0.24
Finance expense	848,005,917.07	0.25	179,059,907.62	0.04	2,879,269,122.39	0.44	-	-	0.18
Profit before income taxes	(695,436,604.28)	(0.21)	2,274,236,990.44	0.46	3,126,321,788.44	0.47	4,220,094,471.68	0.45	0.29
Income tax expenses	139,901,967.64	0.04	458,735,398.09	0.09	786,695,987.68	0.12	884,018,894.26	0.09	0.09
Carry forward tax	(23,039,016.34)	(0.01)	-	-	563,101,431.26	0.09	65,018,747.99	0.01	0.02
Net profit	(578,573,652.98)	(0.17)	1,815,501,592.35	0.37	2,902,727,232.02	0.44	3,441,094,325.41	0.37	0.25

Vertical Analysis

Petrolimex Lao Co., Ltd

Description	Statement of position								Average 4 Year
	Asset								
	2012		2013		2014		2015		
	Amount	%	Amount	%	Amount	%	Amount	%	
Total Asset	40,104,664,005.86	100.00	80,701,116,888.87	100.00	174,993,704,659.53	100.00	154,996,555,204.92	100.00	100.00
Non Current Asset	4,140,514,636.41	10.32	6,384,406,291.43	7.91	14,039,757,134.56	8.02	19,893,033,767.42	12.83	9.77
Net from sale investment	-	-	-	-	-	-	-	-	-
Intangible Assets	2,644,774,656.33	6.59	2,600,598,638.33	3.22	2,600,598,638.33	1.49	80,862,342.14	0.05	2.84
Other Non Current Asset	1,006,553,892.44	2.51	3,294,621,565.46	4.08	10,822,007,447.03	6.18	19,069,598,916.09	12.30	6.27
Assets in progress	-	-	-	-	311,121,430.00	0.18	371,524,142.00	0.24	0.10
other	489,186,087.64	1.22	489,186,087.64	0.61	306,029,619.20	0.17	371,048,367.19	0.24	0.56
Current Assets	35,964,149,369.45	89.68	74,316,710,597.44	92.09	160,953,947,524.97	91.98	135,103,521,437.50	87.17	90.23
Inventory	5,045,333,532.56	12.58	9,073,255,384.17	11.24	18,983,649,023.20	10.85	8,375,924,028.84	5.40	10.02
Account receivable	11,893,529,902.00	29.66	45,157,623,502.83	55.96	109,122,865,715.14	62.36	96,331,020,306.20	62.15	52.53
Taxes	(1,149,283,212.00)	(2.87)	(1,403,087,016.43)	(1.74)	(1,516,392,312.96)	(0.87)	-	-	(1.37)
trade other	428,596,494.38	1.07	8,954,269,488.24	11.10	16,181,804,037.23	9.25	21,266,900,771.13	13.72	8.78
Cash and cash equivalents	19,745,972,652.51	49.24	12,534,649,238.63	15.53	18,182,021,062.36	10.39	9,129,676,331.33	5.89	20.26

Vertical Analysis

Petrolimex Lao Co., Ltd

Description	Statement of position									Average 4 Year
	Liabilities and owner's equity									
	2012		2013		2014		2015			
	Amount	%	Amount	%	Amount	%	Amount	%		
Total liabilities and owner's equity	40,104,664,006.42	100.00	80,701,116,889.43	100.00	174,993,704,895.94	100.00	154,996,555,190.31	100.00	100.00	
Owner's equity	20,186,762,287.78	50.34	22,002,263,880.13	27.26	22,528,878,736.80	12.87	23,055,743,336.64	14.88	26.34	
Common stock	14,017,380,000.00	34.95	14,017,380,000.00	17.37	14,017,380,200.00	8.01	14,017,380,000.00	9.04	17.34	
Retained earnings	(2,171,321,009.94)	(5.41)	(355,819,417.59)	(0.44)	2,902,727,232.02	1.66	3,441,094,325.04	2.22	(0.49)	
Other Capital	8,340,703,297.72	20.80	8,340,703,297.72	10.34	5,608,771,304.78	3.21	5,597,269,011.60	3.61	9.49	
Non current liabilities	1,600,946,019.70	3.99	3,467,088,775.70	4.30	1,160,327,598.00	0.66	25,816,985,565.47	16.66	6.40	
Lease Liability	1,398,853,451.74	3.49	1,589,332,175.74	1.97	1,160,327,598.00	0.66	2,213,827,847.33	1.43	1.89	
Long-term debt	-	-	1,675,664,032.00	2.08	-	-	23,603,157,718.14	15.23	4.33	
Accrued tax	202,092,567.96	0.50	202,092,567.96	0.25	-	-	-	-	0.19	
Current liabilities	18,316,955,698.94	45.67	55,231,764,233.60	68.44	151,304,498,561.14	86.46	106,123,826,288.20	68.47	67.26	
Account payable	18,668,328,763.17	46.55	52,329,337,733.14	64.84	149,484,007,069.06	85.42	100,684,756,727.13	64.96	65.44	
Other Payable	(351,373,064.23)	(0.88)	2,602,983,737.49	3.23	3,233,371,934.30	1.85	-	-	-	
Overdraft	-	-	299,442,762.97	0.37	(1,412,880,442.22)	(0.81)	5,439,069,561.07	3.51	0.77	

Trend Analysis

Petrolimex Lao Co., Ltd

Description	Statement of position								
	Asset								
	2012		2013		2014		2015		
	Amount	%	Amount	%	Amount	%	Amount	%	
Total Asset	40,104,664,005.86	100.00	80,701,116,888.87	101.23	174,993,704,659.53	336.34	154,996,555,204.92	286.48	
Non Current Asset	4,140,514,636.41	100.00	6,384,406,291.43	54.19	14,039,757,134.56	239.08	19,893,033,767.42	380.45	
Net from sale investment	-	100.00	-	-	-	-	-	-	-
Intangible Assets	2,644,774,656.33	100.00	2,600,598,638.33	(1.67)	2,600,598,638.33	(1.67)	80,862,342.14	(96.94)	
Other Non Current Asset	1,006,553,892.44	100.00	3,294,621,565.46	227.32	10,822,007,447.03	975.15	19,069,598,916.09	1,794.54	
Assets in progress	-	100.00	-	-	311,121,430.00	-	371,524,142.00	-	
other	489,186,087.64	100.00	489,186,087.64	-	306,029,619.20	(37.44)	371,048,367.19	(24.15)	
Current Assets	35,964,149,369.45	100.00	74,316,710,597.44	106.64	160,953,947,524.97	347.54	135,103,521,437.50	275.66	
Inventory	5,045,333,532.56	100.00	9,073,255,384.17	79.83	18,983,649,023.20	276.26	8,375,924,028.84	66.01	
Account receivable	11,893,529,902.00	100.00	45,157,623,502.83	279.68	109,122,865,715.14	817.50	96,331,020,306.20	709.94	
Taxes	(1,149,283,212.00)	100.00	(1,403,087,016.43)	22.08	(1,516,392,312.96)	31.94	-	(100.00)	
trade other	428,596,494.38	100.00	8,954,269,488.24	1,989.21	16,181,804,037.23	3,675.53	21,266,900,771.13	4,861.99	
Cash and cash equivalents	19,745,972,652.51	100.00	12,534,649,238.63	(36.52)	18,182,021,062.36	(7.92)	9,129,676,331.33	(53.76)	

Trend Analysis

Petrolimex Lao Co., Ltd

Description	Statement of position								
	Liabilities and owner's equity								
	2012		2013		2014		2015		
	Amount	%	Amount	%	Amount	%	Amount	%	
Total liabilities and owner's equity	40,104,664,006.42	100.00	80,701,116,889.43	101.23	174,993,704,895.94	336.34	154,996,555,190.31	286.48	
Owner's equity	20,186,762,287.78	100.00	22,002,263,880.13	8.99	22,528,878,736.80	11.60	23,055,743,336.64	14.21	
Common stock	14,017,380,000.00	100.00	14,017,380,000.00	-	14,017,380,200.00	0.00	14,017,380,000.00	-	
Retained earnings	(2,171,321,009.94)	100.00	(355,819,417.59)	(83.61)	2,902,727,232.02	(233.68)	3,441,094,325.04	(258.48)	
Other Capital	8,340,703,297.72	100.00	8,340,703,297.72	-	5,608,771,304.78	(32.75)	5,597,269,011.60	(32.89)	
Non current liabilities	1,600,946,019.70	100.00	3,467,088,775.70	116.57	1,160,327,598.00	(27.52)	25,816,985,565.47	1,512.61	
Lease Liability	1,398,853,451.74	100.00	1,589,332,175.74	13.62	1,160,327,598.00	(17.05)	2,213,827,847.33	58.26	
Long-term debt	-	100.00	1,675,664,032.00	-	-	-	23,603,157,718.14	-	
Accrued tax	202,092,567.96	100.00	202,092,567.96	-	-	(100.00)	-	(100.00)	
Current liabilities	18,316,955,698.94	100.00	55,231,764,233.60	201.53	151,304,498,561.14	726.04	106,123,826,288.20	479.37	
Account payable	18,668,328,763.17	100.00	52,329,337,733.14	180.31	149,484,007,069.06	700.74	100,684,756,727.13	439.33	
Other Payable	(351,373,064.23)	100.00	2,602,983,737.49	(840.80)	3,233,371,934.30	(1,020.21)	-	(100.00)	
Overdraft	-	100.00	299,442,762.97	-	(1,412,880,442.22)	-	5,439,069,561.07	-	