PHOUSY CONSTRUCTION AND DEVELOPMENT PUBLIC COMPANY

NTERIM FINANCIAL INFORMATION (UNAUDITED)

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026
(Revised on 14/10/2026)

AUDITOR'S REPORT ON THE REVIEW OF THE INTERIM FINANCIAL INFORMATION

To the Shareholders and the Board of Directors of Phousy Construction and Development Public Company

We have reviewed the interim financial information of Phousy Construction and Development Public Company, which comprises the statement of financial position as at 30 June 2026, the related statements of income, changes in equity, and cash flows for the six-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim financial information in accordance with the accounting policies as described in Note 2 to the interim financial information. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with the accounting policies as described in Note 2 to the interim financial information.

TC Accounting Service Co.LTD

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PHOUSY CONSTRUCTION AND DEVELOPMENT PUBLIC COMPANY

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026

	Notes	Unaudited 30 June 2026 Million LAK	Audited 31 December 2025 Million LAK
Assets			
Current assets			
Cash and cash equivalents	3	2,272	186
Trade accounts receivable, net	4	505,992	498,124
Inventories, net		318	318
Other current assets	6	306	304
Total current assets		**508,887**	**498,932**
Non-current assets			
Property, plant and equipment, net	7	322,742	308,181
Investment properties, net	5	189,442	189,442
long-term loan to related parties		505	505
Total non-current assets		**512,688**	**498,128**
Total assets		**1,021,576**	**997,060**

Mr. Pheng DOUANGNGEUN
Managing Director

Date: 14 October 2026

Mrs. Haithong PHOMMACHITH
Head of Finance and Accounting

Date: 14 October 2026

PHOUSY CONSTRUCTION AND DEVELOPMENT PUBLIC COMPANY

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026

	Notes	Unaudited 30 June 2026 Million LAK	Audited 31 December 2025 Million LAK
Liabilities and equity			
Liabilities			
Current liabilities			
Trade accounts payable	8	101,470	92,970
Current portion of long-term borrowings	9	154,596	154,596
Profit tax payables	10	6,074	6,074
Other current liabilities	11	64,373	58,099
Total current liabilities		**326,513**	**311,739**
Non-current liabilities			
Long-term borrowings	9	-	-
Total non-current liabilities		-	-
Total liabilities		**326,513**	**311,739**
Equity			
Authorized share capital	12	582,000	582,000
Share premium	12	12,540	12,540
Retaining earnings/(Deficits)			
Appropriated-legal reserve	13	24,801	24,801
Unappropriated		75,722	65,980
Total equity		**695,062**	**685,321**
Total liabilities and equity		**1,021,576**	**997,060**

Mr. Pheng DOUANGNGEUN
Managing Director

Date: 14 October 2026

Mrs. Haithong PHOMMACHITH
Head of Finance and Accounting

Date: 14 October 2026

PHOUSY CONSTRUCTION AND DEVELOPMENT PUBLIC COMPANY

STATEMENT OF INCOME
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

	Notes	Unaudited 30 June 2026 Million LAK	Unaudited 30 June 2025 Million LAK
Revenue from construction			-
Cost of construction		(6)	-
Gross profit		**(6)**	**-**
Gain/loss from disposal of assets		-	200
Allowance for doubtful gain/(loss), net	4	-	3,421
Other income from asset rental		4,580	5,111
Gain from tax reversal		-	33
Finance income		1	-
Administrative expenses		(1,389)	(1,229)
Foreign exchange loss, net		(4)	(8)
Finance expense		(7,991)	(7,991)
Loss before profit tax expenses		**(4,808)**	**(463)**
Profit tax expenses	17	-	-
loss for the period		**(4,808)**	**(463)**
Loss per share			
Basic loss per share	18	(6.20)	(0.60)

Mr. Pheng DOUANGNGEUN
Managing Director

Date: 14 October 2026

Mrs. Haithong PHOMMACHITH
Head of Finance and Accounting

Date: 14 October 2026

PHOUSY CONSTRUCTION AND DEVELOPMENT PUBLIC COMPANY

STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

	Notes	Share capital Million LAK	Share premium Million LAK	Retaining earnings/ (Deficits) legal reserve Million LAK	Retaining earnings/ (Deficits) Unappropriated Million LAK	Total Million LAK
Balance at 1 January 2025		**582,000**	**12,540**	**24,801**	**65,980**	**685,321**
Loss for the period		-	-	-	(4,802)	(4,802)
Balance at 30 June 2025		**582,000**	**12,540**	**24,801**	**61.178**	**680,519**
Balance at 1 January 2026		**582,000**	**12,540**	**21,417**	**33,098**	**648,785**
Loss for the *period*		-	-	-	(463)	(463)
Balance at 30 June 2026		**582,000**	**12,540**	**21,417**	**32,635**	**648,322**

Mr. Pheng DOUANGNGEUN
Managing Director

Date: 14 October 2026

Mrs. Haithong PHOMMACHITH
Head of Finance and Accounting

Date: 14 October 2026

PHOUSY CONSTRUCTION AND DEVELOPMENT PUBLIC COMPANY

STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

	Notes	Unaudited 30 June 2026 Million LAK	Unaudited 30 June 2025 Million LAK
Cash flow from operating activities:			
Net loss before income tax for the period		(4,808)	(463)
Adjustments:			
– Unrealized loss on exchange rate		-	13
– Depreciation charges		-	78
– Finance expenses		7,991	7,991
– (Gain)/loss from disposal of assets		-	(200)
– (Gain)/loss from impairment		-	(3,421)
Operating (loss)/profit before working capital changes		**3,184**	**3,998**
Changes in operating assets:			
– Trade and other receivable		(7,867)	(1,116)
– Other current assets		(2)	1
Changes in operating liabilities			
– Trade and other accounts payable		6,549	(2,969)
– Other current liabilities		227	(211)
Cash (used in) / generated from operating activities		**2,090**	**(297)**
Income tax paid		-	(94)
Interest paid		-	-
Net cash (used in) /generated from operating activities		**-**	**(391)**
Cash flows from investing activities:			
Acquisition property, plant and equipment		(4)	-
Proceeds from disposals of assets		-	200
Net cash generated from investing activities		**(4)**	**200**
Cash flows from financing activities:			
Repayment of borrowing		-	-
Net cash used in financing activities		**-**	**-**
Net decrease in cash and cash equivalents		**2,086**	**(191)**
Cash and cash equivalents at the beginning of the period		186	371
Effect of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents at the end of the period		**2,272**	**180**

Mr. Pheng DOUANGNGEUN
Managing Director

Date: 14 October 2026

Mrs. Haithong PHOMMACHITH
Head of Finance and Accounting

Date: 14 October 2026

NOTES TO FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

1. General information

Phousy Construction and Development Public Company is a public company. The address of the Company's registered office is at Continental Plaza Hotel, Nongbuathong-Tai Village, Sikhottabong District, Vientiane Capital, Lao PDR.

The principal businesses of the Company are construction, repair and maintenance for roads, bridges and others. There is only one customer which is Government of Lao PDR (GoL).

The Company was listed on the Lao Securities Exchange (LSX) market on 10 October 2017.

2. Significant accounting policies

The principal accounting policies applied in the preparation Of the financial statements are set out below:

2.1 Basis Of preparation

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

According to the Accounting Law no. 471NA issued on 26 December 2013, Public Interest Enterprises (PIES) are required to apply IFRS. However, the Ministry of Finance has Issued announcement No. 11371MoF issued on 27 April 2020 and from Lao Securities and Exchange Commission Office (LSCO) dated 25 May 2020, which provided options for PIES to prepare action plan for adoption IFRS until 31 December 2025 and 1 January 2026 onward, all listed companies must fully adopt IFRS.

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

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

Going concern

The Company's financial position as at 31 December 2025 indicates that the current liabilities exceeded its current assets by LAK 201,667 million (excluding the net amount arising from related parties' transactions). In addition, the Company has borrowings totaling LAK 154,596 million (Note 8) that were completely due on 29 December 2025 and subsequent to the date of this report, the borrowings are still outstanding.

Revenue for the year 2025 was nil, and the cash flows from operating activities were negative. The Company's revenue depends on projects from Government of Lao PDR (GoL), which is subject to GoL's annual budget. Furthermore, the Company has long outstanding of amount due from related parties totaling LAK 470,964 million (Note 4).

2. Significant accounting policies (Continued)

2.1 Basis Of preparation (Continued)

Under these circumstances, it indicated the material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. However, the Company has established significant action plans to manage its liquidity risk. Management has undertaken the following measures:

Manage liabilities by negotiating extensions for the repayment of principal and interest on borrowings that have reached their maturity dates. However, the borrowing agreement includes an option that allows the Company to use the receivable from GoL as a source for repayment. In addition, as at the reporting date, no notice has been received from the lender regarding this matter; and

Related parties have provided confirmation letters stating that they will not call repayment of balances payable as at 31 December 2025, totaling LAK 80,911 million, within the next 12 months from 31 December 2025.

Therefore, the Company continues to use the going concern basis in preparing the financial statements.

2.2 Foreign currency transactions

Items included in the financial statements are recorded using Lao Kip ("LAK").

Foreign currency transactions are translated into LAK using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currency are translated into LAK at the exchange rates prevailing at the balance sheet dates, except some contracts with suppliers the Company has fixed foreign exchange rate and does not need to translate every month ending until those transactions has been settle. Gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities demarginated in foreign currencies are recognized in the statement of income.

2.3 Cash and cash equivalents

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

2.4 Trade and other receivables

Trade accounts receivable is carried at the original invoice amount and subsequently measured at the remaining amount less any allowance for doubtful receivables based on a review of all outstanding amounts at the year-end. Management considers provision for allowance for doubtful account when the outstanding balance over 3 years.

No provision made on outstanding balances Of trade and receivables and Other receivables from related parties.

2. Significant accounting policies (Continued)

2.5 Inventories

Inventories are stated at the lower of the purchase cost and net realizable value. The cost is determined using the weighted average method. The purchase cost comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as Import duties and transportation charges, less all attributable discounts, allowances or rebates from suppliers. Net realizable value is the price at which the inventories can be realized in the normal course of business after allowing for the costs of realization. Allowance is made, where necessary, for Obsolete, slow- moving and defective inventories.

2.6 Investment securities

2.6.1 Held-to-maturity securities

Held-to-maturity investment are debt securities with fixed or determinable payments and maturities, Milch the Company has intention and ability to hold to maturity to earn Interest. When they are Intended} determined to be sold before its maturity date and approved by the management and they will be classified to investment n available-for-sale securities.

Held-to-maturity securities are initially recognized at cost and subsequently presented at cost.

Premiums and discounts arising from securities purchases are amortized in the statement of Income using the straight-Ine method over the year from the acquisition dates to the maturity dates.

Periodically, the held-to-maturity securities are subject to review for impairment. Provision for Impairment of these securities is made when there has been a significant or prolonged decline in the value below their cost. Provision for impairment recognized as "Net gain/(loss) from securities investment" in the statement of income.

No provision made on outstanding balances of Government bonds which classified as investment securities held-to-maturity securities.

2.7 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Land held and accounted for by the Company as investment property when met the definition of investment property.

Investment property is measured initially at its cost.

After initial recognition, investment property is carried at cost less any accumulated depreciation and any accumulated impairment losses and land IS not depreciated.

2. Significant accounting policies (Continued)

2.8 Property, plant and equipment

All other property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to statement of income during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to their residual values over their estimated useful lives, as follows:

Gains or losses on disposals are determined by comparing the proceeds or agreed considerations with the carrying amount and are recognized within 'separate item' in statement of income.

Assets type	Years
Building	10
Vehicle	10
Office equipment	5
Furniture and fixture	5

2.9 Borrowings

Borrowings are recognized initially at cash proceed received.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement Of the liability for at least 12 months after the balance sheet date.

All borrowing costs are recognized in statement of income in the period in which they are incurred

2.10 Revenue recognition

Revenue comprises the invoice value net of rebates and discounts, if any. Revenue from the construction and services are recognized when the goods or services are transferred or delivered and accepted by the buyer. The related costs are recognized in profit or Oss when they are incurred.

Other income is recognized on the following basis:

* Interest income is recognized on a time-proportion basis, taking into account the principal outstanding and interest rate over the period to maturity, when it is determined that such income will be accrued to the Company.
* Rental income is recognized on a straight-line basis over the lease term.
* Other income is recognized on an accrual basis.

2. Significant accounting policies (Continued)

2.11 Lease - where the Company is the lessor

Land eased out under operating leases are included in investment property in the statement of financial position and land are not depreciated. Land rental income is recognized on a straight-line basis over the ease term. Refer to Note 5.

2.12 Taxation

The Company records corporate income tax on an accrual basis. The Company does not recognize corporate income tax payable or receivable in future periods for temporary differences. Profit tax is calculated by revenue from construction within a year multiplied with gross profit ratio and multiplied with profit tax rate (Note 17). The profit tax will offset when Government of Laos make payment to the Company.

In Lao PDR, income tax returns are reviewed in detail by the relevant authorities on a regular basis. Tax issues raised during the reviews may require judgments and interpretations by the relevant authority. Tax reviews may result in additional tax payments or refunds as necessary.

Such additional payment or refund is recognized as income tax expenses in the year in which the reviews are completed.

2.13 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated, except for the provision for employee benefits as described n Note 2.14.

2.14 Employee benefits

According to the Lao Labor Law, when staff retire and meet the certain criteria as mentioned in Lao Labor Law. Therefore, the Company has Obligation to pay to the staff for retirement expenses.

Provisions for employee benefits are not accrued in each year. The liability recognised in the statement of financial position and related expenses are recognised in the income statement based on actual amount due at the time Of employees retire.

2.15 Share capital

Ordinary shares and non-redeemable preference shares with discretionary dividends are classified as equity.

The share premium is a surplus between the Offering price of addition share issuance and the par value. The share issuance cost (such as underwriting fees and Other relevant valuation, consulting costs) is recognized as period expenses.

Basic earnings per share is calculated by dividing the net profit or loss attributable to shareholders of the Company by the weighted average number of ordinary shares during the period.

NOTES TO FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

3. Cash and cash equivalents

	Unaudited 30 June 2026 Million LAK	Audited 31 December 2025 Million LAK
Cash on hand	369	3
Deposits held at call with financial institutions	1,902	183
Total	**2,272**	**186**

4. Trade and other receivables

	Unaudited 30 June 2026 Million LAK	Audited 31 December 2025 Million LAK
Trade accounts receivable	222,698	222,698
Less: Allowance for doubtful debts	(222,698)	(222,698)
Trade account receivables, net	-	-
Amount due from related parties (Note 16)	479,511	470,964
Other receivables	22,189	27,160
Total	**501,755**	**498,124**

5. Investment properties

	Land Million LAK	Total Million LAK
Opening balance as at January 2025-Audited	189,442	189,442
Cost	-	-
Less: Accumulated depreciation	-	-
Closing balance as at 30 June 2025-Unaudited	**189,442**	**189,442**

Land LAK 189.442 million are secured for the Phousy Group's borrowings.

6. Property, plant and equipment, net

	Land Million LAK	Building Million LAK	Vehicle Million LAK	Furniture and fixture Million LAK	Computer and office equipment Million LAK	Total Million LAK
At 31 December 2025						
Cost	308,179	18	34,652	1,061	448	**344,358**
Less: Accumulated depreciation	-	(18)	(33,351)	(1,061)	(448)	**(34,878)**
Provision for impairment	-	-	(1,299)	-	-	**(1,299)**
Net book amount	308,179	-	2	-	-	**308,181**
Opening net book amount	**308,179**	-	2	-	-	**308,181**
Additions	14,563	-	-	-	-	**14,563**
Disposal cost*	-	-	-	-	-	**-**
Depreciation charge	-	-	-	-	-	**-**
Closing net book value as at 30 June 2026 - Unaudited	**322,742**	**-**	**2**	**-**	**-**	**322,744**

7. Trade and other payables

	Unaudited 30 June 2026 Million LAK	Audited 31 December 2025 Million LAK
Trade payables - third parties	18,336	10,866
Trade payable - related parties (Note 16) b	56,498	82,104
Total	**74,835**	**92,970**

8. Borrowings, net

	Unaudited 30 June 2026 Million LAK	Audited 31 December 2025 Million LAK
Financial institution	154,596	154,596
Total	**154,569**	**154,596**
current	154,596	154,596
Non-current	-	-
Total	**154,569**	**154,596**

The company signed a borrowing agreement amount LAK 36.000 million with local commercial bank for working capital for road construction with interest rate of 17% per annum since 29 May 2015. This borrowing is guaranteed by land of the Company (Note 5) and land of related parties. The Company is required to repay principal within 3 years after the first drawdown on annually and interest is payable on monthly.

During the period, there were no repayments of borrowing.

The Company entered into the borrowing agreement amount LAK 300 billion with local commercial bank with interest rate 9.50% per annum started from 29 December 2022 to 29 December 2027. This borrowing is guaranteed by land of the Company (Note 7) and land of related party. The first principal repayment will be paid on 29 December 2025 and interest is payable on monthly.

9. Profit tax payable

According to the profit tax payment practice between tax authority and the Company, profit tax is calculated by assessed taxes at pre-determined profit rates multiplied by profit tax rate and revenue from construction. The profit tax will off-set when Government of Laos make payment to the Company.

10. Other current liabilities

	Unaudited 30 June 2026 Million LAK	Audited 31 December 2025 Million LAK
VAT payable*	20,262	20,392
Interest payable from financial institutions	40,920	24,805
Advance received from sub-contractor	930	930
Advance received from government	893	893
other	1,367	3,080
Total	**64,373**	**50,100**

* VAT payable is calculated by multiplied by 10% of revenue from construction and it will off-set when Government of Laos make payment to the Company.

11. Share capital and premium on share capital

	Number of shares Million shares	Ordinary shares Million LAK	Share Premium Million LAK	Total Million LAK
At 1 January 2025	582	582,000	12,540	594,540
Issued of shares	2,328	-	-	-
At 31 December 2025	**2,910**	**582,000**	**12,540**	**594,540**
At 1 January 2026	2,910	582,000	12,540	594,540
Issued of shares	-	-	-	-
At 31 June 2026	**2,910**	**582,000**	**12,540**	**594,540**

The Company incurred premium on share LAK 12,540 million when listed in Lao Securities Exchange in 2017.

On May 13, 2025, the Company updated its Enterprise Registration Certificate with the Ministry of Industry and Commerce to reflect amendments to its share structure.

12. Legal reserve

The legal reserve is set up in accordance with the requirement of the Enterprise Law of the Lao PDR, which requires that at least 10% of the annual net profit after deducting losses be set aside as a legal reserve until such reserve reaches 50% of the authorized share capital.

13. Dividend

2025:

At the Annual General Meeting of Shareholders held on 25 April 2026, the shareholders approved no dividend payments for the year 2024 because of the operating loss.

2024:

At the Annual General Meeting of Shareholders, held on 26 April 2024, the shareholders approved a resolution to declare a dividend payment from unappropriated retained earnings after legal reserve allocation and from the net profit the year 2023 of LAK 22 per share totaling amount of LAK 12,804 million and fully paid during the year.

14. Profit tax expenses

According to the profit tax payment practice between tax authority and the Company as described in (Note 10), profit tax expense presented profit tax from construction revenue during the year but GoL does not yet make payment.

15. Basic loss per share

As at 30 June 2026, basic loss per share are calculated by dividing the net loss attributable to shareholders by the weighted average number of ordinary shares in issue during the period.

	Unaudited 30 June 2026 Million LAK	Unaudited 30 June 2025 Million LAK
Weighted average number of ordinary shares	776	776
Net loss for the period attributable to shareholders	(4,808)	(463)
Basic loss per share (LAK)	**(6.20)**	**(0.60)**

The Company recalculates basic loss per share for prior period ended 30 June 2025 for the purpose of comparability in financial information, which is calculated by using weighted average number of ordinary shares as if the par value and the number of issued and paid-up share capital was changed in consistent with the change in the par value and the number of issued and paid-up share capital during the period ended 30 June 2026.

16. Related party transactions

Significant related party transactions during the period can be summarized as follows:

a. Purchases of goods or services and others

	Unaudited 30 June 2026 Million LAK	Unaudited 30 June 2025 Million LAK
Land rental income from related parties	4,580	4,580
Fuel expenses	184	93
Rental	90	90

b. Outstanding balances with related parties

	Unaudited 30 June 2026 Million LAK	Unaudited 30 June 2025 Million LAK
Amounts due from related parties (Note 5)*	479,511	462,652
Short-term to loan related parties	505	505
Other payable - related parties (Note 7)	56,498	105,033

This is consisting of amount due from Phousy Group Sole Company Limited and other related parties with no interest and call on demand.

c. Managements remuneration

There was no benefit paid to managing director during the period.

17. Commitments

For the period ended 30 June 2026, the Company has no significant capital commitments.

18. Event after the reporting period

There are no significant events occurring after the period end requiring adjustments or disclosures to the financial information for the period ended 30 June 2026.