ບໍລິສັດ ລາວອາໂກຣເທັກ ມະຫາຊົນ
LAO AGROTECH PUBLIC COMPANY

Annual Report 2021

From the chief executive officer

To: shareholders of Lao Agrotech public company.

In 2021, As everyone already knows that the overall economy in Lao PDR and in the world. Who have been to greatly affected by the (Covid-19) outbreak that has a huge impact around the world. Our company is also one of the companies that has been greatly affected by the stop not going anywhere, so it has been made a shipping very difficult and slow after that which our productivity has been a greatly affected, As a result of this incident, we are unable to perform according to the 2021 plan.

In 2022, we are confident that all of our efforts will surely achieve our goals and the demand for palm-oil products in the Lao PDR has increased significantly.

1. Lao Agrotech Public Company.

Lao Agrotech Public Company ("Company") was established as a sole-proprietor limited Company on 29 July 2008, referring to Internal Investment License No 077/PIC.VTE. Originally fully owned by a Lao citizen, it had a registered capital of USD 100,000 and operated the businesses of providing integrated cultivation consultancy services, building farms and plantation and providing seedlings and crops.

Subsequently, on 4 May 2012, its registered capital stood at LAK 5,000,000,000. It was permitted to conduct integrated palm oil industry processing activities, e.g. construction of palm produce processing plants, bio-fertilizer production plants, vegetable oil filling plants, etc. Refer to Enterprise Registration Certificate No 0932/ERO.

On 28 August 2013, the company raised its registered capital to LAK 40,000,000,000 and was converted from a sole-proprietor Limited Company into a Limited Company. It was licensed to import-export and sell seeds, seedlings and produce of all descriptions, as well as Import-export and sell food products and drinks and import construction materials for construction of industrial and agricultural plants, vegetable oil filling machinery, machinery for extraction of sunflower oil and palm oil and other biodiesel-related machinery for use in chemical fertilizer production plants and materials for production of fertilizer. During a period of time, oil palm business started to be recognized and responded well to the people in the Company's Palm plantation project, which has palm plantation area more than 120 (one hundred and twenty thousand) ha in Eak Xang province, Phonhong district, Vientiane province.

On 12 November 2014, its share structure was changed it was 10% owned by Mr. Bounma Chanthavong (Lao), 5% owned by Mr. Oudom Keothavong (Lao) and 85% was owned by Mr. Zait Pattanamas(Thai). It introduced "2+3 project", which involved palm plantation activities in Xayabury province, and developed the second breeds that were suitable for cultivation in Laos.

On 17 May 2017 ("conversion Date"), it was converted into a Public Company under Lao laws. Refer to Enterprise Registration Certificate No 0424/ERO. Its principal office remained located in Wattainoithong village, Sikhottabong district, Vientiane Capital, Lao PDR. On the conversion Date, its registered capital stood at LAK 40,000,000,000. The Company was licensed by the Ministry of Industry and Commerce to import fuels and market biodiesel at the wholesale and retail levels, as well as import diesel oil for production of biodiesel only.

The Company operates a wide range of agro-processing businesses, focusing on oil crops that can be processed to produce food and fuel. Its main oil crop is oil palm. Its revenue-generating businesses that are connected with oil palm include.

- Production and supply of palm seeds and seedlings;
- Integrated management of oil palm;
- Production and supply of crude palm oil;
- Production and supply of biodiesel;
- Import of finished products for sale.

2. Vision

Palm oil industry leader in Lao PDR for sustainable energy and food production.

3. Mission

- Providing good quality palm oil to farmers or cultivators.
- Encourage people to have joint palm-oil planting in order to earn a stable income.
- Produce and supply biodiesel as green-energy or renewable energy and reach the standardized quality in order to supply it to consumers.
- Protect the interests of the stockholders on equity in order to receive the highest return.

4. Business Operation Result

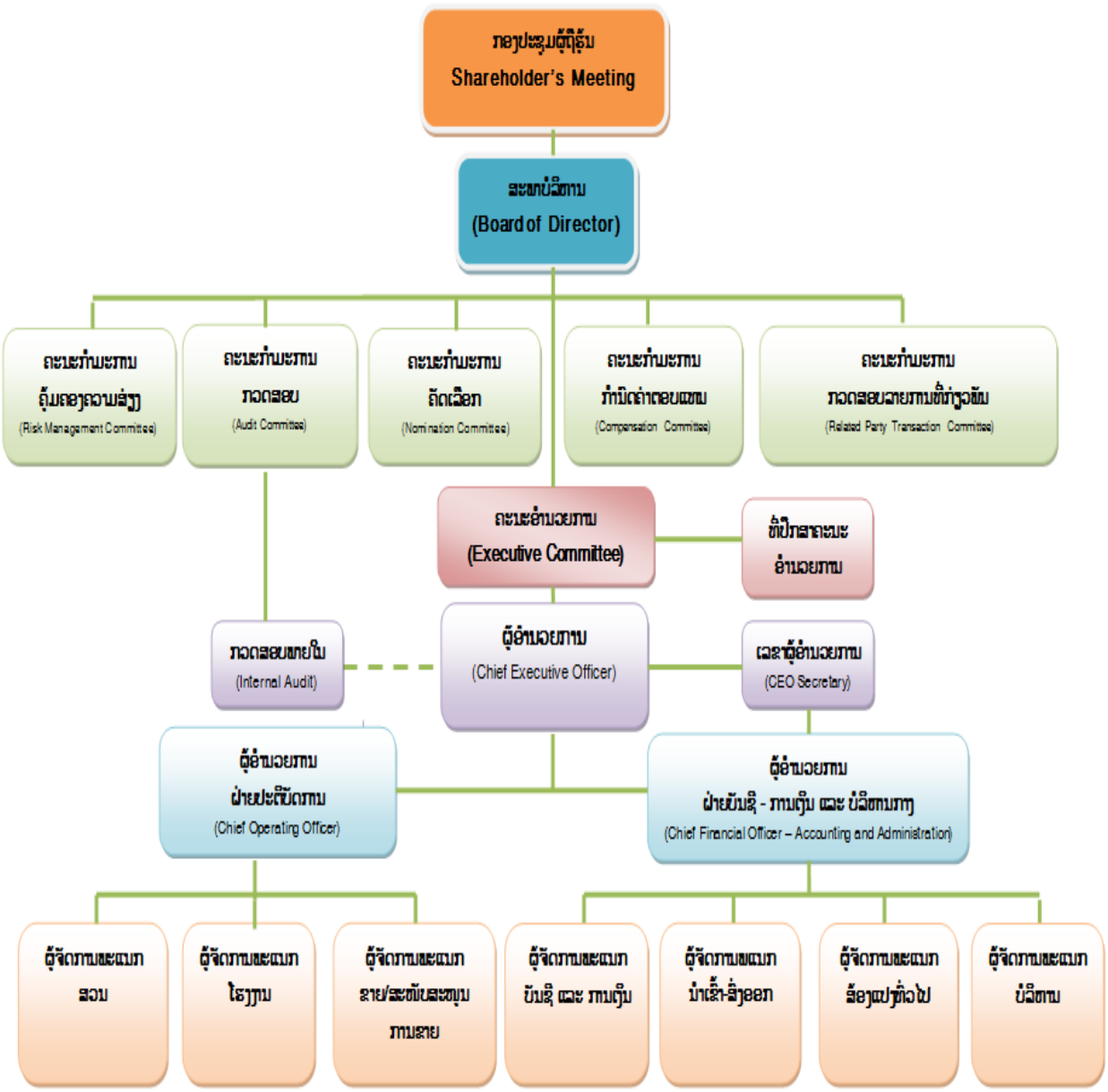
❖ Annual income

Product	Plan 2021		Product	Seles 2021	
	(Million LAK)	(%)		(Million LAK)	(%)
Biodiesel B5	30,000.00	56.60	Biodiesel B5	3,054.54	16.71
CPO	12,000.00	22.64	CPO	13,159.28	72
Cooking Oil	5,000.00	9.43	Cooking Oil	2.84	0.02
Palm seedling	1,500.00	2.83	Palm seedling	87.88	0.48
Fertilizer	1,000.00	1.89	Fertilizer	414.87	2.27
Mono sodium Glutamate	2,000.00	3.77	Mono sodium Glutamate	724.24	3.96
Palm cake	1,500.00	2.83	Other income (Palm cake)	834.21	4.56
Total	**53,000.00**	**100.00**	**Total**	**18,277.89**	**100.00**

1. **Revenue:** The Revenue of the Company in 2021 is 1 8, 277.89 million LAK and when comparing to the Business Plan, We can be practiced 34,48%. Most revenues received from CPO Distribution which covers 72,00 % of the total revenue.
2. **Profit-Loss:** The business operation result of the company for the year 2021 was a net lost of 2,849.21 million LAK.
3. **Asset:** On 31 December 2020, the total asset of the company is 64,190.19 million LAK and in 2021 equal to 2021 5 9 ,235.63 million LAK which decreased from 2020 at the rate of 7.72 percent.
4. **Liability:** In 2021, the liability of the company is 5,131.67 million LAK and it was decreased 29.09 % from 2020, which the amount of the liability equaled to 7,237.01 million LAK by loaning for company business operation.

5. Organization

The organization chart of Lao Agrotech Public Company.



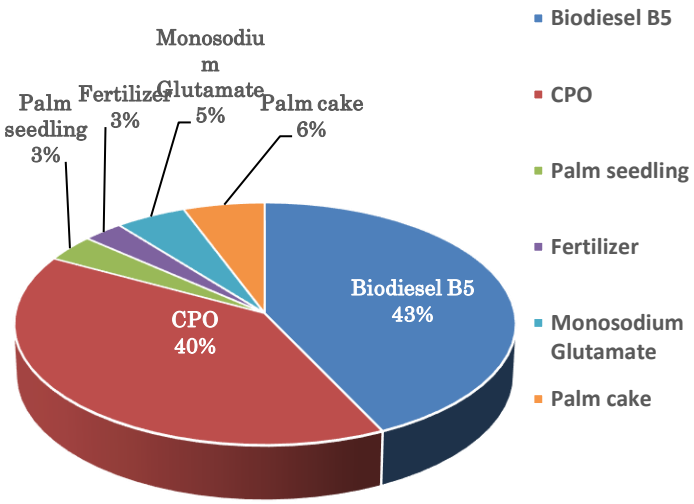
- The board of directors consists of 6 directors (herein are 2 independent directors)
- LAT consists of 45 staffs, of whom 13 are females
  - Head office 6 staff
  - Nongkhunkhu 26 staff
  - Keooudom 9 staff
  - Sanakharm 2 staff
  - Salavanh 2 staff

Board of Directors

Rank	Picture	Board of Directors	Position
1		Mr. Apisut Rujikeatkamjorn	Chairman
2		Ms. Khampheng Phathadavong	Deputy Chairman (Independent Member)
3		Mr. Zait Pattanamas	Member
4		Mr. Oudom Keothavong	Member / Chief Executive Office
5		Ms. Douangsamay Laofoung	Member (Independent Member)
6		Mr. Phongtarn Picjumnong	Member

6. The Business plan of the company for the year 2022.

Product	Plan 2022	
	Million LAK	(%)
Biodiesel B5	15,000.00	42.86
CPO	14,000.00	40.00
Palm seedling	1,250.00	3.57
Fertilizer	1,000.00	2.86
Monosodium Glutamate	1,750.00	5.00
Palm cake	2,000.00	5.71
Total	**35,000.00**	**100.00**



- They will satisfy crude palm-oil enough to satisfy the demands to the customers.
- We want to the fertilizer and provide palm-oil fertilizer thoroughly to famer.
- Our company will continue to promote palm-oil planting together with people in a 2 + 3 format.
- We will find a way to import consumer goods and consumer products for sale.
- We will continue to purchase and coordinate with government agencies to head the Biodiesel price structure and Biodiesel standard.
- We will Continue to create documents for state land process concessions amount 4,040 hectares.