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No.....535-...../PCD

Vientiane Capital, Date: .....02 JUN 2020.....

Minutes
The Annual General Meeting of Shareholders for the year 2019

Phousy Construction and Development Public Company (PCD) hosted the Annual General Meeting of Shareholders for the year 2019 on 29 May 2020 at 14:20 pm, at the 12th floor of Continental Plaza Hotel, Nongbuathong-tai Village, Sikhottabong District, Vientiane Capital. The meeting was attended by 12 actual shareholders and 129 proxies attending the meeting or equal to 141 shareholders, holding the total share of 572.581.500 shares or 98.38 % of the total paid-up shares of the Company.

The host introduced the meeting participants as follows:

1.	Mr. Khanthongvong Dalavong	Vice Chairman/ Independent Director
2.	Mr. Sitha Phommachith	Director/CEO
3.	Mr. Phoukhong Ouanlamany	Director

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

In the meeting, there're a representatives from Lao Securities Commission Office, Lao Securities Exchange, Price Water House Cooper (Lao) Co., Ltd.

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

Subsequently, The Chairman of the meeting has officially opened the meeting and He has appointed Mr. Sitha Phommachith Director/CEO reported about the agenda content with the following details:

Agenda 1: Considering and endorsing the Minutes of the Annual General Meeting of Shareholders for the year 2018

The CEO reported the Minutes of the Minutes of the Annual General Meeting of Shareholders for the year 2018 held on 28th February 2020 that the meeting has been reviewing all activities with the minute of the meeting correctly.

 PCD, 3th floor, Continental Plaza Hotel, Nongbuathong-tai Village, Sikhottabong District, Vientiane Capital, Lao PDR. Tel/Fax: (856-21) 265 394, Email: info@phousy.com; Website: www.phousy.com

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

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

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

- Approved: 572.581.500 votes, equivalent to 100% of the total votes that attended the meeting.

Agenda 2: Considering and endorsing the PCD's business performance report for the year 2019 and the audited financial statements for the year 2019

The CEO reported to the meeting as followings:

I. **The business Performance for the year 2019 has detailed as follows:**

❖ **Marketing**

Currently, 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, It is currently in the process of surveying the corridors and designing a valuation plan to submit to the project owner and prepare to sign a construction contract in the next phase. We are also looking for international partners and partners to develop real estate projects by constructing a 4-5-star hotel in Vientiane, Luang Prabang, and a newly refurbished villa for 200,000 low-income individuals across the country.

❖ **Tax**

The State Tax in the Year 2019

Item	Details	Total value (kip)
1	Value Added Tax	596,549,478
2	Payroll Tax	42,943,000
3	Profit Tax	143,172,635
	Total	**782,665,113**

❖ **Human Resource Management**

31/12/2019 total number of staff as 177 staffs, PCD has been completes Social Security for all employees and wellbeing aspect so that staffs can rest assure that they and their families are being taken care off including annual health check, working hours and holidays in accordance to the Lao Labor Law.

❖ **The Operation Result compared to the year 2019 Plan**

No.	Project name	Compare to planned of 2019	
1	Road improvement Brokeo to Luangnamtha Province	0%	Not yet operation (the government has delayed for the proposed project to list on the budget plan of 2020-2021)
2	Road improvement Attapeu Province	0%	Not yet operation (On processing of the reporting to the government approve for a budgeting before construction)
3	Road improvement Brokeo Province	0%	Not yet operation (the provincial governor has separated into mini-portion for a new provincial budget)

4	Road improvement Luangphabang Province	0%	Not yet operation (On processing of budget approval from the government, this project will be listed on new budget of 2020-2021)

II. **The financial statements for the year 2019 has detailed as follows:**

Description	2019	2018
Total assets (Million LAK)	675.643	669.615
Total liabilities (Million LAK)	166.770	150.755
Total shareholders' equity (Million LAK)	508.873	518.860
Total revenue (Million LAK)	5.590	0
Net profit (Million LAK)	(9.986)	(283.421)
Net profit attributable to equity holders (LAK/Share)	(17,16)	(486,98)

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

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

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

- Approved: 572.581.500 votes, equivalent to 100% of the total votes that attended the meeting.

Agenda 3: Considering that there's no dividend payments for the year 2019

The CEO reported to the meeting: Pursuant to the 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. For the year 2019 the company loss LAK 9.986 million.

After the CEO has reported and encouraged all of the shareholders to share their opinions and nobody.

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

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

- Approved: 572.581.500 votes, equivalent to 100% of the total votes that attended the meeting.

Agenda 4: Considering and endorsing the PCD's business plan for the year 2020

The CEO reported to the meeting: In 2020, PCD has signed 3 new contacts of the road improvement and continues operating 2 old projects. PCD expected the budget investment LAK 31.479 million and the construction target LAK 56.898 million, Detail as follows:

Units: million LAK

No.	Project name	Budget Investment	Construction Target
1	Road improvement Brokeo to Luangnamtha Province	6.581	11.545
2	Road improvement Attapeu Province	8.104	14.472
3	Road improvement Luangphabang Province	3.694	6.482
4	Road wearing course improvement Luangphabang Province	3.400	8.234
5	Road construction Double Bituminous Surface Treatment Ban Ou to Ban Sibounhuang, Luangphabang District, Luangphabang Province	9.700	16.165
Total amount		**31.479**	**56.898**

After the CEO has reported and encouraged all of the shareholders to share their opinions and nobody.

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

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

- Approved: 572.581.500 votes, equivalent to 100% of the total votes that attended the meeting.

Agenda 5: Considering and endorsing the appointment of the independent auditors for the year 2020

The CEO reported to the meeting: Pursuant to the enterprises law, No 46/NA, dated 26 December 2013 on the article 154 stipulated "Right and Duties of shareholders meeting to appoint the independent auditor and determination of its fees" the BOD agreed to propose the annual general meeting of shareholders to consider for appointing PricewaterhouseCoopers (Laos) Ltd (PWC) to be the independent auditor for the year 2020 and the fees shall be not exceeding of USD 35.000. PWC is international trust and standard. The fees from the previous years as follows:

Year	The independent auditors	Remuneration (USD)
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 the CEO has reported and encouraged all of the shareholders to share their opinions and nobody.

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

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

- Approved: 572.581.500 votes, equivalent to 100% of the total votes that attended the meeting.

Agenda 6: Considering and endorsing the new Board of Directors from 2020-2022

The CEO reported to the meeting: Pursuant to the PCD's Articles of Association (AOA) and Agreement on Board of Directors, No. 10/LSC, Dated 26 April 2019. Members of BOD have the term of 2 years and the appointment of BOD's members must be approved by the Shareholders' Meeting. The current BOD has completed the term of office. PCD agreed the meeting of shareholders to approve the new BOD's members from 2020-2022 as named below:

1. Mr. Sithong phommachit — Chairman
2. Mr. Bounmy Manivong — Vice Chairman/ Independent Director
3. Mr. Nanthalath Thilakoun — Director / Independent Director
4. Mr. Sitha Phommachit — Director
5. Mr. Phoukhong Ouanlamany — Director

After the CEO 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: 572.581.500 votes, equivalent to 100% of the total votes that attended the meeting.

The Chairman of the meeting 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 of the meeting has officially declared to close the meeting at 15:30 pm on the same day.

Chairman of the Meeting | **Minutes takers**





Note: Minutes of the Annual General Meeting of Shareholders for the year 2019 shall use the Lao language as the original.