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No. 238 - -

Vientiane Capital, Date: 13 MAR 2020

Meeting minutes of The Annual General Meeting of Shareholders for the year 2018

Phousy Construction and Development Public Company hosted the Annual General Meeting of Shareholders for the year 2020 on 28 February 2020 at 14:30 pm, at the Meeting room on 8th Floor, Lao Securities Exchange building, Kamphengmeuang Road (T4), Phonthan Village, Saysettha District, Vientiane Capital. The meeting chaired by Mr. Sitha Phommachith Director/CEO. The meeting was attended by 13 actual shareholders and 147 proxies attending the meeting or equal to 160 shareholders, holding the total share of 572.648.000 shares or 98.39 % of the total paid-up shares of the Company. This formed a quorum which complied with the enterprise Law and the Articles of Association of the Company.

The host introduced the meeting participants as follows:

1.	Mr. Sitha Phommachith	Director/CEO
2.	Mr. Nanthalath Thilakun	Director / Independent Director
3.	Mr. Phoukhong Ouanlamany	Director

Mr. Sithong Phommachith, Chairman and Mr. Khanthongvong Dalavong, Vice Chairman/ Independent Director cannot joined this meeting due to they are in a business trip. Therefore, the chairman has appointed Mr. Sitha Phommachith to act as chair the meeting on his behalf.

In the meeting, there're a representatives from Lao Securities Commission Office, Lao Securities Exchange, The Shareholders Inspection Committee and voting, The Monitor and Evaluate Committee, Deputy Directors and Internal Audit committee of the company.

The host informed the instructing of vote, Vote Counting and publicizing the result of vote to the shareholders.

Subsequently, The Chairman has officially opened the meeting and reported about the agenda content with the following details:

Agenda 01: Report of the result on resolution of previous Annual General Meeting of Shareholders

The Chairman reported to the meeting about the result on resolution of Annual General Meeting of Shareholders for the year 2017 details as follows:

- Agenda 1,3,4,6,7,8 were successfully implemented as per the Meeting approvals;
- Agenda 2: Annual General Meeting of Shareholders approved the business plan of 2018 which is incompletely figure as planned due to the previous project of PCD has delayed payment from the owner as contract. The Company has delayed to invest in order to manage the risk of investing, these issue took the company's plan incompletely as Annual General Meeting of Shareholders for the year 2017 approved.
- Agenda 5: Annual General Meeting of Shareholders approved the appointment of the external auditor for 2018 which is determined the fee of 118,000 USD within 3 years (2018-2020), averaging of 39,333 USD per year based on the initially contract. Regarding to the actual project, PCD has been operation with a lack figure as initially planned. Therefore, PCD has signed the contract year by year. In 2018, the fee of external audit is 32,390 USD.

This agenda is only informing to shareholders without voting required.

After that, The Chairman has reported and encouraged all of the shareholders to share their opinions and nobody.

Agenda 02: Considering and endorsing the Minutes of the Annual General Meeting of Shareholders for the year 2017

The Chairman reported the Minutes of the Annual General Meeting of Shareholders for the year 2017 held on 25th April 2018 to the meeting that the meeting has been reviewing all activities with the minute of the meeting correctly.

After that, The Chairman has reported and encouraged all of the shareholders to share their opinions and nobody.

The Chairman proposed that the meeting to consider and approve this agenda

Resolution: the meeting has thoroughly considered and the unanimous resolution as follow:

- Approved: 572.624.000 votes, equivalent to 100 % of the total votes that attended the meeting.

Agenda 03: Considering and endorsing the PCD's business performance report for the year 2018 and the audited financial statements for the year 2018

The Chairman reported to the meeting as followings:

I. The business Performance of the company for the year 2018 has detailed as follows:

1. Human Resource Management: PCD has been focusing on training skill of the staff and exchange their knowledge and experience sharing both domestic and international. PCD has been placing emphasis on the living quality of staffs by organizing survey and requirements on social insurance and wellbeing aspect so that staffs can rest assure that they and their families are being taken care off including annual health check.
2. Marketing: PCD is one of the top four finalists whose submitted bidding document for the Southern Highway Road project with an approximated project value of 4 billion US Dollars and we are apart from bidding for this highway road project. PCD is working on our real estate portfolio by aiming to build a 4-5 stars hotel in both Vientiane Capital and Luang Prabang Province. PCD is already being alert on bidding for ADB and WB in mega infrastructure development projects.
3. Tax: PCD has been paid of tax for the year 2018 with a total value of LAK 16.524.000.

II. The audited financial statements for the year 2018:

Description	2018	2017
Total assets (Million LAK)	669.615	946.844
Total liabilities (Million LAK)	150.755	142.090
Total shareholders' equity (Million LAK)	518.860	804.754
Total revenue (Million LAK)	0	45.384
Net profit (Million LAK)	(283.421)	6.725
Net profit attributable to equity holders (LAK/Share)	(486,98)	16,56

After that, The Chairman has reported and encouraged all of the shareholders to share their opinions and nobody.

The Chairman proposed that the meeting to consider and approve this agenda.

Resolution: the meeting has thoroughly considered and the unanimous resolution as follow:

- Approved: 572.624.000 votes, equivalent to 100 % of the total votes that attended the meeting.

Agenda 04: Considering that there's no dividend payments for the year 2018 due to the Company loss from the business operation

The Chairman reported to the meeting: Pursuant on enterprises law, No 46/NA, dated 26 December 2013 on the article 155 stipulated "Distribution of Dividend" a company shall not distribution of dividend when the company sustains accumulated loss from the previous year.

After that, The Chairman has reported and encouraged all of the shareholders to share their opinions with the following suggestions.

- Miss Narissara SORNJAIDEE, representatives from Mr. Kraiwal KADAVANICH, Thai shareholder ask the queries why PCD has organized the BOD meeting at the hotel, but organized the Annual General Meeting of Shareholders at the Lao Stock Exchange building, How did different between organizing at the hotel and Lao Stock Exchange building disbursements?

- The Chairman informed that why PCD has organized the BOD meeting at the hotel due to the 3rd of the Continental Plaza Hotel is the PCD's office and this hotel is ownership under the PCD group, it's a new hotel and PCD planned to be organize the Annual General Meeting of Shareholders for the year 2019 at this hotel, the disbursement is safer than Lao Stock Exchange Building.

  The Chairman proposed that the meeting to consider and approve this agenda.

Resolution: the meeting has thoroughly considered and the unanimous resolution as follow:

- Approved: 572.647.800 votes, equivalent to 99,99997% of the total votes that attended the meeting.
- Unapproved: 200 votes, equivalent to 0,00003% of the total votes that attended the meeting.

Agenda 05: Considering and endorsing the PCD's business plan for the year 2019

The Chairman reported to the meeting: PCD has signed the road improvement contract 3 years with the project owner (2019-2021) 4 projects. In 2019, PCD expected to run a business which will be increased PCD's total revenue approximately of 289.244 million LAK, Detail as follows:

No	Project Name	Project Value 2019 (Million LAK)	Project Value 2019-2021 (Million LAK)
1	Road Improvement Borkeo Province to Luangnamtha Province	90.985	275.713
2	Road Improvement Attapeu Province	109.160	330.787
3	Road Improvement Borkeo Province	38,.21	126.638
4	Road Improvement Luangphabang Province	51.078	154.782
Total		**289.244**	**887.920**

After that, The Chairman has reported and encouraged all of the shareholders to share their opinions and nobody.

The Chairman proposed that the meeting to consider and approve this agenda.

Resolution: the meeting has thoroughly considered and the unanimous resolution as follow:

- Approved: 572.648.000 votes, equivalent to 100 % of the total votes that attended the meeting.

Agenda 06: Considering and endorsing the appointment of the independent auditors for the year 2019

The Chairman reported to the meeting: Pursuant on enterprises law, No 46/NA, dated 26 December 2013 on the article 154 stipulated "Right and Duties of shareholders meeting to appoint the external auditor and determination of its fees" the BOD agreed to propose the annual general meeting of shareholders to consider for appointing the Price Water House Cooper (Lao) Co., Ltd. (PWC) to be the external auditor and the remuneration of the independent auditors for the year 2019 shall be not exceeding of USD 35.690. PWC had service to PCD from 2015 – 2018, PWC has shown satisfactory performance in terms of auditing which has experienced. The team were understanding well of their job, deeper detail in reviewing and its international trust and standard is well-known. The remuneration of the independent auditors as follows:

Year	The independent auditors	Remuneration (USD)
2016	Price Water House Cooper (Lao) Co., Ltd.	47.000
2017	Price Water House Cooper (Lao) Co., Ltd.	45.000
2018	Price Water House Cooper (Lao) Co., Ltd.	32.390
2019	Price Water House Cooper (Lao) Co., Ltd.	35.690

After that, The Chairman has reported and encouraged all of the shareholders to share their opinions with the following suggestions.

- Miss Narissara SORNJAIDEE, representatives from Mr. Kraiwal KADAVANICH, Thai shareholder ask the queries:

1. Regarding to the table, Why the auditing fee for the year 2019 is more expensive than year 2018 while the PCD can be safer in previously auditing fee
2. In Lao PDR, how long is taken servicing for one external auditor? As the same Thailand, over 5 years shall be changed

- The Chairman informed that:

1. The auditing fee is safer, but a monor figure increased as the year 2019, regarding to the contract with the external auditor, we are expected that there will be a huge of papers due to the PCD will update the accounting system to be IFRS and the fee must be based on actually papers occur, but not exceeding to the contract.
2. 5 years shall be changed to a new auditor

The Chairman proposed that the meeting to consider and approve this agenda.

Resolution: the meeting has thoroughly considered and the unanimous resolution as follow:

- Approved: 572.648.000 votes, equivalent to 100 % of the total votes that attended the meeting.

The Chairman informed to the Meeting that all agendas were completely considered and approved and proposed the Shareholders to provide additional comments and suggestions which is nobody comment.

The meeting has no a new agenda to approve, the Chairman has officially declared to close the meeting at 15:30 pm on the same day.

Chairman of the Meeting

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Minutes takers

Ketsana.

Note: The meeting minutes of Annual General Meeting of Shareholders for the year 2018 shall use the Lao language as the original