REPORT IN BOARD OF EXECUTIVE MEETING ON 2/2016
OF
SUVANNY HOME CENTER PUBLIC (COMPANY)

The members of Board of Executive who attended meeting.

1. Mr. Oun	LASUKUNH	President Boart of Executive
2. Mr. Waddana	SOUKBANDITH	vice president
3. Mr. Phannola	SOUKBANDITH	vice president
4. Mr. Khamkong	LIEMPHACHANH	member
5. Mr. Padith	VONGSENA	member
6. Mr. Kosada	SOUKBANDITH	member
7. Mrs. Paphadsone	SOUKBANDITH	member
8. Mrs. Sutikan	SISENGCHAN	member

Representative of Mr. Vithoun SURIYAVANAKOUN

Time and Venue:

The meeting held on 12 Aug 2016 at 14:00 h in Head quarter at Phontongsavath village, Chanthabuly district, Vientiane capital Lao PDR.

Prior-meeting opening.

This Board of executive meeting is chaired by Mr. Oun Lasukan with chairman declared the meeting to acknowledged that a director of the company as Mr. Namphon MALIXAY had resigned from the director of the company according to the his resignation on 1 Aug 2016 which received by the company on 1 Aug 2016 cause the company has only 8 directors in this meeting consequently Mr. Vithoun Suriyavanakun has crucial work hurry so he cannot attend this meeting by himself with foresee its important agenda in this meeting is on finance and accounting then he assigned Mrs. Sutikan Sisengchan represented him who has expertise and experience in this field to attend the meeting according to assignment letter on 4 Aug 2016, herein subject to the law on enterprise (revised 2013) in article 138 an assignee shall have a consent unique from the members of the Board of executive then she/he can attend this meeting by his/her right can give some opining but cannot vote in each agenda.

After considering such subject then have a consent unique by all directors to Mrs. Sutikan Sisengchan who is representative of Mr. Vithoun Suriyavanakun to attend this meeting and have the right to give some opining but cannot vote in each agenda.

Therefore, today has 8 directors to attend this meeting which deems to complete its quorum, then the chairman has speech to open and then consider these subjects as following:

Agenda 1: Considered to adopt the report of previous Board of Executive meeting.

The chairman had reported the Board of Executive meeting in 1/2016 to the meeting consider and adopted the report at that time.

After considering such subject the meeting had resolution unique as following:

Resolution: adopted the report of Board of executive meeting in 1/2016.

Agenda 2: Considered and adopted the financial report in 1st Half 2016.

The chairman had assigned to Mr. Phannola Soukbandith deputy of financial director present the business transaction performance of the company and financial report drafting in 1st half 2016 which had been audited from external auditors already to the meeting for its detail as given document to all directors prior the meeting started.

After considering such subject the meeting had resolution unique as following:

Resolution: had a consent with the business transaction performance of the company and financial report drafting in 1st half 2016.

Agenda 3: Considered on Lift business of the company.

Agenda 3.1 The chairman declared the meeting to acknowledge on notice from Mitsubishi.

The chairman declared the meeting to acknowledge that consequently the company has been dealer for the lift and escalator of Mitsubishi solely in Lao PDR from 2013 according to the Distributor Agreement by in the first time that had negotiating the Misubishi was interested in joining of investment in lift business with Mr. Waddana Soukbandith, Phannola Soukbandith and Kosada Soukbandith but there is restricted in law on whole selling, retailing in the past. However, it has still discussed each other therein Distributor Agreement between the company and Mitsubishi had agreed that The Mitsubishi is able to terminate this Distributor Agreement in any time if the company has crucial alteration in management, road map of business transaction or possessive of the company, not only directly but also indirectly during operational process to register for the company into the registered company in the stock market, the company talks by telephone as well travel to negotiate with Mitsubishi on alteration of the company but Mitsubishi hasn't replied us clearly yet.

After the company registered into the stock market already, and also talked by telephone, E-mail and travel to negotiate between the directors of the company and Mitsubishi's but hasn't succeeded and on 21 June 2016 the Mitsubishi had sent a letter to the company noticed that is going to terminate for Distributor Agreement if it has not conducted in separating for lift business from the company absolutely the detail of the letter of Mitsubishi on 21 June 2016 that given to all directors prior the meeting started.

After the chairman declared the meeting to acknowledge then considered in the agenda further.

Agenda 3.2 Considered and request for transferring sale the lift and escalator business.

The chairman declared the meeting to acknowledge that as declared all the directors to know on the letter from Mitsubishi if drags on it without doing nothing by the company when Mitsubishi terminated the Distributor Agreement with the company then the company is unable to operate in the lift and escalator business further, consequently its operating currently the company recourse of technician, expertise and its equipment from Mitsubishi then request for the company to transferring sale the lift to any company that establish by the big shareholder as

Mitsubishi and Mr. Waddana Soukbandith, Phannola Soukbandith and Kosada Soukbandith who are less shareholders.

During the meeting Mr. Waddana Soukbandith explained that although the company did not approve to sell the lift and escalator business if Mitsubishi hasn't provided the goods and technical expert and then the company has to sell other trade mark of lifts and escalators with Mitsubishi might make new Distributor Agreement with another company or establish any company to have transaction such business in Lao PDR. And also becomes competitor with us in this event I have foreseen that the products of Mitsubishi on lift and escalator will be better potential because it is demand of markets and accepted in international in good quality for competition with Mitsubishi might not achieved as expected so considered that selling the lift and escalator business in order to the company has benefit from selling out the lift is better way.

Besides this Mrs. Sutikan Sisengchan had some comment that agreed with Mr. Waddana Soukbandith if we have competition with Mitsubishi by experience and expertise in this field it might not good outcome for us including our own company to emphasize that will develop ourselves to be dealer in Home Center in Lao PDR, for the lift business may not be main business. However, really we have to consider in its price more that how much we will sell it in appropriate, by consider form the assets of the company that the company has to sell out and other interest hereinafter.

This is also Mr. Waddana Soukbandith, Phannola Soukbandith and Kosada Soukbandith who are directors of the company in this agenda then 3 directors are unable to vote it.

After considering such subject the meeting had resolution unique as following:

Resolution: had agreed in its principle to sell the lift business to any company that establish by the big shareholder as Mitsubishi and Mr. Waddana Soukbandith, Phannola Soukbandith and Kodsada Soukbandith who are less shareholders, but prior request to the shareholders meeting in considering, will have talking on its price with purchaser first that how much does it cost that enjoyed by both seller and purchaser which will have considering in the next Board of Executive meeting.

Agenda 4: **Considered and appointed a director replace of whom was resigned.**

the chairman declared the meeting to acknowledge that consequently a director had resigned from our company as Mr. Namphon MALIXAY according to his resignation on 1 Aug 2016 caused by rest of 8 directors to make vacancy between 2 shareholder ordinary meetings, then it is the Board of Executive meeting whom consider and select proper qualify external person to have been a director of the company to work efficiency with the selected director has term of working equals to the rest of the term of a director who was resigned.

Hereinafter, had presented Mr. Varid CHINTANAVAN who has acknowledge and capability in finance, management and accounting including his experience in construction material distributing for many years, his detail of CV according to given document to all directors prior the meeting started.

After considering such subject the meeting had resolution unique as following:

Resolution: agreed to Mr. Varid CHINTANAVAN has been a director to have the term of working equals to the rest of the term of a director who was resigned, submit to the shareholders to consider and adopted in the next shareholder meeting.

Agenda 5: **Considered and requested to amend registered document of the company**.

Agenda 5.1: **Considered and requested to amend registered document on the objective of the company.**

The chairman declared the meeting to acknowledge that when the Board of Executive meeting held once more and the Board of Executive had a consent the price already then will submit the shareholders meeting to consider in transferring sale the lift and escalator business, if it is approved in such agenda and then the company will conduct to revoke the lift and escalator business from objective of the company and also have amending the registered document of the company in accordance with the shareholders meeting resolution.

After considering such subject the meeting had resolution unique as following:

Resolution: had agreed when the Board of Executive meeting held once more and the Board of Executive had a consent the price already including the shareholders meeting had approved to transfer sale the lift and escalator business then will request the shareholders meeting to consider and approve in amending the registered document on objective of the company further.

Agenda 5.2: **Considered and requested to amend the registered document on the Director of the company**.

The chairman declared the meeting to acknowledge to have resolution to approve the director that was appointed by the Board of Executive according to agenda 4, consequently the name of director is stated in regulation of the company. Therefore, the company would amend the registered document to make information in accordance and match with the nature of the meeting and request to the shareholders meeting to approve assignment to the Board of Executive to have any operation that relation to amend the registered document of the company completely including assignment to anyone to operate as well.

After considering such subject the meeting had resolution unique as following:

Resolution: had agreed to request the shareholders meeting will hold in the next time to consider and approve on amending the registered document of the company on the director with information according to agreement of the meeting and request to the shareholders meeting to consider and approve assignment to the Board of Executive to have any operation that relation to amend the registered document of the company completely including assignment to anyone to operate as well.

Agenda 6: Considered call to Special shareholders meeting in 1/2016.

The chairman declared the meeting to acknowledge that consequently the importance nature in this Board of Executive meeting is considering on transferring sale the lift and escalator business although all the directors agreed unity in principle that will sell the lift business to any company establish by the big shareholder as Mitsubishi and Mr. Waddana

Soukbandith, Phannola Soukbandith and Kodsada Soukbandith who are less shareholders consequent its price is important in the Dealing Agreement of business if its price is non enjoy for seller and buyer then might drag on its time of negotiation more or cause the seller and purchaser or both parties agree in another ideas. Therefore, to avoid wasting the time and expending in holding the shareholders meeting and account of all shareholders' right to have information sufficiency, entirely and all fields to use for component in making decision in voting of each agenda. Therefore, the Board of Executive should be computed it already how much in selling period before shall transfer such business base on how is computing and negotiated with purchaser already in order to notice the shareholders to know with meeting invitation in the next shareholders meeting.

After considering such subject the meeting had resolution unique as following:

Resolution: had agreed to hold the Board of Executive meeting once more to consider on the price of the lift and escalator business including negotiated with purchaser already then will have approving to determine an account closing date of the shareholders, appoints inspectors the shareholders meeting, voting and call to the next shareholders meeting.

Agenda 7: **Provisions.**

The chairman declared the meeting to acknowledge that the shareholders ordinary meeting in 2016 had approved the company to make a leasing agreement with Mr. Waddana Soukbandith, Phannola Soukbandith and Kosada Soukbandith to establish 5 affiliates of the company such as:

Xokyai, Paksun, Pakxe, Khamounae, and Savannakhet by calculating rates of less than 2 percent of the appraise value. However, because the number of land plots and each is far caused estimator need time to collect the information. In the currently, appraise value is not finish yet, if successful will be bring the price inform to the shareholders meeting to be held next time.

In the absence of other considerations, the Chairman closed the meeting at 15:00 PM.

(Mr. Oumh LARSOUKANH)

Chairman of Board Meeting

Be verified as accurate

(Mr. Waddana SOUKBANDITH)

Vice-Chairman of Board Meeting

(Mr. Phannola SOUKBANDITH)

Vice-Chairman of Board Meeting